



Leasehold Reform (Ground Rent) Act 2022

2022 CHAPTER 1

Application of Act

1 Regulated leases

- (1) In this Act a “regulated lease” means a lease which meets the following conditions—
 - (a) it is a long lease of a single dwelling,
 - (b) it is granted for a premium,
 - (c) it is granted on or after the relevant commencement day, otherwise than in pursuance of a contract made before that day, and
 - (d) when it is granted, it is not an excepted lease,(but see [subsection \(5\)](#)).
- (2) The “relevant commencement day”, in relation to a lease, is the day on which this Act comes fully into force in relation to leases of that kind (see section 25).
- (3) For the purposes of [subsection \(1\)\(c\)](#) “contract” does not include an option or right of first refusal.
- (4) In this Act references to the grant of a lease include the case where, by virtue of any variation of a lease, there is a deemed surrender and regrant.
- (5) Where there is a deemed surrender and regrant by virtue of the variation of a lease which is—
 - (a) a regulated lease, or
 - (b) a lease granted before the relevant commencement day,[subsection \(1\)](#) applies as if [paragraph \(b\)](#) were omitted.

2 Excepted leases

Business leases

- (1) A lease is an excepted lease if—
- (a) the terms of the lease expressly permit premises demised by the lease to be used for purposes which are business purposes (and do not require any further consent from the landlord for such use),
 - (b) the nature of the business purposes permitted by the lease is such that the use of premises demised by the lease as a dwelling significantly contributes to the business purposes, and
 - (c) at or before the time the lease is granted, the landlord and tenant (or prospective landlord and tenant) each give the other a written notice to the effect that they intend premises demised (or to be demised) by the lease to be used, and to continue to be used, for the purposes mentioned in paragraph (a).
- (2) The Secretary of State may by regulations make further provision about the form and content of notices under [subsection \(1\)\(c\)](#).
- (3) “Business” includes a trade, profession or employment, but does not include a home business within the meaning of Part 2 of the Landlord and Tenant Act 1954 (see section 43ZA of that Act).

Statutory lease extensions

- (4) A lease is an excepted lease if it is granted under Part 1 of the Leasehold Reform Act 1967 (tenant of leasehold house entitled to extended lease).
- (5) A lease is an excepted lease if it is granted under Chapter 2 of Part 1 of the Leasehold Reform, Housing and Urban Development Act 1993 (tenant of flat entitled to extended lease).

Community housing leases

- (6) A lease is an excepted lease if—
- (a) it is a community housing lease, and
 - (b) it meets any further conditions specified in regulations made by the relevant authority.
- (7) A lease is a community housing lease if—
- (a) the landlord under the lease is a community land trust within the meaning of section 79 of the Housing and Regeneration Act 2008, or
 - (b) it is a lease of a dwelling in a building within paragraph 2B of Schedule 14 to the Housing Act 2004 (buildings controlled or managed by co-operative societies), disregarding sub-paragraph (3)(b) of that paragraph.

Home finance plan leases

- (8) A lease is an excepted lease if—
- (a) it is a home finance plan lease, and
 - (b) it meets any further conditions specified in regulations made by the Secretary of State.
- (9) A lease is a home finance plan lease if—
- (a) it is granted pursuant to an arrangement which is a regulated home reversion plan for the purposes of Chapter 15A of Part 2 of the Financial

Services and Markets Act 2000 (Regulated Activities) Order 2001 ([S.I. 2001/544](#)), or

- (b) it is granted by a finance provider to a home buyer pursuant to a rent to buy arrangement.
- (10) A “rent to buy arrangement” is an arrangement in relation to which the following conditions are met—
- (a) a person (the “finance provider”) buys a qualifying interest, or an undivided share of a qualifying interest, in land, and
 - (b) the arrangement provides for the obligation of another person (the “home buyer”) to buy the interest bought by the finance provider over the course of, or at the end of, a specified period.
- (11) A “qualifying interest in land” means an estate in fee simple absolute or a term of years absolute, whether subsisting at law or in equity.