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*Status: Point in time view as at 17/12/2009.*

*Changes to legislation: There are currently no known outstanding effects for the Leasehold Reform Act 1967, Paragraph 2. (See end of Document for details)*

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## SCHEDULES

### SCHEDULE 4

#### SPECIAL COVENANTS WITH LOCAL AUTHORITIES ETC. ON ENFRANCHISEMENT OR EXTENSION

##### PART I

###### OPERATION AND ENFORCEMENT OF COVENANTS

- 2 (1) Where it appears to a local authority that a relevant covenant entered into on a disposition by that authority has been broken, the authority may serve written notice under this paragraph on any one or more of the following persons, that is to say—
- (a) any person for the time being entitled to the interest disposed of either in the whole or in part of the land comprised in the disposition (in this paragraph referred to as “the land under covenant”); and
  - (b) any person entitled to an interest consisting of a tenancy (whether of the whole or of part of the land under covenant) which has been created (directly or indirectly) out of the interest disposed of.
- (2) A notice served on any person under sub-paragraph (1) above shall—
- (a) specify the covenant and the matters in respect of which it is alleged by the authority that the covenant has been broken; and
  - (b) state that, after the end of such period (not being less than six weeks from the date of service of the notice) as may be specified in the notice, the authority propose to execute a vesting declaration under paragraph 3 below in respect of that person’s interest in the land under covenant unless before the end of that period he serves on the authority a counter-notice under sub-paragraph (3) below.
- (3) Any person on whom a notice is served under sub-paragraph (1) above may, before the end of the period specified in the notice in accordance with sub-paragraph (2)
- (b) serve on the authority a counter-notice in writing objecting to the notice on such one or more of the following grounds as may be specified in the counter-notice, that is to say—
- (a) that the relevant covenant specified in the notice under sub-paragraph (1) above has not been broken as alleged in the notice;
  - (b) that, if that covenant has been so broken, the breach does not relate to any part of the land under covenant in which the person serving the counter-notice has an interest;
  - (c) that in the circumstances he ought to be relieved against the execution of a vesting declaration under paragraph 3 below in respect of his interest.
- (4) Where a person has served a counter-notice under sub-paragraph (3) above and that counter-notice has not been withdrawn, the authority shall not execute a vesting

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declaration under paragraph 3 below in respect of his interest except with the leave of the court; and on any application for such leave—

- (a) where the grounds of objection specified in the counter-notice consist of or include that which is specified in sub-paragraph (3)(a) or (b) above, the court shall not grant leave unless satisfied that the objection on that ground is not well-founded; and
- (b) without prejudice to paragraph (a) above, where the grounds of objection specified in the counter-notice consist of or include that which is specified in sub-paragraph (3)(c) above, the court, if having regard to the conduct of the parties and to all the other circumstances it appears to the court to be just and equitable to do so, may refuse to grant leave, either unconditionally or on such terms (as to costs, damages or otherwise) as the court think fit.

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