

Housing Act 1996

# **1996 CHAPTER 52**

# PART III

LANDLORD AND TENANT

# CHAPTER I

# TENANTS' RIGHTS

# Forfeiture

# 81 Restriction on termination of tenancy for failure to pay service charge.

- (1) A landlord may not, in relation to premises let as a dwelling, exercise a right of reentry or forfeiture for failure to pay a service charge unless the amount of the service charge—
  - (a) is agreed or admitted by the tenant, or
  - (b) has been the subject of determination by a court or by an arbitral tribunal in proceedings pursuant to an arbitration agreement (within the meaning of Part I of the <sup>MI</sup>Arbitration Act 1996).
- (2) Where the amount is the subject of determination, the landlord may not exercise any such right of re-entry or forfeiture until after the end of the period of 14 days beginning with the day after that on which the decision of the court or arbitral tribunal is given.
- (3) For the purposes of this section the amount of a service charge shall be taken to be determined when the decision of the court or arbitral tribunal is given, notwithstanding the possibility of an appeal or other legal challenge to the decision.
- (4) The reference in subsection (1) to premises let as a dwelling does not include premises let on—
  - (a) a tenancy to which Part II of the <sup>M2</sup>Landlord and Tenant Act 1954 applies (business tenancies),

- (b) a tenancy of an agricultural holding within the meaning of the <sup>M3</sup>Agricultural Holdings Act 1986 in relation to which that Act applies, or
- (c) a farm business tenancy within the meaning of the <sup>M4</sup>Agricultural Tenancies Act 1995.
- (5) In this section "service charge" means a service charge within the meaning of section 18(1) of the <sup>M5</sup>Landlord and Tenant Act 1985, other than one excluded from that section by section 27 of that Act (rent of dwelling registered and not entered as variable).
- (6) Nothing in this section affects the exercise of a right of re-entry or forfeiture on other grounds.

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      Modifications etc. (not altering text)

      C1
      S. 81 extended to Crown land (prosp.) by 2002 c. 15, ss. 172(f), 181(1)

      Marginal Citations

      M1
      1996 c. 23.

      M2
      1954 c. 56.

      M3
      1986 c. 5.

      M4
      1995 c. 8.

      M5
      1985 c. 70.
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# 82 Notice under s.146 of the Law of Property Act 1925.

- Nothing in section 81 (restriction on termination of tenancy for failure to pay service charge) affects the power of a landlord to serve a notice under section 146(1) of the <sup>M6</sup>Law of Property Act 1925 (restrictions on and relief against forfeiture: notice of breach of covenant or condition).
- (2) But such a notice in respect of premises let as a dwelling and failure to pay a service charge is ineffective unless it complies with the following requirements.
- (3) It must state that section 81 applies and set out the effect of subsection (1) of that section.

The Secretary of State may by regulations prescribe a form of words to be used for that purpose.

- (4) The information or words required must be in characters not less conspicuous than those used in the notice—
  - (a) to indicate that the tenancy may be forfeited, or
  - (b) to specify the breach complained of,

whichever is the more conspicuous.

- (5) In this section "premises let as a dwelling" and "service charge" have the same meaning as in section 81.
- (6) Regulations under this section—
  - (a) shall be made by statutory instrument, and
  - (b) may make different provision for different cases or classes of case including different areas.

Marginal Citations M6 1925 c. 20.

Service charges

#### 83 Determination of reasonableness of service charges.

- (1) In section 19 of the <sup>M7</sup>Landlord and Tenant Act 1985 (limitation of service charges: reasonableness), after subsection (2) insert—
  - "(2A) A tenant by whom, or a landlord to whom, a service charge is alleged to be payable may apply to a leasehold valuation tribunal for a determination—
    - (a) whether costs incurred for services, repairs, maintenance, insurance or management were reasonably incurred,
    - (b) whether services or works for which costs were incurred are of a reasonable standard, or
    - (c) whether an amount payable before costs are incurred is reasonable.
  - (2B) An application may also be made to a leasehold valuation tribunal by a tenant by whom, or landlord to whom, a service charge may be payable for a determination—
    - (a) whether if costs were incurred for services, repairs, maintenance, insurance or management of any specified description they would be reasonable,
    - (b) whether services provided or works carried out to a particular specification would be of a reasonable standard, or
    - (c) what amount payable before costs are incurred would be reasonable.
  - (2C) No application under subsection (2A) or (2B) may be made in respect of a matter which—
    - (a) has been agreed or admitted by the tenant,
    - (b) under an arbitration agreement to which the tenant is a party is to be referred to arbitration, or
    - (c) has been the subject of determination by a court or arbitral tribunal.".
- (2) In the Schedule to the Landlord and Tenant Act 1985, for paragraph 8 (right to challenge landlord's choice of insurers) substitute—
  - "8 (1) This paragraph applies where a tenancy of a dwelling requires the tenant to insure the dwelling with an insurer nominated by the landlord.
    - (2) The tenant or landlord may apply to a county court or leasehold valuation tribunal for a determination whether—
      - (a) the insurance which is available from the nominated insurer for insuring the tenant's dwelling is unsatisfactory in any respect, or
      - (b) the premiums payable in respect of any such insurance are excessive.
    - (3) No such application may be made in respect of a matter which—

- (a) has been agreed or admitted by the tenant,
- (b) under an arbitration agreement to which the tenant is a party is to be referred to arbitration, or
- (c) has been the subject of determination by a court or arbitral tribunal.
- (4) On an application under this paragraph the court or tribunal may make—
  - (a) an order requiring the landlord to nominate such other insurer as is specified in the order, or
  - (b) an order requiring him to nominate another insurer who satisfies such requirements in relation to the insurance of the dwelling as are specified in the order.
- (5) Any such order of a leasehold valuation tribunal may, with the leave of the court, be enforced in the same way as an order of a county court to the same effect.
- (6) An agreement by the tenant of a dwelling (other than an arbitration agreement) is void in so far as it purports to provide for a determination in a particular manner, or on particular evidence, of any question which may be the subject of an application under this paragraph.".
- (3) In the <sup>M8</sup>Landlord and Tenant Act 1985 before section 32 under the heading "Supplementary provisions" insert—

# "31A Jurisdiction of leasehold valuation tribunal.

- (1) The jurisdiction conferred by this Act on a leasehold valuation tribunal is exercisable by a rent assessment committee constituted in accordance with Schedule 10 to the <sup>M9</sup>Rent Act 1977 which when so constituted for the purposes of exercising any such jurisdiction shall be known as a leasehold valuation tribunal.
- (2) The power to make regulations under section 74(1)(b) of the Rent Act 1977 (procedure of rent assessment committees) extends to prescribing the procedure to be followed in connection with any proceedings before a leasehold valuation tribunal under this Act.
- (3) Such regulations may, in particular, make provision-
  - (a) for securing consistency where numerous applications under this Act are or may be brought in respect of the same or substantially the same matters; and
  - (b) empowering a leasehold valuation tribunal to dismiss an application, in whole or in part, on the ground that it is frivolous or vexatious or otherwise an abuse of the process of the tribunal.
- (4) No costs incurred by a party in connection with proceedings under this Act before a leasehold valuation tribunal shall be recoverable by order of any court.
- (5) Paragraphs 2, 3 and 7 of Schedule 22 to the <sup>M10</sup>Housing Act 1980 (supplementary provisions relating to leasehold valuation tribunals: appeals and provision of information) apply to a leasehold valuation tribunal constituted for the purposes of this section.

- (6) No appeal shall lie to the Lands Tribunal from a decision of a leasehold valuation tribunal under this Act without the leave of the leasehold valuation tribunal concerned or the Lands Tribunal.
- (7) On any such appeal—
  - (a) the Lands Tribunal may exercise any power available to the leasehold valuation tribunal in relation to the original matter, and
  - (b) an order of the Lands Tribunal may be enforced in the same way as an order of the leasehold valuation tribunal.

#### 31B Leasehold valuation tribunal: applications and fees.

- (1) The Secretary of State may make provision by order as to the form of, or the particulars to be contained in, an application made to a leasehold valuation tribunal under this Act.
- (2) The Secretary of State may make provision by order-
  - (a) requiring the payment of fees in respect of any such application, or in respect of any proceedings before, a leasehold valuation tribunal under this Act; and
  - (b) empowering a leasehold valuation tribunal to require a party to proceedings before it to reimburse any other party the whole or part of any fees paid by him.
- (3) The fees payable shall be such as may be specified in or determined in accordance with the order subject to this limit, that the fees payable in respect of any one application or reference by the court together with any proceedings before the tribunal arising out of that application or reference shall not exceed £500 or such other amount as may be specified by order of the Secretary of State.
- (4) An order under this section may make different provision for different cases or classes of case or for different areas.
- (5) An order may in particular—
  - (a) make different provision in relation to proceedings transferred to the tribunal from that applicable where an application was made to the tribunal, and
  - (b) provide for the reduction or waiver of fees by reference to the financial resources of the party by whom they are to be paid or met.
- (6) In the latter case the order may apply, subject to such modifications as may be specified in the order, any other statutory means-testing regime as it has effect from time to time.
- (7) An order under this section shall be made by statutory instrument.
- (8) No order altering the limit under subsection (3) shall be made unless a draft of the order has been laid before and approved by a resolution of each House of Parliament.
- (9) Any other order under this section, unless it contains only such provision as is mentioned in subsection (1), shall be subject to annulment in pursuance of a resolution of either House of Parliament.

# 31C Transfer of cases from county court.

- (1) Where in any proceedings before a court there falls for determination a question falling within the jurisdiction of a leasehold valuation tribunal under this Act, the court—
  - (a) may by order transfer to such a tribunal so much of the proceedings as relate to the determination of that question, and
  - (b) may then dispose of all or any remaining proceedings, or adjourn the disposal of all or any of such proceedings, pending the determination of that question by the tribunal, as it thinks fit.
- (2) When the tribunal has determined the question, the court may give effect to the determination in an order of the court.
- (3) Any such order shall be treated as a determination by the court for the purposes of section 81 of the Housing Act 1996 (restriction on termination of tenancy for failure to pay service charge).
- (4) Rules of court may prescribe the procedure to be followed in the court in connection with or in consequence of a transfer under this section."
- (4) For section 20C of the <sup>M11</sup>Landlord and Tenant Act 1985 (limitation of service charges: costs of court proceedings) substitute—

# "20C Limitation of service charges: costs of proceedings.

- (1) A tenant may make an application for an order that all or any of the costs incurred, or to be incurred, by the landlord in connection with proceedings before a court or leasehold valuation tribunal, or the Lands Tribunal, or in connection with arbitration proceedings, are not to be regarded as relevant costs to be taken into account in determining the amount of any service charge payable by the tenant or any other person or persons specified in the application.
- (2) The application shall be made—
  - (a) in the case of court proceedings, to the court before which the proceedings are taking place or, if the application is made after the proceedings are concluded, to a county court;
  - (b) in the case of proceedings before a leasehold valuation tribunal, to the tribunal before which the proceedings are taking place or, if the application is made after the proceedings are concluded, to any leasehold valuation tribunal;
  - (c) in the case of proceedings before the Lands Tribunal, to the tribunal;
  - (d) in the case of arbitration proceedings, to the arbitral tribunal or, if the application is made after the proceedings are concluded, to a county court.
- (3) The court or tribunal to which the application is made may make such order on the application as it considers just and equitable in the circumstances.".
- (5) In section 38 of the <sup>M12</sup>Landlord and Tenant Act 1985 (minor definitions), at the appropriate place insert—

""arbitration agreement", "arbitration proceedings" and "arbitral tribunal" have the same meaning as in Part I of the <sup>M13</sup>Arbitration Act 1996;".

(6) In section 39 of that Act (index of defined expressions), at the appropriate place insert—

"arbitration agreement, arbitration proceedings and arbitral tribunal section 38"

#### **Commencement Information**

I1 S. 83 wholly in force 11.8.1998; s. 83 not in force at Royal Assent see s. 232(1)-(3); s. 83(3) in force for certain purposes at 23.8.1996 by S.I. 1996/2212, art. 2(1); s. 83 in force at 1.9.1997 to the extent not already in force by S.I. 1997/1851, art. 2 (subject to the saving in Sch. para. 1); s. 83 in force at 11.8.1998 to the extent that it does not, because of Sch. para. 1, already have effect by S.I. 1998/1768, art. 2 (subject to art. 3).

#### **Marginal Citations**

**M7** 1985 c. 70.

- **M8** 1985 c. 70.
- **M9** 1977 c. 42.
- **M10** 1980 c. 51.
- M11 1985 c. 70. M12 1985 c. 70.
- M12 1985 c. 70. M13 1996 c. 23.

# 84 Right to appoint surveyor to advise on matters relating to service charges.

(1) A recognised tenants' association may appoint a surveyor for the purposes of this section to advise on any matters relating to, or which may give rise to, service charges payable to a landlord by one or more members of the association.

The provisions of Schedule 4 have effect for conferring on a surveyor so appointed rights of access to documents and premises.

(2) A person shall not be so appointed unless he is a qualified surveyor.

For this purpose "qualified surveyor" has the same meaning as in section 78(4)(a) of the <sup>MI4</sup>Leasehold Reform, Housing and Urban Development Act 1993 (persons qualified for appointment to carry out management audit).

- (3) The appointment shall take effect for the purposes of this section upon notice in writing being given to the landlord by the association stating the name and address of the surveyor, the duration of his appointment and the matters in respect of which he is appointed.
- (4) An appointment shall cease to have effect for the purposes of this section if the association gives notice in writing to the landlord to that effect or if the association ceases to exist.
- (5) A notice is duly given under this section to a landlord of any tenants if it is given to a person who receives on behalf of the landlord the rent payable by those tenants; and

a person to whom such a notice is so given shall forward it as soon as may be to the landlord.

(6) In this section—

"recognised tenants' association" has the same meaning as in the provisions of the <sup>M15</sup>Landlord and Tenant Act 1985 relating to service charges (see section 29 of that Act); and

"service charge" means a service charge within the meaning of section 18(1) of that Act, other than one excluded from that section by section 27 of that Act (rent of dwelling registered and not entered as variable).

## Modifications etc. (not altering text)

- C2 S. 84 extended to Crown land (*prosp.*) by 2002 c. 15, ss. 172(1)(g), 181(1)
- S. 84 modified (prosp.) by 2002 c. 15, ss. 102(1), 181(1), Sch. 7 para. 15(1)
- C3 S. 84(5) applied (with modifications) (*prosp.*) by 2002 c. 15, ss. 102(1), 181(1), Sch. 7 para. 15(2)

# Marginal Citations

**M14** 1993 c. 28.

**M15** 1985 c. 70.

Appointment of manager

# 85 Appointment of manager by the court.

- (1) Section 24 of the <sup>M16</sup>Landlord and Tenant Act 1987 (appointment of manager by the court) is amended as follows.
- (2) In subsection (2) (circumstances in which order may be made), in paragraph (a) (breach of obligation by landlord), omit sub-paragraph (ii) (requirement that circumstances likely to continue).
- (3) In that subsection, after paragraph (a), and before the word "or" following that paragraph, insert—

"(ab) where the court is satisfied—

- (i) that unreasonable service charges have been made, or are proposed or likely to be made, and
- (ii) that it is just and convenient to make the order in all the circumstances of the case;
- (ac) where the court is satisfied—
  - (i) that the landlord has failed to comply with any relevant provision of a code of practice approved by the Secretary of State under section 87 of the <sup>M17</sup>Leasehold Reform, Housing and Urban Development Act 1993 (codes of management practice), and
  - (ii) that it is just and convenient to make the order in all the circumstances of the case;".
- (4) After that subsection insert—
  - "(2A) For the purposes of subsection (2)(ab) a service charge shall be taken to be unreasonable—

- (a) if the amount is unreasonable having regard to the items for which it is payable,
- (b) if the items for which it is payable are of an unnecessarily high standard, or
- (c) if the items for which it is payable are of an insufficient standard with the result that additional service charges are or may be incurred.

In that provision and this subsection "service charge" means a service charge within the meaning of section 18(1) of the <sup>M18</sup>Landlord and Tenant Act 1985, other than one excluded from that section by section 27 of that Act (rent of dwelling registered and not entered as variable).".

(5) The above amendments apply to applications for an order under section 24 of the <sup>M19</sup>Landlord and Tenant Act 1987 which are made after this section comes into force.

In relation to any such application the reference in the inserted subsection (2)(ab) to service charges which have been made includes services charges made before that date.

- (6) After subsection (9) insert—
  - "(9A) The court shall not vary or discharge an order under subsection (9) on a landlord's application unless it is satisfied—
    - (a) that the variation or discharge of the order will not result in a recurrence of the circumstances which led to the order being made, and
    - (b) that it is just and convenient in all the circumstances of the case to vary or discharge the order.".

# Marginal Citations M16 1987 c. 31.

M17 1993 c. 28.

M19 1987 c. 31.

# 86 Appointment of manager: transfer of jurisdiction to leasehold valuation tribunal.

- (1) Part II of the Landlord and Tenant Act 1987 (appointment of managers by the court) is amended as follows for the purpose of transferring to a leasehold valuation tribunal the jurisdiction of the court under that Part.
- (2) In the following contexts for "the court", in the first (or only) place where it occurs, substitute " a leasehold valuation tribunal ": section 21(1), section 22(2)(b), section 22(3), section 23(1), section 24(1), (2), (9) and (10); and in every other context in those sections, except section 21(6), for "the court" substitute " the tribunal ".
- (3) In section 21(6) (exclusion of application under inherent jurisdiction of court) for "any jurisdiction existing apart from this Act" substitute " any jurisdiction ".
- (4) In section 23(2)—
  - (a) for "Rules of court" substitute " Procedure regulations ", and

M18 1985 c. 70.

(b) in paragraph (a), for "rules" substitute " regulations ".

(5) After section 24 insert—

## "24A Jurisdiction of leasehold valuation tribunal.

- (1) The jurisdiction conferred by this Part on a leasehold valuation tribunal is exercisable by a rent assessment committee constituted in accordance with Schedule 10 to the <sup>M20</sup>Rent Act 1977 which when so constituted for the purposes of exercising any such jurisdiction shall be known as a leasehold valuation tribunal.
- (2) The power to make regulations under section 74(1)(b) of the Rent Act 1977 (procedure of rent assessment committees) extends to prescribing the procedure to be followed in connection with any proceedings before a leasehold valuation tribunal under this Part.

Such regulations are referred to in this Part as "procedure regulations".

- (3) Procedure regulations may, in particular, make provision-
  - (a) for securing consistency where numerous applications under this Part are or may be brought in respect of the same or substantially the same matters; and
  - (b) empowering a leasehold valuation tribunal to dismiss an application, in whole or in part, on the ground that it is frivolous or vexatious or otherwise an abuse of the process of the tribunal.
- (4) Any order made by a leasehold valuation tribunal under this Part may, with the leave of the court, be enforced in the same way as an order of the county court.
- (5) No costs incurred by a party in connection with proceedings under this Part before a leasehold valuation tribunal shall be recoverable by order of any court.
- (6) Paragraphs 2, 3 and 7 of Schedule 22 to the <sup>M21</sup>Housing Act 1980 (supplementary provisions relating to leasehold valuation tribunals: appeals and provision of information) apply to a leasehold valuation tribunal constituted for the purposes of this section.
- (7) No appeal shall lie to the Lands Tribunal from a decision of a leasehold valuation tribunal under this Part without the leave of the leasehold valuation tribunal concerned or the Lands Tribunal.
- (8) On an appeal to the Lands Tribunal from a decision of a leasehold valuation tribunal under this Part—
  - (a) the Lands Tribunal may exercise any power available to the leasehold valuation tribunal in relation to the original matter, and
  - (b) an order of the Lands Tribunal may be enforced in the same way as an order of the leasehold valuation tribunal.

# 24B Leasehold valuation tribunal: applications and fees.

(1) The Secretary of State may make provision by order as to the form of, or the particulars to be contained in, an application made to a leasehold valuation tribunal under this Part.

(2) The Secretary of State may make provision by order—

- (a) requiring the payment of fees in respect of any such application, or in respect of any proceedings before, a leasehold valuation tribunal under this Part; and
- (b) empowering a leasehold valuation tribunal to require a party to proceedings before it to reimburse any other party the whole or part of any fees paid by him.
- (3) The fees payable shall be such as may be specified in or determined in accordance with the order subject to this limit, that the fees payable in respect of any one application or reference by the court together with any proceedings before the tribunal arising out of that application or reference shall not exceed £500 or such other amount as may be specified by order of the Secretary of State.
- (4) An order under this section may make different provision for different cases or classes of case or for different areas.
- (5) An order may, in particular, provide for the reduction or waiver of fees by reference to the financial resources of the party by whom they are to be paid or met.

Any such order may apply, subject to such modifications as may be specified in the order, any other statutory means-testing regime as it has effect from time to time.

- (6) An order under this section shall be made by statutory instrument.
- (7) No order altering the limit under subsection (3) shall be made unless a draft of the order has been laid before and approved by a resolution of each House of Parliament.
- (8) Any other order under this section, unless it contains only such provision as is mentioned in subsection (1), shall be subject to annulment in pursuance of a resolution of either House of Parliament.".
- (6) In section 52 of the <sup>M22</sup>Landlord and Tenant Act 1987 (jurisdiction of county courts), in subsection (2)(a) for "Parts I to IV" substitute " Parts I, III and IV ".

## **Commencement Information**

I2 S. 86 wholly in force 1.9.1997: s. 86 not in force at Royal Assent see s. 232(1)-(3); s. 86(4)(5) in force for certain purposes at 23.8.1996 by S.I. 1996/2212, art. 2(1) and s. 86 in force at 1.9.1997 to the extent not already in force by S.I. 1997/1851, art. 2 (subject to the saving in Sch. para. 2)

## **Marginal Citations**

- M20 1977 c. 42. M21 1980 c. 51.
- **M22** 1987 c. 31.

## PROSPECTIVE

# 87 Text of Part II of the Landlord and Tenant Act 1987, as amended.

The text of Part II of the Landlord and Tenant Act 1987 as amended by this Act is set out in Schedule 5.

## 88 Period after which acquisition order may be made.

In Part III of the Landlord and Tenant Act 1987 (compulsory acquisition by tenants of their landlord's interest), in section 29(3) (conditions for making acquisition orders: period since appointment of manager under Part II) for "three years" substitute "two years".

Modifications etc. (not altering text)C4S. 88 restricted (22.8.1996) by S.I. 1996/2212, art. 2(2), Sch. para. 1

# Right of first refusal

## 89 Application of right of first refusal in relation to contracts.

(1) After section 4 of the <sup>M23</sup>Landlord and Tenant Act 1987 (relevant disposals) insert—

#### "4A Application of provisions to contracts.

(1) The provisions of this Part apply to a contract to create or transfer an estate or interest in land, whether conditional or unconditional and whether or not enforceable by specific performance, as they apply in relation to a disposal consisting of the creation or transfer of such an estate or interest.

As they so apply-

- (a) references to a disposal of any description shall be construed as references to a contract to make such a disposal;
- (b) references to making a disposal of any description shall be construed as references to entering into a contract to make such a disposal; and
- (c) references to the transferee under the disposal shall be construed as references to the other party to the contract and include a reference to any other person to whom an estate or interest is to be granted or transferred in pursuance of the contract.
- (2) The provisions of this Part apply to an assignment of rights under such a contract as is mentioned in subsection (1) as they apply in relation to a disposal consisting of the transfer of an estate or interest in land.

As they so apply—

(a) references to a disposal of any description shall be construed as references to an assignment of rights under a contract to make such a disposal;

- (b) references to making a disposal of any description shall be construed as references to making an assignment of rights under a contract to make such a disposal;
- (c) references to the landlord shall be construed as references to the assignor; and
- (d) references to the transferee under the disposal shall be construed as references to the assignee of such rights.
- (3) The provisions of this Part apply to a contract to make such an assignment as is mentioned in subsection (2) as they apply (in accordance with subsection (1)) to a contract to create or transfer an estate or interest in land.
- (4) Nothing in this section affects the operation of the provisions of this Part relating to options or rights of pre-emption.".
- (2) In section 4(2) of the Landlord and Tenant Act 1987 (relevant disposals: excluded disposals), for paragraph (i) (certain disposals in pursuance of existing obligations) substitute—
  - "(i) a disposal in pursuance of a contract, option or right of pre-emption binding on the landlord (except as provided by section 8D (application of sections 11 to 17 to disposal in pursuance of option or right of pre-emption));".
- (3) In section 20(1) (interpretation), in the definition of "disposal" for "has the meaning given by section 4(3)" substitute " shall be construed in accordance with section 4(3) and section 4A (application of provisions to contracts)".

Modifications etc. (not altering text) C5 S. 89 restricted (22.8.1996) by S.I. 1996/2212, art. 2(2), Sch. para. 2

## **Marginal Citations**

**M23** 1987 c. 31.

# 90 Notice required to be given by landlord making disposal.

- (1) In section 4(2) of the <sup>M24</sup>Landlord and Tenant Act 1987 (disposals which are not relevant disposals for the purposes of Part I of that Act), for paragraph (l) substitute—
  "(l) a disposal by a body corporate to a company which has been an associated company of that body for at least two years."
- (2) The above amendment does not apply to a disposal made in pursuance of an obligation entered into before the commencement of this section.

#### **Modifications etc. (not altering text)**

C6 S. 90 restricted (22.8.1996) by S.I. 1996/2212, art. 2(2), Sch. para. 2

#### Marginal Citations M24 1987 c. 31.

# 91 Offence of failure to comply with requirements of Part I.

(1) After section 10 of the Landlord and Tenant Act 1987 insert-

## "10A Offence of failure to comply with requirements of Part I.

- (1) A landlord commits an offence if, without reasonable excuse, he makes a relevant disposal affecting premises to which this Part applies—
  - (a) without having first complied with the requirements of section 5 as regards the service of notices on the qualifying tenants of flats contained in the premises, or
  - (b) in contravention of any prohibition or restriction imposed by sections 6 to 10.
- (2) A person guilty of an offence under this section is liable on summary conviction to a fine not exceeding level 5 on the standard scale.
- (3) Where an offence under this section committed by a body corporate is proved—
  - (a) to have been committed with the consent or connivance of a director, manager, secretary or other similar officer of the body corporate, or a person purporting to act in such a capacity, or
  - (b) to be due to any neglect on the part of such an officer or person,

he, as well as the body corporate, is guilty of the offence and liable to be proceeded against and punished accordingly.

Where the affairs of a body corporate are managed by its members, the above provision applies in relation to the acts and defaults of a member in connection with his functions of management as if he were a director of the body corporate.

- (4) Proceedings for an offence under this section may be brought by a local housing authority (within the meaning of section 1 of the <sup>M25</sup>Housing Act 1985).
- (5) Nothing in this section affects the validity of the disposal.".
- (2) The above amendment does not apply to a disposal made in pursuance of an obligation entered into before the commencement of this section.

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      Modifications etc. (not altering text)

      C7
      S. 91 restricted (22.8.1996) by S.I. 1996/2212, art. 2(2), Sch. para. 2

      Marginal Citations

      M25
      1985 c. 68.
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# 92 Procedure for exercise of rights of first refusal.

- (1) Part I of the <sup>M26</sup>Landlord and Tenant Act 1987 (tenants' rights of first refusal) is amended in accordance with Schedule 6.
- (2) The amendments restate the principal provisions of that Part so as to-

- (a) simplify the procedures for the exercise of the rights conferred on tenants, and
- (b) apply those procedures in relation to contracts and certain special cases.
- (3) In Schedule 6—

Part I sets out provisions replacing sections 5 to 10 of the Act (rights of first refusal),

Part II sets out provisions replacing sections 11 to 15 of the Act (enforcement by tenants of rights against purchaser),

Part III sets out provisions replacing sections 16 and 17 of the Act (enforcement of rights against subsequent purchasers and termination of rights), and Part IV contains consequential amendments.

#### Modifications etc. (not altering text)

C8 S. 92 restricted (22.8.1996) by S.I. 1996/2212, art. 2(2), Sch. para. 2

#### **Commencement Information**

I3 S. 92 wholly in force 1.10.1996; s. 92 not in force at Royal Assent see s. 232(1)-(3); s. 92 in force for certain purposes at 23.8.1996 and in force at 1.10.1996 so far as not already in force by S.I. 1996/2212, art. 2

#### **Marginal Citations**

M26 1987 c. 31.

## 93 Duty of new landlord to inform tenant of rights.

(1) In the <sup>M27</sup>Landlord and Tenant Act 1985, after section 3 (duty to inform tenant of assignment of landlord's interest) insert—

# **"3A Duty to inform tenant of possible right to acquire landlord's interest.**

- (1) Where a new landlord is required by section 3(1) to give notice to a tenant of an assignment to him, then if—
  - (a) the tenant is a qualifying tenant within the meaning of Part I of the Landlord and Tenant Act 1987 (tenants' rights of first refusal), and
  - (b) the assignment was a relevant disposal within the meaning of that Part affecting premises to which at the time of the disposal that Part applied,

the landlord shall give also notice in writing to the tenant to the following effect.

- (2) The notice shall state—
  - (a) that the disposal to the landlord was one to which Part I of the Landlord and Tenant Act 1987 applied;
  - (b) that the tenant (together with other qualifying tenants) may have the right under that Part—
    - (i) to obtain information about the disposal, and
    - (ii) to acquire the landlord's interest in the whole or part of the premises in which the tenant's flat is situated; and

- (c) the time within which any such right must be exercised, and the fact that the time would run from the date of receipt of notice under this section by the requisite majority of qualifying tenants (within the meaning of that Part).
- (3) A person who is required to give notice under this section and who fails, without reasonable excuse, to do so within the time allowed for giving notice under section 3(1) commits a summary offence and is liable on conviction to a fine not exceeding level 4 on the standard scale."
- (2) In section 32(1) of the <sup>M28</sup>Landlord and Tenant Act 1985 (provisions not applying to tenancies within Part II of the <sup>M29</sup>Landlord and Tenant Act 1954), for "sections 1 to 3" substitute " sections 1 to 3A".

#### Modifications etc. (not altering text)

C9 S. 93 restricted (22.8.1996) by S.I. 1996/2212, art. 2(2), Sch. para. 2

## Marginal Citations

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M271985 c. 70.M281985 c. 70.M291954 c. 56.
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## General legal advice

## 94 Provision of general legal advice about residential tenancies.

- (1) The Secretary of State may give financial assistance to any person in relation to the provision by that person of general advice about—
  - (a) any aspect of the law of landlord and tenant, so far as relating to residential tenancies, or
  - (b) Chapter IV of Part I of the <sup>M30</sup>Leasehold Reform, Housing and Urban Development Act 1993 (estate management schemes in connection with enfranchisement).
- (2) Financial assistance under this section may be given in such form and on such terms as the Secretary of State considers appropriate.
- (3) The terms on which financial assistance under this section may be given may, in particular, include provision as to the circumstances in which the assistance must be repaid or otherwise made good to the Secretary of State and the manner in which that is to be done.

Marginal Citations M30 1993 c. 28.

#### Supplementary

## 95 Jurisdiction of county courts.

- (1) Any jurisdiction expressed by a provision to which this section applies to be conferred on the court shall be exercised by a county court.
- (2) There shall also be brought in a county court any proceedings for determining any question arising under or by virtue of any provision to which this section applies.
- (3) Where, however, other proceedings are properly brought in the High Court, that court has jurisdiction to hear and determine proceedings to which subsection (1) or (2) applies which are joined with those proceedings.
- (4) Where proceedings are brought in a county court by virtue of subsection (1) or (2), that court has jurisdiction to hear and determine other proceedings joined with those proceedings despite the fact that they would otherwise be outside its jurisdiction.
- (5) The provisions to which this section applies are—
  - (a) section 81 (restriction on termination of tenancy for failure to pay service charge), and
  - (b) section 84 (right to appoint surveyor to advise on matters relating to service charges) and Schedule 4 (rights exercisable by surveyor appointed by tenants' association).

# Status:

Point in time view as at 01/09/1997. This version of this chapter contains provisions that are prospective.

# Changes to legislation:

Housing Act 1996, Chapter I is up to date with all changes known to be in force on or before 08 August 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations.