



Leasehold and Freehold Reform Act 2024

2024 CHAPTER 22

PART 8

AMENDMENTS OF PART 5 OF THE BUILDING SAFETY ACT 2022

Remediation of building defects

114 Steps relating to remediation of defects

- (1) The BSA 2022 is amended as follows.
- (2) In the heading of section 120 (meaning of “relevant defect”), at the end insert “and “relevant steps””.
- (3) In section 120, after subsection (4) insert—
 - “(4A) “Relevant steps”, in relation to a relevant defect, means steps which have as their purpose—
 - (a) preventing or reducing the likelihood of a fire or collapse of the building (or any part of it) occurring as a result of the relevant defect,
 - (b) reducing the severity of any such incident, or
 - (c) preventing or reducing harm to people in or about the building that could result from such an incident.”
- (4) In Schedule 8 (remediation costs under qualifying leases etc), in paragraph 1(1)—
 - (a) omit the definitions of “building safety risk” and “relevant risk”;
 - (b) for the definition of “relevant measure” substitute—
 - ““relevant measure”, in relation to a relevant defect, means—
 - (a) a measure taken to remedy the relevant defect, or
 - (b) a relevant step taken in relation to the relevant defect;“relevant step”: see section 120;”.

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115 Remediation orders

- (1) Section 123 of the BSA 2022 (remediation orders) is amended in accordance with subsections (2) to (4).
- (2) In subsection (2), for “remedy specified relevant defects in a specified relevant building by a specified time” substitute “do one or both of the following by a specified time—
 - (a) remedy specified relevant defects in a specified relevant building;
 - (b) take specified relevant steps in relation to a specified relevant defect in a specified relevant building.”
- (3) For subsection (6) substitute—

“(6) In this section—
“relevant building”: see section 117;
“relevant defect”: see section 120;
“relevant steps”: see section 120;
“specified” means specified in the order.”
- (4) After subsection (7) insert—

“(8) In proceedings for a remediation order, a direction given by the First-tier Tribunal requiring a relevant landlord to provide or produce an expert report is to be regarded as a decision for the purposes of subsection (7).

“(9) In subsection (8), “expert report” means an expert report or survey relating to—
 - (a) relevant defects, or potential relevant defects, in a relevant building;
 - (b) relevant steps taken or that might be taken in relation to a relevant defect in a relevant building.”
- (5) The amendments made by this section apply in relation to proceedings for a remediation order as mentioned in section 123 of the BSA 2022 which are pending on the day on which those amendments come into force (as well as proceedings for such an order which are commenced on or after that day).

116 Remediation contribution orders

- (1) Section 124 of the BSA 2022 (remediation contribution orders) is amended in accordance with subsections (2) to (6).
- (2) In subsection (2), after “remedying” insert “, or otherwise in connection with,”.
- (3) After subsection (2) insert—

“(2A) The following descriptions of costs, among others, fall within subsection (2)

 - (a) costs incurred or to be incurred in taking relevant steps in relation to a relevant defect in the relevant building;
 - (b) costs incurred or to be incurred in obtaining an expert report relating to the relevant building;

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- (c) temporary accommodation costs incurred or to be incurred in connection with a decant from the relevant building (or from part of it) that took place or is to take place—
 - (i) to avoid an imminent threat to life or of personal injury arising from a relevant defect in the building,
 - (ii) (in the case of a decant from a dwelling) because works relating to the building created or are expected to create circumstances in which those occupying the dwelling cannot reasonably be expected to live, or
 - (iii) for any other reason connected with relevant defects in the building, or works relating to the building, that is prescribed by regulations made by the Secretary of State.
- (2B) The Secretary of State may make regulations for the purposes of this section specifying descriptions of costs which are, or are not, to be regarded as falling within subsection (2).”
- (4) In subsection (3), after “specified” insert “as a person required to make payments”.
- (5) In subsection (4)—
 - (a) in paragraph (a), omit from “or payments” to the end;
 - (b) after paragraph (a) insert—
 - “(aa) if it does not require the making of payments of a specified amount, determine that a specified body corporate or partnership is liable for the reasonable costs of specified things done or to be done;”.
- (6) In subsection (5)—
 - (a) after the definition of “developer” insert—
 - ““expert report” has the meaning given by section 123(9);”;
 - (b) after the definition of “relevant defect” insert—
 - ““relevant steps”: see section 120;”;
 - (c) after the definition of “specified” insert—
 - ““temporary accommodation costs”, in relation to a decant from a relevant building, means—
 - (a) the costs of the temporary accommodation, and
 - (b) other costs resulting from the decant, including removal costs, storage costs and reasonable travel costs;
 - “works” means works—
 - (a) to remedy a relevant defect in a relevant building, or
 - (b) in connection with the taking of relevant steps in relation to such a defect.”
- (7) The amendments made by this section apply—
 - (a) in relation to proceedings for a remediation contribution order under section 124 of the BSA 2022 which are pending on the day on which those amendments come into force (as well as proceedings for such an order which are commenced on or after that day);
 - (b) in relation to costs incurred before as well as after those amendments come into force.

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117 Recovery of legal costs etc through service charge

- (1) Schedule 8 to the BSA 2022 (remediation costs under qualifying leases etc) is amended in accordance with subsections (2) and (3).
- (2) After paragraph 9(1) insert—
 - “(1A) Sub-paragraph (1) does not apply to the extent that the service charge is payable to a management company in respect of legal or other professional services provided to the company in connection with an application or possible application by the company for or relating to a remediation contribution order under section 124.”
- (3) After paragraph 9(2) insert—
 - “(3) In sub-paragraph (1A) “management company” means—
 - (a) a resident management company, or
 - (b) an RTM company within the meaning of Chapter 1 of Part 2 of the Commonhold and Leasehold Reform Act 2002 (right to manage).
 - (4) “Resident management company” means a body corporate which is party to a lease of a building where—
 - (a) the body corporate is limited by guarantee and the members of that body are tenants under leases of dwellings in the building (“leaseholders”), or
 - (b) the majority of the shares of the body corporate are held by leaseholders.”
- (4) The amendments made by this section do not apply in relation to legal or other professional services provided before this section comes into force.

118 Repeal of section 125 of the BSA 2022

- (1) Omit section 125 of the BSA 2022 (meeting remediation costs of insolvent landlord).
- (2) In consequence of that repeal—
 - (a) in section 116(1), for “125” substitute “124”;
 - (b) omit section 116(2)(e);
 - (c) in section 117(1), for “125” substitute “124”;
 - (d) in section 119(1), for “125” substitute “124”;
 - (e) in section 119A(9), for “125” substitute “124”;
 - (f) in section 120(1), for “125” substitute “124”;
 - (g) in section 121(1), for “125” substitute “124”;
 - (h) in section 164(1)(c), for “125” substitute “124”.

Insolvency of responsible persons

119 Higher-risk and relevant buildings: notifications in connection with insolvency

Before section 126 of the BSA 2022 (and the italic heading before it) insert—

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“Insolvency of certain persons with an interest in higher-risk and relevant buildings

125A Notifications by insolvency practitioners

- (1) This section applies if an insolvency practitioner is appointed in relation to a responsible person for a higher-risk building or a relevant building.
- (2) For the purposes of this section, a person is “a responsible person” for a building if—
 - (a) in the case of a higher-risk building, the person is an accountable person for the building (see section 72 for the meaning of “accountable person” for a higher-risk building);
 - (b) in the case of a relevant building that is not a higher-risk building, the person would be an accountable person for the building if section 72 were read as applying to such a building (and as if the reference in that section to a residential unit were a reference to a dwelling).
- (3) The insolvency practitioner must give the information in subsection (6) (“the required information”) to—
 - (a) the local authority for the area in which the building for which the person is a responsible person is situated, or (if applicable) each local authority in whose area a building for which the person is a responsible person is situated, and
 - (b) the fire and rescue authority for the area in which the building for which the person is a responsible person is situated, or (if applicable) each fire and rescue authority in whose area a building for which the person is a responsible person is situated.
- (4) If the insolvency practitioner is appointed in relation to an accountable person for a higher-risk building, the practitioner must also give the required information to the regulator.
- (5) The required information must be provided within the period of 14 days beginning with the day on which the insolvency practitioner is appointed.
- (6) The information is as follows—
 - (a) the name and address of the person in relation to whom the insolvency practitioner is appointed;
 - (b) the address of each higher-risk building or relevant building for which the person is a responsible person (but see subsection (7));
 - (c) an official copy of the register of title and title plan relating to each registered estate or interest the person holds in such a building, if any (but see subsection (7));
 - (d) the nature of the practitioner’s appointment;
 - (e) the practitioner’s name, address, telephone number and email address (if any);
 - (f) so much of the information set out in the table in rule 1.6 of the Insolvency (England and Wales) Rules 2016 (S.I. 2016/1024) as is known to the practitioner.

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- (7) A local authority or fire and rescue authority need only be notified about buildings, or registered estates or interests in buildings, in their area.
- (8) In this section “insolvency practitioner” means—
- (a) an administrator;
 - (b) an administrative receiver;
 - (c) a receiver appointed by the courts or by a mortgagee;
 - (d) a liquidator;
 - (e) a trustee in bankruptcy.
- (9) In this section—
- “fire and rescue authority” has the meaning given by section 30;
 - “higher-risk building” has the same meaning as in Part 4 (see section 65);
 - “local authority” has the meaning given by section 30;
 - “register of title” means the register kept under section 1 of the Land Registration Act 2002;
 - “the regulator” has the meaning given by section 2;
 - “relevant building” has the meaning given by section 117;
 - “title plan” means a plan based on the Ordnance Survey map and referred to in the register of title.”