

Leasehold and Freehold Reform Act 2024

2024 CHAPTER 22

PART 2

LEASEHOLD ENFRANCHISEMENT AND EXTENSION

Jurisdiction of the county court and tribunals

PROSPECTIVE

42 Amendment of Part 1 of the LRHUDA 1993

- (1) The LRHUDA 1993 is amended as follows.
- (2) After section 27 insert—

"27A Power relating to completion of Chapter 1 claims

- (1) This section applies where—
 - (a) the completion of a conveyance has not taken place in accordance with the terms of a binding contract entered into in pursuance of an initial notice because—
 - (i) a party to the transaction has failed to execute the conveyance, or
 - (ii) the nominee purchaser has failed to pay the price and other sums payable or due under the contract, and
 - (b) that failure is in breach of an obligation arising under the contract.
- (2) Where this section applies, the appropriate tribunal may, on the application of the nominee purchaser or the reversioner, make an order—
 - (a) appointing a person to execute the conveyance on behalf of a party to the transaction;

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Changes to legislation: There are currently no known outstanding effects for the Leasehold and Freehold Reform Act 2024, Section 42. (See end of Document for details)

- (b) requiring the nominee purchaser to pay the price and other sums payable or due under the contract into the tribunal or to a person specified in the order.
- (3) A conveyance executed on behalf of a party in consequence of an order under this section has the same force and effect (for all purposes) as if it had been executed by that party.
- (4) This section does not prevent a party to a transaction seeking other remedies in connection with a breach of an obligation."
- (3) In section 48 (applications where terms in dispute or failure to enter into new lease)—
 - (a) after subsection (3) insert—
 - "(3A) An order under subsection (3) may—
 - (a) appoint a person to execute the new lease on behalf of a party to the transaction;
 - (b) require that the price and other sums payable are paid into the tribunal or to a person specified in the order.

A lease executed on behalf of a party to a transaction in consequence of an order under subsection (3) has the same force and effect (for all purposes) as if it had been executed by that party.";

- (b) in subsection (4), for "Any such order" substitute "An order under subsection (3)".
- (4) In section 49 (applications where landlord fails to give counter-notice or further counter-notice)—
 - (a) after subsection (4) insert—
 - "(4A) An order under subsection (4) may—
 - (a) appoint a person to execute the new lease on behalf of a party to the transaction;
 - (b) require that the price and other sums payable are paid into the tribunal or to a person specified in the order.

A lease executed on behalf of a party to a transaction in consequence of an order under subsection (4) has the same force and effect (for all purposes) as if it had been executed by that party.";

- (b) in subsection (5), for "Any such order" substitute "An order under subsection (4)".
- (5) In section 90 (jurisdiction of county courts)—
 - (a) omit subsection (2);
 - (b) in subsection (3), for "or (2)" substitute "or section 91A";
 - (c) omit subsection (4).
- (6) For section 91 (jurisdiction of tribunals) substitute—

"91 Jurisdiction of tribunals

- (1) Any question arising in relation to any of the following matters is, in default of agreement, to be determined by the appropriate tribunal—
 - (a) the terms of acquisition relating to—

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- (i) any interest which is to be acquired by a nominee purchaser in pursuance of Chapter 1, or
- (ii) any new lease which is to be granted to a tenant in pursuance of Chapter 2,

including in particular any matter which needs to be determined in accordance with section 37 of, or Schedule 4 to, the Leasehold and Freehold Reform Act 2024;

- (b) the terms of any lease which is to be granted in accordance with section 36 and Schedule 9;
- (c) the amount of any payment falling to be made by virtue of section 18(2);
- (d) the amount of any compensation payable under section 37A or 61A;
- (e) the amount of any costs payable by virtue of any provision of Chapter 1 or 2;
- (f) the apportionment between two or more persons of any amount (whether of costs or otherwise) payable by virtue of any such provision;
- (g) whether (and what) costs are payable under any of sections 89B to 89F;
- (h) the terms on which a lease is to be severed under paragraph 7 of Schedule A1;
- (i) any matter arising under paragraph 12 of Schedule 11 (reduction of rent under intermediate leases on grant of a new lease), including what rent under an intermediate lease is apportioned to the flat;
- (j) whether a person is entitled to be paid a share of the market value, and what share of the market value a person is entitled to be paid, in accordance with Part 6 of Schedule 4 to the Leasehold and Freehold Reform Act 2024;
- (k) any matter arising under Schedule 10 to the Leasehold and Freehold Reform Act 2024 (variation of lease to reduce rent to peppercorn).
- (2) Where in connection with—
 - (a) any exercise of the right to collective enfranchisement under Chapter 1, or
 - (b) any acquisition of a new lease under Chapter 2,
 - it is necessary to apportion the rent payable under a tenancy (whether immediate, superior or reversionary), the apportionment must be made by the appropriate tribunal.
- (3) The appropriate tribunal may, when determining the property in which any interest is to be acquired in pursuance of a notice under section 13 or 42, specify in its determination property which is less extensive than that specified in that notice.
- (4) Where the appropriate tribunal has determined the amount of compensation payable under section 37A or 61A, it may make an order requiring the tenant concerned to pay that amount to the person entitled to it.
- (5) Where the appropriate tribunal has determined the amount of any costs payable by virtue of any provision of Chapter 1 or 2 or that costs are payable

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under any of sections 89B to 89F, it may make an order requiring a person to pay those costs.

- (6) In relation to paragraph 12 of Schedule 11—
 - (a) if the landlord under a qualifying intermediate lease cannot be found or their identity cannot be ascertained, the appropriate tribunal may make such order as it thinks fit, including—
 - (i) an order dispensing with the requirement to give notice under paragraph 12(3) of Schedule 11 to that landlord, or
 - (ii) an order that such a notice has effect and has been properly served even though it has not been served on that landlord;
 - (b) the appropriate tribunal may make an order appointing a person to vary a lease in accordance with paragraph 12 of Schedule 11 on behalf of the landlord or tenant;
 - (c) if the appropriate tribunal makes a determination that a notice under paragraph 12(3) of Schedule 11 was of no effect, it may—
 - (i) determine whether another landlord or tenant could have given such a notice, and
 - (ii) if it determines that they could have done so, order that paragraph 12 of Schedule 11 is to apply as if they had done so.
- (7) The variation of a lease on behalf of a party in consequence of an order under subsection (6)(b) has the same force and effect (for all purposes) as if it had been executed by that party.
- (8) In this section—

"nominee purchaser" has the same meaning as in Chapter 1;

"terms of acquisition" is to be construed in accordance with section 24(8) or section 48(7), as appropriate.

- (9) For the purposes of this Chapter "appropriate tribunal" means—
 - (a) in relation to property in England, the First-tier Tribunal or, where determined by or under Tribunal Procedure Rules, the Upper Tribunal;
 - (b) in relation to property in Wales, a leasehold valuation tribunal.
- (10) See section 44 of the Leasehold and Freehold Reform Act 2024, which restricts the first-instance jurisdiction of the High Court in respect of tribunal matters.

91A Jurisdiction for other proceedings

- (1) This section applies to proceedings—
 - (a) in relation to any matter arising under or by virtue of Chapter 1 or 2 or this Chapter, and
 - (b) for which jurisdiction has not otherwise been conferred under or by virtue of this Act.
- (2) Jurisdiction is conferred on the appropriate tribunal for proceedings to which this section applies.

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- (3) But jurisdiction is instead conferred on the court where a purpose of the proceedings is to obtain a remedy that could not be granted by the appropriate tribunal but could be granted by the court.
- (4) If, in proceedings before the court to which this section applies, it appears to the court that—
 - (a) the remedy (or remedies) sought could be granted by the appropriate tribunal, it must by order transfer the proceedings to the appropriate tribunal;
 - (b) a remedy sought could be granted by the appropriate tribunal and another remedy sought could only be granted by the court, it may by order transfer the proceedings to the appropriate tribunal insofar as the proceedings relate to the remedy that could be granted by the appropriate tribunal.
- (5) Following a transfer of proceedings under subsection (4)(b)—
 - (a) the court may dispose of all or any remaining proceedings pending the determination of the transferred proceedings by the appropriate tribunal,
 - (b) the appropriate tribunal may determine the transferred proceedings, and
 - (c) when the appropriate tribunal has done so, the court may give effect to the determination in an order of the court.
- (6) Rules of court may prescribe the procedure to be followed in a court in connection with or in consequence of a transfer under this section.
- (7) A reference in Chapter 1 or 2 or this Chapter to the jurisdiction conferred on the appropriate tribunal or the court includes that conferred by this section."
- (7) In section 92 (enforcement of obligations under Chapters 1 and 2)—
 - (a) in the heading, for "Enforcement of" substitute "Power to order compliance with";
 - (b) in subsection (1), after "The court" insert "or appropriate tribunal";
 - (c) after subsection (2) insert—
 - "(3) An application may not be made under subsection (1) to the court unless the application relates to proceedings in respect of which the court has jurisdiction under or by virtue of any provision of Chapter 1, 2 or 7 (including section 91A).
 - (4) Where an order other than an order to pay a sum of money has been made under subsection (1) by the appropriate tribunal—
 - (a) a person may apply to the court for enforcement of the order;
 - (b) the appropriate tribunal may by order transfer proceedings to the court for enforcement of the order,
 - and the order is to be enforceable by the court in the same way as an order of the court.
 - (5) See section 176C of the Commonhold and Leasehold Reform Act 2002 for general provision about the enforcement of tribunal decisions and section 27 of the Tribunals, Courts and Enforcement

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Act 2007 for provision about the enforcement of an order to pay a sum of money.".

Commencement Information

II S. 42 not in force at Royal Assent, see s. 124(3)

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