SCHEDULES

SCHEDULE 10

Section 186.

SECURITY OF TENURE ON ENDING OF LONG RESIDENTIAL TENANCIES

Preliminary

1 (1) This Schedule applies to a long tenancy of a dwelling-house at a low rent as respects which for the time being the following condition (in this Schedule referred to as "the qualifying condition") is fulfilled, that is to say, that the circumstances (as respects the property let under the tenancy, the use of that property and all other relevant matters) are such that, if the tenancy were not at a low rent, it would at that time be an assured tenancy within the meaning of Part I of the Housing Act 1988.

(2) For the purpose only of determining whether the qualifying condition is fulfilled with respect to a tenancy, Schedule 1 to the Housing Act 1988 (tenancies which cannot be assured tenancies) shall have effect with the omission of paragraph 1 (which excludes tenancies entered into before, or pursuant to contracts made before, the coming into force of Part I of that Act).

(3) At any time within the period of twelve months ending on the day preceding the term date, application may be made to the court as respects any long tenancy of a dwelling-house at a low rent, not being at the time of the application a tenancy as respects which the qualifying condition is fulfilled, for an order declaring that the tenancy is not to be treated as a tenancy to which this Schedule applies.

(4) Where an application is made under sub-paragraph (3) above—

(a) the court, if satisfied that the tenancy is not likely immediately before the term date to be a tenancy to which this Schedule applies but not otherwise, shall make the order; and

(b) if the court makes the order, then, notwithstanding anything in sub-paragraph (1) above the tenancy shall not thereafter be treated as a tenancy to which this Schedule applies.

(5) A tenancy to which this Schedule applies is hereinafter referred to as a long residential tenancy.

(6) Anything authorised or required to be done under the following provisions of this Schedule in relation to a long residential tenancy shall, if done before the term date in relation to a long tenancy of a dwelling-house at a low rent, not be treated as invalid by reason only that at the time at which it was done the qualifying condition was not fulfilled as respects the tenancy.

(7) In determining for the purposes of any provision of this Schedule whether the property let under a tenancy was let as a separate dwelling, the nature of the property at the time of the creation of the tenancy shall be deemed to have been the same as its nature at the time in relation to which the question arises, and the purpose for which

it was let under the tenancy shall be deemed to have been the same as the purpose for which it is or was used at the last-mentioned time.

2 (1) This paragraph has effect for the interpretation of certain expressions used in this Schedule.

(2) Except where the context otherwise requires, expressions to which a meaning is assigned for the purposes of the 1988 Act or Part I of that Act have the same meaning in this Schedule.

(3) "Long tenancy" means a tenancy granted for a term of years certain exceeding 21 years, whether or not subsequently extended by act of the parties or by any enactment, but excluding any tenancy which is, or may become, terminable before the end of the term by notice given to the tenant.

(4) A tenancy is "at a low rent" if either no rent is payable under the tenancy or the maximum rent payable at any time is less than two-thirds of the rateable value for the time being of the dwelling-house under the tenancy.

(5) Paragraph 3(2) of Schedule 1 to the 1988 Act applies to determine whether the rent under a tenancy falls within sub-paragraph (4) above and Part II of that Schedule applies to determine the rateable value of a dwelling-house for the purposes of that sub-paragraph.

(6) "Long residential tenancy" and "qualifying condition" have the meaning assigned by paragraph 1 above and the following expressions shall be construed as follows—

"the 1954 Act" means the Landlord and Tenant Act 1954;

"the 1988 Act" means the Housing Act 1988;

"assured periodic tenancy" shall be construed in accordance with paragraph 9(4) below;

"the date of termination" has the meaning assigned by paragraph 4(4) below;

"disputed terms" shall be construed in accordance with paragraph 11(1)(a) below;

"election by the tenant to retain possession" shall be construed in accordance with paragraph 4(7) below;

"former 1954 Act tenancy" means a tenancy to which, by virtue of section 186(3) of this Act, this Schedule applies on and after 15th January 1999;

"the implied terms" shall be construed in accordance with paragraph 4(5)(a) below;

"landlord" shall be construed in accordance with paragraph 19(1) below;

"landlord's notice" means a notice under sub-paragraph (1) of paragraph 4 below and such a notice is—

(a) a "landlord's notice proposing an assured tenancy" if it contains such proposals as are mentioned in sub-paragraph (5)(a) of that paragraph; and

(b) a "landlord's notice to resume possession" if it contains such proposals as are referred to in sub-paragraph (5)(b) of that paragraph;

"specified date of termination", in relation to a tenancy in respect of which a landlord's notice is served, means the date specified in the notice as mentioned in paragraph 4(1)(a) below;

"tenant's notice" shall be construed in accordance with paragraph 10(1)(a) below;

"term date", in relation to a tenancy granted for a term of years certain, means the date of expiry of that term;

"the terms of the tenancy specified in the landlord's notice" shall be construed in accordance with paragraph 4(6) below; and

"undisputed terms" shall be construed in accordance with paragraph 11(2) below.

Continuation of long residential tenancies

3 (1) A tenancy which, immediately before the term date, is a long residential tenancy shall not come to an end on that date except by being terminated under the provisions of this Schedule, and, if not then so terminated, shall subject to those provisions continue until so terminated and, while continuing by virtue of this paragraph, shall be deemed to be a long residential tenancy (notwithstanding any change in circumstances).

(2) Sub-paragraph (1) above does not apply in the case of a former 1954 Act tenancy the term date of which falls before 15th January 1999 but if, in the case of such a tenancy,—

(a) the tenancy is continuing immediately before that date by virtue of section 3 of the 1954 Act, and

(b) on that date the qualifying condition (as defined in paragraph 1(1) above) is fulfilled,

then, subject to the provisions of this Schedule, the tenancy shall continue until terminated under those provisions and, while continuing by virtue of this paragraph, shall be deemed to be a long residential tenancy (notwithstanding any change in circumstances).

(3) Where by virtue of this paragraph a tenancy continues after the term date, the tenancy shall continue at the same rent and in other respects on the same terms as before the term date.

Termination of tenancy by the landlord

4 (1) Subject to sub-paragraph (2) below and the provisions of this Schedule as to the annulment of notices in certain cases, the landlord may terminate a long residential tenancy by a notice in the prescribed form served on the tenant—

(a) specifying the date at which the tenancy is to come to an end, being either the term date or a later date; and

(b) so served not more than twelve nor less than six months before the date so specified.

(2) In any case where—

(a) a landlord's notice has been served, and

(b) an application has been made to the court or a rent assessment committee under the following provisions of this Schedule other than paragraph 6, and

(c) apart from this paragraph, the effect of the notice would be to terminate the tenancy before the expiry of the period of three months beginning with the date on which the application is finally disposed of,

the effect of the notice shall be to terminate the tenancy at the expiry of the said period of three months and not at any other time.

(3) The reference in sub-paragraph (2)(c) above to the date on which the application is finally disposed of shall be construed as a reference to the earliest date by which the proceedings on the application (including any proceedings on or in consequence of an appeal) have been determined and any time for appealing or further appealing has expired, except that if the application is withdrawn or any appeal is abandoned the reference shall be construed as a reference to the date of withdrawal or abandonment.

(4) In this Schedule "the date of termination", in relation to a tenancy in respect of which a landlord's notice is served, means,—

(a) where the tenancy is continued as mentioned in sub-paragraph (2) above, the last day of the period of three months referred to in that sub-paragraph; and

(b) in any other case, the specified date of termination.

(5) A landlord's notice shall not have effect unless—

(a) it proposes an assured monthly periodic tenancy of the dwelling-house and a rent for that tenancy (such that it would not be a tenancy at a low rent) and, subject to sub-paragraph (6) below, states that the other terms of the tenancy shall be the same as those of the long residential tenancy immediately before it is terminated (in this Schedule referred to as "the implied terms"); or

(b) it gives notice that, if the tenant is not willing to give up possession at the date of termination of the property let under the tenancy, the landlord proposes to apply to the court, on one or more of the grounds specified in paragraph 5(1) below, for the possession of the property let under the tenancy and states the ground or grounds on which he proposes to apply.

(6) In the landlord's notice proposing an assured tenancy the landlord may propose terms of the tenancy referred to in sub-paragraph (5)(a) above different from the implied terms; and any reference in the following provisions of this Schedule to the terms of the tenancy specified in the landlord's notice is a reference to the implied terms or, if the implied terms are varied by virtue of this sub-paragraph, to the implied terms as so varied.

(7) A landlord's notice shall invite the tenant, within the period of two months beginning on the date on which the notice was served, to notify the landlord in writing whether, —

(a) in the case of a landlord's notice proposing an assured tenancy, the tenant wishes to remain in possession; and

(b) in the case of a landlord's notice to resume possession, the tenant is willing to give up possession as mentioned in sub-paragraph (5)(b) above;

and references in this Schedule to an election by the tenant to retain possession are references to his notifying the landlord under this sub-paragraph that he wishes to remain in possession or, as the case may be, that he is not willing to give up possession.

5 (1) Subject to the following provisions of this paragraph, the grounds mentioned in paragraph 4(5)(b) above are—

(a) Ground 6 in, and those in Part II of, Schedule 2 to the 1988 Act, other than Ground 16;

(b) the ground that, for the purposes of redevelopment after the termination of the tenancy, the landlord proposes to demolish or reconstruct the whole or a substantial part of the premises; and

(c) the ground that the premises or part of them are reasonably required by the landlord for occupation as a residence for himself or any son or daughter of his over eighteen years of age or his or his spouse's father or mother and, if the landlord is not the immediate landlord, that he will be at the specified date of termination.

(2) Ground 6 in Schedule 2 to the 1988 Act may not be specified in a landlord's notice to resume possession if the tenancy is a former 1954 Act tenancy; and in the application of that Ground in accordance with sub-paragraph (1) above in any other case, paragraph (c) shall be omitted.

(3) In its application in accordance with sub-paragraph (1) above, Ground 10 in Schedule 2 to the 1988 Act shall have effect as if, in paragraph (b)—

(a) the words "except where subsection (1)(b) of section 8 of this Act applies" were omitted; and

(b) for the words "notice under that section relating to those proceedings" there were substituted "landlord's notice to resume possession (within the meaning of Schedule 10 to the Local Government and Housing Act 1989)".

(4) The ground mentioned in sub-paragraph (1)(b) above may not be specified in a landlord's notice to resume possession unless the landlord is a body to which section 28 of the Leasehold Reform Act 1967 applies and the premises are required for relevant development within the meaning of that section; and on any application by such a body under paragraph 13 below for possession on that ground, a certificate given by a Minister of the Crown as provided by subsection (1) of that section shall be conclusive evidence that the premises are so required.

(5) The ground mentioned in sub-paragraph (1)(c) above may not be specified in a landlord's notice to resume possession if the interest of the landlord, or an interest which is merged in that interest and but for the merger would be the interest of the landlord, was purchased or created after 18th February 1966.

Interim rent

6 (1) On the date of service of a landlord's notice proposing an assured tenancy, or at any time between that date and the date of termination, the landlord may serve a notice on the tenant in the prescribed form proposing an interim monthly rent to take effect from a date specified in the notice, being not earlier than the specified date of termination, and to continue while the tenancy is continued by virtue of the preceding provisions of this Schedule.

(2) Where a notice has been served under sub-paragraph (1) above,—

(a) within the period of two months beginning on the date of service, the tenant may refer the interim monthly rent proposed in the notice to a rent assessment committee; and

(b) if the notice is not so referred, then, with effect from the date specified in the notice or, if it is later, the expiry of the period mentioned in paragraph (a) above, the interim monthly rent proposed in the notice shall be the rent under the tenancy.

(3) Where, under sub-paragraph (2) above, the rent specified in a landlord's notice is referred to a rent assessment committee, the committee shall determine the monthly rent at which, subject to sub-paragraph (4) below, the committee consider that the premises let under the tenancy might reasonably be expected to be let on the open market by a willing landlord under a monthly periodic tenancy—

(a) which begins on the day following the specified date of termination;

(b) under which the other terms are the same as those of the existing tenancy at the date on which was given the landlord's notice proposing an assured tenancy; and

(c) which affords the tenant security of tenure equivalent to that afforded by Chapter I of Part I of the 1988 Act in the case of an assured tenancy (other than an assured shorthold tenancy) in respect of which possession may not be recovered under any of Grounds 1 to 5 in Part I of Schedule 2 to that Act.

(4) Subsections (2), (4) and (5) of section 14 of the 1988 Act shall apply in relation to a determination of rent under sub-paragraph (3) above as they apply in relation to a determination under that section subject to the modifications in sub-paragraph (5) below; and in this paragraph "rent" shall be construed in accordance with subsection (4) of that section.

(5) The modifications of section 14 of the 1988 Act referred to in sub-paragraph (4) above are that in subsection (2), the reference in paragraph (b) to a relevant improvement being carried out shall be construed as a reference to an improvement being carried out during the long residential tenancy and the reference in paragraph (c) to a failure to comply with any term of the tenancy shall be construed as a reference to a failure to comply with any term of the long residential tenancy.

(6) Where a reference has been made to a rent assessment committee under sub-paragraph (2) above, then, the rent determined by the committee (subject, in a case where section 14(5) of the 1988 Act applies, to the addition of the appropriate amount in respect of rates) shall be the rent under the tenancy with effect from the date specified in the notice served under sub-paragraph (1) above or, if it is later, the expiry of the period mentioned in paragraph (a) of sub-paragraph (2) above.

7 (1) Nothing in paragraph 6 above affects the right of the landlord and the tenant to agree the interim monthly rent which is to have effect while the tenancy is continued by virtue of the preceding provisions of this Schedule and the date from which that rent is to take effect; and, in such a case,—

(a) notwithstanding the provisions of paragraph 6 above, that rent shall be the rent under the tenancy with effect from that date; and

(b) no steps or, as the case may be, no further steps may be taken by the landlord or the tenant under the provisions of that paragraph.

(2) Nothing in paragraph 6 above requires a rent assessment committee to continue with a determination under sub-paragraph (3) of that paragraph—

(a) if the tenant gives notice in writing that he no longer requires such a determination; or

(b) if the long residential tenancy has come to an end on or before the specified date of termination.

(3) Notwithstanding that a tenancy in respect of which an interim monthly rent has effect in accordance with paragraph 6 above or this paragraph is no longer at a low rent,

it shall continue to be regarded as a tenancy at a low rent and, accordingly, shall continue to be a long residential tenancy.

Termination of tenancy by the tenant

8 (1) A long residential tenancy may be brought to an end at the term date by not less than one month's notice in writing given by the tenant to his immediate landlord.

(2) A tenancy which is continuing after the term date by virtue of paragraph 3 above may be brought to an end at any time by not less than one month's notice in writing given by the tenant to his immediate landlord, whether the notice is given before or after the term date of the tenancy.

(3) The fact that the landlord has served a landlord's notice or that there has been an election by the tenant to retain possession shall not prevent the tenant from giving notice under this paragraph terminating the tenancy at a date earlier than the specified date of termination.

The assured periodic tenancy

9 (1) Where a long residential tenancy (in this paragraph referred to as "the former tenancy") is terminated by a landlord's notice proposing an assured tenancy, then, subject to sub-paragraph (3) below, the tenant shall be entitled to remain in possession of the dwelling-house and his right to possession shall depend upon an assured periodic tenancy arising by virtue of this paragraph.

(2) The assured periodic tenancy referred to in sub-paragraph (1) above is one—

(a) taking effect in possession on the day following the date of termination;

(b) deemed to have been granted by the person who was the landlord under the former tenancy on the date of termination to the person who was then the tenant under that tenancy;

(c) under which the premises let are the dwelling-house;

(e) under which the periods of the tenancy, and the intervals at which rent is to be paid, are monthly beginning on the day following the date of termination;

(e) under which the rent is determined in accordance with paragraphs 10 to 12 below; and

(e) under which the other terms are determined in accordance with paragraphs 10 to 12 below.

(3) If, at the end of the period of two months beginning on the date of service of the landlord's notice, the qualifying condition was not fulfilled as respects the tenancy, the tenant shall not be entitled to remain in possession as mentioned in sub-paragraph (1) above unless there has been an election by the tenant to retain possession; and if, at the specified date of termination, the qualifying condition is not fulfilled as respects the tenancy, then, notwithstanding that there has been such an election, the tenant shall not be entitled to remain in possession as mentioned in that sub-paragraph.

(4) Any reference in the following provisions of this Schedule to an assured periodic tenancy is a reference to an assured periodic tenancy arising by virtue of this paragraph.

Initial rent under and terms of assured periodic tenancy

10 (1) Where a landlord's notice proposing an assured tenancy has been served on the tenant,—

(a) within the period of two months beginning on the date of service of the notice, the tenant may serve on the landlord a notice in the prescribed form proposing either or both of the following, that is to say,—

(i) a rent for the assured periodic tenancy different from that proposed in the landlord's notice; and

(ii) terms of the tenancy different from those specified in the landlord's notice,

and such a notice is in this Schedule referred to as a "tenant's notice"; and

(b) if a tenant's notice is not so served, then, with effect from the date on which the assured periodic tenancy takes effect in possession,—

(i) the rent proposed in the landlord's notice shall be the rent under the tenancy; and

(ii) the terms of the tenancy specified in the landlord's notice shall be terms of the tenancy.

(2) Where a tenant's notice has been served on the landlord under sub-paragraph (1) above—

(a) within the period of two months beginning on the date of service of the notice, the landlord may by an application in the prescribed form refer the notice to a rent assessment committee; and

(b) if the notice is not so referred, then, with effect from the date on which the assured periodic tenancy takes effect in possession,—

(i) the rent (if any) proposed in the tenant's notice, or, if no rent is so proposed, the rent proposed in the landlord's notice, shall be the rent under the tenancy; and

(ii) the other terms of the tenancy (if any) proposed in the tenant's notice and, in so far as they do not conflict with the terms so proposed, the terms specified in the landlord's notice shall be terms of the tenancy.

11 (1) Where, under sub-paragraph (2) of paragraph 10 above, a tenant's notice is referred to a rent assessment committee, the committee, having regard only to the contents of the landlord's notice and the tenant's notice, shall decide—

(a) whether there is any dispute as to the terms (other than those relating to the amount of the rent) of the assured periodic tenancy (in this Schedule referred to as "disputed terms") and, if so, what the disputed terms are; and

(b) whether there is any dispute as to rent under the tenancy;

and where the committee decide that there are disputed terms and that there is a dispute as to the rent under the tenancy, they shall make a determination under sub-paragraph (3) below before they make a determination under sub-paragraph (5) below.

(2) Where, under paragraph 10(2) above, a tenant's notice is referred to a rent assessment committee, any reference in this Schedule to the undisputed terms is a reference to those terms (if any) which—

(a) are proposed in the landlord's notice or the tenant's notice; and

(b) do not relate to the amount of the rent; and

(c) are not disputed terms.

(3) If the rent assessment committee decide that there are disputed terms, they shall determine whether the terms in the landlord's notice, the terms in the tenant's notice, or some other terms, dealing with the same subject matter as the disputed terms are such as, in the committee's opinion, might reasonably be expected to be found in an assured monthly periodic tenancy of the dwelling-house (not being an assured shorthold tenancy)—

(a) which begins on the day following the date of termination;

(b) which is granted by a willing landlord on terms which, except so far as they relate to the subject matter of the disputed terms, are the undisputed terms; and

(c) in respect of which possession may not be recovered under any of Grounds 1 to 5 in Part I of Schedule 2 to the 1988 Act;

and the committee shall, if they consider it appropriate, specify an adjustment of the undisputed terms to take account of the terms so determined and shall, if they consider it appropriate, specify an adjustment of the rent to take account of the terms so determined and, if applicable, so adjusted.

(4) In making a determination under sub-paragraph (3) above, or specifying an adjustment of the rent or undisputed terms under that sub-paragraph, there shall be disregarded any effect on the terms or the amount of rent attributable to the granting of a tenancy to a sitting tenant.

(5) If the rent assessment committee decide that there is a dispute as to the rent under the assured periodic tenancy, the committee shall determine the monthly rent at which, subject to sub-paragraph (6) below, the committee consider that the dwelling-house might reasonably be expected to be let in the open market by a willing landlord under an assured tenancy (not being an assured shorthold tenancy)—

(a) which is a monthly periodic tenancy;

(b) which begins on the day following the date of termination;

(c) in respect of which possession may not be recovered under any of Grounds 1 to 5 in Part I of Schedule 2 to the 1988 Act; and

(d) the terms of which (other than those relating to the amount of the rent) are the same as—

(i) the undisputed terms; or

(ii) if there has been a determination under sub-paragraph (3) above, the terms determined by the committee under that sub-paragraph and the undisputed terms (as adjusted, if at all, under that sub-paragraph).

(6) Subsections (2), (4) and (5) of section 14 of the 1988 Act shall apply in relation to a determination of rent under sub-paragraph (5) above as they apply in relation to a determination under that section subject to the modifications in sub-paragraph (7) below; and in this paragraph "rent" shall be construed in accordance with subsection (4) of that section.

(7) The modifications of section 14 of the 1988 Act referred to in sub-paragraph (6) above are that in subsection (2), the reference in paragraph (b) to a relevant improvement being carried out shall be construed as a reference to an improvement being carried out during the long residential tenancy and the reference in paragraph (c) to a failure to comply with any term of the tenancy shall be construed as a reference to a failure to comply with any term of the long residential tenancy.

(8) Where a reference has been made to a rent assessment committee under sub-paragraph (2) of paragraph 10 above, then,—

(a) if the committee decide that there are no disputed terms and that there is no dispute as to the rent, paragraph 10(2)(b) above shall apply as if the notice had not been so referred,

(b) where paragraph (a) above does not apply then, so far as concerns the amount of the rent under the tenancy, if there is a dispute as to the rent, the rent determined by the committee (subject, in a case where section 14(5) of the 1988 Act applies, to the addition of the appropriate amount in respect of rates) and, if there is no dispute as to the rent, the rent specified in the landlord's notice or, as the case may be, the tenant's notice (subject to any adjustment under sub-paragraph (3) above) shall be the rent under the tenancy, and

(c) where paragraph (a) above does not apply and there are disputed terms, then, so far as concerns the subject matter of those terms, the terms determined by the committee under sub-paragraph (3) above shall be terms of the tenancy and, so far as concerns any undisputed terms, those terms (subject to any adjustment under sub-paragraph (3) above) shall also be terms of the tenancy,

with effect from the date on which the assured periodic tenancy takes effect in possession.

(9) Nothing in this Schedule affects the right of the landlord and the tenant under the assured periodic tenancy to vary by agreement any term of the tenancy (including a term relating to rent).

12 (1) Subsections (2) to (4) of section 41 of the 1988 Act (rent assessment committees: information powers) shall apply where there is a reference to a rent assessment committee under the preceding provisions of this Schedule as they apply where a matter is referred to such a committee under Chapter I or Chapter II of Part I of the 1988 Act.

(2) Nothing in paragraph 10 or paragraph 11 above affects the right of the landlord and the tenant to agree any terms of the assured periodic tenancy (including a term relating to the rent) before the tenancy takes effect in possession (in this sub-paragraph referred to as "the expressly agreed terms"); and, in such case,—

(a) the expressly agreed terms shall be terms of the tenancy in substitution for any terms dealing with the same subject matter which would otherwise, by virtue of paragraph 10 or paragraph 11 above, be terms of the tenancy; and

(b) where a reference has already been made to a rent assessment committee under sub-paragraph (2) of paragraph 10 above but there has been no determination by the committee under paragraph 11 above,—

(i) the committee shall have regard to the expressly agreed terms, as notified to them by the landlord and the tenant, in deciding, for the purposes of paragraph 11 above, what the disputed terms are and whether there is any dispute as to the rent; and

(ii) in making any determination under paragraph 11 above the committee shall not make any adjustment of the expressly agreed terms, as so notified.

(3) Nothing in paragraph 11 above requires a rent assessment committee to continue with a determination under that paragraph—

(a) if the long residential tenancy has come to an end; or

(b) if the landlord serves notice in writing on the committee that he no longer requires such a determination;

and, where the landlord serves notice as mentioned in paragraph (b) above, then, for the purposes of sub-paragraph (2) of paragraph 10 above, the landlord shall be treated as not having made a reference under paragraph (a) of that sub-paragraph and, accordingly, paragraph (b) of that sub-paragraph shall, subject to sub-paragraph (2) above, have effect for determining rent and other terms of the assured periodic tenancy.

Landlord's application for possession

13 (1) Where a landlord's notice to resume possession has been served on the tenant and either—

(a) there is an election by the tenant to retain possession, or

(b) at the end of the period of two months beginning on the date of service of the notice, the qualifying condition is fulfilled as respects the tenancy,

the landlord may apply to the court for an order under this paragraph on such of the grounds mentioned in paragraph 5(1) above as may be specified in the notice.

(2) The court shall not entertain an application under sub-paragraph (1) above unless the application is made—

(a) within the period of two months beginning on the date of the election by the tenant to retain possession; or

(b) if there is no election by the tenant to retain possession, within the period of four months beginning on the date of service of the landlord's notice.

(3) Where the ground or one of the grounds for claiming possession specified in the landlord's notice is Ground 6 in Part I of Schedule 2 to the 1988 Act, then, if on an application made under sub-paragraph (1) above the court is satisfied that the landlord has established that ground, the court shall order that the tenant shall, on the date of termination, give up possession of the property then let under the tenancy.

(4) Subject to sub-paragraph (6) below, where the ground or one of the grounds for claiming possession specified in the landlord's notice is any of Grounds 9 to 15 in Part II of Schedule 2 to the 1988 Act or the ground mentioned in paragraph 5(1)(c) above, then, if on an application made under sub-paragraph (1) above the court is satisfied that the landlord has established that ground and that it is reasonable that the landlord should be granted possession, the court shall order that the tenant shall, on the date of termination, give up possession of the property then let under the tenancy.

(5) Part III of Schedule 2 to the 1988 Act shall have effect for supplementing Ground 9 in that Schedule (as that ground applies in relation to this Schedule) as it has effect for supplementing that ground for the purposes of that Act, subject to the modification that in paragraph 3(1), in the words following paragraph (b) the reference to the assured tenancy in question shall be construed as a reference to the long residential tenancy in question.

(6) Where the ground or one of the grounds for claiming possession specified in the landlord's notice is that mentioned in paragraph 5(1)(c) above, the court shall not make the order mentioned in sub-paragraph (4) above on that ground if it is satisfied that, having regard to all the circumstances of the case, including the question whether other accommodation is available for the landlord or the tenant, greater hardship would be caused by making the order than by refusing to make it.

(7) Where the ground or one of the grounds for claiming possession specified in the landlord's notice is that mentioned in paragraph 5(1)(b) above, then, if on an application made under sub-paragraph (1) above the court is satisfied that the landlord has established that ground and is further satisfied—

(a) that on that ground possession of those premises will be required by the landlord on the date of termination, and

(b) that the landlord has made such preparations (including the obtaining or, if that is not reasonably practicable in the circumstances, preparations relating to the obtaining of any requisite permission or consent, whether from any authority whose permission or consent is required under any enactment or from the owner of any interest in any property) for proceeding with the redevelopment as are reasonable in the circumstances,

the court shall order that the tenant shall, on the date of termination, give up possession of the property then let under the tenancy.

14 (1) Where, in a case falling within sub-paragraph (7) of paragraph 13 above, the court is not satisfied as mentioned in that sub-paragraph but would be satisfied if the date of termination of the tenancy had been such date (in this paragraph referred to as "the postponed date") as the court may determine, being a date later, but not more than one year later, than the specified date of termination, the court shall, if the landlord so requires, make an order as mentioned in sub-paragraph (2) below.

(2) The order referred to in sub-paragraph (1) above is one by which the court specifies the postponed date and orders—

(a) that the tenancy shall not come to an end on the date of termination but shall continue thereafter, as respects the whole of the property let under the tenancy, at the same rent and in other respects on the same terms as before that date; and

(b) that, unless the tenancy comes to an end before the postponed date, the tenant shall on that date give up possession of the property then let under the tenancy.

(3) Notwithstanding the provisions of paragraph 13 above and the preceding provisions of this paragraph and notwithstanding that there has been an election by the tenant to retain possession, if the court is satisfied, at the date of the hearing, that the qualifying condition is not fulfilled as respects the tenancy, the court shall order that the tenant shall, on the date of termination, give up possession of the property then let under the tenancy.

(4) Nothing in paragraph 13 above or the preceding provisions of this paragraph shall prejudice any power of the tenant under paragraph 8 above to terminate the tenancy; and sub-paragraph (2) of that paragraph shall apply where the tenancy is continued by an order under sub-paragraph (2) above as it applies where the tenancy is continued by virtue of paragraph 3 above.

Provisions where tenant not ordered to give up possession

15 (1) The provisions of this paragraph shall have effect where the landlord is entitled to make an application under sub-paragraph (1) of paragraph 13 above but does not obtain an order under that paragraph or paragraph 14 above.

(2) If at the expiration of the period within which an application under paragraph 13(1) above may be made the landlord has not made such an application, the landlord's

notice to resume possession, and anything done in pursuance thereof, shall cease to have effect.

(3) If before the expiration of the period mentioned in sub-paragraph (2) above the landlord has made an application under paragraph 13(1) above but the result of the application, at the time when it is finally disposed of, is that no order is made, the landlord's notice to resume possession shall cease to have effect.

(4) In any case where sub-paragraph (3) above applies, then, if within the period of one month beginning on the date that the application to the court is finally disposed of the landlord serves on the tenant a landlord's notice proposing an assured tenancy, the earliest date which may be specified in the notice as the date of termination shall, notwithstanding anything in paragraph 4(1)(b) above, be the day following the last day of the period of four months beginning on the date of service of the subsequent notice.

(5) The reference in sub-paragraphs (3) and (4) above to the time at which an application is finally disposed of shall be construed as a reference to the earliest time at which the proceedings on the application (including any proceedings on or in consequence of an appeal) have been determined and any time for appealing or further appealing has expired, except that if the application is withdrawn or any appeal is abandoned the reference shall be construed as a reference to the time of withdrawal or abandonment.

(6) A landlord's notice to resume possession may be withdrawn at any time by notice in writing served on the tenant (without prejudice, however, to the power of the court to make an order as to costs if the notice is withdrawn after the landlord has made an application under paragraph 13(1) above).

(7) In any case where sub-paragraph (6) above applies, then, if within the period of one month beginning on the date of withdrawal of the landlord's notice to resume possession the landlord serves on the tenant a landlord's notice proposing an assured tenancy, the earliest date which may be specified in the notice as the date of termination shall, notwithstanding anything in paragraph 4(1)(b) above, be the day following the last day of the period of four months beginning on the date of service of the subsequent notice or the day following the last day of the period of six months beginning on the date of service of the withdrawn notice, whichever is the later.

Tenancies granted in continuation of long tenancies

16 (1) Where on the coming to the end of a tenancy at a low rent the person who was the tenant immediately before the coming to an end thereof becomes (whether by grant or by implication of the law) the tenant under another tenancy at a low rent of a dwelling-house which consists of the whole or any part of the property let under the previous tenancy, then, if the previous tenancy was a long tenancy or is deemed by virtue of this paragraph to have been a long tenancy, the new tenancy shall be deemed for the purposes of this Schedule to be a long tenancy, irrespective of its terms.

(2) In relation to a tenancy from year to year or other tenancy not granted for a term of years certain, being a tenancy which by virtue of sub-paragraph (1) above is deemed for the purposes of this Schedule to be a long tenancy, the preceding provisions of this Schedule shall have effect subject to the modifications set out below.

(3) In sub-paragraph (6) of paragraph 2 above for the expression beginning "term date" there shall be substituted—

""term date", in relation to any such tenancy as is mentioned in paragraph 16(2) below, means the first date after the coming into force of this Schedule on which, apart from this Schedule, the tenancy could have been brought to an end by notice to quit given by the landlord".

(4) Notwithstanding anything in sub-paragraph (3) of paragraph 3 above, where by virtue of that paragraph the tenancy is continued after the term date, the provisions of this Schedule as to the termination of a tenancy by notice shall have effect, subject to sub-paragraph (5) below, in substitution for and not in addition to any such provisions included in the terms on which the tenancy had effect before the term date.

(5) The minimum period of notice referred to in paragraph 8(1) above shall be one month or such longer period as the tenant would have been required to give to bring the tenancy to an end at the term date.

(6) Where the tenancy is not terminated under paragraph 4 or paragraph 8 above at the term date, then, whether or not it would have continued after that date apart from the provisions of this Schedule, it shall be treated for the purposes of those provisions as being continued by virtue of paragraph 3 above.

Agreements as to the grant of new tenancies

17 In any case where, prior to the date of termination of a long residential tenancy, the landlord and the tenant agree for the grant to the tenant of a future tenancy of the whole or part of the property let under the tenancy at a rent other than a low rent and on terms and from a date specified in the agreement, the tenancy shall continue until that date but no longer; and, in such a case, the provisions of this Schedule shall cease to apply in relation to the tenancy with effect from the date of the agreement.

Assumptions on which to determine future questions

18 Where under this Schedule any question falls to be determined by the court or a rent assessment committee by reference to circumstances at a future date, the court or committee shall have regard to all rights, interests and obligations under or relating to the tenancy as they subsist at the time of the determination and to all relevant circumstances as those then subsist and shall assume, except in so far as the contrary is shown, that those rights, interests, obligations and circumstances will continue to subsist unchanged until that future date.

Landlords and mortgagees in possession

19 (1) Section 21 of the 1954 Act (meaning of "the landlord" and provisions as to mesne landlords) shall apply in relation to this Schedule as it applies in relation to Part I of that Act but subject to the following modifications—

(a) any reference to Part I of that Act shall be construed as a reference to this Schedule; and

(b) subsection (4) (which relates to statutory tenancies arising under that Part) shall be omitted.

(2) Section 67 of the 1954 Act (mortgagees in possession) applies for the purposes of this Schedule except that for the reference to that Act there shall be substituted a reference to this Schedule.

(3) In accordance with sub-paragraph (1) above, Schedule 5 to the 1954 Act shall also apply for the purpose of this Schedule but subject to the following modifications—

(a) any reference to Part I of the 1954 Act shall be construed as a reference to the provisions of this Schedule (other than this sub-paragraph);

(b) any reference to section 21 of the 1954 Act shall be construed as a reference to that section as it applies in relation to this Schedule;

(c) any reference to subsection (1) of section 4 of that Act shall be construed as a reference to sub-paragraph (1) of paragraph 4 above;

(e) any reference to the court includes a reference to a rent assessment committee;

(e) paragraphs 6 to 8 and 11 shall be omitted;

(e) any reference to a particular subsection of section 16 of the 1954 Act shall be construed as a reference to that subsection as it applies in relation to this Schedule;

(g) any reference to a tenancy to which section 1 of the 1954 Act applies shall be construed as a reference to a long residential tenancy; and

(h) expressions to which a meaning is assigned by any provision of this Schedule (other than this sub-paragraph) shall be given that meaning.

Application of other provisions of the 1954 Act

20 (1) Section 16 of the 1954 Act (relief for tenant where landlord proceeding to enforce covenants) shall apply in relation to this Schedule as it applies in relation to Part I of that Act but subject to the following modifications—

(a) in subsection (1) the reference to a tenancy to which section 1 of the 1954 Act applies shall be construed as a reference to a long residential tenancy;

(b) in subsection (2) the reference to Part I of that Act shall be construed as a reference to this Schedule;

(c) subsection (3) shall have effect as if the words "(without prejudice to section ten of this Act)" were omitted; and

(d) in subsection (7) the reference to subsection (3) of section 2 of the 1954 Act shall be construed as a reference to paragraph 1(6) above.

(2) Section 55 of the 1954 Act (compensation for possession obtained by misrepresentation) shall apply in relation to this Schedule as it applies in relation to Part I of that Act.

(3) Section 63 of the 1954 Act (jurisdiction of court for purposes of Parts I and II of the 1954 Act and of Part I of the Landlord and Tenant Act 1927) shall apply in relation to this Schedule and section 186 of this Act as it applies in relation to Part I of that Act.

(4) Section 65 of the 1954 Act (provisions as to reversions) applies for the purposes of this Schedule except that for any reference to that Act there shall be substituted a reference to this Schedule.

(5) Subsection (4) of section 66 of the 1954 Act (service of notices) shall apply in relation to this Schedule as it applies in relation to that Act.

21 (1) Where this Schedule has effect in relation to a former 1954 Act tenancy the term date of which falls before 15th January 1999, any reference (however expressed) in the preceding provisions of this Schedule to the dwelling-house (or the property)

let under the tenancy shall have effect as a reference to the premises qualifying for protection, within the meaning of the 1954 Act.

(2) Notwithstanding that at any time section 1 of the 1954 Act does not, and this Schedule does, apply to a former 1954 Act tenancy, any question of what are the premises qualifying for protection or (in that context) what is the tenancy shall be determined for the purposes of this Schedule in accordance with Part I of that Act.

Crown application

22 (1) This Schedule shall apply where—

(a) there is an interest belonging to Her Majesty in right of the Crown and that interest is under the management of the Crown Estate Commissioners, or

(b) there is an interest belonging to Her Majesty in right of the Duchy of Lancaster or belonging to the Duchy of Cornwall,

as if it were an interest not so belonging.

(2) Where an interest belongs to Her Majesty in right of the Duchy of Lancaster, then, for the purposes of this Schedule, the Chancellor of the Duchy of Lancaster shall be deemed to be the owner of the interest.

(3) Where an interest belongs to the Duchy of Cornwall, then, for the purposes of this Schedule, such person as the Duke of Cornwall, or other possessor for the time being of the Duchy of Cornwall, appoints shall be deemed to be the owner of the interest.