

# Leasehold Reform, Housing and Urban Development Act 1993

**1993 CHAPTER 28** 

# PART II

PUBLIC SECTOR HOUSING

# CHAPTER I

## ENGLAND AND WALES

Other rights of secure tenants

## 122 Right to compensation for improvements.

After section 99 of the 1985 Act there shall be inserted the following sections-

#### **"99A Right to compensation for improvements.**

- (1) The powers conferred by this section shall be exercisable as respects cases where a secure tenant has made an improvement and—
  - (a) the work on the improvement was begun not earlier than the commencement of section 122 of the Leasehold Reform, Housing and Urban Development Act 1993,
  - (b) the landlord, or a predecessor in title of the landlord (being a local authority), has given its written consent to the improvement or is to be treated as having given its consent, and
  - (c) at the time when the tenancy comes to an end the landlord is a local authority and the tenancy is a secure tenancy.
- (2) The Secretary of State may make regulations for entitling the qualifying person or persons (within the meaning given by section 99B)—

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- (a) at the time when the tenancy comes to an end, and
- (b) subject to and in accordance with the regulations,

to be paid compensation by the landlord in respect of the improvement.

- (3) The regulations may provide that compensation shall be not payable if—
  - (a) the improvement is not of a prescribed description,
  - (b) the tenancy comes to an end in prescribed circumstances,
  - (c) compensation has been paid under section 100 in respect of the improvement, or
  - (d) the amount of any compensation which would otherwise be payable is less than a prescribed amount;

and for the purposes of this subsection a prescribed description may be framed by reference to any circumstances whatever.

- (4) The regulations may provide that the amount of any compensation payable shall not exceed a prescribed amount but, subject to that, shall be determined by the landlord, or calculated, in such manner, and taking into account such matters, as may be prescribed.
- (5) The regulations may also make such procedural, incidental, supplementary and transitional provisions as may appear to the Secretary of State necessary or expedient, and may in particular—
  - (a) provide for the manner in which and the period within which claims for compensation under the regulations are to be made, and for the procedure to be followed in determining such claims,
  - (b) prescribe the form of any document required to be used for the purposes of or in connection with such claims,
  - (c) provide for questions arising under the regulations to be determined by the district valuer or the county court, and
  - (d) enable the landlord to set off against any compensation payable under the regulations any sums owed to it by the qualifying person or persons.
- (6) Nothing in subsections (3) to (5) shall be taken as prejudicing the generality of subsection (2).
- (7) Regulations under this section—
  - (a) may make different provision with respect to different cases or descriptions of case, including different provision for different areas, and
  - (b) shall be made by statutory instrument which (except in the case of regulations making only such provision as is mentioned in subsection (5)(b)) shall be subject to annulment in pursuance of a resolution of either House of Parliament.
- (8) For the purposes of this section and section 99B, a tenancy shall be treated as coming to an end if—
  - (a) it ceases to be a secure tenancy by reason of the landlord condition no longer being satisfied, or
  - (b) it is assigned, with the consent of the landlord—
    - (i) to another secure tenant who satisfies the condition in subsection (2) of section 92 (assignments by way of exchange), or

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(ii) to an assured tenant who satisfies the conditions in subsection (2A) of that section.

#### 99B Persons qualifying for compensation.

- (1) A person is a qualifying person for the purposes of section 99A(2) if-
  - (a) he is, at the time when the tenancy comes to an end, the tenant or, in the case of a joint tenancy at that time, one of the tenants, and
  - (b) he is a person to whom subsection (2) applies.
- (2) This subsection applies to—
  - (a) the improving tenant;
  - (b) a person who became a tenant jointly with the improving tenant;
  - (c) a person in whom the tenancy was vested, or to whom the tenancy was disposed of, under section 89 (succession to periodic tenancy) or section 90 (devolution of term certain) on the death of the improving tenant or in the course of the administration of his estate;
  - (d) a person to whom the tenancy was assigned by the improving tenant and who would have been qualified to succeed him if he had died immediately before the assignment;
  - (e) a person to whom the tenancy was assigned by the improving tenant in pursuance of an order made under section 24 of the Matrimonial Causes Act 1973 (property adjustment orders in connection with matrimonial proceedings);
  - (f) a spouse or former spouse of the improving tenant to whom the tenancy has been transferred by an order under paragraph 2 of Schedule 1 to the Matrimonial Homes Act 1983.
- (3) Subsection (2)(c) does not apply in any case where the tenancy ceased to be a secure tenancy by virtue of section 89(3) or, as the case may be, section 90(3).
- (4) Where, in the case of two or more qualifying persons, one of them ("the missing person") cannot be found—
  - (a) a claim under regulations made under section 99A may be made by, and compensation under those regulations may be paid to, the other qualifying person or persons; but
  - (b) the missing person shall be entitled to recover his share of any compensation so paid from that person or those persons.
- (5) In this section "the improving tenant" means—
  - (a) the tenant by whom the improvement mentioned in section 99A(1) was made, or
  - (b) in the case of a joint tenancy at the time when the improvement was made, any of the tenants at that time."

#### **Commencement Information**

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II S. 122 wholly in force at 1.2.1994 (subject to art. 5 of S.I. 1993/2762) see s. 188(2) and S.I. 1993/2762, art. 4(b)
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#### **Changes to legislation:**

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**Changes and effects yet to be applied to the whole Act associated Parts and Chapters:** Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 12A and cross-heading inserted by 2002 c. 15 s. 123(1)
- s. 12A(3)(a)(b) words substituted by S.I. 2009/1941 Sch. 1 para. 140(5)
- s. 12A(4)(a) words substituted by S.I. 2009/1941 Sch. 1 para. 140(5)
- s. 12A(4)(c) words substituted by S.I. 2009/1941 Sch. 1 para. 140(5)
- s. 13(2ZA) inserted by 2002 c. 15 s. 121(3)
- s. 13(2ZB) inserted by 2002 c. 15 s. 123(2)
- s. 13(5A) inserted by 2002 c. 15 Sch. 8 para. 6(3)
- s. 29(4A) inserted by 2002 c. 15 Sch. 8 para. 18(2)
- s. 29(4A) words added by S.I. 2003/2096 Sch. para. 20(b)
- s. 29(4A)(a) words omitted by S.I. 2003/2096 Sch. para. 20(a)
- s. 29(4A)(d) words substituted by S.I. 2009/1941 Sch. 1 para. 140(6)
- s. 70(15) inserted by 2023 asc 3 Sch. 13 para. 166(b)
- s. 78(5A)-(5C) inserted by 2008 c. 17 Sch. 12 para. 15(3)
- s. 78(7) inserted by 2008 c. 17 Sch. 12 para. 15(4)
- s. 79(2)(2A) substituted for s. 79(2) by 2002 c. 15 Sch. 10 para. 16(3)
- s. 156(4) repealed by 2014 asp 14 sch. 2 para. 7
- Sch. 20 para. 5(1A) inserted by 2008 c. 29 Sch. 9 para. 5(2)