

# Leasehold Reform, Housing and Urban Development Act 1993

## **1993 CHAPTER 28**

#### PART I

## LANDLORD AND TENANT

## CHAPTER IV

## ESTATE MANAGEMENT SCHEMES IN CONNECTION WITH ENFRANCHISEMENT

# 74 Effect of application for approval on claim to acquire freehold.

- (1) Subject to subsections (5) and (6), this subsection applies where—
  - (a) an application ("the scheme application") is made for the approval of a scheme as an estate management scheme for any area or a request ("the request for consent") is made for consent under section 72(1) in relation to any area, and
  - (b) whether before or after the making of the application or request—
    - (i) the tenant of a house in that area gives notice of his desire to have the freehold under Part I of the MI Leasehold Reform Act 1967, FI...
    - (ii) a notice is given under section 13 above in respect of any premises in the area  $\Gamma^{F2}$  and
  - (c) in the case of an application for the approval of a scheme as an estate management scheme, the scheme would extend to the house or premises if acquired in pursuance of the notice.]
- (2) Where subsection (1) applies by virtue of paragraph (b)(i) of that subsection, then—
  - (a) no further steps need be taken towards the execution of a conveyance to give effect to section 10 of the 1967 Act beyond those which appear to the landlord to be reasonable in the circumstances; and
  - (b) if the notice referred to in subsection (1)(b)(i) ("the tenant's notice") was given before the making of the scheme application or the request for consent,

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that notice may be withdrawn by a further notice given by the tenant to the landlord.

- (3) Where subsection (1) applies by virtue of paragraph (b)(ii) of that subsection, then—
  - (a) if the notice referred to in that provision ("the initial notice") was given before the making of the scheme application or the request for consent, the notice may be withdrawn by a further notice given by the nominee purchaser to the reversioner;
  - (b) unless the initial notice is so withdrawn, the reversioner shall, if he has not already given the nominee purchaser a counter-notice under section 21, give him by the date referred to in subsection (1) of that section a counter-notice which complies with one of the requirements set out in subsection (2) of that section (but in relation to which subsection (3) of that section need not be complied with); and
  - (c) no proceedings shall be brought under Chapter I in pursuance of the initial notice otherwise than under section 22 or 23, and, if the court under either of those sections makes an order requiring the reversioner to give a further counter-notice to the nominee purchaser, the date by which it is to be given shall be such date as falls two months after subsection (1) above ceases to apply;

but no other counter-notice need be given under Chapter I, and (subject to the preceding provisions of this subsection) no further steps need be taken towards the final determination (whether by agreement or otherwise) of the terms of the proposed acquisition by the nominee purchaser beyond those which appear to the reversioner to be reasonable in the circumstances.

- (4) If the tenant's notice or the initial notice is withdrawn in accordance with subsection (2) or (3) above, section 9(4) of the 1967 Act or (as the case may be) section 33 above shall not have effect to require the payment of any costs incurred in pursuance of that notice.
- (5) Where the scheme application is withdrawn or dismissed, subsection (1) does not apply at any time falling after—
  - (a) the date of the withdrawal of the application, or
  - (b) the date when the decision of the tribunal dismissing the application becomes final.

as the case may be; and subsection (1) does not apply at any time falling after the date on which a scheme is approved for the area referred to in that subsection, or for any part of it, in pursuance of the scheme application.

- (6) Where the request for consent is withdrawn or refused, subsection (1) does not apply at any time falling after the date on which the request is withdrawn or refused, as the case may be; and where the request is granted, subsection (1) does not apply at any time falling more than six months after the date on which it is granted (unless that subsection applies by virtue of an application made in reliance on the consent).
- (7) Where, in accordance with subsection (5) or (6), subsection (1) ceases to apply as from a particular date, it shall do so without prejudice to—
  - (a) the effect of anything done before that date in pursuance of subsection (2) or (3); or
  - (b) the operation of any provision of this Part, or of regulations made under it, in relation to anything so done.

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- (8) If, however, no notice of withdrawal has been given in accordance with subsection (3) before the date when subsection (1) so ceases to apply and before that date either
  - the reversioner has given the nominee purchaser a counter-notice under section 21 complying with the requirement set out in subsection (2)(a) of that section, or
  - section 23(6) would (but for subsection (3) above) have applied to require the reversioner to give a further counter-notice to the nominee purchaser,

the reversioner shall give a further counter-notice to the nominee purchaser within the period of two months beginning with the date when subsection (1) ceases to apply.

- (9) Subsections (3) to (5) of section 21 shall apply to any further counter-notice required to be given by the reversioner under subsection (8) above as if it were a counter-notice under that section complying with the requirement set out in subsection (2)(a) of that section; and sections 24 and 25 shall apply in relation to any such counter-notice as they apply in relation to one required by section 22(3).
- (10) In this section—

"the 1967 Act" means the M2Leasehold Reform Act 1967; and "the nominee purchaser" and "the reversioner" have the same meaning as in Chapter I of this Part of this Act;

and references to the approval of a scheme for any area include references to the approval of a scheme for two or more areas in accordance with section 71 or 73 above.

## **Textual Amendments**

- Words in s. 74(1)(b)(i) omitted (1.4.1997) by virtue of 1996 c. 52, s. 118(1)(4)(a); S.I. 1997/618, art. **2(1)** (with transitional savings in art. 2, Sch. para. 3)
- F2 Word 'and' and s. 74(1)(c) inserted (1.4.1997) by 1996 c. 52, s. 118(1)(4)(b); S.I. 1997/618, art. 2(1) (with transitional savings in art. 2, Sch. para. 3)

# **Marginal Citations**

M1 1967 c. 88.

M2 1967 c. 88.

### **Changes to legislation:**

Leasehold Reform, Housing and Urban Development Act 1993, Section 74 is up to date with all changes known to be in force on or before 16 April 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.

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## Changes and effects yet to be applied to:

- s. 74 words substituted by 2002 c. 15 Sch. 8 para. 30(2)
- s. 74(3) word substituted by 2002 c. 15 Sch. 8 para. 30(3)

## 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)