



Landlord and Tenant (Covenants) Act 1995

1995 CHAPTER 30

Liability of former tenant etc. in respect of covenants

17 Restriction on liability of former tenant or his guarantor for rent or service charge etc

- (1) This section applies where a person (“the former tenant”) is as a result of an assignment no longer a tenant under a tenancy but—
 - (a) (in the case of a tenancy which is a new tenancy) he has under an authorised guarantee agreement guaranteed the performance by his assignee of a tenant covenant of the tenancy under which any fixed charge is payable; or
 - (b) (in the case of any tenancy) he remains bound by such a covenant.
- (2) The former tenant shall not be liable under that agreement or (as the case may be) the covenant to pay any amount in respect of any fixed charge payable under the covenant unless, within the period of six months beginning with the date when the charge becomes due, the landlord serves on the former tenant a notice informing him—
 - (a) that the charge is now due; and
 - (b) that in respect of the charge the landlord intends to recover from the former tenant such amount as is specified in the notice and (where payable) interest calculated on such basis as is so specified.
- (3) Where a person (“the guarantor”) has agreed to guarantee the performance by the former tenant of such a covenant as is mentioned in subsection (1), the guarantor shall not be liable under the agreement to pay any amount in respect of any fixed charge payable under the covenant unless, within the period of six months beginning with the date when the charge becomes due, the landlord serves on the guarantor a notice informing him—
 - (a) that the charge is now due; and
 - (b) that in respect of the charge the landlord intends to recover from the guarantor such amount as is specified in the notice and (where payable) interest calculated on such basis as is so specified.

- (4) Where the landlord has duly served a notice under subsection (2) or (3), the amount (exclusive of interest) which the former tenant or (as the case may be) the guarantor is liable to pay in respect of the fixed charge in question shall not exceed the amount specified in the notice unless—
- (a) his liability in respect of the charge is subsequently determined to be for a greater amount,
 - (b) the notice informed him of the possibility that that liability would be so determined, and
 - (c) within the period of three months beginning with the date of the determination, the landlord serves on him a further notice informing him that the landlord intends to recover that greater amount from him (plus interest, where payable).
- (5) For the purposes of subsection (2) or (3) any fixed charge which has become due before the date on which this Act comes into force shall be treated as becoming due on that date; but neither of those subsections applies to any such charge if before that date proceedings have been instituted by the landlord for the recovery from the former tenant of any amount in respect of it.
- (6) In this section—
- “fixed charge”, in relation to a tenancy, means—
 - (a) rent,
 - (b) any service charge as defined by section 18 of the Landlord and Tenant Act 1985 (the words “of a dwelling” being disregarded for this purpose), and
 - (c) any amount payable under a tenant covenant of the tenancy providing for the payment of a liquidated sum in the event of a failure to comply with any such covenant;
 - “landlord”, in relation to a fixed charge, includes any person who has a right to enforce payment of the charge.