



# Business Tenancies Act (Northern Ireland) 1964

## 1964 CHAPTER 36

### PART II

#### COMPENSATION FOR IMPROVEMENTS

#### **37 Rights of parties on service of notice of undertaking.**

Where a tenant has served a notice of improvement under section 34(1) on his landlord and that landlord has, within three months after such service, served on the tenant a notice of undertaking in respect of the notice of improvement and no superior landlord has within such three months served on the tenant a notice of objection in respect of the notice of improvement, the following provisions shall have effect, that is to say:—

- (a) the tenant may, by notice served on his landlord within one month after the service of the notice of undertaking, either accept the notice of undertaking, or withdraw the notice of improvement served by him, or where the notice of undertaking specifies an increase of rent, object to the amount of that increase;
- (b) where the tenant does not within the said month serve any notice under paragraph (a) or the tenant duly accepts the notice of undertaking, the landlord shall within a reasonable time after the expiration of such month, execute and complete at his own expense and in accordance with that notice of undertaking the improvement mentioned therein;
- (c) if the tenant duly withdraws in accordance with this section the notice of improvement served by him, that notice shall for all purposes be deemed never to have been served;
- (d) where the tenant duly objects in accordance with this section to the amount of the increase of rent specified in the notice of undertaking, then—
  - (i) the landlord and the tenant may either fix by agreement the amount of the increase of rent or agree that the amount of the increase of rent shall be fixed by the Lands Tribunal and thereupon the notice of undertaking shall have effect in accordance with that agreement and

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**Changes to legislation:** *There are currently no known outstanding effects for the Business Tenancies Act (Northern Ireland) 1964, Section 37. (See end of Document for details)*

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- be deemed to have been duly accepted in accordance with this section by the tenant; or
- (ii) either the landlord or the tenant may apply to the Lands Tribunal and on the hearing of the application the Lands Tribunal may, as it shall think proper, either fix the amount of the increase of rent or deem the notice of undertaking to be a notice of objection and deal with it accordingly;
  - (e) where the notice of undertaking is, by its terms or by subsequent agreement, made subject to an increase of rent of an amount to be fixed by the Lands Tribunal, the landlord or tenant may, when the improvement has been duly executed by the landlord, apply to the Lands Tribunal to fix the amount of the increase of rent and thereupon the Lands Tribunal shall fix that amount accordingly;
  - (f) upon the completion of the improvement by the landlord in accordance with the notice of undertaking and this section, the rent payable by the tenant to such landlord shall, as from the date of the completion, be increased in accordance with that notice of undertaking or the order of the Lands Tribunal (as the case may be), and any dispute as to the amount or commencement of or otherwise in relation to such increase shall be referred to and determined by the Lands Tribunal on the application of the landlord or tenant;
  - (g) where the landlord is bound under this section or under section 36(4) to execute an improvement in accordance with a notice of undertaking but fails or neglects to execute and complete that improvement within a reasonable time the tenant may apply to the Lands Tribunal and the Lands Tribunal may treat the notice of undertaking as a notice of objection and deal with it accordingly.

**Changes to legislation:**

There are currently no known outstanding effects for the Business Tenancies Act (Northern Ireland) 1964, Section 37.