
STATUTORY INSTRUMENTS

1996 No. 725

The Business Tenancies (Northern Ireland) Order 1996

Application to the Lands Tribunal

Rent under new tenancy

18.—(1) The rent payable under a new tenancy granted in pursuance of an order of the Lands Tribunal shall be such as may be agreed between the landlord and the tenant.

(2) In the absence of agreement the rent shall be such as may be determined by the Lands Tribunal to be that at which, having regard to the terms of the tenancy (other than those relating to rent), the holding might reasonably be expected to be let in the open market by a willing lessor, there being disregarded—

- (a) any effect on rent of the fact that the tenant has or his predecessors in title have been in occupation of the holding;
- (b) any goodwill attached to the holding by reason of the carrying on thereat of the business of the tenant (whether by him or by a predecessor of his in that business);
- (c) any effect on rent of any improvement—
 - (i) carried out by the tenant or a predecessor in title of his; or
 - (ii) where the tenant or a predecessor in title of his has remained in occupation of the holding during two or more tenancies, carried out by him or that predecessor in title during a tenancy other than the current tenancy;other than in pursuance of an obligation to the immediate landlord;
- (d) in the case of a holding comprising premises licensed under the Licensing (Northern Ireland) Order 1990, any addition to its value attributable to the licence, if it appears to the Lands Tribunal that having regard to the terms of the current tenancy and any other relevant circumstances the benefit of the licence belongs to the tenant.

(3) None of the provisions of the Rent (Northern Ireland) Order 1978 shall operate to limit or affect the amount of the rent which may be fixed by the Lands Tribunal under paragraph (2).

(4) Where the Lands Tribunal fixes the amount of rent under this Article, it may by order direct—

- (a) that the rent shall be payable in that amount from such date (including a date then past), and
- (b) that interest shall be payable on rent in arrear (including rent in arrear by virtue of a direction under sub-paragraph (a)) at such rate,

as the Lands Tribunal considers proper in all the circumstances.

(5) Where rent is in arrear by virtue of a direction under paragraph (4)(a), the Lands Tribunal shall order the payment of—

- (a) the sum of any arrears of rent created by virtue of that direction; or
- (b) where the Lands Tribunal also directs that interest shall be payable on rent in arrear, the sum of any arrears so created and interest on such arrears.