

# Matrimonial Homes (Family Protection) (Scotland) Act 1981

#### **1981 CHAPTER 59**

Occupancy rights in relation to dealings with third parties

### 6 Continued exercise of occupancy rights after dealing.

- (1) Subject to subsection (3) below—
  - (a) the continued exercise of the rights conferred on a non-entitled spouse by the provisions of this Act in respect of a matrimonial home shall not be prejudiced by reason only of any dealing of the entitled spouse relating to that home; and
  - (b) a third party shall not by reason only of such a dealing be entitled to occupy that matrimonial home or any part of it.
- [F1(1A) The occupancy rights of a non-entitled spouse in relation to a matrimonial home shall not be exercisable in relation to the home where, following a dealing of the entitled spouse relating to the home—
  - (a) a person acquires the home, or an interest in it, in good faith and for value from a person other than the person who is or, as the case may be, was the entitled spouse; or
  - (b) a person derives title to the home from a person who acquired title as mentioned in paragraph (a).]
  - (2) In this section and section 7 of this Act—

"dealing" includes the grant of a heritable security and the creation of a trust but does not include a conveyance under section 80 of the MIL Lands Clauses Consolidation (Scotland) Act 1845;

"entitled spouse" does not include a spouse who, apart from the provisions of this Act,—

- (a) is permitted by a third party to occupy a matrimonial home; or
- (b) is entitled to occupy a matrimonial home along with an individual who is not the other spouse, whether or not that individual has waived his or her right of occupation in favour of the spouse so entitled;

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and "non-entitled spouse" shall be construed accordingly.

- (3) This section shall not apply in any case where—
  - (a) the non-entitled spouse in writing either—
    - (i) consents or has consented to the dealing, and any consent shall be in such form as the Secretary of State may, by regulations made by statutory instrument, prescribe; or
    - (ii) renounces or has renounced his or her occupancy rights in relation to the matrimonial home or property to which the dealing relates;
  - the court has made an order under section 7 of this Act dispensing with the consent of the non-entitled spouse to the dealing;
  - the dealing occurred, or implements, a binding obligation entered into by the entitled spouse before his or her marriage to the non-entitled spouse;
  - the dealing occurred, or implements, a binding obligation entered into before the commencement of this Act; . . .
  - the dealing comprises  $[^{F3}a\ [^{F4}$ transfer for value] to] a third party who has acted in good faith, if ...  $^{F5}$  there is produced to the third party by the  $[^{F6}$ transferor—
    - (i) a written declaration signed by the transferor, or a person acting on behalf of the transferor under a power of attorney or as a guardian (within the meaning of the Adults with Incapacity (Scotland) Act 2000 (asp 4)), that the subjects of the transfer are not, or were not at the time of the dealing, a matrimonial home in relation to which a spouse of the transferor has or had occupancy rights; or
    - (ii) a renunciation of occupancy rights or consent to the dealing which bears to have been properly made or given by the non-entitled spouse or a person acting on behalf of the non-entitled spouse under a power of attorney or as a guardian (within the meaning of the Adults with Incapacity (Scotland) Act 2000 (asp 4)).]
  - $\int_{0}^{F7}(f)$ the entitled spouse has permanently ceased to be entitled to occupy the matrimonial home, and at any time thereafter a continuous period of IF821 years has elapsed during which the non-entitled spouse has not occupied the matrimonial home.]
- (4) The Land Registration (Scotland) Act 1979 M2 shall be amended as follows
  - in section 6(4)—
    - (i) after the words "the interest of" there shall be inserted "(i)"; and
    - (ii) after the words "is not a long lease" there shall be inserted—

"and

- (ii) a non-entitled spouse within the meaning of section 6 of the Matrimonial Homes (Family Protection) (Scotland) Act 1981.";
- in paragraph (b) section 9(4)—
  - (i) after the words "the interest of" there shall be inserted "(i)"; and
  - (ii) after the words "is not a long lease" there shall be inserted—

"and

(ii) a non-entitled spouse within the meaning of section 6 of the Matrimonial Homes (Family Protection) (Scotland) Act 1981."; and

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(c) in section 28 in the definition of overriding interest after paragraph (g) there shall be inserted the following—

"the non-entitled spouse within the meaning of section 6 of the Matrimonial Homes (Family Protection) (Scotland) Act 1981;".

#### **Textual Amendments**

- F1 S. 6(1A) inserted (4.5.2006) by Family Law (Scotland) Act 2006 (asp 2), ss. 6(2), 46(2); S.S.I. 2006/212, art. 2 (with art. 3)
- F2 Word repealed by Law Reform (Miscellaneous Provisions) (Scotland) Act 1985 (c. 73, SIF 49:6), ss. 13(6)(a), 60(6)
- F3 Words substituted by Law Reform (Miscellaneous Provisions) (Scotland) Act 1985 (c. 73, SIF 49:6), ss. 13(6)(b)(i), 60(6)
- F4 Words in s. 6(3)(e) substituted (4.5.2006) by Family Law (Scotland) Act 2006 (asp 2), ss. 6(3)(a)(i), 46(2); S.S.I. 2006/212, art. 2 (with art. 3)
- F5 Words repealed by Law Reform (Miscellaneous Provisions) (Scotland) Act 1990 (c. 40, SIF 76:2, 68A:2), s. 74, Sch. 8 para. 31(1)(a), Sch. 9
- **F6** Words in s. 6(3)(e) substituted (4.5.2006) by Family Law (Scotland) Act 2006 (asp 2), **ss. 6(3)(a)(ii)**, 46(2); S.S.I. 2006/212, art. 2 (with art. 3)
- F7 S. 6(3)(f) added by Law Reform (Miscellaneous Provisions) (Scotland) Act 1985 (c. 73, SIF 49:6), ss. 13(6)(c), 60(6)
- **F8** Word in s. 6(3)(f) substituted (4.5.2006) by Family Law (Scotland) Act 2006 (asp 2), **ss. 6(3)(b)**, 46(2); S.S.I. 2006/212, art. 2 (with art. 3)

## **Modifications etc. (not altering text)**

- C1 S. 6(3)(e) modified (15.8.2003) by Public Appointments and Public Bodies etc. (Scotland) Act 2003 (asp 4), ss. 14(2)(a), 21(2); S.S.I. 2003/384, art. 2(a)
- C2 The text of ss. 6(4), 13(12)(a), 20 is in the form in which it was originally enacted: it was not reproduced in Statutes in Force and does not reflect any amendments or repeals which may have been made prior to 1.2.1991

#### **Marginal Citations**

**M1** 1845 c. 19.

**M2** 1979 c. 33.

# 7 Dispensation by court with spouse's consent to dealing.

- (1) [F9Subject to subsections (1A) to (1D) below,] The court may, on the application of an entitled spouse or any other person having an interest, make an order dispensing with the consent of a non-entitled spouse to a dealing which has taken place or a proposed dealing, if—
  - (a) such consent is unreasonably withheld;
  - (b) such consent cannot be given by reason of physical or mental disability;
  - (c) the non-entitled spouse cannot be found after reasonable steps have been taken to trace him or her; or
  - (d) the non-entitled spouse is [F10 under legal disability by reason of nonage].

[F11(1A) Subsection (1B) applies if, in relation to a proposed sale—

- (a) negotiations with a third party have not begun; or
- (b) negotiations have begun but a price has not been agreed.

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- (1B) An order under subsection (1) dispensing with consent may be made only if
  - the price agreed for the sale is no less than such amount as the court specifies in the order; and
  - the contract for the sale is concluded before the expiry of such period as may (b) be so specified.
- (1C) Subsection (1D) applies if the proposed dealing is the grant of a heritable security.
- (1D) An order under subsection (1) dispensing with consent may be made only if
  - the heritable security is granted for a loan of no more than such amount as the court specifies in the order; and
  - (b) the security is executed before the expiry of such period as may be so specified.]
  - (2) For the purposes of subsection (1)(a) above, a non-entitled spouse shall have unreasonably withheld consent to a dealing which has taken place or a proposed dealing, where it appears to the court
    - that the non-entitled spouse has led the entitled spouse to believe that he or she would consent to the dealing and that the non-entitled spouse would not be prejudiced by any change in the circumstances of the case since such apparent consent was given; or
    - that the entitled spouse has, having taken all reasonable steps to do so, been unable to obtain an answer to a request for consent.
  - (3) The court, in considering whether to make an order under subsection (1) above, shall have regard to all the circumstances of the case including the matters specified in paragraphs (a) to (e) of section 3(3) of this Act.
- I<sup>F12</sup>(3A) If the court refuses an application for an order under subsection (1), it may make an order requiring a non-entitled spouse who is or becomes the occupier of the matrimonial home
  - to make such payments to the owner of the home in respect of that spouse's occupation of it as may be specified in the order;
  - to comply with such other conditions relating to that spouse's occupation of the matrimonial home as may be so specified.]
  - (4) Where
    - an application is made for an order under this section; and
    - an action is or has been raised by a non-entitled spouse to enforce occupancy rights,

the action shall be sisted until the conclusion of the proceedings on the application.

| (5) | ١. |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   | FI | 3 |
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#### **Textual Amendments**

- Words in s. 7(1) inserted (4.5.2006) by Family Law (Scotland) Act 2006 (asp 2), ss. 7(a), 46(2); S.S.I. 2006/212, art. 2
- F10 Words in s. 7(1)(d) substituted by Age of Legal Capacity (Scotland) Act 1991 (c. 50, SIF 49:8), s. 10(1), Sch. 1 para. 37
- F11 S. 7(1A)-(1D) inserted (4.5.2006) by Family Law (Scotland) Act 2006 (asp 2), ss. 7(b), 46(2); S.S.I. 2006/212, art. 2

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- **F12** S. 7(3A) inserted (4.5.2006) by Family Law (Scotland) Act 2006 (asp 2), **ss. 7(c)**, 46(2); S.S.I. 2006/212, art. 2
- F13 S. 7(5) repealed by Family Law (Scotland) Act 1985 (c. 37, SIF 49:3), ss. 28(2), 29(4), Sch. 2

#### 8 Interests of heritable creditors.

- (1) The rights of a third party with an interest in the matrimonial home as a creditor under a secured loan in relation to the non-performance of any obligation under the loan shall not be prejudiced by reason only of the occupancy rights of the non-entitled spouse; but where a non-entitled spouse has or obtains occupation of a matrimonial home and—
  - (a) the entitled spouse is not in occupation; and
  - (b) there is a third party with such an interest in the matrimonial home, the court may, on the application of the third party, make an order requiring the non-entitled spouse to make any payment due by the entitled spouse in respect of the loan.
- (2) This section shall not apply [F14to secured loans in respect of which the security was granted prior to the commencement of section 13 of the Law Reform (Miscellaneous Provisions) (Scotland) Act 1985] unless the third party in granting the secured loan acted in good faith and . . . F15 there was produced to the third party by the entitled spouse—
  - (a) [F16a written declaration signed] by the entitled spouse declaring that there is no non-entitled spouse; or
  - (b) a renunciation of occupancy rights or consent to the taking of the loan which bears to have been properly made or given by the non-entitled spouse.
- [F17] (2A) This section shall not apply to secured loans in respect of which the security was granted after the commencement of section 13 of the Law Reform (Miscellaneous Provisions) (Scotland) Act 1985 unless the third party in granting the secured loan acted in good faith and . . . F18 there was produced to the third party by the grantor—
  - (a) [F19a written declaration signed] by the grantor declaring that the security subjects are not [F20] or were not at the time of the granting of the security] a matrimonial home in relation to which a spouse of the grantor has [F21] or had] occupancy rights; or
  - (b) a renunciation of occupancy rights or consent to the granting of the security which bears to have been properly made or given by the non-entitled spouse.
  - (2B) for the purposes of subsections (2) and (2A) above, the time of granting a security, in the case of a heritable security, is the date of delivery of the deed creating the security.]

#### **Textual Amendments**

- F14 Words inserted by Law Reform (Miscellaneous Provisions) (Scotland) Act 1985 (c. 73, SIF 49:6), ss. 13(7), 60(6)
- **F15** Words repealed by Law Reform (Miscellaneous Provisions) (Scotland) Act 1990 (c. 40, SIF 76:2, 68A:2), s. 74, Sch. 8 para. 31(2)(a), **Sch. 9**
- F16 Words in s. 8(2)(a) substituted (30.6.2006) by Family Law (Scotland) Act 2006 (Consequential Modifications) Order 2006 (S.S.I. 2006/384), arts. 1, 5
- F17 S. 8(2A)(2B) inserted by Law Reform (Miscellaneous Provisions) (Scotland) Act 1985 (c. 73, SIF 49:6), ss. 13(8), 60(6)
- **F18** Words repealed by Law Reform (Miscellaneous Provisions) (Scotland) Act 1990 (c. 40, SIF 76:2, 68A:2), s. 74, Sch. 8 para. 31(2)(b)(i), **Sch. 9**

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- Words in s. 8(2A)(a) substituted (30.6.2006) by Family Law (Scotland) Act 2006 (Consequential Modifications) Order 2006 (S.S.I. 2006/384), arts. 1, 5
- F20 Words inserted by Law Reform (Miscellaneous Provisions) (Scotland) Act 1990 (c. 40, SIF 76:2, 68A:2), s. 74, Sch. 8 para. 31(2)(ii)
- Words inserted by Law Reform (Miscellaneous Provisions) (Scotland) Act 1990 (c. 40, SIF 76:2, 68A:2), s. 74, Sch. 8 para. 31(2)(iii)

#### **Modifications etc. (not altering text)**

S. 8(2)(2A) modified (15.8.2003) by Public Appointments and Public Bodies etc. (Scotland) Act 2003 (asp 4), ss. 14(2)(a), 21(2); S.S.I. 2003/384, art. 2(a)

#### 9 Provisions where both spouses have title.

- (1) Subject to subsection (2) below, where, apart from the provisions of this Act, both spouses are entitled to occupy a matrimonial home
  - the rights in that home of one spouse shall not be prejudiced by reason only of any dealing of the other spouse; and
  - a third party shall not by reason only of such a dealing be entitled to occupy (b) that matrimonial home or any part of it.
- (2) The definition of "dealing" in section 6(2) of this Act and sections 6(3) and 7 of this Act shall apply for the purposes of subsection (1) above as they apply for the purposes of section 6(1) of this Act subject to the following modifications
  - any reference to the entitled spouse and to the non-entitled spouse shall be construed as a reference to a spouse who has entered into or, as the case may be, proposes to enter into a dealing and to the other spouse respectively; and
  - in paragraph (b) of section 7(4) the reference to occupancy rights shall be construed as a reference to any rights in the matrimonial home.

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# Changes and effects yet to be applied to:

s. 8 heading substituted by 2023 asp 3 s. 56(9)

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. 2(8A) inserted by 2023 asp 3 s. 56(2)
- s. 3(9) inserted by 2023 asp 3 s. 56(4)
- s. 8(2C) inserted by 2023 asp 3 s. 56(7)