**Changes to legislation:** Housing Act 2004, Section 116 is up to date with all changes known to be in force on or before 27 September 2023. 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. (See end of Document for details) View outstanding changes



Housing Act 2004

# **2004 CHAPTER 34**

### PART 4

#### ADDITIONAL CONTROL PROVISIONS IN RELATION TO RESIDENTIAL ACCOMMODATION

## CHAPTER 1

### INTERIM AND FINAL MANAGEMENT ORDERS

#### Final management orders: making and operation of orders

#### **116** General effect of final management orders

- (1) This section applies while a final management order is in force in relation to a house.
- (2) The rights and powers conferred by subsection (3) are exercisable by the authority in performing their duty under section 115(2) in respect of the house.
- (3) The authority—
  - (a) have the right to possession of the house (subject to the rights of existing and other occupiers preserved by section 124(3) and (6));
  - (b) have the right to do (and authorise a manager or other person to do) in relation to the house anything which a person having an estate or interest in the house would (but for the order) be entitled to do;
  - (c) may create one or more of the following-
    - (i) an interest in the house which, as far as possible, has all the incidents of a leasehold, or
    - (ii) a right in the nature of a licence to occupy part of the house.

(4) The powers of the authority under subsection (3)(c) are restricted as follows—

(a) they may not create any interest or right in the nature of a lease or licence—

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- (i) which is for a fixed term expiring after the date on which the order is due to expire, or
- (ii) (subject to paragraph (b)) which is terminable by notice to quit, or an equivalent notice, of more than 4 weeks,

unless consent in writing has been given by the person who would (but for the order) have power to create the lease or licence in question;

- (b) they may create an interest in the nature of an assured shorthold tenancy without any such consent so long as it is created before the beginning of the period of 6 months that ends with the date on which the order is due to expire.
- (5) The authority—
  - (a) do not under this section acquire any estate or interest in the house, and
  - (b) accordingly are not entitled by virtue of this section to sell, lease, charge or make any other disposition of any such estate or interest;

but, where the immediate landlord of the house or part of it (within the meaning of section 118) is a lessee under a lease of the house or part, the authority is to be treated (subject to paragraph (a)) as if they were the lessee instead.

- (6) Any enactment or rule of law relating to landlords and tenants or leases applies in relation to—
  - (a) a lease in relation to which the authority are to be treated as the lessee under subsection (5), or
  - (b) a lease to which the authority become a party under section 124(4),

as if the authority were the legal owner of the premises (but this is subject to section 124(7) to (9)).

- (7) None of the following, namely—
  - (a) the authority, or
  - (b) any person authorised under subsection (3)(b),

is liable to any person having an estate or interest in the house for anything done or omitted to be done in the performance (or intended performance) of the authority's duty under section 115(2) unless the act or omission is due to the negligence of the authority or any such person.

- (8) References in any enactment to housing accommodation provided or managed by a local housing authority do not include a house in relation to which a final management order is in force.
- (9) A final management order which has come into force is a local land charge.
- (10) The authority may apply to the Chief Land Registrar for the entry of an appropriate restriction in the register in respect of such an order.
- (11) In this section "enactment" includes an enactment comprised in subordinate legislation (within the meaning of the Interpretation Act 1978 (c. 30)).

#### **Commencement Information**

S. 116 wholly in force at 16.6.2006; s. 116 not in force at Royal Assent see s. 270(4)(5); s. 116 in force for E. at 6.4.2006 by S.I. 2006/1060, art. 2(1)(a) (with Sch.); s. 116 in force for W. at 16.6.2006 by S.I. 2006/1535, art. 2(a) (with Sch.)

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#### Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

Act savings and transitional provisions for amendments by S.I. 2022/1166 by S.I. 2022/1172 Regulations

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 66(1A) inserted by 2016 c. 22 s. 125(3)(a)
- s. 66(3A)(3B) inserted by 2016 c. 22 s. 125(3)(c)
- s. 89(1A) inserted by 2016 c. 22 s. 125(6)(a)
- s. 89(3A)(3B) inserted by 2016 c. 22 s. 125(6)(c)
- s. 139(7A)(7B) inserted by 2016 c. 22 s. 127(3)