

**NATIONAL ASSEMBLY FOR WALES**

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**S T A T U T O R Y I N S T R U M E N T S**

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**2005 No. (C. ) (W. )**

**LANDLORD AND TENANT,  
WALES**

The Commonhold and Leasehold Reform Act 2002 (Commencement No. 3 and Saving and Transitional Provision) (Wales) Order 2005

**EXPLANATORY NOTE**

*(This note is not part of the Order)*

This Order brings into force further provisions of Part 2 (Leasehold Reform) of the Commonhold and Leasehold Reform Act 2002 (“the 2002 Act”).

The provisions of the 2002 Act mentioned in article 2 of the Order will come into force, in relation to Wales, on 31 May 2005. They include:

- (a) provisions amending section 18(1) of, and Schedule 6 to, the Leasehold Reform, Housing and Urban Development Act 1993 (“the 1993 Act”). The principal effect of the amendments is that the price to be paid for the freehold, where it is bought by qualifying tenants, will reflect the value of the interests held by all the landlords in the property concerned at the date on which notice of the claim to exercise the right to collective enfranchisement is given under section 13 of the 1993 Act (section 126). There is a relevant transitional provision in article 3(1) and a relevant saving in article 3(2);
- (b) new provisions under which, in certain circumstances, long leaseholders may insure their houses otherwise than with an insurer nominated or approved by the landlord (section 164);
- (c) new provisions requiring landlords to notify long leaseholders that rent is due (section 166);

- (d) new provisions preventing the landlord of a long leaseholder from exercising a right of re-entry or forfeiture on account of the leaseholder's failure to pay rent, service or administration charges where the unpaid amount and the period for which any part of it has been payable do not exceed the amount and period prescribed by regulations (section 167);
- (e) new provisions preventing the landlord of a long leaseholder from serving a forfeiture notice in respect of a breach of covenant or condition in the lease unless the leaseholder admits the breach, or a court or arbitral tribunal has finally determined that the breach has occurred (sections 168 and 169). There is a saving, relevant to section 168, in article 3(3); and
- (f) changes to the conditions that must be satisfied before the landlord of a long leaseholder can exercise a right of re-entry or forfeiture for failure to pay service charges (section 170). There is a relevant saving in article 3(4).

**NOTE AS TO EARLIER COMMENCEMENT ORDERS**

*(This note is not part of the Order)*

The following provisions of the 2002 Act have been brought into force in Wales by Commencement Orders made before the date of this Order:

<i>Provision</i>	<i>Date of Commencement</i>	<i>S.I. Number</i>
Sections 71 to 73	30 March 2004	2004/669
Section 74	1 January 2003 (partially) 30 March 2004 (remainder)	2002/3012 2004/669
Sections 75 to 77	30 March 2004	2004/669
Section 78	1 January 2003 (partially) 30 March 2004 (remainder)	2002/3012 2004/669
Section 79	30 March 2004	2004/669
Section 80	1 January 2003 (partially) 30 March 2004 (remainder)	2002/3012 2004/669

Sections 81 to 83	30 March 2004	2004/669
Section 84	1 January 2003 (partially) 30 March 2004 (remainder)	2002/3012 2004/669
Sections 85 to 91	30 March 2004	2004/669
Section 92	1 January 2003 (partially) 30 March 2004 (remainder)	2002/3012 2004/669
Sections 93 to 103	30 March 2004	2004/669
Sections 105 to 109	30 March 2004	2004/669
Section 110	1 January 2003 (partially) 30 March 2004 (remainder)	2002/3012 2004/669
Sections 111 to 113	30 March 2004	2004/669
Sections 114 to 120	1 January 2003	2002/3012
Section 122 (partially)	1 January 2003	2002/3012
Section 125	1 January 2003	2002/3012
Sections 127 to 147	1 January 2003	2002/3012
Sections 148 to 150	30 March 2004	2004/669
Section 151	1 January 2003 (partially) 30 March 2004 (remainder)	2002/3012 2004/669
Sections 152 and 153 (partially)	1 January 2003	2002/3012
Section 155	30 March 2004	2004/669
Section 156 (partially)	1 January 2003	2002/3012
Section 157	30 March 2004	2004/669
Sections 158 and 159	30 March 2004	2004/669
Sections 160 to 162	1 January 2003	2002/3012
Section 163	30 March 2004	2004/669
Section 164 (partially)	1 January 2003	2002/3012
Sections 166 and 167 (partially)	1 January 2003	2002/3012
Section 171 (partially)	1 January 2003	2002/3012

Section 172 (partially)	30 March 2004	2004/669
Section 173	30 March 2004	2004/669
Section 174	1 January 2003 (partially) 30 March 2004 (remainder)	2002/3012 2004/669
Section 175	30 March 2004	2004/669
Section 176 (partially)	30 March 2004	2004/669
Section 180 (partially)	1 January 2003 30 March 2004	2002/3012 2004/669
Schedule 6	30 March 2004	2004/669
Schedule 7	30 March 2004	2004/669
Schedule 9	30 March 2004	2004/669
Schedule 10 (partially)	30 March 2004	2004/669
Schedule 11	30 March 2004	2004/669
Schedule 12	1 January 2003 (partially) 30 March 2004 (remainder)	2002/3012 2004/669
Schedule 13 (partially)	30 March 2004	2004/669
Schedule 14 (partially)	1 January 2003 30 March 2004	2002/3012 2004/669

The Commonhold and Leasehold Reform Act 2002 (Commencement No. 5 and Saving and Transitional Provision) Order 2004 (S.I. 2004/3056) (c.127) has brought into force, in relation to England and Wales, section 180 of the 2002 Act in so far as it relates to the repeal in Schedule 14 of section 104 of that Act.

Provisions in Part 1 of the 2002 Act (Commonhold) have been brought into force in relation to England and Wales by the following Commencement Orders —

The Commonhold and Leasehold Reform Act 2002 (Commencement No. 3) Order 2003 (S.I. 2003/2377) (c.91); and

The Commonhold and Leasehold Reform Act 2002 (Commencement No. 4) Order 2004 (S.I. 2004/1832) (c.76).

**2005 No. (C. ) (W. )**

**LANDLORD AND TENANT,  
WALES**

**The Commonhold and Leasehold  
Reform Act 2002 (Commencement  
No. 3 and Saving and Transitional  
Provision) (Wales) Order 2005**

*Made*

[ ] 2005

The National Assembly for Wales, in exercise of the powers conferred upon it by section 181 of the Commonhold and Leasehold Reform Act 2002(1), hereby makes the following Order:

**Name, interpretation and application**

1.—(1) The name of this Order is the Commonhold and Leasehold Reform Act 2002 (Commencement No. 3 and Saving and Transitional Provision) (Wales) Order 2005.

(2) In this Order, unless otherwise stated, references to sections and Schedules are references to sections of, and Schedules to, the Commonhold and Leasehold Reform Act 2002.

(3) This Order applies to Wales.

**Provisions coming into force in Wales on 31 May 2005**

2. Subject to article 3, the following provisions shall come into force in Wales on 31 May 2005 —

- (a) section 126,
- (b) section 157, in so far as it relates to paragraph 15 of Schedule 10,
- (c) section 164, to the extent that it is not already in force,
- (d) section 165,

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(1) 2002 c.15. See the definition of “the appropriate authority” in section 181(4).

- (e) sections 166 and 167, to the extent that they are not already in force,
- (f) sections 168 to 170,
- (g) section 171, to the extent that it is not already in force,
- (h) in section 172, subsections (1) to (5), except to the extent that they relate to the application to the Crown of sections 21 to 22 of the Landlord and Tenant Act 1985(2), as substituted or inserted by sections 152 to 154,
- (i) section 176 and Schedule 13, to the extent that they are not already in force, and
- (j) section 180, in so far as it relates to the repeals in Schedule 14 of —
  - (i) the definition of “the valuation date” in paragraph 1(1) of Schedule 6 to the Leasehold Reform, Housing and Urban Development Act 1993(3);
  - (ii) section 82 of the Housing Act 1996(4); and
  - (iii) in paragraph 18(2) of Schedule 10 to that Act, paragraph (b) and the word “and” before it.

### **Saving and transitional provision**

3.—(1) During the period beginning with 31 May 2005 and ending on the date on which sections 121 to 124 come fully into force, paragraph 4(2) of Schedule 6 to the Leasehold Reform, Housing and Urban Development Act 1993 shall have effect as if, for “participating tenants”, there were substituted “persons who are participating tenants immediately before a binding contract is entered into in pursuance of the initial notice”.

(2) Section 126 shall not have effect as regards —

- (a) notices given before 31 May 2005 under section 13 of the Leasehold Reform, Housing and Urban Development Act 1993; or
- (b) applications made before 31 May 2005 under section 26 of that Act.

(3) Section 168 shall not have effect as regards notices served under section 146(1) of the Law of Property Act 1925(5) before 31 May 2005 in respect of a breach by a tenant of any covenant or condition.

(4) The amendments made by section 170 shall not have effect as regards notices served under section

(2) 1985 c.70. (Sections 21, 21A, 21B and 22 will be substituted or inserted when sections 152 to 154 of the Commonhold and Leasehold Reform Act 2002 come fully into force).

(3) 1993 c.28.

(4) 1996 c.52.

(5) 1925 c.20.

146(1) of the Law of Property Act 1925 before 31 May 2005.

Signed on behalf of the National Assembly for Wales under section 66(1) of the Government of Wales Act 1998<sup>(6)</sup>.

Date

The Presiding Officer of the National Assembly

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<sup>(6)</sup> 1998 c.38.