STATUTORY INSTRUMENTS

1996 No. 725

The Business Tenancies (Northern Ireland) Order 1996

Miscellaneous provisions about tenancies

Restrictions on alienation or improvements

- **26.**—(1) This Article applies where—
 - (a) the tenant under a tenancy to which this Order applies wishes—
 - (i) to alienate, or
 - (ii) to make any improvement in,

the property comprised in the tenancy; and

- (b) his contract of tenancy contains a prohibition on his doing so without the consent of the immediate landlord.
- (2) That prohibition shall be subject to the qualification that consent is not to be unreasonably withheld; and where there is an obligation on the immediate landlord not to give that consent without the consent of a superior landlord, or an obligation on a superior landlord not to give consent to a consent by any other superior landlord, any such consent to a consent shall be subject to the same qualification.
- (3) Where an application is made to a landlord for a consent to which this Article applies, he shall not delay unreasonably in giving or refusing that consent.
 - (4) A consent to which this Article applies may be given subject to any reasonable conditions.
 - (5) Any question arising as to whether—
 - (a) it is unreasonable to withhold a consent to which this Article applies; or
 - (b) any delay in giving or refusing such a consent is unreasonable; or
- (c) any condition subject to which such a consent is given is unreasonable, shall be referred to and determined by the Lands Tribunal.
- (6) The Lands Tribunal shall not determine that a landlord has unreasonably withheld a consent to which this Article applies in the case of an improvement unless it is satisfied that the improvement—
 - (a) will not detract from the letting value of the property; and
 - (b) is reasonable and suitable to the character of the property; and
 - (c) will not diminish the value of other property of his.
 - (7) Where the Lands Tribunal determines that a landlord—
 - (a) has unreasonably withheld a consent to which this Article applies; or
 - (b) has unreasonably delayed in giving or refusing such a consent; or
 - (c) has imposed an unreasonable condition on such a consent,

Changes to legislation: The Business Tenancies (Northern Ireland) Order 1996, Section 26 is up to date with all changes known to be in force on or before 21 October 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

the Lands Tribunal may order him to pay to the tenant such sum as appears sufficient as compensation for damage or loss sustained or likely to be sustained by the tenant as a result of his action or inaction in that respect.

(8) In this Article—

"alienate" includes assign, sub-let, mortgage and part with or share possession;

"consent to which this Article applies" means an immediate landlord's consent to alienation or the making of an improvement, or a superior landlord's consent (at any remove) to such a consent;

"improvement" means any addition to or alteration of a building or structure or the erection of any ancillary or subsidiary building or structure (but not any alteration or reconstruction of a building or structure such as to make it lose its original identity);

"a landlord" includes an immediate landlord and a superior landlord;

"superior landlord" means a person whose estate is superior to the estate of the immediate landlord; and

any reference to a consent required from a landlord includes a consent required from some other person (and references to the granting or withholding of consent by a landlord, or to conditions subject to which consent is given by a landlord, or to other property of, or the payment of compensation by, a landlord, shall be construed accordingly).

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

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

- art. 18(6) inserted by 2022 c. 46 s. 62(2)
- art. 18A inserted by 2022 c. 46 s. 62(3)
- art. 18B18C inserted by 2022 c. 46 s. 64(2)