



Landlord and Tenant Act 1954

1954 CHAPTER 56 2 and 3 Eliz 2

PART I

SECURITY OF TENURE FOR RESIDENTIAL TENANTS

Security of tenure for tenants under ground leases, etc.

1 Protection of residential tenants on termination of long tenancies at low rents.

On the termination in accordance with the provisions of this Part of this Act of a tenancy to which this section applies the tenant shall be entitled to the protection of the ^[F1]Rent Act] subject to and in accordance with those provisions.

Textual Amendments

- F1** Words substituted by [Rent Act 1968 \(c. 23\)](#), [Sch. 15](#) (continued by [Rent Act 1977 \(c. 42\)](#), [Sch. 24 para. 30](#))

Modifications etc. (not altering text)

- C5** [S. 1](#) excluded by [Local Government and Housing Act 1989 \(c. 42, SIF 75:1\)](#), [s. 186\(2\)\(3\)](#)
[S. 1](#) excluded (1.11.1993) by [1993 c. 28, s. 59\(2\)\(b\)\(i\)](#); [S.I. 1993/2134, art. 5](#)
- C6** [S. 1](#) excluded by [Leasehold Reform Act 1967 \(c. 88\)](#), [s. 16\(1\)\(c\)\(d\)](#)

2 Tenancies to which s. 1 applies.

- (1) The foregoing section applies to any long tenancy ^[F2]at a low rent], being a tenancy as respects which for the time being the following condition (hereinafter referred to as “the qualifying condition”) is fulfilled, that is to say that the circumstances (as respects the property comprised in the tenancy, the use of that property, and all other relevant matters) are such that on the coming to an end of the tenancy at that time the tenant would, ^[F3]if the tenancy had not been one at a low rent], be entitled by virtue of the

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[^{F4}Rent Act] to retain possession of the whole or part of the property comprised in the tenancy.

[^{F5}(1A) For the purpose only of determining whether the qualifying condition is fulfilled with respect to a tenancy which is entered into on or after 1st April 1990 (otherwise than, where the property comprised in the tenancy had a rateable value on 31st March 1990, in pursuance of a contract made before 1st April 1990), for section 4(4)(b) and (5) of that Act substitute—

“(b) on the date the contract for the grant of the tenancy was made (or, if there was no such contract, on the date the tenancy was entered into) R exceeded £25,000 under the formula—

$$R = \frac{P \times I}{1 - (1 + I)^{-T}}$$

where—

P is the premium payable as a condition of the grant of the tenancy (and includes a payment of money’s worth) or, where no premium is so payable, zero,

I is 0.06, and

T is the term, expressed in years, granted by the tenancy (disregarding any right to terminate the tenancy before the end of the term or to extend the tenancy).”.]

(2) At any time before, but not more than twelve months before, the term date application may be made to the court as respects any long tenancy [^{F6}at a low rent], not being at the time of the application a tenancy as respects which the qualifying condition is fulfilled, for an order declaring that the tenancy is not to be treated for the purposes of this Part of this Act as a tenancy to which the foregoing section applies; and where such an application is made—

- (a) the court, if satisfied that the tenancy is not likely, immediately before the term date, to be a tenancy to which the foregoing section applies, but not otherwise, shall make the order;
- (b) if the court makes the order, then notwithstanding anything in subsection (1) of this section the tenancy shall not thereafter be treated as a tenancy to which the foregoing section applies.

(3) Anything authorised or required to be done under the following provisions of this Part of this Act in relation to tenancies to which the foregoing section applies shall, if done before the term date in relation to a long tenancy [^{F6}at a low rent], not be treated as invalid by reason only that at the time at which it was done the qualifying condition was not fulfilled as respects the tenancy.

(4) In this Part of this Act the expression “long tenancy” means a tenancy granted for a term of years certain exceeding twenty-one years, whether or not subsequently extended by act of the parties or by any enactment.

[^{F7}(5) In this Part of this Act the expression “tenancy at a low rent” means a tenancy the rent payable in respect whereof (or, where that rent is a progressive rent, the maximum rent payable in respect whereof) is less than,—

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- (a) where the tenancy was entered into before 1st April 1990 or (where the property comprised in the tenancy had a rateable value on 31st March 1990) is entered into on or after 1st April 1990 in pursuance of a contract made before that date, two-thirds of the rateable value of the property; and for the purposes of this subsection the rateable value of the property is that which would be taken as its rateable value for the purposes of section 5(1) of the Rent Act ^{M1}1977; and,
 - (b) where the tenancy is entered into on or after 1st April 1990 (otherwise than, where the property comprised in the tenancy had a rateable value on 31st March 1990, in pursuance of a contract made before 1st April 1990), is payable at a rate of,—
 - (i) £1,000 or less a year if the property is in Greater London, and
 - (ii) £250 or less a year if the property is elsewhere.]
- (6) In this Part of this Act the expression “term date”, in relation to a tenancy granted for a term of years certain, means the date of expiry of the term.
- [^{F8}(7) In determining whether a long tenancy is, or at any time was, a tenancy at a low rent there shall be disregarded such part (if any) of the sums payable by the tenant as is expressed (in whatever terms) to be payable in respect of rates, [^{F9}council tax,] services, repairs, maintenance, or insurance, unless it could not have been regarded by the parties as a part so payable.
- In this section “long tenancy” does not include a tenancy which is, or may become, terminable before the end of the term by notice given to the tenant.]
- [^{F10}(8) The Secretary of State may by order replace any amount referred to in subsections (1A) and (5)(b) of this section and the number in the definition of “T” in subsection (1A) by such amount or number as is specified in the order; and such an order shall be made by statutory instrument which shall be subject to annulment in pursuance of a resolution of either House of Parliament.]

Textual Amendments

- F2** Words re-inserted by [Leasehold Reform Act 1967 \(c. 88\), s. 39\(2\)](#), **Sch. 5 para. 2(a)**
- F3** Words restored by [Leasehold Reform Act 1967 \(c. 88\), s. 39\(2\)](#), **Sch. 5 para. 2(a)**
- F4** Words substituted by [Rent Act 1968 \(c. 23\)](#), **Sch. 15** (continued by [Rent Act 1977 \(c. 42\)](#), **Sch. 24 para. 30**)
- F5** [S. 2\(1A\)](#) inserted by [S.I. 1990/434, reg. 2](#), **Sch. para. 2**
- F6** Words re-inserted by [Leasehold Reform Act 1967 \(c. 88\), s. 39\(2\)](#), **Sch. 5 para. 2(a)**
- F7** [S. 2\(5\)](#) substituted by [S.I. 1990/434, reg. 2](#), **Sch. para. 3**
- F8** [S. 2\(7\)](#) added by [Rent Act 1977 \(c. 42\), s. 155\(2\)](#), **Sch. 23 para. 13**
- F9** Words in [s. 2\(7\)](#) inserted (1.4.1993) by [S.I. 1993/651, art. 2\(1\)](#), **Sch. 1 para. 1**
- F10** [S. 2\(8\)](#) inserted by [S.I. 1990/434, reg. 2](#), **Sch. para. 4**

Marginal Citations

- M1** [1977 c.42 \(75:3\)](#).

Changes to legislation:

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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. 34(5) inserted by [2022 c. 46 s. 61\(5\)](#)
- s. 34A inserted by [2022 c. 46 s. 61\(2\)](#)
- s. 34B34C inserted by [2022 c. 46 s. 63](#)
- s. 63(2A)-(2C) inserted by [2022 c. 46 s. 65](#)