

CONSENT TO ALIENATION

*A paper for the Property Litigation Association Annual Conference
at Keble College, Oxford on Friday, 28th March 2014 by*

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Introduction

1. There are no surprises about the subject matter of this workshop – the clue is in the title. The significance of covenants against alienation and their potential to cause difficulties are well known to all experienced property law practitioners, and so although it may not be the most glamorous topic it is a very practical one, and important to both landlord and tenant. We approach this session in three parts – first, a fairly speedy revision of the basics, second, a review of the more recent decisions relevant to the subject, and third, a consideration of some common issues you may encounter in practice.

Part 1: Revising the basics

2. Alienation is concerned with the transfer or grant of an interest in land, and so in leasehold covenants they are designed to address the tenant's rights to assign, sub-let, part with or share possession of all or part of the property demised under a lease.
3. Covenants against alienation come in one of two forms – absolute or qualified. An absolute covenant is a complete prohibition against alienation; a qualified covenant prohibits alienation unless certain conditions are fulfilled. There is nothing objectionable about an absolute bar against alienation as the parties are free to strike their bargain as they choose and there is no statutory control in this regard. Of course, from the landlord's perspective an absolute covenant gives control, but the reality is that most leases, particularly long leases, will be based on a qualified covenant. Regardless of form, the key thing is that a covenant is there – absent a prohibition, whether absolute or qualified, the tenant will generally have a common law right to sub-let or assign and the landlord will have no right to object at all.
4. In the case of an absolute covenant against alienation, the landlord is under no obligation to consent to any request by the tenant, and cannot be compelled to do so even if he is acting unreasonably. The package the tenant bought into when it

took a lease on such terms was simply one which came without a right to alienate. Matters are more complicated where the covenant is qualified.

5. A common form of qualified covenant is as follows:

The tenant covenants that it will not....assign, sub-let, or part with possession without the consent of the landlord, such consent not to be unreasonably withheld.

In this example the parties have included an express common law obligation on the landlord that he is not to unreasonably withhold consent. However if the covenant were to simply provide that the tenant is not to assign etc “*without the consent of the landlord*”, then a similar limitation on the landlord’s freedom to withhold consent is imposed by s.19(1) of the Landlord and Tenant Act 1927 (“the 1927 Act”). By section 19(1)(a) all leases containing a covenant against alienation without licence or consent are deemed to be subject:

“.. to a proviso to the effect that such licence or consent is not to be unreasonably withheld, but this proviso does not preclude the right of the landlord to require payment of a reasonable sum in respect of any legal or other expenses incurred in connection with such licence or consent..”

6. Section 19(1)(a) attaches specifically to qualified covenants to assign; it does not control or limit absolute covenants. With regard to the manner of its application, it has been held that parties cannot side-step the oversight it gives the court by drafting controls into the covenant. So, for example, in the fragrant sounding and eccentrically capitalised *Creery v Summer sell and Flower dew & Co* [1949] Ch 751 the covenant ran “*not to underlet without the consent (not to be unreasonably withheld) of the lessor had and obtained save that the lessor reserves the right not to give his consent if in his opinion the proposed ... sublessee is for any reason in his discretion undesirable as an occupant ... or underlessee...*”, and the court ruled that the wording “*save that the lessor etc*” was invalid.

7. On the other hand, there is nothing to stop the landlord accepting an even more restricted discretion than s.19(1)(a) would allow. So an agreement that a landlord would not “*withhold consent in the case of a respectable and responsible*” proposed assignee (*Moat v Martin* [1950] 1 KB 175) meant that the landlord could not object on otherwise reasonable grounds, as long as the proposed assignee was “respectable and responsible”. A Mr Thom was the proposed assignee in that case,

but as it was admitted by the parties that he was respectable and responsible what he did or who he was is, alas, lost to history.

8. However, having said that the parties cannot oust the court's oversight of reasonableness, what is the position with regard to agreed pre-conditions? To conjure up a somewhat unusual example – what if the covenant was that consent was not to be unreasonably withheld, *“provided that the landlord may require the assignee to provide separate references from a bank with which it has held an account for a minimum of five years and from a chartered accountant both confirming that it has a minimum cash balance as at the date of request of £1,000,000”,* or *“provided that the tenant pay the landlord a premium of £10,000”*. If one accepts that the freedom to contract means that the landlord could bar the right to alienation by imposing an absolute covenant against it then there is no reason in principle to argue that it should not be able to impose a very restricted right to alienate. This approach from first principles is lent statutory force by way of s.19(1A) of the Landlord and Tenant Act 1927 (“the 1927 Act”) which, importantly, only applies to ‘new leases’ within the meaning of the Landlord and Tenant (Covenants) Act 1995, and provides that:

(1A) *Where the landlord and the tenant under a qualifying lease have entered into an agreement specifying for the purposes of this subsection—*

- (a) *any circumstances in which the landlord may withhold his licence or consent to an assignment of the demised premises or any part of them, or*
- (b) *any conditions subject to which any such licence or consent may be granted,*

then the landlord—

- (i) *shall not be regarded as unreasonably withholding his licence or consent to any such assignment if he withholds it on the ground (and it is the case) that any such circumstances exist, and*
- (ii) *if he gives any such licence or consent subject to any such conditions, shall not be regarded as giving it subject to unreasonable conditions;*

and section 1 of the Landlord and Tenant Act 1988 (qualified duty to consent to assignment etc) shall have effect subject to the provisions of this subsection.

9. Clearly a request for consent must be made before the landlord's duty not to unreasonably withhold consent can arise. If he does unreasonably refuse consent, then both at common law and for the purposes of s.19(1)(a) the tenant's remedy is to assign without consent, or, as would be more prudent, to seek a declaration from the court that consent has been unreasonably withheld. There is a separate statutory right to seek damages which arises under the Landlord and Tenant Act 1988 ("the 1988 Act"), and as the 1988 Act makes further substantial provision with regard to consent to assignment it requires separate attention.
10. Although it appears that the purpose of the 1988 Act is not to alter the test of reasonableness *per se* its effect is far-reaching and places a significant burden on landlords. In the case of a qualified covenant against assigning, underletting, charging or parting with possession which is subject to the qualification that consent not be unreasonably withheld (expressly or by statute) then under section 1 the following duties arise:
- (3) *Where there is served on the person who may consent to a proposed transaction a written application by the tenant for consent to the transaction, he owes a duty to the tenant within a reasonable time*
 - (a) *to give consent, except in a case where it is reasonable not to give consent,*
 - (b) *to serve on the tenant written notice of his decision whether or not to give consent specifying in addition—*
 - (i) *if the consent is given subject to conditions, the conditions,*
 - (ii) *if the consent is withheld, the reasons for withholding it.*
 - (4) *Giving consent subject to any condition that is not a reasonable condition does not satisfy the duty under subsection (3)(a) above.*
 - (5) *For the purposes of this Act it is reasonable for a person not to give consent to a proposed transaction only in a case where, if he withheld consent and the tenant completed the transaction, the tenant would be in breach of a covenant.*
 - (6) *It is for the person who owed any duty under subsection (3) above—*
 - (a) *if he gave consent and the question arises whether he gave it within a reasonable time, to show that he did,*
 - (b) *if he gave consent subject to any condition and the question arises whether the condition was a reasonable condition, to show that it was,*

(c) if he did not give consent and the question arises whether it was reasonable for him not to do so, to show that it was reasonable,

and, if the question arises whether he served notice under that subsection within a reasonable time, to show that he did.

11. Most obviously this places an obligation on the landlord to respond (a) in writing, (b) within a “reasonable time”, either (c) giving consent with or without conditions, or (d) refusing consent and the reasons for such a refusal. Furthermore, the landlord bears the burden of proving whether he gave consent within a reasonable period of time, whether any conditions were reasonable, and whether any refusal of consent is reasonable.
12. A “reasonable period” of time is often of primary importance, because even if a landlord intends to give permission, or is moving towards giving permission, he must nevertheless do so within a reasonable period of time, and if he takes too long the tenant can go ahead and assign regardless. Time runs from the date of service of the tenant’s application for consent, and there is no definition of how long a period is reasonable. It can therefore vary on a case by case basis, depending on the context. The guidance of the Court of Appeal, per Munby J (as he then was) is that *“it may be that the reasonable time referred to in section 1(3) will sometimes have to be measured in weeks rather than days; but, even in complicated cases, it should in my view be measured in weeks rather than months”* - *Go West v Spigarolo* [2003] EWCA Civ 17 at para.73.
13. Furthermore, and also as held in *Go West v Spigarolo*, under the 1988 Act the landlord will be limited to the grounds he put forward in writing within a reasonable time. This is different than under the bare common law duty, where the landlord was not obliged to give reasons for his refusal and could set them out or add to them after his refusal, albeit that they must have influenced his decision at the time of the refusal.
14. If consent is refused, and reasons are given, within a reasonable period of time, the spotlight will then shift to the reasons given and whether they are reasonable. It will come as no surprise that yet again, context and individual factors are very important, but nevertheless a general outline of the relevant principles can be drawn from the

authorities. The touchstone cases, commonly referred to, are the previously mentioned *Go West v Spigarolo*, and a decision of the House of Lords in *Ashworth Frazer Ltd v Gloucester CC* [2001] UKHL 59.

15. In *Ashworth Frazer* it was considered that the “overriding principles” were (a) that a landlord is not entitled to refuse consent on a ground that has nothing whatever to do with the relationship of landlord and tenant in regard to the subject matter of the lease; (b) that the landlord only needs to show that they were conclusions which might be reached by a reasonable man in the circumstances but not necessarily that they were justified in fact; and (c) that it is a question of fact depending on all the circumstances in each case.

16. It should also be noted that section 4 of the 1988 Act gives a tenant the right to sue in tort, in the case of a breach by the landlord, for breach of statutory duty. This adds a claim for damages to the remedies available to the tenant. The tenant will bear the burden of proving loss, but the landlord will bear the burden of proving reasonableness.

Part 2: Case law review

***E.ON UK Plc v Gilesports Ltd* [2012] EWHC 2172 (Ch).**

Mr Justice Arnold

17. The Sports Direct brand and its Toon Army owner Mike Ashley are probably better known than its subsidiary, Gilesports. This case arose out of some corporate restructuring within the Sports Direct group. Gilesports was the sub-tenant of premises at a shopping centre in Nuneaton, from which it sold the standard Sports Direct fare of sports clothing and equipment. By reference to the terms of the head-lease (a point which was in issue, but resolved in the landlord’s favour) the sub-lease contained, amongst other things, a standard qualified covenant against assignment. In March 2006 Sports Direct acquired Original Shoe Company Ltd (“OSCL”), which thereafter moved into occupation of the premises under group sharing arrangements permitted by the lease. About a year later Sports Direct agreed to sell OSCL to JJB Sports, which required the transfer of eight leases to

OSCL, including the lease of the Nuneaton premises, because the group sharing provisions would no longer apply.

18. There were a number of email exchanges between Gilesports' and the landlord's representatives between January and April 2008, touching upon the subject of and the correct address for, but not actually requesting, a consent to assign. Then, on 2 May 2008, Gilesports sent an email to the landlord explaining that it was seeking consent to assign to OSCL and change of use, and explaining that there had been previous contact with related parties on this subject and it had been assumed that the landlord was aware. The judgment noted as a matter of fact that the email did not state that the matter was urgent, give any reason for urgency, or stipulate any deadline for completion of the licence. OSCL's accounts were sent through on 9 May 2008.
19. Thereafter matters dragged on for some time, and as late as October 2008 there was still disagreement as to whether or not JJB Sports would stand as guarantor for the assignee. Unknown to the landlord, Gilesports had in fact purported to transfer the sub-lease to OSCL on 29 May 2008, 11 working days after the accounts had been sent by email. This news came as a surprise to the landlord when it was revealed by Gilesports' solicitors, and even then only after OSCL had in fact gone into administration. The landlord sued, amongst other things, for a declaration that Gilesports remained the lessee.
20. One plank of Gilesports' defence was that it had been entitled to transfer without consent due to the landlord's delay in replying to its 2 May 2008 request. To this extent the case focussed on whether Gilesports had properly served its request so as to set time running.
21. Gilesports failed because the sub-lease incorporated the service provisions of s.196 of the Law of Property Act 1925, which requires registered or recorded delivery, or that the document in question be left at the recipient's last known place of abode or business in the United Kingdom. A request by email did not suffice. In the circumstances no formal request had actually been served, and so the question of delay did not arise. Arnold J briefly considered and dismissed an argument that an

estoppel by convention had arisen on the basis that the parties had proceeded on the basis that a request had been served, for the briefly stated reason that “*there was no agreement, mutual understanding or mutual assumption that section 1 LTA 1988 was engaged*”.

22. Arnold J also went on to analyse the issue of delay on the alternative hypothesis that he was wrong about service. By reference to *Go West v Spigarolo*, he held that 11 working days, which included the Whitsun half-term break and without any indication of urgency from the requesting assignee, was not a reasonable time and Gilesports has acted prematurely. The landlord was entitled to more time in which to respond.

23. Some points to ponder in light of this decision include:

23.1. Might it be possible to run a waiver of covenant argument on the service point, assuming a favourable set of facts? An argument along these lines would have to contend with s.5(2)(a) of the Landlord and Tenant Act 1988 which provides that “*an application or notice is to be treated as served for the purposes of this Act if...it is served in any manner provided in the tenancy...*”.

23.2. Can a tenant affect what is or is not a reasonable period of time by emphasising urgency or stipulating a deadline in its request for consent?

***Ansa Logistics Ltd v Towerbeg Ltd* [3rd party: *Ford Motor Co Ltd*] [2012] EWHC 3651 (Ch)**

Mr Justice Floyd

24. There is a very large area of land on Speke Road, Liverpool, developed in the 1960s, which has been used since that time for the storage and marshalling of Ford motor cars. Ford did not own or lease the land directly, or store the cars there itself. The original arrangement was that it entered into a management agreement for the storage and transportation of the cars with a company called Silcock and Colling Ltd, which took leases of the site for terms of 99 years beginning on 1 January 1970. The leases included a covenant against alienation as follows:

“Not to assign, underlet or part with the possession of the demised premises or any part thereof without the previous consent in writing of the [landlord] which consent shall not unreasonably be withheld”

25. In 2000 Ansa Logistics Ltd (“Ansa”) took over as Ford’s contractor, and the leases were assigned to it. Then, in around 2007, Ford terminated the management contract, as it wished to take over the car storage operations. As part of this process Ansa allowed Ford to share occupation of the site, and there was an agreement between them that Ford had the right to call for an underlease.

26. In April 2011 Ansa asked Towerbeg Ltd (“Towerbeg”) for consent to sub-let, which was refused. Towerbeg said that it had good reason to believe that Ansa was in breach of the terms of the leases by parting with possession, it also expressed doubts about Ford’s financial covenant strength, and that occupation by Ford might prejudice its prospects of success in relation to a planning application for redevelopment.

27. The issues of interest for present purposes were:

27.1. Whether Ansa had parted with possession of the land by allowing Ford into occupation;

27.2. If it had whether Towerbeg had waived the breach; and

27.3. Whether Towerbeg could show that its consent had been reasonably withheld.

28. This case turned on its facts. Floyd J held, first, and most importantly, that Ansa had not parted with possession. He distinguished between the concepts of possession and occupation, and although it was clear that Ford had a significant presence at the site and was indeed running the storage and transport operation (including making extensive improvements to the site) Ansa had not relinquished control to such an extent that it had been excluded from the site. It still had a manager who visited the site fairly often in connection with Ansa’s residual activities, and Ansa and Ford between themselves did not treat Ford as having supplanted Ansa.

29. The issue of waiver was therefore moot, although Floyd J found against Towerbeg on that point as well in *obiter dicta*. The spotlight therefore turned to the withholding of consent. Floyd J summarised the principles as follows:

The principles applicable to this branch of the case are;

i) The burden is on Towerbeg to show that the refusal was reasonable: Landlord & Tenant Act 1988, section 1(6)(c).

ii) Consent cannot be refused on grounds which have nothing to do with the relationship of landlord and tenant in regard to the subject matter of the lease. The grounds must not be wholly extraneous and completely dissociated from the subject matter of the contract: Ashworth Frazer Ltd v Gloucester CC [2001] UKHL 59; [2001] 1 WLR 2180 at [3].

iii) The landlord's obligation to show that his conclusions were reasonable does not mean that he must show that they were right or justifiable. What must be shown is that they were conclusions which might be reached by a reasonable person in the circumstances. "Reasonable" should be given a "broad, common sense meaning in this context as in others": Ashworth at [5].

*iv) Consent cannot normally be refused simply because the landlord is able to identify a breach of covenant. The question is whether the breach of covenant is of such a nature as to justify the refusal of consent. That will involve a consideration of the nature, gravity and remediability of the breach: see *Hill & Redman's Law of Landlord and Tenant* at paragraph A 1421 and cases there cited.*

v) The landlord is restricted to reliance on those reasons which he puts forward in writing within a reasonable time: see e.g. Go West Limited v Spigarolo [2003] EWCA Civ 17; [2003] QB 1140 at [22].

30. With regard to the reasons, Floyd J found that Towerbeg did not have good reason to believe that there had been a breach. He also went on to say that even if there had been a breach he would not have considered that it would have justified a refusal to grant consent. He said that "*...For reasons I have given elsewhere, the breach would not have been a serious one, given that it was not seriously prejudicial to Towerbeg and was both capable of and proposed to be remedied by the very transaction the subject of the request for consent*". The reasons referred to elsewhere included the consideration that the use of the site remained exactly the same, and all that had changed was a gradual assumption of direct responsibility by Ford. Any breach, if it had happened, would have been wilful and not inadvertent.

31. The objection to Ford's financial standing, which was in some way connected to its long term provision for pension liabilities, was unsurprisingly given short shrift. The planning application point was similarly dismissed, as whether or not there was an underlease did not affect Ford's ability to object if it wished to any planning application by Towerbeg, and in any case any planning permission would only be of any use on a surrender of Ansa's leases. The loss to Towerbeg was therefore *"conditional on an event which is now unlikely to occur, given Ansa's agreement with Ford to the grant of underleases"*.

32. Points to ponder include:

32.1. When, if ever, can a landlord refuse consent on the basis of extant breaches of the lease? Does it make a difference if they are once and for all or continuing breaches?

32.2. If a tenant assigns without consent, to what extent can he argue that a subsequent consent will remedy his breach and it would be unreasonable not to give it? Does it make a difference if the breach is wilful or inadvertent?

***Proxima GR Properties Ltd v McGhee* [2014] UKUT 59 (LC)**

Martin Rodger QC, Deputy President (Upper Tribunal, Lands Chamber)

33. This was a decision as to *inter alia* the reasonableness of a 'standard fee' of £95 for consideration by a landlord of a tenant's application for consent to sub-let. The lease contained a covenant providing that consent was required but was not to be unreasonably withheld or delayed. The tenant sub-let without consent, and the landlord demanded a fee of £95 as a standard consent fee, and a further £95 for registration of the underlease.

34. The Upper Tribunal found that the latter sum was not a variable administration charge within the meaning of section 158 and Schedule 11 to the Commonhold and Leasehold Reform Act 2002, but that the fee for the consent was. It overturned the decision of the LVT that no fee could be charged for a consent unless the lease

specifically reserved one, concluding that the ability to impose conditions, including the payment of a fee, was part of the effect of section 19(1) of the Landlord and Tenant Act 1927.

35. Having reached that conclusion, the Tribunal went on to consider whether the sum of £95 was reasonable. Referring to a number of earlier LVT decisions in which fees ranging from £135 to £180 had been found reasonable, the Judge concluded that it was, but only in the context of the work required to deal with this particular application. Had the matter been without any complexity, the fee would have been unreasonable. The Deputy President suggested that, if the fee charged was unreasonable in any given situation, the whole obligation to seek consent fell away, so that the correct process was not for the LVT to substitute an appropriate, lower fee, but simply to find that the sum charged was unreasonable. Overall, the Tribunal denigrated the use of 'standard fees' and suggested that a reasonable fee would depend on the work actually involved in any specific case. It was also pointed out that the conditions which would be reasonable in the context of consent to underlet were fewer than those applicable in relation to consent to assign, since in the former case the original tenant remains liable in the same manner before and after the event.

36. Points to ponder include:

- 36.1. Is it ever acceptable to have a standard fee structure in place, in particular for a large scale landlord?
- 36.2. Might procedures or protocols be put in place to tailor standard charges appropriately, and if so what?

***Singh v Dhanji* [2014] LTL 14/03/2014, CA (Civ Div)**

Richards, Underhill and Floyd LJ

37. This was an appeal by the landlord of a dental surgery against a decision making a declaration that he was in breach of his statutory duty to consent to an assignment of the lease, and awarding damages to the tenant. The tenants had carried out around £140,000 of structural alterations without consent, which the landlord had

discovered while visiting the subject property for other reasons. Subsequently, when the tenants sought consent to assign, the landlord served notices pursuant to section 146 of the Law of Property Act 1925, and refused to give consent until the alleged breaches of covenant were resolved.

38. The Judge at first instance found that the breaches were not proven and in any event were not serious enough to justify the imposition of a condition on the grant of consent, which was unreasonable. The Court of Appeal, following *Ashworth Frazer*, stated that the landlord's obligation was only to demonstrate that he had reasonable grounds for believing that there were breaches of covenants and that they were sufficiently serious to justify a refusal of consent, in particular by having an adverse effect on the value of the reversion. If the breaches were easily remediable, however, the landlord was not entitled to refuse consent. The Judge had found that the breaches were not serious, even if proved, and there was nothing in that decision with which the Court of Appeal could or should interfere, so the appeal was dismissed.

39. A question which seems to arise in light of this confirmation of the *Ashworth Frazer* approach is that if what matters is that the landlord has a reasonable basis for *believing* that there is a breach, as opposed to whether there is actually a breach, to what extent might the landlord be required to investigate the foundation of those beliefs?

Part 3: Common practical problems

40. We begin with a couple of hypothetical scenarios:

Scenario 1

41. A leases commercial premises to B. C guarantees B's obligations. B wishes to assign to D, and A requires C to guarantee D's performance of the obligations in the lease. The covenant provides that:

....such consent not to be unreasonably withheld PROVIDED THAT the landlord may require the guarantor of the assignor's obligations under this lease to guarantee the performance of the covenants under this lease by the assignee.

42. Consider the fact that s.25 of the Landlord and Tenant (Covenants) Act 1995 provides that:

- (1) *Any agreement relating to a tenancy is void to the extent that—*
 - (a) *it would apart from this section have effect to exclude, modify or otherwise frustrate the operation of any provision of this Act, or*
 - (b) *it provides for—*
 - (i) *the termination or surrender of the tenancy, or*
 - (ii) *the imposition on the tenant of any penalty, disability or liability,*

in the event of the operation of any provision of this Act, or
 - (c) *it provides for any of the matters referred to in paragraph (b)(i) or (ii) and does so (whether expressly or otherwise) in connection with, or in consequence of, the operation of any provision of this Act.*
- (2) *To the extent that an agreement relating to a tenancy constitutes a covenant (whether absolute or qualified) against the assignment, or parting with the possession, of the premises demised by the tenancy or any part of them—*
 - (a) *the agreement is not void by virtue of subsection (1) by reason only of the fact that as such the covenant prohibits or restricts any such assignment or parting with possession; but*
 - (b) *paragraph (a) above does not otherwise affect the operation of that subsection in relation to the agreement (and in particular does not preclude its application to the agreement to the extent that it purports to regulate the giving of, or the making of any application for, consent to any such assignment or parting with possession).*
- (3) *In accordance with section 16(1) nothing in this section applies to any agreement to the extent that it is an authorised guarantee agreement; but (without prejudice to the generality of subsection (1) above) an agreement is void to the extent that it is one falling within section 16(4)(a) or (b).*
- (4) *This section applies to an agreement relating to a tenancy whether or not the agreement is—*
 - (a) *contained in the instrument creating the tenancy; or*
 - (b) *made before the creation of the tenancy.*

43. Consider also, that s.19(1A) of the 1927 Act, referred to above, was itself inserted into that Act by s.22 of the 1995 Act. Would your view change if the covenant referred expressly to s.19(1A)?

Scenario 2

44. A is B's tenant. A has carried out structural alterations in breach of the terms of the lease. B has not waived the right to forfeit. A wishes to assign to C, and seeks B's consent, such consent not to be unreasonably withheld. Can B insist on re-instatement as a pre-condition? Can B refuse outright?

Scenario 3

45. As above, but instead of breaching a covenant against alterations A has allowed the roof of the premises to fall into disrepair.

46. Would it make a difference if the disrepair was minor? Does the length of term make a difference?

Scenario 4

47. A assigns its lease to B without seeking or receiving consent. Is forfeiture the only option?

Closing comments

48. Consent to alienation will always provide grist to the landlord and tenant mill, not least because it is so fact sensitive. There are sensible steps that all parties can take to minimise risk, and which those advising them ought to bear in mind.

49. From the tenant's perspective – make sure you are in compliance with all the terms of the lease, or that you can undertake to remedy or guarantee that the assignee will. In essence, minimise the risk of giving the landlord an excuse to refuse.

50. From the assignee's/sub-tenant's perspective, do your best to offer good evidence of solvency, credit references from the bank (more than one) and/or from a previous

landlord. Evidence supporting a good track record of rental payment is always useful. In the absence of these, most commonly with a newly incorporated vehicle, be prepared to offer a rent deposit, a reliable guarantor etc.

51. From the landlord's perspective, prioritise each and every properly made request for a prompt response in writing. If refusing, err on the side of giving all the reasons because you may not add to them later. However, be aware that a bad reason may, although not necessarily, infect a good reason, so try and keep all the reasons as consistent and reasonable as possible.

Please note that this paper is intended to provide only a general overview of the law in this area as it currently stands, and should not be relied up on in relation to any particular case or issue.