



# LANDLORD AND TENANT ACT 1954 LAW COMMISSION CONSULTATION

## What is the consultation about?

The Law Commission of England and Wales is conducting a consultation on the concept of 'security of tenure', which provides qualifying business tenants with a right to renew their tenancy when their existing tenancy ends.

They issued their first consultation paper on 19 November 2024, with a three month window for responses. The scope of the first consultation is narrow, focussing only on the 'model' for security of tenure (whether it should exist and, if so, how it should operate) and the 'scope' (which tenancies should benefit).

The intention is that the Law Commission will then consider the responses to the first consultation before issuing a second paper, which would consider all other aspects of the 1954 Act (if security of tenure is to be retained) or how best to achieve its removal.

## What options are the Law Commission proposing?

The Law Commission proposes four possible options for security of tenure, what it terms 'models'. These are:

1. No security of tenure (abolishing the relevant parts of the 1954 Act)
2. A "contracting-in" regime (so reversing the current contracting-out position)
3. A "contracting-out" regime (the current position)
4. Mandatory security of tenure

These essentially offer a range of possibilities from the minimum level of tenant protection (option 1) to the maximum tenant protection (option 4). Options 2 and 3 both offer optional security of tenure, with the only difference being what the 'default' position is.

The other part of the first consultation is what business tenancies the Act should apply to, what the Law Commission is terming the 'scope'. If the Law Commission's conclusion is that security of tenure should remain, at least to some extent, they are inviting views as to whether there should be changes to which tenancies benefit from this, for example based on use, tenancy duration or size.

## What happens next?

The consultation period is running for 3 months, closing on 19 February 2025. The Law Commission is encouraging responses to both the consultation paper and an additional survey, which in both cases can be filled in online at the following links:

- **Consultation** - <https://consult.justice.gov.uk/law-commission/business-tenancies-consultation-paper-1/>
- **Survey** - <https://consult.justice.gov.uk/law-commission/business-tenancies-survey/>

In addition to this, the RICS, being the main professional body for the real estate industry, will be responding to the consultation on behalf of its members. Gerald Eve are part of a small RICS working group contributing to this response.

Gerald Eve are therefore also encouraging their clients who have opinions on this subject to get in touch so that we can consider the various views offered and feed this into the RICS to inform their consultation responses.

**If you would like to discuss this, please do reach out to your usual Gerald Eve contact, or Peter Dinnick ([pdinnick@geraldev.com](mailto:pdinnick@geraldev.com)) who is our representative on the RICS working party, for a further conversation.**



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