Minutes for CLLS Land Law Committee meeting on 15 July 2026 at 12.30pm in person at Simmons & Simmons and via Teams

Attendees: Matt Hooton (Chair), Warren Gordon (Secretary), Andy Bruce, Caroline DeLaney, Katherine Lang, Omer Maroof, Henry Moss, John Nevin, Anton Newton and Emma Willoughby.

Apologies: David Hawkins (Vice Chair), Nick Barnes, Chris Cartwright, Adrian Footer, Tom Goldsmith, Nick Harris, Kevin Hart (from the CLLS), David Horan, Simon Kenley, Paul Kenny, Franc Pena, Julian Pollock, Laura Uberoi, Sarah Walker, Patrick Williams and Alex Watt.

1 Approval of Minutes for May 2026 Committee meeting

The Minutes were approved by the Committee and are on the CLLS website at Minutes for May 2026 meeting of CLLS Land Law Committee.

2 Legislation for upwards only rent review ban – Certificate changes?

The legislation containing the upwards only rent review ban received Royal Assent on **29 April 2026**. This applies to leases of commercial property in England and Wales.

While the English Devolution and Community Empowerment Act 2026 has received Royal Assent, the ban will not come into force for some time and probably not until 2027.

Should the Certificate of title be updated at this time to reflect the ban?

It seems likely that there will be a Government consultation on caps and collars and the extent to which they will be permitted, but there is no specific detail as yet on the context in which collars would be permitted. Since the Act prohibits collars, any change would likely have to be implemented by way of secondary legislation.

It makes sense to await the outcome of any such consultation which may affect the wording of the legislation.

3 Unintended consequence of Renters' Rights Act 2025

The ***Renters' Rights Act 2025*** ("RRA") came into force on **1 May 2026**.

There is an important point for the Committee to note in relation to an unintended consequence of the RRA for tenancies of private purpose-built student accommodation ("PBSA").

PBSA, meeting certain criteria, is exempt from the assured tenancy framework under the RRA, so that, from 1 May 2026, landlords can grant students common law tenancies that have fixed terms aligning with the academic year and rent can be taken in advance. The exemption is contingent on either the landlord or its managing agent being a member of a Government-approved code of practice (currently ANUK/Unipol and UUK).

The unintended consequence relates to tenants' right of first refusal under the Landlord and Tenant Act 1987 ("1987 Act"). The effect of this right is that if the relevant statutory qualifications are satisfied, a landlord, who intends to make a relevant disposal (such as a sale) of its interest in particular premises, is first required to offer qualifying tenants of flats in the premises the right to acquire that interest, before disposing of it to a third party. The consequences of non-compliance with the right of first refusal are serious. If landlords do not comply (and do not have a reasonable excuse), they commit a criminal offence and tenants are given various rights that enable them to investigate and potentially unravel the disposal.

Not all residential tenants will benefit from the right of first refusal, so for example a tenant with an assured tenancy (such as an assured shorthold tenancy or, post 1 May 2026, an assured periodic tenancy) is not a qualifying tenant and does not benefit from the right of first refusal. Prior to the RRA, most PBSA tenancies were assured tenancies and therefore the tenants were not qualifying tenants and did not benefit from the right of first refusal. Since the RRA now exempts PBSA from the assured tenancy framework, new (post 1 May 2026) PBSA tenancies are "common law tenancies" (rather than assured periodic tenancies) and the unintended consequence is that the tenants potentially benefit from the right of first refusal.

This means that a disposal of PBSA which prior to the RRA would not have been affected by the right of first refusal may now be impacted by the right. Landlords considering disposing of PBSA need to analyse carefully whether their disposal is caught by the 1987 Act.

This appears to be an unintended consequence of the RRA and we understand that industry bodies are reaching out to Government to highlight the concern.

As a separate point, a residential tenancy granted to a company cannot be an assured tenancy (under the Housing Act 1988 the tenant has to be an individual) and, therefore, will be a common law tenancy, meaning that the company may benefit from the right of first refusal. Following the RRA, landlords may be more likely to grant residential tenancies to companies to avoid the impact of the RRA. The flipside is that the company will potentially benefit from the right of first refusal. While corporate tenants of residential space have previously had the potential to benefit from the right of first refusal, this will in future become more of an issue for landlords with the increased likelihood of companies being granted residential tenancies. This concern was highlighted recently to the Law Commission at their recent presentation on business tenancies reform. **It should also be included in the Committee's response to the Law Commission's consultation (see below)**.

4 CLLS Borrower's solicitors' undertakings document

A working group of the Committee (comprising Emma Willoughby, Matt Hooton and Chris Cartwright) has been progressing with its update of the Committee's undertakings document (website version here CLLS Real Estate Finance Solicitors Undertaking 2020 (doc)).

The latest (but not final) version of the updated document was sent to the Committee before the meeting. This assumes loan monies are sent over to the Borrower's solicitor to hold to order and then applied to completion. The updated document reflects themes from undertakings given by City firms including the placing of indemnity policies (which frequently are placed at the point of completion), electronic datarooms and some of the more typical "protection" language firms have adopted.

While the working group has further work to do on the document, the Committee provided some preliminary comments which the working group will consider.

5 Law Commission's consultations on business tenancy reform

The Law Commission (LC) in mid-June 2026 launched 2 consultations on wide-ranging reforms of the law relating to commercial leases in England and Wales.

One consultation covers proposals to reform Part 2 of the *Landlord and Tenant Act 1954*. The other covers issues arising under the *Landlord and Tenant (Covenants) Act 1995* and the right of first refusal under the *Landlord and Tenant Act 1987*.

The idea is to remove unnecessary obstacles in commercial leasehold transactions and set out detailed proposals to modernise the right of business tenants to a renewal tenancy. Some of the proposals will be extremely helpful, if they are ever enacted.

The consultations run until **16 September 2026**.

The Committee should look to respond to both consultations. The consultation papers are long with a large number of questions. The Law Commission have said that they welcome responses to any of the questions with no need to respond to all of them.

The Committee should set up a working group to put together a response and it would be great to have both transactional and disputes input. **The following members have volunteered - Warren Gordon, Caroline DeLaney, Henry Moss, Andy Bruce, Katherine Lang, Omer Maroof and Emma Willoughby for both consultations, plus Matt Hootton and John Nevin specifically on the Landlord and Tenant (Covenants) Act 1995. If any other member would like to be involved, they should email Warren.**

In terms of more detail on key points of the consultations:

A On Part 2 of the Landlord and Tenant Act 1954

LC's provisional proposals on Part 2 of the Landlord and Tenant Act 1954

Across 13 chapters, LC ask 67 questions in this consultation Business tenancies: the right to renew – Law Commission. They are consulting, and making provisional proposals, on a wide range of issues across the 1954 Act regime including:

- Qualifying criteria – excluding the majority of periodic tenancies from the scope of the 1954 Act and increasing the duration threshold (which sets the length of fixed-term tenancies which are excluded from scope).
- Contracting out – simplifying the contracting-out process.
- Terms of a renewal tenancy – considering how the terms of a renewal tenancy are determined by the court, and whether changes should be made to address environmental matters.
- Rent – changing the law to ensure that the court can grant a renewal tenancy with a turnover rent and improving the interim rent process.
- Grounds of opposition – reviewing the test in Ground F and whether it should change to take into account modern building methods and/or the Minimum Energy Efficiency Standards or "MEES" regime.
- Dispute Resolution process – exploring whether lease renewal disputes should remain in the county courts or whether some or all cases should be decided in the tribunal and/or High Court, and considering whether Alternative Dispute Resolution could have a greater role in resolving disputes.

This is a second consultation specifically on the 1954 Act which builds on the LC's first consultation paper, published in November 2024, in which they considered whether major structural reform of the 1954 Act was needed. In June 2025, they published an interim statement explaining their provisional conclusions that the current contracting-out model for security of tenure should remain, and that the threshold for excluding tenancies from the scope of the 1954 Act based on the tenancy's duration should be increased.

B On issues arising under the Landlord and Tenant Act 1987 and the Landlord and Tenant (Covenants) Act 1995

This consultation Commercial Leasehold: overcoming barriers to transactions considers issues arising under the Landlord and Tenant Act 1987 and the Landlord and Tenant (Covenants) Act 1995.

LC's provisional proposals

The 1987 Act: right of first refusal

LC provisionally propose that the grant of a lease of premises that is exclusively occupied or used for non-residential purposes should not trigger the right of first refusal. This is subject to a limited exception for areas shared by residential leaseholders which are ancillary to their residential use.

LC's proposal is limited to the grant of leases that are exclusively non-residential. It is designed to preserve the core protection that the right of first refusal affords residential leaseholders, while preventing it from applying to transactions that are unlikely to be of benefit to them.

The 1995 Act: facilitating commercial transactions

LC are aware that certain aspects of the 1995 Act may be preventing commercially important and sensible arrangements. LC's consultation explores whether greater flexibility can be introduced without undermining the 1995 Act's central objective. LC make provisional proposals to facilitate:

- assignments and guarantees involving group companies
- assignments and guarantees involving partnerships where the partners comprising the assignor and assignee are in substantially the same partnership
- assignments to guarantors.

For ease of reference the questions for the 2 consultations can be found at:

Starting at page 431 of Business Tenancies: the right to renew Consultation Paper 2: modernising security of tenure and

Starting at page 133 of Commercial Leasehold - Overcoming barriers to transactions - Law Commission Consultation Paper 276

The Committee had an initial discussion about aspects of the consultations.

Warren will circulate the questions and those he suggests should be responded to.

6 Service charge clauses in sale contracts

The Committee agreed to have a new project this year to create a standard service charge reconciliation clause (and notes) for a property sale contract and also potentially service charge provisions for a share sale (of a property owning company).

This is one of the more contentious contract provisions and the Committee considered that it would be helpful to try to arrive at a common position on such issues as service charge arrears, voids, prior years, approach based on tenancy by tenancy or all of the tenancies together.

Committee members were requested to send through their clauses to establish a good starting point (many thanks to those who have already sent through their provisions). The standard would seek to recognise and address commonly encountered complexities inherent in dealing with the service charge regime.

The Committee would seek to use its new service charge provisions as the underpinning provisions for the contract clause.

So far, we have had only one or 2 volunteers. Katherine Lang and Nick Barnes also kindly volunteered and other volunteers are requested from the Committee. Please email Warren if you would like to be involved.

From a resources perspective, this project will begin after the Committee has responded to the Law Commission's consultations.

7 Requirement to register contractual control agreements

The Government will be requiring the beneficiaries of rights under certain land agreements to provide the Land Registry with particular information about the rights. The agreements affected include certain options, conditional contracts and pre-emption rights where those agreements give businesses and other undertakings the power to control how land is used or developed.

The aim of this new process is to improve transparency over who holds control over land, short of legal ownership. Relevant information about the agreement (which does not include financial/price information) is to be submitted digitally to the Land Registry through a regulated conveyancer such as a solicitor. The information will be made public on a new register, except for certain sensitive information. There will be time limits to register the required information, set out in the table below, with failure to do so a potential criminal offence. There will be an inability to register a UN1/RX1 for the agreement without complying with the new requirement.

The relevant regulations giving effect to this new requirement, ***The Provision of Information (Contractual Control) (Registered Land) Regulations 2026***, apply to registered land in England and Wales and come into force on **6 April 2027**.

The **key point** to note at this stage is that this requirement not only catches agreements entered into from 6 April 2027 but also any relevant agreement entered into between **8 June 2026** (the date that the Regulations were made) and **6 April 2027**. The new register itself is not yet open, but once it is, the information can be submitted and the time limits are set out below. It is important that when a regulated conveyancer is acting for a beneficiary of a relevant agreement entered into on or after 8 June 2026, they ensure that they have the relevant information that will need to be sent to the Land Registry once the new register is open.

Dates to note	Action to take
New rights granted on or after **8 June 2026** but before the Regulations come into force on **6 April 2027**	Submit the required information to HMLR by **6 October 2027** (once the new service is made available)
New rights granted on or after the Regulations come into force on **6 April 2027**	Submit the required information to HMLR within 60 calendar days
Existing right changed or assigned on or after the Regulations come into force on **6 April 2027**	Submit the required information to HMLR within 60 calendar days

An important aspect that has featured recently is the apparent intention for conveyancers to map the area affected on the Land Registry's on-line mapping i.e. potentially having to free-draw boundaries on an OS map. There is the obvious difficulty of relating plans to what's on the ground or legal boundaries, and lawyers should not be doing mapping.

At the May Committee meeting, the Committee noted that part of the relevant information relates to determination, expiry or exercise of the contractual control right and that law firms will not want to have any responsibility to disclose this. The Committee queried whether the firm seeks to address this in their terms of engagement (either specifically or generically), or at the time that the firm is dealing with the particular agreement. Concern was also raised whether compliance teams at law firms will allow their staff to undertake the mapping requirements, and whether for that matter such activities will be covered by the firm's PI insurance.

Once the Regulations come into force, consideration will be given to updating the Certificate of title to include reference to the contractual controls register.

8 Committee's meeting with HM Land Registry

The Land Registry will be joining the Committee at the 23 September meeting.

We will send the Land Registry in advance a list of questions/ areas to cover, to provide a framework for the discussion. A particular issue remains the delays in processing registration applications. There is also real concern about how the Land Registry will have the resources to deal with the new notifications for the contractual controls register and whether this extra task will only exacerbate the delays.

Committee members are still regularly encountering delays in the Land Registry taking the registration fee i.e. it is not being taken when the application is submitted, and this continues to cause problems for firms. There is also the issue with Land Registry not accepting QES (qualified electronic signing) where there is a mixed signing in counterpart – this will adversely impact on the wider adoption of QES.

Please send through any particular issues that the Committee wants to raise with the Land Registry. See CLLS Land Law Committee Minutes - 16 July 2025 for the previous Committee meeting with the Land Registry.

9 Possible change to Committee's form of overseas legal opinion

There has been a discussion among the PSL community on the impact on the property of an overseas company where it is struck off but subsequently restored to the relevant overseas companies register.

If it was a UK company, on restoration the property gets revested retrospectively in the UK company as if the striking off had never happened. The Land Registry accepts this position for UK companies.

However, for overseas companies the Land Registry takes the view that even if the company is restored to the relevant overseas companies register, the property remains escheated or bona vacantia (and therefore held by the Crown).

So, even if the relevant overseas law has an automatic revesting provision under its company legislation, the Land Registry do not accept that it applies where the property owned by the overseas company is located in England/Wales.

The Land Registry seem now to be actively pursuing this point and refusing to register the lease/transfer etc where the overseas landlord/seller company has been dissolved/struck off at some point in the past during their ownership of the property. The only way to get the property back into the company is to apply for a vesting order.

It was agreed that this issue would be raised with the Land Registry for discussion at the September Committee meeting.

It was also agreed that there should there be a new confirmation in Land Law Committee Form of Overseas Legal Opinion on Transactions relating to real property in England and Wales 2022 (doc) that the overseas company has never been struck off and reinstated to its overseas register.

10 Approach to Green Lease Toolkit (standing item)

The CLLS has been asked whether an "Other Useful Resources" section can be added to the Committee's webpage, to highlight resources such as the Toolkit.

11 AOB

- **Do firms amend the front end of the CPSEs? Some firms may choose to do so, but it is up to the recipients of the replies how they choose to react.**
- **MEES:** On **18 June 2026**, the Government made its long-awaited announcement on the minimum lawful energy performance certificate (EPC) rating for commercial property under the Minimum Energy Efficiency Standards (MEES). The key headlines are:
    - from 2031, it is proposed that all private rented buildings over 1,000 square metres will need to reach a higher standard of energy efficiency of EPC B, where cost effective.
    - the intention is for buildings below 1,000 square metres to continue to be subject to the current minimum standard of EPC E.
    - the previously proposed interim EPC C milestone for 2027 will not be taken forward.

12 Length of meeting: 1 hour 30 minutes.

13 Dates for remaining 2026 meetings: 23 September and 18 November, both at 12.30pm and hybrid in person/virtual.