



Apportionment of Rents/Rentcharges: Rentcharges Act 1977; Landlord and Tenant Act 1927

This leaflet explains how you can have you rent apportioned by the Rentcharge Team, or if your property is in Wales, the Welsh Assembly Government.

APPORTIONMENT OF RENTS/RENTCHARGES

Are you the owner of a freehold house affected by a rentcharge (sometimes known as a chief rent) which also affects houses owned by other people?

OR

Are you the owner of a leasehold house on which you pay a ground rent, which is also payable on other neighbouring properties?

If so, you can apply for an Order of Apportionment which legally separates your share of the rent from the other. This would mean that you would only be responsible for the rent apportioned to your house.

If you pay a rentcharge on freehold property, obtaining an Order of Apportionment may also enable you to apply to redeem (buy out) your share of the rentcharge by paying a single lump sum. This payment frees you absolutely from any further payment of the rentcharge. However, there are certain types of rentcharge that cannot be redeemed under the provisions of the Rentcharges Act 1977, particularly an estate rentcharge, 0.but it may be possible to apportion it.

HOW TO APPLY FOR APPORTIONMENT OF RENTS/RENTCHARGES

1. Obtain an application form (Application for the Apportionment of a Renthcharge/ freehold Land in Different Ownership) from:

Rentcharges Team, Department for Communities and Local Government, 4th Floor, One Piccadilly Gardens, Manchester, M1 1RG.

Or, www.communities.gsi.gov.uk

E-mail: rentcharges@communities.gsi.gov.uk

Telephone: 0303 44 44559 or 0303 44 44560

2. Complete and sign the application form (if there are joint owners, all owners should sign) and send it to the Rentcharges Team, at the address given above. You will be required to submit a copy of the deed that created the rentcharge or groundrent with your application. If you have difficulty in filling out the form you should seek assistance from a legal representative or Citizens Advice Bureau.
3. The Rentcharge Team will check that your application is in order and will tell the person named in the application as the owner of the rent that you have made the application. The Team will then issue a draft Order of Apportionment which will show, amongst other things, the amount you are paying. If the rentowner makes an objection, the Rentcharge Team will consider this and decide whether any change should be made to the amount you pay. If a change is made you will be sent a copy of the amended draft Order.
4. If the annual rentcharge or ground rent apportioned to your house is £5 or less the rentowner can also ask the Department to make it a condition of the apportionment that before the apportionment becomes effective you should buy out or redeem your share of the rentcharge or ground rent by the payment of a lump sum. The Department would not, however, impose the condition in any case where, taking all the circumstances into account, payment of such a lump sum would cause you financial hardship. You would be consulted if the rentowner asked the Department to make such a condition.

If, however, your rentcharge (on freehold land) is of a type that cannot be redeemed under the provisions of the Act of 1977 and the rentowner made such a request, the order would be of no effect because redemption could not follow.

5. If no objection is received from the rentowner or, following any amendment to the draft Order, you have not withdrawn the application, the Department will, provided everything is in order, send you an Order of Apportionment.
6. A copy of the Order will also be sent to the rentowner, and a letter will be sent to all the other rent payers who may make independent applications for apportionment of their part of the rent if they wish to do so.

SOME OF YOUR QUESTIONS ANSWERED

Q. I am the collector of contributions to the rentcharge or groundrent from other people and because of this I do not pay anything myself. Can I still have an apportionment?

A. Yes. Sometimes the arrangement between the landowners is that the collector does not have to pay anything. In such a case, he can be given an apportionment for a “nil” amount.

Q. Am I likely to be liable for any costs in the apportionment procedure?

A. No charge is made by the Department for carrying out this procedure. The rentowner will be responsible for their own expenses. You will only have to pay any costs which you incur or which are incurred on your behalf. It is necessary for the Department to examine the deed that created the rentcharge or ground rent. If this is in the custody of your building society/bank you will be responsible for the cost of sending copies to the Department.

Q. I am the sole owner of land affected by a rentcharge or ground rent. I want to sell the land in parts. Can I apply for an apportionment of the rentcharge or ground rent on the land before I do so?

A. No. A leasehold ground rent may only be redeemed if its apportioned value is £5 or less and the rentowner (i.e. landlord) applies for it to be redeemed). But as the leaseholder of a house you may be entitled to buy your freehold, or obtain an extension of the lease, under

the provisions of the Leasehold Reform Act 1967. You can obtain further advice from the Leasehold Advisory Service: at Maple House, 149 Tottenham Court Road, London, W1T 7BN; by telephone on 020 7383 9800; by fax on 020 7383 9849, or by email at info@lease-advice.org and their website is www.lease-advice.org

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