

# Clauses 25-36: service charges and costs



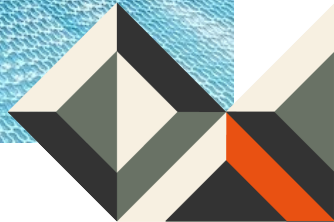
Simon Allison





# Cl.26: Fixed service charges

Solution to Arnold v Britton?



## Cl.27: Demands

Unified form of demand?

**FREE LETTER OF  
DEMAND  
TEMPLATE**





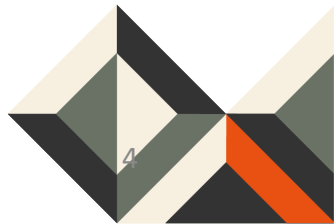


# Accounts

## Cl.28: Accounts and Annual Reports

Standardised form of accounts, with all accounts where 4 or more flats to be certified.

Requirement to provide an Annual Report on matters likely to be of interest to a tenant.



## Cl. 29: Right to obtain information

Disclosure of documents on request.

Penalties for non-compliance.



## Cl. 30: Enforcement

FtT can order landlord to comply with new provisions, and / or award damages up to £5k, with no right to set off against arrears.



## Cl. 31-32: Insurance



- No “excluded insurance costs” can be recovered via the SC.
- “Excluded insurance costs” are any costs (whether or not separately expressed as forming part of a premium) that are attributable to payments made to arrange or manage insurance, and that are not attributable to a “permitted insurance payment”.
- New implied term enabling recovery of permitted insurance payment via SC.



## Cl. 33: Administration fees

Can't recover admin fee unless you have published the admin fee type and amount in a schedule, and provided schedule to leaseholders.

	<b><u>VIOLATION</u></b>	<b><u>CHARGE</u></b>
1-	Moving In/Out, Delivery of Furniture, Appliances, Carpeting, and the like during unauthorized days/hours (MON-FRI 8:30 A.M-5:00 P.M NO WEEKENDS OR HOLIDAYS)	\$200.00
2-	Renovation work that creates noise during unauthorized hours	\$100.00
3-	Throwing cigarettes, food, etc. off of balconies or out windows	\$500.00
4-	Smoking in the common areas	\$500.00*
5-	Dog Litter in any common area	\$100.00
6-	Late common charge payments per month	\$50.00
7-	Improper garbage/recyclable disposal	\$50.00
8-	Barbequing on terraces/balconies	\$500.00*
9-	Littering in common areas or Park Lane property	\$50.00
10-	Obstruction in common hallways (First Offense) (Second Offense)	\$50.00* \$100.00





## Cl.34-35: Litigation costs







- s20C / para 5A to go.
- LL can only rely on costs provisions if court / tribunal (on an application) determines would be just and equitable.
- Reciprocal implied indemnity by LL in favour of leaseholders for costs, again can only be relied upon (on application) where just and equitable.
- Rule 13 remains, of course.
- Likely to pose significant management problem to RTM / RMCs etc



# Thank you

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