



Leasehold and Freehold Reform Act 2024

2024 CHAPTER 22

PROSPECTIVE

PART 4

REGULATION OF LEASEHOLD

Service charges

53 Extension of regulation to fixed service charges

- (1) The Landlord and Tenant Act 1985 (“the LTA 1985”) is amended in accordance with subsections (2) to (6).
- (2) In section 18 (meaning of “service charge” and “relevant costs”)—
 - (a) in the heading, after ““service charge”” insert “, “variable service charge””;
 - (b) for subsections (1) and (2) substitute—
 - “(1) In the following provisions of this Act—
“service charge” means an amount payable by a tenant of a dwelling, as part of or in addition to the rent, which is payable, directly or indirectly, for the purpose of meeting, or contributing towards, the relevant costs;
“variable service charge” means a service charge the whole or part of which varies or may vary according to the relevant costs.
 - (2) The “relevant costs” are the costs or estimated costs incurred or to be incurred by or on behalf of the landlord, or a superior landlord, in connection with services, repairs, maintenance, improvements or insurance or the landlord’s costs of management.”;
- (c) in subsection (3)(b), for “a service charge” substitute “a variable service charge”.

Status: This version of this part contains provisions that are prospective.

Changes to legislation: There are currently no known outstanding effects for the Leasehold and Freehold Reform Act 2024, Part 4. (See end of Document for details)

- (3) In the provisions referred to in subsection (4)—
- (a) for “service charge” substitute “variable service charge”;
 - (b) for “service charges” substitute “variable service charges”.
- (4) The provisions are—
- (a) in section 19 (reasonableness of service charges), the heading and subsections (1) and (2);
 - (b) in section 20 (consultation requirements), the heading and subsection (2);
 - (c) in section 20A (grant-aided works), the heading and subsections (1) and (2);
 - (d) in section 20B (time limit on making demands), the heading and subsection (1) in the first place “service charge” occurs;
 - (e) in section 20D (remediation works), the heading and subsections (4) and (5);
 - (f) in section 20F (excluded costs for higher-risk buildings), the heading and subsection (2);
 - (g) in section 30D (liability for building safety costs), subsection (2)(a)(ii);
 - (h) in section 30E (liability for remuneration), subsection (1)(c).
- (5) In section 30E(3), for ““service charge” has the meaning” substitute ““service charge” and “variable service charge” have the meaning”.
- (6) In section 39 (index of defined expressions), at the end insert—

“variable service charge

section 18(1)”.

- (7) The Landlord and Tenant Act 1987 (“the LTA 1987”) is amended in accordance with subsections (8) to (10).
- (8) In the provisions referred to in subsection (9), in each place they occur—
- (a) for “service charge” substitute “variable service charge”;
 - (b) for “service charges” substitute “variable service charges”.
- (9) The provisions are—
- (a) in section 24 (appointment of manager by tribunal), subsections (2) and (2A);
 - (b) in section 35 (application by party to lease for variation of lease), subsections (2) and (4);
 - (c) in section 42 (service charge contributions to be held in trust), the heading and subsections (1), (2), (3), (4), (6), and (8).
- (10) In section 35(8), for ““service charge” has the meaning” substitute ““service charge” and “variable service charge” have the meaning”.
- (11) In section 167 of the CLRA 2002 (failure to pay small amount for short period)—
- (a) in subsection (1), for “service charges” substitute “variable service charges”;
 - (b) in subsection (5), for “service charge” substitute “variable service charge”.

Commencement Information

II S. 53 not in force at Royal Assent, see [s. 124\(3\)](#)

Status: This version of this part contains provisions that are prospective.
Changes to legislation: There are currently no known outstanding effects for the
Leasehold and Freehold Reform Act 2024, Part 4. (See end of Document for details)

54 Notice of future service charge demands

In section 20B of the LTA 1985 (time limit on making service charge demands), in subsection (2), for the words from “notified in writing” to the end substitute “given a future demand notice in respect of those costs.

- “(3) A “future demand notice” is a notice in writing that—
- (a) relevant costs have been incurred, and
 - (b) the tenant will subsequently be required under the terms of the lease to contribute to the costs by the payment of a variable service charge.
- (4) A future demand notice must—
- (a) be in the specified form,
 - (b) contain the specified information, and
 - (c) be given to the tenant in a specified manner.

“Specified” means specified in regulations made by the appropriate authority.

- (5) The regulations may, among other things, specify as information to be contained in a future demand notice—
- (a) an amount estimated as the amount of the costs incurred (an “estimated costs amount”);
 - (b) an amount which the tenant is expected to be required to contribute to the costs (an “expected contribution”);
 - (c) a date on or before which it is expected that payment of the variable service charge will be demanded (an “expected demand date”).
- (6) Regulations that include provision by virtue of subsection (5) may also provide for a relevant rule to apply in a case where—
- (a) the tenant has been given a future demand notice in respect of relevant costs, and
 - (b) a demand for payment of a variable service charge as a contribution to those costs is served on the tenant more than 18 months after the costs were incurred.
- (7) The relevant rules are—
- (a) in a case where a future demand notice is required to contain an estimated costs amount, that the tenant is liable to pay the service charge only to the extent it reflects relevant costs that do not exceed the estimated costs amount;
 - (b) in a case where a future demand notice is required to contain an expected contribution, that the tenant is liable to pay the service charge only to the extent it does not exceed the expected contribution;
 - (c) in a case where a future demand notice is required to contain an expected demand date, that, if the demand is served after the expected demand date, the tenant is not liable to pay the service charge to the extent it reflects any of the costs.
- (8) Regulations that provide for the relevant rule in subsection (7)(c) to apply may also provide that, in a case set out in the regulations, the rule is to apply as if, for the expected demand date, there were substituted a later date determined in accordance with the regulations.

- (9) Regulations under this section—

Status: This version of this part contains provisions that are prospective.
*Changes to legislation: There are currently no known outstanding effects for the
 Leasehold and Freehold Reform Act 2024, Part 4. (See end of Document for details)*

- (a) are to be made by statutory instrument;
- (b) may make provision generally or only in relation to specific cases;
- (c) may make different provision for different purposes;
- (d) may include supplementary, incidental, transitional or saving provision.

(10) A statutory instrument containing regulations under this section is subject to the negative procedure.”

Commencement Information

I2 S. 54 not in force at Royal Assent, see [s. 124\(3\)](#)

55 Service charge demands

- (1) The LTA 1985 is amended in accordance with subsections (2) and (3).
- (2) Omit the following sections—
 - (a) section 21 (request for summary of relevant costs);
 - (b) section 21A (withholding of service charges);
 - (c) section 21B (notice to accompany demands for service charges).
- (3) Before section 22 insert—

“21C Service charge demands

- (1) A landlord may not demand the payment of a service charge unless the demand—
 - (a) is in the specified form,
 - (b) contains the specified information, and
 - (c) is provided to the tenant in a specified manner.

“Specified” means specified in regulations made by the appropriate authority.

- (2) Accordingly, where a demand for payment of a service charge does not comply with subsection (1), a provision of the lease relating to non-payment or late payment of service charges does not have effect in relation to the service charge.
- (3) The appropriate authority may by regulations provide for exceptions from subsection (1) by reference to—
 - (a) descriptions of landlord;
 - (b) descriptions of service charge;
 - (c) any other matter.
- (4) Regulations under this section—
 - (a) are to be made by statutory instrument;
 - (b) may make provision generally or only in relation to specific cases;
 - (c) may make different provision for different purposes;
 - (d) may include supplementary, incidental, transitional or saving provision.

Status: This version of this part contains provisions that are prospective.

Changes to legislation: There are currently no known outstanding effects for the Leasehold and Freehold Reform Act 2024, Part 4. (See end of Document for details)

- (5) A statutory instrument containing regulations under this section is subject to the negative procedure.”
- (4) In the LTA 1987—
- (a) in section 47 (landlord’s name and address to be contained in demands for rent etc), after subsection (3) insert—
- “(3A) Subsections (2) and (3) do not apply in relation to a written demand for payment of a service charge if section 21C of the Landlord and Tenant Act 1985 requires the demand to include information which subsection (1) also requires the demand to include.”;
- (b) in section 47A (building safety information to be contained in demands for rent etc), after subsection (3) insert—
- “(3A) Subsections (2) and (3) do not apply in relation to a written demand for payment of a service charge if section 21C of the Landlord and Tenant Act 1985 requires the demand to include information which subsection (1) also requires the demand to include.”

Commencement Information

I3 S. 55 not in force at Royal Assent, see s. 124(3)

56 Accounts and annual reports

- (1) The LTA 1985 is amended as follows.
- (2) After section 21C (as inserted by section 55) insert—

“21D Service charge accounts

- (1) This section applies in relation to a lease of a dwelling if—
- (a) a variable service charge is or may be payable under the lease, and
- (b) any of the relevant costs which are or may be taken into account in determining the amount of that variable service charge are or may be taken into account in determining the amount of variable service charges payable by the tenants of three or more other dwellings (“connected tenants”).
- (2) The following terms are implied into the lease—
- (a) that, on or before the account date for each accounting period, the landlord must provide the tenant with a written statement of account in a specified form and manner setting out—
- (i) the variable service charges arising in the period which are payable by the tenant and each connected tenant,
- (ii) the relevant costs relating to those service charges, and
- (iii) any other specified matters;
- (b) that, on or before the account date for an accounting period in respect of which a statement of account is provided, the landlord must provide the tenant with a written report about the statement prepared by a qualified accountant, which—

Status: This version of this part contains provisions that are prospective.

Changes to legislation: There are currently no known outstanding effects for the Leasehold and Freehold Reform Act 2024, Part 4. (See end of Document for details)

- (i) is prepared in accordance with specified standards for the review of financial information, and
- (ii) includes a statement by the accountant, in a specified form and manner, that the report is a faithful representation of what it purports to represent;
- (c) that the landlord must provide adequate accounts, receipts or other documents or explanations to the accountant to enable them to provide the report;
- (d) that, if the landlord incurs costs in obtaining the report, the tenant must pay the landlord a fair and reasonable contribution to those costs.

“Specified” means specified in regulations made by the appropriate authority.

- (3) An “accounting period” is—
 - (a) a period of 12 months specified in the lease as an accounting period, or
 - (b) if no such period is specified in the lease, a period of 12 months beginning with 1 April.
- (4) The “account date” for an accounting period is the final day of the period of six months beginning with the day after the final day of the accounting period.
- (5) An amount payable under the term implied by subsection (2)(d)—
 - (a) is a variable service charge for the purposes of section 18, and the provisions of this Act relating to service charges apply accordingly;
 - (b) is payable irrespective of whether a lease, contract or other arrangement provides for it to be payable as a service charge.
- (6) The appropriate authority may by regulations provide for circumstances in which a term in subsection (2)—
 - (a) is not to be implied into a lease, or
 - (b) is to be implied into a lease in a modified form.
- (7) Regulations under this section—
 - (a) are to be made by statutory instrument;
 - (b) may make provision generally or only in relation to specific cases;
 - (c) may make different provision for different purposes;
 - (d) may include supplementary, incidental, transitional or saving provision.
- (8) A statutory instrument containing regulations under this section is subject to the negative procedure.

21E Annual reports

- (1) A landlord must, on or before the report date for an accounting period, provide the tenant with a report in respect of service charges arising in that period.
- (2) The appropriate authority may by regulations make provision as to—
 - (a) the information to be contained in the report in respect of those service charges;
 - (b) the form of the report;
 - (c) the manner in which the report is to be provided.

Status: This version of this part contains provisions that are prospective.

Changes to legislation: There are currently no known outstanding effects for the Leasehold and Freehold Reform Act 2024, Part 4. (See end of Document for details)

- (3) The appropriate authority may by regulations also make provision requiring information to be contained in the report in respect of other matters which the appropriate authority considers are likely to be of interest to a tenant, whether or not they directly relate to service charges or to service charges arising in the period.
 - (4) An “accounting period” is—
 - (a) a period of 12 months specified in the lease as an accounting period, or
 - (b) if no such period is specified in the lease, a period of 12 months beginning with 1 April.
 - (5) The “report date” for an accounting period is the final day of the period of one month beginning with the day after the final day of the accounting period.
 - (6) The appropriate authority may by regulations provide for exceptions from the duty in subsection (1) by reference to—
 - (a) descriptions of landlord;
 - (b) descriptions of service charge;
 - (c) any other matter.
 - (7) Regulations under this section—
 - (a) are to be made by statutory instrument;
 - (b) may make provision generally or only in relation to specific cases;
 - (c) may make different provision for different purposes;
 - (d) may include supplementary, incidental, transitional or saving provision.
 - (8) A statutory instrument containing regulations under this section is subject to the negative procedure.”
- (3) In section 28 (meaning of “qualified accountant”)—
- (a) in subsection (1), for the words from “in section” to “person” substitute “in [section 21D\(2\)\(b\)](#) (report on service charge account) is to a person”;
 - (b) for subsection (2) substitute—
 - “(2) A person has the necessary qualification if the person—
 - (a) is eligible for appointment as a statutory auditor under Part 42 of the Companies Act 2006, or
 - (b) satisfies such other requirement or requirements as may be specified in regulations made by the appropriate authority.”;
 - (c) in subsection (4)(d), for the words from “covered” to the end substitute “covered by the statement of account in question relate”;
 - (d) after subsection (6) insert—
 - “(7) Regulations under this section—
 - (a) are to be made by statutory instrument;
 - (b) may make provision generally or only in relation to specific cases;
 - (c) may make different provision for different purposes;
 - (d) may include supplementary, incidental, transitional or saving provision.

Status: This version of this part contains provisions that are prospective.

Changes to legislation: There are currently no known outstanding effects for the Leasehold and Freehold Reform Act 2024, Part 4. (See end of Document for details)

(8) A statutory instrument containing regulations under this section (whether alone or with other provision) is subject to the affirmative procedure.”

(4) In section 39 (index of defined expressions), in the entry for “qualified accountant”, for “section 21(6)” substitute “[section 21D\(2\)\(b\)](#)”.

Commencement Information

I4 S. 56 not in force at Royal Assent, see [s. 124\(3\)](#)

57 Right to obtain information on request

- (1) The LTA 1985 is amended as follows.
- (2) After section [21E](#) (as inserted by section [56](#)) insert—

“21F Right to obtain information on request

- (1) A tenant may require the landlord to provide information specified in regulations made by the appropriate authority.
- (2) The appropriate authority may specify information for the purposes of subsection (1) only if it relates to—
 - (a) service charges, or
 - (b) services, repairs, maintenance, improvements, insurance, or management of dwellings.
- (3) The landlord must provide the tenant with any of the information requested that is within the landlord’s possession.
- (4) The landlord must request information from another person if—
 - (a) the information has been requested from the landlord under subsection (1),
 - (b) the landlord does not possess the information when the request is made, and
 - (c) the landlord believes that the other person possesses the information.
- (5) That person must provide the landlord with any of the information requested that is within that person’s possession.
- (6) A person (“A”) must request information from another person (“B”) if—
 - (a) the information has been requested from A under subsection (4) or this subsection,
 - (b) A does not possess the information when the request is made, and
 - (c) A believes that B possesses the information.
- (7) B must provide A with any of the information requested that is within B’s possession.
- (8) The appropriate authority may by regulations—
 - (a) provide for how a request is to be made under this section;

Status: This version of this part contains provisions that are prospective.

Changes to legislation: There are currently no known outstanding effects for the Leasehold and Freehold Reform Act 2024, Part 4. (See end of Document for details)

- (b) provide that a request under this section may not be made until the end of a particular period, or until another condition is met;
 - (c) make provision as to the period within which a request under subsection (4) or (6) must be made;
 - (d) provide for circumstances in which a duty to comply with a request under this section does not apply.
- (9) Section 21G makes further provision about requests under this section.
- (10) For the purposes of this section—
- (a) “information” includes a document containing information, and a copy of such a document;
 - (b) references to a tenant include the secretary of a recognised tenants’ association representing the tenant, in circumstances where the tenant has consented to the association acting on the tenant’s behalf for the purposes of this section.
- (11) Regulations under this section—
- (a) are to be made by statutory instrument;
 - (b) may make provision generally or only in relation to specific cases;
 - (c) may make different provision for different purposes;
 - (d) may include supplementary, incidental, transitional or saving provision.
- (12) A statutory instrument containing regulations under this section is subject to the negative procedure.

21G Requests under section 21F: further provision

- (1) Subsections (2) to (6) apply where a person (“R”) requests information under section 21F from another person (“P”).
 - (2) R may request that P provide the information to R by allowing R access to premises where R may inspect the information and make and remove a copy of the information.
 - (3) P must provide information which P is required to provide under section 21F—
 - (a) before the end of a specified period beginning with the day the request is made, and
 - (b) if R has made a request under subsection (2), by allowing R the access requested during a specified period.
- “Specified” means specified in regulations made by the appropriate authority.
- (4) P may charge R for the costs of doing anything required under section 21F or this section.
 - (5) But, if P is a landlord, P may not charge the tenant for the costs of allowing the tenant access to premises to inspect information (but may charge for the making of copies).

Status: This version of this part contains provisions that are prospective.

Changes to legislation: There are currently no known outstanding effects for the Leasehold and Freehold Reform Act 2024, Part 4. (See end of Document for details)

- (6) The costs referred to in subsection (4) may be relevant costs for the purposes of a variable service charge (whether charged to the tenant making the request under section 21F(1) or another tenant).
- (7) Regulations under subsection (3) may provide for circumstances in which a specified period is to be extended.
- (8) The appropriate authority may by regulations make further provision as to how information requested under section 21F is to be provided.
- (9) Regulations under this section—
 - (a) are to be made by statutory instrument;
 - (b) may make provision generally or only in relation to specific cases;
 - (c) may make different provision for different purposes;
 - (d) may include supplementary, incidental, transitional or saving provision.
- (10) A statutory instrument containing regulations under this section is subject to the negative procedure.

21H Effect of assignment on requests under section 21F

- (1) The assignment of a tenancy does not affect an obligation arising as a result of a request made under section 21F before the assignment.
- (2) But, in the circumstances of such an assignment, a person is not obliged to provide the same information more than once in respect of the same dwelling.”
- (3) Omit the following sections—
 - (a) section 22 (request to inspect supporting accounts);
 - (b) section 23 (request relating to information held by superior landlord);
 - (c) section 24 (effect of assignment on request).

Commencement Information

I5 S. 57 not in force at Royal Assent, see [s. 124\(3\)](#)

58 Enforcement of duties relating to service charges

- (1) The LTA 1985 is amended as follows.
- (2) Omit section 25 (offences).
- (3) Before section 26 insert—

“25A Enforcement of duties relating to service charges

- (1) A tenant may make an application to the appropriate tribunal on the ground that the landlord—
 - (a) demanded the payment of a service charge otherwise than in accordance with section 21C(1);
 - (b) failed to provide a report in accordance with section 21E.

Status: This version of this part contains provisions that are prospective.

Changes to legislation: There are currently no known outstanding effects for the Leasehold and Freehold Reform Act 2024, Part 4. (See end of Document for details)

- (2) On an application made under subsection (1), the tribunal may make one or more of the following orders—
 - (a) an order that the landlord must, before the end of the period of 14 days beginning with the day after the date of the order—
 - (i) demand the payment of a service charge in accordance with section 21C(1);
 - (ii) provide a report in accordance with section 21E;
 - (b) an order that the landlord pay damages to the tenant for the failure;
 - (c) any other order which the tribunal considers consequential on an order under paragraph (a) or (b).
- (3) A person (“C”) may make an application to the appropriate tribunal on the ground that another person (“D”) failed to comply with a requirement under section 21F or 21G.
- (4) On an application made under subsection (3), the tribunal may make one or more of the following orders—
 - (a) an order that D comply with the requirement before the end of the period of 14 days beginning with the day after the date of the order;
 - (b) an order that D pay damages to C for the failure;
 - (c) any other order which the tribunal considers consequential on an order under paragraph (a) or (b).
- (5) Damages under this section may not exceed £5,000.
- (6) The appropriate authority may by regulations amend the amount in subsection (5) if the appropriate authority considers it expedient to do so to reflect changes in the value of money.
- (7) A landlord may not for any purpose set off damages payable by the landlord to a tenant under this section against any present or future liability of the tenant to the landlord.
- (8) Where a landlord is “the payee” for the purposes of section 42 of the Landlord and Tenant Act 1987, and the landlord uses sums that are held on trust under that section to pay damages under this section, such use is a breach of that trust.
- (9) Amounts payable by way of damages under this section are not to be regarded as relevant costs to be taken into account in determining the amount of any variable service charge payable by a tenant (whether or not a tenant to whom the damages are paid).
- (10) A lease, contract or other arrangement is of no effect to the extent that it would make provision contrary to subsections (7) to (9).
- (11) Regulations under this section—
 - (a) are to be made by statutory instrument;
 - (b) may make provision generally or only in relation to specific cases;
 - (c) may make different provision for different purposes;
 - (d) may include supplementary, incidental, transitional or saving provision.

Status: This version of this part contains provisions that are prospective.
Changes to legislation: There are currently no known outstanding effects for the Leasehold and Freehold Reform Act 2024, Part 4. (See end of Document for details)

- (12) A statutory instrument containing regulations under this section is subject to the negative procedure.”

Commencement Information

I6 S. 58 not in force at Royal Assent, see [s. 124\(3\)](#)

Insurance

59 Limitation on ability of landlord to charge insurance costs

After section 20F of the LTA 1985 insert—

“20G Limitation of variable service charges: insurance costs

- (1) Excluded insurance costs are not to be regarded as relevant costs to be taken into account in determining the amount of any variable service charge payable by a tenant.
- (2) “Excluded insurance costs” are any costs (whether or not they are expressed as forming part of an insurance premium) that—
 - (a) are attributable to payments made, or to be made, to arrange or manage insurance, and
 - (b) are not attributable to a permitted insurance payment.
- (3) Payments made to arrange or manage insurance include payments made—
 - (a) for the purpose of providing an incentive to enter into, or arrange for another person to enter into, a particular contract of insurance;
 - (b) as remuneration for any work done, however described, in relation to—
 - (i) a contract of insurance before or after it has been entered into, or
 - (ii) insurance generally without a particular contract of insurance in contemplation.
- (4) A “permitted insurance payment” is a payment of a description specified in regulations made by the appropriate authority.
- (5) The regulations may provide that a payment is a permitted insurance payment by reference to—
 - (a) the kind of person to or in respect of which the payment is made;
 - (b) the circumstances in which the payment is made;
 - (c) the method by which the amount of the payment is calculated (which may be a method specified in the regulations);
 - (d) the nature of its connection with work done, costs incurred or time spent;
 - (e) any other matter.
- (6) In this section, a reference to a payment includes—
 - (a) a non-monetary benefit;

Status: This version of this part contains provisions that are prospective.

Changes to legislation: There are currently no known outstanding effects for the Leasehold and Freehold Reform Act 2024, Part 4. (See end of Document for details)

(b) a right to retain money or a non-monetary benefit instead of paying or giving it to another person.

(7) Regulations under this section—

- (a) are to be made by statutory instrument;
- (b) may make provision generally or only in relation to specific cases;
- (c) may make different provision for different purposes;
- (d) may include supplementary, incidental, transitional or saving provision.

(8) A statutory instrument containing regulations under this section (whether alone or with other provision) is subject to the affirmative procedure.

20H Right to claim where excluded insurance costs charged

(1) This section applies if, despite section 20G(1), a tenant pays a prohibited amount to any person.

(2) For the purposes of this section, a “prohibited amount” is an amount that is—

- (a) demanded as a variable service charge, and
- (b) attributable to excluded insurance costs.

(3) The appropriate tribunal may, on the application of the tenant—

- (a) order the person to which the prohibited amount was paid to return all or any part of the amount to the tenant;
- (b) order—
 - (i) the tenant’s landlord,
 - (ii) a person that benefited from the payment of the prohibited amount, or
 - (iii) a person that benefited from a payment to which the excluded insurance costs are attributable,

to pay damages to the tenant.

(4) Damages under subsection (3)(b) must—

- (a) equal or exceed the prohibited amount paid;
- (b) not exceed an amount that is three times the prohibited amount paid.

(5) If the appropriate tribunal orders that more than one person is to pay damages to the tenant under subsection (3)(b)—

- (a) the tribunal may order that those persons are to be jointly, severally, or jointly and severally liable to pay the damages, and
- (b) the references in subsection (4) and paragraph (a) to the damages are to the damages payable by all of those persons taken together.

20I Right of landlord to obtain costs attributable to permitted insurance payments

(1) It is an implied term of a lease under which a service charge is payable that, if the landlord incurs costs attributable to a permitted insurance payment, the tenant must pay the landlord the amount of those costs.

(2) Such an amount—

Status: This version of this part contains provisions that are prospective.

Changes to legislation: There are currently no known outstanding effects for the Leasehold and Freehold Reform Act 2024, Part 4. (See end of Document for details)

- (a) is a variable service charge for the purposes of section 18, and the provisions of this Act relating to service charges apply accordingly;
 - (b) is payable irrespective of whether a lease, contract or other arrangement provides for it to be payable as a service charge.
- (3) A lease, contract or other arrangement is of no effect to the extent it would limit the amount payable by the tenant under this section.”

Commencement Information

I7 S. 59 not in force at Royal Assent, see [s. 124\(3\)](#)

60 Duty to provide information about insurance to tenants

- (1) The Schedule to the LTA 1985 (rights in relation to insurance) is amended as follows.
- (2) After paragraph 1 insert—

“Duty to provide information

- 1A (1) Sub-paragraph (2) applies where a service charge payable by a tenant of a dwelling consists of or includes an amount payable directly or indirectly for insurance.
- (2) The landlord must—
- (a) obtain specified information about the insurance, including by requesting the information from another person, and
 - (b) within a specified period after insurance is effected in relation to the dwelling, provide that information to the tenant.
- “Specified” means specified in regulations made by the appropriate authority.
- (3) Regulations under sub-paragraph (2) may provide for circumstances in which a specified period is to be extended.
 - (4) Paragraph 1B makes further provision about requests by the landlord under sub-paragraph (2)(a).
 - (5) The appropriate authority may by regulations make provision as to the form and manner in which the information is to be provided.
 - (6) For the purposes of this paragraph, insurance is “effected” in relation to a dwelling whenever an insurance policy is purchased or renewed in relation to the dwelling.
 - (7) The landlord may charge the tenant for the costs of complying with the duty in sub-paragraph (2).
 - (8) The appropriate authority may by regulations provide for exceptions to the duty in sub-paragraph (2) by reference to—
 - (a) descriptions of landlord;
 - (b) descriptions of insurance;
 - (c) any other matter.

Status: This version of this part contains provisions that are prospective.
Changes to legislation: There are currently no known outstanding effects for the
Leasehold and Freehold Reform Act 2024, Part 4. (See end of Document for details)

- (9) In this paragraph, “information” includes a document containing information and a copy of such a document.
- (10) Regulations under this paragraph—
- (a) are to be made by statutory instrument;
 - (b) may make provision generally or only in relation to specific cases;
 - (c) may make different provision for different purposes;
 - (d) may include supplementary, incidental, transitional or saving provision.
- (11) A statutory instrument containing regulations under this paragraph is subject to the negative procedure.

Requests by landlord under paragraph 1A: further provision

- 1B (1) Sub-paragraph (2) applies where a landlord requests information from another person under paragraph 1A(2)(a).
- (2) That person must provide the landlord with any of the information requested that is within the person’s possession.
- (3) A person (“A”) must request information from another person (“B”) if—
- (a) the information has been requested from A under paragraph 1A(2)(a) or this sub-paragraph,
 - (b) A does not possess the information when the request is made, and
 - (c) A believes that B possesses the information.
- (4) B must provide A with any of the information requested that is within B’s possession.
- (5) A person must provide information they are required to provide under this paragraph before the end of a specified period beginning with the day on which a request for the information is made.
- (6) In this paragraph, “specified” means specified in regulations made by the appropriate authority.
- (7) A person who provides information to another person under this paragraph may charge that person for the costs of doing so.
- (8) The appropriate authority may by regulations—
- (a) provide for how a request is to be made under paragraph 1A(2)(a) or this paragraph;
 - (b) provide that a request may not be made until the end of a particular period, or until another condition is met;
 - (c) make provision as to the period within which a request under sub-paragraph (3) must be made;
 - (d) provide for circumstances in which a duty to comply with a request under paragraph 1A(2)(a) or this paragraph does not apply;
 - (e) make provision as to how information requested is to be provided.
- (9) Regulations under this paragraph—

Status: This version of this part contains provisions that are prospective.

Changes to legislation: There are currently no known outstanding effects for the Leasehold and Freehold Reform Act 2024, Part 4. (See end of Document for details)

- (a) are to be made by statutory instrument;
 - (b) may make provision generally or only in relation to specific cases;
 - (c) may make different provision for different purposes;
 - (d) may include supplementary, incidental, transitional or saving provision.
- (10) A statutory instrument containing regulations under this paragraph is subject to the negative procedure.

Enforcement of duty to provide information

- 1C (1) A tenant may make an application to the appropriate tribunal on the ground that the landlord failed to comply with a requirement under paragraph 1A.
- (2) On an application made under sub-paragraph (1), the tribunal may make one or both of the following orders—
- (a) an order that the landlord comply with the requirement before the end of a period specified in regulations made by the appropriate authority;
 - (b) an order that the landlord pay damages to the tenant for the failure.
- (3) A person (“C”) may make an application to the appropriate tribunal on the ground that another person (“D”) failed to comply with a requirement under paragraph 1B.
- (4) On an application made under sub-paragraph (3), the tribunal may make one or both of the following orders—
- (a) an order that D comply with the requirement before the end of a period specified in regulations made by the appropriate authority;
 - (b) an order that D pay damages to C for the failure.
- (5) Damages under this paragraph may not exceed £5,000.
- (6) The appropriate authority may by regulations amend the amount in sub-paragraph (5) if the appropriate authority considers it expedient to do so to reflect changes in the value of money.
- (7) Regulations under this paragraph—
- (a) are to be made by statutory instrument;
 - (b) may make provision generally or only in relation to specific cases;
 - (c) may make different provision for different purposes;
 - (d) may include supplementary, incidental, transitional or saving provision.
- (8) A statutory instrument containing regulations under this paragraph is subject to the negative procedure.”
- (3) Omit paragraphs 2 to 6.
- (4) In paragraph 9(1)—
- (a) for “Paragraphs 2 to 8” substitute “Paragraphs 1A to 8”;
 - (b) for the words from “in which case” to “does not”, substitute “in which case paragraphs 1A, 1B, 7 and 8 apply but paragraph 1C does not.”

Status: This version of this part contains provisions that are prospective.
Changes to legislation: There are currently no known outstanding effects for the
Leasehold and Freehold Reform Act 2024, Part 4. (See end of Document for details)

Commencement Information

18 S. 60 not in force at Royal Assent, see [s. 124\(3\)](#)

Administration charges

61 Duty of landlords to publish administration charge schedules

In Schedule 11 to the CLRA 2002 (administration charges)—

- (a) omit paragraph 4 (notice in connection with demands for administration charges);
- (b) before paragraph 5 insert—

“Duty to publish administration charge schedules

- 4A (1) A person must produce and publish an administration charge schedule in relation to a building if the person is the landlord of the tenants of one or more dwellings in that building.
- (2) An “administration charge schedule” is a document setting out—
- (a) the administration charges which the landlord considers may be payable by one or more of those tenants, and
 - (b) for each charge—
 - (i) its amount, or
 - (ii) if it is not possible to determine its amount before it becomes payable, how its amount will be determined if it becomes payable.
- (3) The landlord—
- (a) may revise a published administration charge schedule, and
 - (b) must publish a revised schedule.
- (4) The landlord must provide each tenant with the administration charge schedule for the time being published in relation to the building.
- (5) The appropriate national authority may by regulations make provision as to—
- (a) the meaning of “building” for the purposes of this paragraph;
 - (b) the form of an administration charge schedule;
 - (c) the content of an administration charge schedule;
 - (d) how an administration charge schedule must be published;
 - (e) how an administration charge schedule is to be provided to a tenant.
- (6) An administration charge is payable by a tenant only if—

Status: This version of this part contains provisions that are prospective.

Changes to legislation: There are currently no known outstanding effects for the Leasehold and Freehold Reform Act 2024, Part 4. (See end of Document for details)

- (a) its amount appeared for the required period on a published administration charge schedule, or
 - (b) its amount was determined in accordance with a method that appeared for the required period on a published administration charge schedule.
- (7) “The required period” is the period of 28 days ending with the day on which the administration charge is demanded to be paid.
- (8) This paragraph does not apply in relation to an administration charge that may be payable by a tenant of—
- (a) a local authority;
 - (b) a National Park authority;
 - (c) a new town corporation,
- unless the tenancy is a long tenancy.
- (9) Subsections (2) and (3) of section 26 of the 1985 Act apply for the purposes of sub-paragraph (8) as they apply for the purposes of subsection (1) of that section.
- (10) In this paragraph, “local authority” and “new town corporation” have the same meanings as in the 1985 Act (see section 38 of that Act).

Enforcement of duty to publish administration charge schedules

- 4B (1) A tenant may make an application to the appropriate tribunal on the ground that the landlord has failed to comply with paragraph 4A or regulations made under it.
- (2) The tribunal may make one or both of the following orders—
- (a) an order that the landlord comply with that paragraph or regulations made under it before the end of the period of 14 days beginning with the day after the date of the order;
 - (b) an order that the landlord pay damages to the tenant for the failure.
- (3) Damages under sub-paragraph (2)(b) may not exceed £1,000.
- (4) The appropriate national authority may by regulations amend the amount in sub-paragraph (3) if the appropriate national authority considers it expedient to do so to reflect changes in the value of money.
- (5) The appropriate tribunal may not make an order under this paragraph if the landlord is—
- (a) a local authority;
 - (b) a National Park authority;
 - (c) a new town corporation.
- (6) In this paragraph, “local authority” and “new town corporation” have the same meanings as in the 1985 Act (see section 38 of that Act).”

Status: This version of this part contains provisions that are prospective.
Changes to legislation: There are currently no known outstanding effects for the Leasehold and Freehold Reform Act 2024, Part 4. (See end of Document for details)

Commencement Information

19 S. 61 not in force at Royal Assent, see [s. 124\(3\)](#)

Litigation costs

62 Limits on rights of landlords to claim litigation costs from tenants

- (1) The LTA 1985 is amended in accordance with subsections (2) and (3).
- (2) Omit section 20C (limitation of service charges: costs of proceedings).
- (3) Before section 20D insert—

“20CA Limitation of variable service charges: litigation costs

- (1) A landlord’s litigation costs are not to be regarded as relevant costs to be taken into account in determining the amount of a variable service charge, whether or not the charge is payable—
 - (a) by a party to the lease which the relevant proceedings concern, or
 - (b) to a person that is party to the relevant proceedings.
- (2) But the relevant court or tribunal may, on an application by a landlord, order that subsection (1) does not apply to any or all of the landlord’s litigation costs in relation to a variable service charge payable by a person specified in the application.
- (3) An order may be made only in respect of litigation costs—
 - (a) that would, but for subsection (1), be taken into account in determining the amount of the variable service charge;
 - (b) that are not incurred, or to be incurred, in connection with relevant proceedings arising under—
 - (i) Part 1 of the Leasehold Reform Act 1967 (enfranchisement and extension of leases of houses),
 - (ii) Chapter 1 or 2 of Part 1 of the Leasehold Reform, Housing and Urban Development Act 1993 (enfranchisement and extension of leases of flats), or
 - (iii) Chapter 1 of Part 2 of the Commonhold and Leasehold Reform Act 2002 (right to manage).
- (4) The relevant court or tribunal may make such order on the application as it considers just and equitable in the circumstances.
- (5) The relevant court or tribunal must, in deciding whether to make an order, take into account any matters specified in regulations made by the appropriate authority.
- (6) The appropriate authority may by regulations make provision about—
 - (a) how an application is to be made;
 - (b) whether and how notice of an application is to be given to—
 - (i) a person specified in the application;

Status: This version of this part contains provisions that are prospective.

Changes to legislation: There are currently no known outstanding effects for the Leasehold and Freehold Reform Act 2024, Part 4. (See end of Document for details)

- (ii) a person not specified in the application;
 - (c) the effect of—
 - (i) giving notice of an application;
 - (ii) failing to give notice of an application;
 - (d) circumstances in which a person not specified in an application is to be treated as having been specified.
- (7) See section 20CB for powers of the appropriate authority to provide for other exceptions to subsection (1).
- (8) A lease, contract or other arrangement is of no effect to the extent it makes provision contrary to this section, regulations made under this section or an order made under this section.
- (9) In this section—
 - “litigation costs” means any costs incurred, or to be incurred, by a person in connection with relevant proceedings to which they are party;
 - “relevant proceedings” means proceedings—
 - (a) that are before a court, residential property tribunal, leasehold valuation tribunal, the First-tier Tribunal or the Upper Tribunal, or are arbitration proceedings,
 - (b) to which a landlord and a tenant are party, and
 - (c) that concern a lease of a dwelling to which that landlord and that tenant are party;
 - “the relevant court or tribunal” means—
 - (a) where the relevant proceedings are court proceedings, the court before which the proceedings are taking place or, if the application is made after the proceedings are concluded, the county court;
 - (b) where the relevant proceedings are before a residential property tribunal, a leasehold valuation tribunal;
 - (c) where the relevant proceedings are before a leasehold valuation tribunal, the tribunal before which the proceedings are taking place or, if the application is made after the proceedings are concluded, any leasehold valuation tribunal;
 - (d) where the relevant proceedings are before the First-tier Tribunal, the Tribunal;
 - (e) where the relevant proceedings are before the Upper Tribunal, the Tribunal;
 - (f) where the relevant proceedings are arbitration proceedings, the arbitral tribunal or, if the application is made after the proceedings are concluded, the county court.
- (10) A reference in this section to proceedings concerning a lease includes—
 - (a) proceedings concerning any matter arising out of—
 - (i) the existence of the lease,
 - (ii) any term of the lease, or
 - (iii) any agreement or arrangement entered into in connection with the lease;

Status: This version of this part contains provisions that are prospective.

Changes to legislation: There are currently no known outstanding effects for the Leasehold and Freehold Reform Act 2024, Part 4. (See end of Document for details)

- (b) proceedings concerning any enactment relevant to—
 - (i) the lease, or
 - (ii) any agreement or arrangement entered into in connection with the lease;
 - (c) proceedings that otherwise have a connection with the lease.
- (11) Regulations under this section—
- (a) are to be made by statutory instrument;
 - (b) may make provision generally or only in relation to specific cases;
 - (c) may make different provision for different purposes;
 - (d) may include supplementary, incidental, transitional or saving provision.
- (12) A statutory instrument containing regulations under this section is subject to the negative procedure.

20CB Section 20CA: powers to provide for exceptions

- (1) The appropriate authority may by regulations provide for circumstances in which—
- (a) section 20CA(1) does not apply, or
 - (b) the effect of section 20CA(1) is to be suspended until an event of a specified description occurs.
- (2) The circumstances may include, among other things, that—
- (a) the litigation costs,
 - (b) the relevant proceedings, or
 - (c) the landlord,
- are of a specified description.
- (3) Where, by virtue of regulations under subsection (1)(b), the effect of section 20CA(1) is suspended until an event of a specified description occurs—
- (a) section 20CA(1) does not have effect before the event, but
 - (b) section 20CA(1) does have effect on or after the event in relation to a variable service charge paid or payable before the event.
- (4) Accordingly, if—
- (a) a variable service charge was paid before the event, and
 - (b) the landlord’s litigation costs were regarded as relevant costs to be taken into account in determining the amount of that charge until the event because the effect of section 20CA(1) was suspended,
- the landlord may retain the amount of those costs after the event only if the relevant court or tribunal makes an order under section 20CA(2) in relation to that charge.
- (5) In this section—
- “litigation costs”, “relevant proceedings” and “the relevant court or tribunal” have the same meaning as in section 20CA;
 - “specified” means specified in regulations under this section.

Status: This version of this part contains provisions that are prospective.

Changes to legislation: There are currently no known outstanding effects for the Leasehold and Freehold Reform Act 2024, Part 4. (See end of Document for details)

- (6) Regulations under this section—
- (a) are to be made by statutory instrument;
 - (b) may make provision generally or only in relation to specific cases;
 - (c) may make different provision for different purposes;
 - (d) may include supplementary, incidental, transitional or saving provision.
- (7) A statutory instrument containing regulations under this section (whether alone or with other provision) is subject to the affirmative procedure.”
- (4) The CLRA 2002 is amended in accordance with subsections (5) to (7).
- (5) In section 172(1) (application of provision to the Crown)—
- (a) omit the “and” at the end of paragraph (g);
 - (b) in paragraph (h), at the end insert “, and
 - (i) Schedule 12 (leasehold valuation tribunals), as it applies in relation to paragraph 5B of Schedule 11.”
- (6) In section 178(4) (orders and regulations), after “171” insert “, paragraph 5C of Schedule 11”.
- (7) In Schedule 11 (administration charges)—
- (a) omit paragraph 5A (limitation of administration charges: costs of proceedings);
 - (b) before paragraph 6 insert—

“Limitation of administration charges: litigation costs

- 5B (1) No administration charge is payable by a tenant of a dwelling in respect of the landlord’s litigation costs.
- (2) But the relevant court or tribunal may, on an application by a landlord, order that sub-paragraph (1) does not apply to an administration charge in respect of all or any of the landlord’s litigation costs.
- (3) An order may be made only in respect of an administration charge—
- (a) that would, but for sub-paragraph (1), be payable by the tenant;
 - (b) that is for litigation costs that are not incurred, or to be incurred, in connection with relevant proceedings arising under—
 - (i) Part 1 of the 1967 Act (enfranchisement and extension of leases of houses),
 - (ii) Chapter 1 or 2 of Part 1 of the 1993 Act (enfranchisement and extension of leases of flats), or
 - (iii) Chapter 1 of Part 2 of this Act (right to manage).
- (4) The relevant court or tribunal may make such order on the application as it considers just and equitable in the circumstances.

Status: This version of this part contains provisions that are prospective.

Changes to legislation: There are currently no known outstanding effects for the Leasehold and Freehold Reform Act 2024, Part 4. (See end of Document for details)

- (5) The relevant court or tribunal must, in deciding whether to make an order, take into account any matters specified in regulations made by the appropriate national authority.
- (6) See paragraph 5C for powers of the appropriate national authority to provide for other exceptions to sub-paragraph (1).
- (7) A lease, contract or other arrangement is of no effect to the extent it makes provision contrary to this paragraph, regulations made under this paragraph, or an order made under this paragraph.
- (8) In this paragraph—
 - “litigation costs” means any costs incurred, or to be incurred, by a person in connection with relevant proceedings to which they are party;
 - “relevant proceedings” means proceedings—
 - (a) that are before a court, residential property tribunal, leasehold valuation tribunal, the First-tier Tribunal or the Upper Tribunal, or are arbitration proceedings,
 - (b) to which a landlord and a tenant are party, and
 - (c) that concern a lease to which that landlord and that tenant are party;
 - “the relevant court or tribunal” means—
 - (a) where the relevant proceedings are court proceedings, the court before which the proceedings are taking place or, if the application is made after the proceedings are concluded, the county court;
 - (b) where the relevant proceedings are before a residential property tribunal, a leasehold valuation tribunal;
 - (c) where the relevant proceedings are before a leasehold valuation tribunal, the tribunal before which the proceedings are taking place or, if the application is made after the proceedings are concluded, any leasehold valuation tribunal;
 - (d) where the relevant proceedings are before the First-tier Tribunal, the Tribunal;
 - (e) where the relevant proceedings are before the Upper Tribunal, the Tribunal;
 - (f) where the relevant proceedings are arbitration proceedings, the arbitral tribunal or, if the application is made after the proceedings are concluded, the county court.
- (9) The reference in the definition of “relevant proceedings” to proceedings concerning a lease includes—
 - (a) proceedings concerning any matter arising out of—
 - (i) the existence of the lease,
 - (ii) any term of the lease, or

Status: This version of this part contains provisions that are prospective.

Changes to legislation: There are currently no known outstanding effects for the Leasehold and Freehold Reform Act 2024, Part 4. (See end of Document for details)

- (iii) any agreement or arrangement entered into in connection with the lease;
- (b) proceedings concerning any enactment relevant to—
 - (i) the lease, or
 - (ii) any agreement or arrangement entered into in connection with the lease;
- (c) proceedings that otherwise have a connection with the lease.

Paragraph 5B: powers to provide for exceptions

- 5C (1) The appropriate national authority may by regulations provide for circumstances in which—
- (a) paragraph 5B(1) does not apply, or
 - (b) the effect of paragraph 5B(1) is to be suspended until an event of a specified description occurs.
- (2) The circumstances may include, among other things, that—
- (a) the litigation costs,
 - (b) the relevant proceedings, or
 - (c) the landlord,
- are of a specified description.
- (3) Where, by virtue of regulations under sub-paragraph (1)(b), the effect of paragraph 5B(1) is suspended until an event of a specified description occurs—
- (a) paragraph 5B(1) does not have effect before the event, but
 - (b) paragraph 5B(1) does have effect on or after the event in relation to an administration charge paid or payable before the event.
- (4) Accordingly, if an administration charge was paid before the event in respect of the landlord’s litigation costs because the effect of paragraph 5B(1) was suspended, the landlord may retain the amount of that charge after the event only if the relevant court or tribunal makes an order under paragraph 5B(2) in relation to that charge.
- (5) In this paragraph—
- “litigation costs”, “relevant proceedings” and “the relevant court or tribunal” have the same meaning as in paragraph 5B;
 - “specified” means specified in regulations under this paragraph.”

Commencement Information

I10 S. 62 not in force at Royal Assent, see s. 124(3)

Status: This version of this part contains provisions that are prospective.

Changes to legislation: There are currently no known outstanding effects for the Leasehold and Freehold Reform Act 2024, Part 4. (See end of Document for details)

63 Right of tenants to claim litigation costs from landlords

After section 30I of the LTA 1985 insert—

“Right of tenants to claim litigation costs from landlords

30J Right of tenants to claim litigation costs from landlords

- (1) It is an implied term of a lease that if—
 - (a) there are relevant proceedings concerning the lease, and
 - (b) the relevant court or tribunal orders, on an application by the tenant, that the landlord pay an amount in respect of all or any of the tenant’s litigation costs in connection with the proceedings,the landlord must pay the tenant the amount ordered.
- (2) The relevant court or tribunal may make such order on the application as it considers just and equitable in the circumstances.
- (3) The relevant court or tribunal must, in deciding whether to make an order, take into account any matters specified in regulations made by the appropriate authority.
- (4) Costs incurred by a landlord—
 - (a) in connection with an application for an order,
 - (b) in compliance with the implied term, or
 - (c) otherwise in connection with the implied term or an order (for example, in connection with appeal proceedings or proceedings to enforce the implied term),are litigation costs of the landlord (and section 20CA of this Act and paragraph 5B of Schedule 11 to the Commonhold and Leasehold Reform Act 2002 apply accordingly).
- (5) A lease, contract or other arrangement is of no effect to the extent it makes provision contrary to this section, regulations made under this section or an order made under this section.
- (6) In this section—

“landlord” and “tenant” have the same meanings as in the provisions relating to service charges (see section 30);

“litigation costs” means any costs incurred, or to be incurred, by a person in connection with relevant proceedings to which they are party;

“relevant proceedings” means proceedings—

 - (a) that are before a court, residential property tribunal, leasehold valuation tribunal, the First-tier Tribunal or the Upper Tribunal, or are arbitration proceedings,
 - (b) to which a landlord and a tenant are party,
 - (c) that concern a lease of a dwelling to which that landlord and that tenant are party, and
 - (d) that relate to a matter of a description specified in regulations made by the appropriate authority;

Status: This version of this part contains provisions that are prospective.

Changes to legislation: There are currently no known outstanding effects for the Leasehold and Freehold Reform Act 2024, Part 4. (See end of Document for details)

“the relevant court or tribunal” means—

- (a) where the relevant proceedings are court proceedings, the court before which the proceedings are taking place or, if the application is made after the proceedings are concluded, the county court;
 - (b) where the relevant proceedings are before a residential property tribunal, a leasehold valuation tribunal;
 - (c) where the relevant proceedings are before a leasehold valuation tribunal, the tribunal before which the proceedings are taking place or, if the application is made after the proceedings are concluded, any leasehold valuation tribunal;
 - (d) where the relevant proceedings are before the First-tier Tribunal, the tribunal;
 - (e) where the relevant proceedings are before the Upper Tribunal, the tribunal;
 - (f) where the relevant proceedings are arbitration proceedings, the arbitral tribunal or, if the application is made after the proceedings are concluded, the county court.
- (7) A reference in this section to proceedings concerning a lease includes—
- (a) proceedings concerning any matter arising out of—
 - (i) the existence of the lease,
 - (ii) any term of the lease, or
 - (iii) any agreement or arrangement entered into in connection with the lease;
 - (b) proceedings concerning any enactment relevant to—
 - (i) the lease, or
 - (ii) any agreement or arrangement entered into in connection with the lease;
 - (c) proceedings that otherwise have a connection with the lease.
- (8) Regulations under this section—
- (a) are to be made by statutory instrument;
 - (b) may make provision generally or only in relation to specific cases;
 - (c) may make different provision for different purposes;
 - (d) may include supplementary, incidental, transitional or saving provision.
- (9) A statutory instrument containing regulations under this section is subject to the negative procedure.”

Commencement Information

III S. 63 not in force at Royal Assent, see [s. 124\(3\)](#)

Status: This version of this part contains provisions that are prospective.

Changes to legislation: There are currently no known outstanding effects for the Leasehold and Freehold Reform Act 2024, Part 4. (See end of Document for details)

Non-litigation costs: enfranchisement, extension and right to manage

64 Restriction on recovery of non-litigation costs of enfranchisement, extension and right to manage

After section 20I of the LTA 1985 (as inserted by section 59) insert—

“20J Limitation of variable service charges: non-litigation costs of enfranchisement etc

- (1) Non-litigation costs incurred, or to be incurred, by a landlord in connection with a relevant claim are not to be regarded as relevant costs to be taken into account in determining the amount of a variable service charge payable by a tenant who is a non-participating tenant in relation to that claim.
- (2) A lease, contract or other arrangement is of no effect to the extent it makes provision to the contrary.
- (3) In this section and section 20K—
 - “the 1967 Act” means the Leasehold Reform Act 1967;
 - “the 1993 Act” means the Leasehold Reform, Housing and Urban Development Act 1993;
 - “the 2002 Act” means the Commonhold and Leasehold Reform Act 2002;
 - “non-litigation costs” means costs incurred, or to be incurred, other than in connection with proceedings before a court or tribunal;
 - “non-participating tenant”, in relation to a relevant claim, means a tenant who is not a participating tenant;
 - “participating tenant”, in relation to a relevant claim, means a tenant who—
 - (a) in the case of a claim under Part 1 of the 1967 Act or Chapter 1 or 2 of Part 1 of the 1993 Act, is making the claim;
 - (b) in the case of a claim under Chapter 1 of Part 2 of the 2002 Act, is or has been a member of the RTM company making the claim;
 - “relevant claim” means—
 - (a) a claim under Part 1 of the 1967 Act (enfranchisement and extension of leases of houses);
 - (b) a claim under Chapter 1 or 2 of Part 1 of the 1993 Act (enfranchisement and extension of leases of flats);
 - (c) a claim under Chapter 1 of Part 2 of the 2002 Act (right to manage);
 - “RTM company” has the same meaning as in Chapter 1 of Part 2 of the 2002 Act (see section 71 of that Act).
- (4) For provision about when a participating tenant is and is not liable in respect of non-litigation costs in relation to a relevant claim, see—
 - (a) section 19A of the 1967 Act;
 - (b) section 89A of the 1993 Act;
 - (c) section 87A of the 2002 Act.

Status: This version of this part contains provisions that are prospective.

Changes to legislation: There are currently no known outstanding effects for the Leasehold and Freehold Reform Act 2024, Part 4. (See end of Document for details)

20K Right to claim where non-litigation costs charged contrary to section 20J

- (1) This section applies if, despite section 20J(1), a non-participating tenant in relation to a relevant claim pays a prohibited amount to any person.
- (2) For the purposes of this section, a “prohibited amount” is an amount that is—
 - (a) demanded as a variable service charge, and
 - (b) attributable to non-litigation costs incurred, or to be incurred, in connection with the claim.
- (3) The appropriate tribunal may, on the application of the tenant, order the person to which the prohibited amount was paid to return all or any part of the amount to the tenant.”

Commencement Information

I12 S. 64 not in force at Royal Assent, see [s. 124\(3\)](#)

Appointment of manager by Tribunal

65 Appointment of manager: power to vary or discharge orders

In section 24 of the LTA 1987 (appointment of manager by a tribunal)—

- (a) in subsection (9), after “interested” insert “or of its own motion”;
- (b) in subsection (9A), omit “on the application of any relevant person”.

Commencement Information

I13 S. 65 not in force at Royal Assent, see [s. 124\(3\)](#)

66 Appointment of manager: breach of redress scheme requirements

In section 24(2) of the LTA 1987 (grounds for appointment of manager)—

- (a) omit the “or” at the end of paragraph (ac);
- (b) after paragraph (ac) insert—
 - “(ad) where the tribunal is satisfied—
 - (i) that any relevant person has breached regulations under section 100(1) of the Leasehold and Freehold Reform Act 2024 (requirement to join redress scheme), and
 - (ii) that it is just and convenient to make the order in all the circumstances of the case;”.

Commencement Information

I14 S. 66 not in force at Royal Assent, see [s. 124\(3\)](#)

Status: This version of this part contains provisions that are prospective.
Changes to legislation: There are currently no known outstanding effects for the
Leasehold and Freehold Reform Act 2024, Part 4. (See end of Document for details)

Sales information requests

67 Leasehold sales information requests

In the LTA 1985, after section 30J (as inserted by section 63) insert—

“Sales information requests

30K Sales information requests

- (1) A tenant of a dwelling under a long lease may give a sales information request to the landlord.
- (2) A “sales information request” is a document in a specified form, and given in a specified manner, setting out—
 - (a) that the tenant is contemplating selling a long lease of the dwelling,
 - (b) information that the tenant requests from the landlord for the purpose of the contemplated sale, and
 - (c) any other specified information.
- (3) A tenant may request information in a sales information request only if the information is specified in regulations made by the appropriate authority.
- (4) The appropriate authority may specify information for the purposes of subsection (3) only if the information could reasonably be expected to assist a prospective purchaser in deciding whether to purchase a long lease of a dwelling.
- (5) The appropriate authority may by regulations provide that a sales information request may not be given until the end of a particular period, or until another condition is met.
- (6) Regulations under this section—
 - (a) are to be made by statutory instrument;
 - (b) may make provision generally or only in relation to specific cases;
 - (c) may make different provision for different purposes;
 - (d) may include supplementary, incidental, transitional or saving provision.
- (7) A statutory instrument containing regulations under this section is subject to the negative procedure.

30L Effect of sales information request

- (1) A landlord who has been given a sales information request must provide the tenant with any of the information requested that is within the landlord’s possession.
- (2) The landlord must request information from another person if—
 - (a) the information has been requested from the landlord in a sales information request,
 - (b) the landlord does not possess the information when the request is made, and

Status: This version of this part contains provisions that are prospective.

Changes to legislation: There are currently no known outstanding effects for the Leasehold and Freehold Reform Act 2024, Part 4. (See end of Document for details)

- (c) the landlord believes that the other person possesses the information.
- (3) That person must provide the landlord with any of the information requested that is within that person's possession.
- (4) A person ("A") must request information from another person ("B") if—
 - (a) the information has been requested from A in a request under subsection (2) or this subsection (an "onward request"),
 - (b) A does not possess the information when the request is made, and
 - (c) A believes that B possesses the information.
- (5) B must provide A with any of the information requested that is within B's possession.
- (6) A person who is required to provide information under this section must do so before the end of a specified period beginning with the day on which the request for the information is made.
- (7) A person who—
 - (a) has been given a sales information request or an onward request, and
 - (b) as a result of not possessing the information requested, does not provide the information before the end of a specified period beginning with the day on which the request is made,must give the person making the request a negative response confirmation.
- (8) A "negative response confirmation" is a document in a specified form, and given in a specified manner, setting out—
 - (a) that the person is unable to provide the information requested because it is not in the person's possession;
 - (b) a description of what action the person has taken to determine whether the information is in the person's possession;
 - (c) any onward requests the person has made and the persons to whom they were made;
 - (d) an explanation of why the person was unable to obtain the information, including details of any negative response confirmation received by the person;
 - (e) any other specified information.
- (9) A person who is required to give a negative response confirmation must do so before the end of a specified period beginning with the day after the day on which the period referred to in subsection (7)(b) ends.
- (10) The appropriate authority may by regulations—
 - (a) provide that an onward request may not be made until the end of a particular period, or until another condition is met;
 - (b) provide for how an onward request is to be made;
 - (c) make provision as to the period within which an onward request must be made;
 - (d) provide for circumstances in which a duty to comply with a sales information request or an onward request does not apply;
 - (e) make provision as to how information requested in a sales information request or an onward request is to be provided;

Status: This version of this part contains provisions that are prospective.

Changes to legislation: There are currently no known outstanding effects for the Leasehold and Freehold Reform Act 2024, Part 4. (See end of Document for details)

- (f) make provision for circumstances in which a period specified for the purposes of subsection (6), (7) or (9) is to be extended.
- (11) Regulations under this section—
- (a) are to be made by statutory instrument;
 - (b) may make provision generally or only in relation to specific cases;
 - (c) may make different provision for different purposes;
 - (d) may include supplementary, incidental, transitional or saving provision.
- (12) A statutory instrument containing regulations under this section is subject to the negative procedure.

30M Charges for provision of information

- (1) Subject to any regulations under subsection (2), a person (“P”) may charge another person for—
- (a) determining whether information requested in a sales information request or an onward request is in P’s possession;
 - (b) providing or obtaining information under section 30L.
- (2) The appropriate authority may by regulations—
- (a) limit the amount that may be charged under subsection (1);
 - (b) prohibit a charge under subsection (1) in specified circumstances or unless specified requirements are met.
- (3) If a landlord charges a tenant under subsection (1), the charge—
- (a) is an administration charge for the purposes of Schedule 11 to the Commonhold and Leasehold Reform Act 2002 (see paragraph 1(1) (b) of that Schedule), and
 - (b) is not to be treated as a service charge for the purposes of this Act.
- (4) For the purposes of the provisions of this Act relating to service charges, the costs of—
- (a) determining whether information requested in a sales information request or an onward request is in a person’s possession, or
 - (b) providing or obtaining information under section 30L,
- are not to be regarded as relevant costs to be taken into account in determining the amount of any variable service charge payable by any tenant.
- (5) Regulations under this section—
- (a) are to be made by statutory instrument;
 - (b) may make provision generally or only in relation to specific cases;
 - (c) may make different provision for different purposes;
 - (d) may include supplementary, incidental, transitional or saving provision.
- (6) A statutory instrument containing regulations under this section is subject to the negative procedure.

Status: This version of this part contains provisions that are prospective.

Changes to legislation: There are currently no known outstanding effects for the Leasehold and Freehold Reform Act 2024, Part 4. (See end of Document for details)

30N Enforcement of sections 30L and 30M

- (1) A person who makes a sales information request or an onward request (“C”) may make an application to the appropriate tribunal on the ground that another person (“D”) failed to comply with a requirement under section 30L or 30M in relation to the request.
- (2) The tribunal may make one or more of the following orders—
 - (a) an order that D comply with the requirement before the end of a period specified by the tribunal;
 - (b) an order that D pay damages to C for the failure;
 - (c) if D charged C in excess of a limit specified in regulations under section 30M(2)(a), an order that D repay the amount charged in excess of the limit to C;
 - (d) if D charged C in breach of regulations under section 30M(2)(b), an order that D repay the amount charged to C.
- (3) Damages under subsection (2)(b) may not exceed £5,000.
- (4) The appropriate authority may by regulations amend the amount in subsection (3) if the appropriate authority considers it expedient to do so to reflect changes in the value of money.
- (5) Regulations under this section—
 - (a) are to be made by statutory instrument;
 - (b) may make provision generally or only in relation to specific cases;
 - (c) may make different provision for different purposes;
 - (d) may include supplementary, incidental, transitional or saving provision.
- (6) A statutory instrument containing regulations under this section is subject to the negative procedure.

30P Interpretation of sections 30K to 30N

- (1) In sections 30K to 30N—
 - “information” includes a document containing information, and a copy of such a document;
 - “landlord” includes—
 - (a) any person who has a right to enforce payment of a service charge;
 - (b) a RTM company within the meaning of Chapter 1 of Part 2 of the Commonhold and Leasehold Reform Act 2002 (see section 73 of that Act);
 - “long lease” has the same meaning as in Chapter 1 of Part 2 of the Commonhold and Leasehold Reform Act 2002 (see sections 76 and 77 of that Act);
 - “onward request” has the meaning given in section 30L(4)(a);
 - “sales information request” has the meaning given in section 30K(2);

Status: This version of this part contains provisions that are prospective.
Changes to legislation: There are currently no known outstanding effects for the
Leasehold and Freehold Reform Act 2024, Part 4. (See end of Document for details)

“specified” means specified in, or determined in accordance with, regulations made by the appropriate authority.

- (2) A reference in sections 30K to 30N to purchasing a long lease is a reference to becoming a tenant under the lease for consideration, whether by grant, assignment or otherwise, and references to selling a long lease are to be read accordingly.”

Commencement Information

I15 S. 67 not in force at Royal Assent, see s. 124(3)

General

68 Regulations under the LTA 1985: procedure and appropriate authority

- (1) The LTA 1985 is amended as follows.
(2) After section 37 insert—

“37A Procedure applicable to statutory instruments

- (1) In this Act, if a statutory instrument is “subject to the affirmative procedure” it may not be made unless—
- (a) where it contains (whether alone or with other provision) regulations or an order made by the Secretary of State, a draft of the instrument has been laid before and approved by a resolution of each House of Parliament;
 - (b) where it contains (whether alone or with other provision) regulations or an order made by the Welsh Ministers, a draft of the instrument has been laid before and approved by a resolution of Senedd Cymru.
- (2) In this Act, if a statutory instrument is “subject to the negative procedure” it is—
- (a) where it contains regulations or an order made by the Secretary of State, subject to annulment in pursuance of a resolution of either House of Parliament;
 - (b) where it contains regulations or an order made by the Welsh Ministers, subject to annulment in pursuance of a resolution of Senedd Cymru.”
- (3) In section 38 (minor definitions), after the definition of “address” insert—
- ““the appropriate authority”—
- (a) in relation to England, means the Secretary of State;
 - (b) in relation to Wales, means the Welsh Ministers;”.

(4) In section 39 (index of defined expressions), after the entry for “address” insert—

“the appropriate authority

section 38”.

Status: This version of this part contains provisions that are prospective.

Changes to legislation: There are currently no known outstanding effects for the Leasehold and Freehold Reform Act 2024, Part 4. (See end of Document for details)

Commencement Information

I16 S. 68 not in force at Royal Assent, see [s. 124\(3\)](#)

69 LTA 1985: Crown application

(1) Before section 40 of the LTA 1985 insert—

“39A Crown application

Sections 18 to [30P](#), and the Schedule, bind the Crown.”

(2) In section 172 of the CLRA 2002 (application to Crown of certain provisions)—

- (a) in subsection (1), omit paragraph (a);
- (b) omit subsection (3).

Commencement Information

I17 S. 69 not in force at Royal Assent, see [s. 124\(3\)](#)

70 Part 4: consequential amendments

Schedule [11](#) contains amendments that are consequential on this Part.

Commencement Information

I18 S. 70 not in force at Royal Assent, see [s. 124\(3\)](#)

71 Application of Part 4 to existing leases

Each section of this Part has effect in relation to a lease (within the meaning of the LTA 1985) whether the lease was entered into before or after the section comes into force.

Commencement Information

I19 S. 71 not in force at Royal Assent, see [s. 124\(3\)](#)

Status:

This version of this part contains provisions that are prospective.

Changes to legislation:

There are currently no known outstanding effects for the Leasehold and Freehold Reform Act 2024, Part 4.