



# Commonhold and Leasehold Reform Act 2002

## 2002 CHAPTER 15

### PART 2

#### LEASEHOLD REFORM

#### CHAPTER 1

#### RIGHT TO MANAGE

#### *Exercising right*

### **103 Landlord contributions to service charges**

- (1) This section applies where—
- (a) the premises contain at least one flat or other unit not subject to a lease held by a qualifying tenant (an “excluded unit”),
  - (b) the service charges payable under leases of flats contained in the premises which are so subject fall to be calculated as a proportion of the relevant costs, and
  - (c) the proportions of the relevant costs so payable, when aggregated, amount to less than the whole of the relevant costs.
- (2) Where the premises contain only one excluded unit, the person who is the appropriate person in relation to the excluded unit must pay to the RTM company the difference between—
- (a) the relevant costs, and
  - (b) the aggregate amount payable in respect of the relevant costs under leases of flats contained in the premises which are held by qualifying tenants.

---

**Changes to legislation:** There are currently no known outstanding effects for the Commonhold and Leasehold Reform Act 2002, Section 103. (See end of Document for details)

---

- (3) Where the premises contain more than one excluded unit, each person who is the appropriate person in relation to an excluded unit must pay to the RTM company the appropriate proportion of that difference.
- (4) And the appropriate proportion in the case of each such person is the proportion of the internal floor area of all of the excluded units which is internal floor area of the excluded unit in relation to which he is the appropriate person.
- (5) The appropriate person in relation to an excluded unit—
  - (a) if it is subject to a lease, is the landlord under the lease,
  - (b) if it is subject to more than one lease, is the immediate landlord under whichever of the leases is inferior to all the others, and
  - (c) if it is not subject to any lease, is the freeholder.

---

**Commencement Information**

- II** S. 103 wholly in force at 30.3.2004; s. 103 not in force at Royal Assent see s. 181(1); s. 103 wholly in force at 30.9.2003 for E. by [S.I. 2003/1986](#), [art. 2\(a\)](#); s. 103 wholly in force at 30.3.2004 for W. by [S.I. 2004/669](#), [art. 2\(a\)](#)

**Changes to legislation:**

There are currently no known outstanding effects for the Commonhold and Leasehold Reform Act 2002, Section 103.