



Leasehold and Freehold Reform Act 2024

2024 CHAPTER 22

PART 4

REGULATION OF LEASEHOLD

Service charges

PROSPECTIVE

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 provision is prospective.

Changes to legislation: There are currently no known outstanding effects for the Leasehold and Freehold Reform Act 2024, Section 53. (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 provision is prospective.

Changes to legislation:

There are currently no known outstanding effects for the Leasehold and Freehold Reform Act 2024, Section 53.