



# Landlord and Tenant Act 1985

## 1985 CHAPTER 70

### *Service charges*

#### **18 Meaning of “service charge” and “relevant costs”.**

- (1) In the following provisions of this Act “service charge” means an amount payable by a tenant of a [<sup>F1</sup>dwelling] as part of or in addition to the rent—
  - (a) which is payable, directly or indirectly, for services, repairs, maintenance [<sup>F2</sup>, improvements] or insurance or the landlord’s costs of management, and
  - (b) 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 the matters for which the service charge is payable.
- (3) For this purpose—
  - (a) “costs” includes overheads, and
  - (b) costs are relevant costs in relation to a service charge whether they are incurred, or to be incurred, in the period for which the service charge is payable or in an earlier or later period.

#### **Textual Amendments**

- F1** Word substituted by [Landlord and Tenant Act 1987 \(c. 31, SIF 75:1\)](#), s. 41, [Sch. 2 para. 1](#)
- F2** Word in s. 18(1)(a) inserted (30.9.2003 for E. and 30.3.2004 for W.) by 2002 c. 15, ss. 150, 181(1), [Sch. 9 para. 7](#) (with [para. 13](#)); [S.I. 2003/1986, art. 2\(c\)\(i\)](#) (subject to [Sch. 2](#)); [S.I. 2004/669, art. 2\(c\)\(i\)](#) (subject to [Sch. 2](#))

#### **Modifications etc. (not altering text)**

- C1** S. 18 amended by [Local Government Act 1985 \(c. 51, SIF 81:1\)](#), s. 57(7), [Sch. 13 para. 24](#) (as substituted by [Housing \(Consequential Provisions\) Act 1985 \(c. 71, SIF 61\)](#), s. 4, [Sch. 2 para. 61](#)) and [Housing Act 1988 \(c. 50, SIF 61\)](#), s. 79(12)
- C2** Ss. 18-30 modified (30.9.2003 for E. and 30.3.2004 for W.) by 2002 c. 15, ss. 102, 181(1), [Sch. 7 para. 4](#); [S.I. 2003/1986, art. 2\(a\)](#); [S.I. 2004/669](#) {art. 2(a)}

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**Changes to legislation:** Landlord and Tenant Act 1985, Section 18 is up to date with all changes known to be in force on or before 13 April 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

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- C3** Ss. 18-30 modified (1.4.1995) by S.I. 1995/401, art. 18, **Sch. para. 10(b)**  
Ss. 18-30 extended (5.7.1994) by 1994 c. 19, ss. 39, 66(2)(b), **Sch. 13 para. 23(b)** (with ss. 54(5)(7), 55(5), Sch. 17 paras. 22(1), 23(2))
- C4** Ss. 18-30B extended (30.9.2003 and 28.2.2005 for E. for certain purposes otherwise prosp. and 30.3.2004 and 31.5.2005 for W. for certain purposes and otherwise prosp.) by 2002 c. 15, ss. 172, 181(1); S.I. 2003/1986, **art. 2(c)(ii)** (subject to Sch. 2); S.I. 2004/669, **art. 2(c)(ii)** (subject to Sch. 2); S.I. 2004/3056, **art. 3(h)** (subject to art. 4 (as amended by S.I. 2005/193, art. 2)); S.I. 2005/1353, **art. 2(h)** (subject to art. 3)
- C5** S. 18(1)(a): power to amend conferred (30.9.2003 for E. and 30.3.2004 for W.) by 2002 c. 15, ss. 150, 181(1), Sch. 9 para. 13(a); S.I. 2003/1986, **art. 2(c)(i)** (subject to Sch. 2); S.I. 2004/669, **art. 2(c)(i)** (subject to Sch. 2)

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**Changes and effects yet to be applied to the whole Act associated Parts and Chapters:**

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 13(1AB) inserted by [2016 c. 22 Sch. 7 para. 18\(2\)](#)