

*These notes refer to the Commonhold and Leasehold Reform Act 2002 (c.15) which received Royal Assent on 1st May 2002*

# COMMONHOLD AND LEASEHOLD REFORM ACT 2002

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## EXPLANATORY NOTES

### COMMENTARY ON THE SECTIONS: PART 1

#### *Acquisition of right*

#### *Section 94: Duty to pay accrued uncommitted service charges*

169. *Section 94* places an obligation on any landlord, third party to a lease or manager appointed under the 1987 Act to pay over to the company any sums held on behalf of the tenants in respect of the premises on the acquisition date. They are not, however, required to hand over such sums as are required to meet costs incurred before the right is acquired for which those monies are entitled to be used. Nor are they required to hand over such monies before four months has elapsed since the service of the claim notice or, if later, the date on which the company takes over the management of the premises. As for information (under section 93), this will mean that if the RTM company specifies an earlier date as the date on which it wishes to take over management responsibility, it will do so in the knowledge that it would not immediately be entitled to any necessary supporting funds.
170. The company or the party required to hand over the monies may apply to a LVT for a determination of the sum to be paid over.