

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

EXPLANATORY NOTES

SCHEDULES

Schedule 11: Administration charges (Section 158)

Part 1: Reasonableness of administration charges

Reasonableness of administration charges

399. *Paragraph 2* provides a requirement that variable administration charges are only payable to the extent that they are reasonable.
400. *Paragraph 3* provides a right for any party to a lease to apply to a LVT for the variation of a fixed administration charge. Such an application can be made on the grounds that either a fixed sum specified in the lease or a formula specified in the lease is unreasonable. Where a tribunal agrees that a fixed administration charge is unreasonable, it can order the lease to be changed accordingly.