



Commonhold and Leasehold Reform Act 2002

2002 CHAPTER 15

PART 2

LEASEHOLD REFORM

CHAPTER 5

OTHER PROVISIONS ABOUT LEASES

Forfeiture of leases of dwellings

170 Forfeiture for failure to pay service charge etc

- (1) Section 81 of the Housing Act 1996 (c. 52) (restriction on forfeiture for failure to pay service charge) is amended as follows.
- (2) In subsection (1), for the words from “to pay” to the end substitute “by a tenant to pay a service charge or administration charge unless—
 - (a) it is finally determined by (or on appeal from) a leasehold valuation tribunal or by a court, or by an arbitral tribunal in proceedings pursuant to a post-dispute arbitration agreement, that the amount of the service charge or administration charge is payable by him, or
 - (b) the tenant has admitted that it is so payable.”
- (3) For subsection (2) substitute—

“(2) The landlord may not exercise a right of re-entry or forfeiture by virtue of subsection (1)(a) until after the end of the period of 14 days beginning with the day after that on which the final determination is made.”
- (4) For subsection (3) substitute—

Changes to legislation: There are currently no known outstanding effects for the Commonhold and Leasehold Reform Act 2002, Section 170. (See end of Document for details)

“(3) For the purposes of this section it is finally determined that the amount of a service charge or administration charge is payable—

- (a) if a decision that it is payable is not appealed against or otherwise challenged, at the end of the time for bringing an appeal or other challenge, or
- (b) if such a decision is appealed against or otherwise challenged and not set aside in consequence of the appeal or other challenge, at the time specified in subsection (3A).

(3A) The time referred to in subsection (3)(b) is the time when the appeal or other challenge is disposed of—

- (a) by the determination of the appeal or other challenge and the expiry of the time for bringing a subsequent appeal (if any), or
- (b) by its being abandoned or otherwise ceasing to have effect.”

(5) After subsection (4) insert—

“(4A) References in this section to the exercise of a right of re-entry or forfeiture include the service of a notice under section 146(1) of the Law of Property Act 1925 (restriction on re-entry or forfeiture).”

(6) In subsection (5), after “this section” insert—

- “(a) “administration charge” has the meaning given by Part 1 of Schedule 11 to the Commonhold and Leasehold Reform Act 2002,
- (b) “arbitration agreement” and “arbitral tribunal” have the same meaning as in Part 1 of the Arbitration Act 1996 (c. 23) and “post-dispute arbitration agreement”, in relation to any matter, means an arbitration agreement made after a dispute about the matter has arisen,
- (c) “dwelling” has the same meaning as in the Landlord and Tenant Act 1985 (c. 70), and
- (d)”.

Commencement Information

- II** S. 170 wholly in force at 31.5.2005; s. 170 not in force at Royal Assent see s. 181(1); s. 170 in force at 28.2.2005 for E. by [S.I. 2004/3056](#), [art. 3\(f\)](#) (with [art. 4\(3\)](#)); s. 170 in force at 31.5.2005 for W. by [S.I. 2005/1353](#), [art. 2\(f\)](#) (with [art. 3\(4\)](#))

Changes to legislation:

There are currently no known outstanding effects for the Commonhold and Leasehold Reform Act 2002, Section 170.