

## SCHEDULES

### SCHEDULE 2

#### AMENDMENTS RELATING TO SERVICE CHARGES

##### *Additional limitations on service charges*

- 4 The following sections shall be inserted in the 1985 Act after the section 20A inserted by paragraph 9 of Schedule 5 to the Housing and Planning Act 1986—

**“20B Limitation of service charges: time limit on making demands.**

- (1) If any of the relevant costs taken into account in determining the amount of any service charge were incurred more than 18 months before a demand for payment of the service charge is served on the tenant, then (subject to subsection (2)), the tenant shall not be liable to pay so much of the service charge as reflects the costs so incurred.
- (2) Subsection (1) shall not apply if, within the period of 18 months beginning with the date when the relevant costs in question were incurred, the tenant was notified in writing that those costs had been incurred and that he would subsequently be required under the terms of his lease to contribute to them by the payment of a service charge.

**20C Limitation of service charges: costs of court proceedings.**

- (1) A tenant may make an application to the appropriate court for an order that all or any of the costs incurred, or to be incurred, by the landlord in connection with any proceedings are not to be regarded as relevant costs to be taken into account in determining the amount of any service charge payable by the tenant or any other person or persons specified in the application; and the court may make such order on the application as it considers just and equitable in the circumstances.
- (2) In subsection (1) "the appropriate court" means—
  - (a) if the application is made in the course of the proceedings in question, the court before which the proceedings are taking place; and
  - (b) if the application is made after those proceedings are concluded, a county court.”