

1988 No. 1284

LANDLORD AND TENANT

**The Service Charge Contributions (Authorised
Investments) Order 1988**

<i>Made</i> - - - -	<i>25th July 1988</i>
<i>Laid before Parliament</i>	<i>29th July 1988</i>
<i>Coming into force</i>	<i>1st April 1989</i>

The Secretary of State, in exercise of the powers conferred on him by section 42(5) of the Landlord and Tenant Act 1987(a) and of all other powers enabling him in that behalf, hereby makes the following Order:

1. This Order may be cited as the Service Charge Contributions (Authorised Investments) Order 1987 and shall come into force on 1st April 1989.

2. Any sums standing to the credit of any trust fund to which section 42 of the Landlord and Tenant Act 1987 applies may be –

- (a) deposited at interest with the Bank of England; or
- (b) deposited in the United Kingdom at interest with a person carrying on in the United Kingdom a deposit-taking business within the meaning of the Banking Act 1987(b); or
- (c) deposited at interest with, or invested in shares in, a building society within the meaning of the Building Societies Act 1986(c).

25th July 1988

Nicholas Ridley
One of Her Majesty's
Principal Secretaries of State

EXPLANATORY NOTE

(This note is not part of the Order)

The Landlord and Tenant Act 1987 provides that service charge contributions made by tenants are to be held in trust in certain cases. Section 42 enables the Secretary of State to prescribe ways in which contributions held in the trust fund may be invested in addition to those generally authorised for the investment of trust funds. This Order enables the contributions to be invested in a deposit account with a body or person referred to in article 2 of the Order or in a share account with a building society.

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