
STATUTORY INSTRUMENTS

2007 No. 1258

LANDLORD AND TENANT, ENGLAND

**The Administration Charges (Summary of Rights
and Obligations) (England) Regulations 2007**

<i>Made</i>	- - - -	<i>16th April 2007</i>
<i>Laid before Parliament</i>		<i>24th April 2007</i>
<i>Coming into force</i>	- -	<i>1st October 2007</i>

The Secretary of State for Communities and Local Government⁽¹⁾, in exercise of the powers conferred by paragraph 4(2) of Schedule 11 to the Commonhold and Leasehold Reform Act 2002⁽²⁾ makes the following Regulations:

Citation, commencement and application

1.—(1) These Regulations may be cited as the Administration Charges (Summary of Rights and Obligations) (England) Regulations 2007 and shall come into force on 1st October 2007.

(2) These Regulations apply where, on or after 1st October 2007, a demand for payment of an administration charge⁽³⁾ is served in relation to a dwelling⁽⁴⁾ in England.

Form and content of summary of rights and obligations

2. The summary of rights and obligations which must accompany a demand for the payment of an administration charge must be legible in a typewritten or printed form of at least 10 point, and must contain—

- (a) the title “Administration Charges – Summary of tenants’ rights and obligations”; and
- (b) the following statement—

“(1) This summary, which briefly sets out your rights and obligations in relation to administration charges, must by law accompany a demand for administration charges. Unless a summary is sent to you with a demand, you may withhold the administration charge. The summary does not give a full interpretation of the law and if you are in any doubt about your rights and obligations you should seek independent advice.

(1) The powers conferred by paragraph 4(2) of Schedule 11 to the Commonhold and Leasehold Reform Act 2002 (c.15) are exercisable, by the appropriate national authority. “Appropriate national authority” is defined in section 179(1) of that Act and means in relation to England, the Secretary of State.

(2) 2002 c. 15.

(3) For the meaning of “administration charge”, see paragraph 1 of Schedule 11 to the Commonhold and Leasehold Reform Act 2002.

(4) For the meaning of “dwelling”, see section 38 of the Landlord and Tenant Act 1985 (c. 70).

(2) An administration charge is an amount which may be payable by you as part of or in addition to the rent directly or indirectly—

for or in connection with the grant of an approval under your lease, or an application for such approval;

for or in connection with the provision of information or documents;

in respect of your failure to make any payment due under your lease; or

in connection with a breach of a covenant or condition of your lease.

If you are liable to pay an administration charge, it is payable only to the extent that the amount is reasonable.

(3) Any provision contained in a grant of a lease under the right to buy under the Housing Act 1985, which claims to allow the landlord to charge a sum for consent or approval, is void.

(4) You have the right to ask a leasehold valuation tribunal whether an administration charge is payable. You may make a request before or after you have paid the administration charge. If the tribunal determines the charge is payable, the tribunal may also determine—

who should pay the administration charge and who it should be paid to;

the amount;

the date it should be paid by; and

how it should be paid.

However, you do not have this right where—

a matter has been agreed to or admitted by you;

a matter has been, or is to be, referred to arbitration or has been determined by arbitration and you agreed to go to arbitration after the disagreement about the administration charge arose; or

a matter has been decided by a court.

(5) You have the right to apply to a leasehold valuation tribunal for an order varying the lease on the grounds that any administration charge specified in the lease, or any formula specified in the lease for calculating an administration charge is unreasonable.

(6) Where you seek a determination or order from a leasehold valuation tribunal, you will have to pay an application fee and, where the matter proceeds to a hearing, a hearing fee, unless you qualify for a waiver or reduction. The total fees payable to the tribunal will not exceed £500, but making an application may incur additional costs, such as professional fees, which you may have to pay.

(7) A leasehold valuation tribunal has the power to award costs, not exceeding £500, against a party to any proceedings where—

it dismisses a matter because it is frivolous, vexatious or an abuse of process; or

it considers that a party has acted frivolously, vexatiously, abusively, disruptively or unreasonably.

The Lands Tribunal has similar powers when hearing an appeal against a decision of a leasehold valuation tribunal.

(8) Your lease may give your landlord a right of re-entry or forfeiture where you have failed to pay charges which are properly due under the lease. However, to exercise this right, the landlord must meet all the legal requirements and obtain a court order. A court order will only be granted if you have admitted you are liable to pay the amount

or it is finally determined by a court, a tribunal or by arbitration that the amount is due. The court has a wide discretion in granting such an order and it will take into account all the circumstances of the case.”.

Signed by authority of the Secretary of State for Communities and Local Government

16th April 2007

Kay Andrews
Parliamentary Under Secretary of State
Department for Communities and Local
Government

Status: *This is the original version (as it was originally made). UK
Statutory Instruments are not carried in their revised form on this site.*

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations prescribe the content of the summary of tenant's rights and obligations relating to administration charges, which must accompany any demand for such charges made by a landlord. The Regulations also make provision for minor matters in respect of the form of the summary.

A Regulatory Impact Assessment has been prepared in relation to these Regulations. It has been placed in the Library of each House of Parliament and copies may be obtained from the Leasehold and Park Homes Branch of the Department for Communities and Local Government, Zone 2/H10, Eland House, Bressenden Place, London SW1E 5DU (Telephone 020 7944 3463).