

## SCHEDULE 1

### DEVELOPMENT MANAGEMENT SCHEME

#### PART 4

#### FINANCIAL MATTERS

#### RULE 19 –

#### SERVICE CHARGE

##### **Amount of service charge**

**19.1** Except where rule 19.2 applies, the amount of any service charge imposed under this scheme is the same as respects each unit.

##### **Service charge exemption**

**19.2** The association may at a general meeting decide as respects a particular owner and in relation to a particular payment that no service charge (or a service charge of a reduced amount) is payable.

##### **Manager to collect service charge**

- 19.3** When the draft budget has been approved in accordance with this scheme, the manager–
- (a) must send to each owner a notice requiring payment, on the date (or dates) specified in the budget, of the amount of the service charge so specified; and
  - (b) may send to each owner at any time a notice–
    - (i) requiring payment, on the date (or dates) stated in the notice, of an additional amount of service charge determined under rule 20.1; and
    - (ii) explaining why the additional amount is payable,and each owner is liable for that amount accordingly.

##### **Redistribution of share of costs**

**19.4** Where an owner is liable for a service charge but the service charge cannot be recovered (for example because the estate of that owner has been sequestered, or that owner cannot, by reasonable inquiry, be identified or found) then that service charge is to be shared equally among the other owners or, if they so decide, is to be met out of any reserve fund; but that owner remains liable for the service charge.

##### **Interest payable on overdue service charge**

**19.5** Where any service charge (or part of it) remains outstanding not less than twenty eight days after it became due for payment, the manager may send a notice to the owner concerned requiring that person to pay interest on the sum outstanding at such reasonable rate and from such date as the manager may specify in the notice.

##### **Interpretation of rule 19**

**19.6** In rule 19 references to “owner” are references to an owner of a unit.