

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.

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.

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.

You have the right to ask a First-tier Tribunal (Property Chambers) 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

You have the right to apply to a First-tier Tribunal (Property Chambers) 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.

Where you seek a determination or order from a First-tier Tribunal (Property Chambers), 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.

A First-tier Tribunal (Property Chambers) 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 Upper Tribunal has similar powers when hearing an appeal against a decision of a First-tier Tribunal (Property Chambers)

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.

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