



The lease of flat 10, 54/55 Kensington Gardens Square required the lessee to pay £360 per year in advance service charges, aka the “Maintenance Contribution” but:

“It is further specifically provided that the Lessor may if it thinks fit revise and adjust the Maintenance Contribution ... to such amount as it shall deem necessary in the light of expenditure reasonably anticipated for that year notice of such revision and adjustment to be served on the Lessee not less than one month prior to the commencement of that financial year and the Maintenance Contribution so revised and adjusted shall be payable by the Lessee ...”.



The Lessor demanded advance service charges of more than £360 for each of a previous financial year (2018-2019) and a financial year which had already started (2019-2020).

The Court of Appeal (*Kensquare Ltd v Boakye* [2021] EWCA Civ 1725) held that, unlike notices triggering rent reviews or liability to pay a final service charge, in this case, time was of the essence of a notice of increase in advance service charges:

- The proviso had “obvious benefits for the leaseholder in setting his own personal budget” that the tenant would be unlikely to wish to forfeit.
- It was desirable that tenants should be “able to work out for themselves whether a sum is due to be paid by reading the lease and comparing the process it describes with the information provided in support of the demand by the landlord, without the involvement of lawyers or other advisers”.
- A tenant may be able to “get a pretty good idea of what the market rent is from his own surveyor” before a rent review is triggered but the parties to the lease could not have assumed that the tenant would be able to assess how far, if at all, the Maintenance Contribution for any year might be increased.

The advance charges demanded for 2018-19 and 2019-20 were therefore not payable.