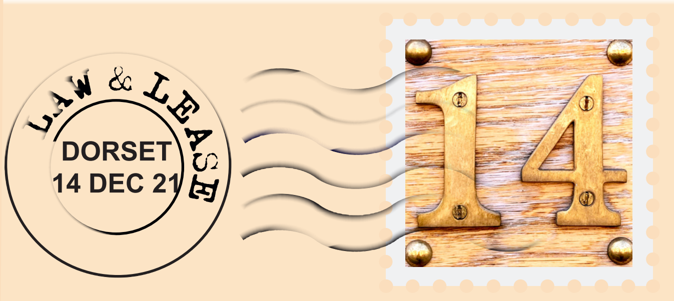

The dispute in *West India Quay (Residential) Ltd v East Tower Apartments Ltd* [2021] EWCA Civ 1119 centred on the utilities at West India Quay in Canary Wharf, London, E14. Standing charges had never been demanded under the service charge provisions in the Leases.

One of the two issues before the Court of Appeal was whether the lessees were liable to pay a demand potentially falling within the scope of the relevant service charge provisions that was served during the eighteen-month period prescribed by s.20B of the 1985 Act, but made under the wrong provisions in the lease, with the result that the sum in question had never been the subject of a contractually valid demand for payment as a service charge.

Henderson LJ, giving the lead judgment, held that:

> "...a demand for the purposes of section 20B(1) must be a contractually valid demand which is served in accordance with the service charge provisions of the relevant lease. It is of the nature of a limitation period that it prevents reliance upon a cause of action or other legal right which the claimant would otherwise be entitled to assert. This is reflected, in the present context, by the requirement that the relevant costs should have been "taken into account in determining the amount of any service charge", which can only be interpreted as a reference to the operation of the contractual service charge machinery in the Lease (subject, of course, to any relevant statutory constraints)."

Dismissing the appeal on this issue, he said:

> "I am satisfied that the Upper Tribunal came to the right conclusion... We are bound by *Skelton* [*v DBS Homes (Kingshill) Ltd* [2017] EWCA Civ 1139], but even if we were not, I would remain unpersuaded by the Landlord's arguments that we should adopt a construction of section 20B which would somehow enable belated collection of the ... "standing charges" through the mechanism of the service charge provisions in the Leases."