Heating, service charges and improvements

Blantyre's 2023 lease expressly allows the Council to charge a share of improvements made for good estate management. Chelsea Reach links recovery to specified landlord obligations. Both leases provide the same core heating hours and already allow the Council to install independent heating at the leaseholder's expense unless otherwise agreed.

The Chelsea Reach 2021 extension carries forward the 1989 covenants (2021 deed, clauses 2–3). Blantyre is a lease issued on new terms in 2023. This compares the two specimens. Identifying changes from any particular flat's previous lease would require that earlier lease.

Heating and hot water

Issue	Chelsea Reach Tower	Blantyre Tower
Hours and supply	Background heating from 6.30 am to 10.30 pm, October to April inclusive, so far as practicable. The Council can set other times and dates. Constant hot water is subject to the stated supply conditions. **4(ii)(e) · p. 13**	Same hours, season, discretion and conditional hot-water supply. Both leases require repairs with reasonable despatch after a defect interrupts supply. **7.2.6 · pp. 11–12**
Communal plant	The Council keeps heating and hot-water apparatus in repair and, where necessary, rebuilds, reinstates, renews and replaces worn or damaged parts. **4(ii)(e) · p. 13**	The corresponding obligation expressly includes improving the apparatus where necessary. The charging provision also expressly covers improvement expenditure. **7.2.6 · pp. 11–12; Fifth Schedule ¶1 · p. 22**
Independent systems	The Council can interrupt supply for the time reasonably necessary to install independent heating or hot water. The lessee pays for installation unless otherwise agreed, maintains the installed equipment and pays running bills directly. **4(ii)(e), proviso and (i)–(v) · pp. 13–14; 2(xv) · p. 6**	Broadly the same. The new clause makes the lessee responsible for maintenance and repair costs subject to the Fifth Schedule. Direct payment for gas, electricity or oil remains express. **7.2.6–7.2.6.5 · pp. 11–12; 5.22(c) · pp. 7–8**
Installation damage	The lessee is expressly responsible for making good damage from installing independent systems, at the lessee's expense. **4(ii)(e)(ii) · p. 14**	The Lessor is named as responsible for making good. The sentence ends "caused at his expense", leaving the expense wording unclear. **7.2.6.2 · p. 12**
Radiators and disconnection	District-heating radiators and associated pipework are excluded from the ordinary flat-repair covenant and the demise. Interference with heating is restricted. **2(vi), 2(viii); First Schedule, exclusion (f); Fourth Schedule ¶5**	The exclusions remain. The alterations covenant expressly includes disconnecting the communal heating or hot-water system. **5.8, 5.10(B); First Schedule, exclusion (6); Fourth Schedule ¶4**

Who pays for improvements?

For communal works, trace the Council's power to carry out the work, the leaseholder's covenant to contribute and the schedule that describes the recoverable expenditure.

Issue	Chelsea Reach Tower	Blantyre Tower
General improvement costs	The lessee contributes to Fifth Schedule costs. Paragraph 1 links these to the Council's obligations under clause 4(ii), including substantial renewals and replacements. There is no equivalent general charging provision for improving the flat, building or estate. **3(ii) · p. 9; 4(ii)(b), (e) · pp. 12–14; Fifth Schedule ¶1 · pp. 26–27**	The lessee contributes to the cost of repairing, replacing, renewing, rebuilding, maintaining and improving the flat, building or estate for good estate management, including VAT where applicable. Several landlord covenants also expressly include improvements. **4, 5.2, 6.2; Fifth Schedule ¶1 · p. 22; 7.2.2, 7.2.6, 7.2.7, 7.2.9–7.2.10**
Entry and installation	The lease identifies particular entry rights and installations, including aerials, entryphones and a cold-water tank. Aerial and entryphone clauses expressly charge the attributable installation cost and subsequent upkeep. **2(xv), 2(xxi)–(xxii); Third Schedule ¶¶5–7**	The Council has express access for improvement works and a general power to improve the building or estate. Sprinklers, alarms and health or safety works are specifically mentioned. Clause 5.26 charges the properly attributable installation cost under the specified rights, plus subsequent upkeep and improvement. **5.22(c), 5.26 · pp. 7–8; Third Schedule ¶¶5, 6, 8 · pp. 19–20**
Structural defects	Specified costs of repairing structural defects, making them good and insuring against them are excluded. Exceptions apply where defects were notified to the lessee before the lease date or the Council became aware of them more than ten years after it. **Fifth Schedule ¶1(i)–(iii) and following proviso · pp. 26–27**	The Fifth Schedule contains no corresponding structural-defects exclusion. Whether particular works can be charged still depends on the applicable clause and statutory requirements. **Fifth Schedule ¶¶1–2 · pp. 22–23**
Fire and safety inside the flat	The lease deals with authority notices and statutory requirements and allows recovery where the Council remedies a specified repair default. **2(iii)–(iv), 2(ix)**	The Council can require reasonably specified fire, safety or security works. On default it can enter, do the work and demand its reasonable costs from the lessee. A 30-minute fire-resistant front doorset is expressly required. **5.5, 5.27; Fourth Schedule ¶9 · p. 21**

How service charges are calculated and collected

Issue	Chelsea Reach Tower	Blantyre Tower
Dividing costs	The lessee pays an “appropriate contribution”. The clause gives no equivalent express power to use different allocation methods for different items. **3(ii) · p. 9**	The Council can use any reasonable method to calculate the proportion and different methods for different items. This clause does not set a single fixed percentage. **6.2, 6.2.4 · p. 9**
Advance payments	Estimated interim payments are payable quarterly in advance on the usual quarter days. **3(ii)(a) · pp. 9–10**	The clause says both “quarterly on the 1st of every calendar month” and “on the usual quarter days”. The wording leaves the payment frequency unclear. **6.2.1 · p. 9**
Year-end balance	The year ends on 31 March. A deficit is due on demand. An excess may be refunded or credited. The finance director’s certificate is conclusive so far as the law permits. **3(ii)(b)–(c) · p. 10**	The same year end, certification and deficit payment apply. An excess is credited to the following period. The express refund option and the wording making the certificate conclusive are absent. **6.2.2–6.2.3 · p. 9**
Reserves	Reasonable provision can already be made for future liabilities and recurring expenditure. **3(ii)(b) · p. 10; Fifth Schedule ¶1 · p. 26**	The Council has express absolute discretion whether to make a reserve at all. The sums set aside must still be reasonably required. **6.2.2 · p. 9; Fifth Schedule ¶2 · pp. 22–23**
Management costs	Management of the building and specified estate areas is covered, together with related general administration expenses. **Fifth Schedule ¶3 · p. 27**	The lease expressly includes reasonable costs of managing the Council’s housing stock as well as the building and listed estate areas. It also lists managing-agent or surveyor costs, including rent and service-charge collection. **Fifth Schedule ¶¶4–5 · p. 23**
Late payments	The lease provides for re-entry in specified circumstances after 21 days of arrears. It contains no equivalent express interest formula. **5(i) · pp. 15–16**	Clause 9 provides for interest at four percentage points above NatWest base rate if sums remain unpaid after 21 days, including disputed sums. If applicable, interest runs from the due date. Service charges are expressly additional rents. **4 · p. 4; 9 · p. 14**

Reading a heating works demand

For a proposed heating project, identify what is being installed, what condition the existing plant is in and how the Council calculated the share for each flat. Different parts of the same project can raise different charging questions.

Issue	Chelsea Reach Tower	Blantyre Tower
Replacing worn communal plant	Replacement can fall within the heating covenant even where modern equipment performs better. The relevant questions are why replacement was needed and which items and costs fulfil the covenant. **4(ii)(e); 3(ii); Fifth Schedule ¶1**	The heating covenant covers necessary replacement and expressly includes improvement. The Council must still identify a chargeable cost and an appropriate contribution. **7.2.6; 6.2, 6.2.4; Fifth Schedule ¶1**
Upgrading working communal plant	For a discretionary upgrade, the Council would need to explain how the work falls within the landlord obligations funded by the Fifth Schedule. The description "improvement" alone does not resolve liability. **4(ii), especially (b) and (e); 3(ii); Fifth Schedule ¶1**	The Council can point directly to the heating-apparatus wording and the good-estate-management provision. The proposed purpose, cost and allocation still matter. **7.2.6; 6.2, 6.2.4; Fifth Schedule ¶1**
Replacing communal supply with individual systems	Check the specific installation covenant, any agreement about who pays and which bills are subsequently paid directly by the lessee. **4(ii)(e), proviso and (i)–(v)**	The individual-system provisions also address installation, making good, maintenance costs and direct running bills. These are distinct from an estate-wide communal plant charge. **7.2.6 and 7.2.6.1–7.2.6.5**

Reasonableness of the charge

A lease provision allowing recovery is only one part of the test. Section 19 of the Landlord and Tenant Act 1985 limits relevant costs to those reasonably incurred and requires a reasonable standard of works or services. For discretionary improvements, leaseholders' interests, views and the financial impact can be relevant. See London Borough of Hounslow v Waaler [2017] EWCA Civ 45.

Source documents

All lease page references are PDF viewer pages in the WEELA editions "Chelsea Reach Tower - Specimen Original Lease.pdf" (28 pages) and "Blantyre Tower - Specimen New Lease.pdf" (24 pages). The Chelsea Reach extension terms are recorded separately in the 2021 deed, clauses 1–3.