



DEBATE PACK

Number CDP-0253, 16 December 2016

Leasehold and Commonhold Reform

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Summary

On Tuesday 20 December MPs will take part in a debate on leasehold and commonhold reform in the Commons Chamber.

This debate was scheduled by the Backbench Business Committee following a representation from Jim Fitzpatrick MP and Sir Peter Bottomley MP.

- [Watch the representation to the Committee](#)
- [Watch the debate live on Parliament TV](#)

In England and Wales most flats are owned on a long leasehold basis (i.e. with a term in excess of 21 years when first granted). It is also possible to own a house on a long lease. Essentially, long leaseholders buy a right to live in their property for a period of time. In blocks of flats, the management and maintenance is usually retained by the freeholder. The cost of carrying out this work is recoverable from long leaseholders in the form of a service charge, which is provided for in the lease. This tenure generates a good deal of dissatisfaction from residents concerning matters such as the level of service charges and the standard of services provided. Despite a good deal of legislative activity in this area, dissatisfaction remains.

Part 1 of the *Commonhold and Leasehold Reform Act 2002* introduced the possibility of an alternative form of ownership in blocks of flats. However, it has failed to take-off and this has led to calls for a review of the legislation and action to make commonhold tenure compulsory in certain circumstances.

The House of Commons Library prepares a briefing in hard copy and/or online for most non-legislative debates in the Chamber and Westminster Hall other than half-hour debates. Debate Packs are produced quickly after the announcement of parliamentary business. They are intended to provide a summary or overview of the issue being debated and identify relevant briefings and useful documents, including press and parliamentary material. More detailed briefing can be prepared for Members on request to the Library.

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1. Leasehold & commonhold tenure

In England and Wales, most owner-occupied flats are owned on a long leasehold basis (i.e. with a lease of at least 21 years when first granted). Houses can also be owned on a long lease, this is not as common as it used to be but there are some indications that it is on the increase.

Most flats in England and Wales are owned on a long leasehold basis.

Owners of long leasehold properties do not necessarily appreciate that, although they are owner-occupiers, they are in a landlord/tenant relationship with the freeholder. The rights and obligations of the respective parties are governed by the terms of the lease agreement which is supplemented by statutory provisions.

Essentially, long leaseholders in blocks of flats buy the right to live in their property but the management of the block, including its maintenance and insurance, normally remains in the hands of the freeholder. In turn, the freeholder may employ a managing agent to carry out the day to day management of the block. The lease agreement usually makes provision for the costs of the freeholder or his/her agent in discharging these management functions to be met in full by the leaseholders; these payments are referred to as service charges.

Long leaseholders are owner occupiers who are in a landlord/tenant relationship with the freeholder.

The Leasehold Advisory Service (LEASE) has a helpful overview: [Living in leasehold flats – a guide to how it works.](#)

Issues with leasehold ownership

The consultation paper that accompanied the publication of the *Draft Commonhold and Leasehold Reform Bill* (August 2000), summarised problems experienced with leasehold ownership in blocks of flats:

In England and Wales, there are two ways to own land, freehold and leasehold. Each has its advantages and disadvantages in particular circumstances. Freehold comes closest to absolute ownership. Leasehold confers ownership for a temporary period, subject to terms and conditions contained in the contract, or lease.

A covenant is a promise contained in a deed, such as a deed passing ownership of property from one person to another. There are two types of covenant: the positive covenant, which is a promise to do something, such as to pay rent or to keep the property in repair, and the restrictive covenant, which is a promise not to do something, such as cause a nuisance to neighbours. For historical reasons, positive covenants cannot apply to freehold land once the first buyer of the property has sold it on. However, both positive and restrictive covenants apply to leasehold property.

The problems with covenants are accentuated in the case of blocks of flats, where each flat will often depend on its neighbour

for support and shelter, and the very stability of the building depends on the proper maintenance and repair both of the individual flats and the common parts. This means that, where it is desired to set up a scheme to allow for ownership of interdependent properties and for the management of the common parts and facilities, the scheme must, today, be based on leasehold ownership. There is no satisfactory scheme at present that would allow for freehold ownership in such circumstances.

As long term residential leasehold has become more and more widely discredited, pressure has grown for the Government to bring forward a scheme which would combine the security of freehold ownership with the management potential of positive covenants which could be made to apply to each owner of an interdependent property. That scheme is commonhold.¹

There are a number of statutory provisions which have been introduced over the years to govern the relationship (rights and obligations) between long leaseholders and freeholders/managing agents. Some of the key provisions include:

- A right for most long leaseholders of houses to buy the freehold interest (*Leasehold Reform Act 1967*).
- A duty on freeholders of blocks of flats seeking to sell their interest to offer a right of first refusal to buy the freehold to long leaseholders (*Landlord and Tenant Act 1987*, as amended)
- A collective right for long leaseholders in blocks of flats to buy the freehold interest (*Leasehold Reform, Housing and Urban Regeneration Act 1993*).
- An individual right for long leaseholders in flats to buy an extension to their lease agreements (1993 Act).
- Long leaseholders in blocks of flats have a right to take over the management of their blocks without having to establish fault on the part of the freeholder with no requirement to pay compensation (*Commonhold and Leasehold Reform Act 2002*).
- Service charges must be 'reasonable' and services/works must be carried out to a 'reasonable standard' (*Landlord and Tenant Act 1985*, as amended).
- Freeholders proposing to carry out major works (e.g. lift replacement) must follow a prescribed consultation procedure with affected long leaseholders or run the risk of not being able to recover the full cost of the works (1985 Act, as amended). Restrictions on the ability of freeholders to take forfeiture action against long leaseholders for failure to pay ground rent and service charges in certain circumstances (2002 Act).

Where freeholders or leaseholders are in breach of these and other statutory provisions, in most cases, enforcement takes place through an application, in the first instance, to a First-Tier Property Tribunal (Property Chamber) in England and to a Leasehold Valuation Tribunal in Wales. The intention was to provide long leaseholders with a cheaper and speedier means of resolving disputes without having to go through the courts.

¹ Cm 4843, para 1.2

There are also approved Codes of Practice which agents operating in this sector (in England) are expected to adhere to:

[Service Charge Residential Management Code, 3rd Edition](#) (2016)

[ARHM revised Code of Practice for England](#) (2016)

Despite a good deal of legislative activity in this area, long leaseholders still argue further reform is necessary. Organisations such as the [Leasehold Knowledge Partnership](#) and the related [Campaign Against Retirement Leasehold Exploitation](#) (Carlex) argue that the balance of power is still weighted in freeholders' favour and have highlighted continuing issues associated with leasehold ownership, including:

- A lack of overarching regulation of managing agents operating in this area. Since 1 October 2014, managing agents have had to be members of a Government approved redress scheme.
- Excessive service charges – leaseholders can challenge the reasonableness of service charges but are often reluctant to take legal action, citing cost as a significant barrier.
- A lack of transparency over what services are being provided and how they are being charged.
- Significant 'one-off' bills for major works. This arose as a particular issue for leaseholders in the social rented sector as landlords worked towards the Labour Government's policy of bringing all social sector stock up to the decent home standard. There are some protections in place for these leaseholders in limited circumstances, this is covered in a separate Library briefing paper: [Leaseholders in social housing: paying for major works \(England\)](#).
- Obstructive freeholders who seek to block leaseholders in exercising rights such as the right to manage and right to enfranchise.
- Lack of transparency around commission charges on buildings insurance.
- High administration charges, for example when seeking permission to carry out home improvements. There is a right to refer these charges to a Tribunal for a determination.
- There are some specific issues associated with leasehold retirement flats, including exit fees (also referred to as 'event fees') and restrictions on leaseholders' ability to sell or rent out their homes. These issues are covered in a separate Library briefing paper: [Leasehold retirement homes: exit/event fees](#).
- There have been recent press reports about developers selling newly built houses on a long leasehold basis in order to benefit from significant ground rent increases which are provided for in the lease and future income from enfranchisement.²

² *Guardian*, [New build ground rent scandal could spark legal battles](#), 19 November 2016

The extent of leasehold ownership

The English Housing Survey (EHS) includes a question on whether the respondent lives in a freehold or a leasehold property. The survey tables include an estimate of 1,235,000 leasehold dwellings in England.³

DCLG published a technical paper, [Residential leasehold dwellings in England](#), in August 2014. The paper combines Land Registry data on freehold and leasehold properties with EHS data on housing tenure to produce a new estimate of 4.1 million leasehold dwellings in England in 2012-13.

The [Leasehold Knowledge Partnership](#) (LKP) estimated that there were around 5.37 million leasehold properties in England and Wales at the end of 2013.⁴ The LKP argues that the size of the sector justifies calls for extensive reform.

Commonhold tenure

The regulatory impact assessment (RIA) that accompanied the first *Commonhold and Leasehold Reform Bill*⁵ described Commonhold as:

...the name given in this jurisdiction to a scheme widely used throughout the rest of the world with greater or lesser degrees of variation. It provides for multiple occupation of developments, such as blocks of flats, or mixed flats and shops, or business parks in which unit owners have an interest in their unit of occupation, whatever that may be, which is closely analogous to a freehold interest. A body corporate, the commonhold association, made up exclusively of unit holders, owns and manages the common parts of the development, which may be no more than hallways and stairs, but might run to parks, sports halls, lakes, etc.

Commonhold tenure is viewed as offering several advantages over the leasehold system. It does not remove the obligation on residents to contribute to management/maintenance and major works, but it is argued to be a more transparent system. The September 2000 issue of Lovells' property newsletter identified the following perceived advantages of commonhold:

Commonhold will address the problem of lessees being beholden to an absentee landlord who cannot be bothered to carry out building maintenance and management, or who is more interested in trying to make a profit at their expense.

Commonhold will also remove the problem of leasehold property being a wasting asset. Commonholders will each have a perpetual interest, effectively akin to a freehold, in their individual unit.

Standardised commonhold constitutional documents should be of general benefit.

However, the newsletter went on to point out that commonhold would not make it any easier to live alongside difficult neighbours who are noisy or who refuse to pay reasonable service charges:

³ English Housing Survey, [FT2231 \(S322\): whether accommodation is owned freehold or leasehold](#)

⁴ [Analysis of the size and structure of the leasehold sector in England and Wales](#), February 2014

⁵ This Bill fell for lack of time before the 2001 General Election (HL Bill 11 of 2000-01)

Large multi-occupied buildings of a certain age are expensive to maintain. Commonhold will not make any difference to this, but unit holders may feel happier about spending large amounts of money on building maintenance if they feel they are in control and no one is trying to rip them off.

The British Property Federation's (BPF) briefing note on commonhold (2000) also emphasised that it is not a panacea for problems associated with residential long leasehold:

The demands, problems and requirements of community living and block management will be the same, regardless of the legal basis of which the property is owned.⁶

The *Commonhold and Leasehold Reform Act 2002* was an attempt to introduce a new tenure for multi-occupied blocks. The principle of commonhold had broad support across the political parties; the previous Government had twice consulted on draft Commonhold Bills and the genesis of the provisions in the 2002 Act can be traced back to 1965.⁷

The Labour Government arrived in office with a manifesto commitment to introduce commonhold ownership and the 2002 Act honoured this commitment. During the debate on Second Reading in the Lords on the 2000-01 Bill the Lord Chancellor, Lord Irvine of Lairg, said that he did not expect the commonhold provisions to be the subject of controversy "either in this House or in another place."⁸

Although Part 1 of the Act has been in force since 2004, commonhold tenure has failed to take-off. It appears that there may be two main reasons for this:

- conversion from leasehold to commonhold requires unanimity from everyone with an interest in the block – this has provided difficult to achieve; and
- developers have not been persuaded to build new commonhold developments. Commentators argue that there are no incentives for them to do this and, in fact, leasehold offers opportunities as a source of future revenue through the purchase of lease extensions or selling off the freehold interest.

Part 1 of the Commonhold and Leasehold Reform Act 2002 made commonhold tenure possible in England and Wales but it has failed to take-off.

Over the years there have been calls for Governments to review Part 1 of the 2002 Act in order to address the issues preventing the development of commonhold units and the conversion of existing leasehold blocks to commonhold. Most recently, Dr Blackman-Woods attempted to amend the *Housing and Planning Bill 2015-16* by adding a new clause entitled 'conversion of leasehold to commonhold for interdependent properties.'⁹ The aim of the clause was to end leasehold tenure by converting existing leasehold blocks to commonhold by 1 January 2020.

The Minister, Marcus Jones, responded for the Government:

⁶ 11 February 2000

⁷ Cmnd. 2719. The consultation paper that accompanied the publication of the *Draft Commonhold and Leasehold Reform Bill* (Cm 4843) contains a brief history of efforts to amend the law of positive and restrictive covenants and introduce commonhold tenure at pages 79-8.

⁸ HL Deb 29 January 2001 c455

⁹ [PCB 10 December 2015 c684](#)

The Parliamentary Under-Secretary of State for Communities and Local Government (Mr Marcus Jones):

New clause 13 seeks to replace long residential leasehold with commonhold. As hon. Members know, leasehold is a long-established way of owning property, supported by a framework of rights and protections that aims to deliver the appropriate balance between providing leaseholders with the rights and protections that they need and recognising the legitimate interest of landlords.

Commonhold is subject to a different statutory framework of rights and protections. It has its benefits, but there are important differences between commonhold and leasehold. That is partly why commonhold is and was intended to be a voluntary alternative to long leasehold ownership—a choice. There are no plans to abolish residential leasehold.

Abolishing leasehold and forcing leaseholders into commonhold may seem attractive to some, but would that be the right thing to do in all circumstances? The Government believe that it would not. Removing choice in this instance and, with it, the rights and protections currently afforded to leasehold homeowners and at the same time forcing existing leaseholders to become commonholders against their will would not be desired by all. Considerable care needs to be taken before embarking on legislation that would force existing leaseholders and landlords to transfer to the commonhold model, which would not in all cases be appropriate. Commonhold should remain a voluntary alternative to long leasehold ownership.

On that basis, I hope that the hon. Lady will, as she says, withdraw the motion.¹⁰

The motion was withdrawn.

All Party Parliamentary Group on Leasehold and Commonhold

This new APPG was established earlier this year - it is chaired by Sir Peter Bottomley and Jim Fitzpatrick. The Leasehold Knowledge Partnership describes the aims of the group as:

1. To reduce the opportunities for exploitation;
2. To alleviate the distress and hardship of leaseholders, particularly the elderly;
3. To do away with the high costs and legal gamesmanship that have distorted the original intention of the property tribunal as a low cost forum for redress.
4. It will examine the incidence of lease forfeiture, and consider the case for its reform, as recommended by the Law Commission in 2006.
5. It will examine why the values of retirement leasehold properties can have no relationship at all to the local property markets.
6. It will unearth and publicise scandalous behaviour of professions involved in the leasehold sector.
7. It will examine those matters where leaseholder pay for a service but are not deemed party to a contract and

¹⁰ Ibid.

therefore have limited rights. On issues such as insurance the matter of commissions and the leaseholders rights under the terms of a policy will be reviewed

8. To ensure that right to manage legislation acts as intended, although currently frustrated by freeholders' legal actions in the property tribunal and, lately, the Court of Appeal.¹¹

Likelihood of reform?

The Minister's response to an attempt to amend the *Housing and Planning Bill 2015-16* (see above) made it clear that the Government had "no plans to abolish residential leasehold."¹²

More recently, the Government has responded to parliamentary questions in this area indicating that some changes may be made, for example:

The government is introducing legislation to prevent landlords from claiming excessive legal costs as separate administration charges when leaseholders challenge service charge costs in the Courts. This will help to ensure that service charges levied are fair and reasonable.¹³

Another area that is under review is managing agents' standards of practice:

We are working with a number of partners, including the Law Commission, and are exploring whether further changes are required to address issues in this area.¹⁴

On 28 November 2016, Sajid Javid, Secretary of State for Communities and Local Government, was asked about the practice of developers building and selling houses on a leasehold basis with ground rents that double within a relatively short time (e.g. 10 years). The response indicates that this is another area in which action might be taken:

Sir Peter Bottomley (Worthing West) (Con)

Given that half the new homes will be leasehold, and that part of the problem stems from the present and potential abuse of the system, will my right hon. Friend please get together with representatives of *The Sunday Times* and *The Guardian*, and others who are covering these abuses, to ensure that ordinary people buying their first home do not find that it is unsaleable and of no value when they decide to leave it?

Sajid Javid

My hon. Friend makes an important point. We must ensure that the kind of abuse he mentions is stamped out. We work with a number of stakeholders, and we will certainly see how we can do more.¹⁵

Labour's shadow Secretary of State, John Healey, said:

"Home-owners who own their home on a leasehold basis are currently unprotected from huge rises in rip-off 'ground rents' from developers or management companies.

¹¹ [LKP, 29 March 2016](#)

¹² [PCB 10 December 2015 c684](#)

¹³ [5 Dec 2016 | Written questions | Answered | House of Commons | 55129](#)

¹⁴ [02 Dec 2016 | Written questions | Answered | House of Commons | 54776](#)

¹⁵ [Oral Questions, 28 November 2016](#)

“At its worst this is little more than legalised extortion and too many leaseholders are having to pay hefty bills as a result. Under a Labour government this sharp practice would end.

“This is unfinished business for Labour – we gave leaseholders more protection in government, but the continuing problem now means we must do more.

“A Labour government would give leaseholders security from rip-off ground rents and end the routine use of leasehold ownership in new housing developments.”¹⁶

In regard to commonhold tenure, Lord Faulks said in 2014 that there were no plans for a review:

The Minister of State, Ministry of Justice (Lord Faulks) (Con):

My Lords, the Commonhold and Leasehold Reform Act 2002 introduced commonhold ownership and made numerous reforms to long leasehold law. Although the Government monitor the take-up of commonhold and continue to respond to concerns about the working of leasehold legislation, they have no current plans to carry out a formal review of the Act.¹⁷

¹⁶ [LKP website, 3 December 2016](#)

¹⁷ [HL Deb 7 May 2014 c1471](#)

2. Press articles

Solicitors Journal, 13 December 2016

[Beware 'excessive' ground rent clauses, conveyancers told](#)

Trade body calls for leasehold reform as Law Commission considers review

Guardian, 3 December 2016

[New era of housebuilding needs new property laws](#)

Leasehold houses aren't the only problem area - apartment buyers need help too

Guardian, 29 November 2016

[Government promises to stamp out abuses of new-build ground rent scandal](#)

Sajid Javid pledges to 'do more' as Guardian campaign reveals that some buyers of new-build homes face ground rents which double every 10 years

Telegraph, 21 November 2016

[New homes are great, but no more leaseholds](#)

With the Chancellor expected to boost housebuilding, Liz Hodgkinson exposes the pitfalls of Britain's leasehold system

Sunday Telegraph, 20 November 2016

[Flat broke Perils of leasehold](#)

Guardian, 19 November 2016

[New-build ground rent scandal could spark legal battles](#)

With thousands of homebuyers caught out by rapidly rising rents, the solicitors they used may face claims of professional negligence

Telegraph, 18 November 2016

[Leasehold scandal: ground rent that starts at £250, then rockets to ... £69 trillion](#)

Newly built flats where the freehold has been sold on before development can entail 'impossibly onerous' terms, solicitors have warned

Guardian, 5 November 2016

[The ground rent scandal that is engulfing new home buyers](#)

Independent, 4 November 2016

[Buying a leasehold property is not as easy as a freehold](#)

Few city homes are likely to be sold outright, which leaves many people buying a property which carries a number of legal obligations

Guardian, 29 October 2016

[The new-builds catching house buyers in a leasehold property trap](#)

Recently built homes have been left unsaleable, with owners asked to fork out five-figure sums for freeholds. We investigate the latest leasehold scandal

Inside Housing, 24 October 2016

[The leaseholders are coming](#)

The Right to Buy has changed the way councils manage estates and the Voluntary Right to Buy will change how housing associations manage their homes, says Kate Davies

Guardian, 22 October 2016

[Beware the small print that could hike one-bed flat's ground rent to £8m-a-year](#)

At first the bill for a £58,000 leasehold flat was £250 ... then £8,000. But the nightmare's just beginning

Guardian, 22 October 2016

[Property is theft? Well, leasehold certainly is](#)

Ground rent ... sparking seedy practices for which there is no ethical basis

Guardian, 15 October 2016

[Older leaseholders who fought for right to manage their block – and won](#)

Residents at a sheltered housing complex have slashed their annual service charges from £2,500 to £1,600 by taking control

Financial Times, 29 July 2016

[Leasehold flats: what estate agents won't tell you](#)

Expensive pitfalls for millions of households

Telegraph, 16 January 2016

[Why a boom in leasehold flats - for young and old - is causing concern](#)

Figures obtained by the Telegraph show a leap in the proportion of leasehold properties - which could be a problem

3. Parliamentary material

- [LEASEHOLD RELATIVITY](#)

That this House believes that, in determining the price for a residential lease extension, relativity, which is the ratio of leasehold value without rights to freehold value, should be set according to empirical evidence untainted by the effects of the 1993 Leasehold Reform, Housing and Urban Development Act 1993 and untainted by most existing relativity graphs; further believes that injustice to leaseholders is perpetuated in the current situation by relying upon relativity graphs which have no pre-1993 market evidence and lack robust methodology; declares that the current situation is not in the public interest and that it means leaseholders are overpaying for their lease extensions by thousands, and often tens of thousands, of pounds; and calls on the Government to end this injustice to millions of leaseholders.

24 Nov 2016 | Early day motions | Open | House of Commons | 726 (session 2016-17)

Primary sponsor: Bottomley, Peter | **Party:** Conservative Party

Other sponsors: Fitzpatrick, Jim

- [Leasehold: Service Charges](#)

Asked by: Graham, Richard | **Party:** Conservative Party

To ask the Secretary of State for Communities and Local Government, what assessment he has made of the ability of leaseholders who own their own flats to challenge the level of service charges they pay; and if he will make an assessment of the adequacy of regulation of service charges to ensure that such leaseholders are able to challenge the levels of service charges they pay.

Answering member: Gavin Barwell | **Party:** Conservative Party |

Department: Department for Communities and Local Government

The reasonableness of the service charges that landlords seek from leaseholders will depend on the nature of the works required and other contributing factors, such as the terms of the lease, and its covenants.

The law is clear that service charges are payable only to the extent that the costs have been reasonably incurred. In support of this, leaseholders have the ability to apply to the Property Chamber of the First-tier Tribunal for a judgement where they do not believe the charges are reasonable. Leaseholders must also be consulted when major works are being proposed.

The government is introducing legislation to prevent landlords from claiming excessive legal costs as separate administration charges when leaseholders challenge service charge costs in the Courts. This will help to ensure that service charges levied are fair and reasonable.

05 Dec 2016 | Written questions | Answered | House of Commons | 55129

- [Leasehold](#)

Asked by: Madders, Justin | **Party:** Labour Party

To ask the Secretary of State for Communities and Local Government, what assessment his Department has made of the effectiveness of regulation of long-term leasehold properties.

Answering member: Gavin Barwell | **Party:** Conservative Party | **Department:** Department for Communities and Local Government

The Government is aware of concerns about the quality of service provided by some managing agents. That is why we introduced legislation ensuring that property management agents belong to an approved redress scheme. There are Codes of Practice in place that can be applied by the courts to raise standards.

We are working with a number of partners, including the Law Commission, and are exploring whether further changes are required to address issues in this area.

02 Dec 2016 | Written questions | Answered | House of Commons | 54776

- [House Building](#)

Asked by: Sir Peter Bottomley (Worthing West) (Con) | **Party:** Conservative Party

Given that half the new homes will be leasehold, and that part of the problem stems from the present and potential abuse of the system, will my right hon. Friend please get together with representatives of The Sunday Times and The Guardian, and others who are covering these abuses, to ensure that ordinary people buying their first home do not find that it is unsaleable and of no value when they decide to leave it?

Answered by: Sajid Javid | **Party:** Conservative Party | **Department:** Communities and Local Government

My hon. Friend makes an important point. We must ensure that the kind of abuse he mentions is stamped out. We work with a number of stakeholders, and we will certainly see how we can do more.

28 Nov 2016 | Oral questions - Supplementary | Answered | House of Commons | House of Commons chamber | 617 c1230

- [Housing: Construction](#)

Asked by: Pugh, John | **Party:** Liberal Democrats

To ask the Secretary of State for Communities and Local Government, what information his Department holds on the proportion of new build properties excluding flats that has been sold as leasehold in each of the last here years.

Answering member: Gavin Barwell | **Party:** Conservative Party | **Department:** Department for Communities and Local Government

The department does not hold this information. The department published an estimate of the number of leasehold dwellings in 2014. As

Table 1 (see link below) shows, in 2012-13 there were approximately 1.3 million leasehold properties that were not flats. The remaining 2.8 million leasehold dwellings were flats.

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/342628/Residential_Leasehold_dwellings_in_England.pdf

14 Oct 2016 | Written questions | Answered | House of Commons | 46921

- [Leasehold](#)

Asked by: Baroness Hayter of Kentish Town | **Party:** Labour Party

To ask Her Majesty's Government whether they plan to extend the requirements of the Consumers, Estate Agents and Redress Act 2007 and the Enterprise and Regulatory Reform Act 2013 to require landlords of leasehold properties to belong to a redress scheme.

Answering member: Lord Bourne of Aberystwyth | **Party:** Conservative Party | **Department:** Department for Communities and Local Government

The Government is not persuaded that more burdensome approaches to regulate landlords would be effective. Leaseholders in dispute with their landlord can apply to the First-tier Tribunal (Property Chamber) in England and the Leasehold Valuation Tribunal in Wales to seek redress.

The Government is extending leaseholders' access to redress by including provisions in the Housing and Planning Act 2016 that will address an irregularity concerning the inability of courts and tribunals to restrict recovery of a landlord's legal costs from leaseholders as administrative charges, where they consider a restriction on recovery to be just and equitable. The Government plans to introduce related secondary legislation by summer 2017.

28 Jul 2016 | Written questions | Answered | House of Lords | HL1233

- [Leasehold: Sales](#)

Asked by: Baroness Hayter of Kentish Town | **Party:** Labour Party

To ask Her Majesty's Government whether they will review the costs charged by a landlord to the purchaser of a leasehold property of providing (1) the notice of assignment or charge, (2) the certificate of compliance, (3) the deed of covenant, and (4) the stock transfer.

Answering member: Lord Bourne of Aberystwyth | **Party:** Conservative Party | **Department:** Department for Communities and Local Government

At Budget 2016 the Government announced its plan to publish a call for evidence looking at the process of buying a home including the process of purchasing a leasehold property. The Government will assess the evidence received to determine what changes to the homebuying process can make the greatest impact including the transactional costs incurred by leaseholders.

28 Jul 2016 | Written questions | Answered | House of Lords | HL1232

- [Housing: Sales](#)

Asked by: Baroness Hayter of Kentish Town | **Party:** Labour Party

To ask Her Majesty's Government whether they will launch a consultation on improving the home buying process, and if so, when.

Answering member: Lord Bourne of Aberystwyth | **Party:** Conservative Party | **Department:** Department for Communities and Local Government

At Spending Review 2015, the Government announced its plan to publish a call for evidence looking at the process of buying a selling a home. We understand that there are complexities involved and, therefore, will assess the evidence received in response to the call for evidence to determine what changes have the potential to make the greatest impact. The call for evidence will include consideration of the impact of leasehold on buying and selling homes, and will be launched in due course.

28 Jul 2016 | Written questions | Answered | House of Lords | HL1229

- [Leasehold](#)

Asked by: Thomas, Gareth | **Party:** Labour Party · Cooperative Party

To ask the Secretary of State for Business, Innovation and Skills, what data the Land Registry holds on the number of leasehold domestic properties in (a) the London Borough of Harrow and (b) England in each of the last 10 years.

Answering member: Anna Soubry | **Party:** Conservative Party | **Department:** Department for Business, Innovation and Skills

The data requested is on the attached spreadsheet. Land Registry has also provided data relating to both the number of leasehold titles and the number of transactions affecting leasehold titles in Harrow and in England in each of the last 10 years.

[Attachment to 38043](#) (Excel SpreadSheet, 12.06 KB)

26 May 2016 | Written questions | Answered | House of Commons | 38043

- [First-tier Tribunal: Leasehold](#)

Asked by: Siddiq, Tulip | **Party:** Labour Party

To ask the Secretary of State for Justice, how many of each type of application listed on the HM Tribunals Service website were made to the Residential Property (First Tier) Tribunal for cases relating to leasehold in each of the last five years.

Answering member: Mr Shailesh Vara | **Party:** Conservative Party | **Department:** Ministry of Justice

There are seven types of applications that can be made to the First-tier Tribunal (Property Chamber - Residential Property). Leasehold dispute applications and leasehold enfranchisement applications relate to

leasehold matters; the remaining five application types do not usually have any connection to leaseholds.

Data specific to such cases relating to leasehold are not routinely published. The table below sets out the number of applications made to the Property Chamber for cases relating to leasehold in each of the last five years.

Number of Leasehold Applications		Number of Leasehold Enfranchisement Applications	
2009/10	3216	2009/10	3118
2010/11	3122	2010/11	3284
2011/12	3645	2011/12	3574
2012/13	3299	2012/13	3857
2013/14	2773	2013/14	5069

Leasehold applications relate to Service Charges, Breach of Covenants, Administration Charges and Appointment of Managers. Leasehold Enfranchisement applications relate to the buying of a property's freehold and extending a lease.

As this data is drawn from internal data it has not undergone the usual quality assurance work associated with statistical publications.

14 Sep 2015 | Written questions | Answered | House of Commons | 8294

- [Leasehold](#)

Asked by: Siddiq, Tulip | **Party:** Labour Party

To ask the Secretary of State for Communities and Local Government, pursuant to the Answer of 4 February 2015 to Question 222794, what progress his Department has made on exploring what further support can be offered to leaseholders.

Answering member: Brandon Lewis | **Party:** Conservative Party | **Department:** Department for Communities and Local Government

As stated in answer to Question 222794, this Government is always looking at what support can be offered to leaseholders. Residential leasehold is a complex subject and it is important that any initiatives taken forward work as intended and without creating unnecessary costs and burdens.

We continue to work with the Royal Institution of Chartered Surveyors and the Association of Retirement Housing Managers on the detailed work required to update the Codes of Practice that apply to the private residential leasehold sector, before being approved by the Secretary of State.

We are considering the responses received to the discussion paper published in March 2015 on how to make it easier to gain statutory recognition of a tenants' association to determine the way forward.

At the Government's request and in collaboration with a range of interested parties, the Leasehold Advisory Service has led the development of an information sheet for prospective purchasers of leasehold flats. We hope to see the final version agreed and made available later this year.

07 Sep 2015 | Written questions | Answered | House of Commons | 8244

- [Leasehold: Service Charges](#)

Asked by: Brennan, Kevin | **Party:** Labour Party

To ask the Secretary of State for Communities and Local Government, if he will bring forward legislative proposals to protect leaseholders who are not protected under the Landlord and Tenant Act 1985 or Mobile Homes Act 2013 from compound increases in service charges.

Answering member: Brandon Lewis | **Party:** Conservative Party |
Department: Department for Communities and Local Government

We are considering the Supreme Court judgment (Arnold v Britton) given on 10 June 2015.

21 Jul 2015 | Written questions | Answered | House of Commons | 6606

- [Leasehold: Forfeiture](#)

Asked by: Reynolds, Emma | **Party:** Labour Party

To ask the Secretary of State for Justice, how many cases there have been of residential leasehold forfeiture in the last five years; how many such cases were presented to the county courts; and how many residential leases were forfeited.

Answering member: Mr Shailesh Vara | **Party:** Conservative Party |
Department: Ministry of Justice

HM Courts & Tribunals Service's IT systems are not able to determine and collate with accuracy the number of residential leasehold forfeiture cases presented in the last five years and the number of residential leases that were forfeited. The Ministry of Justice does, however, publish statistics on the number of landlord possession actions in the County Court across England and Wales. These statistics are available at <https://www.gov.uk/government/collections/mortgage-and-landlord-possession-statistics>.

A manual search of these landlord possession cases would be required in order to identify the specific number of residential leasehold forfeiture claims presented and the number of leases forfeited. The retention period for landlord possession case files is three years. A manual search of these files could only be provided at disproportionate cost.

26 Mar 2015 | Written questions | Answered | House of Commons | 228689

- [Housing: Leaseholders](#)

25 Jun 2015 | Questions for short debate | House of Lords | 762 cc1788-1794

- [Leaseholders and Housing Association Ballots](#)

Motion that this House has considered **leaseholders** and housing association ballots. Agreed

24 Jun 2015 | Debates | House of Commons | 597 cc280-5WH

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