About you and your organisation

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Background

NAEA Propertymark is the UK's leading professional body for estate agency personnel; representing more than 11,000 offices from across the UK property sector. These include residential and commercial sales and lettings, property management, business transfer, auctioneering and land.

NAEA Propertymark is dedicated to the goal of professionalism and by appointing an NAEA Propertymark agent to represent them, consumers will receive in return the highest level of integrity and service for all property matters. NAEA Propertymark agents are bound by a vigorously enforced Code of Practice and adhere to professional Rules of Conduct. Failure to do so can result in heavy financial penalties and possible expulsion from the organisation.

Consultation Questions

Implementing the ban on the unjustified use of leasehold in new build houses

Q1: Do you have views on any further means to implement the ban on unjustified new residential long leases being granted on non-exempt houses?

✔ Yes
☐ No

If you do, please explain.

Yes, NAEA Propertymark does have views on further means to implement the ban on unjustified new residential long leases being granted on non-exempt houses. Firstly, the Government must ensure that developers no longer build on land when they do not own

the freehold. Secondly, the Government should amend the Landlord and Tenant Act 1987 to extend the right of first refusal to houses. Thirdly, the use of building leases should cease.

The Government must ensure that developers no longer build on land when they do not own the freehold. Several cases have emerged where developments have been built on leased land that is not owned by the housebuilder. The Government should ensure that these clauses are prohibited so leaseholders looking to purchase their freehold are not at a disadvantage. In our report 'Leasehold: A Life Sentence'[1], many respondents came to issues where they came to purchase their freehold, but the developer had sold it on to a third party. By ensuring that leaseholders don't build on land where they do not own the freehold, leaseholders will be able to more easily buy the freehold. For example, a leaseholder who bought a new build house and was told that their freehold would cost £4,000 to enfranchise, but within a year (and with the freehold been sold on) this had escalated to between £15,000 - £35,000. This has added significance because of the right of first refusal only applying to flats, but not houses, developers selling new homes as leasehold are not legally obliged to tell the purchaser if they have sold the freehold to an investment company. Many purchasers of new build leasehold houses have planned, as the law allows, to buy the freehold after two years, but because of the developer selling the freehold, the costs have significantly increased by quotes far higher than the original builder had set out. To mitigate this, the Government should legislate to ensure developers cannot build on land where they do not own the freehold.

The Government should amend the Landlord and Tenant Act 1987 and extend the right of first refusal to houses. Under the Landlord and Tenant Act 1987 leaseholders of flats have the right of first refusal, which means they are legally entitled to buy the freehold before it is sold. When the Act was introduced it only contained provisions for leasehold owners of flats, not houses, because most houses at the time were sold under freehold. The redevelopment of towns and cities in recent years means there are now more leasehold properties on the market with an increase in new-build apartment blocks, but more new-build houses in suburban and rural areas are now sold as leasehold. In some parts of the country, they have become the default option for developers.[2] Extending the right of first refusal to houses will put these leaseholders on par with those in flats and ensure that their rights reflect the growing number of leasehold houses on the market.

Continued use of building leases will result in discrepancies of property valuation. We are concerned that by allowing the continuation of building leases, house buyers will pay significantly more on purchase for the privilege of buying the house on a freehold basis. Developers have been abusing the building lease system in the form of leasehold new build houses and it is not enough for the Government to state on page 18 of the consultation document, "so long as at the end the consumer can buy houses as a freehold,

[1] http://www.naea.co.uk/media/1047279/propertymark-leasehold-report.pdf
[2] https://www.leaseholdknowledge.com/69-of-new-houses-in-nw-are-leasehold-many-owners-stuck-in-limbo-and-ban-fleece-hold-covenants-says-maria-eagle

we see no problem with the continued use of building leases".[3] This could jeopardise the affordability of the housing and could result in homeowners paying more for their property than it is worth, causing further issues where the homeowner wishes to sell or remortgage the property. We have seen evidence of this occurring previously with homes bought under the Help to Buy Equity Loan scheme. It has been argued that developers are inflating the prices of homes, with evidence showing that first time buyers using the scheme are paying on average eight per cent more than those buying new homes without the scheme[4]. Resultantly, this has the potential to place the homeowner in negative equity and could leave many without the means to raise a deposit where they wish to move along the property ladder, leaving them unable to sell their property. By stopping building leases, this will ensure that homeowners are protected from accruing negative equity in this way and provide them with greater financial stability.

Q2: Do you have any views on how to provide appropriate redress for the home owners should (a) a long lease be incorrectly granted upon a house or (b) a long lease be granted at a ground rent in excess of the cap, after the legislation has taken effect?

If you do, please explain.

Yes, NAEA Propertymark has views on how to provide appropriate redress for home owners. To provide appropriate redress for all, the Government must do three things. Firstly, purchasers of new build homes should have access to an ombudsman scheme. Secondly, where there is no managing agent, freeholders must sign up to a redress scheme. Thirdly, all new house builders must sign up to the Consumer Code for Home Builders.

Purchasers of new build homes should have access to an ombudsman scheme. Currently, consumers who buy a new home directly from a developer have no access to redress. Under the Government's proposals to streamline redress provision in the housing market the Government should extend proposals to create a one ombudsman portal to include land and new homes within the remit of the ombudsman for private housing.[5] This would ensure that leaseholders can raise complaints with the developer, managing agent or estate agent and issues can be advanced to the ombudsman. Including new build houses within the scope of an ombudsman scheme is the most effective way to do this.

[3] https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/748438/Leasehold_consultation.pdf

[4] http://www.naea.co.uk/news/october-2018/homes-cost-more-using-help-to-buy.aspx

[5] https://www.gov.uk/government/consultations/strengthening-consumer-redress-in-housing

It will also ensure that the construction of new build homes to help meet the Government's ambitious target is supported by a straight forward redress process.[6]

Freeholders of leasehold properties should all be required to sign up to a redress scheme. An absent freeholder can cause several problems for leaseholders in a building. The most common problems are the management of the building, the sale of a leasehold property and the need for a new lease or lease extension. Currently, there is no requirement for freeholders of leasehold property where they are not using a managing agent to register with a redress scheme. As a result, only leaseholders and freeholders dealing with property managers will be able to complain to an independent body about the service they have received. By guaranteeing that freeholders of leasehold properties are all required to sign up to a redress scheme this will ensure that leaseholders have access to redress where there is no managing agent and the freeholder is self-managing the property.

All new house builders must adhere to the Consumer Code for Home Builders[7]. The Code covers every stage of the homebuyer process from pre-contract, exchange of contract and during occupation of the property. The Code covers a range of customer service requirements including clear and truthful advertising and marketing materials, contract information including termination rights and sufficient pre-purchase information to help consumers make an informed decision about their purchase[8]. Where developers are not registered members of the Code, consumers have no guarantee of receiving minimum standards of customer service or redress. By ensuring that developers sign up to the Consumer Code for Home Builders, all purchasers of new build homes will be fully informed about their purchase and their consumer rights before, during and after they move in.

Q3: To ensure there is a workable definition of a 'house', we would welcome your views on the type of arrangements and structures which should or should not be considered to be a 'house' for the purpose of the ban on new leasehold houses.

NAEA Propertymark believes that defining a 'house' for the purpose of the proposed ban on new leasehold houses does not have a simple answer. Houses come in various forms of configurations and attachments that result in defining the dwellings with difficulty. We do not believe that a storey criterion should apply, as this would exclude bungalows from the definition.

We suggest that some dwellings that do not constitute as a 'house' should be used as a basis for the ban on new leasehold houses. This should include: flats, maisonettes, studios, apartments, bedsits, moveable dwellings and any other form of dwelling provided through statutory instrument. Conclusively, we do not believe that the Law Commission's concept of a residential unit, as referenced on page 12 of the consultation document,

[6] http://www.naea.co.uk/media/1046907/strengthening-consumer-redress-in-the-housing-market.pdf
[7] http://www.consumercode.co.uk/
[8] http://www.consumercode.co.uk/the-code/what-is-the-code/

would work in this instance as this includes flats and other forms of dwelling that are intended to be excluded from the ban.

Once decided, we would like to see any eventual workable definition of a 'house' included in the corresponding legislation and a guidance document created for HM Land Registry. This would ensure that for the purpose of the ban on new leasehold houses, that consumers have transparency when considering what does or does not constitute as a 'house', and aid with property ownership registration where HM Land Registry grants a lease.

Q4: With the exception of community-led housing, do you agree that any exemptions provided which allow the continued granting of new long leases on houses should have their ground rents restricted as proposed?

✔ Yes
☐ No

Q5: Are there any other conditions that should be applied to exemptions from the leasehold house ban to make them acceptable to consumers?

✔ Yes
☐ No

If yes, please explain what these conditions are.

Yes, NAEA Propertymark believes that there are further conditions that should be applied to exemptions from the leasehold house ban to make them acceptable to consumers. Additional provisions need to be attached to Shared Ownership leases for new build houses and this should be done in two ways. Firstly, the 'final staircase' should result in the transfer of the freehold to the homeowner. Secondly, lease contracts should clearly specify who owns the freehold and whether majority shares impact who the freeholder is. These measures will ensure fairness between the freeholder and leaseholder, where the leaseholder owns a majority of the property's shares.

All Shared Ownership houses should have a provision in the lease for the freehold to be transferred on the purchase by the leaseholder of the remaining share of the property – or 'final staircasing'[9]. Whilst this may not necessarily work with Shared Ownership flats, due to the lack of shared amenities and communal areas we do not see the need for the initial freeholder to retain the land ownership following the final purchase of shares. Additionally, Shared Ownership lease contracts should clearly specify who owns the freehold and whether it would automatically be held by the third party, or by the majority shareholder. This would ensure transparency in the property purchase and the

[9] http://freeconveyancingadvice.co.uk/sale-purchase/shared-ownership-property

consequent acquiring of further shares, in addition to clear instruction for HM Land Registry on registration of the property and land ownership.

Q6: Do you agree that there should be an exemption for shared ownership houses?

- ✔ Yes
- ☐ No

Q7: Do you agree that there should be an exemption for community-led housing developments such as Community Land Trusts, cohousing and cooperatives?

- ✔ Yes
- ☐ No

Q8: We would welcome views on the features or characteristics that should be included within a definition of community-led housing for the purpose of an exemption.

NAEA Propertymark believes that community-led housing that are established as not for profit and for the benefit of the local community are characteristics that should be included for the purposes of an exemption. To add clarify, this type of housing must then be defined in law as Community Land Trusts are. To futureproof the exemption, provisions should be made for further housing-types to be included by the Secretary of State. Finally, evidence should be provided to the leaseholders for the worth of paying inflated ground rents.

We believe that moving forward with legislation all forms of community-led housing need to be defined in law before an exemption can be agreed. Without defining this type of housing in law, the exemption could be open to abuse. Furthermore, clarifying all known types of community-led housing will ensure that the exemption is not exploited by those seeking to find loopholes to continue the sale of non-exempt new build leasehold houses.

The legislation should also include a provision to allow further community-led housing types to be added into the exemption, where the Secretary of State has sufficient evidence to make a further inclusion. This would work on the condition that another form of community-led housing fits the criteria designated by the Government. By doing so, this will ensure futureproofing of the legislation.

In defining characteristics, we argue that there needs to be provable evidence that leaseholders gain worth from the ground rent they will be paying. We are concerned that without any evidence of attained benefits from ground rent, that this exemption could be abused. This could be examples of community-led activities or upkeep of communal areas. We suggest that these benefits are detailed in a standard disclosure document, ensuring that homeowners are made fully aware of what they will be paying and what this money will go towards.

Q9: Do you agree that there should be an exemption for land held inalienably by the National Trust and excepted sites on Crown land?

✔ Yes
☐ No

Q10: Do you agree that the law should be amended to allow the inclusion of newly created freeholds within existing estate management schemes?

✔ Yes
☐ No

Q11: Are you aware of any other exceptional circumstances why houses cannot be provided on a freehold basis that should be considered for an exemption, in order to protect the public interest or support public policy goals?

☐ Yes
✔ No

Q12: Do you agree that there should be no further transitional arrangements after the commencement of the legislation to permit the sale of leasehold houses?

✔ Yes
☐ No

If not, please explain why transitional arrangements are needed and what they should be.

Although NAEA Propertymark agrees that there should be no further transitional agreements, we believe that the retrospective ban does not go back far enough. Developers that have not acted on planning permission before the commencement date will still be able to sell houses on a long lease. These developers need to be held accountable and more needs to be done to cease the sale of new build leasehold houses.

It is not enough that only leasehold land acquired from 22 December 2017 onwards will be banned from granting long leases on houses. Many developers hold onto land for several years before developing, or sometimes not building on it at all. For instance, between 2006 and 2014, on average less than 45 per cent of all planning permissions granted in England were started, and less than 50 per cent were completed, which arguably indicated that under half of planning permission applications result in building

activity[10]. Permissions granted increasing do not correspond with a considerable growth in housing supply, with figures from the Local Government Association finding that there were 423,544 unimplemented planning permissions in 2017[11].

Additionally, it has been reported that, on average, the top ten housebuilders in England have eight years' worth of plots[12]. In 2015, Berkeley, Barratt, Persimmon and Taylor Wimpey accounted for around 450,000 of 600,000 plots of land held by nine developers with planning permission that had not yet been built on[13]. In the same year, only 66,881 homes were sold by the same nine developers. Land that has been 'banked' by developers for many years will not be included in the ban on leasehold houses until legislation comes into force. NAEA Propertymark is concerned that if this land is developed prior to the commencement of the legislation, this could account for up to almost half a million leasehold new build houses. Developers would legally be able to sell these properties, as they had acquired the lease of the land before 22 December 2017 and had developed the land before the legislation had come into force.

Consequently, the Government needs to consider that the retrospective date may still result in the continued sale of new build leasehold houses, not subject to capped peppercorn ground rents. This is entirely dependable on the decisions made by the developers with permission to build on the leasehold land and as suggestions stand this will rely on the ethics of the developer rather than being underpinned by legislation.

Implementing the reduction of future ground rents to a nominal value

Q13: Are there justifiable reasons why ground rents on newly created leases should not be capped as a general rule at a maximum value of £10 per annum, but instead at a different financial value?

☐ Yes
✔ No

Q14: Are you aware of a separate ground rent being charged in addition to a rent on the retained equity in shared ownership leases?

☐ Yes
✔ No

[10] https://www.bbc.co.uk/news/uk-43287565
[11] https://www.ukconstructionweek.com/news/construction-buzz/2113-more-than-423-000-homes-with-planning-permission-waiting-to-be-built-construction-buzz-155
[12] https://www.bigissue.com/latest/finance/a-land-banking-scandal-is-controlling-the-future-of-british-housing/
[13] https://www.theguardian.com/society/2015/dec/30/revealed-housebuilders-sitting-on-450000-plots-of-undeveloped-land

Q15: Do you represent a community-led housing provider which does not rely on ground rent income?

☐ Yes
✔ No

Q16: Do you agree there is a case for making specialist arrangements permitting the charging of ground rents above £10 per annum for properties in new build retirement developments?

✔ Yes
☐ No

Please give your reasons.

Yes, NAEA Propertymark agrees there is a case for making specialist arrangements permitting the charging of ground rents above £10 per annum for properties in new build retirement developments. This is due to the provision of specialist facilities. However, as older people typically have a fixed income, greater requirements must be in place, so they are made fully aware of all additional payments to avoid 'hidden costs'. To this end, the Government should approve and put on the statute the Law Commission's drafted Code of Practice for Event Fees in Retirement Properties to protect consumers and prevent them from being charged in unexpected circumstances.

There should be clarity and transparency with all associated costs involved in the purchase of a retirement leasehold property. Most retirees have fixed income attained from pensions or other means, meaning that affordability in these properties needs to remain consistent. Some older people can be described as "asset rich, but cash poor"[14], and a reasoning behind limiting additional costs in this type of tenure is to make living in these facilities more affordable for potential consumers. Considering escalating ground rents, where they are subject to rises by inflation, this may not necessitate that the homeowner's income will also rise, thus raising concern over continued affordability. It is for this reason that when and if there are any increases in the payable ground rent, this should be disclosed to the consumer before the sale – so that they can guarantee they would be able to budget accordingly. Additionally, for estate agents to comply with the Consumer Protection Regulations[15], we believe that the consumer should be informed of associated costs and fees with the property when it is advertised, during a visit to an agent's office or upon the viewing of the property[16]. We also believe that this should be again highlighted when a purchase offer has been accepted.

[14] http://researchbriefings.files.parliament.uk/documents/SN05994/SN05994.pdf
[15] http://pstatic.powys.gov.uk/fileadmin/Docs/Estate_Agency/NTSEAT_guidance_on_property_sales_-_Sept_2015_en.pdf
[16] http://www.naea.co.uk/media/1044192/naea-response-to-law-commission-consultation-on-residential-leases.pdf

NAEA Propertymark has long advocated for associated costs to be explicitly advertised to consumers, particularly in the case of 'event fees'[17]. We support the Law Commission's proposal for a standard disclosure document[18] detailing any fee payable on certain events, such as sub-letting or resale, and the Government must implement this as soon as possible. These fees are otherwise known as 'event' or 'exit' fees and are often used as a substitute for service charges paid on deferment[19]. The disclosure document could also be used as the vessel in which to inform consumers of the price breakdown for any payable ground rent. Reasoning behind a higher ground rent needs to be quantified and we would like to see that the purchasers of these properties are provided with evidence what they will gain from paying ground rents above £10 per annum. For example, this could be a cost breakdown of upkeep of communal facilities, or domiciliary care provided within the complex. Through the provision of a disclosure document, it will not only ensure clarity in regard to associated costs and affordability but will also provide home owners with evidence-backed benefits from paying higher ground rent.

Q17: What positive or negative impacts does paying ground rents have on older people buying a home in the retirement sector? Please give your reasons and if you think the impacts are negative explain what measures might mitigate them.

Positive impacts

NAEA Propertymark believes that positive impacts from paying ground rents in retirement properties are the inclusion and use of specialist facilities, benefitting from community living and other wellbeing factors.

Providing that ground rents are fair and reflective of the service provided, homeowners in specialist retirement housing often benefit from high level facilities, provisions and shared areas not typically available in other forms of housing and community involvement of the particular tenure. Examples of these facilities are: house wardens, panic buttons, hairdressing salons, on-site restaurants, leisure facilities, and on-site shops. This contributes to a better quality of life for the homeowner.

Many retirement properties are marketed as a community, and thus living in these environments can be particularly beneficial to older people seeking companionship. As the consultation document suggests that these communal facilities are provided on the basis of paying ground rents, we believe that if property sale prices increased by £15,000, this could exclude some from purchasing these properties and could subsequently increase the chances of isolation amongst the retirement community.

We agree with the Law Commission's rationale that good quality retirement housing brings 'health, social, financial and emotional benefits to its residents' as outlined in the

[17] http://www.naea.co.uk/media/1044192/naea-response-to-law-commission-consultation-on-residential-leases.pdf
[18] http://www.naea.co.uk/media/1045191/response-form-event-fees-from-naea.pdf
[19] http://www.naea.co.uk/lobbying/event-fees/

March 2017 report entitled *Event Fees in Retirement Properties*[20]*.* However, it needs to be determined whether higher ground rents are the direct contributor to this, as it has been previously argued as the case for charging event fees. A line needs to be drawn under what additional costs in these specialist properties constitute value for money, and what residents receive in return for extra payments made, otherwise it can be perceived as two income streams for the same service.

Negative impacts

NAEA Propertymark believes that negative impacts from paying ground rents in retirement properties are that they can act as a deterrent to downsizers, accruing arrears can result in repossession, additional costs are not always effectively communicated and that some residents may not make full use of the facilities provided through ground rent payments.

Significantly high ground rents act as a deterrent to potential downsizers. Considering that under-occupation is a big issue (69 per cent of households in England and Wales[21]) and England is in the midst of a housing shortage, offering an incentive for 'last-time buyers' to downsize their properties would not only free up larger family homes for the sales market, but also takes away pressure from the Government to build more new-build family homes. Charging inflated ground rents will not encourage downsizing, and it is for this reason that we advocate that the Government makes similar consideration to 'last time buyers' as they do first time buyers in regard to Stamp Duty Land Tax exemptions, making downsizing more attractive and promoting intergenerational fairness.[22]

Many retired people have a fixed-source of income, and where ground rents increase this can sometimes mean that residents may not have accounted for the affordability. For older people in retirement housing and other leasehold properties, under the Housing Act 1988[23], defaulting on payments of ground rent can result in mandatory possession of a property. Where annual ground rent payable exceeds £1,000 in Greater London, or £250 elsewhere in England, this categorises the long lease as an 'Assured Tenancy'. The result of this is that ground rent arrears are treated as equal to rent arrears accrued by tenants in rental properties, and where a leaseholder accrues three months or more of arrears, they are subject to mandatory possession orders. Having a home possessed at any age is distressing. Consequently, this is why we argue that all associate costs should be explicitly provided in a standard disclosure document to potential purchasers at every stage of the property sale, as discussed in Question16.

Some consumers are given unclear and insufficient information about the terms and conditions of their specialist leasehold property purchase and can find themselves paying 'hidden costs'. The result of this is that some feel as if they have been mis sold their home

[20] https://s3-eu-west-2.amazonaws.com/lawcom-prod-storage-11jsxou24uy7q/uploads/2017/03/LC-373.pdf
[21] http://www.naea.co.uk/media/1043988/housing-2025.pdf
[22] http://www.naea.co.uk/media/1047383/autumn-budget-2018-representation-to-hm-treasury-from-naea-propertymark.pdf
[23] https://www.legislation.gov.uk/ukpga/1988/50/contents

where developers they have purchased directly from, or estate agents, have not provided disclosure documents to potential buyers. This can be remedied by enforcing that all purchasers of these homes are provided with a disclosure document that details any additional payments to be made, who it goes to, and what service or benefit the leaseholder receives in return[24].

Not all retirement homeowners will make use of the extra facilities provided. Thus, they attain little benefit from paying ground rents for these dwellings. However, it could be argued that many people purchase these properties for this reason and why then would they spend their money on a specialist property if they have no desire to make use of the specialist facilities. This also raises the question of if a homeowner finds themselves in a position where they must vacate their property without selling, such as a long period of time spent in hospital – they will not be getting the worth of the extra services provided for in the payment of ground rent. In this instance we would suggest a reduction in ground rent where the property is vacant for six months' or longer, to return to normal levels when the property becomes occupied again.

Q18: Do you agree with our approach to the treatment of mixed use leases?

- ✔ Yes
- ☐ No

Q19: Are there any other circumstances in which mixed use (a) should be within scope of the policy or (b) excluded from the scope of the policy?

Please explain your reasons.

Yes, NAEA Propertymark believes that there are other circumstances in which mixed use should be within the scope of the policy. The information included in the consultation document is too vague by only explicitly mentioning dwellings above shops. We believe that included within the mixed-lease scope of the policy should be dwelling houses above shops, offices, restaurants, taxi ranks, public houses, general high street amenities or any other business. To futureproof, there should also be a provision included for the Secretary of State to add or remove circumstances to the scope of the policy.

Q20: Do you agree with the circumstances set out in paragraphs 3.34 to 3.37 in which a capped ground rent will apply in replacement leases?

- ✔ Yes
- ☐ No

[24] http://www.lawcom.gov.uk/app/uploads/2017/03/LC-373.pdf

Are there any other circumstances in which it should or should not apply? Please explain why.

NAEA Propertymark is not aware of any further circumstances in which a capped ground rent should or should not apply.

Q21: Do you agree there should be no further transitional period after commencement of the legislation permitting ground rents above £10 per annum?

- ✔ Yes
- ☐ No

Implementing measures to ensure that the charges that freeholders must pay towards the maintenance of communal areas are fairer and more transparent

Q22: Should we provide freeholders with a right to change the management of the services covered by an estate rent charge or contained within a deed of covenant arrangement?

- ✔ Yes
- ☐ No

If so, what should this look like?

Yes, NAEA Propertymark believes that freeholders should be provided with a right to change the management of the services covered by an estate rent charge or contained within a deed of covenant arrangement. We believe this for two reasons. Firstly, freeholders and house leaseholders should be able to enforce their Right to Manage. Secondly, the existing process needs simplifying. It is unfair that the current system only considers the rights of flat leaseholders, disregarding house leaseholders and home freeholders subject to communal area maintenance fees. The Commonhold and Leasehold Reform Act 2002[25] should be amended by statutory instrument to include house leaseholders and freeholders within the scope of Right to Manage. Right to Manage enables flat leaseholders to group together to either manage the block themselves, or to appoint a new managing agent on their behalf. Through amendments to the Act, this will ensure that the legislation works for multi-site blocks and sites with leasehold and freehold houses - aligning the rights of all homeowner's subject to charges towards maintenance in communal areas.

[25] https://www.legislation.gov.uk/ukpga/2002/15/contents

Further, we believe that the existing Right to Manage process needs to be simplified, as in its current standing the process can be delayed or blocked through trivial issues put forward by the freeholder. Subsequently, this often results in very few homeowners attaining the Right to Manage. Right to Manage has no effect on the landlord's property rights, such as ground rents and new lease claims and therefore we so no reason why landlords should be allowed to continue blocking the process.

Q23: What will be the impact of these proposals (paragraphs 4.8 to 4.10) on companies or bodies that provide the long-term management of communal areas and facilities?

It is not applicable for NAEA Propertymark to answer this question.

Implementing measures to improve how leasehold properties are sold

Q24: What would constitute a reasonable deadline for managing agents and freeholders to provide leasehold information?

- ☐ Less than 10 working days
- ✔ 10 - 15 working days
- ☐ More than 15 working days

Q25: What would constitute a reasonable maximum fee for managing agents and freeholders to provide leasehold information?

- ✔ Less than £100
- ☐ £100
- ☐ £150
- ☐ More than £150

Q26: What would constitute a reasonable fee for managing agents and freeholders to update leasehold information within 6 months of it first being provided?

- ✔ No additional cost
- ☐ Less than £25
- ☐ £25 - £50
- ☐ More than £50