

10 DOWNING STREET LONDON SW1A 2AA

13 April 2023

THE PRIME MINISTER

Dear Richard,

Thank you for your letter of 8 March, on behalf of 31 Conservative colleagues, about your strong case for introducing legislation to protect homeowners living on freehold estates.

This Government is committed to creating a housing system that works for everyone. Leasehold and commonhold reform supports our mission to level up homeownership by addressing the power imbalance at the heart of the leasehold system.

I fully recognise the issues facing homeowners living on freehold estates. There is an increasing number of homeowners who are required to make a financial contribution to private or resident-led estate management companies towards the maintenance and upkeep of communal areas. The Government believes that it should be made clear to potential purchasers what the financial arrangements and their responsibilities are for the upkeep of any communal areas, whether public or otherwise, prior to purchase. It is also important that we hold these estate management companies more accountable on how they perform and how homeowners' money is spent.

As you point out, the Government has made a public commitment to introduce legislation to ensure that freehold homeowners who are required to make contributions have the right to challenge their reasonableness, and to bring a case to the First-tier Tribunal (Property Chamber) asking it to appoint a new management company if necessary. We will consider introducing a Right to Manage for residential freeholders after we have considered the Law Commission's recommendations on changes to the Right to Manage for leaseholders. These changes will be introduced when Parliamentary time allows, and I will carefully consider your call for it to form part of our legislative programme for the next Parliamentary session.

Thank you, once again, for taking the trouble to write to me about an issue of such huge importance to homeowners up and down the country living on freehold estates. I am copying this response to the Secretary of State for Levelling Up, Housing and Communities, and would be grateful if you could do likewise to your Parliamentary co-signatories.

Your, sincerch,