



Ministry of Housing,
Communities &
Local Government

Matthew Pennycook MP

Minister of State for Housing and Planning

2 Marsham Street

London

SW1P 4DF

Your reference: RF31779

Our reference: PO2025/01087

Richard Fuller MP
House of Commons
London
SW1A 0AA

11 February 2025

Dear Richard,

Thank you for your further email of 13 January on behalf of your constituent, regarding leasehold reform.

I appreciate how important this matter is to your constituent and am grateful to you for taking the time to write. To ensure you receive a timely response, I have asked my officials to address your concerns in detail in the letter appended.

Please be assured that I am conscious of the matters you have raised, and I appreciate the insight your email provides.

I hope the attached response suitably addresses your constituent's enquiry. If that is not the case, please don't hesitate to let me know.

Best wishes,

MATTHEW PENNYCOOK MP
Minister of State for Housing and Planning



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Dear Richard,

Thank you for your further email, to which the Housing Minister has asked me to reply.

As set out in our previous response, the Government's statement of 21 November 2024 sets out the steps it intends to take to implement the reforms to the leasehold system contained in the Leasehold and Freehold Reform Act 2024. It also outlines how the Government intends to progress a wider set of reforms to the leasehold and commonhold system over the course of this Parliament.

The statement reaffirmed the Government's commitment to enact the Leasehold and Freehold Reform Act 2024, acknowledging the need to rectify some flaws identified in the Act. This will be done via primary legislation before some of the measures can come into effect, including those on the amended valuation process. The Government will address these issues as soon as Parliamentary time allows.

For the parts of the Act which can be implemented quickly, this has been done. A number of provisions came into force on 24 July 2024 relating to rentcharge arrears, building safety legal costs and the work of professional insolvency practitioners. On 31 October 2024, the Government activated further building safety measures and on 2 December 2024 a consultation was launched on buildings insurance remuneration.

Many parts of the Act require an extensive programme of consultation and secondary legislation in order to turn on. These plans in place must be in place to ensure the Act works effectively – protecting leaseholders and freeholders on managed estates for years to come.

The statement sets out the following:

- On 31 January 2025, the Government commenced the removal of the two-year restriction on enfranchisement and lease extension claims from the point of property purchase so that leaseholders will no longer have to wait.
- In spring, the Government will commence the provisions on the Right to Manage which increase access to the right for leaseholders in mixed-use buildings, alongside reforming costs and voting rights.
- In summer, the Government will consult on the valuation rates used to calculate the cost of enfranchisement premiums. Parliament will then need to approve the secondary legislation that sets out the detail, as well as fixing the Act's flaws in further primary legislation, before implementing the package.

- This year, the Government will consult on implementing the Leasehold and Freehold Reform Act's new consumer protection provisions for homeowners on freehold estates, and on service charges and legal costs, and bring these measures into force as quickly as possible thereafter.

The statement also sets out further ambitious reform of the leasehold and commonhold system over the course of this Parliament. This includes commitments to:

- Publish a draft Leasehold and Commonhold Reform Bill in the second half of this year with a central focus on commonhold. As part of draft legislation, the Government will consider other vital reforms to the existing leasehold system.
- Remain committed to Government's manifesto commitment to tackle unregulated and unaffordable ground rents and deliver this in legislation.
- Remove the disproportionate and draconian threat of forfeiture as a means of ensuring compliance with a lease agreement.
- Consult this year on new reforms to the section 20 'major works' procedure.
- Start preparing the transition away from leasehold by publishing a White Paper on reforms to commonhold early this year; and consult on the best approach to banning new leasehold flats so this can work effectively alongside a robust ban on new leasehold houses, seeking input from industry and consumers.
- Look again at Lord Best's 2019 report on regulating the property agent sector, particularly in light of the recommendations in the final Grenfell Inquiry report. The Government will strengthen regulation of managing agents to drive up the standard of their service, including as a minimum, mandatory professional qualifications, and will consult on this matter later this year.
- Consult this year on options to reduce the prevalence of private estate management arrangements to end the injustice of 'fleecehold'.

The Government remains committed to fixing the leasehold and commonhold system, and the issues faced by homeowners on freehold estates.

Thank you for taking the time to write.

Yours sincerely,

Tom Goose

**Interim Deputy Director, Leasehold, Commonhold, Rentcharges and HM Land Registry
Sponsorship**