

Council – 19 July 2023

Conservative Amendment to motion 8d – The Problems With Leasehold and Rejuvenating Commonhold

This Council notes that:

- There are an estimated 4.86 million leasehold dwellings in England. This equates to 20% of the English housing stock. There are around 235,000 leasehold properties in Wales. This equates to 16% of all properties in Wales.
- There can be significant problems with leasehold including escalating ground rents, expensive service charges, the cost of getting consents, that a lease is a wasting asset, and lack of control over the management of the building.
- First introduced in England and Wales in 2002, commonhold is an alternative to leasehold ownership of flats, and other properties that share communal areas or services. Commonhold is the norm in many other countries.
- Fewer than 20 commonhold developments have been established since the commonhold legislation came into force. Flats in England and Wales continue to be owned almost universally on a leasehold basis.

This Council believes that:

- ~~Leaseholders have been let down by~~ The Government which promised in its 2019 manifesto to ban the sale of new leasehold homes **should urgently deliver on this commitment.**, and by The Secretary of State for Levelling Up, Communities and Housing who called leasehold a “feudal” system and promised to abolish it **should act on his promise.**
- Commonhold is a better system, in need of rejuvenation. Government needs to enact the Law Commission’s recommendations on enfranchisement of leasehold, reinvigorating commonhold and the right to manage.

This Councils resolves:

- To write to the Secretary of State for Levelling Up, Communities and Housing requesting that the Government fulfils its pledge to end the sale of leasehold for new properties and implement the recommendation of the Law Commission in relation to leaseholder enfranchisement, reinvigorating commonhold and the right to manage.
- To seek to promote commonhold in new developments where possible.