Greens pledge to bring democracy to private sector housing and end feudal leaseholds



22 May 2023

Up to 10 million people in England would benefit from a Green Party pledge to abolish feudal forms of home ownership and replace them with a system that offers people choice and control [1].

Co-leader Carla Denyer, who has witnessed the growing crisis in leaseholds as a Bristol councillor, met with leaseholder Martin Madera to hear his concerns about the ownership model on Friday [19 May]. [2]

Denyer said:

"People feel trapped in their own homes by a form of ownership that loads them with rising, uncapped costs and gives them no say in how their properties are maintained or repaired.

"Government promises to cap spiralling costs linked to ground rents, service charges and exploitative property management companies haven't given people control. Too many high rise flat owners have been saddled with fear and uncertainty over who will pay for hazardous cladding to be replaced in the wake of the Grenfell tragedy six years ago.

"Downing Street has now demolished Housing Secretary Michael Gove's promise to do away with what he described as 'feudal' leaseholds [3], leaving millions of homeowners trapped.

"The Green Party's Right Home, Right Place, Right Price Charter [4] set out how we would tackle the housing shortage while simultaneously protecting valuable green space for communities, reducing climate emissions, tackling fuel poverty and providing genuinely affordable homes.

"By abolishing leasehold in favour of 'commonhold' — a system widely used in other countries — we would democratise ownership and allow people to make joint decisions about what should happen in shared areas of flats and housing complexes.

"People could come together and choose their own management company, set their own service charges and take control of decisions around where they live.

"Between 2018 and 2020, the Law Commission produced a series of reports [5] calling for changes, but the government has largely offered warm words without substantial reform. We say it is time to act now for up to 10 million people who could have a better future."

Martin Madera, a leaseholder in the Hotwells & Harbourside area of Bristol, has seen his building insurance shoot up from under £1,000 a year in 2020/21 to over £2,600 a year now and is battling to get the property's owners to commit to fully replace hazardous cladding.

Martin says: "Leasehold is a nightmare — we cannot place building insurance ourselves despite paying for 100% of it and we cannot replace our managing agents unless the freeholder agrees. We even have very little say over the contract for essential remediation work that will be carried out on our home.

"I'm stunned that none of this was pointed out to me when I bought the property in 2010. We need fundamental reforms and we need them without delay." $\[$

NOTES

1

Owners of long leasehold properties do not own the property outright — they are in a landlord and tenant relationship with the freeholder. The rights and obligations of the respective parties are governed by the terms of the lease agreement, supplemented by statutory provisions. Essentially, long leaseholders buy the right to live in the property for a given period.

The Department for Levelling Up, Housing and Communities estimates there are 4.86 million leasehold homes in England, of which 69% are flats and 31% are houses. The majority of flats in the private sector are leasehold (an estimated 95% of owner-occupied flats and 70% of privately rented flats). Around 8% of houses in England are leasehold.

10 million Britons who own their homes in a leasehold — https://commonslibrary.parliament.uk/research-briefings/cbp-8047/

2

Pictures available — email press@greenparty.org.uk

https://www.theguardian.com/money/2023/may/10/plans-abolish-feudal-leaseholdsystem-england-wales

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https://www.greenparty.org.uk/news/2023/04/05/greens-call-for-right-homes,-ri
ght-place,-right-price-charter-to-beat-housing-crisis-and-protect-greenspace/

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https://commonslibrary.parliament.uk/leasehold-reform-in-england-and-wales/

For more information or to arrange an interview contact the press office on press@greenparty.org.uk or call 0203 691 9401

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