

Written evidence submitted by PCRA (Park Central Residents Association) **(LFRB43)**

1. Executive Summary

2. The PCRA has submitted compelling evidence to the UK Government's Leasehold and Freehold Reform Bill consultation, expressing serious discontent with the current leasehold system and advocating for its urgent reform and ultimate replacement. The evidence is rooted in a significant survey conducted among Park Central residents, encapsulating the views of longstanding leaseholders who predominantly occupy their flats rather than rent them out. The majority of respondents, with extensive experience in leasehold living, express alarm at spiraling service charges, undelivered services, and a lack of transparency.

3. **Service Charge Concerns:**

Service charges are escalating uncontrollably, resulting in 88% of respondents conveying extreme concern over affordability. Many attribute an annual increase of 7-10% to poor management, lack of transparency, and increasing operational costs, all of which critically impact living costs and the future saleability of their properties. Unjustifiable charges paired with an absence of rigorous financial accounting further compound leaseholders' distress.

4. **Poor Management and Legal Recourse:**

Residents are increasingly disillusioned with the appointment of managing agents by E&J, evidencing a legacy of poor management and ineffective resolution of issues. A staggering 58% of leaseholders regret their purchase, highlighting the detrimental repercussions of hidden commissions and persistent high management costs. Even when legal pathways such as Section 21, Section 22, and complaint escalations are pursued, residents encounter a system favoring landlords and agents, failing to institute transparency in service charges despite the legal provisions.

5. **Recommendations for Reforms:**

The PCRA's position is clear: leasehold is antiquated, unfit for purpose, and in desperate need of reform. They advocate for an outright abolition of leasehold tenure, favoring commonhold where leaseholders can self-manage or elect their managing agents. Other proposed reforms comprise:

- 5.1. Implementing a cap on lease extension costs, with ground rent reducible to peppercorn without extension requirements.
- 5.2. Addressing the freeholder's non-responsiveness, which hinders property sales.

- 5.3. Modifying qualifying criteria to facilitate easier freehold acquisition, enhance lease extension rights, and improve building management self-administration.
- 5.4. Overhauling the legal framework to support leaseholders, including limiting exposure to legal fees and enabling them to contest charges robustly.

6. **Transparency and Accountability:**

The PCRA emphasises the necessity for transparent and fair accounting practices. Leaseholders struggle with cryptic service charges, disputable additional costs, and opaque billing practices, where managing agents fail to comply with legal and lease requirements. The community's trust in current property management is deeply eroded. To rectify this, the PCRA recommends regulatory oversight that imposes punitive measures for non-compliance, enhances leaseholders' rights, and transitions to commonhold to ensure residents possess control over their properties.

7. The current regime compromises leaseholders' capacity to sell their apartments, a predicament exacerbated by unresponsive freeholders and lenders' reluctance when dealing with lease terms, particularly problematic ground rent calculations. PCRA suggests reforms that mitigate sale impediments, ensuring a leaseholder's ability to sell without facing unjustified obstacles or costs.

8. **Conclusion:**

The distress and frustration voiced by the Park Central community serves as an impetus for abolishing the broken leasehold system. Imposing reasonable caps on service charges, fortifying transparency, and granting leaseholders more autonomy are steps towards correcting the imbalances prevalent in the current structure. The PCRA's revelations underline a systemic failure that calls for decisive legal and practical actions, with commonhold not merely as an alternative but a necessity for equity and fairness in residential tenure.

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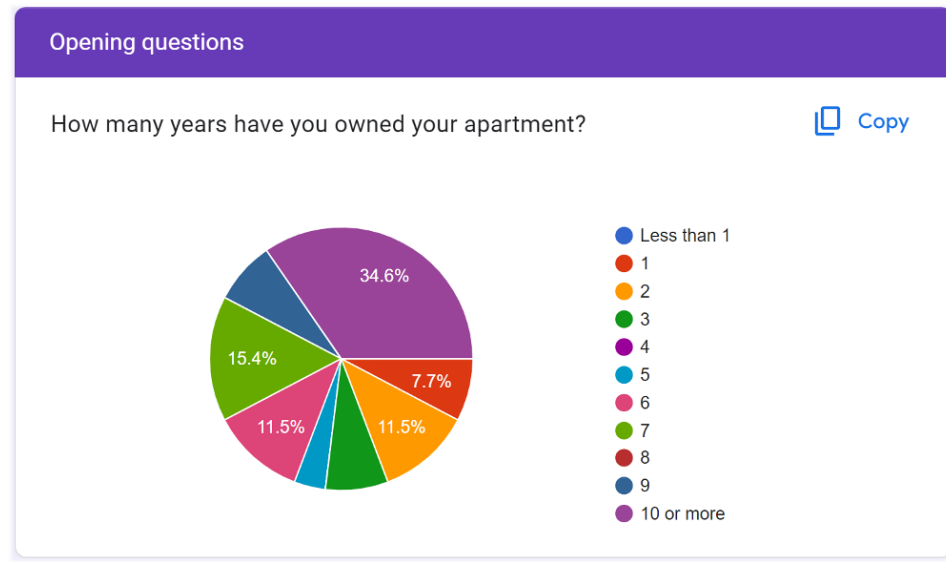
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9. Introduction

- 9.1. This report is a submission to the Government's call for evidence regarding the Leasehold and Freehold reform bill.
- 9.2. This document is an approved submission of evidence by Park Central Residents Association (known as the PCRA) officers and members.
- 9.3. The submission has been written by the PCRA Chairman and Secretary.
- 9.4. The submission of evidence is being submitted on behalf of the association's membership although the link to the questionnaire was also shared on a non-residents' association Facebook group in Park Central.
- 9.5. Park Central is a privately owned residential area based in Birmingham City Centre. The area that the PCRA covers, includes 16 buildings made up of approximately 800 leasehold apartments.
- 9.6. The PCRA was set up to help leaseholders share knowledge with each other when challenging the managing agent and the freeholder with unreasonable service charges, poor state of repairs and lack of transparency.
- 9.7. The association's long-term goal is for leaseholders to successfully achieve "Right to Manage" their own buildings, or ideally, scrap leasehold and replace it with common hold. Until this, the association offers its members guidance on Section 21, Section 22, Section 20b, raising formal complaints and ongoing escalation.
- 9.8. The PCRA group is a residents association for the buildings which are owned by E& J and their subsidordiary companies.
- 9.9. Over the years, E&J have appointed many Managing Agents such as;
 - 9.9.1. CP Bigwood
 - 9.9.2. SDL Property Management
 - 9.9.3. HML Property Management
 - 9.9.4. Centrick (Current Managing Agnet)
- 9.10. Managing Agents 1.9.1, 1.9.2, 1.9.3 are effectively the same company, as they merged over the years.
- 9.11. The PCRA has chosen to submit evidence because of it's members overwhelming concerns regarding the management of their buildings, the transparency of the service charge, and the ongoing affordability of living in leasehold. Many of our members report to us that they are struggling financially, are lost and confused with the charges,

and are very close to selling their homes (or attempting to) due to the relentless stress that leasehold is causing them.

- 9.12. At the start of our questionnaire to members we asked them how many years they had owned their leasehold apartment within Park Central:

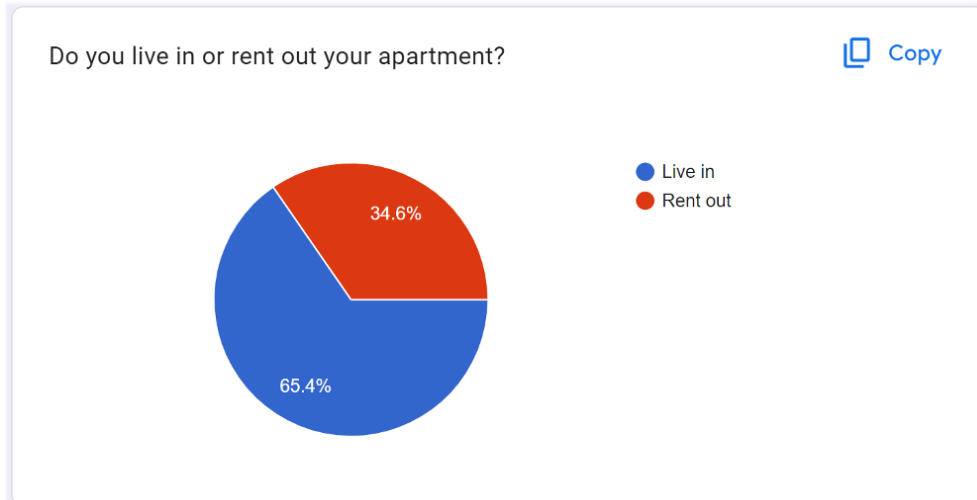


- 9.13.

- 9.14. The above graph shows that the majority (34.6%) of leaseholders have owned their leasehold apartment for at least 10 years. Of all people who responded 73% of leaseholders have owned their apartment for 5 or more years.

- 9.15. This shows that the survey is based on leaseholders who have lived in their property for a substantial period of time, and will have more likely gathered a rounded experience of what is like living in their leasehold property in Park Central.

- 9.16. To gain more information about the people that we were questioning, we asked leaseholders whether they owned or rented out their apartments:



9.17.

9.18. The above graph shows that the majority of people that we questioned lived in their apartment opposed to renting out the apartment. 65.4% of people are live in residents, where as 34.6% of people rent their apartments.

9.19. This is important to recognise, as those who rent out their apartment compared to those who live in will have different levels of experience of leasehold within Park Central.

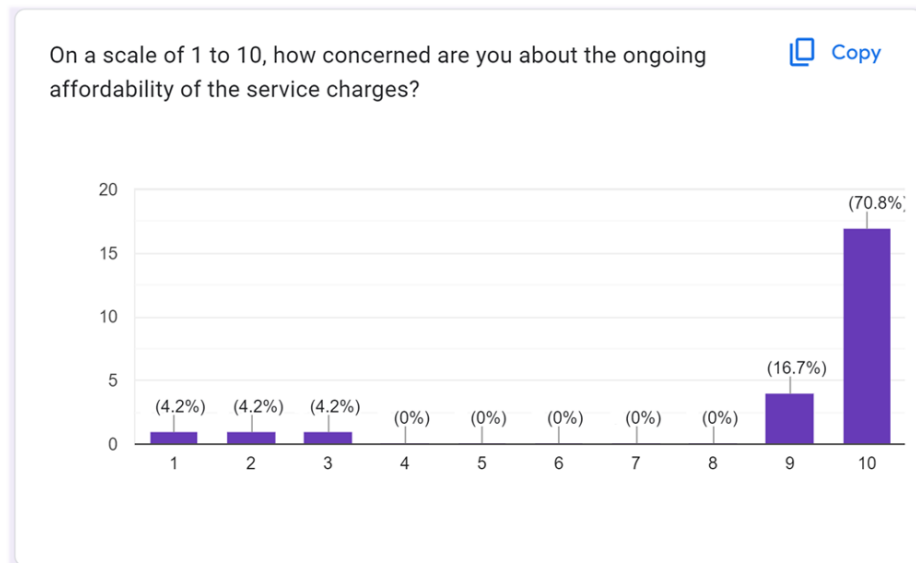
9.20. Those who live here will have more knowledge of the state of repair of the building and be able to reflect on the value for money. Whereas, those who rent out their property may be mostly reflecting on the financial aspects.

10. Bill Aims

10.1. Make it cheaper and easier for leaseholders in houses and flats to extend their lease and buy the freehold.

10.1.1. None of our members are at the point of requiring a lease extension, however, it is the view of the PCRA that the issues that we face as a community are only going to be resolved via Commonhold reform.

10.1.2. We asked our members how concerned they were about the ongoing affordability of the service charges. Here were their responses (10 extremely concerned, 1 not at all concerned):



10.1.3.

10.1.4. The above graph shows that 88% of our community members who responded are extremely concerned that the service charges are no longer affordable.

10.1.5. Below are a selection of comments provided by our members to add more background information about the average leaseholder's point of view:

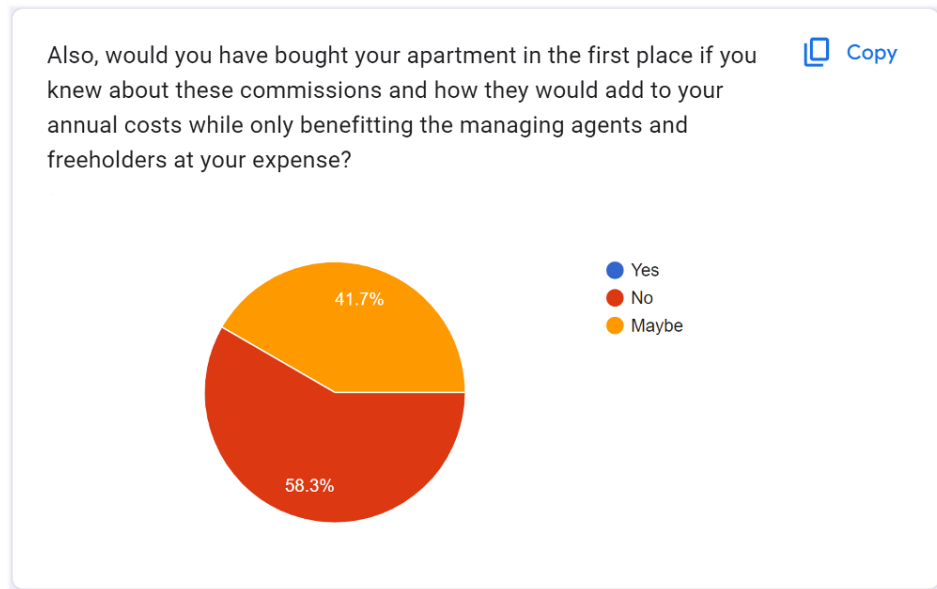
10.1.5.1. *"This is beginning to extremely worry me, as the service charge significantly increases each year with no sign of stopping. Having owned the apartment now for seven years, it's clear that each year there is at least 7 to 10% rise year on year. Given the level of inflation that we experienced over the last 12 years, I expect a large service charging increase this year. My concern is the service charge will continue to rise, pushing up rent and all, and increasing the earnings that people have to*

have to rental own such apartments. This will then affect the ongoing sale ability of the apartment.”

- 10.1.5.2. *“I am considering selling the apartment to a we buy any house type scheme as living here is becoming as living here is becoming unaffordable. I chose this place to live as it is very energy efficient but I am having communal heating bills of £21900 as the system is inefficient and the gas is charged at commercial rates.”*
- 10.1.5.3. *“The service charge amount is ridiculously high which has been doubled (from £1500 to £3000 per annum) since I bought the property 7 years ago. It is also much higher compare to a similar flat in the same location. The magnitude of cost increase is questionable and concerning”*
- 10.1.5.4. *“Likely to leave development as the service charges continue to rise and unsustainable in the long term”*
- 10.1.5.5. *“It’s hard when we pay so much for everything else to add an extra £6k plus a year on service charges”*

10.1.6. The below graph shows the respondents views on whether they would have purchased their leasehold property if they knew about the commissions given to Landlord and the Managing Agent.

10.1.7. We've included the below question to highlight that there are many unhappy people living in leasehold within Park Central, with the main reason being due to the lack of transparency, high commissions and management costs.



10.1.8.

10.1.9. The above graph shows that the majority of our members (58%) who responded are also regretting purchasing their leasehold property, and it's likely that the impact of the service charges have played a part in this.

10.1.10. It has also come to the attention of the PCRA that some members are also struggling to pay their service charges (including balancing charges) and therefore, it will be unlikely that these members would be able to pay for a lease extension when the time comes.

10.1.11. PCRA's thoughts on the best solution here;

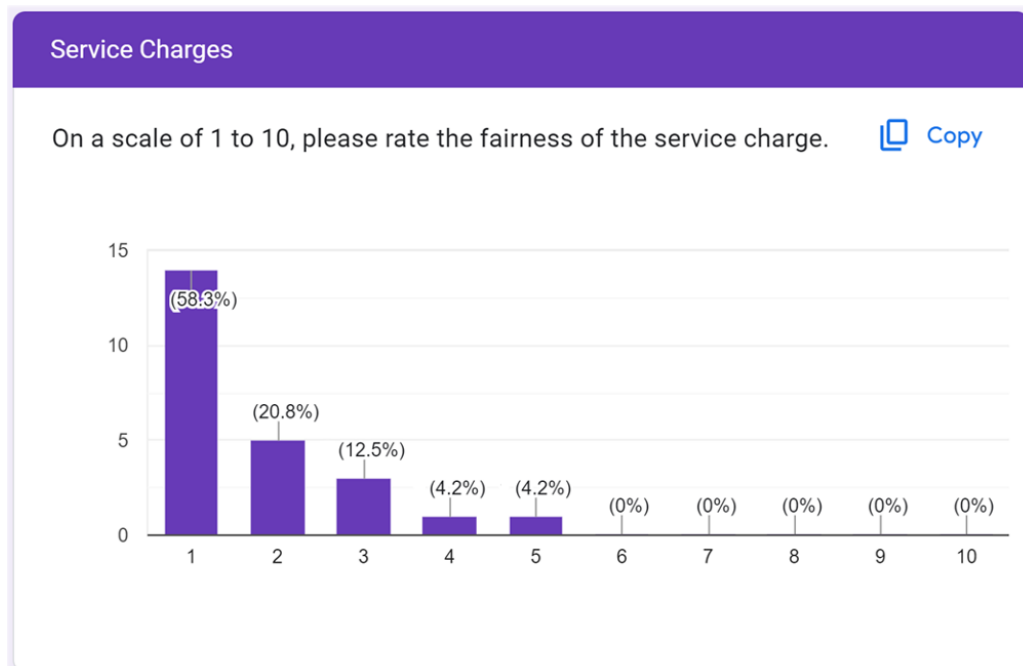
If for any reason ground rent wouldn't be reduced to peppercorn for all leasehold apartments, it would be good for leaseholders to be able to have the option of buying out the ground rent at a hugely reduced price to take it down to peppercorn without having to purchase a lease extension. This would solve many of the issues to do with lenders and calculation of ground rent increases, although we strongly suggest that reducing ground rent to peppercorn is the best solution overall, especially where ground rents are already low (£250 or less per year).

10.2. Increase the standard lease extension term to 990 years, with ground rent reduced to a peppercorn (zero financial value), upon payment of a premium.

- 10.2.1. The PCRA's view on this is that Leasehold is fundamentally an outdated archaic system which is no longer fit for purpose. The UK is the only country in the developed world that has leasehold, and the system is fundamentally broken. The PCRA holds the view that Commonhold is the way forward. Below we have detailed our views on this aim.
- 10.2.2. The benefit of this aim is the peppercorn ground rent, however, by tying this to a future lease extension, many leaseholders are not going to have the funds to extend their lease. Therefore, if it is necessary for leaseholders to pay to have ground rent reduced to peppercorn, it should be able to do this without a lease extension. In addition, peppercorn ground rent will bring existing apartments into alignment with new apartments in terms of ground rent. This should be done at a reasonable cost without needing to pay for the freeholder's solicitor's costs.
- 10.2.3. Whilst a 990-year lease removes the need for further lease extensions, it comes at a cost. And therefore, the bill should look to implement a cap on these lease extension costs.
- 10.2.4. A longer lease term would alleviate the anxiety and uncertainty associated with shorter leases that depreciate in value and become more difficult to finance. Abolishing substantive ground rents would remove an often burdensome financial obligation on leaseholders and would align leasehold tenure more closely with the beneficial entitlements experienced by freehold property owners.
- 10.2.5. The cost of service charges is rapidly outgrowing the cost of ground rent and between the complications that ground rent causes (for example, for lenders) it is the unfairness, lack of transparency, excessive and ongoing escalation of service charge costs that are becoming the biggest threat to leaseholders enjoying their properties on an ongoing basis. While ground rent may increase typically on a 10 or even 25 year basis (based on a

given calculation), service charges are increasing between 8-10% year-on-year with no fixed cap. They are rapidly outpacing inflation with little to no justification with no respite in view for leaseholders. Often leaseholders are saddled with extra charges including balancing charges that aren't created in alignment with the law, and yet Freeholders take no responsibility for the unfair and often unlawful practices of their managing agents and managing agents use the heavy hand of the law against leaseholders when leaseholders push back and don't want to pay these unfair, unlawful and unjustifiable costs. This needs to change.

10.2.6. We asked our members to rate how fair they thought their service charge was:



10.2.7. The above graph shows that overwhelmingly all our members thought that the service charges were very unfair. With 79.1% of people saying that they rank the fairness "The Worst" (rank 1) or almost the "The Worst" (rank 2). With the remaining members ranking the fairness as either 3, 4, or 5 on the scale.

10.2.8. Below are a selection of comments provided by our members to add more background information about the average leaseholder's point of view:

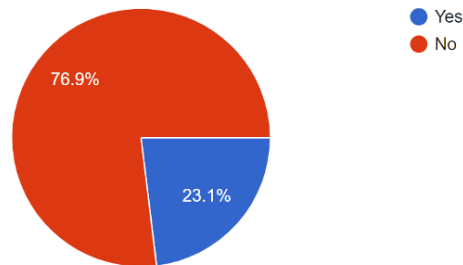
10.2.8.1. *"Too expensive for service received, service charge is not proportional to the value of the flats or the level of service received. Annual balancing payments demanded as accounting is so poor."*

- 10.2.8.2. *“Mine have soared since the start of 2018. The largest single amounts are for building insurance, managing agent's fee, and estate staff salaries, which are each excessive.”*
- 10.2.8.3. *“In the 7 years I have owned the apartment, the service charges have gone up by more than £600 per annum and the quality of service has decreased. I have to constantly challenge Centrick to understand why issues are not resolved. The place looks run down, maintenance is not regular.”*
- 10.2.8.4. *“Not value for money, not transparent, difficult to understand, demands appear in an ad hoc manner, invoice have due dates the day they are sent.”*
- 10.2.9. Out of the members questioned who have had experience of attempting or knowing someone who has tried to sell their apartment many people recognised that there were some key issues that were preventing the sale. One of the biggest issues when our members have attempted to sell their leasehold apartment is that the Freeholder was unresponsive. As such, leaseholders can't get out of the often unsustainable, unreasonable and unlawful service charges either by selling their apartment or by challenging the managing agents due the lack of both the Landlord or managing agents to do the right thing. Leaseholders effectively becomes slaves, trapped within their apartments.
- 10.2.10. All of the issues reported that prevented people from selling were due to issues with ground rent. For example, mortgage lenders often required a Deed of Variation to alter the terms under which ground rent increases were calculated. However, often the Freeholder was totally unresponsive - sitting on requests for many months, which often resulted in a sale falling through. In addition, the Freeholder often demands unfair terms for the Deed of Variation, and the leaseholder often has no recourse other than to accept these terms. However, often the mortgage lender and Freeholder will not agree terms, killing the sale. In addition, Section 8 of the Housing Act 1988 turns the lease effectively into a long term tenancy agreement whereby it's much easier for the Freeholder to evict the leaseholder unfairly when the ground rent goes over £250. This needs to be addressed.
- 10.2.11. We asked our members whether they had any issues previously attempting to sell their apartment or if they knew anyone who had issues:

Selling your apartment

Have you (or anyone you know) tried to sell your apartment and had any problems doing so?

 Copy



10.2.12.

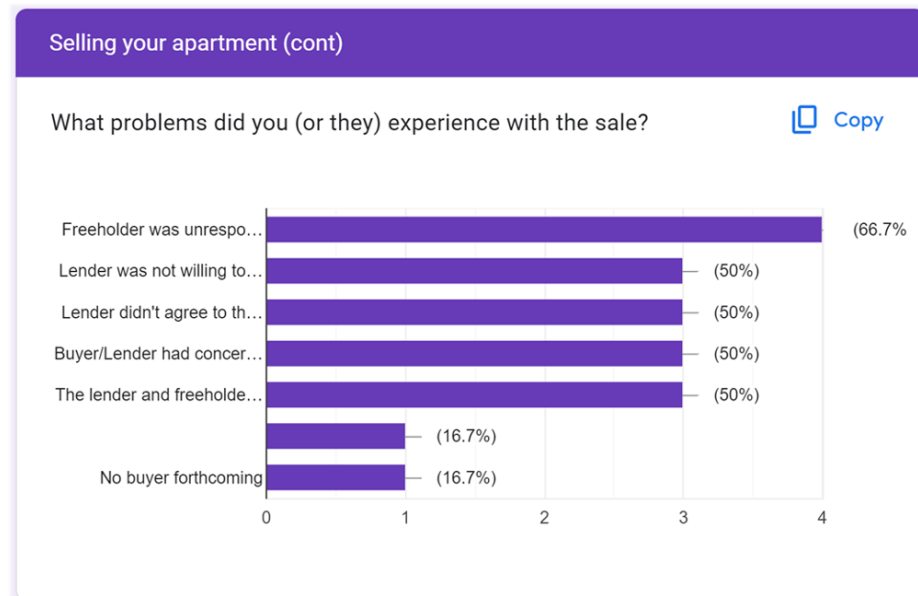
10.2.13. The above graph shows that a significant number of respondents had experienced issues in selling their apartment. 76.9% of leaseholders questioned had either experienced an issue or knew someone.

10.2.14. Below are a selection of comments provided by our members to add more background information about the average leaseholder's point of view:

10.2.14.1. *"I wanted to sell my apartment as it seemed impossible to challenge the high service charges (everything is stacked against the leaseholder) and so thought I want to sell my apartment to get rid of these ridiculous service charges. However, my buyer wanted a deed of variation as their lender wouldn't lend based on the ground rent increase calculation and the concern about Section 8 of the Housing Act 1988 (whereby the lease becomes effectively a tenancy agreement when ground rent exceeds £250). However, after months of chasing my own tail, I finally got through to the freeholder's agent (E&J) although they only took messages, promised these would be passed through to the relevant person. Time was running out, and they were just delaying things. My buyer got mortgage offers extended twice. I was chasing the freeholder's agent daily. One time, I explained to the lady on the call that my sale was about to fall through because I can't get through to the person I need to speak to about a deed of variation and my buyer couldn't extend their mortgage offer again. They would not be able to apply for a new mortgage as the new interest rate would make the purchase infeasible. On telling her my buyer's mortgage offer was about to fall through along with the sale, she simply said 'If it does, we'll cross that bridge when we come to it'. I lost it. I eventually did get through to the right person, who had sat on my request, been on holiday, then sat*

on it some more, but it was all too late - the freeholder and buyer's lender couldn't agree terms, my buyer's mortgage offer ran out, and my sale fell through. So, I remained stuck between a rock and a hard place - every increasing and extortionate service charges with little to be seen in return at all, while not being to sell my apartment. I never would have imagined that owning an apartment could have been such a huge problem that would imprison me while being held to extortion for the foreseeable future. Fighting this all takes so much time and effort – it's like a second fulltime job. In addition, I have learned that now many lenders are requiring the annual service charge to be at or less than 1% of the property value, otherwise they will not lend against it on the concern that the leaseholder will not be able to pay that and the mortgage costs. So, even if the ground rent issues are sorted out by the upcoming reform, it looks like I will still be trapped by my leasehold apartment and I don't know how I can get out of this nightmare. Given mine is around 2% of the property value, please tell me - how can I ever be able to sell my flat and get out of this leasehold prison?"

10.2.15. We asked our members regarding what problems they have experienced when attempting to sell their apartment:



10.2.16. Options in this question

10.2.16.1. Freeholder was unresponsive

10.2.16.2. Lender was not willing to lend based on the lease

10.2.16.3. Lender didn't agree to the increasing ground rent calculation

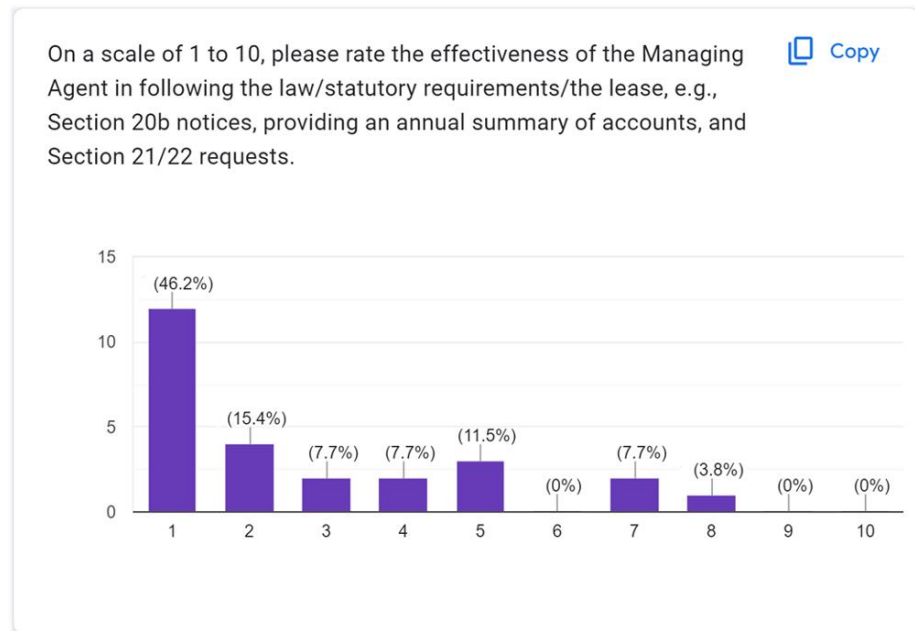
- 10.2.16.4. Buyer/Lender had concerns around the risk of Section 8 of the Housing Act (Lease becomes a short-term tenancy agreement, when the ground rent is over £250).
- 10.2.16.5. The lender and freeholder could not agree terms of a deed of a variation
- 10.2.17. The above graph shows that for all the members who had previously attempted to sell their apartment there were common issues that prevented them from doing so.
- 10.2.18. The most common blocker for someone looking to sell was that the Freeholder was unresponsive to the seller or their solicitors.
- 10.2.19. But it also highlights that all the other outcomes were likely

10.3. Change the qualifying criteria to give more leaseholders the right to extend their lease, buy their freehold and take over management of their building.

- 10.3.1. The PCRA members have expressed their dissatisfaction with the excessive service charges and that this is greatly impacting their lives.
- 10.3.2. Leaseholders should be able to buy their freehold in part or all together.
- 10.3.3. It is vital for leaseholders to be able to manage their own buildings. Currently, our members are being charged extremely high and service charges that escalate on a year-on-year basis for little to no service, all the while the Managing Agent is unwilling/not able to complete section 22 requests and prove the reasonableness of service charges. In addition, the law is totally stacked in the favour of the managing agents and Freeholder, who abuse this imbalance of power. It is a most unfair system.
- 10.3.4. Based on this, it is critical for leaseholders to be able to be in control of the Managing Agent, opposed to them answering to the Freeholder. We need reform to abolish leasehold, own the freehold to our own buildings, and be able to choose our own managing agent or manage the building ourselves. That should be the default, on existing as well as new apartments. This needs to be an option without the majority of leaseholders needing to be onboard as often leaseholders do not even

live in the buildings or are hard to get hold of. I would love to see leaseholder contact details shared with all other leaseholders within the same block.

10.3.5. Below we have asked our members about the effectiveness of the Managing Agents in following the lease and statutory requirements;



10.3.6.

10.3.7. The above graph shows that the majority of leaseholders do not find that the Managing Agents are effective in following the law. Almost 50% of all leaseholders reported that they rank the managing agent as the worst. It is also worth noting that many leaseholders may not know the ins and outs of the law, and therefore not know what is due to them under current legislation.

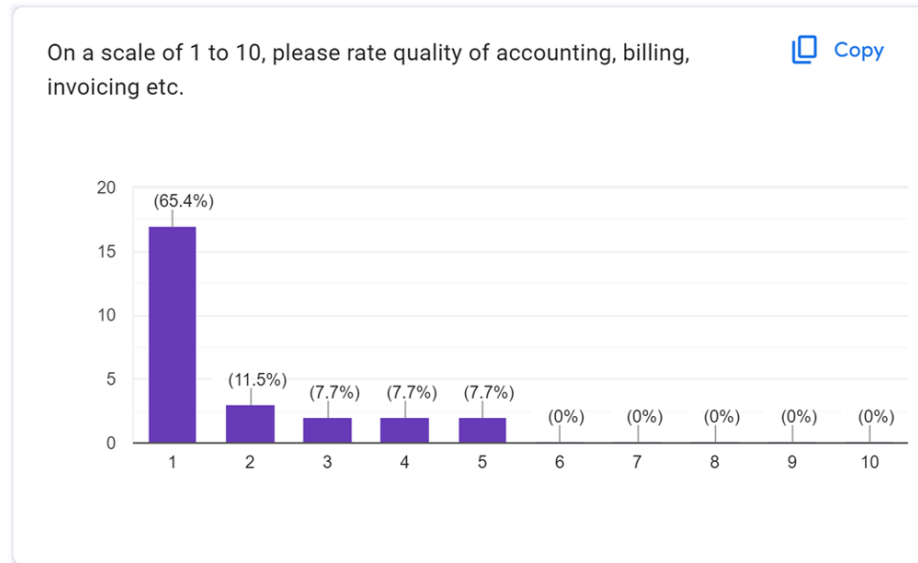
10.3.8. Below are a selection of comments provided by our members to add more background information about the average leaseholder's point of view:

10.3.8.1. *"The Landlord and Managing Agent is failing terribly here. Each managing agent is consistently late with their S21, S22s and each time they never learn. I've requested possibly 5-6 S22s and never has one been completed correctly, or not required me to raise a formal complaint. Each year the service charge increases at least 7-10%, and still there is no clear justification for the costs."*

10.3.8.2. *"When I informed the managing agent that I had not received a Section 20B notice for the late accounts he sent me one from his company but it was for a year when a different company was the managing agent, therefore not a valid S20B."*

10.3.8.3. *“The bills are not clear with no details of how the charge being applied to me and the charge makes no sense. I didn't receive Section 20b notices either.”*

10.3.9. We later asked our members about the quality of the managing agents billing, accounting and invoicing;



10.3.10.

10.3.11. This graph shows that the vast majority of people found that the Managing Agents quality of accounting, billing and invoicing were extremely poor, with no member scoring above average.

10.3.12. Below are a selection of comments provided by our members to add more background information about the average leaseholder's point of view:

10.3.12.1. *“The MA's accounting department seems inept. I received invoices for balancing charges early this month, which were subsequently amended (cancelling balancing charges) after I presume other leaseholders had queried their invoices and after I had already paid. “We believe this to be an isolated issue,” they wrote in a cover letter. I very much doubt that. As a result, I now have no idea what I owe/am owed. My calls to the department go unanswered. Also, apart from the confusion over balancing charges, statements of account are not clear to me.”*

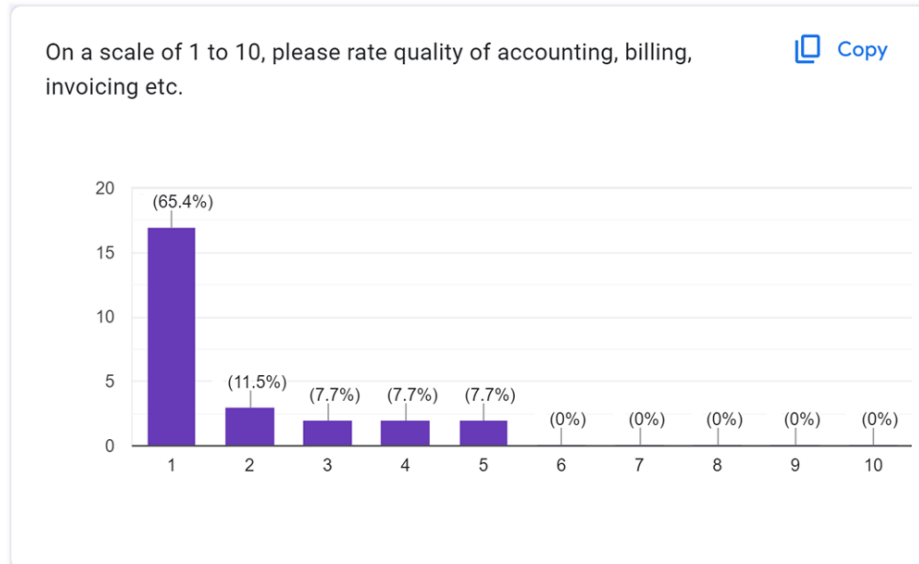
10.3.12.2. *“Absolutely terrible! Centrick has often issued 6 lots of invoices for a service charge before they have got it correct! In addition, the accounts for my block have been in draft status for over 3 years. I have also been issued balancing charge when accounts haven't been finalised, they are also in breach of the 18 month rule and have created balancing charges without issuing corresponding and necessary Section 20B notices, and have issued Section 20B notices that don't comply with the law. They*

also don't follow the lease and provide a summary of accounts on a yearly basis as designated by the lease! We've had accountants quit, property managers quit, and so many different managing agents that each one creates more of a mess of things than the last, and then the new ones blame the terrible state of the accounts on the previous ones! None of them want to accept any responsibility whatsoever!"

10.3.12.3. *"Accounts are always late, some of these have not had S20b's in relation to their lateness. There is a complete lack of transparency over costs. One of my apartments, had the 'balancing charges' changed from a total of £600+ (for 3 years) reduced to £300+ and in the space of an hour further reduced to £0 and then increased to £30+"*

10.4. Improve the transparency of service charges and ensure leaseholders receive key information on a regular basis.

- 10.4.1. Transparent service charges would enable leaseholders to clearly understand what they are being charged for and why. Frequent updates mean leaseholders can be informed participants in the financial decisions that affect their homes, leading to greater satisfaction and potentially less conflict among residents and management. It is in the lack of providing clear financial details relating to the buildings (including breakdowns under Section 22) where freeholders and their managing agents commit a whole gluttony of sins. In addition, PCRA officers have found that the managing agents have avoided answering questions directly, and often avoid giving details when asked, sidestepping reasonable information requests and blaming other agents/circumstances etc. In addition, requests for the freeholder to intervene have fallen on deaf ears, and are often passed back to the managing agents who have provided no help whatsoever to begin with.
- 10.4.2. Evidence might include a survey highlighting the percentage of leaseholders who feel uninformed about the breakdown of their service charges and the benefits perceived by those in developments where transparency is practiced.
- 10.4.3. We asked our members to rate the quality of accounting, billing and invoicing:

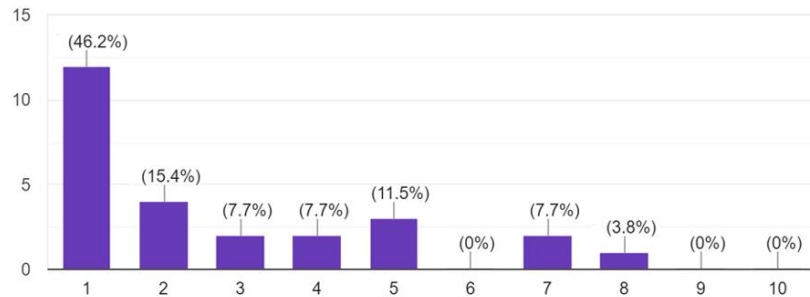


10.4.4.

10.4.5. The above graph shows that even when the Landlord/Managing Agent provides information regarding the accounting etc, the information as reported by our members who responded is very poor. 65.4% of members questioned ranked their quality of accounting etc as the worst, with the remaining 26.9% of members ranking it below average on a scale of 2-5 (where 1 is the worst, and 10 is the best). 92.3% of members ranked between the Managing Agent below average for their quality of accounting. Examples of very poor accounting, billing and invoicing practices include sending out invoices for incorrect amounts, not following the law in terms of Section 20b notices, creating false evidence (e.g. creating Section 20b notices and backdating them by a year, which is fraudulent activity), listing an amount on a Section 20b notice and then invoicing leaseholders the equivalent of almost 3 times this amount etc. all while never accepting any responsibility for their *'mistakes'*.

10.4.6. We questioned our members about the effectiveness of the Managing Agent in following the law and the lease:

On a scale of 1 to 10, please rate the effectiveness of the Managing Agent in following the law/statutory requirements/the lease, e.g., Section 20b notices, providing an annual summary of accounts, and Section 21/22 requests.



10.4.7.

10.4.8. The above graph shows that the majority of leaseholders do not find that the Managing Agents are effective in following the law. Almost 50% of all leaseholders reported that they rank the managing agent as the worst. 77% of leaseholders questioned stated that they found the Managing Agent to be below average for their effectiveness of the law.

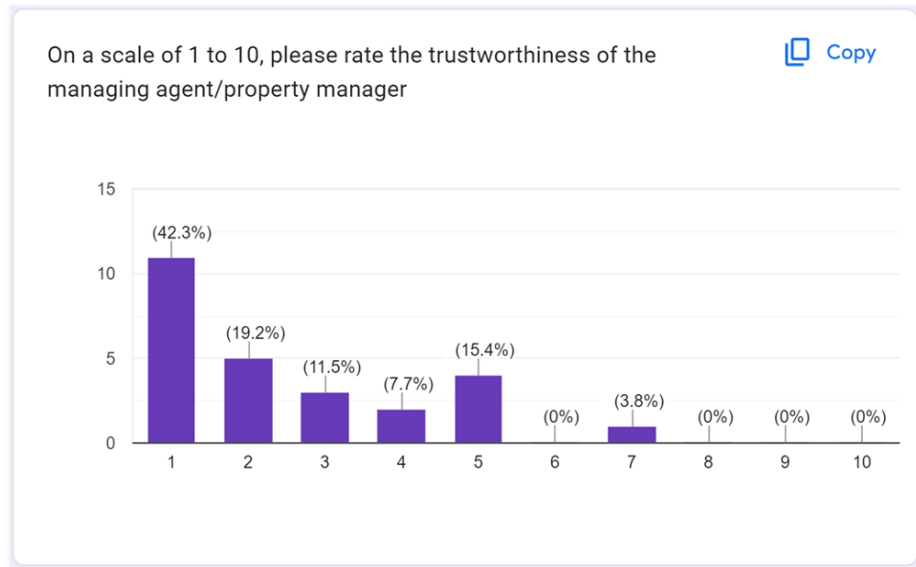
10.4.9. Below are a selection of comments provided by our members to add more background information about the average leaseholder's point of view:

10.4.9.1. *"The Landlord and Managing Agent is failing terribly here. Each managing agent is consistently late with their S21, S22s and each time they never learn. I've requested possibly 5-6 S22s and never has one been completed correctly, or not required me to raise a formal complaint. Each year the service charge increases at least 7-10%, and still there is no clear justification for the costs."*

10.4.9.2. *"When I informed the managing agent that I had not received a Section 20B notice for the late accounts he sent me one from his company but it was for a year when a different company was the managing agent, therefore not a valid S20B."*

10.4.9.3. *"The bills are not clear with no details of how the charge being applied to me and the charge makes no sense. I didn't receive Section 20b notices either."*

10.4.10. We asked our members for their opinion regarding the trustworthiness of the Managing Agent:



10.4.11.

10.4.12. The above graph shows that 80.7% of people who responded thought that the managing agent/property manager was untrustworthy, with 61.5% of respondents finding them to be the worst or almost the worst with regards to trustworthiness. Examples of untrustworthiness include the property manager giving misinformation (i.e. lying), avoiding honest answers that highlight further issues, discounting what they previously said if it shows their lack of integrity, making promises they never keep, saying things that are clearly not true (e.g. they are following the law when they are not), being deceitful and evasive and trying to put a spin on things instead of being honest and straightforward when dealing with issues and inconsistencies etc. etc.

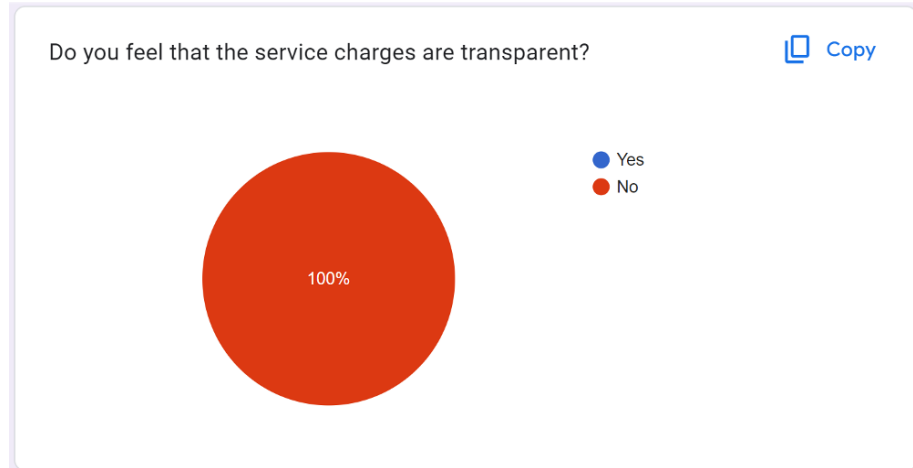
10.4.13. Below are a selection of comments provided by our members to add more background information about the average leaseholder's point of view:

10.4.13.1. "I think the current Managing Agent is more trust worthy than SDL/HML - but not enough to score higher than 3. Often I find information is withheld, and it's only by me talking with everyone else do I learn the full picture of what Jamie was trying to explain. I think that whilst the Managing Agents are appointed by the Freeholder things will never be trustworthy. They always work to the Freeholder's best interests never the leaseholder's."

10.4.13.2. "I feel that they as a company they are untrustworthy. They communicate poorly, change their name a lot and don't explain what costs are for. They also send bills years later, which seems strange. They act with as if they have no rules or regulations and are unfair with how long they want us to pay stuff back."

10.4.13.3. “The bills sent are in poor quality and they also admit errors and keep adjusting the bills multiple times with no detailed explain. I sent multiple emails to query the balancing charge bills They fail to respond to my email and nobody is answering the phone.”

10.4.14. We asked our members about whether they worth the service charges are transparent:



10.4.15.

10.4.16. The above graph shows that 100% of people questioned stated that the service charges were not transparent. Examples of this include not having straightforward questions answered (i.e. asking what the current reserves are for the building), Section 21 requests being ignored/delayed, **the accounts for the building being in draft status for 3 years+** with no explanation why, being charged extra amounts or being charged several times for the same thing with no explanation, Section 22 requests not being fulfilled according to the requirements of the law/lack of providing the necessary details and invoices, lack of sensible replies to queries relating to charges, dishonesty regarding services we are paying for but not receiving (e.g. regular window cleaning, maintenance etc.).

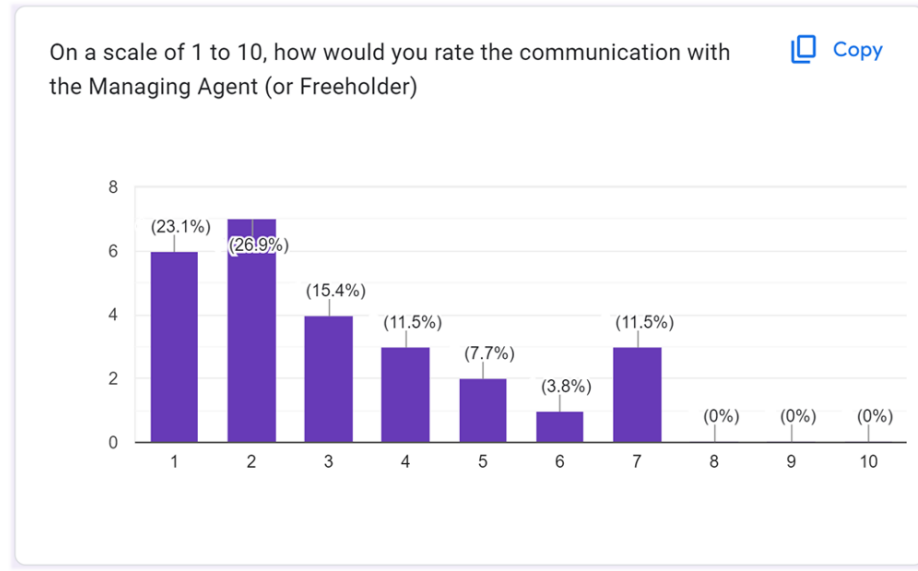
10.4.17. Below are a selection of comments provided by our members to add more background information about the average leaseholder’s point of view:

10.4.17.1. *“As above, window cleaning, maintenance that has no basis or transparency, vague staff charges that cost thousands, garden work that hasn't been done for over a year, bulky waste collections we pay for monthly even though it's virtually never needed, the list goes on.”*

10.4.17.2. *“The information given is confusing and does not necessarily relate to my block. Hence to be honest I don't know exactly what I am paying for.”*

10.4.17.3. *“Maintenance, cleaning, upkeep. Everything is slowly degrading.”*

10.4.18. We also asked our members to rate the communication that our Managing Agent provides:



10.4.19.

10.4.20. The above graph shows that there is a significant skew of leaseholder’s feedback towards a group consensus that the Managing Agent’s communication is poor.

10.4.21. The graph highlights that 50% of leaseholders find that the Managing Agents communication is the worst or almost the worse. With 76.9% of leaseholders ranking the communication of the Managing Agent below average.

10.4.22. Below are a selection of comments provided by our members to add more background information about the average leaseholder’s point of view:

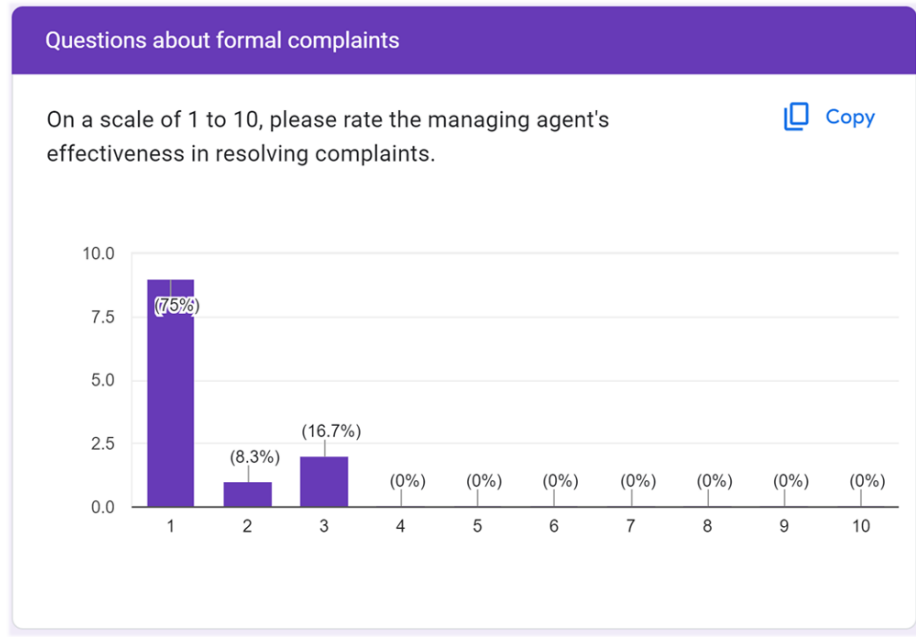
10.4.22.1. “It seems that apart from very trivial issues, I am met with excuses and lack of service. There is no transparency where my huge service charge is going. The only way to start to communicate with them is through endless formal complaints that never really go anywhere.”

10.4.22.2. “The only method to communicate somewhat effectively is by raising a formal complaint. That's if they acknowledge or respond on time. Even then, multiple times they have have requested for an extension to reply. There are always excuses, and never any improvements. For years I have raised S21 and S22 requests, they always fail despite different managing agents being in charge. Ultimately, the Landlord is failing as they are accountable.”

10.4.22.3. “We just get excuses - often trying to put the blame for lack of maintenance onto previous agents or in the case of the car park onto

the company they (we) pay for the maintenance of the car park. I have the impression that the agent will say anything he thinks will get us off his back in the short term whether it is accurate or not.”

10.4.23. The primary method to try and resolve disputes with the Managing Agent is by using the Formal Complaints procedure. We asked our members their thoughts regarding this:



10.4.24.

10.4.25. The above graph shows that every respondent found that the managing agent was below average in resolving their complaints. A huge 75% of respondents said that they were the worst.

10.4.26. Below are a selection of comments provided by our members to add more background information about the average leaseholder's point of view:

10.4.26.1. “I don't think I have ever had a complaint which has been resolved fully to a point that I am satisfied that the outcome that has been achieved between us is correct. Often, I find that managing agents do not respond to each of the points that I raise in the formal complaints procedure, I can only conclude that is because they are selectively choosing which points to respond to ignoring the ones that would end up, causing them to admit liability and further issues. The managing agent always provides loose, woolly, noncommittal responses to my points in their response. I've previously escalated complaints to the freeholder, who doesn't want to know and passes them straight back to the managing agent. there's just always a constant battle between me and the managing agent, with me, having to try and defend my position for fairness, and managing agent, just happily taking my money.”

10.4.26.2. “No clear answer to the questions and takes a long time to respond”

10.4.26.3. “I didn’t receive anything back”

10.4.26.4. “They fail to response to my complaints”

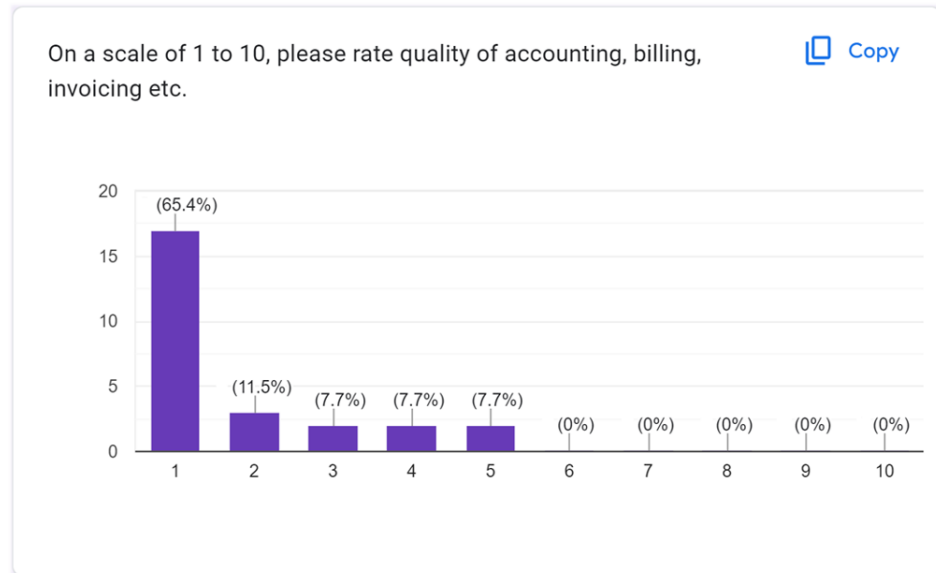
10.5. Give leaseholders a new right to request information about service charges and the management of their building.

- 10.5.1. We as leaseholders already have some limited laws that are meant to ensure transparency over service charges, including raising Section 21 and Section 22 requests, raising formal complaints to address issues, redress schemes, The Property Ombudsman, First Tier Tribunal etc.
- 10.5.2. Unfortunately, landlords and managing agents pay little attention to these. In our experience, The Property Ombudsman only appear to issue marginal fines compared to the severity of the infractions of the law or lease, and even ‘winning’ at First Tier Tribunal can leave leaseholders owing more money in terms of the freeholder’s solicitor’s costs than they actually get awarded, despite the leaseholder being on the right side of the law when compared to the landlord.
- 10.5.3. Landlords have the resources to have ample legal representation while the average leaseholders cannot afford the legal representation they need - often due to having to pay onerous service charges and the high cost of legal representation with unknown future costs in a system that supports the freeholder with their vast sums of money made from exploiting leaseholders in the first place.
- 10.5.4. The whole system is rigged to the benefit of the freeholder. We need information about the service charges to be provided without asking - it should just be provided, and the law should put the emphasis on freeholders and their managing agents doing the right thing with the law working heavily in our favour, and not the other way around.
- 10.5.5. Proof relating to costs should be provided and be made queryable, with lack of evidence meaning costs can be struck off without the need to go to court.
- 10.5.6. However, the best approach would be to abolish leasehold and replace it with commonhold. This means blocks can choose their managing agent and have them reportable to the block, not the freeholder as the

leaseholders own the ground. This would provide leaseholders with the authority that they need to challenge managing agents.

10.5.7. The process feels to be out of reach for many leaseholders, who may be put off by the bureaucratic legal process which requires in-depth property law experience and to be knowledgeable of the court systems. This favours Landlords who have the resources to afford professional legal representation. Resulting in deterring leaseholders who may have valid claims coming forward to try and obtain a reasonable outcome.

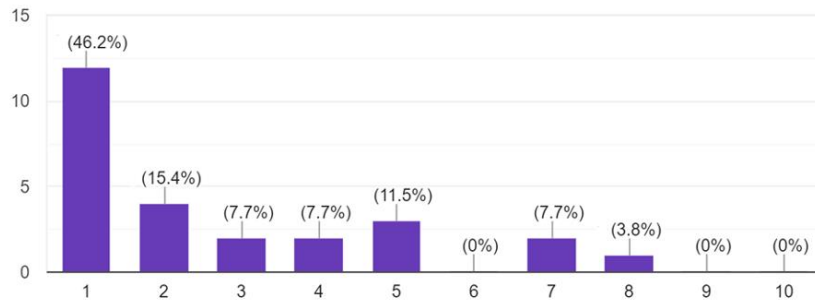
10.5.8. We asked our members to rate the quality of accounting, billing and invoicing



10.5.9. The above graph shows that even when the Landlord/Managing Agent provides information regarding the accounting etc, the information as reported by our members who responded is very poor. 65.4% of members questioned ranked their quality of accounting etc as the worst, with the remaining 26.9% of members ranking it below average on a scale of 2-5 (where 1 is the worst, and 10 is the best). 92.3% of members ranked between the Managing Agent below average for their quality of accounting.

10.5.10. We questioned our members about the effectiveness of the Managing Agent in following the law and the lease:

On a scale of 1 to 10, please rate the effectiveness of the Managing Agent in following the law/statutory requirements/the lease, e.g., Section 20b notices, providing an annual summary of accounts, and Section 21/22 requests.



10.5.11.

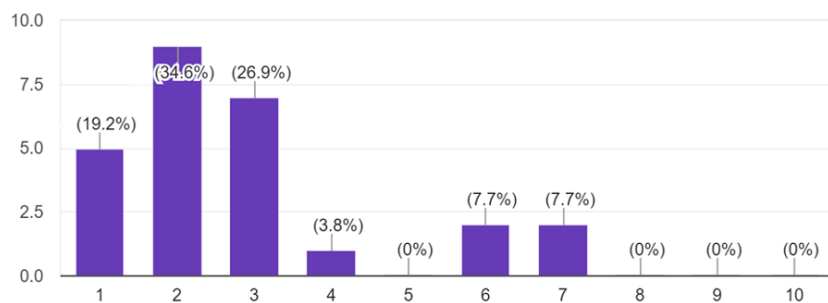
10.5.12.

The above graph shows that the majority of leaseholders do not find that the Managing Agents are effective in following the law. Almost 50% of all leaseholders reported that they rank the managing agent as the worst. 77% of leaseholders questioned stated that they found the Managing Agent to be below average for their effectiveness of the law.

10.5.13.

We also asked our members to reflect on the services that our Managing Agents provide:

On a scale of 1 to 10, how would you rate the services provided by the managing agent?



10.5.14.

As shown in the graph above the majority of leaseholders questioned found that the services were vastly below average. 84.5% of leaseholders found that the

services ranked below average, and 53.8% of leaseholders found that the services provided were the worst or almost the worst.

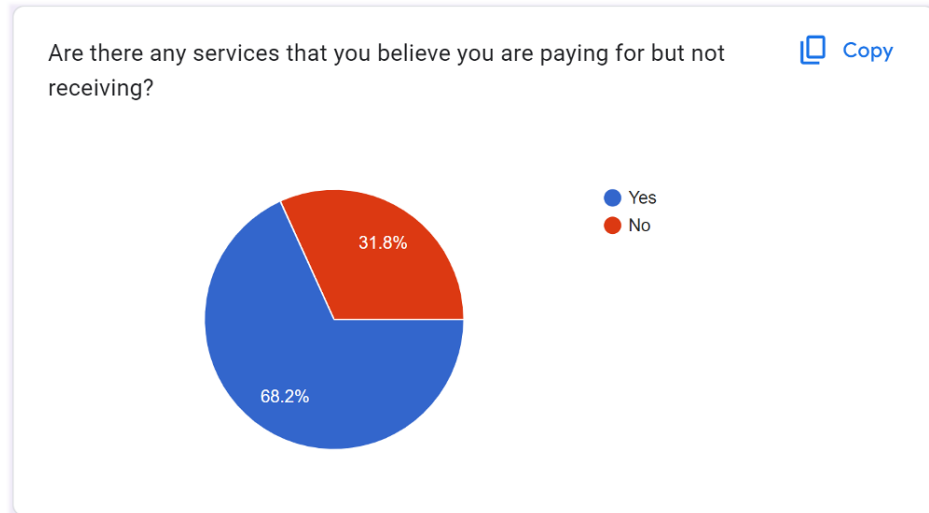
10.5.15. This shows that leaseholders greatly do not see the value for the amount that they are paying.

10.5.16. Below are a selection of comments provided by our members to add more background information about the average leaseholder's point of view:

10.5.16.1. "Disproportionately high service charges for the area, additional charges via balancing charges, constant mistakes with accounting despite accounts being signed by a qualified accountant, laws being broken (not providing accounts on time, not abiding by section 21 and section 22 requests either on time, or at all), cockroaches in my block for almost 2 years before any action was taken (which was only facilitated after I personally obtained a quote from a pest controller and handled contacting residents to gain access), rudeness of staff (you do not expect to be greeted with "here about the service charge" when you knock on the site office door for help with something else, lack of transparency (being told different things by different managers), very little service provided for almost £3000 per year (no redecorating or carpet cleaning done) the list is endless"

10.5.16.2. "Everything is just awful, and nothing seems to be done logically or correctly. The accounts are a complete mess, they are years behind, unable to accurately determine budgets because they are so far behind. Multiple formal legal notices like S21, S22 have not been responded to correctly. The repairs and maintenance is not being completed correctly. Every year the service charge increases regardless..."

10.5.17. Inline with the above questions that we asked our members we also asked whether they thought that they were paying for services that they were not receiving:



10.5.18.

10.5.19. We found that the majority of leaseholders (68.2%) of people felt that they were paying for services that were not being delivered. Again this represents the unfair value that leaseholders are paying for their service charge.

10.6. Improve the transparency of administration charges and buildings insurance commissions.

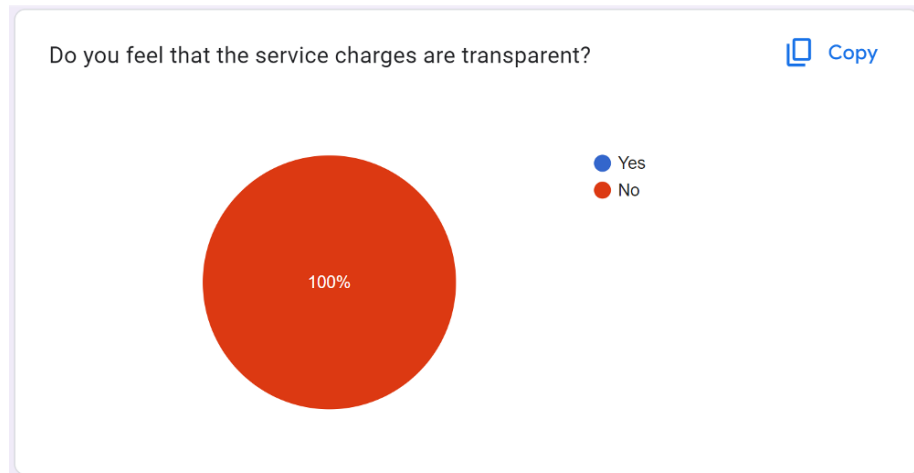
10.6.1. Nothing about leasehold is transparent, so we welcome this.

10.6.2. In addition, the freeholder has used the same insurance company for many years and never obtains alternative quotes, just letting policies auto-renew while creaming in huge commissions that leaseholders pay for.

10.6.3. In reality, leasehold is just a racket for freeholders and managing agents making huge amounts of money at unreasonable cost to leaseholders - we are sure it was never designed to do this originally but that has what it has become.

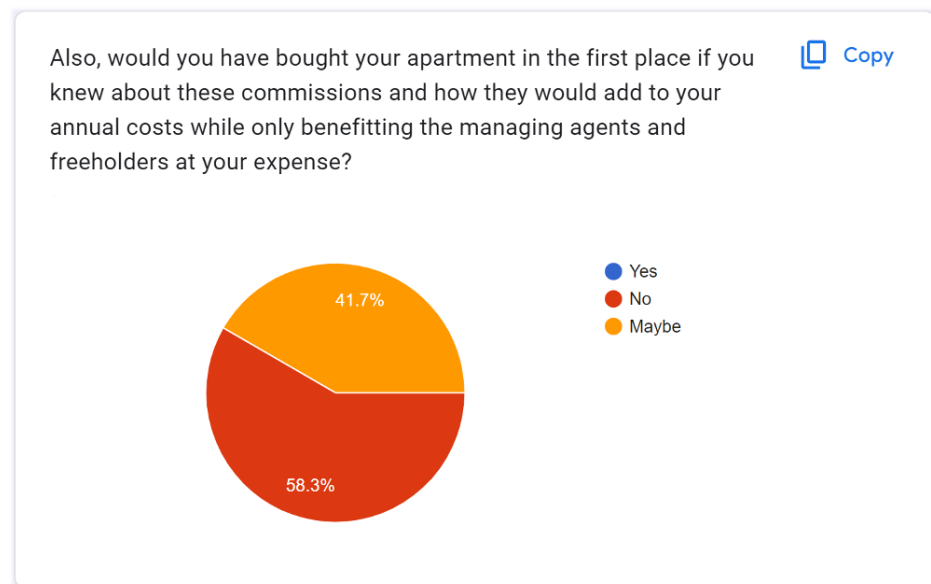
10.6.4. We need fixed service costs, and only where freeholders have actually done some work for it, e.g. obtaining alternative quotes. It would be great to have landlords obtain several quotes - much in the way leaseholders would obtain insurance quotes - and go with the best priced policy providing a suitable (but not over-the-top) level of cover. It would be great for leaseholders to have input into this.

10.6.5. We questioned our members about whether they thought that the service charges were transparent:



10.6.6. 100% of people stated that they thought the service charges were not transparent.

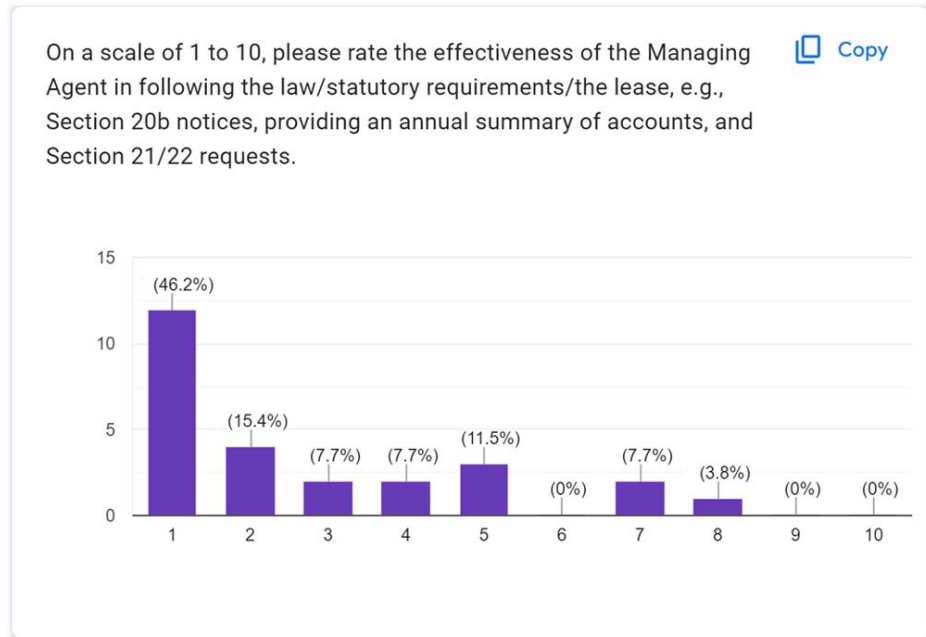
10.6.7. Following this question, we questioned our members whether they would have considered purchasing their apartment if they knew about the commissions that the Landlord/Managing Agent were receiving from the service charge:



10.6.8.

10.6.9. 58.3% of respondents said that they would not have purchased their property, and 41.7% of people would only have maybe purchased their property. But 100% of people said "Yes". This clearly shows that people are not comfortable with the commissions that leaseholders are paying for.

10.6.10. We questioned our members about the effectiveness of the Managing Agent in following the law and the lease:



10.6.11.

10.6.12. The above graph shows that the majority of leaseholders do not find that the Managing Agents are effective in following the law. Almost 50% of all leaseholders reported that they rank the managing agent as the worst. 77% of leaseholders questioned stated that they found the Managing Agent to be below average for their effectiveness of the law.

10.7. Ensure leaseholders are not subject to any unjustified legal costs and can claim their own legal costs from their freeholder.

10.7.1. We agree with this as currently the law is skewed totally in the favour of the freeholder, both in terms of costs and access to solicitors. We need a level-playing field, not just in terms of fees but also legal representation.

10.7.2. Leaseholders need a system whereby they don't need to effectively be solicitors to hold the landlord to account, and there should be other bodies (perhaps a reformed Property Ombudsman) that has the time to review complaints fully and have the power to issue severe charges in terms of compensation that are large and will be a serious deterrent to

managing agents and landlords abusing the law and leaseholders.
Currently, from experience, we have nothing like this in place.

- 10.7.3. Based on our experiences with the Property Ombudsman, they are exceptionally overstretched and are unable to review complaints swiftly taking 6-12 months to review complex cases without going into detail.
- 10.7.4. 2.7.3 should indicate that there are significant issues with the current system, and that more bodies need to be set up with swifter processes to dealing with leasehold issues fairly.

10.8. Give freehold homeowners who pay charges for the maintenance of communal areas and facilities on a private or mixed-tenure residential estate the right to challenge the reasonableness of charges and the standard of services provided.

- 10.8.1. This isn't applicable for Park Central.

10.9. Improve the transparency of estate charges and ensure freehold homeowners receive key information on a regular basis.

- 10.9.1. This isn't applicable for Park Central.

10.10. Ensure a rentcharge owner is not able to take possession or grant a lease on a freehold property where the rentcharge remains unpaid for a short period of time.

- 10.10.1. This isn't applicable for Park Central.

11. Our community's experience

11.1. Overview

- 11.1.1. This document has been created by two Park Central Residents' Association (PCRA) officers, the Secretary, Steve J (leasehold@stevejakab.com), and the Chairperson.
- 11.1.2. We have incorporated evidence obtained both from a questionnaire sent out electronically in which we've invited both PCRA members and also leaseholders who live here who are not PCRA members.
- 11.1.3. We have also added evidence and draw on our own extensive experience living at Park Central, Birmingham as leaseholders having engaged with several managing agents over the years as well as the freeholder.
- 11.1.4. While we value the work that is being done to introduce reform via the Leasehold and Freehold Reform Bill, however, we don't feel that it goes far enough, given the severity of current issues that exist under leasehold and rate at which these issues are escalating both in terms of severity and rapidity.
- 11.1.5. As such, and given we have our finger on the pulse of the community here as well as our own experiences to draw from, we wish to list specific problems and give our recommendations on how these issues can be addressed

11.2. Escalating Service Charges

- 11.2.1. Escalating service charges are the number one concern of leaseholders living at Park Central - as confirmed as part of our questionnaire survey. This covers three areas:
 - 11.2.1.1. Painfully high service charges
 - 11.2.1.2. Rapidly escalating service charges
 - 11.2.1.3. Extraneous charges on top of the high service charges
- 11.2.2. Painfully high service charges
- 11.2.3. Example provided by a resident living at Park Central in a two bedroom apartment in a block of 24 apartments with no additional services whatsoever aside from one parking space in a communal parking space (no concierge service, no gym etc).

- 11.2.3.1. The service charges here at Park Central are extremely high, and are approaching unsustainable levels. For the year 2023-24 I'm paying almost £3,500 per year, and that's assuming I don't receive a balancing charge demanding more money when the accounts are finalised for the year.
- 11.2.3.2. For this amount, we get some basic cleaning (vacuuming of carpets) every couple of weeks and reactive maintenance prompted by leaseholders rather than proactive maintenance identified by the managing agent.
- 11.2.3.3. We don't get proactive maintenance of the garden areas (they haven't been maintained for over a year), de-mossing, de-weeding or even basic maintenance of plants/bushes (some have died). Also, litter isn't cleaned up in the communal car park areas even though the managing agents staff do 'daily walks' around the grounds.
- 11.2.3.4. In addition, high services charges are now becoming yet another barrier to selling apartments. For example, more and more lenders are requiring annual service charges to be no more than 1% of the cost of the value of the building, and if they are more than this, those lenders will not lend.
- 11.2.3.5. This is due to their concern that when combined with mortgage costs, leaseholders won't be able to continue to afford the ongoing and increasing costs associated with owning a leasehold apartment. This further traps leaseholders into being unable to sell their apartment and get out of the leasehold nightmare.

11.3. Rapidly escalating service charges

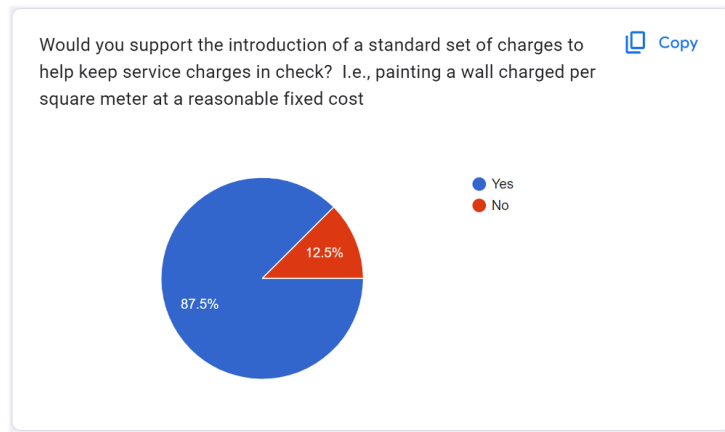
- 11.3.1. The anticipated service charges go up by around 8-10% each year, despite no increase in service. As this figure continues to go up, more and more leaseholders are falling behind in payments, despite service being minimal and service charges not covering the cost for any long-term scheduled services when they are required (e.g. decorating).
- 11.3.2. Leaseholders are extremely concerned with the rapidly rising costs of service charges and continuing to be able to afford them. In addition, there is increased anger that while service charges are going up, the managing agents are unwilling to be clear and transparent or even fair with costs, often breaking the law and yet using the heavy hand of the law to pursue outstanding demands, and all the while the freeholder doesn't want to get involved and help, always

batting problems back to the managing agents even when the accountability lies 100% with the freeholder.

11.3.3. If this trend continues, an increasing number of leaseholders will fall behind with charges and eventually may need to relinquish their lease as managing agents get more and more heavy handed while breaking the law themselves.

11.3.4. We asked our members whether they would either;

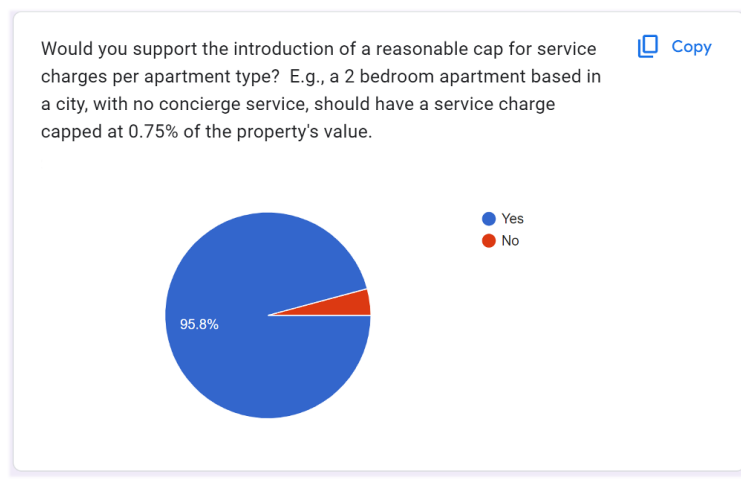
11.3.4.1. Support the introduction of a standard set of charges to help keep services charges in check:



11.3.4.1.1.

11.3.4.1.2. An overwhelming majority would support this with 87.5% of people agreeing.

11.3.4.2. Whether they would support a reasonable cap on service charges .e.g. 1% of property value;



11.3.4.2.1.

11.3.4.2.2. The majority of leaseholders would support this with 95.8% of leaseholders agreeing.

11.4. Extraneous charges on top of the high service charges

- 11.4.1. If sky high and rapidly escalating service charges weren't bad enough, there always seems to be a shortage of money to do anything above the basics of cleaning and essential basic maintenance (e.g. checking water tanks annually). For example, I've been charged a balancing charge of over £350 and issued a Section 20 notice for decoration (painting of walls) and have recently had to pay for fire door remediations - all of which have come out of the blue.
- 11.4.2. This has made it impossible to budget and I've had to cancel events I was otherwise going to go for and redirect money for these extra charges, which I feel should be fully covered by the eye-wateringly high service charges.
- 11.4.3. Significant money has also been taken out of reserves for our building and because of such they are critically low. The whole system is unsustainable and I would largely put this down to the greed and unfairness of the managing agents and landlord while having the backing of a legal system that puts all the onus on the leaseholder on challenging these behaviours without any real help or systems in place to support us in a practical and realistic way.

11.5. Lack of transparency of service charges

- 11.5.1. Despite the law providing ways for leaseholders to challenge the transparency and amounts of service charges (under Section 21 and Section 22 of the Landlord and Tenant Act 1985), managing agents and landlords pay little attention to fulfilling the law both in terms of timing, transparency and completeness; our managing agent is evasive, non-responsive, outright gives false information and is unhelpful.
- 11.5.2. We have never had a Section 21 or Section 22 request been fulfilled on time and correctly/completely - generally the details are erroneous and largely incomplete.
- 11.5.3. The onus then falls on the leaseholder to pursue this via the complicated court system all the while we are being told that it's generally not worth it by charities even the government's own Lease Advisory Service (and that even if we win, we would need to cover the costs for the freeholder's solicitors).
- 11.5.4. With regards to challenging the Freeholder at court, we're also informed that often the compensation awarded to the Leaseholder is not sufficient enough to cover the Landlord's excessive legal fees, which we're forced to pay as part of the lease.

- 11.5.5. I have also been told that legal issues may be bounced between courts as some of them may form a judgment but that fines could only be issued from other courts.
- 11.5.6. On top of that, I was told that strict procedure needs to be followed otherwise cases will simply be dismissed. Based on all of the above, I have found out from multiple charities and organisations that no leaseholder has successfully challenged a landlord over Section 21/22 failings and won.

11.6. Managing agents and freeholder not following the law

- 11.6.1. Our managing agent continually fails to follow the law and the lease. Here are some examples:
 - 11.6.1.1. Ignoring/not providing a summary of accounts in accordance to the lease
 - 11.6.1.2. Not providing summaries of accounts/providing them extremely late or with errors in response to a Section 21 request
 - 11.6.1.3. Providing Section 22 responses very late and omitting most of the details actually being sought that could prove reasonableness (or otherwise)
 - 11.6.1.4. Manufacturing and backdating Section 20b notices by a year in order to appear to be in compliance with the law, while not having sent them out and still raising balancing charges based on these fabricated documents. In addition, charging almost 3 times what the fabricated notice gave as a balancing charge when they eventually found out the deficit was much higher than anticipated
 - 11.6.1.5. Creating Section 20b notices that are not valid, yet insisting that they are and threatening us with legal action if we don't pay the associated balancing charges they raise against them. They are basically committing fraud and we have evidence of this across the estate.
 - 11.6.1.6. Avoiding communicating in a timely manner about important issues (e.g. illegitimate balancing charge demands), being dishonest, giving false information, being evasive and using the law to their favour while breaking it themselves.

11.7. Difficulties selling apartment

11.7.1. I've mentioned above the new issues regarding obtaining mortgages where services charges are high (> 1% of the apartment value), but there is also a history of difficulties that cause sales to fall through. They include:

11.7.1.1. The need for Deed of Variations to try and satisfy the buyer's/lender's requirements

11.7.1.2. The delays caused by the landlord not responding for several months (around 4 months before I could get through to the person I needed to when trying to sell). This caused issues with my buyer's mortgage offer running out even though it was renewed several times.

11.7.1.3. The immediate increases in ground rent, sums of money requested and unfavourable terms the landlord wishes to impose (as well as their solicitor's costs) for agreeing to various terms of the deed of variation

11.7.1.4. The discrepancy between what the lender/buyer wants in the Deed of Variation and what the Landlord is willing to provide

11.7.1.5. The loss of power of the leaseholder if ground rent is over £250 or will go over £250 under Section 8 of the Housing Act 1988 whereby the lease effectively becomes a tenancy agreement.

11.7.2. A leaseholder shouldn't have to put up with the above. Aside from abolishing leasehold, there needs to be quick and simple ways that the above problems can be avoided, backed by law and made easily enforceable by the leaseholder.

11.8. Disproportionately difficult/unfair system to hold freeholder accountable for issues

11.8.1. While leaseholders pay very high service charges, often most of the services we pay for simply aren't provided. These include:

11.8.1.1. Maintaining the car park

11.8.1.2. Maintaining the garden areas/plants and bushes

11.8.1.3. General maintenance

- 11.8.1.4. Scheduled window cleaning at regular intervals
- 11.8.1.5. Bulky waste collections (being charged for them when they are not needed)

11.8.2. In addition, we pay for 'staff costs', but the managing agent will not provide concrete data on what the staff do or what they have worked on or how long things have taken. They then back up their unwillingness to provide even basic or averaged information on costs due to 'privacy' and for reasons of 'confidentiality'.

11.9. Lack of willingness for the freeholder/landlord to effectively address issues

11.9.1. While all of these issues are ongoing with the managing agents, the landlord simply does not want to be involved. Issues include:

- 11.9.1.1. Ignoring emails
- 11.9.1.2. Closing down complaints with no explanation whatsoever
- 11.9.1.3. Handing issues that are ultimately their responsibility back to the managing agents to resolve, even if the managing agents aren't effectively addressing them in the first place or even subsequently
- 11.9.1.4. Not taking any accountability for issues that the landlord are responsible for, e.g. accounts being draft for 3 years+ and issues due to ineffective changeovers between managing agents on their watch

11.10. What should be done

11.10.1. Here is our list of recommendations in priority order of steps that can be used to resolve these issues:

- 11.10.1.1. Abolish leasehold and make existing apartment blocks commonhold
- 11.10.1.2. Reduce ground rent to peppercorn, or make it extremely affordable to do the same without a lease extension.
- 11.10.1.3. Fix ground rent to no more than £250 per year, and if ground rent is currently less than £250/year, fix it to that amount indefinitely with the option of paying a small amount of money to reduce it to peppercorn.

- 11.10.1.4. Make it illegal for Managing Agents and Landlord's to be paid a commission at the Leaseholder's expense.
- 11.10.1.5. Create a fixed upper limit for service charges, i.e. no more than 1% of the apartment value as valued by independent estate agents, based on facilities provided.
- 11.10.1.6. Give the Property Ombudsman new powers to issue painful fees for non-compliance of the law and/or lease to both managing agents AND the landlord. Have issues dealt with quickly rather than having issues take 12 months+ to be seen and only token charges issued (typically 1/8th or less of the service charge for one year for multiple criminal offences).
- 11.10.1.7. A complete overhaul of the whole legal system when it comes to leaseholders, so leaseholders don't need to be legal experts to challenge the landlord (or have deep pockets for legal expenses), and create hefty fines for breaches of the law for both landlords and managing agents. Make it easy for leaseholders and difficult and very expensive for landlords. Fine both the landlord and their managing agents for their duplicity in the leasehold scandal.
- 11.10.1.8. Have the managing agents reportable to leaseholders, not the landlord, and make it easy for leaseholders to change them.
- 11.10.1.9. Make buying the freehold easy and affordable for leaseholders, on an individual basis or block basis.
- 11.10.1.10. Have landlords maintain blocks and fulfill all obligatory requirements at their expense, not the leaseholders (as if a landlord would need to do if they were renting out a house to tenants). For example, a ordinary landlord would be responsible for the maintenance of their property, so why are leaseholders responsible for the freeholder's building?
- 11.10.1.11. Recognise and raise awareness with full accountability of past breaches by managing agents and landlords and ensure they make suitable reparations. Have bodies set up to do this, and claim back all the illegitimate charges and issue fines to landlords and claim hefty compensation for leaseholders that can prove they've been affected. Get money back into the blocks that has illegitimately been used to furnish both managing agents and landlords with their unscrupulous and lucrative income streams while holding leaseholders hostage.

11.11. The time and energy from leaseholders challenging the Freeholder and Managing Agent

- 11.11.1. A significant amount of time is being spent in Park Central reviewing, auditing, challenging the Landlord, be it via emails, Section 21, Section 22, Formal Complaints and escalating to other bodies.
- 11.11.2. Such a significant amount of time is being spent each year on this activity which is an ongoing never ending phenomenon for leaseholders; who are forced to spend this time to actively try to ensure that the bare essential basics of property management are carried out for them.
- 11.11.3. This is not something which leaseholders should be doing, especially not when they are paying excessive service charges, and it prevents them from doing more economic and social benefiting activities.

12. Appendix of evidence

- 12.1. The questionnaire results used to create this submission of evidence has been collated and is accessible via the following Google Drive link;
- 12.2. https://drive.google.com/file/d/1eOCFtczi4Fihor0uM7XzKkJ_bUksmpHM/view?usp=share_link
- 12.3. If you have difficulties access this information, then please contact either the Secretary, Steve J (leasehold@stevejakab.com), or the Chairperson.