

Leasehold and Freehold Reform Bill

AMENDMENTS
TO BE MOVED
IN COMMITTEE OF THE WHOLE HOUSE

Clause 60

LORD MOYLAN

Clause 60, page 76, line 36, at end insert –

- “(1A) Subsection (1) does not apply to a Right to Manage Company constituted under the Commonhold and Leasehold Reform Act 2002 when exercising the functions of the landlord.”

After Clause 116

LORD YOUNG OF COOKHAM

After Clause 116, insert the following new Clause –

“Amendment of the meaning of accountable person

- (1) Section 72 of the Building Safety Act 2022 is amended in accordance with subsection (2).
- (2) At the end of subsection (1)(b) insert “, or
 - (c) a manager appointed under an order of the appropriate tribunal made under section 24 of the Landlord and Tenant Act 1987.””

Member's explanatory statement

This amendment includes a section 24 manager within the definition of accountable person. This is to prevent a landlord who has been replaced with the Tribunal appointed manager from regaining access to service charge funds as an accountable person.

LORD YOUNG OF COOKHAM

After Clause 116, insert the following new Clause –

“Qualifying buildings under the Building Safety Act 2022

- (1) The Building Safety Act 2022 is amended in accordance with subsections (2) and (3).

- (2) In section 117 –
 - (a) subsection (2), omit all words after “dwellings” to the end;
 - (b) omit subsection (3).
- (3) Omit section 118.”

Member's explanatory statement

This amendment changes the definition of “qualifying building” so that buildings of any height, and resident-owned buildings, qualify. This change would apply the protections in Part 5 of, and Schedule 8 to, the Building Safety Act 2022 to all leaseholders. Consequently, section 118 of the same Act is repealed.

LORD YOUNG OF COOKHAM

After Clause 116, insert the following new Clause –

“Qualifying leases under the Building Safety Act 2022

- (1) Section 119 of the Building Safety Act 2022 is amended in accordance with subsections (2) to (8).
- (2) In subsection (2) replace section 119(2)(d)(ii) with the following –
 - “(ii) a relevant tenant owned more than one dwelling in the United Kingdom but the aggregate value of those dwellings did not exceed £2 million, or”
- (3) After subsection (2) insert the following –
 - “(2A) Where a person owns more than one dwelling, regardless of whether the dwellings are all let on long leases, the first three such dwellings let on long leases are to be deemed qualifying leases.”
- (4) After subsection (3A) insert the following –
 - “(3B) It shall be an implied term of every lease that the landlord must issue a certificate to every tenant (the “Cessation Certificate”) as soon as any of the prescribed conditions are met.
 - (3C) The distinction in subsection (3) shall no longer apply in relation to any lease from the date the landlord provides a Cessation Certificate in accordance with subsection (3B).”
- (5) In subsection (4)(b) after “of it” insert “and where a person owns an interest in more than one dwelling with more than one other person, then that person’s interest is pro-rated by reference to the total number of owners of each such dwelling”.
- (6) After subsection (4)(b) insert the following –
 - “(zb) “prescribed” means prescribed in regulations made by the Secretary of State;”

- (7) After subsection (4)(d) insert the following –
- “(e) “value” means the value determined in accordance with regulations made under paragraph 6 of Schedule 8 to the this Act.”
- (8) The amendments made by this section are deemed to have been in force since 28 June 2022.”

Member's explanatory statement

This amendment (a) ends the distinction between qualifying and non-qualifying leases once prescribed conditions are met (for example, an effective level of fire safety is achieved); (b) ensures every leaseholder has protection for the first three flats owned; (c) apportions protection to non-qualifying leaseholders based on ownership and (d) introduces a wealth criteria before costs can be passed on to non-qualifying leaseholders.

LORD YOUNG OF COOKHAM

After Clause 116, insert the following new Clause –

“Report on Remediation Works Agency

Within a period of two months beginning on the day this Act is passed, the Secretary of State shall lay a report before both Houses of Parliament containing –

- (a) details of the progress with remediation of fire safety risks in residential or mixed-use residential buildings of all heights since June 2017,
- (b) an explanation of the steps His Majesty’s government is taking to accelerate remediation works in all affected buildings,
- (c) an update on the progress His Majesty’s Government has made in obtaining contributions from developers and other parties responsible for the design, construction or sale of defective residential or residential mixed use buildings, and
- (d) proposals for the creation of a Remediation Works Agency to accelerate and oversee remediation works for fire safety defects such that all buildings are remediated by no later than 30 June 2027.”

Member's explanatory statement

This amendment requires the Secretary of State to report on the progress of remediation of, and holding responsible actors accountable for, fire safety defects and to put forward proposals for a new body to oversee and accelerate remedial works so they are completed by no later than June 2027.

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