

# Leasehold and Freehold Reform Bill

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AMENDMENTS  
TO BE MOVED  
IN COMMITTEE OF THE WHOLE HOUSE

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**Clause 28**

THE LORD BISHOP OF MANCHESTER  
LORD MOYLAN

*The above-named Lords give notice of their intention to oppose the Question that Clause 28 stand part of the Bill.*

***Member's explanatory statement***

*This amendment would retain the current minimum threshold of 25% floor area of a building occupied by non-residential purposes which prevents a collective enfranchisement claim being launched, to enable large estate owners to continue to ensure liveable communities with the amenities people need.*

**Schedule 4**

THE LORD BISHOP OF MANCHESTER  
LORD MOYLAN

Schedule 4, page 161, line 15, at end insert –

- “(3A) But in a case where the freeholder is a charity and the freehold interest was vested in that charity immediately before the passing of this Act –
- (a) assumption 2 must not be made, and
  - (b) accordingly, marriage and hope value are payable.”

***Member's explanatory statement***

*This amendment would provide that, where the freeholder in the case of a lease extension or freehold enfranchisement is a charity which had owned the freehold interest since before the passing of the Bill, marriage and hope value are payable.*

LORD MOYLAN

Schedule 4, page 161, line 15, at end insert –

- “(3A) Where assumption 2 is made, the person (natural or legal) to whom marriage value would otherwise have been payable, may claim monetary compensation

for the sum foregone from the Secretary of State and the Secretary of State must within twelve months of receiving such a claim make compensation such as to ensure that person's rights to property have not been infringed."

***Member's explanatory statement***

*This amendment would ensure that a landlord's legitimate expectation of a share of marriage value was not removed without compensation from the Secretary of State.*

THE LORD BISHOP OF MANCHESTER  
LORD MOYLAN

Schedule 4, page 170, line 36, at end insert –

- “(2A) But in a case where the freeholder is an eligible person and a charity and the freehold interest was vested in that charity immediately before the passing of this Act –
- (a) assumption 2 (in paragraph 17(3)) must not be made, and
  - (b) accordingly, marriage and hope value are taken into account in determining the freeholder's loss.”

**Clause 47**

THE LORD BISHOP OF MANCHESTER  
LORD MOYLAN

*The above-named Lords give notice of their intention to oppose the Question that Clause 47 stand part of the Bill.*

***Member's explanatory statement***

*This amendment would retain the current minimum threshold of 25% floor area of a building occupied by non-residential purposes which prevents a right to manage claim being launched, to enable large estate owners to continue to ensure liveable communities with the amenities people need.*

**After Clause 48**

BARONESS PINNOCK

After Clause 48, insert the following new Clause –

**“Report: restrictions around ground rent investments**

- (1) Within six months of the day on which this Act is passed the Secretary of State must lay before Parliament a report outlining the impact of this Act on ground rent investments.
- (2) The report in subsection (1) must also make an assessment of the impact of –
  - (a) prohibiting future ground rent investments, and
  - (b) encouraging divestment from existing ground rent investments

on leaseholders and freeholders.

- (3) In this section “ground rent investment” means investment by a pension fund or other type of fund in leaseholds for the purpose of collecting ground rent.”

***Member's explanatory statement***

*This is a probing amendment that would require the Government report on the impact of this Act on ground rent investments, and the impact of prohibiting future ground rent investments and encouraging divestment from existing ground rent investments on leaseholders and freeholders.*

**Clause 56**

BARONESS THORNHILL

Clause 56, page 68, line 16, at end insert –

- “(ba) an order that penalties be applied to the price payable for enfranchisement to acquire a freehold, to reflect the dereliction of duty to leaseholders;”

***Member's explanatory statement***

*This amendment seeks to ensure that leaseholders are entitled to apply to the appropriate tribunal to ensure that freeholders who do not provide the agreed estate management services can be subject to penalty at sale of the freehold.*

**After Clause 67**

BARONESS TAYLOR OF STEVENAGE

After Clause 67, insert the following new Clause –

**“Leaseholder protection against costs arising from the new building safety regulatory framework**

In section 30D of the Landlord and Tenant Act 1985, after subsection (9) insert –

- “(10) The amount payable by a tenant under a lease to which subsection (3)(a) applies shall not exceed £75 per annum.
- (11) The Secretary of State may by regulations made by statutory instrument, alter that figure; such regulations may additionally make different provision for different descriptions of landlord or tenant.””

***Member's explanatory statement***

*This new clause would impose a cap on charges that can be passed on to leaseholders in relation to cost incurred as a result of the new building safety regulatory framework introduced by the Building Safety Act 2022.*

**Clause 72**

BARONESS THORNHILL

Clause 72, page 93, line 7, at end insert –

- “(c) only where they are incurred in the provision of services or the carrying out of works that would not ordinarily be provided by local authorities.”

***Member's explanatory statement***

*This amendment would mean that services or works that would ordinarily be provided by local authorities are not relevant costs for the purposes of estate management charges.*

**After Clause 74**

BARONESS THORNHILL

After Clause 74, insert the following new Clause –

**“Estate management services**

- (1) Within three months of the passage of this Act, the Secretary of State must by regulation provide for residents of managed dwellings to take ownership of –
  - (a) an estate management company, or
  - (b) the assets of an estate management company, or other company or business connected with the development or management of the dwellings, which are used to provide services to managed dwellingswhere a relevant condition in subsection (2) is met.
- (2) A relevant condition is if the estate management company or connected company or business does not –
  - (a) provide the residents of the managed dwellings with a copy of its budget for the forthcoming year and accounts for the past year;
  - (b) give sufficient notice to enable residents to attend its annual meeting; or
  - (c) acknowledge correspondence sent by registered post to its registered office within a reasonable length of time.
- (3) Regulations under subsection (1) –
  - (a) may amend primary legislation; and
  - (b) may not be made unless a draft of the instrument has been laid before and approved by a resolution of each House of Parliament.”

***Member's explanatory statement***

*This amendment would enable residents to take ownership of estate management companies where the existing management companies are not providing them with an adequate service.*



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*17 April 2024*

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