

Expert group to help homeowners gain more control over their homes

Homeowners are set to benefit from greater control over their home and building, as an advisory panel prepares them and the market for the widespread uptake of a collective form of homeownership, known as commonhold.

As part of the biggest reforms to English property law for 40 years, Housing Secretary Robert Jenrick has today (13 May 2021) launched the Commonhold Council – an advisory panel of leasehold groups and industry experts who will inform the government on the future of this type of homeownership.

The commonhold model is used widely around the world and provides a structure for homeowners to collectively own the building their flat is in, with a greater say on their building's management, shared facilities and related costs. There are no hidden costs or charges, preventing some of the egregious practices currently seen in some leaseholds.

The Commonhold Council, chaired by Building Safety Minister Lord Greenhalgh, will form a partnership of leasehold groups and industry representatives. These members – including Leasehold Knowledge Partnership, the National Leasehold Campaign, UK Finance and the British Property Federation – will bring their expertise on the consumer needs and market readiness for commonhold within the housing sector.

Commonhold gives homeowners more autonomy over the decisions that are made. They are in control of their building in what is known as the building's 'commonhold association'.

The newly formed Commonhold Council will help to make this a reality for more homeowners – as the government takes action to make home ownership fairer and more secure.

The move follows recommendations made by the Law Commission to simplify the commonhold system and expand its use for both new homes and existing leasehold buildings. The government will respond to these recommendations in due course.

Housing Secretary Robert Jenrick said:

We want to give homeowners across the country the autonomy they deserve.

The new Commonhold Council launched today will – together with leasehold groups and industry experts – pave the way for homeowners in England to access the benefits that come with greater control over your home.

We are taking forward the biggest reforms to English property law

for 40 years – and the widespread introduction of commonhold builds on our work to provide more security for millions of existing leaseholders across England, putting an end to rip-off charges and creating a fairer system.

Professor Nick Hopkins, Commissioner for Property Law at the Law Commission said:

The Commonhold Council will help to reinvigorate commonhold, complementing our recommendations for a reformed legal framework.

I am delighted to be able to support the Council's work, which will pave the way for commonhold to be used widely, ensuring homeowners will be able to call their homes their own.

This builds on the announcement in the Queen's Speech, where government set out its intention to restrict ground rents for new residential long leases to a peppercorn. Earlier this year, the government also announced changes that will mean that any leaseholder who chooses to can extend the lease on their home by 990 years, on payment of a premium, and will no longer pay any ground rent to the freeholder.

These changes will enable those who dream of fully owning their home to do so without cumbersome bureaucracy and additional, unnecessary and unfair expenses.

A Law Commission report said last year the leasehold system was not working for home owners. These changes will make the leasehold system fairer, cheaper and simpler. Today's announcement is a positive step to ensuring that homeowners have equal opportunity to manage their properties with fairness and dignity.

The newly appointed members of the Commonhold Council are:

- Damian Greenish, British Property Federation
- Paul Broadhead, Building Societies Association
- Bob Smytherman, Federation of Private Residents' Associations
- Kate Faulkner, Home Buying & Selling Group
- David O'Leary, Home Builders Federation
- Andrew Bulmer, Institute of Residential Property Management
- Philip Freedman CBE, QC (Hon), Law Society
- Sebastian O'Kelly, Leasehold Knowledge Partnership
- Katie Kendrick, National Leasehold Campaign
- Professor Chris Hodges, University of Oxford
- Charles Roe, UK Finance

A Technical Support Group will also be established to offer practical, legal and analytical expertise to the council. This will be provided by:

- Tim Collins, Barratt Developments PLC

- Professor Nick Hopkins, Law Commission
- Anthony Essien, LEASE
- Rob Stevens, Nationwide Building Society
- Mairead Carroll, RICS
- Philip Rainey QC, Tanfield Chambers
- Professor David Clarke, University of Bristol
- Professor Hazel Easthope, University of New South Wales
- Dr Sarah Payne, University of Sheffield

The Commonhold Council will consider the practical steps to implement a reinvigorated commonhold system. Find more information on the [Terms of Reference for the Commonhold Council](#).

Commonhold is a form of freehold home ownership, largely for use in flats or other interdependent buildings – and provides a structure to manage any shared parts of the building.

There is no third-party landlord – homeowners themselves have shared control and responsibility over the management of the building, shared facilities and their associated charges. Homeowners may choose to employ a professional managing agent to look after the building, but they remain in control.

Like other forms of freehold ownership, commonhold comes with shared responsibilities for homeowners to repair, maintain and insure buildings – or employ professionals to do so on their behalf. The Council will provide advice on how to support homeowners in taking on greater responsibilities for their building and will also help to ensure services, such as lending, property management and conveyancing, are ready to provide for widespread take up.

Forms of commonhold are found in many other parts of the world, including Australia, New Zealand, Canada and the USA, and many parts of Europe. Commonhold currently exists as a form of homeownership in this country and legislation came into force for England and Wales in 2004.

The government is also working to improve the leasehold system and set out plans in the Queen's Speech for the Ground Rent Bill that will free future leaseholders of additional costs associated with a lease in a building, known as 'ground rent' – by preventing building owners from charging this on new leases.

This is the first step in a series of ambitious leasehold reforms, which will give millions of leaseholders the right to extend the length of their lease to 990 years, on payment of a premium, with future ground rent set at zero. The government's reforms will also simplify the process and reduce the premium payment required for many leaseholders, when extending their lease or becoming a freeholder. Find [more information](#) on GOV.UK.