



Ministry of Housing,
Communities &
Local Government

Matthew Pennycook MP

Minister of State for Housing and Planning

2 Marsham Street

London

SW1P 4DF

Our reference: MC2026/14883

Sue Phillips
Shared Ownership Resources

By email: info@sharedownershipresources.org

18 June 2026

Dear Sue,

Thank you for your correspondence of 27 May regarding an open letter calling for a leasehold toolkit for shared owners, and for shared owners not to be excluded from benefits of ongoing leasehold and commonhold reform.

I appreciate how important this matter is and I am grateful to you for taking the time to write. I have asked my officials to address your concerns in the letter appended.

Please be assured that I am conscious of the matters you have raised, and I appreciate the insight your correspondence provides.

I hope the attached response suitably addresses your enquiry. If that is not the case, please don't hesitate to let me know.

Best wishes,

MATTHEW PENNYCOOK MP
Minister of State for Housing and Planning



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Dear Sue Phillips,

Thank you for your correspondence to which the Housing Minister has asked me to reply. I appreciate you writing to us to share your views on the inclusion of shared ownership in leasehold reforms including the ask for a specific toolkit. I have passed this on to relevant teams working on our reforms.

Leaseholders can get free information and initial advice from The Leasehold Advisory Service ('LEASE'). LEASE offers a comprehensive range of online resources, as well as a telephone and email enquiry service. LEASE can be contacted through their website www.lease-advice.org, via telephone (020 7832 2500) or by email (info@lease-advice.org).

The King's Speech on 13 May 2026 confirmed that the Commonhold and Leasehold Reform Bill will be introduced to Parliament in the current parliamentary session.

The Bill will transform the experience of homeownership for millions of leaseholders across the country, modernise property law and deliver a modern housing market. It includes the following key provisions:

- Reinvigorating commonhold, making it workable for more types of building to offer full freehold ownership and greater resident control to as many people as possible.
- Banning the use of leasehold for new flats, ensuring commonhold becomes the default tenure for new residential blocks for sale.
- Making it easier for existing leaseholders to convert to commonhold, including reducing barriers to participation.
- Capping ground rents at £250 per year for leaseholders, changing to a peppercorn after 40 years.
- Abolishing forfeiture and replacing it with a fairer, more proportionate system.
- Repealing the draconian powers for the enforcement of estate rentcharges to better protect homeowners on freehold estates.
- Creating a new right for leaseholders in flats to request improvements, such as a gigabit capable broadband connection.
- Making it cheaper and easier for leaseholders to extend their lease or buy their freehold by 'fixing' enfranchisement provisions in the Leasehold and Freehold Reform Act 2024.

Earlier this year on 27 January, we published a draft Commonhold and Leasehold Reform Bill, available here: www.gov.uk/government/publications/draft-commonhold-and-leasehold-reform-bill, which underwent pre-legislative scrutiny by the Housing, Communities and Local Government Committee. The Committee has now published its pre-legislative scrutiny report. We will carefully consider their recommendations and respond in due course.

The draft Bill built on the publication of the Commonhold White Paper in March 2025, which confirmed the detail of our commonhold reforms and responded to the Law Commission's thorough and expert review of commonhold law.

Alongside the draft Bill, in January we also launched the consultation 'Moving to commonhold: banning leasehold for new flats' which sought views on the Government's plans to introduce a ban on new leasehold flats. The feedback received will ensure we can proceed with a smooth transition to commonhold for new flats, while at the same time protecting the supply of new homes and determining whether there is a case for any justified exemptions. This consultation closed on 24 April 2026 and we are currently considering the responses. The consultation can be found here: www.gov.uk/government/consultations/moving-to-commonhold-banning-leasehold-for-new-flats.

As well as bringing forward further ambitious reform, the Government remains committed to implementing the measures contained in the Leasehold and Freehold Reform Act 2024 as quickly as possible. As highlighted above, the Leasehold and Freehold Reform 2024 Act contains a small number of specific but serious flaws that prevent certain provisions from operating as intended and that need to be rectified via primary legislation. Rectifying these in the Commonhold and Leasehold Reform Bill will, among other things, allow us to commence the 2024 Act's enfranchisement provisions (to extend your lease or buy your freehold). Valuation rates used to calculate the enfranchisement premium will be set by the Secretary of State in secondary legislation. We will consult on valuation rates as soon as possible, ahead of commencing the relevant provisions.

In the meantime, the Government has already made significant progress since Royal Assent of the Act on 24 May 2024 on a number of measures:

- On 24 July 2024, provisions came into force relating to rentcharge arrears, building safety legal costs and the work of professional insolvency practitioners.
- On 31 October 2024, the Government activated further building safety measures.
- On 2 December 2024, we launched a consultation on buildings insurance remuneration, which closed on 24th February 2025. We published our response on 11 July 2025, available here: www.gov.uk/government/consultations/consultation-on-introducing-permitted-insurance-fees-for-landlords-freeholders-and-property-managing-agents/outcome/permitted-insurance-fees-for-landlords-freeholders-and-property-managing-agents-government-response-to-consultation-and-summary-of-responses.
- On 31 January 2025, we commenced the removal of the two-year restriction on enfranchisement and lease extension claims from the point of property purchase so that leaseholders will no longer have to wait.
- On 3 March 2025, we commenced the provisions on the Right to Manage which increases access to the right for thousands of leaseholders in mixed-use buildings, alongside reforming costs and voting rights.
- On 4 July 2025, we published a consultation, jointly with the Welsh Government, on proposals to implement measures under Part 4 of the Leasehold and Freehold Reform Act 2024

covering service charges and litigation costs. We are now considering the responses and will bring forward measures as soon as possible.

- On 27 December 2025, measures in the Renters' Rights Act 2025 came into effect preventing long leases with grounds rents of £250 (or £1,000 in London) from repossession under provisions in the 1988 Housing Act (known as the assured tenancy trap), giving more security to leaseholders and their lenders.

On 18 December 2025, we published two consultation documents on bringing the injustice of 'fleecehold' private estates and unfair costs to an end. The consultation on 'Enhanced protections for homeowners on freehold estates sets out a robust package of measures to support existing homeowners on privately managed estates in England and Wales, and includes proposals to implement new protections in the 2024 Act. This consultation can be found here: www.gov.uk/government/consultations/enhanced-protections-for-homeowners-on-freehold-estates. Meanwhile, the 'Reducing the prevalence of private estate management arrangements' consultation seeks views on how we can tackle the root causes and incentives that have led to the rise of unadopted amenities on new freehold estates. This consultation can be found here: www.gov.uk/government/consultations/reducing-the-prevalence-of-private-estate-management-arrangements. Both consultations closed on 12 March and we are considering the responses.

Finally as part of our wide-ranging consultation in July 2025 entitled 'Strengthening leaseholder protections over charges and services: consultation' on holding landlords and managing agents to account for the services they provide and the charges and fees they levy, we brought forward proposals to strengthen regulation of managing agents by introducing mandatory qualifications, and to protect leaseholders from large bills through reform of the section 20 'major works' procedure. This consultation can be found here: www.gov.uk/government/consultations/strengthening-leaseholder-protections-over-charges-and-services-consultation/strengthening-leaseholder-protections-over-charges-and-services-consultation.

The Government remains committed to bringing the leasehold system to an end, reinvigorating commonhold, and addressing the issues faced by homeowners on freehold estates. By extinguishing historical iniquities, we can ensure that the dream of home ownership is made real for millions of households across the country.

Thank you for taking the time to write.

Yours sincerely,

JO CAGNEY

Leasehold, Commonhold and Rentcharges Division