

This short paper provides background on this issue and sets out the Government's proposals for reform. The "aspiration" is to introduce legislation within the next 12 months (from 29 January 2019).

The paper covers England only.

1. The legal basis of estate charges

It is relatively common for private estates with freehold houses¹ to include a provision in the deed of transfer which places a duty on the owners to contribute to the maintenance of the estate's communal areas and facilities. The deed of transfer should state:

- What the freeholder is expected to contribute towards.
- The proportion of costs they should pay.
- Dates on which payment is due.

¹ The estates may form a mixture of freehold houses and leasehold flats.

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If offered the choice between a leasehold property and a freehold property, most prospective homebuyers would opt for freehold. Who would not want the permanent and absolute tenure of their property, with all the freedom and security that promises? However, the large property developers—Barratt, Bellway, Persimmon and Taylor Wimpey—sell properties that are not free from hold but come with financial obligations and restrictive covenants administered by property management companies such as Greenbelt, Gateway, FirstPort and Trinity Estates, which take ownership of communal spaces once the developer has moved off the site.

Adrian Bailey Labour/Co-operative, West Bromwich West

I congratulate my hon. Friend on securing the debate. She mentioned Greenbelt. I have a problem in my constituency that goes back 16 years, when a group of people purchased houses from Bellway. The adjoining

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1st reading: House of Commons 14 November, 2018 | 14.11.2018

Read debates on all stages of the Freehold Properties (Management Charges and Shared Facilities) Bill 2017-19

Latest Bill

This Bill is being prepared for publication.

- All Bill documents

Latest news on the Freehold Properties (Management Charges and Shared Facilities) Bill 2017-19

The next stage for this Bill, Second reading, is scheduled to take place on a date to be announced.

This is a Private Members' Bill and was introduced to Parliament on Wednesday 14 November 2018 under the Ten Minute Rule.

If the text of the Bill is not yet available, please contact its sponsor, Helen Goodman, for more information.

Summary of the Freehold Properties (Management Charges and Shared Facilities) Bill 2017-19

A Bill to make provision for the regulation of fees charged by management companies to freeholders of residential properties; to make provision for self-management of shared facilities by such freeholders; to require management companies to ensure shared facilities are of an adequate standard; and for connected purposes.

"TO MAKE PROVISION FOR SELF-MANAGEMENT OF SHARED FACILITIES BY SUCH FREEHOLDERS"