

**Welcome to our monthly newsletter for property landlords. We hope you find this informative and please contact us to discuss any matters further.**

## Commonhold White Paper – the end of the leasehold system

The government published the Commonhold White Paper on 3 March 2025.

Under the new plans, new leasehold flats will be banned and the commonhold system will be reformed with a comprehensive new legal framework. A key Labour manifesto pledge was to ensure commonhold becomes the default tenure.

Homeowners will have a stake in the ownership of their buildings from day one, not have to pay ground rent, and will gain control over how their buildings are run.

The White Paper includes the following proposed changes:

- New rules that will enable commonhold to work for all types of developments, including mixed-use buildings and allowing shared ownership homes within a commonhold.
- Greater flexibility over development rights, helping developers build with confidence and maintaining safeguards for the consumer.
- Giving mortgage lenders greater assurance with new measures to protect their stake in buildings and protect the solvency of commonholds – such as mandatory

public liability insurance and reserve funds and greater oversight by commonhold unit owners to keep costs affordable.

- Strengthening the management of commonholds, with new rules around appointing directors, clear standards for repairs, and mandating use of reserve funds.
- Providing an enhanced offer for homeowners – including requiring greater opportunities for democracy in agreeing the annual budget, clarifying how owners may change “local rules” over how a building is run and new protections for when things go wrong.

The reforms will apply in England and Wales. The draft Leasehold and Commonhold Reform Bill will be published later this year, setting out the legal framework for how reformed commonhold will work.

## Renters Rights Bill completes passage through Commons

The Renters Rights Bill completed its passage through the Commons on 14 February. The bill, which will apply to England, must now pass through the House of Lords before it receives Royal Assent.

When the bill becomes law, renters will have greater security in their homes – a key measure is the abolition of no-fault ('section 21') evictions. The Government says that the bill “is set to be the biggest shake up to the private rented sector for over 30 years”.

The contents of the bill have been covered in previous issues of this newsletter, however, some amendments have been made since its introduction.

Currently, there is no limit on how much rent a landlord can request upfront, and some renters are being asked to pay up to a years' worth of rent.

Under the new measures, landlords will no longer be able to demand multiple months' rent in advance as a condition for securing a home. They will have the ability to request one month's rent in advance, alongside a security deposit of up to 5 or 6 weeks rent.

Another change in law will safeguard bereaved guarantors, who are often family members, from being forced to pay rent for the rest of the tenancy where a loved one has died.

## **Planning & Infrastructure Bill:**

The Planning and Infrastructure Bill was introduced to Parliament on 11 March 2025.

The bill will give councils greater powers to seize land, under wider government proposals to speed up housebuilding.

Compulsory purchase orders (CPOs) allow councils to purchase land without the consent of the owner. Currently, 'hope value' – the potential value of land if planning permission were to be secured – must be factored into the compulsory purchase price. The bill would remove this requirement.

There are concerns that the new measures would affect rural landowners, forcing them to sell land at low prices so that homes could be built in the countryside and on local green spaces.

## **NI – Councils to take over Landlord Registration Scheme**

The Communities Minister Gordon Lyons has announced that Northern Ireland councils will take over the Landlord Registration Scheme.

The Scheme was originally introduced in February 2014 and created a single database of registered private landlords. However, with effect from 1 March 2025 the functions of the Landlord Registration Scheme have been transferred to local councils.

The Minister noted that "many landlords already comply with the requirement to register." It seems that part of the reason for the transfer is to help ensure that all landlords recognise and comply with their responsibilities to their tenants. Local councils are generally best placed to identify and deal with issues in the communities under their oversight.

All landlords who let private residential accommodation are required to register with the Scheme. The fee for an online application is £70. A paper application costs £80. The application lasts for 3 years and can cover multiple properties.

Failing to comply with the registration requirements can result in a fine of up to £2,500. For more information, see [here](#).