



**G15 Residents' Group**  
THE STRATEGIC VOICE IN SOCIAL HOUSING

## **G15 Residents' Group Response to the Consultation:**

# **Moving to Commonhold and Banning Leasehold for New Flats**

**Response from:** G15 Residents' Group (G15RG)

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### **Introduction**

The G15 Residents' Group (G15RG) represents residents across the G15 – London's largest housing associations – collectively housing one in ten Londoners in social and affordable homes. Our response reflects the lived experience of leaseholders, shared owners and residents living in mixed-tenure buildings. It also draws on evidence submitted in our 2025 consultation response on strengthening leaseholder protections.

We welcome the Government's ambition to reform the leasehold system, address unfair practices, and transition future flats to a fairer and more transparent form of ownership through commonhold. Residents have engaged extensively with leasehold reform in recent years, and this consultation is a critical step towards addressing long-standing concerns around accountability, cost transparency and equitable rights.

### **1. Overall Support for Ending Leasehold for New Flats**

G15RG supports the Government's intention to ban leasehold for new flats and move towards a commonhold-first system, provided the transition is managed responsibly, fairly and with clear safeguards for residents.

Residents consistently express frustration with the leasehold model, particularly in relation to:

- Limited control over managing agents
- Poor transparency on costs and decision-making
- Escalating service charges and insurance premiums
- Restricted ability to challenge poor performance
- Differences in rights and protections between the social and private sectors

A shift to commonhold offers a clear route to long-term fairness and meaningful democratic control. However, success will depend on the transition being carefully planned, adequately funded and underpinned by strong protections for existing leaseholders.

This must include clarity on how commonhold will operate in practice on a day-to-day basis for residents – including how service charge budgets are set, how major works decisions are agreed, and how disputes between residents are resolved. Clearly setting out these practical arrangements will be essential to building confidence and ensuring commonhold genuinely works for residents.

## **2. Protecting Existing Leaseholders During the Transition**

While the consultation focuses on new flats, residents are clear that reform must not leave existing leaseholders behind. Changing tenure alone, through a move to commonhold, will not automatically resolve some of the most pressing challenges residents face – such as large or unexpected major works bills or rising insurance costs driven by wider market and industry factors rather than resident behaviour.

This highlights the need for wider improvements to building management, cost control and accountability, regardless of tenure.

Many existing leaseholders continue to experience:

- Opaque service charge practices
- Major works costs that feel unpredictable or unaffordable
- Insurance cost spikes driven by sector-wide pressures
- Limited ability to challenge charges or replace underperforming managing agents

We urge the Government to progress commonhold reform alongside enhanced protections for current leaseholders, to ensure fairness, affordability and accountability during the transition and beyond.

### **2.1 Greater transparency and accountability**

As set out in our [2025 consultation response](#), residents strongly support:

- Standardised, plain-English service charge statements
- Historic comparisons clearly showing cost drivers
- Digital access to all financial, insurance and building information
- Transparent explanations where estimated and actual costs differ

### **2.2 Clearer rights to challenge**

Residents want:

- A strengthened and more accessible tribunal system
- Clear limits on the recoverability of legal and administrative costs
- Accountability mechanisms for landlords who fail to provide accurate accounts or comply with consultation requirements

### **2.3 Support for vulnerable leaseholders**

Rising insurance costs, major works bills and new regulatory requirements disproportionately impact residents on lower incomes. We reiterate the need for:

- Means-tested support
- Hardship funding for major works
- Independent advice services for residents experiencing financial difficulty

### **3. The Transition to Commonhold Must Be Well Resourced and Realistic**

G15RG supports widespread adoption of commonhold, but residents raise concerns about:

- The readiness of landlords and managing agents
- Sector-wide training and capacity, including lenders, conveyancers and valuers
- Potential cost increases during transition
- Multiple reforms being implemented simultaneously (building safety, service charges, planning reform)

Government should adopt reasonable, flexible transition periods alongside phased guidance and practical support. Simpler buildings – for example those without shared spaces or below 11 metres – may be able to move more quickly, while larger or more complex buildings may require additional time to ensure governance and finances are robust.

A test-and-learn approach, beginning with simpler buildings, would help identify practical issues before reforms are applied more widely.

### **4. Managing Agents and Accountability Under Commonhold**

Residents agree that a new tenure system must be matched by stronger standards for managing agents. Mandatory qualifications alone will not guarantee accountability. From a resident perspective, access to competent and qualified professional support will remain essential, particularly for complex areas such as building safety, budgeting and major works.

Residents believe:

- Strong governance, regular audits and transparent performance monitoring are essential
- Landlords must remain accountable for agents acting on their behalf
- Residents must have meaningful rights to challenge or replace poor-performing managing agents

Commonhold must embed genuine resident-led decision-making, not replicate existing systems under a different name. In practice, this means residents receiving clear cost information, being able to challenge decisions, and having appropriate support to understand technical issues.

## **5. Major Works, Safety Costs and Insurance Pressures**

Residents remain deeply concerned about volatility in:

- Major works costs
- Fire and building safety expenditure
- Building insurance premiums

Without addressing these structural issues, transitioning to commonhold alone will not resolve affordability pressures. We therefore recommend:

- A national framework for sinking funds to make costs predictable, fair and protected from misuse
- Expanding or replicating the Building Safety Fund to cover other safety-related and climate-related costs
- Working with the insurance sector to stabilise premiums and reduce excessive commissions and opaque fees

Even where funding or support is available, outcomes will depend on how decisions are taken within each building – for example, whether residents agree to build reserves over time or proceed with major works when required. This underlines why both funding arrangements and decision-making frameworks matter in practice.

## **6. Embedding Resident Voice in the New System**

Residents consistently report that reforms fail when systems are designed without early and meaningful resident involvement – particularly around service charges, major works and building management.

We urge the Government to:

- Establish a Resident Advisory Group on the commonhold transition, with involvement continuing beyond implementation so the system can adapt based on lived experience
- Ensure regulatory guidance includes mandatory resident engagement standards
- Work with leaseholder groups, shared owners and residents in mixed-tenure buildings to design practical implementation steps

G15RG strongly believes resident-informed approaches prevent unworkable or unfair systems being created.



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## 7. Recommendations

G15RG urges the Government to:

1. Ban leasehold for new flats with a phased, adequately funded transition to commonhold
2. Strengthen protections for existing leaseholders, including transparency and enforcement
3. Address the structural drivers of service charge, insurance and major works volatility
4. Ensure landlords, managing agents and resident bodies receive appropriate training and guidance
5. Introduce clear accountability measures, including penalties for non-compliance
6. Provide financial protections for vulnerable residents, particularly for safety-related costs
7. Establish a national approach to sinking funds and long-term maintenance planning
8. Embed resident voice throughout the design and implementation of commonhold reform

## Conclusion

The G15 Residents' Group strongly supports the Government's ambition to deliver a fairer, more transparent and resident-centred system for owning flats. Ending leasehold for new flats is a vital and overdue step, but success will depend on careful implementation, robust protections for existing leaseholders, and sustained investment in the bodies operating under the new tenure.

Outcomes must work for residents across different building types, including larger and more complex developments where decision-making and costs can be more challenging.

We look forward to working with Government, housing associations and residents across London to ensure commonhold delivers the fairness, transparency and empowerment residents deserve.

**Signed,**

*G15 Residents' Group*

**23 April 2026**