

April 2025 Property Newsletter

**Welcome to our monthly newsletter for property landlords.
We hope you find this informative.**

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, will 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, 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

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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- 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 when 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 house building.

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.