



Ministry of Housing,
Communities &
Local Government

Matthew Pennycook MP

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Florence Eshalomi MP
Chair of the Housing, Communities and Local
Government Select Committee
House of Commons
London
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18 December 2025

Dear Florence,

PUBLICATION OF THE DRAFT COMMONHOLD AND LEASEHOLD REFORM BILL

I am writing to update you on progress in respect of the draft Commonhold and Leasehold Reform Bill. As you know, in the King's Speech the government committed to publishing a draft bill within this session, with the intention of bringing it forward for pre-legislative scrutiny by the end of this calendar year.

Unfortunately, due to unforeseen delays, we will not be in a position to publish the draft Bill and accompanying consultation on banning the use of leasehold for new flats before the Houses rises for Christmas Recess. I appreciate fully that this will come as a disappointment to you and the committee, and I apologise sincerely for the delay. I am acutely aware that you are planning your timetable for the next few months, and I will do my utmost to minimise any further disruption.

Leasehold and commonhold reform are key priorities for this government and we remain determined to honour the commitments made in our manifesto and do what is necessary to finally bring the feudal leasehold system to an end. Over recent months, significant progress has been made on a set of ambitious, robust, and workable legislative proposals and we expect to be in a position to publish the draft Bill for scrutiny early in the new year.

The Bill will deliver on our manifesto and King's Speech commitments to reinvigorate and reform the commonhold model, make it easier for existing leaseholders to convert to commonhold, and ban the use of leasehold for most new flats. It will also abolish the threat of forfeiture, introduce a fairer enforcement scheme, and repeal draconian powers relating to estate rentcharges. These reforms will be to the lasting benefit of owners of the five million existing leasehold properties and generations of future homeowners in England and Wales.

Once published, your committee's role in pre-legislative scrutiny of the Bill will be invaluable. We look forward to working closely with you, your members, and the parliamentary clerks to support this process. We will provide all necessary evidence and assistance to facilitate your examination of the legislation.

While unforeseen delays have prevented us from publishing the draft Commonhold and Leasehold Bill, we are today publishing, as promised, two consultations relating to freehold estates which I know is an issue of particular interest to the Committee.

The first, *Reducing the prevalence of private estate management arrangements*, seeks views on how we reduce the prevalence of private estate management arrangements, which are the root cause of the problems experienced by many residential freeholders. Building on the recommendations of the Competition and Markets Authority 2024 Housebuilding Market Study, it aims to better understand the root causes and incentives that have led to the rise of unadopted amenities and what credible options for reform exist.

The second consultation, *Enhanced protections for homeowners on freehold estates*, sets out how the government will provide those who currently live on privately managed estates with greater rights and protections so that the fees they pay are fair, transparent, and robustly justified. It seeks views on how we effectively implement the consumer protection provisions for residential freeholders contained in the Leasehold and Freehold Reform Act 2024. As you know, these provisions allow for the creation of a new regulatory framework that will make estate management companies more accountable for how homeowners' money is spent. They will provide homeowners who pay an estate management charge with better access to information they need to understand what they are paying for; the right to challenge the reasonableness at the First-tier Tribunal; and the right to go to the tribunal to appoint a substitute manager.

Once again, please accept my apologies for the slight delay in publishing the draft Bill. My officials will continue to keep your parliamentary clerks updated. Once the Bill is published and pre-legislative scrutiny is underway, I look forward to receiving your committee's recommendations and to working together to progress this vital legislation.

Best wishes,

A handwritten signature in dark ink, appearing to read 'Matthew Pennycook', with a large, stylized initial 'M'.

MATTHEW PENNYCOOK MP
Minister of State for Housing and Planning