
Committee Stage: Tuesday 7 December 2021

Leasehold Reform (Ground Rent) Bill [Lords] (Amendment Paper)

This document lists all amendments tabled to the Leasehold Reform (Ground Rent) Bill [Lords]. Any withdrawn amendments are listed at the end of the document. The amendments are arranged in the order in which it is expected they will be decided.

This document should be read alongside the Chair's provisional Selection and Grouping, which sets out the order in which the amendments will be debated.

★ New Amendments.

New Amendments: 15 and NC3

Resolution of the Programming Sub-Committee

The Programming Sub-Committee appointed by the Speaker in respect of the Bill agreed the following Resolution at its meeting on Monday 6 December (Standing Order 83C):

That—

1. the Committee shall (in addition to its first meeting at 9.25 am on Tuesday 7 December) meet—
 - (a) at 2.00 pm on Tuesday 7 December;
 - (b) at 11.30 am and 2.00 pm on Thursday 9 December;
2. the proceedings shall be taken in the following order: Clauses 1 to 13; Schedule; Clauses 14 to 27; new Clauses; new Schedules; remaining proceedings on the Bill;
3. the proceedings shall (so far as not previously concluded) be brought to a conclusion at 5.00 pm on Thursday 9 December.

Eddie Hughes has given notice of his intention to make a motion in the terms of the Resolution of the Programming Sub-Committee (Standing Order No. 83C).

Eddie Hughes

That, subject to the discretion of the Chair, any written evidence received by the Committee shall be reported to the House for publication.

Eddie Hughes

1

Clause 1, page 1, line 9, at end insert —
“(but see subsection (5)).”

Member’s explanatory statement

This amendment inserts a reference to the new subsection inserted by Amendment 2.

Eddie Hughes

2

Clause 1, page 1, line 16, at end insert—

- “(5) Where there is a deemed surrender and regrant by virtue of the variation of a lease which is—
- (a) a regulated lease, or
 - (b) a lease granted before the relevant commencement day,
- subsection (1) applies as if paragraph (b) were omitted.”

Member’s explanatory statement

This amendment provides that where there is a deemed surrender and regrant of a regulated lease or a pre-commencement lease, the new lease may be a regulated lease even if it is not granted for a premium.

Sir Desmond Swayne
Peter Aldous

15

★ Clause 2, page 3, line 11, at end insert—

“Retirement developments where some leasehold residential flats have already been sold prior to commencement but others remain unsold

- (12) A lease is an excepted lease if it is a lease of a retirement home in a development, where—
- (a) other residential flats within the development have sold and completed on a long leasehold before the relevant commencement day under section 26(4) but it is a flat within the development which remains unsold, and
 - (b) the development commenced prior to 6th July 2021.”

Member's explanatory statement

This amendment seeks to avoid retirement developments where properties are on the market, but not fully sold by the time the Act comes into force for retirement properties, needing to have two lease types within one building, some paying ground rents and others funding the development of communal areas by another method.

Mike Amesbury

11

Clause 5, page 4, line 7, at end insert “, unless subsection (2A) applies”

Member's explanatory statement

This is a paving amendment for Amendment 13

Mike Amesbury

12

Clause 5, page 4, line 7, at end insert “, unless subsection (2B) applies”

Member's explanatory statement

This is a paving amendment for Amendment 14

Mike Amesbury

13

Clause 5, page 4, line 7, at end insert—

“(2A) Where a landlord charges a service charge more than £100 per month, the permitted rent in respect of the landlord's share in the demised premises is a peppercorn.”

Member's explanatory statement

This amendment provides that a landlord of a shared ownership property may not charge ground rent in respect of the landlord's share if service charges exceed £100 per month.

Mike Amesbury

14

Clause 5, page 4, line 7, at end insert—

“(2B) Where a landlord charges any remedial costs during the course of the lease, the permitted rent in respect of the landlord's share in the demised premises is a peppercorn.”

Member's explanatory statement

This amendment provides that a landlord of a shared ownership property may not charge ground rent in respect of the landlord's share if any remedial costs are charged.

Eddie Hughes

3

Clause 6, page 4, line 30, after first "of" insert "premises which consist of, or include,"

Member's explanatory statement

This amendment clarifies that clause 6 can apply to a replacement lease which includes some premises not demised by the pre-commencement lease.

Eddie Hughes

4

Clause 6, page 4, line 39, after "period" insert "(if any)"

Member's explanatory statement

This amendment clarifies that clause 6 can apply to a replacement lease for a term that does not extend beyond the end of the term of the pre-commencement lease.

Eddie Hughes

5

Clause 6, page 5, line 7, after first "of" insert "premises which consist of, or include,"

Member's explanatory statement

This amendment clarifies that clause 6(5) can apply to a new lease which includes some premises not demised by the lease to which subsection (2) applied.

Eddie Hughes

6

Page 6, line 26, leave out Clause 8

Member's explanatory statement

This amendment leaves out clause 8 of the Bill, which was inserted at Lords Report.

Eddie Hughes

9

Schedule, page 19, line 16, leave out from “paid” to end of line 17 and insert—

- “(a) where the penalty was imposed in relation to a lease of premises in England, to the Secretary of State, and
- (b) where the penalty was imposed in relation to a lease of premises in Wales, to the Welsh Ministers.”

Member’s explanatory statement

This amendment provides that penalty proceeds not used by the enforcement authority to meet enforcement costs must be paid to the Secretary of State, if the penalty was imposed in relation to premises in England, and the Welsh Ministers, if the penalty was imposed in relation to premises in Wales.

Eddie Hughes

7

Clause 23, page 14, line 13, leave out “consideration in money or money’s worth” and insert “pecuniary consideration”

Member’s explanatory statement

This amends the definition of a premium so that only pecuniary consideration, rather than any consideration in money or money’s worth, is included.

Mike Amesbury

10

Clause 26, page 15, leave out subsection (4)

Member’s explanatory statement

This amendment aims to ensure that the provisions apply to retirement properties from the time at which they come into force for other types of property, whereas at present the Bill will prevent those provisions coming into force for retirement properties before April 2023.

Eddie Hughes

8

Clause 27, page 15, line 25, leave out subsection (2)

Member's explanatory statement

This amendment removes the privilege amendment inserted in the Lords.

Mike Amesbury

NC1

To move the following Clause—

“Ground rent for existing long leases

Within 30 days of the day on which this Act comes into force, the Secretary of State must publish draft legislation to restrict ground rents on all existing long residential leases to a peppercorn.”

Member's explanatory statement

This new clause aims to ensure that the Government introduces further legislation to remove ground rent for all leaseholders, whereas the Act currently only applies to newly established leases.

Mike Amesbury

NC2

To move the following Clause—

“Commonhold ownership

Within 60 days of the passage of this Act, the Secretary of State must publish an assessment of the impact of this Act on levels of commonhold ownership.”

Mike Amesbury

NC3

★ To move the following Clause—

“Service charges

Within 2 years of the passage of this Act, the Secretary of State must publish an assessment of the impact of the Act on the level of service charges and other costs charged to holders of long residential leases.”

Member's explanatory statement

This new clause aims to ensure that the Government publishes a report on the impact of reducing new ground rents on other costs incurred by leaseholders.

Order of the House

[29 November 2021]

That the following provisions shall apply to the Leasehold Reform (Ground Rent) Bill [Lords]:

Committal

1. The Bill shall be committed to a Public Bill Committee.

Proceedings in Public Bill Committee

2. Proceedings in the Public Bill Committee shall (so far as not previously concluded) be brought to a conclusion on Thursday 9 December 2021.
3. The Public Bill Committee shall have leave to sit twice on the first day on which it meets.

Proceedings on Consideration and Third Reading

4. Proceedings on Consideration shall (so far as not previously concluded) be brought to a conclusion one hour before the moment of interruption on the day on which those proceedings are commenced.
5. Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion at the moment of interruption on that day.
6. Standing Order No. 83B (Programming committees) shall not apply to proceedings on Consideration and Third Reading.

Other proceedings

7. Any other proceedings on the Bill may be programmed.
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