

Less than a quarter of leaseholders self manage

A recent survey conducted by leaseholdersupport.co.uk at the Ideal Home Exhibition reveals that only 12 per cent of leaseholders that attended the show self manage their property. 78 per cent of the attendees admitted they are aware of the right to self manage but were uninformed of the benefits and how to claim their right to do so.

The majority of leasehold flats are still managed by the freeholder or a managing agent. This suggests the Commonhold and Leaseholder Reform Act 2002, which provides owners of leasehold properties with the right to self manage is not being embraced by leaseholders.

Mary-Anne Bowring, founding director of The Ringley Group comments: "The freeholder would generally manage a block of flats at a cost to the leaseholder. In 2002, it became possible for leaseholders to claim the right to manage their own blocks without having to prove mismanagement by the landlord. The right is exercised by service of a formal notice on the landlord. The management is then transferred to a special company set up by the leaseholders – the right to manage company (RMT). The right to manage is an opportunity for the leaseholders to run their own affairs and collectively control the management and upkeep of their flats. In order to qualify for self management, the building must be self-contained, it must include at least two flats, two-thirds of the flats must be let to qualifying tenants and the non-residential part must be no more than 25 per cent."

Leaseholders of small blocks of flats are often charged a minimum fee for management of around £2,000. By managing their own block, leaseholders of small sites can avoid the expense of appointing a managing agent and gain control of the expenditure.



Mary-Anne Bowring