

## Calthorpe Residents Society Leasehold and Freehold Reform Act (LARFA) Overview

The UK government is introducing enhanced protections for homeowners on freehold estates

through the [Leasehold and Freehold Reform Act 2024](#) and ongoing consultations, focusing on greater accountability for estate managers, capping unreasonable fees, funding free advice, and empowering residents to control management, with new regulations expected to improve transparency on charges and challenge unreasonable costs, building on existing reforms like the removal of marriage value for lease extensions.

A new consultation was launched on 18 December 2025 which seeks views, in particular on implementing aspects of Part 5 of the Leasehold and Freehold Reform Act 2024 (LAFRA 2024), along with wider reforms.

Part 5 focuses on regulating estate management and makes significant changes to strengthen the position of homeowners on freehold estates in England and Wales. At the heart of these reforms is a new regulatory framework designed to give these homeowners greater rights and protections, enabling them to hold estate managers accountable for how their estates are managed.

The current consultation seeks views on implementing this framework through secondary legislation, with proposals aimed at improving transparency around estate management charges.

The consultation also considers removing disproportionate enforcement measures that can arise when homeowners fall into arrears on their estate management charges, alongside further reforms to address long-standing concerns.

LAFRA 2024 confers powers to implement most aspects of Part 5 on the Secretary of State to cover both England and Wales. Powers for implementing sections 83–87 of the Act have been devolved to Welsh Ministers.

The consultation is structured into four parts:

1. Removing disproportionate enforcement remedies in relation to sections 121 and 122 of the Law and Property Act 1925.
2. Implementation of Part 5 of LAFRA 2024.
3. Further Government action to tackle injustices with ‘fleecehold’.
4. Other issues, including Rentcharge arrears.

This article will focus on the implementation of Part 5 of LAFRA 2024.

### Key points being consulted on

- **Driving up accountability of estate managers** - Homeowners would gain rights to challenge unreasonable charges and request information from estate managers. The framework builds on protections for homeowners to ensure better oversight of how contributions are spent.
- **A new annual report** - Measures will require estate managers to provide an annual report, which will provide homeowners with important information about the management of their estate. This will detail what homeowners will be charged with over the year ahead and any significant planned expenditure afterwards.
- **A new standardised estate management charge demand form** - Within LAFRA 2024 the Secretary of State has powers to prescribe the format and content of these forms. The consultation seeks views on the “minimum level of information and detail that should be provided on the new estate management demand form”.
- **Transition arrangements** - The consultation seeks views on reasonable timings for a transition period and the cost implications for introducing the new annual report and demand form.
- **A new notice of future estate management charge demands** - LAFRA 2024 requires that all charges homeowners need to pay are demanded within 18 months of when the costs were incurred. If estate managers fail to meet the 18-month deadline, homeowners will not be required to cover these costs unless the manager issues a ‘future demand notice’ within 18 months of incurring the expense and confirms the homeowner’s ongoing obligation to contribute.
- **Enhanced rights to obtain information on request** - LAFRA 2024 introduces a new entitlement for homeowners on privately managed estates to request information about how their estate is managed. Estate managers will be obliged to supply any relevant information they hold, and where such details are held by a third party, that party must also provide the requested material. Homeowners will additionally have the right to inspect documents and obtain copies where needed.
- **Administration charges** - LAFRA 2024 established a new regulatory framework surrounding the payment of an administration charge. These are one-off fees that may be charged to individual homeowners, in addition to the estate management charge, for specific requests. (Welsh Ministers have delegated powers in relation to administration charges.)

- **Major works** - The proposed annual report will provide homeowners with early notice of planned future major works. It is also considered essential that residents have an opportunity to influence both the scope of the works and the choice of contractor. To achieve this, LAFRA 2024 adapts the core principles of the Section 20 major works regime process that applies to the majority of leasehold properties, while allowing flexibility to tailor the approach to the needs of homeowners on private and mixed-tenure estates.
- **Appointment of a substitute manager** - Where serious management failures occur, homeowners will have the right to apply to a tribunal to appoint a substitute manager to replace the estate manager.

### What's next?

This consultation will close on **12 March 2026**, and the Government will then use feedback to draft secondary legislation to bring the Part 5 framework into effect.

Housing and Planning Minister, Matthew Pennycook, stated in the press release:

*“These reforms sit alongside the government’s wider commitment to bring to an end the feudal leasehold system, with draft legislation set to come forward in the near future to fundamentally rewire homeownership.”*

You can respond to this consultation either [online](#), or by emailing [protectinghomeowners@communities.gov.uk](mailto:protectinghomeowners@communities.gov.uk).

The Open Consultation and Government Press Release can be found below:

- [Open Consultation: Enhanced protections for homeowners on freehold estates](#)
- [Press Release: Stronger protections for homeowners on 'fleecehold' estates](#)

The Government released a second consultation on **18 December 2025**, named “**Reducing the prevalence of private estate management arrangements**”. This consultation seeks view on proposals to tackle unadopted amenities on privately managed housing estates in England. Please find a link to this consultation below:

- [Consultation: Reducing the prevalence of private estate management arrangements](#)