

Reform of the leasehold sector (exit fees) and the implications for older leaseholders

An event for older leaseholders

Thursday 19th November 2015 – 12.30 to 16.00

Age UK, Tavis rooms – AB&C (ground floor)

Programme

12.30 - Welcome and introduction - Joe Oldman (Age UK)

Law Commission proposals on exit fees - Stephen Lewis (Law Commission)

Update on reform of the leasehold sector – Martin Boyd (Leasehold Knowledge Partnership)

- Questions

13.30 – Lunch

14.00 – 14.45

Group discussion – Proposals for the reform of exit fees

(The meeting will break into smaller groups for a structured discussion based on the Law Commissions questions and recommendations)

14.45 - Refreshments

15.00 – 15.45

Group discussion – broader context and reform of retirement leasehold

(This will look at exit fees and other matters in the broader context of reforming retirement leasehold)

15.45 – 16.15

Group feedback and conclusions

The purpose of the event is to:

- Give older leaseholders the opportunity to comment on the Law Commission proposals and consultation paper on exit fees;
- Discuss how exit fees fit into the need for broader regulation of the leasehold sector.
- Review and highlight the key policy issues affecting older leaseholders

This is a free event for older leaseholders. If you would like to attend please email: joe.oldman@ageuk.org.uk or phone: 01603 612 513

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Summary

This event is primarily an opportunity for older leaseholders to discuss recommendations on the reform of exit fees made by the Law Commission.

This follows on from the Office of Fair Trading (OFT) investigation of unfair service charges in the leasehold retirement sector.

In 2013 the OFT reached an agreement with a number of providers, to voluntarily reduce or remove exit fees, particularly in respect of sub-letting. However, the current arrangements are complex, inconsistent and many older leaseholders may be prevented from challenging exit fees through a tribunal as many of these fees do not meet the definition of a 'service charge' or an 'administration charge'.

The Law Commission is seeking to achieve a clear and consistent definition of exit fees (or what it terms 'event fees'), and when it might be reasonable to charge them, to ensure greater transparency - towards better consumer protection, but without necessarily implementing a complete ban. Their final recommendations to Government will take account of responses to the consultation exercise.

Age UK believes that this work needs to be placed in the context of offering older leaseholders greater consumer protection across the board. We support further reform to: prevent overcharging and anti-competitive practices; provide clearer information about costs and on-going charges; address poor scheme management and give older leaseholders much more influence and control over their property.

Our half day event will include a presentation by the Law Commission describing their recommendations. This will be followed by group discussion to review the recommendations and also to consider how they fit into the wider reform agenda.

We are hoping to encourage as many leaseholders and residents associations to respond to the consultation and also feed into the Age UK response.

If you would like to take part in this event please email:

joe.oldman@ageuk.org.uk , or phone 01603 612 513 before 12th November.