

To
Leasehold.Reform@communities.gsi.gov.uk

Wednesday, September 13, 2017

**FPRA Response to Consultation by DCLG on
recognising residents' associations, and their power to request
information about tenants**

Who we are:-

The Federation of Private Residents Associations (FPRA) is a not-for-profit advice, support and representative organisations for private residential leaseholders', tenants' and residents' association, and leaseholder and resident owned freehold ownership and management companies. We are the national voice of residents' associations and are frequently consulted by government.

Response

In principle we agree with the proposals that are directed to helping tenants associations obtain information about leaseholders, who might be interested in joining, from a freeholder over whom they have little control. However, the legislation will also apply where the freeholder is a company controlled by the leaseholders but there are four key points which we particularly want to comment on:-

- 1.** It might be thought that the Recognised Tenants Association is unnecessary where the Tenants control the freeholder. However in the case of larger blocks, a separate Tenants Association may well serve a useful purpose, for example engaging with the wider community and local authorities, or organising social events. A separate less formal organisation may also provide a useful forum for leaseholders who wish to contribute to management decisions but feel reluctant to accept the heavy burdens and legal responsibilities of being a director of a company which is responsible for handling large sums of other peoples' money.
- 2.** There is an argument for exempting Leaseholder owned Companies from the proposed regulation, since all, or a high proportion of the leaseholders details will be contained in the register of members and can be obtained by a member requesting a copy under s. 117 Companies Ac 2006 (CA 2006).
- 3.** The Timelines suggested in Diagram B of Appendix A are not unreasonable, and consistent with the 5 day in s. 117 (1) CA 2006. However, s. 117 (b) CA 2006 does allow the Company to apply to the Court instead if it feels that the request is made for an improper purposes. It is suggested a similar provision be included in the proposed regulation, which could also allow the Court to make an order

preventing or limiting future request similar to s. 117 (4) CA 2006. This could obviate the need for a detailed rule limiting the frequency of such requests.

4. It is suggested that s. 116 (2) that CLA 2006 and the Companies (Fees for Inspecting and copying of Company Records) Regulations 2007 provide a workable approach, to the setting of fees permitted to be charged permitted to be charged for supplying a list of tenants.

We enclose responses to the specific questions in the consultation

Yours faithfully

Richard Williams
Vice Chairman

