

Options for leaseholders – the Right to Manage



While we await the next steps in relation to the [reinvigoration of Commonhold](#), leaseholders that are unhappy with the management of their building may wish to consider the Right to Manage.

It is important for leaseholders to remember that they do have options if they are dissatisfied with the current management of their building. In a previous article, we touched upon the three methods of [removing management](#) functions from a landlord.

One such method is the Right to Manage under the Commonhold and Leasehold Reform Act 2002.

The other two options are:

- the appointment of a manager under the Landlord and Tenant Act 1987; and
- a collective enfranchisement claim to acquire the freehold of the building under the Leasehold Reform, Housing and Urban Development Act 1993.

Unlike the appointment of a manager option, the Right to Manage is not fault based, so there is no obligation to prove mismanagement by the current landlord.

The Right to Manage procedure is also notice based, rather than requiring Court proceedings, which can be costly and time consuming. Equally, leaseholders that choose this option will not need to source the funds to pay for the freehold of the building, unlike a collective enfranchisement claim.



How can leaseholders claim the Right to Manage?

A claim for the Right to Manage was intended to be a relatively simple process. The procedure is [set out here](#), but in short the legislation envisaged a prescribed company being set up and leaseholders in the building being invited to join the same.

Following this, a notice of claim would be served and the landlord would have the opportunity to serve a counter-notice.

The management functions would then transfer to the leaseholders' company on the relevant date. Despite these intentions, a claim for the Right to Manage can become convoluted and even involve Tribunal proceedings.

As such, when considering such a claim, it is important to proceed carefully and ensure that leaseholders are properly advised.

How we can help

If you would like advice on how to claim the Right to Manage or any other leasehold management issues, please contact our [leasehold enfranchisement team](#).



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