



The
Property
Institute

Improving the Lives of Residents in Tall Buildings

2024 MANIFESTO

The Forgotten Part of Home Living

Most debates on housing are about numbers – how many new builds, mortgage rates or stamp duty – with little mention or consideration of quality and living experience. This absence is particularly relevant to multi-occupied buildings, where management, common areas, safety concerns, speed of repairs or response to residents can make an enormous difference to the lives of millions of leaseholders and their families. The Property Institute’s focus on the training, qualifications, and professionalism of Managing Agents and Property Managers is crucial in setting standards for the quality of service and experience for resident communities.

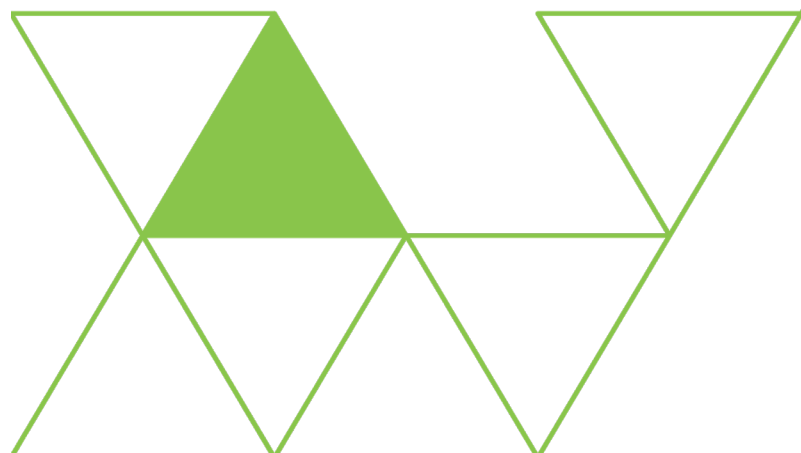
So, what follows in this Manifesto is an agenda for change – asking the Government to regulate Managing Agents and Property Managers, along with action to improve the safety and environmental sustainability of multi-occupied buildings.

This type of property management is not a job for amateurs. It demands high, enforceable standards, and qualified professionals. That’s our ask of Government.

Baroness Hayter, Chair
The Property Institute



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About The Property Institute

The Property Institute is the professional body for residential property managers in England, Scotland, and Wales **facilitating safer managed property communities.**

Formed following the 2022 merger of the Association of Residential Managing Agents (ARMA) and the Institute of Residential Property Management (IRPM), The Property Institute (TPI) has a combined legacy spanning over 50 years of experience. Today, it stands as the trusted and credible voice in the UK residential management profession, dedicated to advancing industry standards and practices.

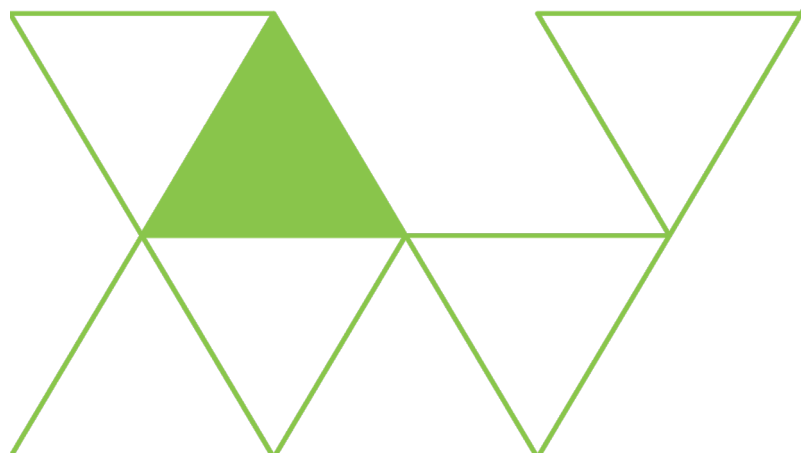
It actively supports its members to continually improve building management standards through their work and ongoing professional development; **ensuring people's homes are managed competently, safely, and ethically.**

Comprising around 6,500 property managers and over 360 managing agent firms collectively, the Institute's members manage over 1.6 million leasehold homes in over 55,000 residential blocks and estates in England and Wales, freehold flats in Scotland and institutional build-to-rent across the UK.

In addition to its extensive membership network, The Property Institute accredits and audits member firms against its Consumer Charter and Standards. TPI delivers a diverse range of OFQUAL-accredited qualifications, comprehensive training courses, and Continuous Professional Development (CPD) via seminars, workshops, webinars, conferences, and events. The Institute has awarded around 10,000 qualifications to its professional members over the last two decades.

“Improving the lives of residents in multi-occupancy buildings must be high on the agenda of the Government. The Property Institute is committed to working with Government to ensure the safe, ethical, and professional management of people's homes. We have four core asks to drive progress in achieving this. I look forward to working with the Government to deliver them.”

Andrew Bulmer, Chief Executive
The Property Institute



Our asks of the Government

There are an estimated 3.5 million leasehold flats in England, managed by residential property managers, and they are often tall and complex buildings. This represents around 14% of all residential homes in England.

It is more important than ever that the millions of residents of these 'vertical villages', regardless of tenure, live in a safe, secure, and well-managed home, have access to the right information about their home, and are served by competent, ethical, and regulated property managers.

For many years, The Property Institute, and its predecessor bodies, has been working alongside Government to **ensure that people's homes are managed competently, safely, and ethically.**

Over the last year, TPI has actively pursued positive change in the property management sector through working with parliamentarians across all parties and across both the House of Commons and the House of Lords on key legislation. Whilst legislation such as the Leasehold and Freehold Reform Act is a step in the right direction, TPI is clear that the Government must act swiftly and decisively to protect leaseholders.

The following manifesto asks call on the Government to set the right policy and regulatory framework to improve the lives of residents in multi-occupancy buildings:

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1 Introduce regulation of managing agents

Leaseholders and private tenants will all benefit from improved standards in the management of their buildings and communities.
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2 Deliver transparency of information for leaseholders

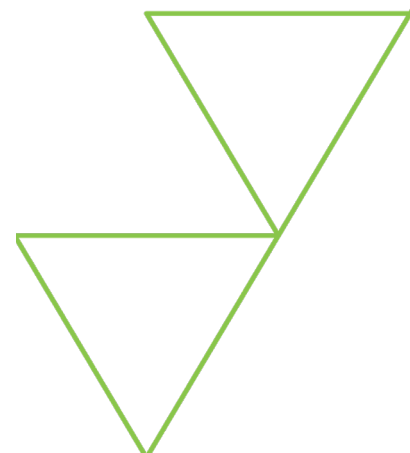
Greater transparency for leaseholders throughout their period of ownership, particularly regarding service charges.
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3 Finish the job of fixing unsafe buildings

Tackle the implementation issues and slow progress of the remediation programme and complex leaseholder protections regime, so that buildings are fully fixed, and residents can feel safe and protected from unnecessary costs.
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4 Enable blocks of flats to decarbonise to help achieve Net Zero

Provide leaseholders with the necessary powers to allow them to make energy efficiency improvements to their homes, alongside a Government strategy and finance.





1. Introduce regulation of managing agents

Currently, anyone can set up as a residential managing agent, be responsible for health and fire safety and hold multi-million pounds of client funds – collected via service charges from residents – to upkeep and maintain the building.

Residential property managers provide services such as health, fire, and structural safety, building maintenance, managing major works projects, and handling the finances and insurance of the building. In leasehold blocks, they may hold substantial sums of leaseholder money, such as reserve funds.

Despite such important responsibilities, and associated complex legislation to navigate, residential property management remains an unregulated profession, and **practitioners are not currently required to hold any qualifications** to demonstrate competence in order to operate. While many do so voluntarily, through The Property Institute, too many do not.

Poor management by unqualified, incompetent property managers causes detriment and harm to residents and their communities, placing them at risk financially, and even more seriously, at risk in terms of building and personal safety. Every resident has the right to feel safe and secure in their own home, and for that home to be well managed. Housing standards directly impact all of society, including crime rates, education outcomes for children, physical and mental health, and the economy.

For years, TPI has been calling for sector regulation to combat rogue actors taking advantage of leaseholders and residents. Building management, especially in leasehold, is complex and it is unreasonable to expect the average consumer to be sufficiently equipped to recognise or protect themselves from abuse, and so must be considered as deserving of protection, especially given this is about the fundamental issue of housing. We regulate water and food production; we should regulate those controlling Maslow's third basic human need, shelter. We already do in the social sector, but not the private sector. It is inconsistent and unjust that people in the social sector benefit from protection, while those exposed to the private sector are left open to abuse.

TPI was a leading voice for regulation during the passage of the Leasehold and Freehold Reform Act in 2023–24 and advocated for amendments which sought to increase transparency and standards in the sector. TPI was pleased to form part of [Lord Best's Working Group on 'Regulation of Property Agents'](#) and we wholeheartedly support the recommendations in the report to introduce legislation which establishes:

- **An independent property regulator**, to grant licences to agents based on checks including whether the agent has fulfilled legal obligations and passed a fit-and-proper person test, with the ability to remove agents' licences where necessary.
- **Mandatory qualifications** for agents to introduce minimum competency standards as a requirement to enter and operate as a managing agent or property manager. These could mirror the mandatory qualifications for social housing managers introduced by the last Government.
- **An overarching mandatory code of practice** of broad principles for property managers. This could draw on the draft overarching code previously developed as part of the Working Group report on Regulation of Property Agents.

In the five years since Lord Best's report, regulatory models have evolved. Proposals now exist for a regulatory model that is more robust and effective, while operating collaboratively with stakeholders to significantly reduce costs that, ultimately, are paid for by the customer. A proportionate and cost-effective regulatory operation is a wise and pragmatic solution that would deliver improved societal outcomes derived from good housing, community engagement and good collaborative relationships between customers and service providers. A strong value proposition underpins the fundamental point that regulation is 'the right thing to do' when it is demonstrable that vulnerable people need protection from abuse.

“We urge the Government to build on the momentum of recent leasehold legislation and introduce practical and proportionate regulation which protects leaseholders from poor practice, incompetence and unnecessary costs in the management of their homes.”

Andrew Bulmer, Chief Executive
The Property Institute





2. Deliver transparency of information for leaseholders

When looking to buy a leasehold property, too many consumers find they are not given the full information about what it entails at the time when they need it. Although some small steps have been taken by National Trading Standards and the portals to provide at least some basic information on it being a leasehold property with a ground rent and service charge, buyers have difficulty assessing the implications of that information.

Further, they may not be told about the likely level of service charges, or one-off costs for major maintenance works until very late on in the buying process, when they have already invested both financially and emotionally in purchasing the property.

Even when they have bought a leasehold home, many leaseholders find they are not well informed about what their service charges are being spent on or why maintenance costs are increasing. This can cause significant worry and stress for leaseholders and make it harder for them to challenge unexpected fees.

TPI has long been calling for measures to improve the transparency of service charge information by requiring all agents to present it in a systematic way, breaking down costs and allowing for easy comparison between different properties. We are delighted that the recent Leasehold and Freehold Reform Act 2024 includes a commitment to introducing these measures. However, providing basic numeric information does not ensure consumer understanding, and we need to go further, equipping leasehold owners with knowledge to understand their own situation.

To further strengthen transparency of information for leaseholders, TPI calls for:

- **All potential buyers to be given the Government's "How to Lease Guide" before purchasing a leasehold property.** This would help consumers to be fully informed about the distinct characteristics of leasehold before making a financial commitment and would mirror existing requirements for lettings agents to provide tenants with the "How to Rent Guide".
- **Clearer information to prospective buyers of the alternative ownership models and tenures available** to them, for example Right to Manage, Resident Management Companies and Commonhold, so they can make decisions that are right for them.
- **More transparency for leaseholders throughout their period of ownership** regarding service charges. This will help ensure leaseholders know what to expect before they buy and can more easily challenge unexpected costs.

In response to concerns and questions from leaseholders, TPI worked with its membership to investigate the drivers behind rising service charge bills. TPI's [Service Charge Index](#), published in April 2024, revealed that the cumulative impact of a pandemic, energy price crisis, and new regime requirements for building safety has led to soaring costs across all expenditure categories paid for through service charges. Information for leaseholders and transparency of the service charges they receive is vital so they can plan for the future and challenge costs where needed.

TPI Service Charge Index April 2024

Looking at 13,754 homes across the UK, TPI found:

- Since 2019, service charges have seen an increase of 41%, with last year only seeing a 3% increase.
- The average service charge cost per estate was £467,138, meaning £3,643 per leaseholder in 2024.
- Since 2019, building insurance costs have increased by 92% and utilities by 73%. Management fees have increased by 21% (compared to a cumulative inflation rate of 23%)
- Introduction of costs resulting from the Building Safety Act, rose from over £5k in 2023, to an average of over £28k this year – averaging just over £177 per leaseholder.

[Access the full Index here.](#)

"Prospective buyers must be given the tools to be properly informed about the leasehold tenure, their rights and responsibilities, and the implications for what costs may come their way once they own the property. Sharing the How to Lease Guide at an early stage is vital to ensure homebuyers have the information they need."

Andrew Bulmer, Chief Executive
The Property Institute



3. Finish the job of fixing unsafe buildings

The cladding crisis is not over. Many buildings still need remediating to the new standards set by the Building Safety Regulator, and many thousands of leaseholders continue to suffer. Meanwhile, the new building safety regulatory regime is still in its infancy and many implementation issues still need to be addressed.

TPI remains deeply concerned about the slow progress of remediating unsafe buildings. According to the latest figures, out of around 4,300 buildings identified as requiring cladding remediation, less than 1,000 have completed remediation works. This leaves tens of thousands of leaseholders living in buildings with unsafe cladding and struggling to pay significantly increased insurance premiums (up to 400% increases in some cases). Seven years after the Grenfell Tower tragedy, this is completely unacceptable.

TPI is also concerned about the standard of remediation works being undertaken by developers, with reports that **internal defects and safety issues are not being remediated**. There remains a risk that any remediation work already conducted by developers, and any work now undertaken under the developer remediation contract, may not meet the standards ultimately required of the Building Safety Regulator. It is widely reported that some remediation is not meeting the requirements of building insurers, with premiums remaining high as a result of safety risks still being present even after work has been carried out. This may result in further work needing to be carried out later to remedy outstanding issues and defects.

TPI calls on the Government to:

- **Pick-up the pace and reassess the often obstructive and litigious hurdles that stand between resident safety and getting buildings fixed.**
- **Revisit proposed amendments to the Building Safety Act aimed at protecting leaseholders from building safety remediation costs**, which were put forward during the passage of the Leasehold and Freehold Reform Act, but which dropped away when the General Election was called.
- **Work with industry to understand how the Building Safety Act is working in practice** to consider ways it can be simplified, and costs reduced for leaseholders.

It is vital to ensure that the job is properly finished so that **leaseholders can live safely in their homes and buildings can be fully insured**.

“The process of fixing buildings with dangerous cladding and other safety issues is far too slow. The Government needs to accelerate this so that people’s homes are made safe and insurance costs can come down.”

Andrew Bulmer, Chief Executive
The Property Institute





4. Enable blocks of flats to decarbonise to help achieve Net Zero

Housing is responsible for around **14% of UK greenhouse gas emissions** but the UK is not on track to hit its decarbonisation targets, with the UK Green Building Council estimating that 1.8 homes per minute need to be retrofitted to deliver our 2050 Net Zero goal.

TPI is concerned about the lack of progress in Britain's several hundred thousand leasehold and other tenures of tall buildings. This is largely because current policy and grant funding schemes do not take into account the specific legal and architectural challenges faced by those residents in multi-occupancy buildings.

Many leases prevent material 'improvements' to the building fabric without the permission of the freeholder and other residents. While this is designed to protect leaseholders, it means that where leaseholders ask for their building to be improved, landlords and buildings managers are not permitted to recover the costs of improvements to the fabric of the building and so work cannot be undertaken.

With leaseholders paying the energy bills for their own home, and a share of the communal energy bill for their block, there must be an immediate focus on improvement energy efficiency in leasehold blocks to help leaseholders with costs, too.

TPI has been clear that in order to reach our environmental commitments, **we must act now to remove blockers across different housing tenures that are preventing progress.**

"2050 is closing in fast. Yet 20% of the UK housing stock is blocked from energy efficiency improvements, because out-of-date laws get in the way. It has taken seven years just to fix around 1,000 fire-risk buildings, with over 3,000 still waiting. If we are to reach 2050 net zero targets for over 3.5 million flats, we need a massive step change in our approach. That step change starts with one small paragraph in legislation to unlock the process, and bring fairness to millions of residents who currently cannot access existing government funding to improve their homes and help save our burning planet."

Andrew Bulmer, Chief Executive
The Property Institute

TPI is therefore urgently calling for Government and its respective devolved assemblies to:

- **Develop a tailored strategy, with access to concurrent funding schemes**, to allow multi-occupancy and mixed-tenure buildings to improve their rate of decarbonisation and play their part in achieving the 2050 Net Zero goal.
- **Give leaseholders choice** to improve the energy efficiency of their homes by giving them powers equivalent to those in a commonhold system to make energy improvements if they so wish.

TPI was pleased that, following engagement with TPI, Baroness Taylor when in opposition tabled such an amendment in the Leasehold and Freehold Reform Bill in April 2024 to push to ensure legislation captured the necessary enablers to progress. TPI remains committed to working with the Government to ensure the necessary legislative mechanisms, strategies, and funding mechanisms are in place.





For more information on
The Property Institute
visit www.tpi.org.uk.

If you'd like the opportunity
to discuss our manifesto asks
in more detail, please contact
The Property Institute's
Chief Executive, Andrew Bulmer:
abulmer@tpi.org.uk

E: info@tpi.org.uk

W: tpi.org.uk

The Property Institute
3rd Floor, 2-4 St George's Road,
Wimbledon, London SW19 4DP