CALL FOR EVIDENCE : JOINTLY OWNED PROPERTIES

RESPONSE ON BEHALF OF NON QUALIFYING LEASEHOLDERS GROUP

1. This submission is on behalf of Non qualifying leaseholders group, excluded from the leaseholder protections in the Building Safety Act, submitted by Maggie Brodie and Suzy Spilling, joint founders of this campaign group.

Our membership includes over 800 leaseholders in the varying categories of non qualifying including individuals and couples, from first time buyers to retirees. They are totally innocent in causing this building safety crisis, but are deemed non qualifying and liable for unlimited future costs in perpetuity for non cladding costs and any issues interpreted as not 'life critical'.

2. Our email address is unqualifiedleaseholders@gmail.com

Contact number provided.

3. We are responding as leaseholders. We have circulated this call for evidence throughout our network and encouraged leaseholders to respond. Many of our members have sent us details of their evidence submission and we are including some of these comments here. We have also conducted a poll in order to encourage those who were concerned about confidentiality to inform us if the proposals would change the lease status on their property to qualifying. The poll result shows 52% of our members who are non qualifying on the basis of properties owned would qualify for protections if the proposals are implemented.

We are concerned that many leaseholders affected by non qualifying status may still be completely oblivious to the leaseholder protection provisions, including their liabilities, until they come to sell or remortgage. However, freeholders / landlords are more likely to receive industry updates on this topic as a matter of routine, this could provide an imbalance in the responses to this call for evidence and we trust that DLUHC will take this into account when assessing the results.

4. We have worked closely with the Leaseholder Protections team, participated in regular meetings, submitted case studies and evidence to inform the Department of the situations our members are experiencing and the consequences of this legislation, a sample of case studies and videos recently submitted is attached below. We have submitted video evidence from our members and had support from Members of Parliament and Peers in the House of Lords towards the removal of non qualifying status on innocent leaseholders. This last-minute call for evidence has been produced with a very short deadline, and we have commented on the confusing format in our joint letter [with End Our Cladding Scandal] to DLUHC of 22nd March. We understand some edits were made but we would like to put on record that many leaseholders commented that they found it difficult to interpret.

We understand that many leaseholders have taken the opportunity to inform the Department of the issues they face which will not be resolved by these proposals, and we hope that this will indicate to you how much more needs to be done. We have consistently stated that Non qualifying lease status should be removed. Leaseholders were not responsible for the poor legislation, ineffective material testing and certification, and inadequate building control that resulted in these dangerous and flammable buildings. We maintain that it the responsibility of government to ensure these buildings are made safe at pace, forward funding the remediation and making those who caused the crisis, liable to refund the costs of this essential work.

The current position on joint ownership in leaseholder protections has led to many perverse outcomes for our members. As things currently stand, if individuals own jointly, as either joint owners or tenants in common, this is not taken into consideration when calculating the 3 properties threshold for Leaseholder Protections under the BSA 2022. The BSA 2022 states that in effect each joint owner individually owns the whole property themselves, even though in law this is clearly not the case. The reality in law is that each person is a part owner, and the relevant share should be counted accordingly for each individual.

We are aware that many of our members have submitted evidence of the very severe consequences of their exclusion from leaseholder protections, with both their mental and physical health, and their financial stability. Many couples rely on a small number of rental properties as pension provision. Additionally, having to raise funds for remediation due to building safety defects caused by others, by the forced sale of their property, will also have an impact on tenants who call these buildings home. We are aware of the extreme shortage of rental properties, and many tenants could face relocation as their only option, disrupting children's education and continuity in their current employment. Given the problems regarding valuations and mortgage availability, the cash buyers who are the only likely purchasers of properties blighted by the non qualifying lease status, are most probably of the 'substantial means' government wanted to contribute to costs, not benefit from the plight of others!

5. If the joint ownership provisions were kept the same, leaseholders will have little confidence that government intend to make progress in resolving the building safety crisis. The Secretary of State stated after the Kings Speech, which included reference to ensuring the Building Safety Act worked 'as intended', that parity would be given to those holding property jointly so they were not disadvantaged against those in individual ownership. We have provided many examples of the lack of parity that the current exclusions demonstrate. A couple jointly owning their own home, plus 3 rental properties are excluded, unless their own home is a relevant building, in which case, this qualifies. If the same couple own a total of 3 properties each, and are individually directors of limited companies owning 3 properties in each entity, it would appear that all 12 properties are eligible to hold qualifying status if in relevant buildings, regardless of their value. We do not believe that is the intention of the leaseholder protections, so although we maintain that no leaseholder should pay, this example illustrates how unjust the current provisions are to those holding property jointly. Leaving the status quo continues to penalise many innocent leaseholders with the burden of unaffordable costs, in perpetuity

through no fault of their own. They are unable to sell or remortgage their properties due to the open ended liability for building safety costs. These situations have been going on for years whilst government argues over who pays. This is affecting leaseholders of all ages, and many in severe financial distress. Doing nothing should not be an option!

6. If the joint ownership provisions were changed, (presumably you mean *increased* as the example quoted is a higher number than in current protections), this will benefit the leaseholders who are excluded under the present threshold but will qualify with the proposed increase. This will also have an impact of the pace of remediation to make whole buildings safe. Many projects are delayed whilst trying to identify who pays. Removing the non qualifying status on an increased number of properties will assist with the stalled housing market, as lenders, valuers and conveyancers still have grave concerns over the potential liability of holding a non qualifying lease in perpetuity. Freeholders will benefit from increased value of their asset as building safety issues are resolved. Tenants will have more security in these properties when leaseholders with rental properties are not forced to sell to meet unaffordable costs. Leaseholders who benefit from an increase in protections will also be in a better position when trying to remortgage. The costs in this crisis have been rising at an unsustainable level, waking watch, increased insurance, rising service charges, mortgages more than doubling in rate. Whilst government have indicated that lenders will lend/refinance when a remediation plan is in place, this is not the case with non qualifying leases and we have provided evidence to DLUHC to follow this up.

7. If the joint ownership provisions were reduced, this would cause more chaos. What about valuations that have taken place with the comfort of a qualifying lease, the implications on the legal profession? Banks and Building societies who have provided finance with their securities based on a qualifying lease? Purchasers since 14/02/2022 who now find themselves with non qualifying status from the previous certainty provided by a valid leaseholder deed of certificate confirming qualified status, who will hold the liability for this? The proposal to increase the misery and life changing pressures imposed on non qualifying leaseholders to an increased number is surely not a legitimate action of a government concerned for its citizens safety, security and wellbeing.

8. Do you have any additional comments on these proposals?

The provisions should be amended so that the protection applies where ANY leaseholder has a joint or partial interest in no more than four additional properties, in addition to the lease in question, based on fairness as detailed elsewhere in this response.

This should be achieved by amending "two additional properties" to something along the lines of "four additional properties where owned jointly" in the legislation. Beyond this, the government should resist any temptation to complicate or narrow any such new protection for joint owners, for example, by only applying the increased number of jointly owned properties to only certain 'categories' or 'types' of joint owners.

For example, government should not put in conditions around joint owners needing to be married, living together, owning their main residence jointly together or owning all their property together jointly and not with others. This is not how the current joint ownership provisions work presently in the legislation. It is currently done on numbers alone and does not discriminate on people's varied life situations. This should absolutely remain the case. Any adding in of any new conditions (such as the above) would not only be unfair but would risk unintentionally or unfairly excluding someone whose life situation did not fit into a conventional box (see example below). It would also risk causing further confusion to both leaseholders and professionals alike if further condition were applied in respect of only certain types of joint owners, beyond the increase in the additional number of properties owned, but not to other joint owners. Further confusion in the market needs to be avoided.

An example may help illustrate these points more clearly. A former married couple jointly owned their principal residence and four additional properties. Following a divorce in 2020, the ex-wife took sole ownership of the principal residence and subsequently remarried in 2021 and put the property into joint names with her new husband. Meanwhile the ex-husband has a new partner and has either gone into rental accommodation with his new partner or owns a new principal residence jointly with the new partner (either situation would be relevant for the purposes of this example).

However, the four additional properties continue to remain jointly owned by and rented out by the ex-wife and ex-husband as they have been unable to sell them due to building safety issues which became apparent long before the advent of the Building Safety Act. This ex-husband and ex-wife, who jointly own 4 additional properties together but principal residences jointly with other people (5 jointly owned properties each), should also be protected under any increase from two to four jointly owned additional properties in addition to the lease in question. They should not be unfairly excluded just because of one (or more) of the following applying –

(i) they are no longer married or have remarried,

(ii) they no longer own their main residence together (with the ex-wife owning it jointly with her new husband),

(iii) the ex husband owning his own new main residence jointly with his new partner or renting,

(iv) they don't own all their joint property together but some of it jointly with others (principal residences in this case with new partners)

Assuming no such unfair conditions are applied, the two individuals in this example would each be covered by any increase from two to four jointly owned additional properties in addition to the lease in question (5 jointly owned properties in total each). There are many permutations of the above situation, which is why any increase from 2 to 4 additional properties in addition to the lease in question should be applied to ALL joint owners with no additional conditions being applied.

9. Applying the Public Sector Equality Duty: If the number of qualifying leases is increased, or decreased, for those who own the lease jointly, do you anticipate that this will have any positive or negative impacts related to protected characteristics under the Equality Act?

Increasing the number of qualifying leases for those who own jointly will have a positive impact in relation to protected characteristics under the Equality Act, specifically relating to marriage and civil partnership (and any remarriage). This will promote equality for married people with people who are neither married or in a civil partnership. Such equality is not promoted currently in the way the protections work.

Those who are married typically own their additional property jointly, where of course single people and often unmarried people do not own their property jointly. Typically, married people by pooling their resources will have purchased, all things being equal, double the amount of property together than they would have been able to do so on their own (being single or unmarried). They will in most cases have shared that property between them as husband and wife equally by putting it all in their joint names versus putting properties into sole names.

However, if these people were not married, they would have (all things being equal) purchased half the number of properties, but owned them in their sole names. For example two additional properties each plus their respective principle residence, instead of four additional properties in joint names between them plus their principle residence. In this example the unmarried sole owner(s) would qualify for the protections whereas the married joint owners would not qualify. This discriminates against married people or those in civil partnerships who typically pool resources and own jointly, which would be easy to evidence.

The same applies to someone who divorces and remarries. For example, a former married couple who jointly owned their principal residence and jointly owned four additional properties. Following divorce they both remarry new people and jointly own their own separate principle residence with their new partners/spouses (5 jointly owned properties in total each). However, they still own the four additional properties together jointly as they were unable to sell them on divorce due to building safety issues. Those who remarry and then own

jointly with their new spouse, should also not be excluded or penalised just because they have subsequently married someone else.

We also believe that there is a negative impact from this legislation due to age discrimination. It is self evident, all things being equal, that older people are more likely to own more properties jointly than younger people for two reasons. Firstly people are more likely to get married as they get older. The evidence on age distribution for married people will demonstrate this is the case, married people typically own their properties jointly as we have noted elsewhere. Secondly, many older people own more property and jointly as they have had more time to save and then purchase property for pension provision. Clearly younger people have not had as many years to save so have not been able to buy as many properties jointly (all things being equal) as older people if that is their preferred pension provision route. It is self evident that older people typically have more pension saved than younger people. Therefore the current protections discriminate against older people.

As stated previously, many of our members are retired with a fixed pension income, supplemented by rental income from a small number of properties. It is unlikely they would be in a position to gain employment to cover remediation costs due to their age, and potential disabilities. They will also be disadvantaged by the longevity necessary to see the end of this crisis and the return of equity in their property at the current pace of remediation.

The exclusion of certain leaseholders, totally innocent in this crisis, purely on an arbitrary number of properties owned, is discriminatory in itself. We ask you to consider additional measures, such as property values; qualification of 3 properties being afforded to everyone; and the mechanism to revert a non qualifying lease to qualifying status once remediation is paid for, completed and satisfactory sign off/certification is issued. This would enable many more leaseholders to move forward with their lives.

Successive governments got this wrong, many residents lost their lives in the Grenfell tragedy. This Government has another chance to put this right. Don’t let us down.

Non-Qualifying Leaseholders – February 2024 correspondence

Joint ownership must be allocated proportionately

A couple each owning three properties individually would be assessed as qualifying leaseholders, but a couple owning four properties jointly would be non-qualifying – this is illogical and unfair. Many of our members are in this situation. HMRC and Land Registry assess liability on the proportion of ownership, so it seems reasonable to be consistent with this approach when assessing whether leaseholders are 'qualifying' for building safety purposes.

Case Studies: Please see the following examples of properties held jointly in our Youtube playlist

- Patsy's story
- Kerry's story
- Suzy's story
- Anna's story
- John and Anne's story

1. County Durham

Retired couple in their 70s. Richard retired from his business due to a heart attack and is currently facing life-saving surgery following a cancer diagnosis. Due to ill health, their pension contributions fell short so they decided to venture into Buy-to-Let to provide sufficient retirement income. Owned 4 low value BTL in Gateshead, all mortgaged (valued around £100-130k each). Two affected by cladding issues (no confirmation yet as to what bills they will face); the other two that were unaffected had to be sold to try to reduce mortgage liabilities and gather funds for pending remediation costs. As a result, the income they were relying on in retirement has all but disappeared and they are living in a nightmare of stress and worry. The affected properties are unsaleable and cannot be remortgaged.

Their only hope is that there will be amendments to ensure that leaseholder protections are not unfairly weighted against those who hold properties jointly, and recognition of the value of the property portfolio or a financial assessment for non-qualifying leaseholders would also help – rather than assuming that owning more than three UK properties automatically assumes one has "broad shoulders" and should therefore pay the price for industry and government failures. A requirement for the life-changing costs of remediation to be spread over 10 years, just as they are for qualifying leaseholders, would also have prevented the threat of huge remediation bills being payable with 28 days' notice, which is what forced Sue and Richard to have to sell two properties that were a much-needed income stream in retirement.

2. London and Birmingham

A retired couple, who decided to invest retirement savings into buy-to-let flats to have an income in retirement. They jointly own six buy-to-let flats, which are all identified as having fire

safety issues. They are liable for all non-cladding fire safety remediation costs. One building is covered under the Developer Remediation contract; however, they are awaiting details of the scope of works to identify the 'life critical' versus 'relevant defects' to understand the gap of what costs will not be covered and will fall upon them. Another building is in the process of applying for the mid-rise Cladding Safety Scheme, but they would be liable for any non-cladding cost. The remaining properties are in the process of being assessed.

The couple have tried to sell two properties to raise funds for these unreasonable costs but have been unable to sell due to the non-qualifying status – and they were quoted 40% less than the market value anyway. "We couldn't sell even if we wanted to, and I would never want to hand this mess to my children."

3. Manchester

A couple owns five properties including their own home. Served for many years in the police force and British Army, a life of public service – but now facing bankruptcy as they approach retirement. One building has been accepted under the mid-rise Cladding Safety Scheme but the developer went bankrupt, so they will still have liability for non-cladding remediation. These are low value apartments and the costs to make these buildings safe are close to the current full valuation of the flats once remediated.

4. Manchester

She and her partner own four properties between them. She has a disability which she strived to overcome all her life in an endeavour to be successful. Their future is now uncertain as the non-qualifying status leaves them unable to sell or re-mortgage. They are living in fear of having to pay for extortionate remediation bills while waiting for assessment of their buildings. They have no means of paying these life-changing remediation sums.

5. Leeds

A family is facing "financial ruin" as they await confirmation of enormous bills to remediate non-cladding fire safety issues in flats they own. Both work for the NHS, as a pharmacist and consultant, with two young children. Purchased three properties in Leeds "in good faith" that stringent government building regulations were in place. Now this family faces unaffordable bills.

Daily Express (14 Jun 2023): Dad-of-two faces 'homelessness and financial ruin' over being charged £1000s for cladding: https://www.express.co.uk/news/uk/1780669/cladding-grenfell-remediation-fire-safety

6. South Coast

Retired couple in their 70s, they currently own their home plus two flats. However, as at 14th February 2022 they also owned a third flat, which was sold in July 2022. Because the ownership on 14th February 2022 determines their status in perpetuity, they are therefore non-qualifying.

Each property has ownership registered as 'tenants in common' – i.e., each individual owns half of each property – but DLUHC does not take joint ownership arrangements into account for the purpose of determining a qualifying lease – this is despite the fact that neither will benefit from the other half of the properties at any time (all properties are left to their respective children – not shared children).

7. Bristol / Hertfordshire

Four properties including the matrimonial home, one flat in his own name and two joint properties with his brother, who could not get a mortgage on his own merit due to being a zero-hours worker. He would be qualifying if he had not helped his brother.

The flat in his own name has fire safety defects and may potentially be covered by government funding for cladding but as a non-qualifying leaseholder he has liability for internal defects. As a landlord, he also risks losing rental income during the remediation project which he cannot afford, as tenants would not want to live on a building site when they could find other, similar flats nearby without such issues.

8. Kent

Retired couple. Husband has health issues. Own 3 flats plus own home. Purchased instead of annuity with pension savings. Costs incurred for social care needs but no means to source funds. Health issues intensified with ever increasing expense of maintain these properties and unable to sell. They have been trying to sell as needing urgent funds, but the buyer withdrew after legal advice regarding Non qualifying lease status although no remediation required.

9. Cambridgeshire

Age 77. They rely on flats as their pension income. They are unsure of the cost implications and experiencing extreme anxiety due to advancing age, unknown liability and his inability to sell property.

Roger owns 50% share in 3 BTL plus main home. His wife owns 50% share in one BTL plus main home. Contacted LEASE for advice on completing the Leaseholder Deed of Certificate and was advised to let his wife complete certificate on relevant building as she is classed as a qualifying leaseholder. Many leaseholders are similarly unclear about whether this is correct or if there will be any unintended consequences or whether mortgage lenders, conveyancing solicitors and other parties will take a different view; the government advice on this is completely non-existent.

10. Birmingham

1 BTL jointly owned with wife. 1 BTL solely owned. Director in limited company with 2 properties in portfolio. Jointly own main home. Tom was initially informed that his properties were non qualifying, then subsequently advised that they would qualify as limited company holds its own allocation of allowable qualifying leases. He needs to raise funds due to high insurance costs

and increased service charges whilst waiting for developer remediation to be assessed/confirmed. He is still concerned over conflicting legal advice and incomplete guidance; he is trying to remortgage which is proving to be a negative experience until clarity on joint ownership status.

Non-Qualifying Leaseholders – October 2023 correspondence

Extension of Qualifying Lease Protections For NQ's – Joint Ownership

DLUHC stated that an amendment to the methodology of calculating the number of properties owned to qualify for Leaseholder Protections (3 or under) was being considered to take account of the situation where properties are owned jointly by individuals.

We strongly support this proposed change as we believe the current position has led to many perverse outcomes. As things currently stand, if individuals own jointly, as either joint owners or tenants in common, this is irrelevant for calculating the 3 properties threshold for the Leaseholder Protections under the BSA 2022. The BSA 2022 states that in effect each joint owner individually owns the whole property themselves, even though in law this is clearly not the case. The reality in law is that each person is a part-owner and the relevant share should be counted accordingly for each individual to have their own 3 property threshold for the protections.

Our understanding was that DLUHC wanted this protection to apply in the 'broadest possible sense' and to cover all possible scenarios where there are joint owners who are individuals. We fully support such an approach to ensure at least some of those individuals who have been arbitrarily or unfairly excluded are bought within the leaseholder protections.

We understand from our conversation that only the relevant part of each individual's joint ownership would be counted towards each individual's number of properties for Leaseholder Protection purposes. We understand the only exception to this broad approach is the intention to exclude properties owned or part owned by companies (or similar legal entities). Whilst we believe all leaseholders are equally blameless, no matter how they purchased their property, this exclusion (if truly necessary) could be easily accomplished by referring to "natural persons" in the wording for this new protection in the legislative text.

Implementing the proposed change would be simple as the ownership structure of properties can of course be independently verified by any interested party (freeholder, developer, conveyancer) by looking at the property title at Land Registry to see if the property is held as joint tenants or tenants in common (by natural persons if required). This is a requirement to be recorded for it to be registered in the first place.

So, for example, where two people held a property as joint tenants or tenants in common they would each have a 50% share of a property to count towards the maximum of three properties that qualify. Where four people held a property as joint tenants or tenants in common they would each have a 25% share of a property to count towards the maximum of three properties for each person that qualify. We understand only 4 people can be registered as owners at Land Registry so any calculation would not be onerously complex.

We also understand this new protection will be retrospective from 14th February 2022 and calculated on property ownership and part property ownership from that date. This clearly means this new protection cannot be 'gamed' to artificially create ownership structures to qualify and only 'ordinary people' in legitimate life situations (examples of which are set out below) will be covered.

Discussions so far have focused on the straightforward scenario whereby a married couple own six properties jointly. In this scenario, the suggestion is that each person gets three properties

each and therefore all six properties qualify. Whilst we whole heartedly endorse the protections applying in this scenario, and it will help a number of those unfairly excluded, we just need to restate what was said on the call. Due to the diverse life and family situations that now exist in the UK property market, there are many possible permutations of joint ownership outside of the typical married couple scenario detailed above. These scenarios all need to be captured within any change to make it fair so each person (married or not) who has less than three properties in total qualify. Many people own property jointly with others outside marriage (illustrative examples listed below). And the fact that someone owns property with someone due to a historic or changed relationships with a co-owner should not mean they are unfairly excluded.

For this reason, we believe the policy intention must be that if any natural person owns any part of a property with any other natural person(s), where at least one of those natural persons would be qualified due to them owning less than 3 properties in total (having apportioned the relevant share of each property accordingly), then the whole leasehold flat will be qualified. This will be regardless of the status of any other owner even if that other owner owns more than 3 properties themselves. In effect one individual joint owner will not disqualify another individual joint owner from the protections.

This basic premise can be stated as follows.

Person A owns 100% of Property X and 50% of Property Y. This equals 1.5 properties in total.

Person B owns 50% of Property Y but also 100% of 4 other properties. This equals 4.5 properties in total.

Currently Person A does not have the benefit of the Leaseholder Protections for Property Y, even though they only own 1.5 properties in total (under 3 properties).

This is solely due to what Person B (and entirely separate person) owns in their own name entirely separately. The proposed new protection for joint owners will mean that Person A's 50% ownership of Property Y will mean the whole of Property Y will qualify as Person A owns under 3 properties.

The fact that Person B themselves has more than 3 properties should not mean that Person A is disqualified.

It is true that a necessary outcome of the above would mean that Person B would benefit from the Leaseholder Protection for Property Y too, despite owning 4.5 properties in total (for the avoidance of doubt Person B’s other 4 solely owned properties would not qualify should no further of the suggested amendments be made). However, we absolutely believe that the very small number of people who own more than 3 properties themselves who would gain from this protection for one of their properties, would be vastly outweighed by the exclusion of otherwise innocent co-owners with less than 3 properties in total each (counted by the relevant share). It would be incredibly unjust for these people to lose out just by being associated to another co-owner whose actions over which they have no direct influence (see examples below).

The alternative would be just to make the relevant half of the property qualifying (to the person who owns less then 3), but we think the complexity this would introduce would not be proportionate and it would be much simpler for the whole property to qualify to ensure compatibility with the other parts of the BSA 2022.

We have set out illustrative examples below for completeness

For example, a divorcee retains a 50% share in a leasehold flat investment property with her ex-partner and now owns her own main residence post the divorce (1.5 properties in total).

The flat is rented out (perhaps they couldn't sell it) and they share the income. The ex-partner has subsequent to the divorce, and prior to 14th February 2022, acquired, say, 6 further properties (6.5 properties in total) in his sole name either through acquisition, inheritance or perhaps through remarrying. The ex-partners actions would otherwise result in the divorcee becoming a NQ for her 50% in the jointly owned investment property, due to the number of properties the ex-partner owns, even though she herself only owns 1.5 properties in total.

It would be incredibly unfair if this association with her ex-partner should disqualify the divorcee from the protections. She of course had no control over the ex-partners subsequent property portfolio, has no claim to the ex-partners assets or finances and of course there is no obligation from the ex-partner to pay any building safety costs for her half share. It would be entirely inequitable for her to not benefit from the protections due to her ex-partner financial position, which would leave her in a precarious position as someone who only owns 1.5 properties (in this example).

Alternatively, consider two friends buying a flat 50/50 to initially get on the housing ladder. They subsequently rent the property out and buy their own properties to live in (prior to 14th February). However, they retain joint half ownership of the flat they bought together for a whole host of possible reasons around life situation or the housing market. One friend subsequently, and prior to 14th February, 2022, acquires 2 further investment properties in their sole name in addition to their new primary residence (3.5 properties in total including the 50/50 owned flat). Again, perhaps through acquisition, inheritance or marriage. The other friend simply owns 1.5 properties (their own residence and 50% of the investment property). Again, one friend should not disqualify the other friend from the protections as one only owns 1.5 properties in total. In law one friend could not compel the other friend to pay half of their building safety costs.

There are so many different permutations to the above example. Consider 4 friends who initially bought together (25% owners) to get on the housing ladder or someone who inherited a flat with someone else (say 3 siblings and a carer) and in both cases one of the owners, through no fault of the other owners, disqualifies all of the others from the protections due to their own sole ownership of other property that takes them over the 3-property owned threshold.

These many different scenarios, of which there are too many to list, is why we believe this new protection must be broad in scope to ensure no leaseholder who owns 3 or less properties in total is excluded even if their joint owner for one of those properties themselves own more than 3 properties. Trying to draft something that excludes some joint owners with less than three properties but not others would result in unfairness.