

Right to Manage at Battersea Reach

**2 March 2026
18:00 London time**

Recording of Meeting

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- Faces, voices, names and chat box entries will be **stored** on Zoom's systems.
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- Access to the **recording will be made available** for a short period to leaseholders and shared owners who were unable to attend this evening.
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Why are we all here this evening?



TOXIC
LEASEHOLD

Why is leasehold so toxic?

- We own but we don't really own
- We have no control over how our money is spent
- Our homes are managed by people we don't know and can't fire
- We are at risk of corrupt practices and inefficiencies
- **It exposes us as leaseholders to unpredictable and uncontrollable costs through service charges**

The Press is noticing: some recent headlines

**Brits Held Hostage by Their Own Homes:
Leasehold Fees Spiral Out of Control**

**Locked In: Leaseholders
Unable to Sell as
Contracts Turn
Toxic**

**Growing Criticism a Leasehold
System Leaves Owners with Rising
Costs and Limited Rights**

**Government Urged to
Act as Leaseholders
Battle Restrictive
Contracts and Costly Fees**

**The UK
Housing
Time Bomb:
Millions
Stuck in
Unsellable
Leasehold**

**New Research Shows
Leaseholders Paying
Thousands More Than Freehold
Neighbours**

**The Hidden Costs of
Leasehold: What Your
Solicitor Might Not Tell You**

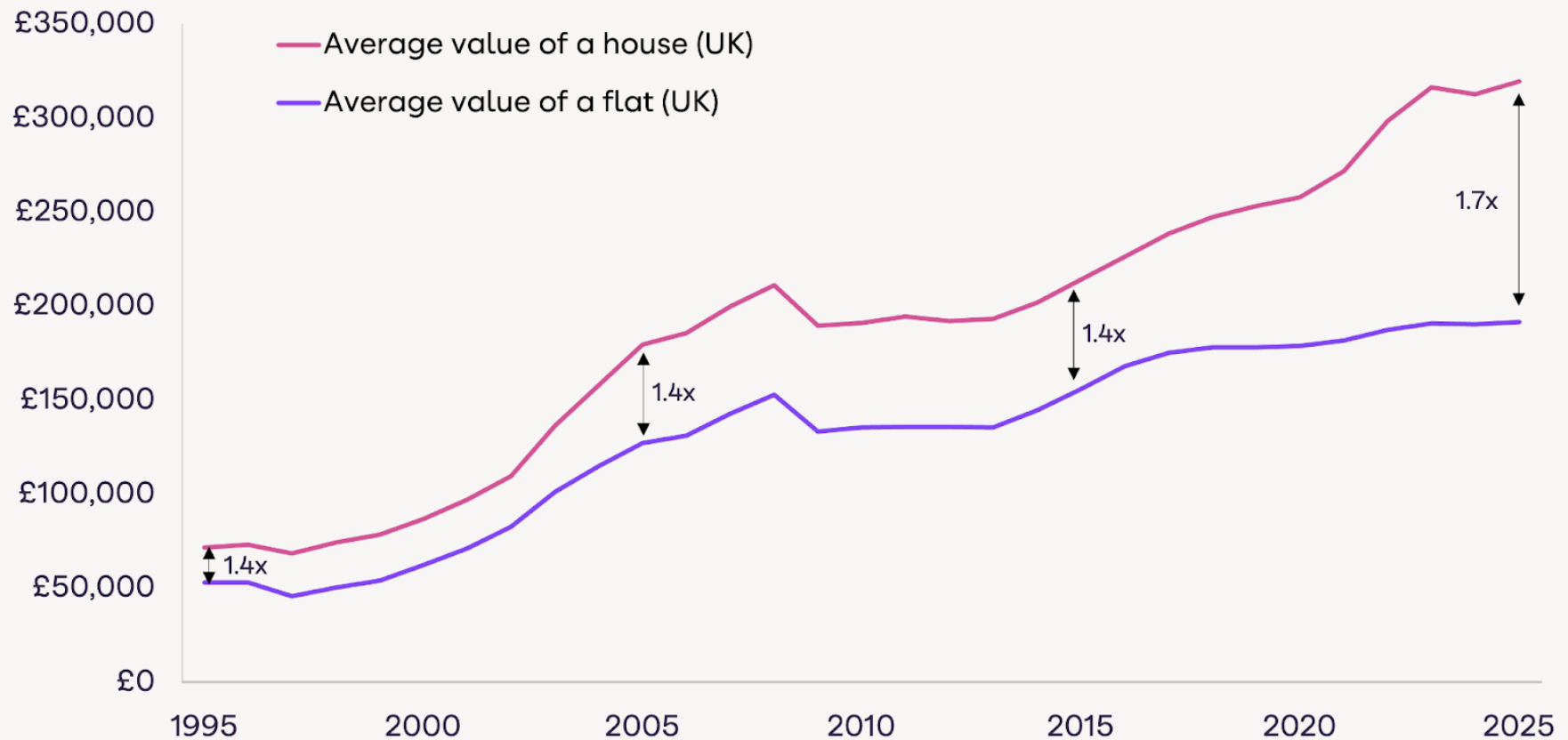
**Thinking of Buying Leasehold?
Here's Why Experts Warn Against It**

**From Service Charges to Permissions:
The Everyday Headaches of Leasehold Living**

**Leasehold Pitfalls:
How a Cheap Flat Can Become a
Long-Term Financial Burden**

What effect has all this had?

Flat - house pricing gap largest for 30 years



Source: Zoopla House Price Index

Annual data at January

Focus on London



Law Reform Incoming

- Discussed in depth in meeting held on 16 February 2026 – recording available
- RTM costs and commercial rules **in force** since March 2025 (LAFRA 2024)
- All new ground rents above a peppercorn **illegal** since June 2022
- New leasehold houses to become **illegal** imminently (LAFRA 2024)
- New leasehold flats to become **illegal**, probably on 1 January 2028
- However, developers already reacting:
 - *“nobody wants to buy a new leasehold flat: they are unsellable”*
- All three major new riverside developments close to BR (Cheslea Vista, HiLight & Hurlingham Waterfront) are being marketed with **share of freehold**
- Commonhold will become the **default tenure** from 1 January 2028

Could law reform make our problem worse?

- At Battersea Reach, we risk being **stuck with the old** leasehold system whilst new developments have the advantages of commonhold or share of freehold
- We are currently all invested in a distressed asset class
- Law reform will prevent others falling into the same trap in future
- BUT it will not save us
- **WE have to fix this OURSELVES**

The Leasehold & Freehold Reform Act 2024

- Two major advances which help us at BR came into force on 3 March 2025:
 - The **freeholder and head leaseholder costs** in dealing with an **uncontentious** claim can no longer be charged to leaseholders (section 50)
 - The **commercial floor space threshold** at which RTM claims are barred has been raised from 25% to 50% (section 49)

What is Right to Manage (RTM)?

- Leaseholders get together and form a special RTM company, with some of their number acting as directors
- That RTM company then takes the “powers of management” from the freeholder (St George) and head leaseholders (Fairhold Athena / E&M)
- The key changes are that the RTM company then:
 - Sets the annual budget and service charge
 - Can hire and fire a managing agent
 - Can direct the managing agent as to operational priorities, staff management, contractors, efficiencies etc.

What isn't RTM?

- RTM is **NOT** self management
- RTM is **NOT** buying the freehold
- RTM is **NOT** converting to commonhold
- RTM is **NOT** avoiding ground rent obligations
- RTM is **NOT** permanent or irrevocable
- RTM is **NOT** “firing” all the staff
- RTM is **NOT** “getting into litigation”
- RTM is **NOT** unusual or extraordinary

Some RTM myths debunked

- RTM is all about cutting services
- RTM is undemocratic
- RTM will cause the value of my flat to fall
- RTM will cause intra development disputes and arguments
- RTM will mean that nothing ever gets fixed or done
- RTM is replacing professionals with amateurs

Advantages of RTM

- Value for money
- Alignment of interests – those who pay the bills get to decide how the money is spent
- Prevention of contractor corruption and sharp practices
- Clamp down on waste
- Ensure that the MA is responsive and proactive
- Cut out layers of decision making (eg St George and E&M)

Risks of RTM

- Composition and character of RTM Company board
- Liability of RTM Company board and how that may impact ability to recruit the right people
- The new Building Safety Act and its “PAP” regime
- Against all risks, is one important mitigant: if leaseholders and shared owners feel that RTM is not working well, they can resign from the RTM Company and the situation reverts to as it is now

History of RTM at Battersea Reach

- 2021 RTM claim for Kingfisher House
- Turned down on the basis that BR was a single construction
- Claims were also close to being launched for Commodore House and Baltimore House but were stopped because of this obstruction
- Had such claims succeeded, the two MA problem would never have arisen

VAT on staff costs

- Current **annual** cost to BR of the **VAT scam is £250,000 approx**
- This number will continue to rise as wages rise (wages are rising as the value of our properties continues to fall)
- This has been made worse since the managing agent split because we now face the possibility of **DOUBLE VAT** on the proportionate cost of employees taken by Kingfisher, Commodore and Baltimore leaseholders (effective rate of 44% markup)
- RTM – as long as the employees are transferred to an appropriately structured entity - will end the VAT leakage once and for all
- Obviously, this is all premised on HMRC not changing the relevant regulations / the courts altering their interpretation of them

Recent BROA survey: views on two managing agents at BR

- 87% very concerned or concerned about the two MA mess now at BR with 6% agnostic and 7% very unconcerned or unconcerned
- Duplication of work, unnecessary costs, infighting, multiple contractors causing problems and R&R's past performance all seen by well over 80% as being significant risks
- Service charge demand chaos and budgetary breakdown have now emerged as further problems and BROA is constantly contacted about these

Recent BROA survey: who should be in charge?

- 86% of respondents felt MAs would deliver a better service if apartment owners had the power to hire and fire them (5% did not and 9% unsure)
- 93% felt that owners of apartments should have the final say on the budget and service charge (5% felt St George and 2% the HAs)
- 94% felt control of the budget and service charge by apartment owners would lead to better value for money

Recent BROA survey: RTM awareness

- 42% felt they were fully aware of RTM with 32% vaguely aware and 25% not aware but wanting to know more. 1 person said she wanted to hear nothing about it....
- 90% were in favour of meetings like this to develop understanding of RTM
- 73% felt we should start to consider RTM at BR with 22% unsure and 5% against

RTM, leaseholders, shared owners, social tenants & commercial units

- RTM laws give leaseholders and shared owners **equal treatment**
- Social tenants (Genoa and Nautical houses only) are **entirely excluded** from the process by law
- Housing associations (both for shared ownership and social rent flats) are not eligible to exercise meaningful influence
- By law, owners of commercial premises have **no say or vote** in the RTM claim process

How do we get RTM at Battersea Reach?

An overview

- 50% (plus 1) of all flats (each flat counts as 1, irrespective of size) “join” the RTM company as members
- Leaseholders and shared owners have one vote per flat
- Once that happens the RTM Company would serve an “RTM claim” on the freeholder and all head / intermediate leaseholders
- A mechanism and timetable then laid down by law then begins
- Ultimate time for completion of the process depends heavily on

How do we get RTM at Battersea Reach? The timetable



How do we get RTM at Battersea Reach?

The key numbers

Tenure	Number
Leasehold (including fully staircased out shared ownership) flats	1137
Shared ownership flats	149
Total eligible flats	1286
Social rent (Genoa and Nautical houses only - ineligible) flats	72
Total eligible and ineligible	1358

50% of 1358 + 1 = 680 flats
(680 of 1286 is 52.9%)

Next steps for RTM at Battersea Reach

- RTM Company established in April 2025
- Articles are in a form laid down by law
- Major consultation exercise on governance begins in April
- Begin asking supporters to join the RTM Company
- Campaign has initially focused on “low hanging fruit” of highly motivated leaseholders with a strong understanding of the problems at BR and the legal avenues to solve them
- Significant early success in obtaining 25%
- Likely to need a more sophisticated and involved campaign to get from 25% to 50%
- We may hire professional help for the final stretch but initially we will rely on volunteer leaseholders / shared owners

Our neighbours and “competitors”

- Chelsea Bridge Wharf (another Berkeley development with R&R as managing agent) obtained RTM
- Riverside Plaza has had RTM for over two decades
- Plans are afoot at a number of other large, riverside developments
- There is currently a significant oversupply of expensive riverside flats and we need to “compete” against our neighbours to be seen as well run and efficient, if we are to maintain our premium value
- Leasehold is a dirty word right now and no one will buy into a development that is known to be badly run or cost inefficient

RTM & Governance at BR

- Articles laid down by law so no real opportunity for debate around these
- Each director candidate elected (or not) by simple majority vote at AGM
- Consultation begins in May on Governance Framework (published late April) – how directors would exercise their powers
- Framework to be based around **five** key principles of:
 - transparency
 - long term planning
 - value enhancement
 - accountability
 - stability

Volunteers required!

- RTM Company directors
- A webmaster (can anyone help expand and improve our website?)
- Building representatives / ambassadors
- Social media and traditional communications experts
- Arabic, Cantonese and Mandarin speakers

Keeping up to date with RTM at BR

- New website to be built to deal exclusively with RTM:

www.batterseareachrtm.com

Some words of caution: behaviour at BR

- RTM is a long and involved process
- There is no telling how many months it will take to get the requisite number of flats to sign up, or indeed if we will succeed
- It is vital that the debate is kept civilised and neighbourly
- The anonymous notes, threats, wild allegations and conspiracy theories that characterised the behaviour of a small group in 2021 must not be repeated
- Defamatory and threatening behaviour will be met with a robust response

Questions

Please

raise your hand

in Zoom and then

unmute your microphone

when called