

# We Can Together Make The Future Better

*Sir Peter Bottomley MP*

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I hope to contribute in the Budget debate on issues that matter to leaseholders here and around the nation. Urgently I ask government to suspend the threat of forfeiture on residential leaseholders who cannot pay.

Most of the flats in the constituency are safe and saleable. All should be. The staggering sums of money needed to make some city blocks safe was discussed this week at the Housing Select Committee. A minority of leaseholders, more accurately termed lease-renters and by law only tenants, face section 20 notices of costs.

If payment is not made, the landlord (usually the freeholder), can apply for forced surrender of the lease. With forfeiture, the bank or building society lender loses out; more drastically, the leaseholder loses all their equity.

I am asking government to use emergency legislation to halt this outdated inhumane process temporarily before reforming the system. Any surplus should go back to the leaseholder, plain and simple.

An additional burden, added to any 'waking watch' costs, is the sharp increase in property insurance rates, assuming insurance cover is available at any price. I fear leaseholders will be paying the price for mergers amongst brokers and insurance companies. The market is not working.

Government can agree the scheme proposed by the Association of Residential Managing Agents, accepting the possible excess of claims above say £250,000.

Turn to those excluded from coronavirus support payments. Government at national and local level did well to give large amounts of money at short notice in ways that were administratively possible.

Now is the time to fill some of the obvious gaps. Imagine two people in one household with a successful business that stopped for over a year because of C-19. Each was earning and paying tax on incomes above £50,000. How much support? Nothing. How much earned in twelve months? Nothing.

Too many have been left behind in the creative cultural and entertainment sectors, unlike most pensioners who have maintained their incomes and most public sector staff able to continue working, contributing and earning.

The pub landlady or landlord twice had to close, destroying food and beer stocks.

Much of the traditional media suffered reductions in traditional advertising revenues, offset in part by the NHS and government advertising virus safety procedures and now the vaccination programmes. Give newspapers transitional assistance to continue to serve the local communities with news, views and business opportunities.

My team and I are involved in trying to get the Environment Agency and one of its sponsoring ministries to agree how to suspend high licence fees for unusable rights to operate on the rivers. Most private landlords have been more accommodating.

One interesting suggestion has come in. How about adjusting tax codes for certain key workers as one way to recognise their special contributions? There would be boundary problems; there always are.

Another anomaly is faced by the firm with two places of operation. One with a street-front was allowed rate relief; the other was ruled out because the public could not easily access it. Rough.

The more we can get things right now, the better we can bounce back. That carries twin risks. Tax rate increases can become counter-productive by throttling economic growth that brings revenues to government while reducing the costs of unemployment.

The ever-present threat of the return of inflation and sharply rising interest rates would make a future of fear for the elderly on fixed incomes and for homeowners and leaseholders with mortgages.