

BWRG Future Governance Discussion Document, May 2026.

The existing BW **leasehold governance framework** of the Freeholder, a Management Company(BWML) and BW Residents Group, a Recognised Tenants Association, has many good features (including the 999-year lease, Not for Profit Management Company, no ground rent and volunteer BWML Directors). However, the leasehold environment is changing, and we believe we should look at modernising our approaches.

A current search for “**What is the best way to govern a leasehold development in the UK?**” on Google AI summarises the background to the current changes:

“Based on recent reforms and proposed legislation in England and Wales as of early 2026, the best governance for leaseholders is a shift away from traditional landlord-controlled systems toward Commonhold or, as an intermediary step Right to Manage or Collective Enfranchisement (Share of Freehold). These models aim to empower residents with democratic control, transparency in service charges, and the elimination of ground rents.”

Relevance to BW— Democracy and/or Share of Freehold. **Benefits** from changes could be

- increased leaseholder confidence and support. Less hassle and litigation?
- an improved reputation of BW as a good place to live, hold property and do business and that could increase property values and sale ability.
- help to the BWML Board and the BWRG RTA in their work.

Democracy on BW is achieved by the annual election of the BWRG/RTA Committee. Regular joint meetings between BWRG and BWML are valuable and productive. All this, however, requires quite a lot of time and effort.

BWRG Committee wish to work with BWML to explore a process to elect a proportion of BWML Board Directors. This would achieve explicit democratic representation on the Board with a positive modernising and reputational impact. The BWML/BWRG work could then be simplified. The elected representatives would be Board members with the support, information, regulation/corporate governance, and protection/insurance that brings

Share of Freehold is complex, and advice has suggested so far that the implications for stakeholders and lenders might be time-consuming and costly.

This will take some time and careful consideration. BWML Board and BWRG Committee have agreed to form a joint Working Party in due course to evaluate options and implications. A BWRG member has consulted West Lindsey District Council, which has experience of developing modern governance for leasehold developments resulting in some valuable advice. However, the BWRG AGM in May 2026 felt by a clear majority that it was premature to consider these issues until ongoing legislation was completed, preferring at this stage just to note the issue in a preliminary document.