# MPs call for tighter rules on ‘fleecehold’ property management after surge in complaints



Members of Parliament have urged the government to introduce stricter regulation of companies engaged in ‘fleecehold’ property management agreements following a surge in complaints about excessive service charges imposed on leaseholders. The calls emerged during a recent debate held in Westminster Hall, led by Caroline Voaden, the South Devon Liberal Democrat MP, who highlighted the widespread frustrations of residents living under these agreements.

‘Fleecehold’ refers to situations where residents face inflated service costs and questionable management practices by companies overseeing residential estates. According to Mrs Voaden, who spoke to DevonLive, constituents have reported not only financial grievances but also significant distress caused by what she described as "rogue practices" by unregulated management firms. She said: "Every type of resident—leaseholders and freeholders—is affected by rogue practices. Residents are being ignored, dismissed, intimidated and, frankly, fleeced by management companies that are not subject to any kind of regulation."

Mrs Voaden detailed complaints including charges for services that do not exist, such as payments for gardening in the absence of gardens or for new windows when none were installed. She also spoke of broken lifts, leaking ceilings persisting for years, flooded car parks, and escalating insurance premiums without proper justification. She cited a specific example from a Totnes estate called Camomile Lawn where annual reserve fund contributions jumped from £2,000 to £8,000—a rise exceeding 265 per cent—with no explanation or sharing of the related 10-year financial plan despite residents’ repeated requests.

Additional concerns were raised by other local MPs. Martin Wrigley, MP for Newton Abbot, reported that in Teignmouth the management company FirstPort had been acquiring other local management firms, with questions raised about the whereabouts of sinking funds, or contingency monies collected from residents. He stated: “the sinking funds appear to have disappeared. They have been sunk.”

Richard Foord, the Liberal Democrat MP for Honiton and Sidmouth, brought forward a particularly striking case from his constituency in Exmouth, where a resident saw her insurance premium surge from roughly £100 annually to nearly £900 due to charges covering all conceivable risks, including terrorism insurance. He remarked: “We do not have a great deal of terrorism on the retirement estates of mid and east Devon, so I can be certain that a large cut is being taken out of that fee. We need transparency so we can all know why that is happening and where that money is going.”

One of the companies criticised during the debate is FirstPort, which manages over 300,000 homes nationwide and has an office in Exeter. A spokesperson for FirstPort responded by expressing the company’s willingness to engage constructively with MPs and residents. The spokesperson said: “Since the start of the year, we have held a number of constructive meetings with MPs – both in Westminster and at properties across the country which have given us the opportunity to highlight the improvements we are making to better serve our customers.”

They added that FirstPort supports the government’s proposal for a formal regulatory framework for property managers, which they believe "will help drive higher standards across the industry while giving customers greater confidence in those entrusted with caring for their homes."

Caroline Voaden and her colleagues are calling for legislation to protect residents from unfair charges, poor workmanship, and a lack of accountability by management companies. The debate underscores a growing concern across the UK about the management of leasehold properties, particularly where residents feel powerless to challenge service costs or obtain clear information on the use of their payments.

Source: [Noah Wire Services](https://www.noahwire.com)

## Bibliography

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