



# Leasehold Plus

## Enhancing ownership in Integrated Retirement Communities

ARCO members have developed proposals – Leasehold Plus - to extend consumer protection for older people owning a home in an IRC:

- 1** Enhanced consumer protection - every sale of home in IRC covered by consumer law
- 2** Tailored leases – fixed 125 to 999 year leases replaced with new leases tailored to new residents
- 3** Regulation of disclosure and transparency – strengthening protection afforded by consumer law
- 4** Improved dispute resolution mechanisms if owners aren't happy with operators

Integrated Retirement Communities (IRCs) provide a wide range of facilities and services to around 90,000 older people in the UK, offering them a high quality of life and enabling them to live independently for as long as possible through:

- 24/7 on-site support
- CQC-regulated personal care and support if needed
- Gyms, restaurants, shops and other facilities

Many operators of IRCs have long offered enhanced protection to leasehold owners, but they are still constrained by limitations of leasehold as a tenure.

ARCO believes the government should implement Leasehold Plus immediately:

- Greater certainty for residents around ongoing costs
- Maintains principles familiar to customers and the sector
- Simple to introduce with £0 cost to government
- Increased regulation and legal certainty will encourage growth of sector, helping alleviate the current shortage of IRC schemes.

### Leasehold Plus - a proposed solution for tenure reform



Current leasehold system



- Terms of contract are inflexible and stay the same
- Not fully protected by UK consumer law
- Customer to customer transaction after the first sale



Leasehold Plus



- New lease can be tailored to new customer needs
- Fully protected by UK consumer law
- Always a business to customer transaction