

REAL ESTATE UK HORIZON SCANNER

CONSULTATIONS

The following consultations are currently in progress, or have recently closed awaiting outcome

Consultation	Detail	Dates	HL articles
Law Commission consultation paper on the Landlord and Tenant Act 1954	The Government has commissioned a Law Commission review of the Landlord and Tenant Act 1954, and security of tenure provisions for business leases.	Consultation Paper to be published in December 2023	UK Landlord and Tenant Act 1954: what might reform look like? - Hogan Lovells Engage
ESG: New UK Sustainability Disclosure Requirements	The consultation sets out proposed rules for the UK's equivalent of the EU's Sustainable Finance Disclosure Regulation. The timing for introduction of the proposed new SDR has now been delayed until Q3 of 2023. We are monitoring this closely.	Outcome awaited.	The FCA released Consultation Paper CP22/20 on the UK Sustainable Disclosure Requirements - Hogan Lovells Engage Sustainability disclosure requirements for the UK: where are we now? - Hogan Lovells Engage
Consultation on high street rental auctions	The consultation considers practical questions such as the form of lease between the Local Authority and the tenant under the controversial proposals for high street rental auctions	Outcome awaited.	UK government's rental auction plans will bulldoze normal letting processes - Hogan Lovells Engage
ESG: Consultation on the Infrastructure Levy	The consultation considers how to reform the Community Infrastructure Levy, the existing system of developer contributions.	Outcome awaited.	
ESG: Consultation on Environmental Outcomes Reports	The consultation contemplates how the European-based system of environmental impact assessments is to be replaced.	Outcome awaited.	UK Environmental outcomes reports: evolution or revolution? - Hogan Lovells Engage

Consultation	Detail	Dates	HL articles
			UK: Earth Day: Investing in our Planet – real estate and planning
Consultation on the introduction of a use class for short term lets	The consultation sets out proposed changes to the Town and Country Planning (Use Classes Order) 1987 (as amended) including the introduction of a new use class for short term lets and associated permitted development rights.	Outcome awaited.	
Consultation on reform of the Construction Industry Scheme	The consultation considers how the CIS regime could be simplified. In particular, the consultation seeks views on two areas that are of relevance: landlord/tenant contributions and group reporting requirements.	Consultation closes on 20.07.2023	
FCA consultation on multi- occupancy buildings insurance	The consultation focuses on the levels of insurance commissions and the practice of brokers sharing commissions with landlords and/or property managers when arranging buildings insurance, primarily in relation to buildings including a residential element.	Outcome awaited.	UK FCA consultation on multi-occupancy buildings insurance: the end of the line for commission-sharing? - Hogan Lovells Engage

NEW AND PENDING LEGISLATION

This covers future legislation where: a Bill has been drafted and is passing through parliament; a change in law which has been passed but which has yet to come into effect; and recent changes that have come into effect.

Legislation	Detail	Dates	HL articles
ESG: MEES- forthcoming changes	 MEES – what to be aware of in 2023 and beyond: 01.04.2023 – prohibition on <u>continuing</u> to let commercial property with a substandard EPC rating of F or G is now in force 		What does ESG mean for UK RealEstate? - Hogan Lovells EngageESG, everywhere, all at once - Hogan Lovells Engage

Legislation	Detail	Dates	HL articles
	Carbon factors – EPC ratings <i>could</i> be improved without having to undertake any improvement works		<u>UK MEES: Reviewing a greener</u> future - Hogan Lovells Engage UK: Why MEES are not enforced –
	 Changes on the horizon 01.04.2030 – minimum EPC rating of B 		and how they can be - Hogan Lovells Engage
	 New "Compliance windows" requiring presentation of valid EPCs for commercial property within the scope of MEES 		ESG: Sustainability concerns see green leases evolve in the UK - Hogan Lovells Engage
Economic Crime and Corporate Transparency Bill	Includes sweeping reform to Companies House, granting Registrar broad investigative and enforcement powers. Also more tools to fight financial crime and prevent misuse of limited partnerships.	Introduced to Parliament on 22.09.2022. This Bill is currently being debated in the House of Lords.	Second UK Economic Crime Bill - Hogan Lovells Engage
Economic Crime (Transparency and Enforcement) Act 2022	Introduced a new UK register for overseas entitles which opened at Companies House on 01.08.2022. Overseas entities buying and owning land in the UK have to obtain an overseas entity ID number and provide information about their beneficial owners.	Received Royal Assent on 15.03.2022. Transitional period ended on 31.01.2023	<u>UK register of beneficial owners</u> <u>goes live – Hogan Lovells Engage</u> <u>The clock is ticking: Economic</u> <u>Crime (Transparency and</u> <u>Enforcement) Act 2022 - Hogan</u> <u>Lovells Engage</u>
Building Safety Act	The Building Safety Act 2022 received Royal Assent on 28.04.2022, with its provisions coming into force over the following 18-month period. It introduces specific building control requirements for higher-risk buildings, providing enhanced procedures for building control, strengthened regulatory oversight and rigorous inspection of building regulation compliance before, during and on completion of building work. Developers will need to be familiar with the new stop/go decision points described as "gateways", introduced by the Act, at which building safety and building regulation	Received Royal Assent on 28.04.2022. Provisions are coming into force piecemeal.	What you need to know about the UK Building Safety Act – Hogan Lovells EngageUK Building safety: Gateway consultation open for comment - Hogan Lovells EngageFiresafety: Landlord and LeaseholderCertificatesfor

Legislation	Detail	Dates	HL articles
	and Leaseholder Certificates, introduced by Schedule 8 of the Act, and the presumptions that apply if landlords fail to get their house in order. As the Building Safety Act imposes new safety duties on building owners and landlords and new liabilities for non-compliance, when landed with a bill for remedial works, landlords must now also look to the		residential blocks - Hogan Lovells Engage <u>UK Building Safety update: Where</u> are we now? Hogan Lovells Engage
	restrictions on demands for service charge to cover those costs. Please see attached Engage articles to find out more on all these issues.		UK Cladding and fire safety case update – "everyone else was doing it" is no defence - Hogan Lovells Engage
			<u>Fire Safety: UK Tribunal makes first</u> remediation contribution order - <u>Hogan Lovells Engage</u> Building Safety Act - What are
			landlord certificates and when do I need to provide one? - Hogan Lovells Engage
			UK Building Safety Act Landlord Certificates: What supporting information must a landlord provide? - Hogan Lovells Engage
Fire Safety (England) Regulations 2022	Impose obligations on the "responsible person" in residential buildings - depending on the height of the building. For all buildings with at least 2 residential units and communal	Came into force on 23.01.2023	What's new in Fire Safety? 2023 changes so far - Hogan Lovells Engage
	fire escapes, the responsible person must provide fire safety instructions and details of fire doors to ensure widened. For buildings over 11 metres, annual checks of flat entrance		
	doors and fire doors are required.		

Legislation	Detail	Dates	HL articles
	The most onerous obligations are for high-rise buildings (over 18 metres or 7 storeys), for which the responsible person is required to provide the fire service with up to date building plans and keep a copy in a secure information box on site, provide details of the design of the external walls and any risks, carry out monthly checks of firefighting lifts and equipment and install way finding signage for each flat and each floor.		
The Higher Risk Buildings (Key Buildings Information etc.)(England) Regulations 2023	The regulations specify key building information about higher risk buildings which must be provided to the building regulator, in line with s. 89 of the Building Safety Act. They also set out provisions regarding the parts of a higher-risk building the accountable person (as defined by s. 72 of the Building Safety Act) is responsible for in relation to their duties under part 4 of the Building Safety Act, where there are multiple accountable persons.	Came into force on 06.04.2023	What's new in Fire Safety? 2023 changes so far - Hogan Lovells Engage
The Building Safety (Registration of Higher- Risk Buildings and Review of Decisions)(England) Regulations 2023	The registration process for higher-risk buildings (high-rise buildings 18 metres tall or at least 7 storeys tall with at least 2 residential units) opened on 12 April 2023. The "Accountable Person" or "Principal Accountable Person" for each higher-risk building must register that building and provide certain information through the online portal by 1 October, or face a fine or imprisonment.	Came into force on 06.04.2023 Registration process opened on 12.04.2023, with a deadline of 30.09.2023	<u>UK Building Safety Act: Do I need to</u> <u>register my high-rise building? -</u> <u>Hogan Lovells Engage</u>
Residential Reform	The Renters (Reform) Bill is currently being debated in the House of Commons.	Currently in the House of Commons	<u>UK private rented sector: white</u> paper published – Hogan Lovells <u>Engage</u> <u>UK landmark reforms in the private</u> rented sector – Hogan Lovells <u>Engage</u>

Legislation **HL** articles Detail Dates Leasehold reform in the UK: The end of residential ground rent is now imminent – Hogan Lovells Engage UK Renters Reform Bill - big changes afoot in the private rented sector - Hogan Lovells Engage https://www.engage.hoganlovells.c om/knowledgeservices/news/ukrenters-reform-bill-update Levelling-Up and Currently at the Report stage UK Levelling-up and Regeneration Please see attached links for concise detail on key aspects of in the House of Lords Bill - compulsory purchase power **Regeneration Bill** the Levelling-Up and Regeneration Bill (LURB). and the best of the rest - Hogan Lovells Engage UK Levelling-up and Regeneration Bill – environmental outcome reports and heritage reforms -Hogan Lovells Engage UK Levelling-up and Regeneration Bill - when things don't guite go to plan – Hogan Lovells Engage UK Levelling-up and Regeneration Bill: IL, CIL and our old friend Section 106 – Hogan Lovells Engage Levelling-up and regenerating the English planning system - planning policy and "material" considerations - Hogan Lovells Engage

Legislation	Detail	Dates	HL articles
ESG: Environmental Act 2021	 Introduces a new mandatory 10% Biodiversity Net Gain requirement for new developments. New pre- commencement planning condition – expected to come into effect in November 2023. Conservation covenants came into force on 30 September 2022. Responsible bodies are expected to be able to apply for designation as such imminently. New nutrient neutrality provisions expected to come in in 2023. Separately, the government has also now launched its Nutrient Mitigation Scheme. 	Received Royal Assent on 09.09.2021- provisions are coming in piecemeal as regulations and further details are published	UKEnvironmentaloutcomes reports:reports:evolution orrevolution? -Hogan Lovells EngageWhat does ESG mean for UK Real Estate? - Hogan Lovells EngageBiodiversity net gain:future of sales and investment trends – Hogan Lovells EngageUK:What does nutrient neutrality mean for developers? – Hogan Lovells EngageUK:EngageEngageEngageEngageEngageUK:EngageEngageEngageUK:EngageEngageEngageEngageEngageEngageEngageEngageEngageEngageEngageEngageEngageE
The Product Security and Telecommunications Infrastructure Act 2022	The PSTIA is the first amendment of the Code (which came into force in 2017). It introduces: a new duty for operators to consider ADR; 	Certain provisions came into force on 07.02.2023 and 16.04.2023, others subject to enactment by regulations yet	esg-conservation-covenants-what- are-they-and-how-will-they-be-used UK Telecommunications: cracking the Code - Hogan Lovells Engage
	 rights for operators to upgrade and share equipment; 	to be made	

Legislation	Detail	Dates	HL articles
	 rights for occupiers in some occupation under a previously expired code agreement to seek a new agreement under part 4 of the Code; a new procedure to quickly get Code rights over remote land where a landowner fails to respond to requests for access; and and amends the 1954 Act to align the procedures with part 5 of the Code 		
ESG: The Environment (Local Nature Recovery Strategies) (Procedure) Regulations 2023	These regulations set out how the new system of Local Nature Recovery Network Strategies ("LNRSs") is going to work. LNRSs cover the whole of England and consist of a biodiversity priorities statement and local habitat map. They will identify opportunities, priorities, areas and measures for recovering and enhancing biodiversity in a local planning authority's area. The intention is that these strategies will create a more coordinated and focused approach to protecting our environment on a local and national level.	Came into force on 13.04.2023 in England.	UK: Earth Day: Investing in our Planet – real estate and planning
Amendments to the National Planning Policy Framework ("NPPF")	A consultation was held at the start of this year which considered changes to the NPPF including removing the mandatory requirements for the 300,000-new-homes-a-year target. Also considered proposals relating to development on Green Belts, housing need, Local Plans and beauty.	Outcome awaited. The government is expected to respond to the consultation and implement the changes at the same time. A further review of the NPPF will be undertaken in due course, once the LURB becomes law. This will look at climate change, infrastructure, slow build-out rates and the proposed national	

Legislation	Detail	Dates	HL articles
		development management policies.	
New Protect Duty	Owners and operators of commercial properties could be required by law to consider the adequacy of security measures, systems and processes adopted at their sites and take steps to mitigate any perceived risks. The proposals have been championed by victims' groups, including the Martyn's Law campaign which was established by Figen Murray, who tragically lost her son, Martyn, in the Manchester Arena attack in 2017. By the proposed introduction of this new Duty, the government intends to set out a legal framework for "publicly accessible locations" to ensure preparedness for, and protection from, terrorist attacks.	published its <u>Consultation</u> <u>Response Document</u> on	om/knowledgeservices/insights-

KEY CASES

Case	Detail	Dates	HL articles
M&S, Oxford Street	The redevelopment by M&S of its flagship store in London is currently subject to a public enquiry. M&S wants to demolish the existing building and build a new ten floor retail and office space. Those against this plan argue that demolition is inconsistent with net zero targets and that a retrofit of the existing building is the only way forward. It will be interesting to see how this challenge brought on environmental grounds pans out as it will indicate the direction of travel for other similar legal challenges.	inquiry. This is expected in July 2023.	To demolish or not to demolish, that is the question - Hogan Lovells Engage
Jalla v Shell	Whether ongoing pollution amounts to one actionable nuisance, or a continuing nuisance giving rise to fresh causes of action until remedied.	Hearing took place in the Supreme Court in March 2023. Awaiting judgment.	

Case	Detail	Dates	HL articles
Manchester Ship Canal v United Utilities	Whether Manchester Ship Canal can bring a private nuisance claim for trespass/nuisance against United Utilities for unauthorised discharges of sewage into the canal.	Hearing took place in the Supreme Court in March 2023. Awaiting judgment.	
Transport (Appellant) v	Supreme Court case on whether, when determining the development for which planning permission could reasonably have been expected to be granted in relation to land, the decision maker can take into account applications or decisions relating to other land arising from the compulsory acquisition of land for the same underlying scheme.	Hearing took place in April 2023. Awaiting judgment.	