Who is responsible for what in a leasehold building

A map of the usual responsibilities of the landlord, the management company, the managing agent, directors and leaseholders.

When something goes wrong in a building, the first question is often "who deals with this?" The answer comes from the lease, and from who has taken on the management. Here is the usual split, and how to check it for your building.

AREA	USUALLY THE RESPONSIBILITY OF
Structure, roof, foundations	Landlord, or the RMC or RTM company if it has taken on the duty
Communal areas and services	The party that manages the building, through the service charge
Building insurance	Landlord or management company, with the cost recovered from leaseholders
Inside the flat	The leaseholder, within the limits of the lease
Fire safety in the common parts	The "responsible person": whoever has control of the premises
Day-to-day running	The managing agent, if one is appointed, or the directors
Decisions on spending and policy	The board of the company, not the agent

Roles and what they mean

- **Landlord.** Owns the freehold and is bound by the lease, even where management is delegated.
- **Management company.** Holds the management duties under the lease, or under the Right to Manage.
- **Managing agent.** Carries out tasks for the company. The agent is accountable to the company, which is accountable to the leaseholders.
- **Directors.** Make the decisions for the company and owe legal duties to it.
- **Leaseholders.** Pay the service charge and keep to the lease, and they are often the members of the company.

Delegation does not remove responsibility

Appointing an agent or contractor does not remove the legal responsibility of the person who holds it. A company with fire safety duties remains responsible even

when the agent arranges the risk assessment. Boards should ask for evidence, not just assurance.

Questions to ask

1. Who is the "responsible person" for fire safety?
2. Who holds the service charge money, and who can spend it?
3. Who is named on the insurance policy?
4. Who deals with an emergency out of hours?
5. Who decides to spend money above a set amount?

> Write it down. A one-page responsibility chart, agreed by the board, ends most arguments before they begin. Review it when anything changes: a new agent, a new contractor or new directors.

General information, not advice on your circumstances. Leasehold law is detailed and changes: check the current position and take advice before acting. Leasehold Clarity is provided by Leasehold Clarity Limited (company no. 16963931), with management and professional services from Murphy Thompson Moore LLP (LLP No. OC314041).