

Press release

Competition and Markets Authority

3 November 2023

CMA sets out latest thinking on new build estate management concerns

A working paper published by the CMA sets out potential solutions to estate management concerns found as part of its housebuilding market study.

The Competition and Markets Authority (CMA) has published the first in a series of ‘working papers’ – which seeks feedback on potential solutions to problems with new build estate management and the charges households are required to pay.

As set out in its initial update earlier this year, the CMA is now considering measures which could address the concerns and is inviting feedback by 24 November 2023.

Options set out in the working paper, which the CMA is currently considering, are:

Strengthening consumer protections for households paying estate management charges – including giving people the power to challenge shoddy work, unreasonable charges and receive information over how they are set.

Increasing the extent to which amenities on new build estates are adopted by councils, which would remove the requirement for households to pay estate management charges.

Dan Turnbull, Director of Markets at the CMA, said:

The number of new build housing estates with unadopted amenities has ballooned over the last five years, particularly as councils tighten their belts. This has resulted in many households being left to pick up the bill for the maintenance of roads, parks, and street lighting.

As our study has progressed, we’ve heard concerns that some estate charges may be opaque, excessive, or result in sub-standard work. We’re therefore assessing a range of solutions to these concerns and are now seeking feedback before publishing our findings next year.

More information can be found on the housebuilding market study case page.