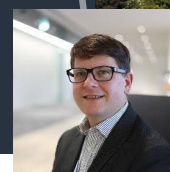


Roundtable on the Competition and Markets Authority's Housing Market Study

with Dan Turnbull - Senior Director of Markets, Competition and Markets Authority

Online via zoom



Dan Turnbull

Introduction

The meeting exploring the recently published Housing Market Study by the CMA shed light on critical housing sector challenges. From housing supply shortages to affordability concerns and the impact of planning regulations, stakeholders engaged in a comprehensive exploration of pertinent issues. The dialogue, inclusive of perspectives from SMEs, national developers, housing associations, and local authorities, emphasised the need for collaborative solutions to address the multifaceted dynamics of the housing market and delivery mechanisms. The discussion also ventured into the impact of private management of public amenities on housing estates.

Key Takeaways

- The discussion highlighted a persistent gap between housing supply and demand, exacerbating affordability challenges, especially for individuals with low incomes. Despite government targets, the market struggles to meet reasonable needs assessments, leading to an ongoing affordability crisis. This gap has widened over time, with affordability worsening, particularly for those on lower incomes who find themselves priced out of the market.
- Concerns were raised regarding the declining quality of service experienced by homeowners after sales, indicating a need for improvement in this aspect of



the industry. Additionally, there's a noted underutilization of Modern Methods of Construction (MMC) and other innovative building techniques, which could potentially enhance both the efficiency and quality of housing delivery.

- The meeting identified various issues associated with leasehold arrangements, including unpredictable charges and disproportionate sanctions for leaseholders. These challenges contribute to a lack of transparency and stability for homeowners, undermining confidence in leasehold properties as a viable housing option. The discussion underscored the need for regulatory intervention to address these issues and ensure fair treatment for leaseholders.
- Participants highlighted inefficiencies within the planning system as a significant barrier to housing delivery, with particular emphasis on the disproportionate impact on SMEs. Lengthy processes, high costs, and a lack of predictability in planning decisions were cited as key challenges hindering development and exacerbating housing shortages. These inefficiencies not only delay projects but also deter smaller developers from entering the market, further exacerbating the housing crisis.
- Stakeholders emphasised the importance of enhancing consumer protection measures to address issues such as poor-quality housing and misleading pricing practices. Clearer guidance for consumers, along with improved recourse measures, could empower buyers to make more informed decisions and hold developers accountable for their products and services.

Issues raised

- The meeting highlighted issues surrounding the private management of public amenities on housing estates, including concerns about transparency, accountability, and the vulnerability of homeowners to management companies. Participants emphasised the need for tougher regulation to protect residents and ensure the effective management of public spaces within residential developments.
- While not extensively covered in the meeting, there were mentions of challenges faced by housing associations, including a significant drop-off in new builds outside the private sector. This decline in housing association-led development raises questions about the sector's ability to address housing needs effectively and sustainably.

We would like to thank the members of our Advisory Board for their contributions and continuing support.



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