

Rt Hon. Michael Gove MP
Secretary of State for Levelling Up, Housing and
Communities
4th Floor, Fry Building,
2 Marsham Street,
London SW1P 4DF

From: Andrea Coscelli CBE
Chief Executive

Direct line: 020 3738 6286

31 May 2022

Dear Secretary of State

Thank you for your letter suggesting that the CMA undertake a review into the housebuilding sector.

It is critical to ensure that we have a housebuilding sector that operates effectively to deliver the homes that consumers need. An innovative and thriving market is also central to the UK's economic performance and can play a key role in helping to deliver the government's Levelling Up ambitions. There have also been a number of developments since the OFT's market study in this area.

The CMA is giving careful consideration to your request and I have asked our staff to develop proposals for the Board's consideration. As the CMA is a UK-wide body, and noting that housing is a devolved policy area, we will consider the geographic scope of any work in this sector and engage with Devolved Administrations as appropriate.

If the CMA were to take forward work on the housebuilding sector, it is likely that this would take the form of a market study. These can take up to one year to complete and give the CMA the power to gather detailed information to understand a market. They can lead to a range of outcomes but typically the recommendations we make rely on government, and potentially other stakeholders, accepting and implementing those recommendations.

Under statute, responsibility for launching a market study sits with the CMA Board. We will consider this request in line with our [Prioritisation Principles](#), taking particular account of the other potential cases in our pipeline, the potential impact of CMA work in this area at this time, and the CMA's available resources.

We will provide you and your officials an update after the Board has considered the proposals that are being developed.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'A. Coscelli'.

Andrea Coscelli CBE

Chief Executive

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