



P-06-1307 The Welsh Government should commit to the adoption of the maintenance of new housing estates by local authorities

The Petitions Committee has published a report exploring concerns about estate management charges from residents.

The Petition was signed by residents of the Mill, Canton, Cardiff because they are being charged £102 annually for the maintenance of a park bordering the estate, this is in addition to being charged council tax.

The Committee has made 5 recommendations to the Welsh Government, these are listed in full below. The Welsh Government responses to the recommendations are below.

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1. Petition overview

A *petition* (P-06-1307) was submitted to Senedd noting that the Welsh Government should commit to the adoption of the maintenance of new housing estates by local authorities. The petition arose from residents of the Mill, a new estate in Canton, Cardiff paying an annual fee of £102 for the maintenance of a park bordering the estate. This payment is in addition to other maintenance payments covering the unadopted highways, green spaces etc.

A Welsh Government consultation on estate charges in 2020 received over 600 responses, including 566 homeowners and residents. The Welsh Government concluded that:

“It is clear from the evidence provided that the practice of estate charges does not work effectively for everyone under the current arrangements.”

Throughout 2023 the Committee took evidence on estate management charges, after considering the above petition calling for these estates to be managed by local authorities. The Committee explored concerns about estate management charges and made 5 recommendations.

Recommendation 1. The Welsh Government should legislate for a regulatory framework that takes a more holistic and standardised approach to managing all the different types of adopted assets on a housing development, from highways and verges to parks and drainage

Recommendation 2. The Welsh Government should legislate for a regulatory framework that includes a fully transparent registration system showing who is responsible for managing every housing estate asset included in each development

Recommendation 3. The Welsh Government should work with the Welsh Local Government Association to explore the scope for a financial support package – with clear criteria attached - to allow adoption of assets in known cases where management is placing an unreasonable ongoing financial burden on residents

Recommendation 4. In developing suitable regulatory solutions for Wales, the Welsh Government should consider lessons learnt in Scotland and evaluate practices implemented through the Property Factors (Scotland) Act 2011. This includes the provision of a written ‘statement of service’ to homeowners; clear

standards and obligations for management arrangements; robust redress mechanisms; quality codes; and best practice for providing information prior to purchase

Recommendation 5. The Welsh Government should include, in its plans to regulate management of housing estate assets, how to implement common adoptable standards for public amenities, including green spaces, on new housing estates in Wales

The UK and Welsh Governments remain committed to making the system fairer. Since the Committee took evidence on this petition the Leasehold and Freehold Reform Act 2024 has received royal Assent.

Welsh Government continues to work with UK Government counterparts to reduce the prevalence of private management arrangements. A consultation is currently underway [Strengthening leaseholder protections over charges and services: consultation - GOV.UK](#) on implementation of the 2024 Act. The Welsh Government response to the recommendations is framed by the ongoing work at the UK level and consideration of competency matters.

2. Recommendation 1

The Welsh Government should legislate for a regulatory framework that takes a more holistic and standardised approach to managing all the different types of adopted assets on a housing development, from highways and verges to parks and drainage.

Welsh Government response: Accept in Principle

The current approach to securing and paying for site infrastructure on housing estates is fragmented. Under Sustainable Urban Drainage legislation developers are required to provide the necessary SUDs infrastructure which must be adopted by the local authority. Developers are also required to pay commuted sums to cover post adoption maintenance.

For highways infrastructure local authorities may adopt estate roads under S38 of the Highways Act 1990 where requested to do so. They are not compelled to adopt estate roads in which case estate management companies will take on responsibility for maintenance of the roads and associated infrastructure and charge residents directly through an estate management fee.

As far as public open space and play areas etc are concerned, where they do not form part of SUDs or highway infrastructure, they are usually provided by the developer with ongoing maintenance provided by the local authority and paid for by the developer using a commuted sum secured under S106 of the Town and Country Planning Act. Where this is not an option maintenance is undertaken by an estate management company who charge residents directly for maintenance through a estate management fee.

There has been a growing trend towards the use of estate management companies as local authority resources have reduced. It may be possible to amend existing legislation or create new legislation to require local authorities to adopt infrastructure in return for payment for ongoing maintenance by the developer using a commuted sum approach. Careful consideration, including engagement with local authorities, will need to be given to options to ensure that a range of options can be delivered reflecting local circumstance rather than imposing a highly standardised approach such as standard road layouts and materials.

3. Recommendation 2

The Welsh Government should legislate for a regulatory framework that includes a fully transparent registration system showing who is responsible for managing every housing estate asset included in each development

Welsh Government response: Accept in principle

The Leasehold and Freehold Reform Act 2024 has introduced the right to challenge estate charges and demand full transparency. The Welsh Government will continue to work with the UK Government on implementation of the Act including a consultation on implementation later this year. The UK Government will also publish a draft Leasehold and Commonhold Reform Bill later during 2025. Although the details of the Bill are not yet known, it may include some areas covered by this recommendation.

Welsh Government will continue to work with UK Government in this important area. Once the details of the UK legislation are known fully we will consider whether separate Welsh legislation is appropriate, including detailed competency analysis to identify appropriate powers which could be used.

4. Recommendation 3

The Welsh Government should work with the Welsh Local Government Association to explore the scope for a financial support package – with clear criteria attached - to allow adoption of assets in known cases where management is placing an unreasonable ongoing financial burden on residents

Welsh Government response: Reject

The Leasehold and Freehold Reform Act 2024 has introduced the right to challenge estate charges and demand full transparency. The Welsh Government will continue to work with the UK Government on implementation of the Act including a consultation on implementation later this year. This will provide a route for residents to challenge unfair estate charges.

We recognise the risks for local authorities from any transfer of liabilities and current costs from estates management companies, developers and householders to local authorities. Providing specific financial support for such adoption would in practice divert funding from other pressures and priorities.

5. Recommendation 4

In developing suitable regulatory solutions for Wales, the Welsh Government should consider lessons learnt in Scotland and evaluate practices implemented through the Property Factors (Scotland) Act 2011. This includes the provision of a written 'statement of service' to homeowners; clear standards and obligations for management arrangements; robust redress mechanisms; quality codes; and best practice for providing information prior to purchase

Welsh Government response: Accept

Property factors (also known as property managers) are responsible for managing and maintaining the common parts of residential buildings or land. They can be private companies, local authorities, or housing associations. The legislation was introduced in Scotland to improve transparency and accountability. It includes:

- A mandatory register of all property factors in Scotland
- A Code of Conduct setting minimum service standards
- A dispute resolution process through the First-tier Tribunal (Housing and Property Chamber)

Any legislation brought forward in Wales will have regard to lessons learnt from Scotland and elsewhere.

6. Recommendation 5

The Welsh Government should include, in its plans to regulate management of housing estate assets, how to implement common adoptable standards for public amenities, including green spaces, on new housing estates in Wales.

Welsh Government response: Accept

Statutory adoptable standards already exist for SUDs.

[statutory-national-standards-for-sustainable-drainage-systems.pdf](#).

For roads on housing estates, adoptable standards are available on the County Surveyor Society website supplemented by the Manual for Streets

[Cymdeithas Syrfewyr Sirol Cymru - County Surveyors' Society Wales](#)

[Manual for the Streets](#)

As far as public open space and play area requirements are concerned, these are often based on Fields in Trust standards which are often applied locally through supplementary planning guidance.

[Fields in Trust Standards: Creating great spaces for all](#)