

27th January 2020

DATA: HMRC reported UK residential transactions increased by 6.8% in December 2019

There is a growing body of evidence suggesting a post-election ‘Boris Bounce’ including the Rightmove [house price index](#) and today’s UK Finance [mortgage approvals](#). While the HMRC data may appear to fit this trend, it has been very volatile in 2019 and recent data have seen significant downward revisions in following months. If similar revisions are applied to December’s figure then transactions were probably similar to the previous month.

DATA: ONS reported total average weekly earnings grew by 3.2% in November 2019 (1.6% in inflation-adjusted terms)

Confidence is an incredibly important driver of short-term activity and price changes in the housing market but longer-term trends are driven by changes in mortgage rates and earnings. A previous [Chart of the Week](#) showed the fall in average rates on higher loan-to-value mortgages and the continued growth in earnings (especially in real terms) could also drive house prices higher in markets that are not constrained by lending limits.

REPORT: MHCLG English Housing Survey reports household tenure rates remain unchanged for the sixth year in a row

The report contains a wealth of housing information and data. We’ve used it for today’s Chart of the Week and a [Digging Deeper slide deck](#) but it’s worth reading the actual report.

REPORT: Social Mobility Commission’s report on public attitudes to social mobility in the UK, 2019-20

The reports shows that 77% of people “feel there is a large gap between social classes in Britain today” and “half of people say that where you end up in society is largely determined by your background.”

POLICY: Robert Jenrick , the Secretary of State, has written in The Telegraph about making it easier to build beautiful homes

He was writing ahead of the Building Better, Building Beautiful Commission's report which is due on Thursday (30th) and suggested he is considering a recommendation for a “fast track for beauty” in the planning system.

Chart of the Week

The housing prospects of younger generations are a political priority with home-ownership the preferred tenure. They will have welcomed the news that there are once again more households headed by someone aged 25-34 owning their home than private renting it as shown by the chart below. However, this data can be volatile and the small increase in home-ownership amongst younger people wasn’t enough to counter-balance the large numbers of older people paying off their mortgage.

Housing Tenure of Household Reference Persons Aged 25-34

Source: MHCLG English Housing Survey

