Weekly Summary

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6th July 2020

DATA: Nationwide reported house prices fell 1.4% during June

Annual growth is now -0.1% though prices are still up 0.5% since December 2019. These price falls are not yet reflected in other indices and so they may just reflect valuer caution rather than actual market trends.

DATA: ONS latest estimate of GDP for Q1 2020 revised down to -2.2%

The previous estimate for Q1 was -2.0% and this is now the joint largest quarterly fall in UK GDP since Q3 1979.

POLICY: Prime Minister has apparently "announced the most radical reforms to our planning system since the Second World War"

The announcements so far are limited by a lack of new money and the new rules around changing property use may increase supply but come with massive risks already highlighted by the poor quality of homes delivered in recent years via permitted development rights. We await the promised planning Policy Paper later this month to find out if it really is radical.

REPORT: Resolution Foundation look at housing quality across generations

They report "Younger age groups have spent lockdown in considerably less salubrious conditions than those in older age brackets. They have less space, are more likely to live in a damp home, and are more likely to have no garden or to live in a derelict or congested neighbourhood than older generations". They also highlight the differences within age groups where "income and ethnicity are strongly corelated with housing quality".

REPORT: Shelter & Savills assess the impact of COVID-19 on housebuilding

They report that Savills predict "that up to 244,000 jobs will go in the first year, and as many as 300,000 fewer homes will be built over five years" and Shelter suggest that Government can help avoid this by investing in social housing.

DATA: Open data released by OS, HM Land Registry & Registers of Scotland

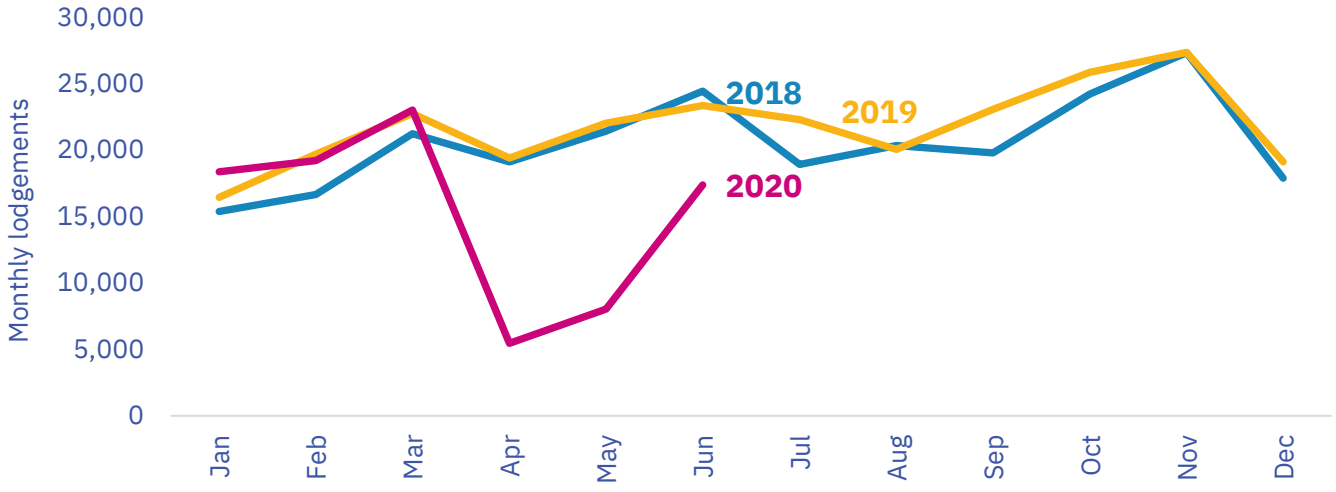
OS have released their Open Identifiers products including UPRNs, and HM Land Registry and Registers of Scotland have released INSPIRE spatial data. UPRNs provide a unique reference number and location for properties while the INSPIRE data provides a polygon for freehold properties. Unfortunately the lack of an open data lookup between UPRNs and addresses, and INSPIRE polygons with title numbers severely constrains their usefulness.

Chart of the Week

There are issues with some of the housebuilding data published by MHCLG as highlighted in our recent conversation with Kate Barker on YouTube. Given these issues, the number of new build Energy Performance Certificates (EPC) has emerged as a useful leading indicator for net additional supply. The latest data suggests activity in June rebounded to 75% of the level seen in June 2019, having been just 28% of previous levels in April. It is not yet clear whether this rebound will be reflected in actual completions or sustained over the summer. It is possible that the new build market may perform relatively stronger than the existing market given the availability of H2B equity loan though there may be timing issues that emerge between the lodgement date of the EPC and when/if the new home is completed.

New Build Energy Performance Certificates, England & Wales

Source: MHCLG, Landmark Information Group



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