

## 10<sup>th</sup> August 2020

### **DATA:** Halifax report UK house prices rose 1.6% in July

The monthly rise led to an increase in the annual change to 3.8% (2.5% previously) and all major house price indices are now reporting faster price growth following the end of lockdown with the exception of the ONS index which is yet to resume publication.

### **DATA:** Zoopla report a “two-speed” private rental market in Q2 2020

The data showed London rents falling (1.4% p.a.) while rents across the rest of the UK have continued rising (2.2%). Zoopla suggest rents in London could fall by up to 5% this year.

### **POLICY:** Government launch Planning for the Future consultation on their proposed reforms to “speed up and modernise the planning system”

Perhaps more evolutionary than revolutionary, these proposals include some good ideas, interesting ideas and potentially dangerous ideas. There also appears to be little that will substantially change the way the land and housebuilding markets work. Check out our [Housing Conversation](#) with Philip Barnes for some more discussion of what it all means.

### **POLICY:** MHCLG publish proposals to “improve the effectiveness of the current planning system”

These include “changes to the standard method for assessing local housing need” which are discussed in the Chart of the Week below, “securing of First Homes through developer contributions”, “supporting small and medium-sized builders by temporarily lifting the small sites threshold below which developers do not need to contribute to affordable housing” and “extending the current Permission in Principle to major development”.

### **REPORT:** MHCLG publish research on developer contributions in 2018-19

The research found the “value of developer contributions agreed in England during the financial year 2018/19 was £7bn”.

### **REPORT:** GLA research looking at intermediate housing in London

They report “the number of intermediate homes starting construction each year in London has more than doubled in eleven years” and that “shared ownership is generally only affordable to those at the upper end of the income eligibility bands”.

### **REPORT:** Savills report 48,000 completed Build to Rent homes

The Build to Rent market remains a small fraction of the wider private rented sector but with 34,000 homes under construction it will continue to grow. For a more detailed discussion of this market please check out our [Housing Conversation](#) with Richard Berridge.

## Chart of the Week

Today’s chart comes courtesy of Lichfields who have run the numbers on the proposed new Standard Method of calculating housing need. Check out their [analysis](#) for the numbers by local authority. The new approach leads to a big increase in the targets for London and the South East and, although higher than the current approach, targets that are still below recent delivery levels in the north of England. It remains to be seen how environmental and other development constraints will be applied and what the impact will be.

### Local Plan Requirements, Recent Delivery, & Standard Method by Region

Source: Lichfields analysis based on MHCLG/ONS

