

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

### **DATA:** HMRC report continued recovery in UK residential transactions

They report transactions increased by 14.5% in July but are still 27% below July 2019 levels. This data is an estimate based on the first two weeks of July with the stamp duty holiday starting on the 8<sup>th</sup>. Therefore the data may be revised in future updates. See the Chart of the Week for more on housing market activity.

### **DATA:** ONS resume publication of the UK House Price Index

They published data for April which showed a monthly fall of -0.9%, taking annual growth to 2.6%. The index will be published more regularly in coming weeks as they catch up with their regular schedule. The next release will be data for May on the 2<sup>nd</sup> September.

### **DATA:** ONS report SDLT receipts increased 19% in July

Total stamp duty revenues on residential and commercial property are still 37% lower than July 2019 and are unlikely to recover given the current holiday on residential property.

### **DATA:** MHCLG release land value estimates for policy appraisal 2019

The data is based on desktop surveys of a “typical” residential site in each local authority and it is important to read the guidelines before (mis)using this data.

### **POLICY:** MHCLG - “Jenrick extends ban on evictions and notice periods”

MHCLG announced a last-minute 4 week extension to the eviction ban, taking the total ban to 6 months. In addition, 6 month notice periods will be in place until at least 31 March 2021. The Nearly Legal blog is worth reading for the concerns about this temporary solution.

### **REPORT:** Homes For Later Living report calls for “government to set goal of building 30,000 new homes a year for ageing population”

Homes For Later Living represent around 90% of the market for owner-occupier retirement housing so it is no surprise they report “More than three million older people want to move to a smaller home but aren’t able to” and so recommend that more specialist retirement housing should be built. They also call for a permanent cut in stamp duty for people downsizing into specialist retirement housing. In reality, most old people will age in their existing homes and so more needs to be done to ensuring both existing and all new homes are appropriate for the ageing population.

## Chart of the Week

There are widespread reports that housing market activity has rebounded over the summer and we discussed why this is happening in our latest [market commentary](#). The Chart of the Week below shows Rightmove sales agreed were 38% above their 2019 level in July while last week’s HMRC transaction data showed a small recovery but still below 2019. However, it will take time for the sales agreed to reach completion and so the next test for how broad this recovery is will be in the Bank of England’s mortgage approval data next week.

### Housing Market Activity Compared to 2019

Source: Rightmove, Bank of England, HMRC

