

19th February 2021

DATA: Rightmove report a 3% annual rise in asking prices in February

The annual rate of change has fallen from 6.3% in December though this partly reflects faster growth in early 2020 and fewer family homes being listed during lockdown.

DATA: ONS report an 8.5% annual rise in house prices in 2020

The high growth rate reflects the sales agreed since the summer boom reaching completion though this figure could be revised in the future (see Chart of the Week for more detail).

DATA: MHCLG report a strong recovery in H2B equity loan completions

The completions data for Q3 2020 showed total completions and those by first time buyers were well above the same quarter in 2019 (11% & 14% respectively). However, the recovery in London completions was weaker with similar completions to Q3 2019.

DATA: ONS report lower stamp duty land tax (SDLT) receipts in January

Total SDLT receipts were 51% lower than in December and 24% lower than Jan 2020. This fall may be due to the SDLT holiday but could also reflect sales struggling to complete.

DATA: BEIS report Green Homes Grant voucher statistics

The underwhelming data and news reports the scheme will end in March are, unfortunately, unsurprising. This policy was compromised from the start by poor timing and a lack of attention to detail that limited its capacity to deliver.

POLICY: Housing Secretary announces extension to ban on bailiff evictions

The ban to protect renters is extended by six weeks and is now due to end on 31st March.

POLICY: MHCLG announces Oxford-Cambridge Arc spatial framework plan

The results of the plan are due in 2022.

REPORT: Policy Exchange release “Strong Suburbs” report

They propose “street plans” to allow residents to increase the density of housing on their street which would lead to more housing and create wealth for existing owners. The report provides lots of detail on how the policy could work but not enough on important issues such as where the capital investment comes from, who actually benefits from the process (landlords?), the implications of adding hope value to large numbers of existing homes, and an assessment of the environmental impact that includes embodied energy.

REPORT: Resolution Foundation report on rental arrears

They report “9 per cent of families in the social rented sector were behind with their housing payments in January 2021, alongside 6 per cent of those renting privately and 2 per cent of mortgaged home owners”. These percentages equate to over 750,000 families.

Chart of the Week

Last month’s ONS house price data for London was surprising, with annual growth of 9.7% despite widespread reports of the challenges facing the capital’s housing market. The latest release has now revised this figure down to 7% and annual growth for the latest month has fallen to 3.5%.

This volatility reflects a few of the challenges we currently face when trying to understand what is happening in the housing market. For example, a longer Land Reg Lag is leading to larger revisions (see [Digging Deeper](#)) and, as we [highlighted](#) a couple of weeks ago, last year’s volatility will lead to more volatility in annual change measures this year.

Annual Change in London House Prices

Source: ONS

