

8th October 2021

DATA: Halifax reported annual house price growth of 7.4% in September

With a 1.7% monthly rise, Halifax reported a record high house price of £267,587 and the annual price change increased to 7.4% from 7.1% the previous month.

DATA: BoE reported further falls in quoted rates for high LTV mortgages

Quoted rates on high loan-to-value (LTV) mortgages are nearly back to their pre-pandemic lows while rates at 75% LTV and below are at or near record lows.

DATA: ONS reported on private rent affordability in 2020

See our Chart of the Week for more information.

POLICY: Boris Johnson promised to “to build the homes that young families need in this country” in his Conservative party conference speech

But “not on green fields” and “not just jammed in the south east”. He promised to build “beautiful homes on brownfield sites” and suggested that solving the national productivity puzzle will be done “by fixing the broken housing market”. The brownfield approach is not new and could lead to significant falls in delivery, especially if the cladding crisis is not resolved. There were also suggestions in the press that housebuilding will be targeted at markets where the lifetime costs of renting are higher than the lifetime costs of owning. This would largely be high rental yield markets in the north of England and mark a substantial departure from current methods of assessing housing need.

REPORT: Savills reported “Nearly £420 million was invested into UK Build to Rent during Q3 2021”

Their latest update reports that there are 64,000 completed build to rent homes in the UK with a further 42,000 under construction. This is a small fraction of the UK’s private rented sector, even when including the additional 100,000 homes in the planning pipeline.

BLOG: Alasdair Rae investigated “The Big Spatial Reconfiguration of Housing and Labour Markets”

Based on the idea that longer commutes might be more tolerable if working less than five days a week in the office, Alasdair looks at housing markets where there might be overlaps in demand from people working in different cities.

Chart of the Week

This week ONS published [data](#) on private rental affordability. The data allows the comparison of rents and private renters’ incomes by quartile across English regions.

The data provides a useful guide to the relative affordability of different parts of the market. The chart opposite shows that lower quartile income renters have to pay the highest proportion of their income when living in homes with lower quartile rents. This is the case across all regions. Their actual rental affordability ratios may be lower than suggested by the chart opposite when housing benefit is included in the calculation but is likely to still be higher than the equivalent ratios for median and upper quartile income renters living in homes with median and upper quartile rents respectively.

The regional variations are perhaps less surprising, with London renters paying the largest proportion of their income in rent irrespective of which quartile is used for comparison.

Rental Affordability by Quartile

Source: ONS, VOA

