

21st January 2022

DATA: Rightmove reported a 7.6% annual rise in asking prices in January

This was an increase on the previous month's figure of 6.3%. They also reported a 15% rise in buyer enquiries compared to last year while the number of available homes dropped to a new record low of 12 per estate agency branch.

DATA: ONS reported a 10% annual rise in UK house prices in November

The annual rate was slightly higher than last month's revised figure of 9.8%.

DATA: ONS reported highest inflation rate since early 1990s in December

See Chart of the Week for more on inflation and house prices.

DATA: ONS reported a continued recovery in the UK's labour market

Although the labour market appears to have rebounded back to pre-pandemic levels on some headline measures, there are concerns about the longer-term impact of the pandemic, not least given the poor economic performance in the years before it hit. Wage growth is also easing and, with high inflation, real wages were negative in November.

DATA: HMRC reported 100,110 residential transactions in December

The data shows UK transactions have returned to their pre-pandemic average.

DATA: ONS published UK housebuilding data for 2020/21

Unfortunately this data doesn't account for the issues with the various underlying housebuilding measures including the under count of new build completions in England. It is best to use this data as a leading indicator and ignore the actual housebuilding numbers.

DATA: ONS published a comparison of private rental measures

DATA: PublicHouse published international dwelling and population data

This great resource "bundles together publicly available data on the number of dwellings and people in cities and countries around the world" and includes some initial [analysis](#).

REPORT(PDF): RICS published their December Residential Market Survey

The report cautions that the "Mismatch between solid demand and dwindling supply continues" and the "Shortage of stock cont[in]use to underpin price growth".

REPORT: JRF published UK Poverty 2022 report

The report warns "Housing costs are a major factor in determining whether people are pulled into poverty, with the cost of housing a key driver of poverty for renters in particular".

REPORT: Knight Frank report "Confidence returns to UK student market"

They report "Over 30,000 purpose-built student bedrooms were completed last year" while a further 21,000 are expected to be completed for the next academic year.

REPORT: Savills reported on the Housing Delivery Test results

The report provides a summary of the results [published](#) by DLUHC last week.

BLOG: CACHE blog on House of Lords report

The blog by Profs. Whitehead and Meen highlights concerns (and adds to our disappointment) in the House of Lords Built Environment Committee [report](#) on housing.

Chart of the Week

2021 was a record breaking year for the UK's housing market, with house prices reaching new highs and transactions boosted by the stamp duty holiday. But there was one record that passed us by until we looked back at [analysis](#) of previous housing market busts. 2021 was also the year that finally saw inflation adjusted (real) house prices reach their pre-financial crisis peak. Nominal prices soared past their previous peak in 2014 but the trend in real house prices has been relatively benign in recent years. It wasn't until the pandemic induced boom hit that real house prices began growing, though the exact timing depends on your chosen measure of inflation (and prices are still below their peak when using RPI).

Inflation Adjusted House Prices, UK

Source: ONS

