

28th January 2022

DATA: Zoopla reported UK house prices rose 7.4% in 2021

They also reported “Buyer demand surged over the New Year, and supply remains constrained, although initial signs that this trend may be turning”.

DATA: ONS reported another spike in SDLT receipts in December

The spike in stamp duty paid in December contributed to a record breaking £14.4 billion raised during 2021. Clearly, despite the stamp duty holiday, there were lots of buyers still paying it including at the top end of the market, investors, and second home buyers.

DATA: DLUHC reported 243,775 new build EPCs in England during 2021

The number of Energy Performance Certificates for new build homes is a useful leading indicator for net additional supply. It suggests net additional housing supply has settled around the levels recorded prior to the pandemic.

DATA: DLUHC reported a fall in social housing sales during 2020/21

The fall in sales across social housing (-29%), low cost rental homes (-34%), and fully staircased Low Cost Home Ownership (-3%) partly reflect the impact of restrictions during the pandemic and these data may be revised in future releases.

DATA: DLUHC released statutory homelessness data for Q3

The data for England reports a 4.4% fall in the number of households (67,820) “initially assessed as homeless or threatened with homelessness and owed a statutory homelessness duty”. The data also shows the most common reason for households owed a prevention duty was the ending of a private rented Assured Shorthold Tenancy (32%).

DATA: Rightmove reported a record rise in asking rents in Q4

They reported a 9.9% annual rise in national asking rents excluding London while London rents rose 10.9% over the same period to hit a new record high of £2,142 per month.

DATA: HESA published Higher Education Student Statistics for 2020/21

They reported “The total number of HE students stood at 2,751,865 in 2020/21, an increase of 9% from 2019/20” while “The number of first year postgraduate students rose by 16% while the number of first degree entrants rose by 8%”. They also reported “The number of first year students from India rose by 27% but the number from China fell for the first time by 5%”.

POLICY: DLUHC announced Waking Watch Replacement Fund open for applications

They announced an “additional £27 million to install fire alarms in all buildings where a Waking Watch is in place”. This covers buildings of all heights not just those over 18m. The Secretary of State also [wrote](#) to the Construction Products Association asking cladding and insulation manufacturers to fund the remediation of buildings with unsafe cladding.

REPORT: Centre for Cities published Cities Outlook 2022

The report asks “Will Covid-19 kill the high street?”

REPORT: Savills reported on life after Help to Buy

They report “The end of Help to Buy [equity loan] will leave a large gap in demand for new homes in England when it ends in March 2023”.

REPORT: Savills reported high growth in development land values

They report greenfield land values rose 8.8% in 2021 while urban land values rose 6.8%.

Chart of the Week

Halifax [published](#) their First Time Buyer Review last weekend and it provides us with some interesting regional data on what happened to their numbers during the pandemic. Perhaps the most interesting regional trend prior to the pandemic was the stagnation in first time buyers in London compared to the rest of the country from 2015. This stagnation reflected the impact of the additional taxation on landlords squeezing new investors out of the sales market. In most markets, these investors were replaced by first time buyers but affordability was already too stretched in London and so overall transactions slumped instead.

However, this regional pattern reversed during the pandemic with a relatively much smaller fall in London first time buyer numbers than across the rest of the UK. This is because, perhaps counter-intuitively, most first time buyers in London use much lower loan-to-value mortgages than their peers elsewhere. A 90% plus mortgage is unaffordable or unobtainable for all but the most equity-poor income-rich buyers in London. Therefore, they were much less affected by the credit crunch affecting high loan-to-value mortgages. That pattern has continued into 2021 with London first time buyer number 41% higher than 2019 levels compared to just 15% higher across the rest of the UK.

First Time Buyer Mortgage Completions – London Versus The Rest

Source: FCA Product Sales Data, Halifax, UK Finance

