

## 29<sup>th</sup> July 2022

### **DATA: BoE reported a fall in mortgage approvals for house purchase**

The 3% monthly fall in the seasonally adjusted series for June meant the number of approvals was 4% below the pre-pandemic average (2014-19).

### **DATA: BoE reported the average mortgage on new advances hit 2.16%**

The average for new advances was higher than the average rate on outstanding balances for the first time since 2014 and is likely to rise higher in coming months.

### **DATA: DLUHC reported 243,200 new build EPCs in year to Q2 2022**

Energy Performance Certificates on new build homes have proven a useful leading indicator for net housing supply in England. The latest data suggests housing supply is continuing around the levels seen prior to the pandemic.

### **DATA: ONS published analysis of housing purchasing affordability**

See Chart of the Week for more information.

### **DATA: DLUHC published statutory homelessness data for Q1 2022**

The data, covering England, shows “74,230 households were initially assessed as homeless or threatened with homelessness and owed a statutory homelessness duty, up 5.4% from January to March 2021”.

### **DATA: DLUHC published social housing lettings data for 2020/21**

The release for England shows there were 246,000 new social lettings in the year, a 20% fall compared to the previous year, most likely due to the pandemic.

### **POLICY: DLUHC announced plans to raise accessibility standard**

They say “New homes will be more accessible for older and disabled people as the government today (29 July) confirms plans to raise the accessibility standard following full consultation of proposals”.

### **POLICY: DLUHC’s Building Safety Fund reopened for new applications**

There is an online [Leasehold Protections Checker](#) to help check if you have to pay.

### **REPORT: JRF reported the need to focus on the existing housing stock**

They propose reforms to alter the ownership and distribution of the country’s existing homes with a shift away from the private rented sector to homeownership.

### **REPORT: NHBC on avoiding unintended consequences in Future Homes**

The report seeks to “identify the challenges and anticipate possible consequences” of the transition to the Future Homes Standard.

### **REPORT: Rightmove published “Green Homes Report”**

The report investigates “the impact of greener home initiatives on sellers, buyers, landlords and home-owners”.

### **NEWS: Savills reported on activity in London’s £5 million plus market**

They report the “Strongest half-year since 2006 for London’s super prime market”.

## Chart of the Week

ONS published their [analysis](#) of housing purchase affordability. It found in 2020/21, the “average home sold in England cost the equivalent of 8.7 times the average annual disposable household income”. The data also calculates price to income ratios across price and income deciles. For example, the ratio comparing the lowest decile prices to lowest decile disposable income in the South East was 11.3. This is clearly unaffordable and highlights the income distribution of actual buyers is well above that of the general population in most regions. To illustrate this, we have chosen a simple ratio of 5 times income as a cut-off to identify what decile house price each income decile could afford across a selection of regions. It shows the 5<sup>th</sup> income decile in the North East could afford the 4<sup>th</sup> decile (or below) of prices while it falls to just the lowest decile of property prices in the South East and West Midlands. London remains unaffordable with it requiring the 8<sup>th</sup> income decile to afford the lowest decile of property (ignoring any impact of wealth).

### House Price to Disposable Income Affordability

Source: Calculated using ONS data including HM Land Registry

