

20th January 2023

DATA: Rightmove reported asking prices rose 6.3% in year to 7th January

This was higher than last month's rate of 5.6% thanks in part to a bigger than usual monthly rise (0.9% not seasonally adjusted). We will have to wait and see whether this monthly increase just reflects the hopes and dreams of sellers during a quiet period of the year.

DATA: ONS reported UK house prices rose 10.3% in the year to November

The completion-based [index](#) tends to lag other house price indices but suggests house prices fell slightly in November compared to the previous month on a non-seasonally adjusted basis. The ONS index has been subject to significant revisions in recent years.

DATA: ONS reported CPI inflation of 10.5% in December

While the rate may have fallen from its peak of 11.1% in October and should fall further in coming months, the price rises of the last year are unlikely to be reversed.

DATA: ONS reported on the UK labour market

The unemployment rate was near record lows and the number of payrolled employees was still rising. However, the employment rate and hours worked are still below pre-pandemic rates and, while rising rapidly in nominal terms, real earnings were negative.

DATA: HESA published higher education student statistics for 2021/22

They report "The total number of HE students stood at 2,862,620 in 2021/22, an increase of 4% from 2020/21" and there was a "2% increase in first year enrolments between 2020/21 and 2021/22". In related news, ONS [published](#) an article on measuring student populations by comparing different data sources for individual local authorities.

DATA: Bank of England published Q4 Credit Conditions Survey

See Chart of the Week below for more information.

POLICY: DLUHC announced Levelling Up Fund projects

They announced "More than 100 projects awarded share of £2.1 billion from Round 2 of government's flagship Levelling Up Fund" though there are concerns about the distribution.

REPORT(PDF): RICS published December Residential Market Survey

They warn "Buyer demand still falling, resulting in fewer sales being agreed" and "National house price net balance continues to retreat". Meanwhile, price and sales expectations suggest "further declines in the year ahead".

REPORT: JRF and TBI reported on rental affordability since 1979

The report identifies "The erosion of subsidies explains the decline in housing affordability for renters over the past 40 years" and suggests "an expansion of social housing and reforms to housing benefits to improve housing affordability". One of the authors, Ian Mulheirn, has also published a [blog](#) on the report.

REPORT: Households in Temporary Accommodation APPG report

They published their call for evidence findings, call for temporary accommodation to be included in the Social Housing Bill, and propose a 7-point policy plan.

REPORT(PDF): Knight Frank published Student Property Report

They report £7.2 billion was invested in the sector in 2022 and forecast growing student numbers but suggest new supply isn't keeping pace with this growth.

CORPORATE: Crest Nicholson published preliminary results

They report sales per outlet per week of 0.6 in the year to 31st Oct 2022 compared to 0.8 the previous year. The rate has fallen to 0.35 in the eleven weeks since 1st Nov.

CORPORATE: Vistry published trading update

They report the weekly private sales rate per outlet was 0.71 in 2022 compared to 0.76 the previous year. However, they report the rate fell to 0.46 in the final quarter of the year but pricing "remained firm" during the period.

Chart of the Week

The latest Bank of England credit conditions [survey](#) highlights the impact of the Truss turmoil on demand for secured lending for house purchases. Demand for secured lending for house purchase had been expected to fall in the final quarter of 2022 (to end of November) with a net balance of -37% as per the red dotted line in the below chart. However, the actual reported figure for demand in Q4 was -75%. Expectations for the next quarter (to end of February) show both the availability of secured credit (-24%) and demand for secured lending for house purchase (-15%) will remain negative.

Availability & Demand For Secured Lending To Households

Source: Bank of England Credit Conditions Survey

