

## 22<sup>nd</sup> September 2023

### **DATA: Rightmove reported asking prices fell 0.4% in year to September**

They also reported “36.3% of properties currently for sale have had a price reduction” and “The number of sales being agreed in August across all property types drops to 18% down versus August 2019”.

### **DATA: ONS reported UK house prices rose 0.6% in year to July**

The completions-based index reported a negative annual change in London (-0.8%), the South West of England (-1.0%), and Wales (-0.1%).

### **DATA: ONS reported UK private rents rose 5.5% in the year to August**

It is worth noting the indices for England and Wales are based on achieved rents while the index for Scotland uses data that is “predominantly for advertised new lets” and the index for Northern Ireland uses data for advertised new lets.

### **DATA: ONS published house price statistics for small areas**

This release will be the last one as the series has been discontinued. Anyone requiring these tables can recreate them from the Land Registry price paid data.

### **DATA: ONS published Stamp Duty Land Tax receipts data for August**

The data, covering both residential and commercial properties, shows total receipts were still 27% lower in August 2023 than the same month last year.

### **POLICY: Bank of England held Bank Rate at 5.25%**

### **POLICY: Number 10 launched “new approach” to Net Zero**

Rishi Sunak announced the scrapping or delay of several green policies, including some imaginary ones.

### **REPORT: House of Lords Built Environment Committee reported on the impact of environmental regulation on development**

They report “The Government needs to show a strong display of political leadership to deliver and implement a comprehensive strategy for both development and the environment” and “Housebuilding targets should be given statutory weight, giving them an equal status with environmental goals”.

### **REPORT: NatCen published 40<sup>th</sup> edition of British Social Attitudes survey**

The report includes chapters on age differences, the evolution of the gender gap, role and responsibilities of government, poverty, social class, and gender roles.

### **REPORT: BoE published Agent’s summary of business conditions**

On housing they report “that higher mortgage rates had been the main factor in a further weakening of housing market activity. Demand was lower than supply for the first time in a few years and seen as unlikely to pick up until mortgage rates stopped rising” and “Housebuilders said they were continuing to scale back their construction plans because of the weakening of activity and higher costs”.

### **REPORT: Resolution Foundation reported on productivity in Manchester**

This report follows on from last week’s report on Birmingham.

### **REPORT: HBF reported on public perceptions on the housing crisis**

They report 72% of respondents said central Government are most responsible for fixing the housing crisis and just 5% of respondents said housebuilders were.

### **REPORT: Savills reported on new build home buyers**

Their analysis of “regional new homes dealbooks” shows a big increase in cash buyers.

### **REPORT: TwentyCi reported on the UK housing market**

They report a monthly increase in properties for sale and fewer properties sold subject to contract in August though it’s difficult to know how much of this is seasonal.

### **CORPORATE: Henry Boot published half-year report**

They report “There is no doubt that the rapid increase in short term rates is slowing the economy, reducing customer demand across our markets, and putting pressure, not least due to the funding costs, on the viability of residential and commercial schemes”.

## Chart of the Week

While listed housebuilders are reporting weak reservation rates and housebuilding starts have fallen sharply (DLUHC Q2 data is due out next week), leading indicators for overall net supply are still looking relatively robust on an annual basis. DLUHC’s weekly new build EPC data still shows numbers tracking normal levels with over 236,000 in the year to beginning of September 2023. This might be lower than the 250,000 being reported at the start of 2023 but it doesn’t yet reflect the scale of slowdown reported by the housebuilders and seen in wider measures of activity. These figures have been further reinforced by the VOA’s release of council tax valuation list dwelling counts for September 2023. They show a net change in dwellings over the twelve months of 236,600, very similar to the EPC data. The chart below shows this net change by region with some variation over the last few years.

### Net Change In Dwelling Stock by Region

Source: VOA Council Tax Valuation Lists

