

6th October 2023

DATA: Nationwide reported house prices fell 5.3% in year to September

They [report](#) no monthly change on a seasonally adjusted basis in September. The annual rate of price falls is likely to ease through the rest of the year as last year’s autumn declines fall out of the comparison period.

DATA: Halifax reported house prices fell 4.7% in year to September

They [report](#)(PDF) a -0.4% monthly fall and prices are just “+1.0% above the level seen in December 2021 (£275,889), the month when Base Rate first edged up from 0.1% to 0.25%”.

DATA: BoE reported falls in quoted fixed rate mortgages in September

The average 5 year fix at 75% loan-to-value fell to 5.23%, from 5.52% the previous month. However, the average revert-to-rate increased to 7.93%, its highest level since Dec 1998.

DATA: Rightmove reported annual rental growth of 10% in Q3 2023

The figure excludes London where rents increased 12.1% over the same period. They also reported “The number of enquiries each property is receiving from would-be tenants has more than tripled to 25 from eight at this time in 2019” with “41% more tenants looking to move than in 2019 and available supply down by 35%”.

POLICY: DLUHC published Long-Term Plan for Towns

It will “provide long-term investment in 55 towns to be spent on local people’s priorities such as regenerating local high streets and town centres or securing public safety”. The selection methodology note is available [here](#).

REPORT: Resolution Foundation on the macroeconomic policy outlook

They report “Only around a half to a third of the of the impact of past interest rate increases are evident in the data by June 2023” and “The UK labour market is loosening faster than elsewhere and is set to loosen further as the delayed impact of higher interest rates comes through”. They suggest this means the BoE is “is less likely to adopt a ‘high for long’ strategy” than the Fed.

REPORT: JRF published “Poverty in Scotland 2023”

They find “Over one million people still live in poverty in Scotland, with nearly half of those (490,000) living in very deep poverty” and “While the Scottish Child Payment is likely to reduce child poverty, the growth of in-work poverty is holding back further progress”.

REPORT: HBF reported on UK housing stock in an international context

They review how the UK’s housing stock compares to other countries.

REPORT: UCL suggest building more social and affordable housing

They suggest it could “save the UK government an estimated £1.5 billion a year overall by eliminating substantial costs related to homelessness”.

NEWS: Knight Frank published house price forecasts

They predict UK house prices will fall 7% this year and 4% in 2024.

CORPORATE: Grainger published trading update

They report PRS like-for-like rental growth of 9.2% on new lets and 7.2% on renewals and “Occupancy in our stabilised PRS portfolio remains at record-high levels” at 98.6%.

CORPORATE: Unite Students published trading update

They report “99.7% occupancy for the 2023/24 academic year (2022/23: 97.9%)” and “Rental growth of 7.3% for the 2023/24 academic year”.

Chart of the Week

This week’s chart shows how house price growth based on the non-seasonally adjusted Nationwide index tends to evolve through the year. During more normal years (e.g. 2017-2019), prices tend to rise in the first half of the year then stagnate or fall from July. So, in the absence of an external driver, by the summer we can have a good guess at what the year-end price change will be. This year started much weaker than normal but then recovered from March. However, prices then peaked earlier than normal (June) and prices have been weakening at a faster rate than usual since then. Based on these trends in previous years, we would currently expect year-end annual growth of -3.3% in December 2023 though the downside risks are large.

Percentage Change in UK House Prices Year-to-Date

Source: Nationwide

