

17th November 2023

DATA: Rightmove reported UK asking prices fell 1.3% in year to November

They [report](#) the monthly (non-seasonally adjusted) fall of 1.7% was “the largest in five years” for the month of November. They also report “Sales agreed are now 10% below 2019’s more normal market level, improving from 15% below last month” and “The pandemic-driven stock shortage is over, with available properties for sale now just 1% behind 2019”.

DATA: ONS reported UK house prices fell 0.1% in the year to September

The completions based index [shows](#) house prices rose 1.6% in the North East but fell 1.6% in the South West in the 12 months to September. ONS also warned about low transaction volumes affecting the index and future revisions could be larger than usual.

DATA: ONS published limited UK labour market statistics

The release is limited by the issues with the Labour Force Survey but did show nominal total earnings rising 7.9% (including bonuses), which was a 1.4% rise in real terms.

DATA: ONS published index of private housing rental prices

The release shows private rents paid by all tenants (not just newly listed or agreed rents) rose 6.1% in the year to October with London rents rising 6.8% over the same period.

DATA: DLUHC published final Help-to-Buy equity loan statistic release

With the final cut off for completions under the scheme set at the 31st May, this release is the final one (for now?). The final stats show 387,195 homes were bought through the scheme thanks to total equity loans of £24.7 billion. We’ll update our [Digging Deeper](#) with this final release but it won’t change much given the small numbers in recent months.

POLICY: Lee Rowley appointed Minister for Housing

POLICY: Welsh Government launched consultation on Council Tax reform

They are seeking views on “different approaches for new Council Tax bands”, “regular updates to Council Tax in the future”, “discounts and exemptions”, and “a more transparent system and a more effective appeals process”. They have also asked the VOA to prepare for a revaluation of all domestic properties in Wales.

REPORT: CMA published land banks and planning working papers

As part of the Competition and Markets Authority’s ongoing market study into housebuilding, they have published two working papers.

Their analysis of land banks shows “as of 2022, the 11 largest housebuilders together own or control land equivalent to c.1.17m plots across England, Scotland and Wales. The quantum of land in long-term land banks is equivalent to c.658,000 plots, while the short-term land bank is smaller, at c.522,000 plots”. They also investigated land banking concentrations and have identified 26 local areas to “probe further”.

On planning they “provide evidence noting that the GB housebuilding market has consistently failed to deliver sufficient housing – and sufficient planning approvals to deliver sufficient housing – to meet government targets and other government-endorsed assessments of housing need”. They also set out three key concerns: “Lack of predictability”, “Cost, length and complexity of the planning process”, and “Insufficient clarity of incentives”.

REPORT: Regulator of Social Housing published “Sector risk profile 2023”

The report “sets out the regulator’s view of the most significant sources of risk to providers’ ongoing delivery of the outcomes required by our standards”.

REPORT: NAO published Resilience to flooding report

They warn the capital funding to tackle flooding will protect “far fewer” properties than initially promised and the Environment Agency’s “maintenance of its assets is not optimising value for money” which is putting more than 200,000 properties at increased risk of flooding.

REPORT: LGA reported on bringing empty homes back into use

They report limited council resources mean councils “largely take a reactive approach to dealing with empty homes, tackling issues and complaints as they are received and when resources allow”. The report provides recommendations for how to deal with empty homes.

REPORT: Resolution Foundation published 2023 intergenerational audit

They report “Home ownership rates among younger cohorts have fallen sharply in the UK. Between 1986 and 2021, home ownership rates for households headed by 30-34-year-olds had fallen by over 20 percentage points in the UK” and while “millennials are expected to become a generation of home owners”, this “looks set to take them more than five years longer than it did in their parents’ generation”.

REPORT: IFS reported on housing costs and income inequality

They report “Poorer households spend more of their income on housing than do richer households, and this difference has increased over time”. As a result: “Housing costs have therefore become increasingly important to the calculation of relative poverty rates”.

REPORTS: CaCHE published three reports

The reports cover: “[The impact of regulatory reform on the private rented sector](#)”, “[Heat Pumps and Domestic Heat Decarbonisation in the UK: A Systems Thinking Analysis of Barriers to Adoption](#)”, and “[Assessing the affordability of the private rented sector for LHA recipients in Scotland](#)”.

REPORT(PDF): IMLA published Intermediary Mortgage Market Tracker

The survey covers Q3 2023 and shows that, while confidence continued to decline, the sector’s business flow and conversion ratios improved during the quarter.

REPORT: Savills on housing policy and the development land market

They discuss “What does emerging Conservative and Labour housing policy mean for the development land market in England”.

CORPORATE: Crest Nicholson published trading statement

They report a “Previous 10-week private Sales Per Outlet Week (SPOW) excluding bulk of 0.39, reflecting the continued weakness in the housing market but on an upward trend”. Including bulk sales, the rate was 0.80. They also report they will “Align headcount and resources in existing divisions to the expected level of output in FY24” as they cut costs.

CORPORATE: MJ Gleeson published AGM Trading update

They report “Net reservation rates for the 9 weeks to 3 November 2023 increased to 0.47 per site per week (0.46 excluding bulk reservations), from 0.43 per site per week during the previous 9 weeks to 1 September 2023”.

Chart of the Week

This week’s chart is a strange one because it’s actually two charts and neither are reproduced here! They are both found in this [article](#) by Moneyfacts. The first chart shows the number of mortgage products available on the market is the highest it has been since March 2008, at 5,678 deals. This is positive news compared to this time last year but the second chart is an important footnote. It highlights how the average shelf life of a mortgage product has collapsed in recent years. While the latest figure (20 days) is an improvement on recent months, it is around half the time it was prior to the pandemic. The current uncertainty around the prospects for the housing market doesn’t appear to be holding lenders back from offering products to the market but the volatility in interest rates has meant they need to be much more responsive to changes in market conditions. This is likely to continue as interest rates (e.g. swap rates) fall.