

17<sup>th</sup> May 2024

**DATA: ONS reported on the UK labour market**

They report “early estimate of payrolled employees for April 2024 decreased by 85,000 (0.3%) on the month but increased by 129,000 (0.4%) on the year” while the unemployment rate “was estimated at 4.3% in January to March 2024, above estimates of a year ago, and increased in the latest quarter”. Meanwhile, the “Annual growth in employees' average regular earnings (excluding bonuses) in Great Britain was 6.0% in January to March 2024, and annual growth in total earnings (including bonuses) was 5.7%”.

**DATA: MoJ published mortgage and landlord possession stats for Q1 2024**

The latest [release](#) reports “Compared to the same quarter in 2023, mortgage possession claims increased from 4,035 to 5,182 (28%), orders from 2,532 to 3,019 (19%), warrants from 2,636 to 2,881 (9%) and repossessions by county court bailiffs from 729 to 759 (4%)”. However, these are still below pre-pandemic levels. See Chart of the Week for more details on mortgage possession action timeliness.

**DATA: NHBC published new home registrations for Q1 2024**

They report “New home registrations down 20% in Q1 2024 vs. Q1 2023” and “New home completions down 13% in Q1 2024 vs. Q1 2023”. Care should be taken with these figures as we estimate NHBC had a market share of around 60% of completions in 2023 across the UK but this figure can be much lower in some markets such as urban areas.

**DATA: HMT published Mortgage Guarantee Scheme stats for Q4 2023**

They report “There were 42,836 mortgage completions from scheme launch on 19 April 2021 to the end of December 2023, which represents 1.3% of all residential mortgage completions in the UK”.

**DATA(PDF): IMLA published Intermediary Mortgage Market Tracker**

The survey covers Q1 2024 (it’s disappointing they’ve stopped published monthly data) and reports an increase in the conversion rate from Decision in Principle (DIP) to completion to 42% compared to 34% in Q1 2023. However, this is still well below pre-pandemic levels. They also report a higher conversion rate on the North (51%) compared to the South (37%).

**POLICY: DLUHC announced High Street Rental Auctions**

They report “Where a high street shop has been empty for over a year, High Street Rental Auctions will allow local leaders to step in and auction off a rental lease for up to five years. Auctions will take place with no reserve price, giving local businesses and community groups the opportunity to occupy space on the high street at a competitive market rate”.

**POLICY: Scottish Government’s Cladding Remediation Bill passed**

They report it will “allow the creation of a Cladding Assurance Register” and “Ministers will also have powers to establish a Responsible Developers Scheme”.

**REPORT: Resolution Foundation reported on the impact of inflation**

They report “The impact of the inflation surge on household balance sheets has been more complicated when it comes to housing. Higher inflation has reduced the real value of mortgage debt” but “the fall in real mortgage debt comes with a sting in the tail in the form of higher annual mortgage repayments, which increased by an average of around £2,450 for those re-mortgaging in 2023”. They also report “Despite falls over the past two years, house prices appear substantially overvalued at current interest rates”.

**REPORT: TCPA reported on the downgrading of flood defences in England**

They report on “the background to the major downgrading of flood defence investment in England” and the impact on Lowestoft where investment has been withdrawn.

**REPORT: Labour Housing published review of the private rented sector**

The report contains several recommendations including increasing the supply of social housing to help lower income renters, using a National Landlords Register to manage and enforce standards, providing tenants with more security, using “third generation” rent stabilisation measures, and preventing landlords from switching into short-term lets or temporary accommodation.

**REPORT(PDF): BPF & Savills published Build-to-Rent update for Q1 2024**

They report “The total number of completed units, having surpassed 100,000 in the previous quarter, now stands at 101,875. This has grown quickly over the past 12 months, up by 17%” and “the number of completions has overtaken the number of starts for the second quarter in a row” with a resulting fall in the number under construction.

**REPORT: Migration Advisory Committee reported on the Graduate route**

They report “We found no evidence of any significant abuse of the Graduate route” but the restrictions on bringing dependents is having an effect on student numbers with “Early indications suggest a 63% reduction in the number of deposits paid for the September 2024 intake by international postgraduate applicants for institutions in the UK compared to the same time in the previous year”.

**CORPORATE: Savills published AGM Statement**

They report “Most prime residential markets have remained resilient with volumes traded marginally lower than last year, as expected”.

**CORPORATE: Grainger published Half year financial results**

They report “8.1% like-for-like rental growth in H1 across our PRS portfolio (FY23: 8.0%), with new lets at 7.7% and renewals at 8.3%” and “High occupancy at 97.7% in our PRS portfolio (FY23: 98.6%)”. They also report “In light of the upcoming General Election later this year, our extensive dialogue with all main political parties provides us significant comfort that the risk of regulation to our responsible business model is minimal”.

**CORPORATE: Vistry Group published Trading Update**

They report “The Group's total sales rate has averaged 0.96 (2023: 0.87) in the year to date, increasing to 1.23 (2023: 1.24) over the last 8-week period” and “In the open market, we have seen an improving trend in our open market sales rates since the start of the year. Pricing on open market sales has remained relatively flat with incentives running at c. 4% of the open market sales price”.

## Chart of the Week

Alongside the number of mortgage claims, orders, warrants, and repossessions, the MoJ data also covers the average time from initial claim to each of these. As the chart shows, the median time spiked following lockdown but has been quickly falling back to more normal levels as courts pushed to reduce backlogs and “ensure swift access to justice”. They report “Claims to order median timeliness has increased to 8.4 weeks, up from 7.7 weeks in the same period in 2023”, “Claims to warrant median timeliness has decreased to 36.6 weeks, down from 43.5 weeks in the same period in 2023”, and “Claims to repossession median timeliness has decreased to 45.7 weeks, down from 60.9 weeks in the same period in 2023”.

While the median timeliness has fallen back towards pre-pandemic levels, the mean time has not fallen as sharply (not shown). MoJ suggest the “long-term increases in the mean average time from claim to warrant and claim to repossession are due to an increasing proportion of historic claims reaching the warrant and repossession stages respectively in recent quarters. This is possibly due to defendants recently breaking the terms of the mortgage agreements put in place at the start of the process”.

**Median Time in Weeks From Initial Mortgage Claim**  
Source: Ministry of Justice

