

24th May 2024

DATA: Rightmove reported asking prices rose 0.6% in year to May 2024

Asking prices reached a new record high of £375,131 while they also [report](#) “The number of sales being agreed during the first four months of the year is 17% higher than last year, outstripping the 12% increase in the number of new sellers coming to market” but the “154 days between agreeing a sale and legal completion remains a challenge for both agents and movers”.

DATA: ONS reported a lower rate of inflation in Apr 2024

They report CPIH rose 3.0% in the year to April 2024 compared to 3.8% the previous month, while CPI rose 2.3% compared to 3.2% the previous month.

DATA: ONS/HMLR reported UK house prices rose 1.8% in year to Mar 2024

They [report](#) house prices rose 6.7% in Scotland while they fell 3.4% in London over the period. The index is currently subject to significant revisions.

DATA: ONS reported a 5.6% annual rise in SDLT receipts in Apr 2024

This was the first positive annual change in stamp duty land tax receipts for both commercial and residential property since November 2022. This suggests the next HMRC transactions release should be relatively positive.

DATA: ONS reported UK private rents rose 8.9% in year to Apr 2024

This was slightly lower than the 9.2% reported the previous month with growth in England ranging from 10.8% in London to 5.8% in the North East.

DATA: ONS published private rents by postcode district in London

The release expands on the usual national publication by including postcode district data.

DATA: DLUHC published dwelling stock estimates for England, 2023

See Chart of the Week for more detail.

DATA: ONS published long-term international migration estimate

They report long-term net migration was “provisionally estimated to be 685,000 in the year ending (YE) December 2023, compared with our updated estimate of 764,000 for the YE December 2022”. The Home Office also [published](#) immigration system statistics.

DATA: Scottish Government published Short Term Lets Licensing stats

They report “There were at least 23,576 applications for a short-term licence as of end December 2023”.

POLICY: Prime Minister called a General Election for 4th July

The leasehold reform bill is still being considered by the House of Lords but the renters reform bill has been dropped.

POLICY: DLUHC responded to LUHC Committee report on shared ownership

REPORT: House of Commons Library reported on short-term lettings

The report covers the growth in the short-term lettings market, restrictions on lettings, and concerns about the growth of the sector.

REPORT(PDF): LUHC Committee on disabled people in the housing sector

They report “Disabled people undeniably encounter unnecessary and severe barriers to accessing suitable housing in England” and “Too often too many disabled people are failed by the Government’s current housing policy”.

REPORT: Bank Underground reported on debt servicing ratios and arrears

They report an increase in the share of new lending on higher debt servicing ratios (DSRs). Their analysis suggests “that even for mortgagors with moderate DSRs, an increase in their debt-servicing burden implies a higher risk of payment shortfalls” but “we do not find evidence of a critical threshold above which this risk increases much more sharply”. As a result, they suggest “the recent shift in the DSR distribution for new lending implies that new mortgage lending in the UK has become riskier during the current tightening period even though lending at DSRs above 40% has remained flat”.

REPORT: Lichfields reported on repurposing town centre buildings

They warn repurposing former retail buildings is “often more complex than it may at first seem. It is not always viable in isolation and many repurposing schemes involve some form of extension or linked development to ensure financial viability” and “current building regulations often present real challenges – in both physical and viability terms - that are not obvious at first sight”.

REPORT(PDF): BPF reported on who lives in build-to-rent developments

They report average affordability for couples and sharers in the build-to-rent sector is 29% of income compared to 26% in the wider private rented sector. Affordability for single people is 33% of income compared to 31% for the wider sector.

CORPORATE: Watkin Jones published Half Year Results

They report “Current development schemes on track, supported by continuing moderation in build cost inflation” and “Investment market gradually showing signs of recovery as economic sentiment improves, albeit, a slower than expected reduction in interest rates has potential to impact pace of recovery”.

CORPORATE: ESP published Business and Trading Update

Empiric Student Property report “Revenue occupancy for academic year 2024/25 underpins confidence that our portfolio will again be effectively full for a third consecutive year” and “Like for like growth in average weekly rents to exceed 6% for academic year 2024/25”.

CORPORATE: Henry Boot published AGM Trading Update

On the land market, they report “Whilst activity has not recovered to the heights of 2022, land prices have remained stable in Q1 24”. They also report Stonebridge Homes “grew its private sales rate to 0.59 houses per active outlet per week (April 2023: 0.46), operating from 9 sales outlets”.

Chart of the Week

This week DLUHC [published](#) their estimates for the number of dwellings in England in 2023. The headline figure of 25.4 million, an increase of 234,400 homes on the previous year, was no surprise given the previous [publication](#) of net additional dwelling data. However, the estimates by housing tenure are more interesting. As the chart below shows, DLUHC estimate the number of owner occupied dwellings increased by 176,000 in 2022/23, the number of dwellings in the social rented sector increased by 23,000, and the number in the private rented sector increased by 35,000 during the period.

Despite widespread reports of landlords selling up, the statistics appear to show the private rented sector is the largest it has ever been, at 4,939,000 dwellings in England. However, there is no direct way of measuring the size of the private rented sector and these figures are based on ONS Labour Force Survey (LFS) data on the size of the occupied private rented sector and English Housing Survey data on the vacancy rate in the tenure. Given issues with the LFS survey in particular, these dwelling estimates could be revised significantly in the future. The uncertainty also highlights the need for better data on the private rented sector including a register of landlords and properties in the sector.

Net Supply by Housing Tenure, England

Source: DLUHC

