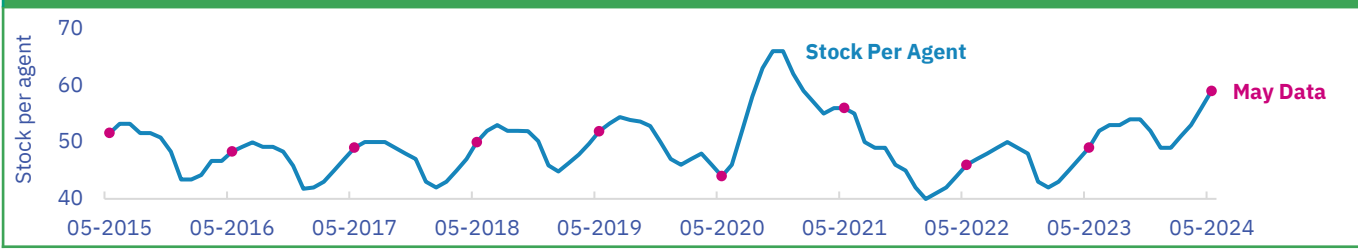


21st June 2024

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

They also [report](#) “Over the last four weeks, the number of sales being agreed has stayed steady at 6% higher than a year ago” and “Buyer demand has also remained stable and is now 5% higher than last year”. Their data also shows a continued rise in average stock per agent (chart below), though this data includes homes under offer and sold subject to contract and may partly reflect the increasing time it is taking for transactions to complete.

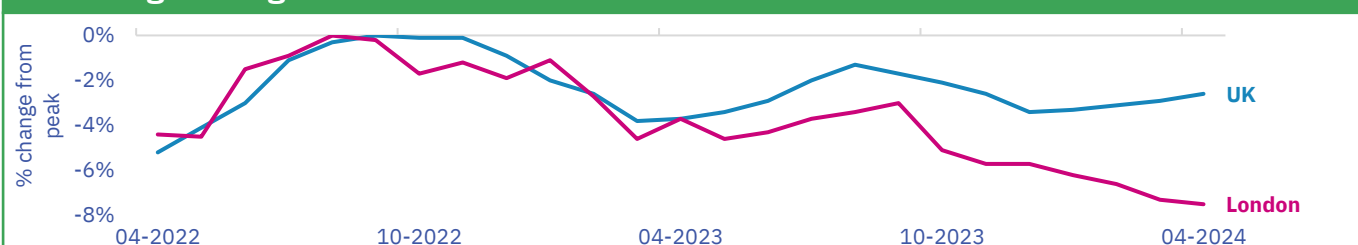
Average Stock Per Agent – Source: Rightmove, not seasonally adjusted



DATA: ONS reported UK house prices rose 1.1% in year to Apr 2024

This was higher than the revised 0.9% growth for the previous month. The index also shows house prices continue to fall in London, though the index is subject to large revisions due to the low number of transactions and these figures may change in the future.

Percentage Change in House Prices From 2022 Peak – Source: ONS



DATA: ONS reported CPI rose by 2.0% in the year to May 2024

This was down from 2.3% in the previous month and the lowest rate since July 2021.

DATA: ONS reported UK private rents rose 8.7% in the year to May 2024

The annual growth in rents ranged from 10.1% in London to 6.1% in the North East.

DATA: BSA published Property Tracker sentiment survey

They report the net proportion of those agreeing now is a good time to buy was negative at -24%. The two biggest barriers to buying remain the affordability of repayments (68%) and raising a deposit (65%).

DATA: ONS reported SDLT receipts rose 17% in May 2024

Total stamp duty land tax receipts were 17% higher in May 2024 when compared to the same month last year. This figure suggests a further improvement in transaction numbers.

DATA: ONS published Marriages in England and Wales: 2021 & 2022

They report “There were 246,897 marriages in England and Wales in 2022, a return to pre-coronavirus (COVID-19) pandemic levels, and 12.3% more marriages than took place in 2019”.

POLICY: Scottish Gov reopened Open Market Shared Equity scheme

They reopened the scheme to applications from first time buyers on low or medium incomes with the Scottish Government taking a 10-40% equity share when buying a home.

POLICY: Labour pledged reforms for renters

News reports and [social media](#) suggests Labour will implement “an immediate ban on no-fault evictions, an end to rental bidding wars and massive upfront payments, and new protections against damp, mould and cold”.

POLICY: BoE maintained Bank Rate at 5.25%

The Monetary Policy Committee “voted by a majority of 7–2 to maintain Bank Rate at 5.25%. Two members preferred to reduce Bank Rate by 0.25 percentage points, to 5%”.

REPORT: BoE published Agents’ summary of business conditions

They report “the housing market is stable in terms of the number of transactions and level of demand. Some even compare it to the ‘normality’ of pre-covid. Though demand remains very sensitive to mortgage rate expectations, most contacts are not anticipating a substantial increase in demand”. They also report “supply into the rental market is improving slowly, and demand is moderating, with the consequence that rental price inflation is slowing”.

REPORT: Resolution Foundation reported on housing policy

They report “As well as a broad consensus forming around some housing policy areas, much of what both parties propose in their manifestos are essentially ‘continuity’ policies” but “both main parties are silent on additional funding to drive forward their housing priorities”.

REPORT: Lichfields created a summary of key manifesto policies

There is an interactive [version](#) along with a more limited [PDF](#).

REPORT: NEF reported on community housing in the North East

They find that while “there is an appetite for community housing in the north-east”, there are “significant barriers exist which prevent community housing projects offering long-term sustainable alternatives to existing housing tenures” and “financial instability pervades the sector”.

REPORT: CaCHE published LGBTQ+ Housing & Homelessness Survey

They survey found “homelessness among LGBTQ+ people was high” and “Risk of homelessness among LGBTQ+ people was also high” but “Willingness to seek help from the Local Authority if they did become homeless was, however, relatively low”.

REPORT: IFS reported on how levelling up measures up

They report “Overall, progress towards levelling up has been glacial – and, on many metrics, the UK as a whole has gone into reverse”.

REPORT: Savills reported on land supply and sales outlets

They suggest “One million new homes on sites of under 250 plots will need planning consent over the next five years to support total delivery of 1.5 million homes between 2025 and 2030”. They also [reported](#) on the planning system in England.

REPORT: Hamptons reported renting remains cheaper than buying

They report “Despite rents rising around 6% year-on-year, renting remains more cost-effective than buying for most households across the country”, especially for those with small deposits thanks to high mortgage rates.

CORPORATE: Berkeley Group published Final Results

They report “The value of net reservations has been consistent through the year at levels around one third lower than the prior year” and “Sales pricing is firm and above business plan levels, with build cost inflation across most trades at negligible levels”. They also plan to establish their “own Build to Rent (“BTR”) platform to maximise returns in today’s market conditions” with 4,000 homes across 17 sites identified.

Chart of the Week

There has been a lot of discussion about Council Tax and the historic valuation date in England (1st April 1991) in light of the proposed revaluation in Wales. As such, it is useful to consider the valuation date in the context of market conditions at the time. As the chart below shows, it came during the early 1990s downturn when house prices in the south of England had fallen sharply and the price premium between house prices in the south and north of England was near a historic low. It was also a period when junior surveyors had plenty of time to do drive-by valuations. It appears a re-valuation at almost any point since then would increase the proportion of higher band properties in the south of England relative to the north. However, given Council Tax revenue is raised locally, this may not have been appreciated by local authorities in lower value housing markets as it would limit their ability to rise more revenue. For example, increasing higher band properties has been one of the key drivers for increasing luxury flat developments in cities such as Manchester.

Regional House Price Premium Relative to North West of England
Source: Nationwide, note use of old regional definitions

