

HOME BUILDING BY NUMBERS

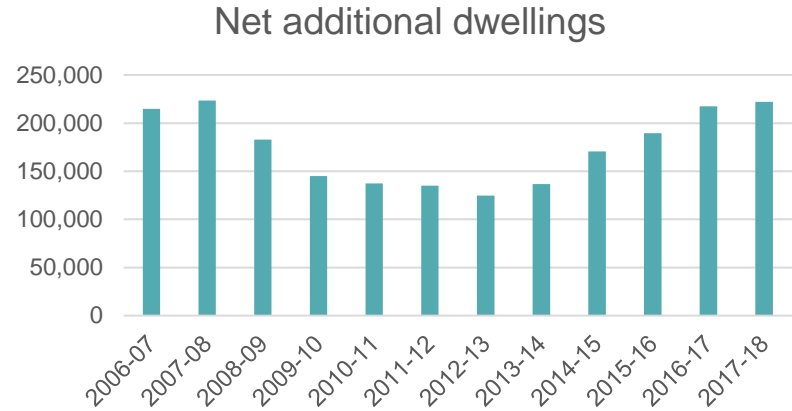
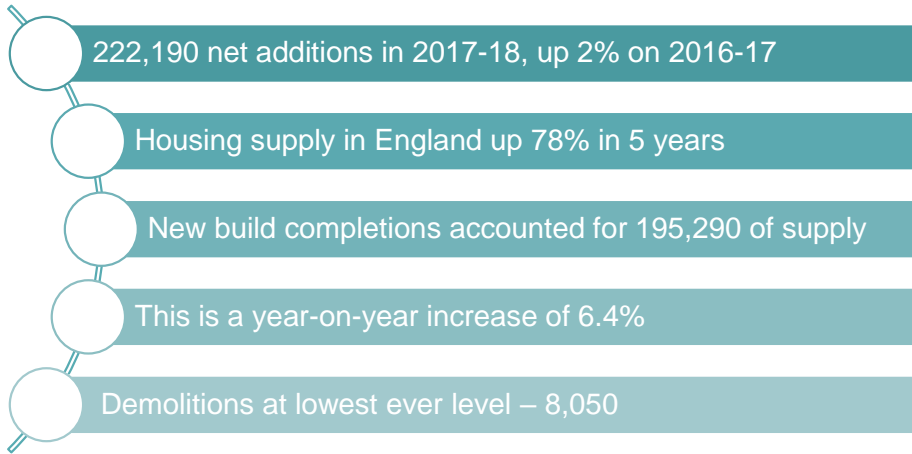
JANUARY 2019



1) Housing Delivery 2017/2018:

$$222,190 = 195,290 + 34,950 - 8,050$$

Net supply = new build completion + net conversions, net change of use, net other gains - demolitions



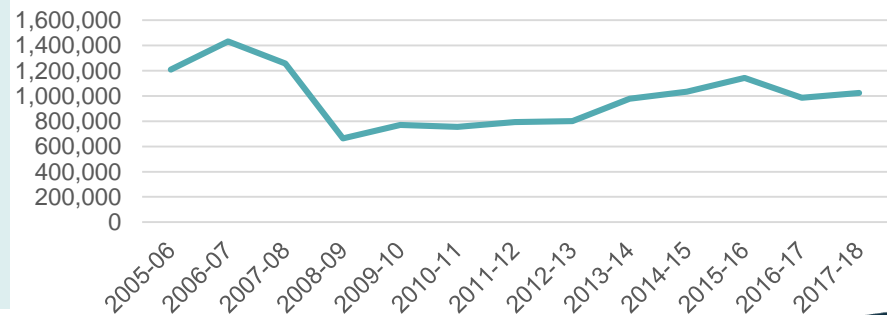
Alternative Transaction and Delivery Measures

2) RESIDENTIAL PROPERTY TRANSACTIONS

In November 2018, 7.5% more transactions took place in England than compared with the previous November. Housing market activity continues to track at around 1 million transactions per year. In the year to November 2018, 1,107,060 transactions took place in England.

Although sluggish, the housing market continues to function with the new build sector, supported by Help to Buy, accounting for more transactions than any time in recent history.

Number of residential property transaction completions



3) HELP TO BUY

The Help to Buy Scheme is a key driver in getting first time buyers on to the property ladder.

Over the period since the launch of the Help to Buy: Equity Loan scheme (1 April 2013 to 30 June 2018), 183,947 properties were bought with an equity loan.

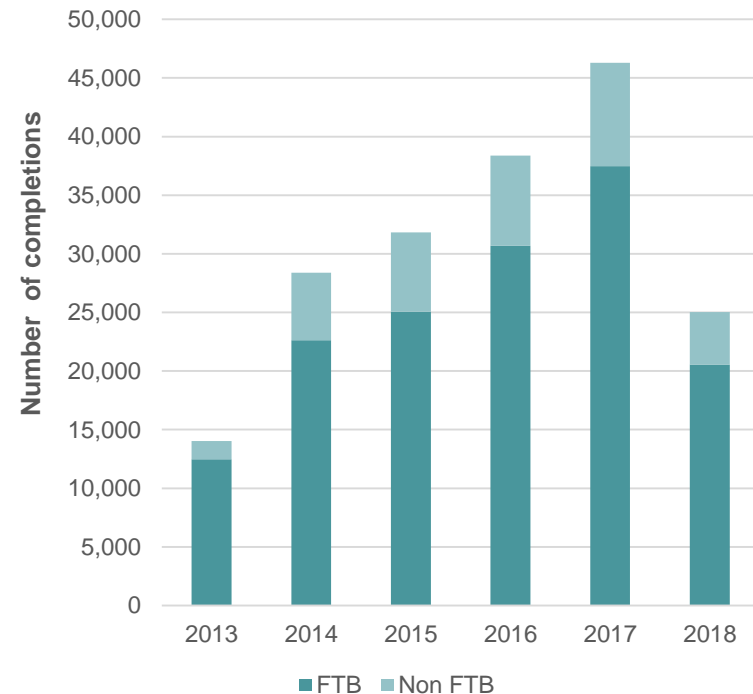
Most of the home purchases in the Help to Buy: Equity Loan scheme were made by First Time Buyers, accounting for 148,863 (81 per cent) of total purchases.

The mean purchase price of a property bought under the scheme was £252,888, with buyers using a mean equity loan of £53,793.

The proportion of houses sold under the scheme on a leasehold basis has started to decline since early 2017.

Some critics of the scheme claim that its presence drives up new build house prices. However, since the scheme's introduction, new build prices have continued to track the wider market. In the period December 2012 to December 2017, the average new build price increased by 38.1% compared with 35.6% amongst existing properties.

Help to Buy: Equity Loan - Number of legal completions for England (Total and of which First Time Buyers and Non First Time Buyers) since launch of H2B to year ending 30 June 2018



4) NEW BUILD AND WIDER HOUSE PRICES

England house prices grew by 3% in the year to September 2018. This growth is weaker than the UK annual rate of 3.5% in the year to September 2018 and has mainly been driven by a slowdown in the Southern England.

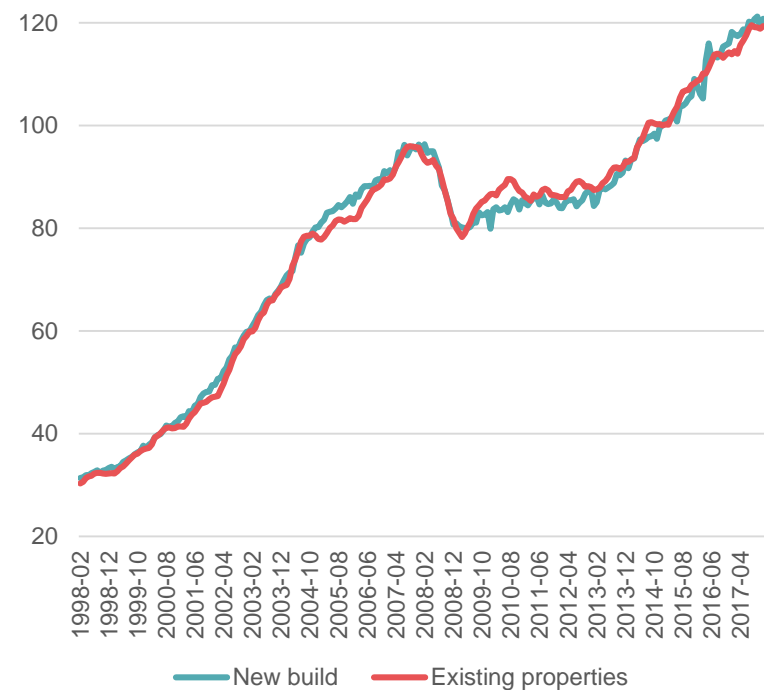
London was the slowest growing region, falling by 0.3% in the year to September 2018. The house price for London has been falling over the year since March 2018.

The West Midlands was the fastest growing region with an annual growth of 6.1%, up from 4.4% in the previous month.

The average UK house price was £232,554 in September 2018. This is £8,000 higher than in September 2017. The average price of a property in England was £249,408. In Wales, it was £162,089.

Despite some claims to the contrary, new build prices have historically tracked the wider housing market and continue to do so. Between January 2015 and December 2017, on average, new build prices increased by 20.8% compared with 19.4% amongst second hand properties.

House Price Index: New build and existing properties, 1998 to 2017
(January 2015 = 100)



Other Key Statistics

5) BUILD QUALITY AND CUSTOMER SATISFACTION

86% of new home purchasers, up 2% from the previous year, would recommend their builder to a friend and over 90% say they would buy a new build home again, according to the latest customer satisfaction survey carried out by HBF. As output increases the industry is intensely focussed on ensuring quality levels and customer satisfaction levels continue to improve.

In the 2016/17 survey year, 93,444 questionnaires were sent out with a response rate of 62%. This response rate is very strong for a mixed-method survey design and compares very well with other consumer surveys.

7) RECENT PLANNING PERMISSIONS

Permission was granted for 361,971 new homes in the year to October 2018, demonstrating the huge investment being made by developers as they build on recent increases in housing supply to deliver even more new homes.

The number of sites permissions are being granted on is also continuing to rise. The 361,971 permissions were given across 21,848 different sites, the highest 'moving annual total' since the series was started in 2006.

6) AFFORDABLE HOUSING

471,355 affordable homes were delivered in England in 2017-18, a 12% increase on the previous year.

Private sector housing delivery is now responsible for providing around half of all new affordable homes; 47% of all affordable homes delivered in 2017-18 were funded through section 106 (nil grant) agreements.

As part of an overall contribution of £6bn towards community benefits, research by Government has found that of the £4bn contribution that private residential development made towards affordable housing in 2016/17, one-quarter went into providing new social rented properties, making the private sector the largest contributor towards the provision of new social homes.

8) ENERGY PERFORMANCE CERTIFICATES

In the year ending September 2018, 1,278,000 domestic EPCs were lodged in England and Wales, an increase of 1% on the previous year.

Of these, 240,000 EPCs covered new build dwellings and conversions, an increase of 9% on the previous year, and the largest annual total for new properties since 2008 when the statistical record began. 230,000 of those were lodged in England alone, an increase of 10% on the previous year.

79% of new builds were granted an A-B EPC rating in Q3 2018 in comparison to just 2.1% of existing dwellings, demonstrating the impressive energy efficiency of new build homes.



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