



NEWS DIGEST MARCH 2009

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Hi Readers. I hope that 2009 is treating you as well as can be expected during these uncertain times.

You might be interested to read part of a recently published European Housing Review from RICS – I just printed off the section about the UK as it's incredibly lengthy and I couldn't face ploughing through 130 pages of it.

Without going into too much detail, as you can access it yourselves, it indicates that any measures that have already been taken are not expected to lead to a sudden revival of the UK housing market. But on a positive note, the same paragraph suggests that the market will pick up next year as the economy recovers. A lack of mortgage finance is feared to be the major concern and if this continues, they predict a long and severe downturn.

The general market statistics are very interesting though, with 82% of households living in houses (survey 2000), only 16% in self-contained flats and 2% in bedsits or other non-self contained accommodation.

Another thing I found fascinating – 41% of the housing stock was built prior to 1945 and another 45% between 1945 and 1984, with a sharp drop to 13% built since the mid-1980's.

Housing to let is the UK's biggest property investment asset class and in 2006 was worth over £500 billion and another interesting fact, its value (private rented sector) is now worth more than the sum of all of the privately-owned commercial property in the UK.

Obviously, the letting market is of considerable interest to us – and the RICS quote the fact that more flexible labour markets, together with a surge of foreign workers, pushed up renting in London and elsewhere. However, it is now the case and they quote; *"prices are currently falling but many investors expect prices to rise over the long-term and so have little incentive to sell. Rents are likely to rise in view of reduced investment in buy-to-let".*

I won't say anymore but if you want to read the whole piece, go to www.rics.org and search for the European Housing Review document.

Talent Retention

We hear a lot about this when we're involved with our clients – they desperately need to retain talent for the long term. Finding and developing management talent is becoming a tougher challenge for businesses of all sizes and companies that are known to practise talent management have a better chance of attracting recruits at all levels.

We know this to be the case and I read in one of the business magazines that 'talent is the engine of the modern organisation and a human capital strategy is essential to support goals.'

This is probably good for us in our attempts to engage with HR when handling our corporate clients.

Finally...

I did enjoy reading a piece in Management Today talking about 'Customer Loyalty' when they suggested that it was time to 'cash in' on this – like looking for business from existing customers, knowing your customers, using your website to advantage, treating them 'right' by going the extra mile, making them feel special and saying that you value their business by thanking them!

And on that note – thank you for reading this!
Annie