

## Prime Resi Industry Reactions: Boris Johnson declared as the UK's new leader

The Conservative Party has elected the controversial Brexit-loving former Mayor of London, Boris, as its new leader; he will take over as Prime Minister from Theresa May on Wednesday



**A**s widely predicted, Boris Johnson has been elected leader of the Conservative Party, and will become the UK's Prime Minister tomorrow (Wednesday).

Around 160,000 people were eligible to vote in this ballot; that's just 0.3% of the 46.8 million who were registered to vote in the 2017 General Election. Boris got nearly double the number of votes of his only rival, Jeremy Hunt.

"There will be some people here who wonder quite what they've done", Johnson joked to the assembled Party as he accepted the leadership role.

Policy details are still thin-on-the-ground, but Johnson made a few punchy pledges while campaigning for the top job, including to leave the European Union at the

end of October whether there's a withdrawal agreement in place or not, to cut income tax for top earners, and to slash property transaction taxes.

Of course, there's no guarantee that BoJo's campaign talk will translate into anything more tangible; the new PM has a chequered history of delivering on promises, and his Parliamentary majority is already wafer-thin. But we are likely to see a shuffle of positions at the top of Government, including a new Chancellor and probably another new Housing Minister.

"No Deal" Brexit

We polled the prime resi industry last year about what a "No Deal" exit might mean for the property sector; our panel of agents, developers and investors were – generally speaking – not keen. It's remarkable how little progress has been made on withdrawal negotiations since last September, so most of what was written ten months ago still stands; read the full feature [here](#).

Stamp Duty

Johnson has said that he will put forward an Emergency Budget within weeks of moving into 10 Downing Street (although Parliament is due to break up for the Summer Holidays on Friday, not returning to Westminster until September). He has mentioned that this Emergency Budget may slash stamp duty on residential transactions, and has supported the idea of switching SDLT liability from buyers to property vendors.

The mooted tax overhaul could involve a 0% SDLT band all the way up to £500,000, and a reversal of George Osborne's top rate increases (from 7% to 12% on homes above £1.5m).

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- **Penny Mosgrove, CEO of Quintessentially Estates**

"One would hope that as former Mayor of London, our new Prime Minister will understand that the property market in the capital needs to be considered as a micro-climate within the context of the rest of the country. First time buyers in London in particular need help getting onto the ladder; for all the talk of us moving towards a more continental pattern of long-term renting, buying a home remains a key aspiration of many young people in Britain today and sadly, this is still out of the grasp of most. Our new Prime Minister must examine the long-term effects of all of the restrictions imposed on landlords. These are forcing landlords to sell their buy-to-let properties, which is pushing up rents and scuppering first time buyers' chances of saving up money for a deposit. I hope Mr Johnson comes through on his recent suggestions for stamp duty reform. George Osborne picked up the idea for the current system from Singapore. We need a stamp duty structure which works for the UK and is not just lifted from a vastly different market."

