

# House Price Statistics for Small Areas in England and Wales, 1995 to 2014

Coverage: **England and Wales**

Date: **24 June 2015**

Geographical Area: **Middle Super Output Area**

Theme: **People and Places**

Theme: **Economy**

## Main findings

- In 2014, the local authority with the largest median house price was Kensington and Chelsea at £1,195,000.
- In 2014, the local authority with the smallest median house price was Blaenau Gwent at £75,000.
- The local authority that had the largest increase in median house price between 2013 and 2014 is South Bucks increasing by 23% from £390,000 to £480,000.
- The local authority that had the largest decrease in median house price between 2013 and 2014 is Isles of Scilly decreasing by 15% from £275,000 to £235,000.

## Introduction

House price statistics for small areas (HPSSAs) report statistics on median house prices covering all dwelling types along with separate median house price statistics for different dwelling types covering detached, semi-detached, and terraced houses, flats and maisonettes. For the reported median house prices, associated counts of property sales are also published. These house price statistics are calculated using publicly available data from the Land Registry.

These house price statistics provide an accurate representation of the price paid for residential properties sold in a given area. They are useful for assessing the affordability of housing in small areas as well as broad patterns in prices and the number of house sales over time. They provide a level of spatial detail not currently available in the [ONS House Price Index \(HPI\)](#) which reports house prices at regional and national level. The HPI provides a more appropriate measure for residential property values at national and regional level as it is adjusted to account for differences, for example, in the types of houses sold and numbers of bedrooms etc.

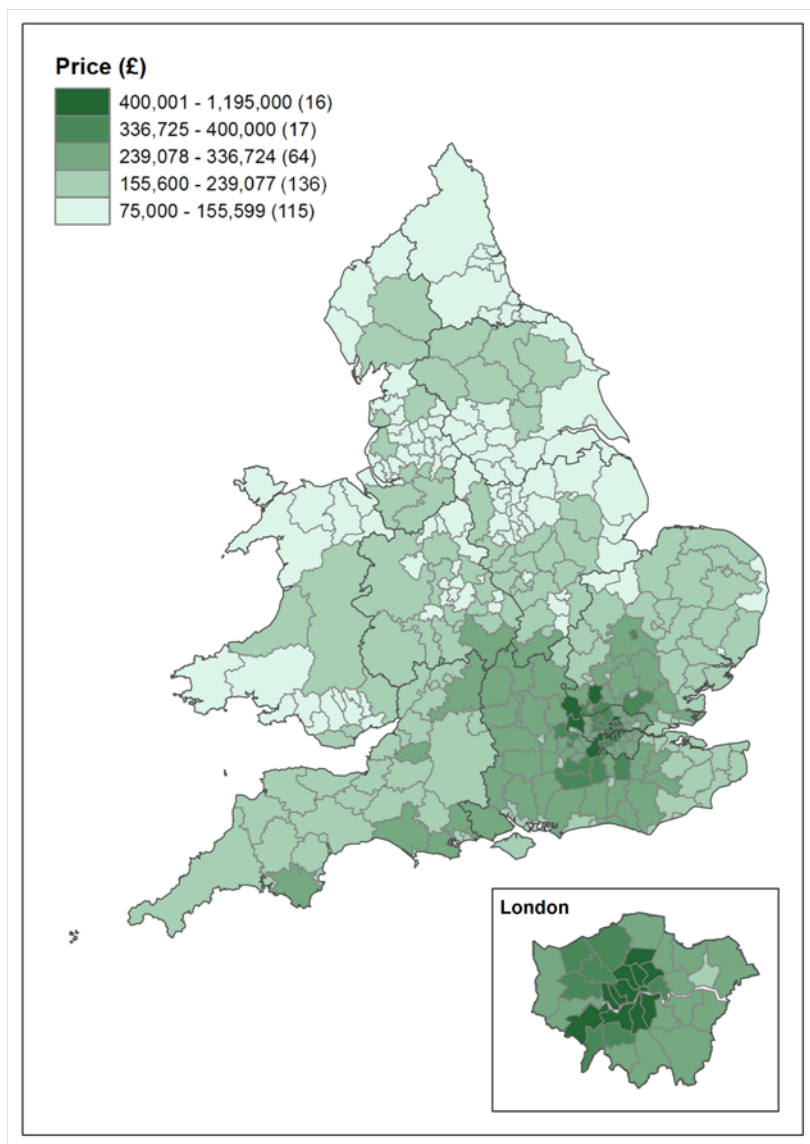
HPSSAs are not mix adjusted. Variations in the composition of dwelling types and housing quality can influence median house prices, however these variations help inform understanding of spatial differences in median house prices and affordability.

### **Why is it important to look at the number of sales for different dwelling types?**

The number and proportion of sales of different types of dwelling can change over time within and between areas. For example, in one year an area's total house sales might comprise 70% detached houses and the following year it might only comprise 40% detached houses. Knowing this composition of sales can give further meaning to median house price changes and help to understand fluctuations over time and between areas. Median house prices may change because of this compositional variation and can also change because of fluctuations in property values.

### **House prices for local authorities**

For the 348 local authorities in England and Wales in 2014, median house prices ranged from £1,195,000 in Kensington and Chelsea, to £75,000 in Blaenau Gwent. Over the period of the time series (1995 to 2014) the local authorities with the highest median house prices tended to be in London and the South East, whilst local authorities with the lowest prices tended to be distributed across all the other regions (excluding the South West) and Wales (Map 1).

**Map 1: Median house price for all dwelling types by local authority****England and Wales, 2014****Notes:**

1. Sources: ONS and Land Registry
2. Contains Ordnance Survey data © Crown copyright and database right 2015
3. Data produced by Land Registry © Crown copyright 2015
4. The data covers the transactions received by the Land Registry between 1 January and 31 December 2014 © Crown copyright 2014

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(252 Kb)

In London in 2014, Barking and Dagenham had the lowest median house price for the all dwelling type category, at £215,000. Despite having the lowest median house price in London, this was still

higher than 62% of all local authorities in England and Wales. In general, median house prices for West London boroughs were higher than for East London boroughs. Outside London, the areas with the highest median house prices for all dwelling types were typically within close commuting distance to London.

### Annual change in median prices

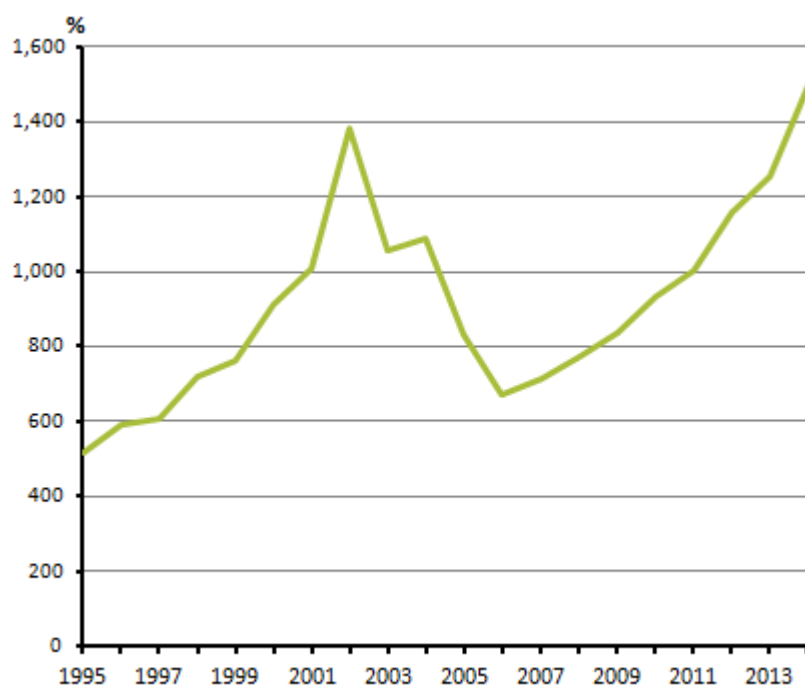
Between 2013 and 2014 the median price of 336 local authorities increased, compared to just 6 where the median price decreased. Prices in 6 local authorities remain the same. The local authority that has had the largest increase in median price between 2013 and 2014 is South Bucks increasing by 23% from £390,000 to £480,000. In contrast the local authority that has had the largest decrease in median price between over the same period is Isles of Scilly decreasing by 15% from £275,000 to £235,000.

### The range of house prices by local authority

Since 1995 for local authorities nationally, the percentage difference between the highest and lowest median house prices has fluctuated considerably (Figure 1). This difference was smallest in 1995 at 516% and reached nearly 1,500% at its height in 2014. This percentage gap has also been increasing year on year since 2006, having fallen between 2003 and 2006.

### Figure 1: Percentage difference between the highest and lowest house prices for all dwelling types, local authorities

England and Wales, 1995 to 2014



#### Notes:

1. Sources: ONS and Land Registry

**Download chart**

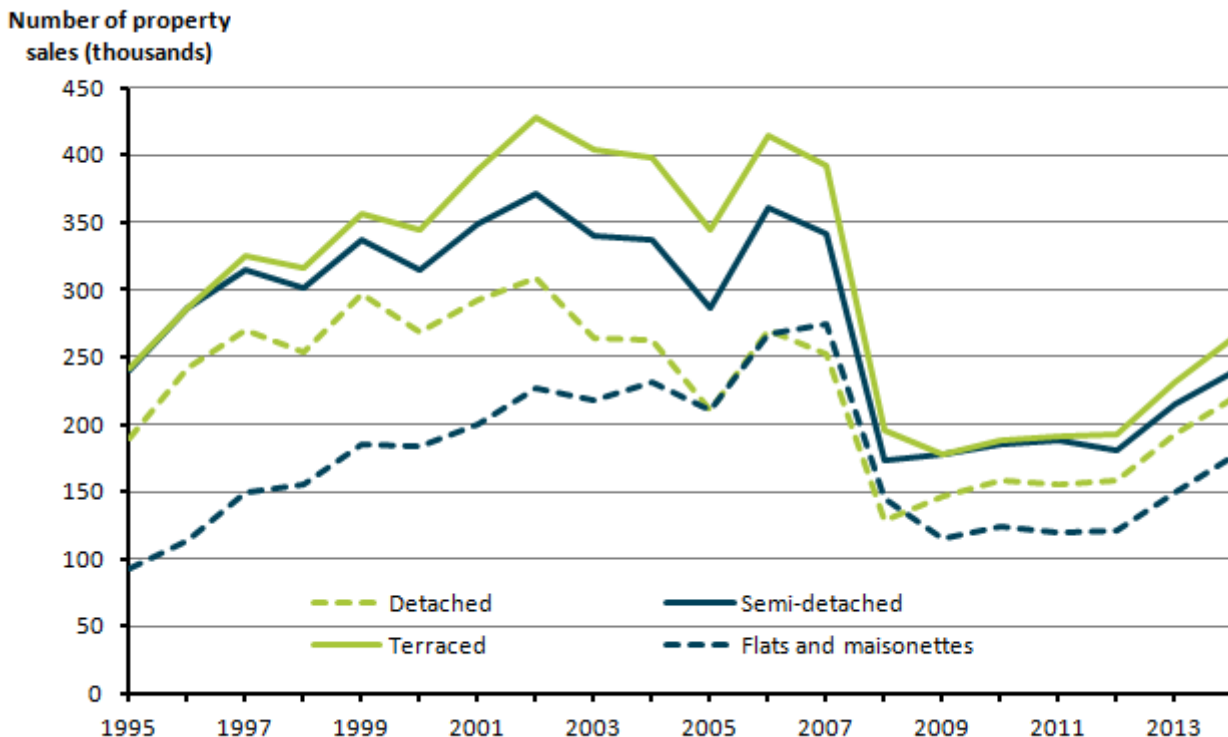
[XLS](#) [XLS format](#)  
(31.5 Kb)

**Number of house sales over time**

As well as changes in house prices over time, fluctuations also occur in the number of house sales over time. Since 1995, the different dwelling types followed a similar broad pattern of increasing numbers of sales up until 2002, then steadily decreasing until 2005 (Figure 2). The number of house sales increased in 2006 for all dwelling types and then decreased sharply in 2007 and 2008. This fall affected all dwelling types with sales of terraced houses and flats and maisonettes reducing the most in percentage terms between 2006 and 2009 (both at 57%). Sales of semi-detached and detached houses had slightly smaller reductions in percentage terms over the same period (51% and 46% respectively). This could reflect the economic downturn having a larger impact on less expensive dwelling types. All dwelling type sales increased in 2014 compared with 2013. The number of sales of flats & maisonettes increased by 18% in 2014 compared to 2013, the largest of all dwelling types. This was followed by terraced, detached and semi-detached at 14%, 13% and 11% respectively. These led to the total for all dwelling types increasing by 14% in 2014 compared to the previous year.

**Figure 2: Number of property sales for all dwelling types**

England and Wales, 1995 to 2014



**Notes:**

1. Sources: ONS and Land Registry

**Download chart**[XLS](#) [XLS format](#)

(45.5 Kb)

**Most sold dwelling types by area**

Predictably, the most commonly sold dwelling types broadly reflects the overall dwelling stock for each area. This can be determined by supply and demand factors such as population density, and types of land use, the availability of space and access to capital. Terraced houses were the most sold type overall, making up approximately 31% of all sold dwellings in England and Wales between 1995 and 2014. Terraced houses were generally the most sold type in the northern regions of England and in north and south Wales. The southern regions of London, the South East and the South West had flats and maisonettes as the most sold dwelling type in urban areas. Semi-detached houses were sold more in suburban areas of major cities and conurbations, while detached houses tended to be the most sold type in large parts of more rural areas.

**House prices for parliamentary constituencies**

The [house price statistics for small areas \(13 Mb Excel sheet\)](#) have also been produced for the 573 parliamentary constituencies in England and Wales, which may help inform policy and debate. Parliamentary constituencies provide data at a level generally smaller than local authorities but larger than MSOAs. This can allow observations of patterns that may not be apparent otherwise.

House prices at this level range greatly, with Kensington having the highest median house price of £1,150,000 in contrast to Rhondda at £59,975, which has the lowest.

**House Prices for Middle Layer Super Output Areas (MSOAs)**

MSOAs are areas created by grouping lower layer super output areas or LSOAs (groups of output areas, the smallest statistical area) in order to produce roughly similar areas in terms of population for the reporting of statistics. An MSOA contains a minimum of 5,000 residents and 3,000 households with an average population size of 7,500. There are 7,201 MSOAs in England and Wales. For a more detailed explanation of MSOAs and other statistical geographies visit the ONS guidance page on output areas.

MSOAs are useful in providing a more detailed local picture of house prices and how they vary within a given local authority or area. This can be helpful in assessing the affordability of homes for small areas where more general local authority statistics would not provide adequate resolution. Due to the relatively small number of sales it is not possible to produce robust median house prices using the HPSSAs methodology for any smaller geography than MSOAs. This means that MSOA is the smallest geographic level for which HPSSAs are published.

### Highest and lowest median house prices for all dwelling types by MSOA

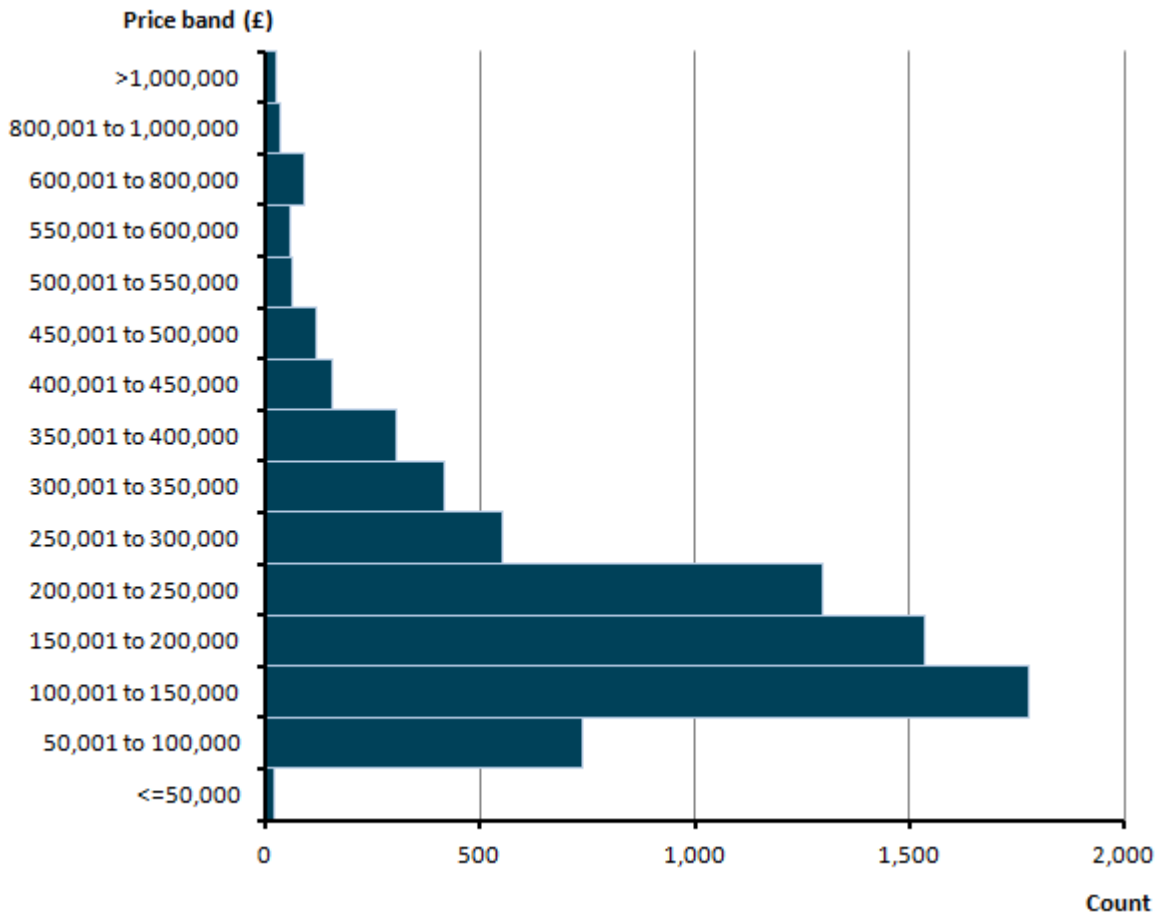
In 2014, the MSOA with the highest median house price was Westminster 019, with a median house price of £3,400,000. This is nearly 100 times more expensive than the least expensive MSOA, Middlesbrough 002, where the median house price was £39,000. This was in stark contrast with data from 1995, the start of the time series, when house prices in the MSOA Westminster 019 were the most expensive, with a median of £327,000. This was over 24 times as expensive as Sheffield 073, the MSOA with the least expensive median house price at £13,500.

### Distribution of house prices in England and Wales by MSOA

Of all the MSOAs in England and Wales, in 2014 only 275 (4%) had a median house price for all dwelling types greater than £500,000 (Figure 3). There were 5,371 MSOAs (75%) with a median house price of £250,000 or below and 761 MSOAs (11%) where median prices were £100,000 or below. The following distribution chart illustrates the range of median house prices and shows how areas with the highest median house prices comprise a relatively small proportion of MSOAs.

**Figure 3: Number of middle layer super output areas by median price band for all dwelling types**

England and Wales, 2014



**Notes:**

1. Sources: ONS and Land Registry

**Download chart**[XLS](#) [XLS format](#)

(33.5 Kb)

**Background notes****1. Methodology**

A [Quality and Methodology Information \(QMI\) \(290.7 Kb Pdf\)](#) paper for this release describes in detail the intended uses of the statistics presented in this publication, their general quality and the methods used to produce them.

**2. Other house price statistics**

Currently there are a number of different sources of house price statistics published in addition to the ONS HPI. There will be differences in the data published by each source as there are differences in both the data and methodology used. Therefore the ONS HPI is not directly comparable with these other indicators. Further details on the differences between official house price statistics can be found in the article [Official House Price Statistics Explained \(974.4 Kb Pdf\)](#).

**Land Registry house price index**

All residential property transactions in England and Wales are recorded by Land Registry. These transactions are used for calculating the Land Registry index. This index is based on repeat-sales regression, which calculates the change in price of any property transacted twice since 1995. Therefore new build properties are excluded from the index. Land Registry publishes indices at a sub-regional level. The Land Registry HPI is normally published on the 20th working day of every month, and refers to all transactions of the preceding month.

The Land Registry HPI can be accessed via the [Land Registry's website](#).

**Registers of Scotland official quarterly housing market statistics**

Registers of Scotland records all the property transactions in Scotland. It produces average house prices based on arithmetic means of these transactions, which is published as the [quarterly housing market statistics](#) in the second month after the month to which the figures refer to.

**Northern Ireland residential property price index**

The Land and Property Services assisted by the Northern Ireland Statistics and Research Agency (NISRA) publish a [quarterly residential property prices index \(RPPI\) for Northern Ireland](#). The index measures change in the price of residential property sales recorded by Her



Majesty's Revenue and Customs. This is a new official statistic, first published in quarter 1 of 2012.

### **Halifax house price index and Nationwide house price index**

Both [Halifax](#) and [Nationwide](#) produce house price indices based on their own mortgage approvals only and therefore, like the ONS HPI, will not include any cash transactions. They both have UK-wide coverage, and since the Halifax and Nationwide use only their own in-house data they can process them immediately and do not have to await the receipt of data from other lenders. This means that they are more timely than the ONS HPI.

### **LSL Acadata house price index**

The LSL Acadata (previously the LSL Property Services/Acadametrics) HPI is the only house price index to reflect all transactions, as opposed to data samples, and provides mix and seasonally adjusted results at national, regional and county or unitary district or London borough levels.

The index can be accessed at [Acadata](#).

## **3. Accessibility**

This bulletin includes 2014 data. Future publication dates for this statistical bulletin are available via the [release calendar](#).

## **4. General**

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