

Statistical bulletin

House price statistics for small areas in England and Wales: year ending June 2017

House price statistics for a range of geographies in England and Wales, on a quarterly rolling year basis.

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1 . Main points

- There was a 7.6% decrease in the nominal total value of residential property transactions in England and Wales to £248 billion for year ending June 2017, down from £269 billion in the previous year.
- There was a 9.8% decrease in the number of residential property sales over the same period to 866,684 in year ending June 2017, down from 961,048 in the previous year.
- The median price paid for residential properties in middle layer super output areas in England and Wales ranged from £29,000 (within County Durham) to £2,555,000 (within Westminster).
- More than three-quarters of middle layer super output areas had an increase in median price paid in year ending June 2017, compared with the previous year.
- There was an eight-fold increase in property transactions on the London 2012 Olympic Park over the last two years; this formed part of the wider increased housing market activity in the London borough of Newham.

2 . Things you need to know about this release

The house price statistics for small areas (HPSSAs) use data from HM Land Registry (LR) to provide statistics on the price paid and composition of residential property transactions for properties that were sold in England and Wales. Properties sold at a discount to market level, such as properties sold under the Right to Buy scheme, are excluded from the data.

The entire series of data in the HPSSAs (back to year ending December 1995) is revised quarterly and these data supersede all previously published HPSSA data, to ensure that:

- residential property transactions added to or edited in the LR price paid data (PPD) are included, especially in more recent periods to which changes are more likely to relate
- if a geography change is made the entire series reflects the new structure, avoiding geographic breaks in the time series

The smallest areas for which statistics are presented are [lower layer super output areas \(LSOAs\)](#), of which there are 34,753 in England and Wales, each containing around 600 households. More detailed statistics are presented for other geographies including the slightly larger [middle layer super output areas \(MSOAs\)](#). There are 7,201 MSOAs in England and Wales, each containing around 3,000 households. Statistics for super output areas therefore provide a detailed geographic understanding of housing trends for properties that were sold at market value.

HPSSAs provide a different set of statistics to the [UK House Price Index \(UK HPI\)](#). The UK HPI is weighted to reflect the mix of properties sold in the previous year, which is broadly representative of the mix of properties in the overall dwelling stock. The HPSSAs are not mix-adjusted but use rolling years to better reflect the actual mix of property sold than is possible with a shorter period and so avoids seasonal effects. This means that the UK HPI provides a measure of the changing value of properties in the housing market, whereas the HPSSAs measure the price paid for properties sold in a given period. Therefore, the two sets of statistics provide different figures.

The HPSSAs report the non-adjusted average transactional values down to the small area level and are therefore particularly useful when identifying the change in price for properties actually sold in a given period and area. HPSSAs can also be used to identify changes in the number of property transactions, housing market value and the composition of transactions by property type.

Her Majesty's Revenue and Customs Quarterly Stamp Duty Statistics also produce Local Authority District and Westminster Parliamentary Constituency level data, showing the number of property transactions in each Stamp Duty Land Tax (SDLT) band. These statistics relate to a slightly different subset of transactions than the HPSSAs. The Quarterly Stamp Duty Statistics include transactions of £40,000 or more and include some types of transactions that are excluded in the HPSSAs, such as transactions that took place with a buy-to-let mortgage. These differences mean that the number of transactions reported in the HPSSAs is lower than the number of transactions reported in the Quarterly Stamp Duty Statistics.

The 2017 budget announced immediate exemption of Stamp Duty Land Tax for first-time buyers for purchases up to £300,000 in value and reduced tax for those purchasing for the first time at up to £500,000. Any impact this has on the number of transactions or price paid will appear in the statistics for the year ending December 2017, which will be published in June 2018.

3 . Median price paid for residential properties in middle layer super output areas ranged from £29,000 to £2,555,000

The number of residential property transactions recorded by HM Land Registry in England and Wales has fallen 9.8% to 866,684 in year ending June 2017 from 961,048 in the previous year. This is the lowest number recorded since year ending June 2013, when 686,961 transactions were recorded.

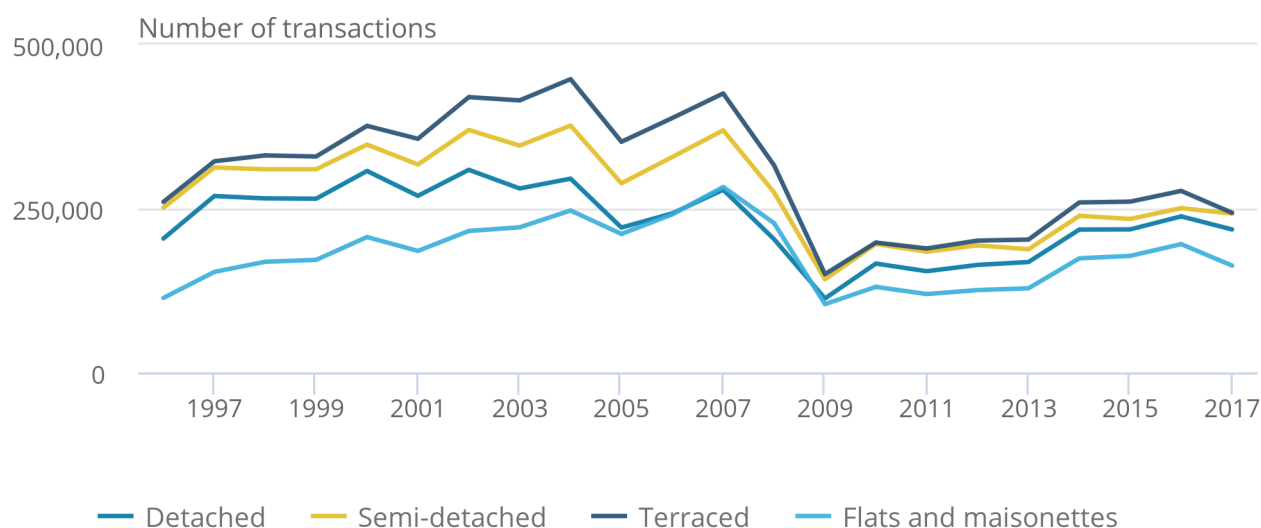
Figure 1 shows that the number of property transactions for all property types was lower in the year ending June 2017 compared with the previous year. Property transactions for flats and maisonettes have decreased by the most, with a drop of 16.7% to 162,914 in the year ending June 2017. The number of property transactions decreased sharply for all property types before the economic downturn in 2009 and have since partially recovered.

Figure 1: Number of residential property transactions by property type

England and Wales, year ending June 1996 to year ending June 2017

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England and Wales, year ending June 1996 to year ending June 2017



Source: Office for National Statistics and HM Land Registry

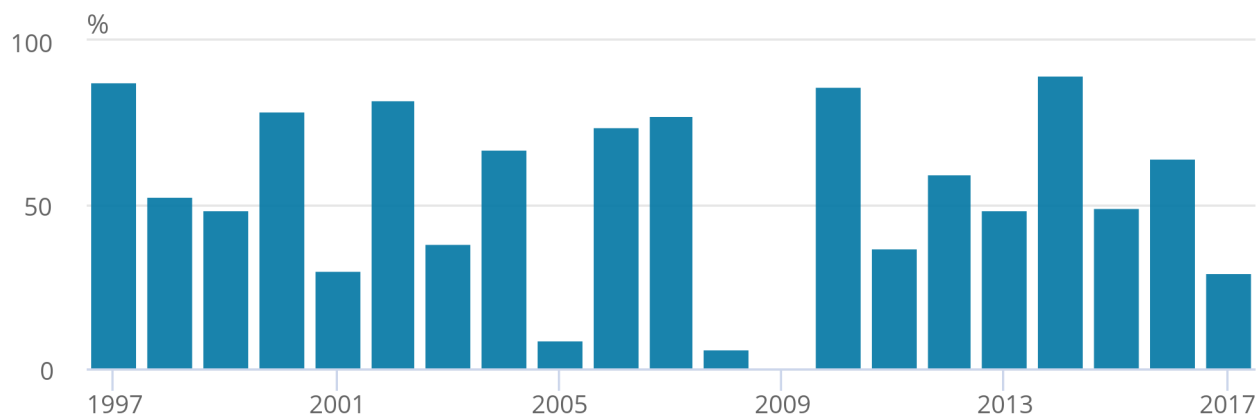
Figure 2 shows the percentage of middle layer super output areas (MSOA) in which the number of property transactions increased compared with the previous year. In the year ending June 2017, 29% of MSOAs had an increase in the number of property transactions since the previous year, which is down from 64% for the year ending June 2016. This was the first time it has been below 30% since year ending June 2009. Since the changes to Stamp Duty Land Tax rules came into effect on 1 April 2016, there has been a continued period of reduced property transactions.

Figure 2: Percentage of middle layer super output areas in which the number of property transactions increased since the previous year

England and Wales, year ending June 1997 to year ending June 2017

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England and Wales, year ending June 1997 to year ending June 2017



Source: Office for National Statistics and HM Land Registry

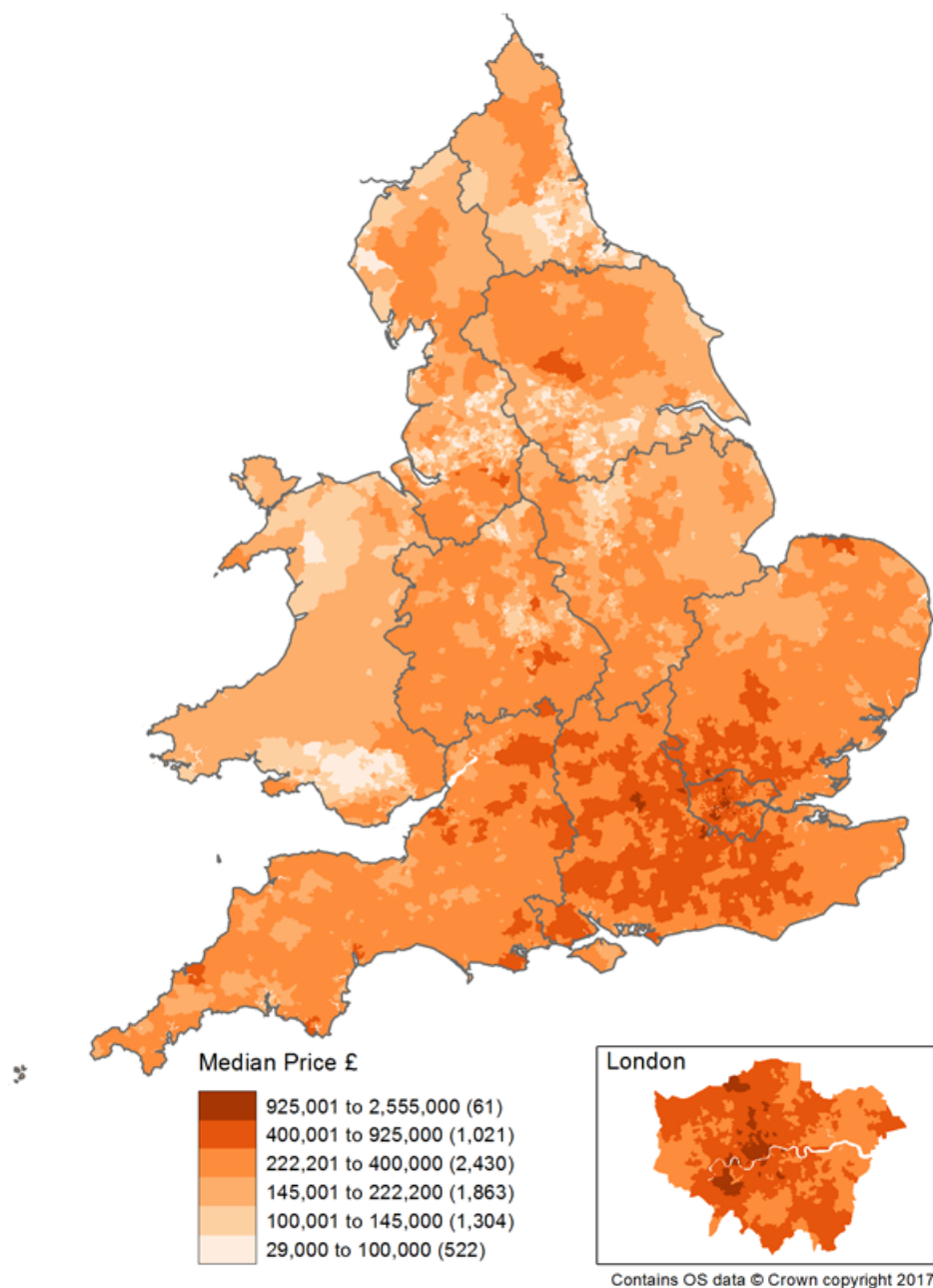
In the year ending June 2017, the median price paid for residential properties in MSOAs in England and Wales ranged from £29,000 (within County Durham) to £2,555,000 (within Westminster). The MSOA in County Durham had the lowest median price paid for the sixth consecutive quarter, despite having increased in year ending March 2017 for the first time since 2015. The MSOA in Westminster has had the highest median price paid for the entire time series, except in year ending June 2005.

Figure 3 shows a map of the median price paid for MSOAs in England and Wales in year ending June 2017. The map shows that the areas of highest median prices paid were mainly in London and parts of the South East and East of England. There were 61 MSOAs in which the median price paid was greater than £925,000 in the year ending June 2017. Out of these 61 MSOAs, 56 were in London (this represents 5.7% of London MSOAs).

The North West had the most MSOAs (181) with a median price paid in the lowest category on the map in year ending June 2017. The lowest category represents the lowest priced 10% of transactions in England and Wales.

Figure 3: Median price paid for all dwellings by middle layer super output areas

England and Wales, year ending June 2017



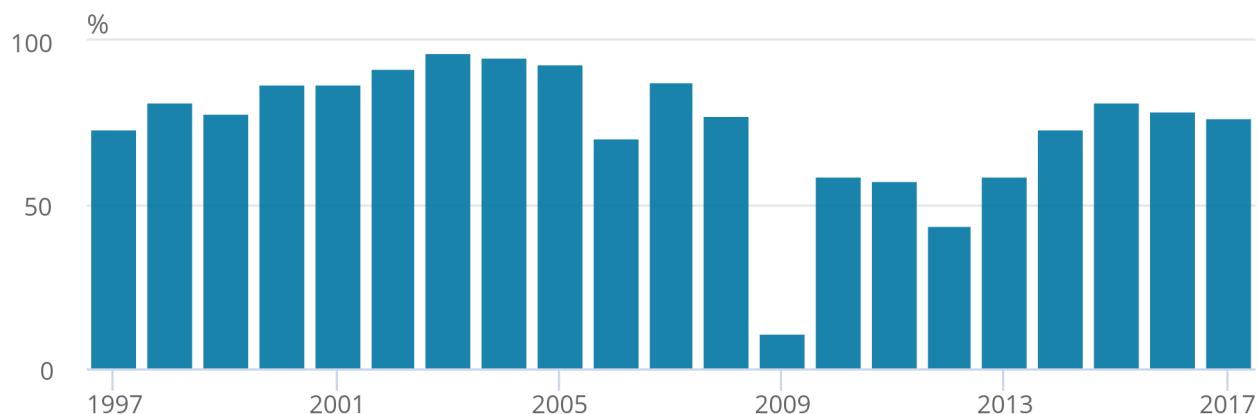
In the year ending June 2017, the median price paid for residential properties increased in 77% of MSOAs in England and Wales. Figure 4 shows that the percentage of MSOAs in which the median price paid increased has remained relatively stable in the last four years. This follows a relatively large decrease during and immediately after the economic downturn in 2009. This trend for England and Wales is similar in its constituent countries and regions.

Figure 4: Percentage of middle layer super output areas in which median property price paid increased since the previous year

England and Wales, year ending June 1997 to year ending June 2017

Figure 4: Percentage of middle layer super output areas in which median property price paid increased since the previous year

England and Wales, year ending June 1997 to year ending June 2017



Source: Office for National Statistics and HM Land Registry

Housing market value (HMV) is the total value of residential property transactions for an area. It is driven by a combination of property prices and the number of property transactions. This can be used to provide an overview of the scale of the property transaction economy. These housing market value statistics are presented in nominal terms, which mean that they have not been adjusted to take account of price inflation and so they present the simple total transactional value of all property sales.

The total HMV in England and Wales for the year ending June 2017 was £248 billion. This is a decrease of nearly £21 billion on the previous year and the first time it has fallen since the year ending June 2011. Figure 5 shows indices of the total HMV in nominal terms. This was lower in the year ending June 2017 than the peak before the economic downturn in 2009, both for England and Wales as a whole and for London. London's total HMV has decreased more sharply than in England and Wales over the past year.

Figure 5: Indices of total nominal value of property transactions

London, England and Wales, year ending June 1996 to year ending June 2017

Figure 5: Indices of total nominal value of property transactions

London, England and Wales, year ending June 1996 to year ending June 2017



Source: Office for National Statistics and HM Land Registry

4 . New small area house price statistics add insight to localised residential property markets

In the year ending June 2017, the median price paid for residential properties in lower layer super output areas (LSOAs) ranged from £21,500 (within Manchester) to £8,000,000 (within Barnet). The relatively low price paid in the cheapest area was driven by sales of a small number of student flats in the Whalley Range area of Manchester.

LSOAs are smaller geographic areas than the middle layer super output areas (MSOA) described earlier in this bulletin, and typically there are around five LSOAs in every MSOA. Therefore, the LSOAs that had the lowest median price paid and the highest median price paid can be in different areas than for the MSOA statistics.

There were five residential property sales in the LSOA with the lowest median price paid in year ending June 2017. Out of the five sales, three were sales of “student pods”¹, which contain a bedroom with a sink and access to communal facilities. These are near central Manchester and were specifically marketed to investors at a price of around £20,000 each, which is below the cost of buying a typical residential property in this area. For comparison, the median price paid of £21,500 in this LSOA compares against a median of £147,250 for its parent MSOA in year ending June 2017, so represents a localised micro-market.

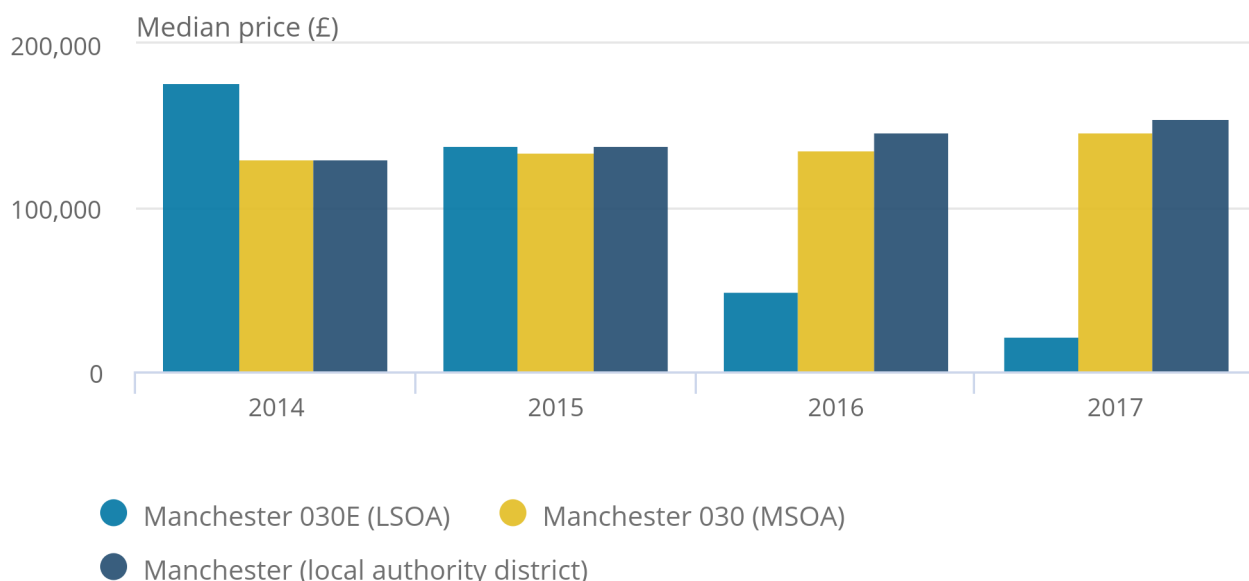
Figure 6 shows the median price paid for the current lowest priced LSOA (Manchester 030E) and its parent MSOA and local authority (LA) areas in the year ending June 2014 to year ending June 2017. It shows that whilst the median price paid has been falling in the LSOA, it has been rising in the MSOA and local authority in which it sits.

Figure 6: Median price paid for the current least expensive lower layer super output area and its parent areas

Manchester, year ending June 2014 to year ending June 2017

Figure 6: Median price paid for the current least expensive lower layer super output area and its parent areas

Manchester, year ending June 2014 to year ending June 2017



Source: Office for National Statistics and HM Land Registry

Notes:

1. Figures are not adjusted for inflation.

With a median price paid of £8 million, an LSOA within Barnet was the most expensive in England and Wales in the year ending June 2017. There were seven property transactions in this LSOA, consisting of three flats or maisonettes, three detached properties and one semi-detached property. Some of these properties contain luxurious features and extras such as maid service, access to acres of land, private cinemas and spas², and so they are unlikely to reflect the type of properties in the overall dwelling stock of the area. This could explain the high median price paid here. For comparison, the median price paid of £8 million for this LSOA in year ending June 2017 is almost six times the median of its parent MSOA (£1.4 million).

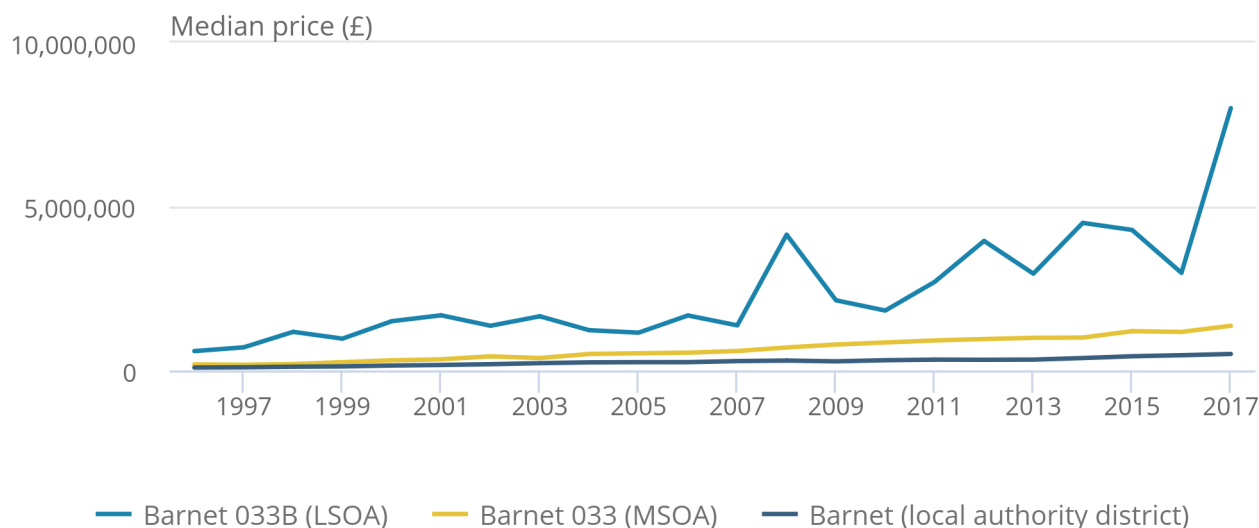
Figure 7 shows the median price paid for the current highest priced LSOA (Barnet 033B) and its parent MSOA and local authority areas in the year ending June 1996 to year ending June 2017. It shows that the LSOA is consistently higher priced than the MSOA and local authority in which it sits. However, there has been a large variation in the median price paid for this LSOA over time and the price here in the latest period was particularly high relative to the historical context.

Figure 7: Median price paid for the current most expensive lower layer super output area and its parent areas

Barnet, year ending June 1996 to year ending June 2017

Figure 7: Median price paid for the current most expensive lower layer super output area and its parent areas

Barnet, year ending June 1996 to year ending June 2017



Source: Office for National Statistics and HM Land Registry

Notes:

1. Figures are not adjusted for inflation.

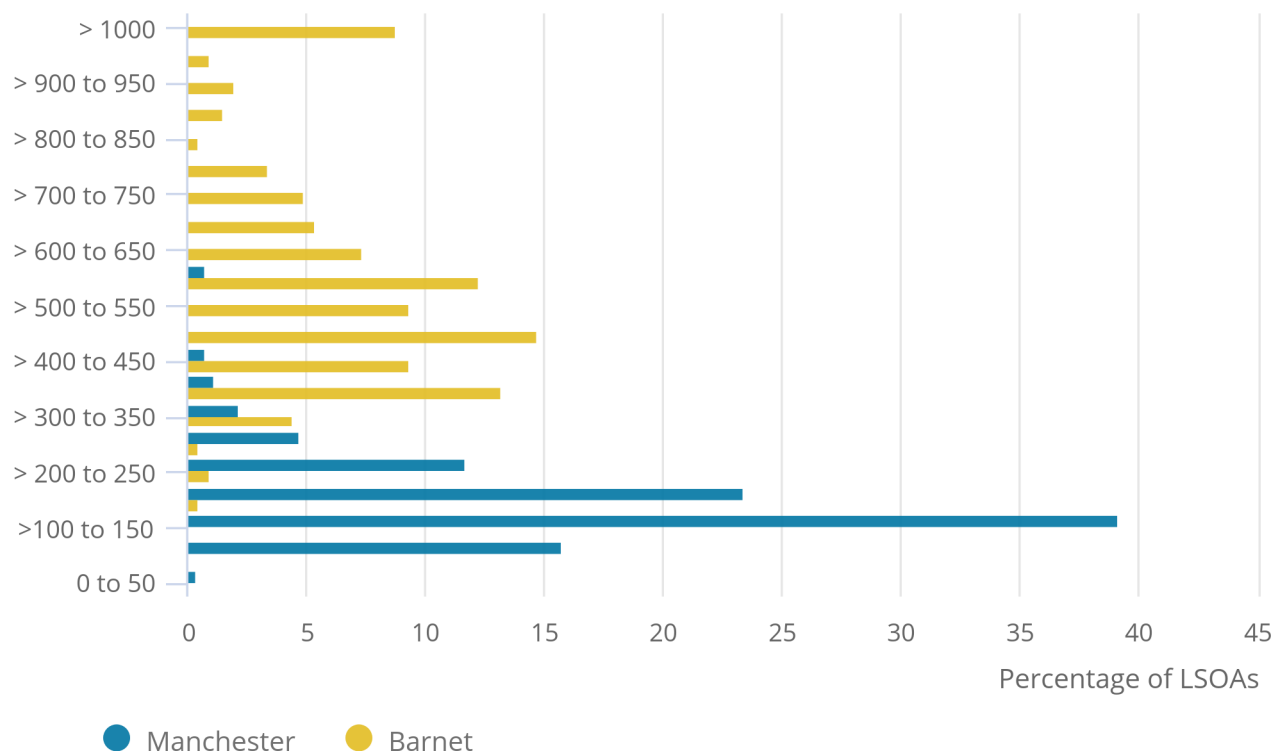
Manchester and Barnet had very different house prices, with Manchester having a median price paid of £155,000 and Barnet £500,000. Figure 8 breaks down these two local authority level areas showing their median price paid distribution by LSOA. Manchester is tightly clustered with a single peak, where 39.2% of LSOAs have a median price paid of between £100,001 and £150,000. Barnet is more widely distributed, with three small peaks spread over a much wider range of prices.

Figure 8: Distribution of median price paid for lower layer super output areas within local authorities

Manchester and Barnet, year ending June 2017

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Manchester and Barnet, year ending June 2017



Source: Office for National Statistics and HM Land Registry

Notes for: New small area house price statistics add insight to localised residential property markets

1. The term “student pods” is the term used to describe the properties in the marketing literature for these types of properties.
2. The information about property features is from the marketing literature for these properties.

5 . Eight-fold increase in property transactions on London 2012 Olympic park over last two years

The housing market in the London borough of Newham received the first release of new residential properties for sale from the London 2012 Olympic park. The lower layer super output area (LSOA) that contains these new homes had 323 property transactions in the year ending June 2017. This was the sixth highest out of all LSOAs in England and Wales. The median price paid in this LSOA was £482,160 in year ending June 2017.

The London 2012 Olympics was followed by relatively large housing development work in Newham and the surrounding area. Whilst the athletes' village was converted into [rental accommodation](#), the first of several new housing developments was released for sale in 2016. This housing falls within a single LSOA in Newham.

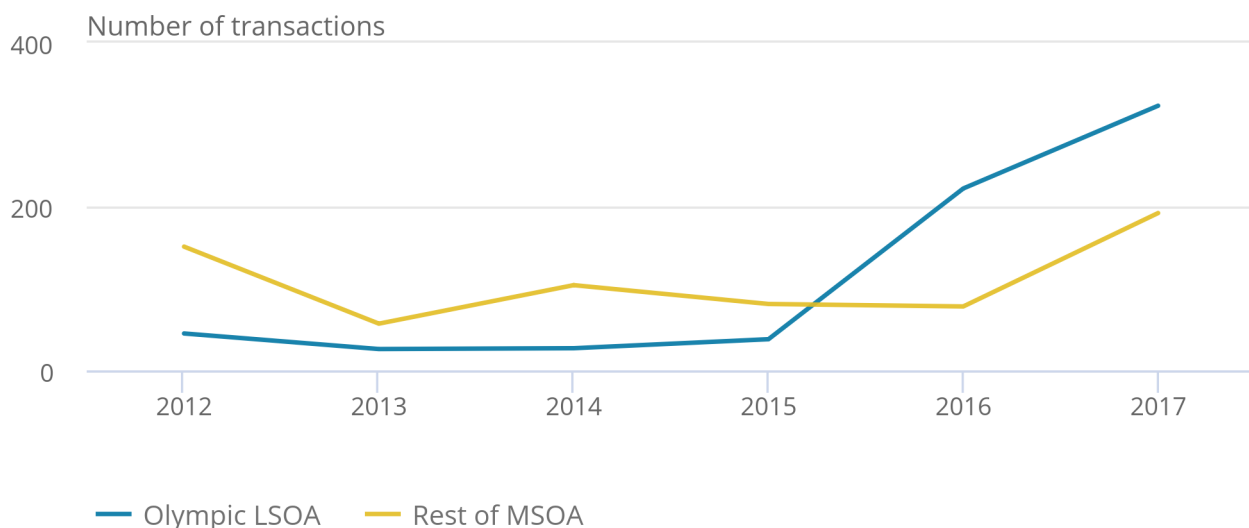
Figure 9 shows a more than eight-fold increase in the number of residential property transactions (from 38 to 323) between year ending June 2015 and year ending June 2017 for this LSOA. The total number of property transactions in all other LSOAs within the same middle layer super output area (MSOA) combined was 192 in year ending June 2017.

Figure 9: Number of property transactions for the lower layer super output area containing the London 2012 Olympics site

Newham, year ending June 2012 to year ending June 2017

Figure 9: Number of property transactions for the lower layer super output area containing the London 2012 Olympics site

Newham, year ending June 2012 to year ending June 2017



Source: Office for National Statistics and HM Land Registry

Figure 10 shows the total number of residential property transactions for each LSOA in Newham for the last five years. The new housing development at the site of the London 2012 Olympics appears as an area with a relatively large number of property transactions to the north west of the borough, but this area is part of the wider housing development across the borough.

In the south of the borough, another major redevelopment was in the Royal Docks area where a large tower block recently reached the market. In the year ending June 2017, an LSOA in the Royal Docks had the highest number of property transactions (556) out of all LSOAs in England and Wales.

Figure 10: Number of residential property transactions by lower layer super output area

Newham, year ending June 2013 to year ending June 2017

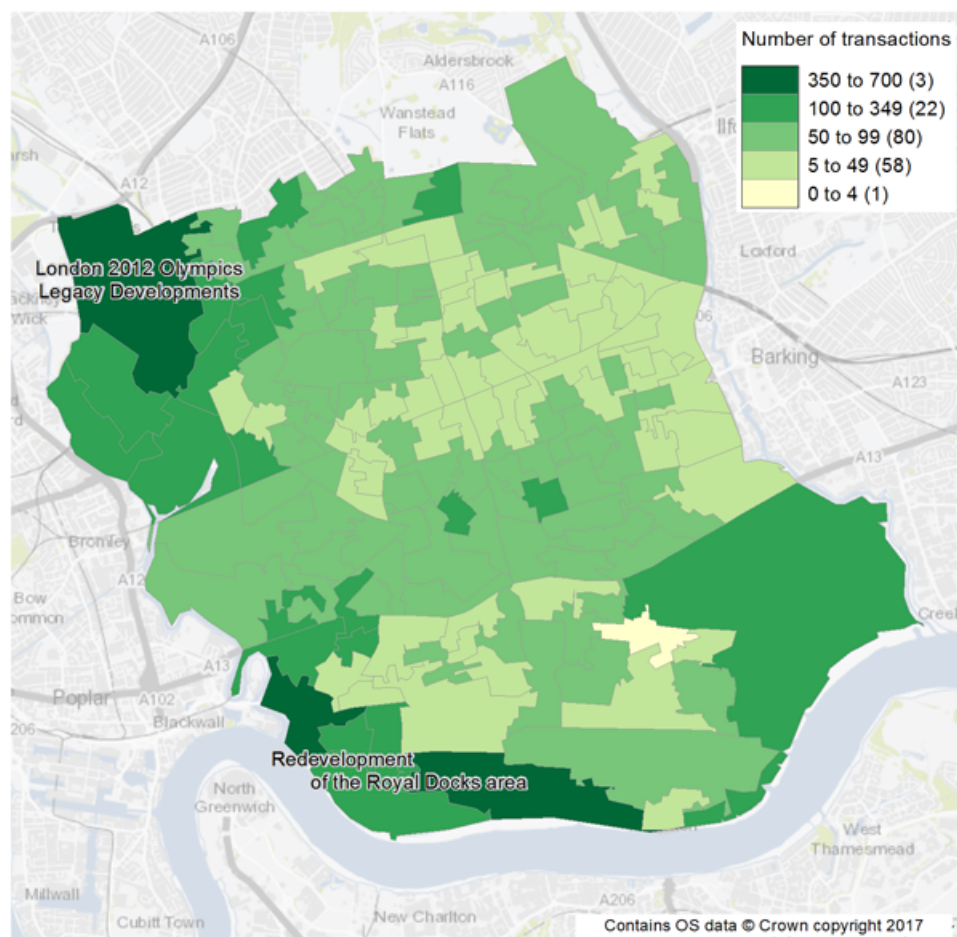
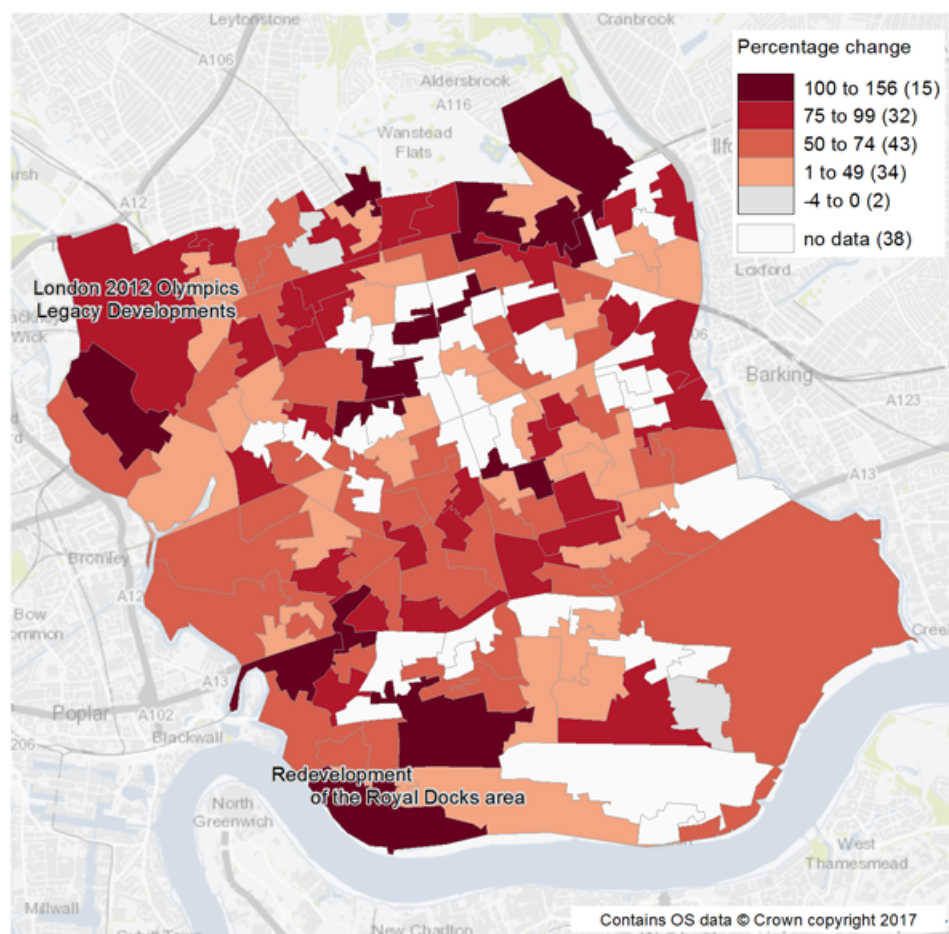


Figure 11 shows the percentage change in the median price paid in LSOAs within Newham over the last four years. Whilst both the London 2012 Olympics site and the Royal Docks areas had large price rises, there were many other pockets of high price rises across the borough. Some of these increases could be driven by a change in the types of properties sold in these areas over time.

Figure 11: Percentage change in median price paid for residential property by lower layer super output area

Newham, year ending June 2013 to year ending June 2017



6 . Links to related statistics

More information about house prices can be found in the following publications:

[UK House Price Index](#)

[Housing affordability in England and Wales](#)

[Quarterly Stamp Duty Statistics](#)

7 . What's changed in this release?

We have added statistics for an additional small area geography, lower layer super output areas (LSOA). Statistics are available for over 98% of LSOAs, for all property types. LSOA level statistics are not available for individual property types because of low numbers of transactions, unlike the other geographies published.

We have updated the combined authorities geography (in the administrative geographies datasets) to include two new areas, these are the Cambridgeshire and Peterborough combined authority and the West of England combined authority.

We have also updated the local enterprise partnerships geography (in the subnational files) to remove the Northamptonshire LEP, which no longer exists, and to update the South East Midlands LEP.

8 . Quality and methodology

The [House price statistics for small areas Quality and Methodology Information report](#) contains important information on:

- the strengths and limitations of the data and how it compares with related data
- users and uses of the data
- how the output was created
- the quality of the output including the accuracy of the data

Details of the policy governing the release of new data are available in the [UK Statistics Authority's Code of Practice for Official Statistics](#) or from the Media Relations Office via email to media.relations@ons.gsi.gov.uk.