

## Article

# House Price Statistics for Small Areas in England and Wales: 1995 to 2013

A brief overview of average (median) house prices using estimates from the sale prices of residential properties in England and Wales between 1995 and 2013. We look at the trends and features of average house prices paid over this period for 3 different geographies: local authorities, parliamentary constituencies and middle layer super output areas (MSOAs).

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# 1. Key points

- This article accompanies the first release of House Price Statistics for Small Areas (HPSSAs) by the Office for National Statistics (ONS) and provides a brief overview of average (median) house prices using data on the sales price of residential properties in England and Wales between 1995 and 2013.
- The article describes trends and features of average house prices paid over this period for three different geographies: local authorities, parliamentary constituencies and middle layer super output areas (MSOAs).

## 2. Introduction

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 reflects the overall housing stock, mix adjusting to account for differences in the types of houses sold, numbers of bedrooms and the overall dwelling stock.

HPSSAs are not mix adjusted because they report only on properties that are actually sold. 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?

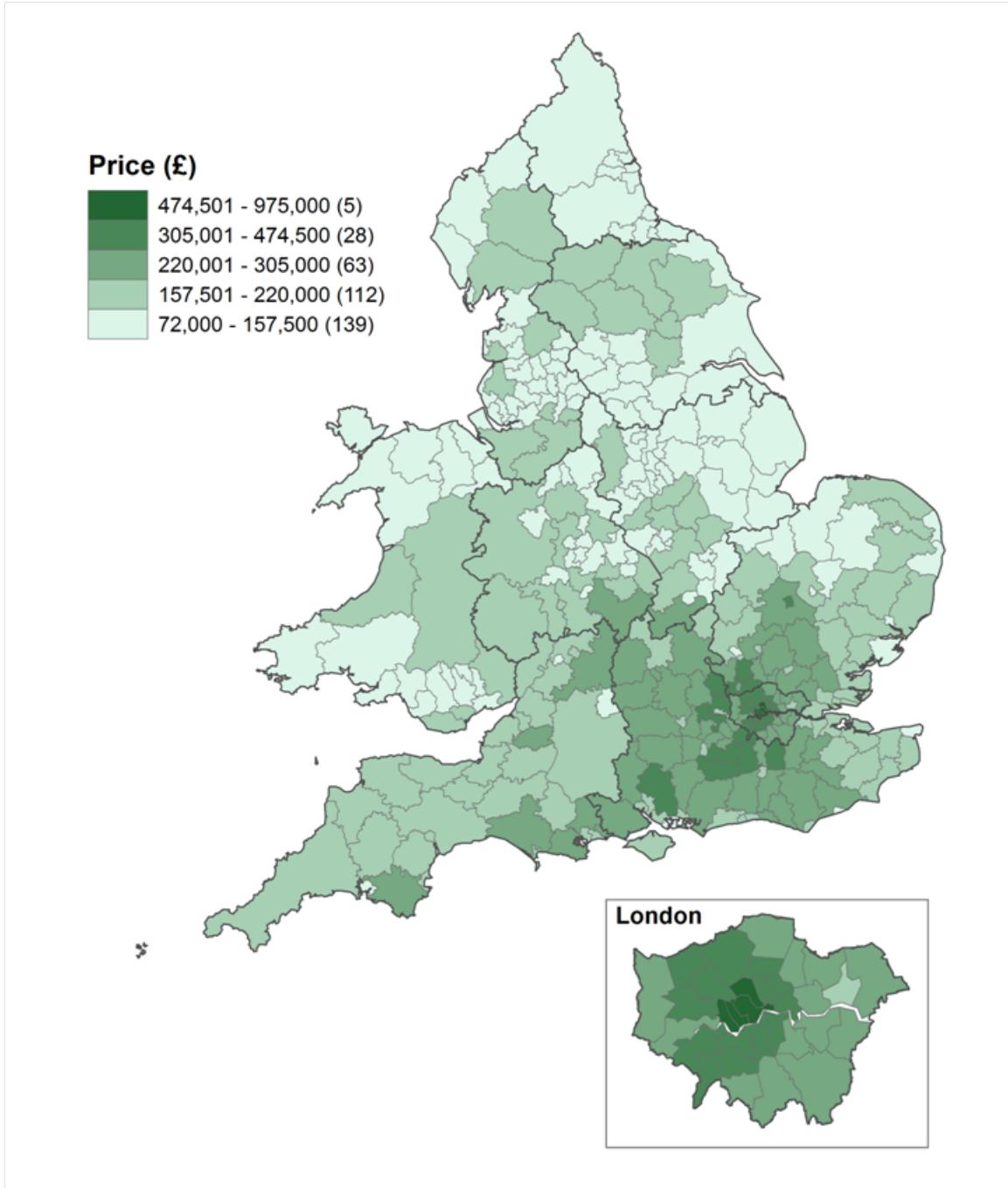
The number and proportion of sales of different types of dwelling can change over time within and between areas. For example, in one year an area's total house sales might comprise 70% detached houses and the following year it might only comprise 40% detached houses. Knowing this composition of sales 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.

## 3. House prices for local authorities

### The general picture

For the 348 local authorities in England and Wales in 2013, median house prices ranged from £975,000 in Kensington and Chelsea, to £72,000 in Blaenau Gwent. Over the period of the time series (1995 to 2013) 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: Median house price for all dwelling types by local authority



**Sources:** ONS and Land Registry

**Notes:**

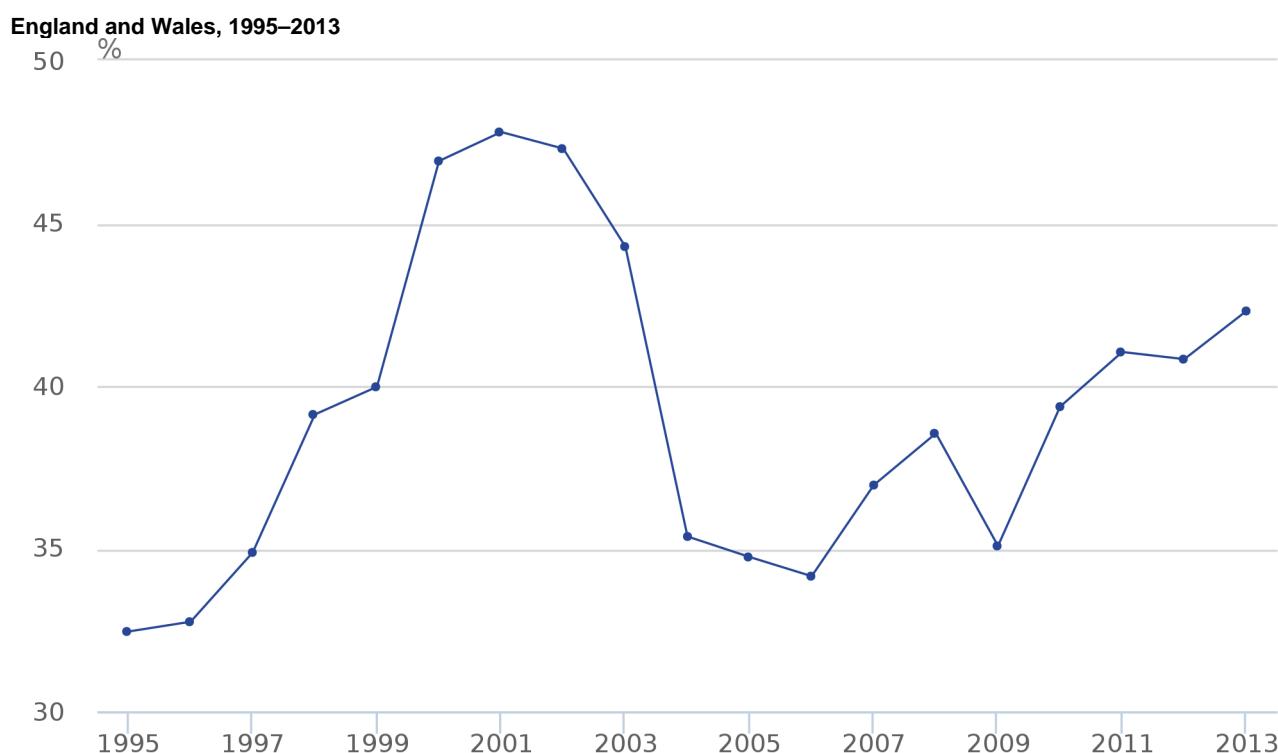
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In London in 2013, Barking and Dagenham had the lowest median house price for the all dwelling type category, at £180,250. Despite having the lowest median house price in London, this was still higher than 51% of all local authorities in England and 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.

## The range of house prices by local authority

Differences between the lowest and highest median house prices by local authority can be very large. For this reason, we can instead focus on the differences between the upper and lower quartiles (halfway points between the upper and middle values and lower and middle values respectively). This reduces the distortion caused by extremely high and extremely low median house prices, be more stable over time and better represent variation in house prices within England and Wales.

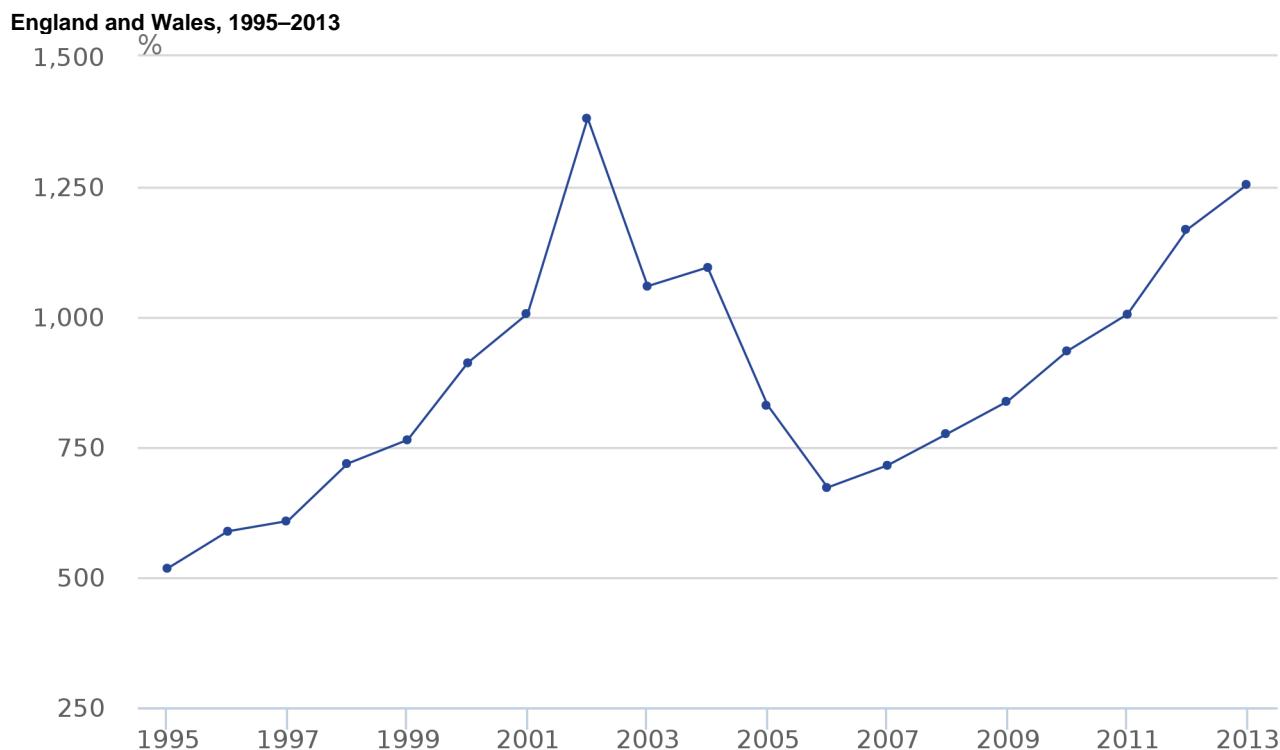
**Figure 1: Percentage difference between upper and lower quartile median house prices for all dwelling types, local authorities**



Source: Office for National Statistics; Land Registry

Looking at the upper and lower quartile values, the variation in prices was lowest in 1995, at 32%, and highest in 2001 at 48%. The gap between the upper and lower quartiles has been steadily increasing since 2009.

**Figure 2: Percentage difference between the highest and lowest house prices for all dwelling types, local authorities**



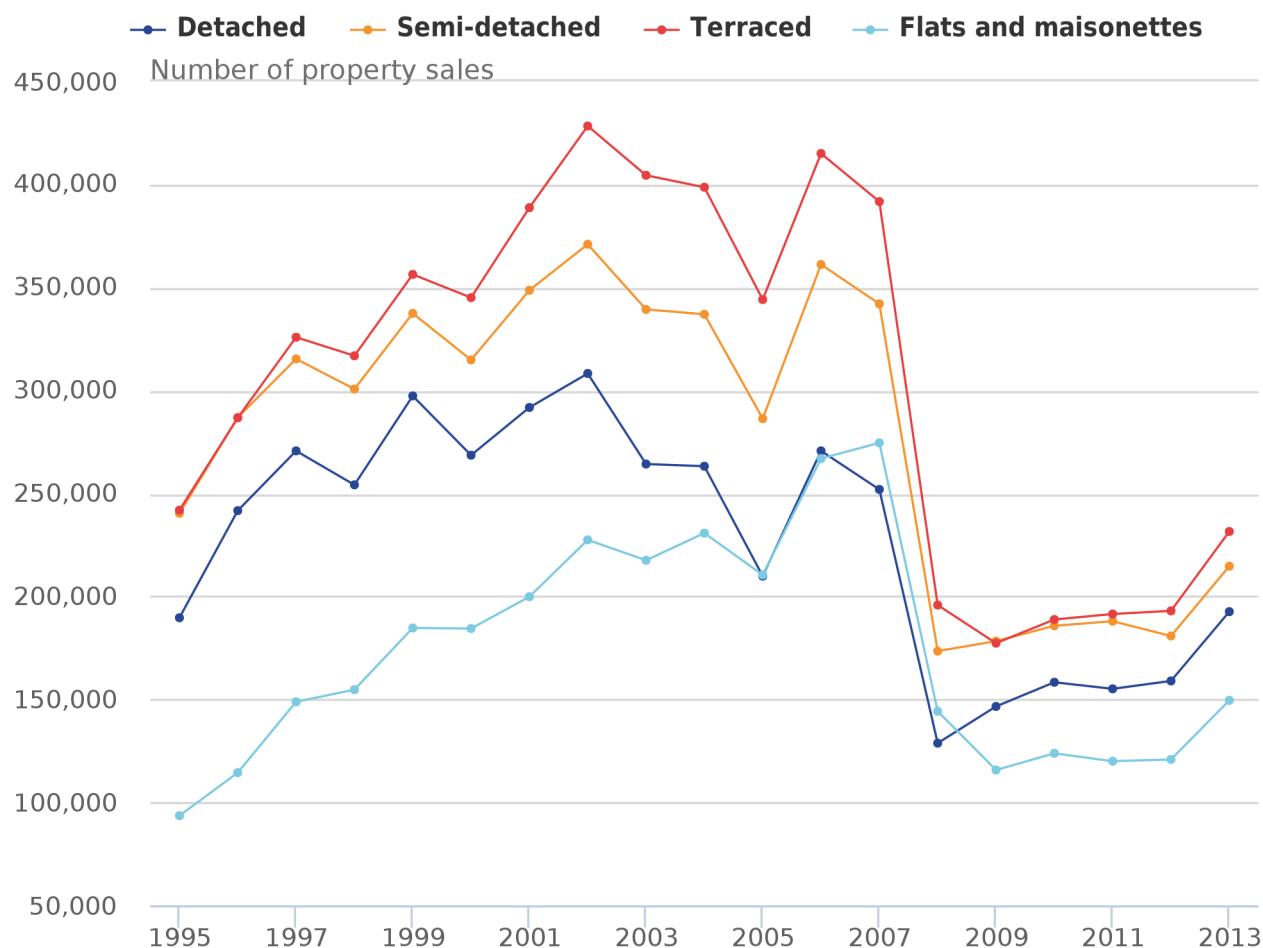
Source: Office for National Statistics; Land Registry

Since 1995 for local authorities nationally, the percentage difference between the highest and lowest median house prices has fluctuated considerably. This difference was smallest in 1995 at 517% and reached nearly 1,400% at its height in 2002. This percentage gap has also been increasing year on year since 2006, having fallen between 2003 and 2006.

## Number of house sales over time

Figure 3: Number of property sales for all dwelling types

England and Wales, 1995–2013



Source: Office for National Statistics; Land Registry

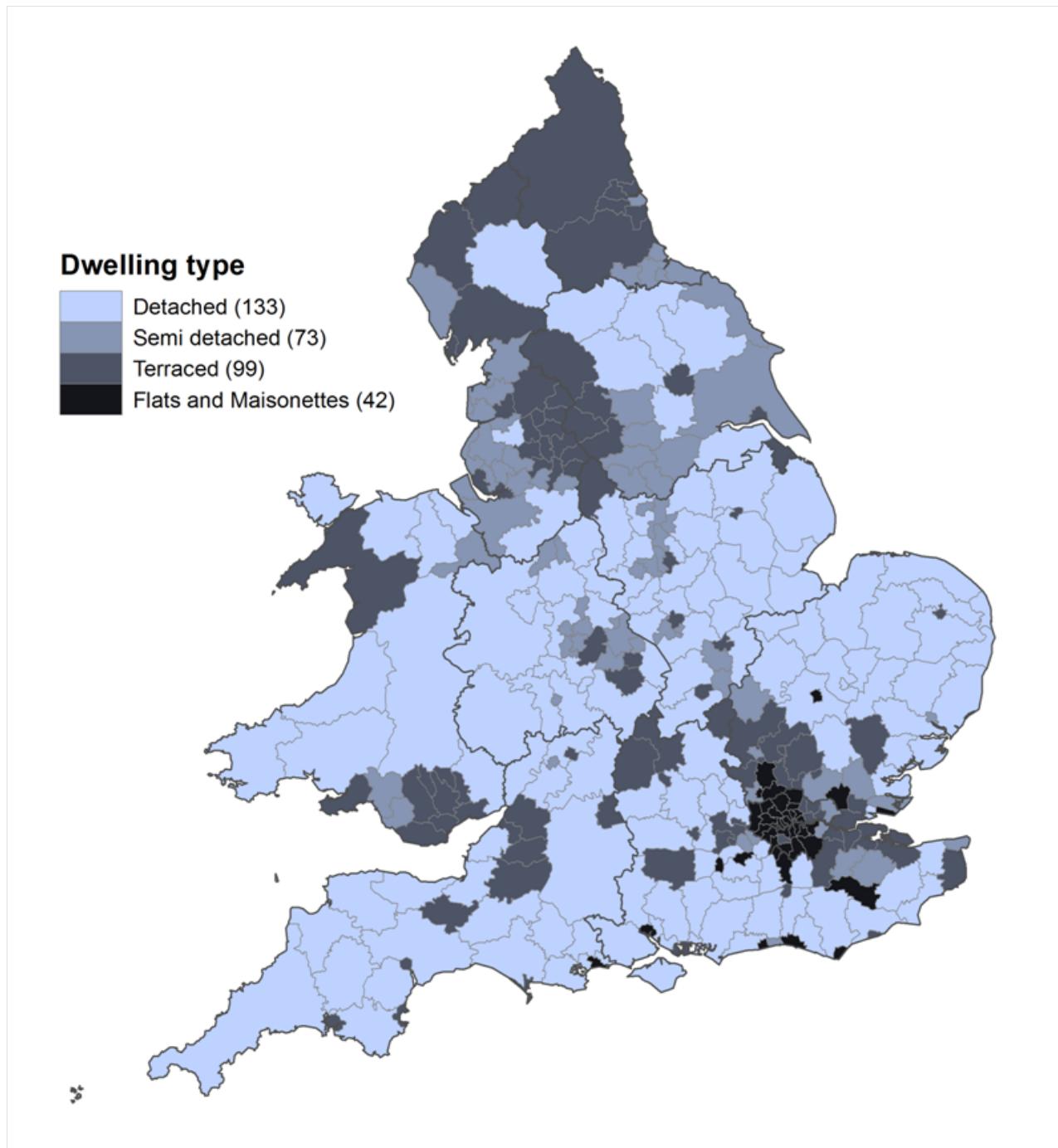
As well as changes in house prices over time, fluctuations also occur in the number of house sales over time. Since 1995, the different dwelling types followed a similar broad pattern of increasing numbers of sales up until 2002, then steadily decreasing until 2005.

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 2013 compared with 2012.

## 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.

Map 2: Most commonly sold dwelling type by local authority



**Sources: ONS and Land Registry**

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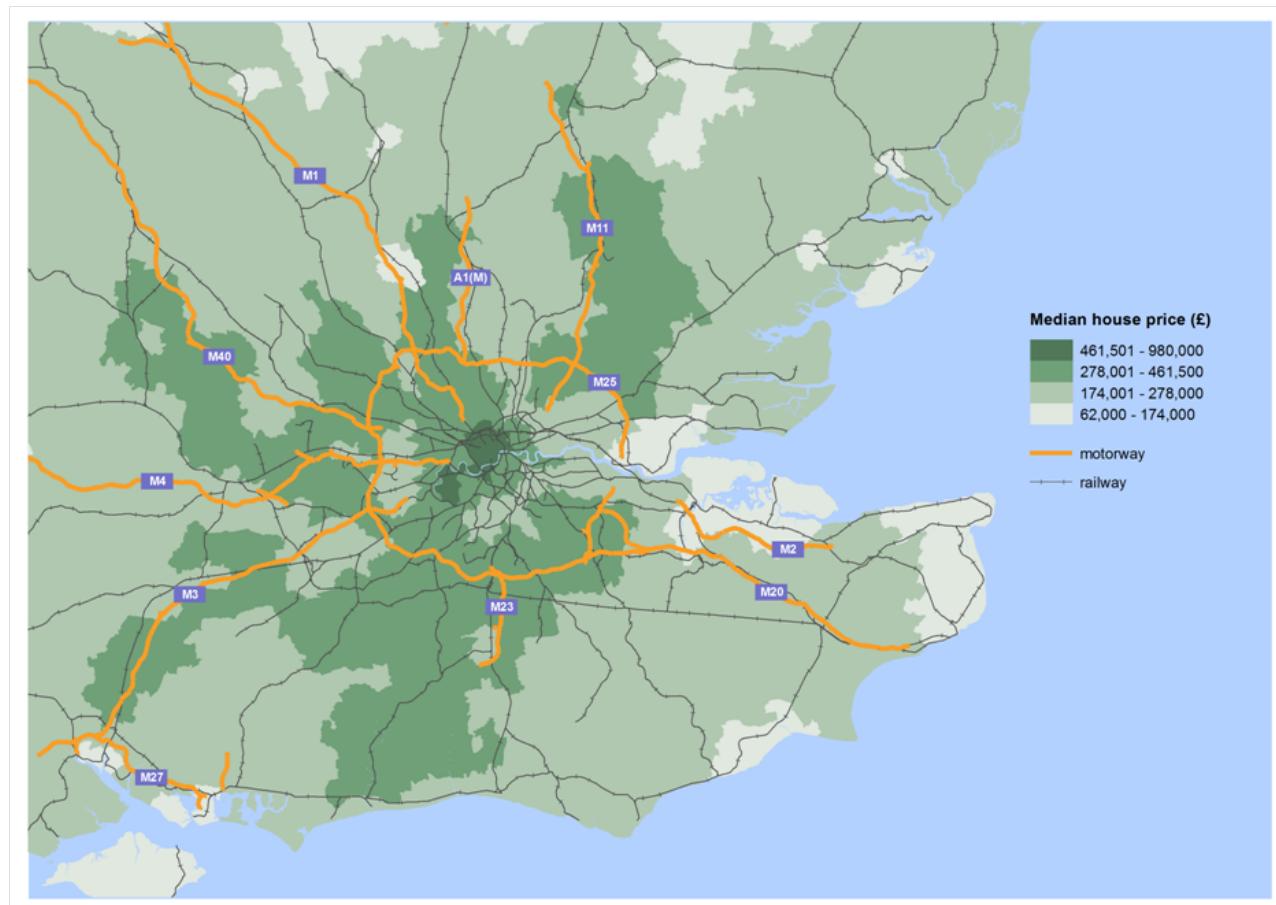
Terraced houses were the most sold type overall, making up approximately 31% of all sold dwellings in England and Wales between 1995 and 2013. Terraced houses were generally the most sold type in the northern regions of England and in north and south Wales. The southern regions of London, the South East 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.

## 4. House prices for parliamentary constituencies

The House Price Statistics for Small Areas have also been produced for the 573 parliamentary constituencies in England and Wales, which may help inform policy and debate. These are the first official statistics on house prices for this geography.

**Map 3: Median house price by parliamentary constituency and major London transport links**

**England and Wales, 2013**



**Sources: ONS and Land Registry**

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Parliamentary constituencies provide data at a geographic level generally smaller than local authorities but larger than MSOAs. This can allow observations of patterns that may not be apparent otherwise. One such trend is the relatively higher prices paid for houses around major transport routes into London with areas around major motorways such as the M1, M3, M4 and the M11, as well as rail links into London showing higher house prices than their surrounding constituencies.

## **5. House prices for Middle Layer Super Output Areas (MSOAs)**

### **Why are MSOAs useful when looking at median house prices?**

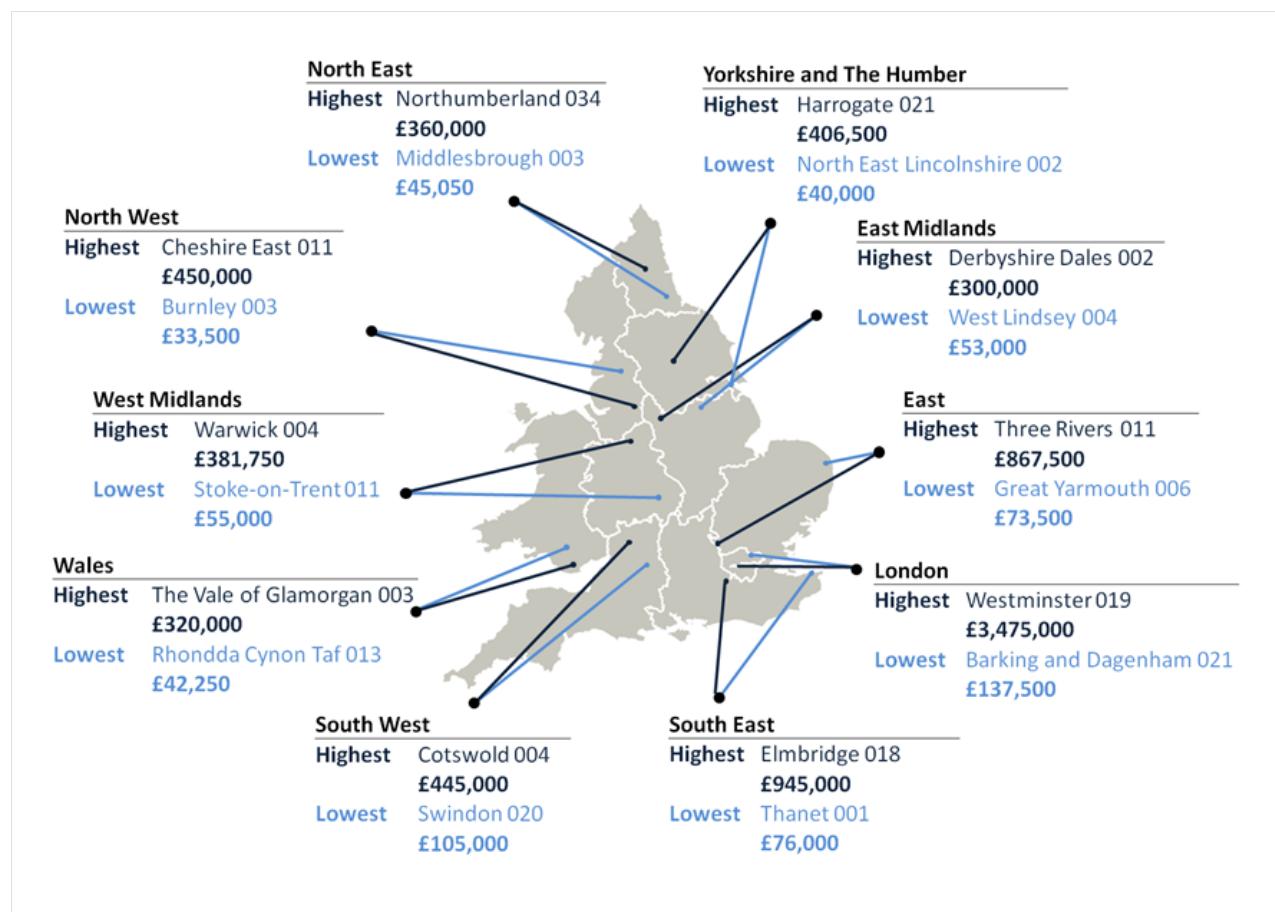
MSOAs are areas created by grouping lower layer super output areas or LSOAs (groups of output areas, the smallest statistical area) in order to produce roughly similar areas in terms of population for the reporting of statistics. An MSOA contains a minimum of 5,000 residents and 3,000 households with 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 SAHPS methodology for any smaller geography than MSOAs. This means that MSOA is the smallest geographic level for which SAHPS are published.

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

In 2013, the MSOA with the highest median house price was Westminster 019 with a median house price of £3,475,000. This was over 100 times more expensive than the least expensive MSOA, Burnley 003, where the median house price was £33,500. 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.

## Highest and lowest median house prices (all dwelling types) for English regions and Wales by MSOA, 2013



### Sources: ONS and Land Registry

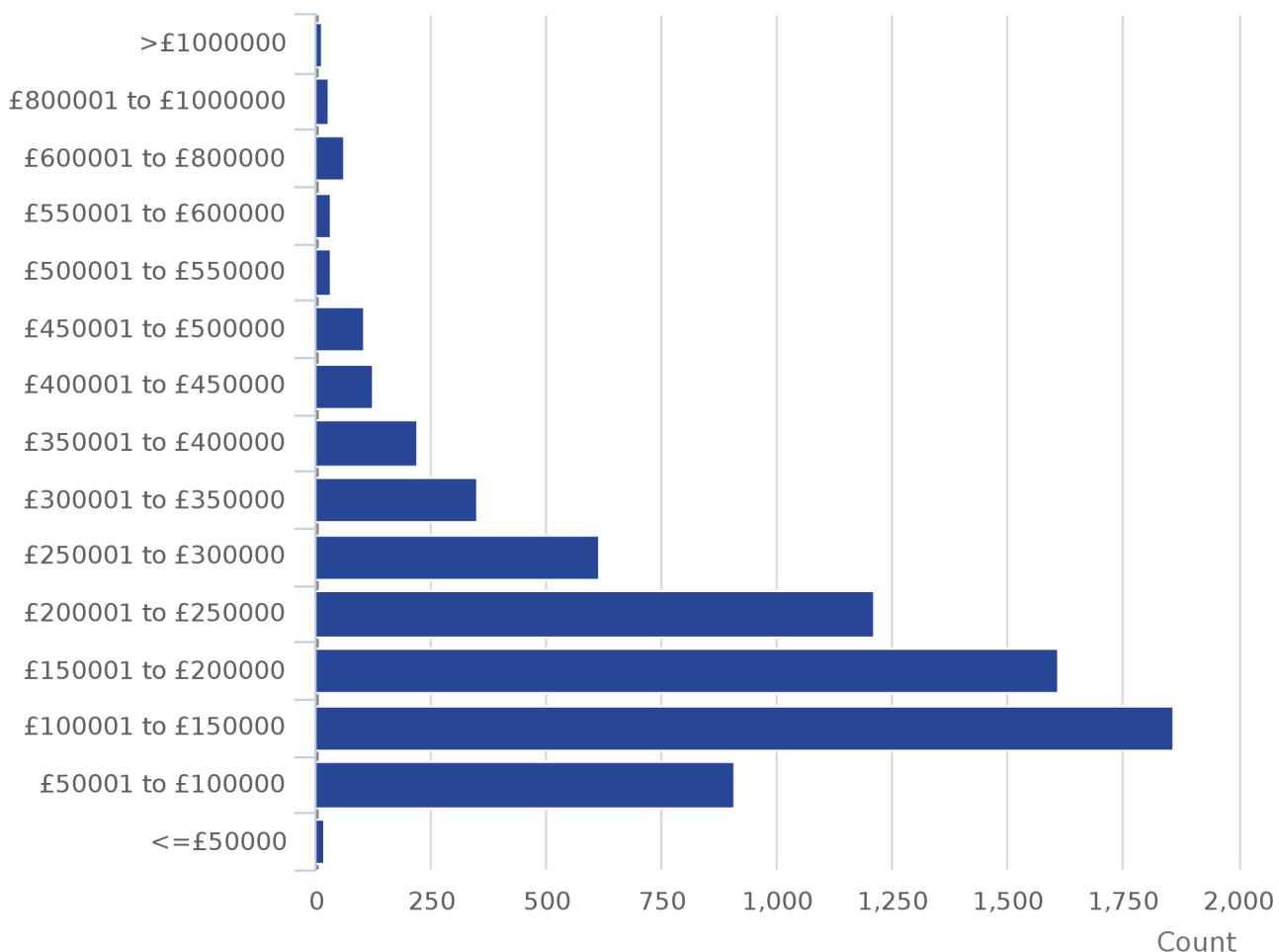
When ranking the 7,201 MSOAs in England and Wales in ascending order by median house price for all dwelling types, of the bottom 1,000 MSOAs, only three were in the South East and none were in London. Conversely, of the top 500 MSOAs, only 43 were areas outside of London and the South East.

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

Of all the MSOAs in England and Wales, in 2013 only 172 (2%) had a median house price for all dwelling types greater than £500,000. There were 5,759 MSOAs (78%) with a median house price of £250,000 or below and 932 MSOAs (13%) 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 4: Number of middle layer super output areas by median price band for all dwelling types**

England and Wales, 2013



Source: Office for National Statistics; Land Registry

## 6. Background notes

1. Details of the policy governing the release of new data are available by visiting [www.statisticsauthority.gov.uk/assessment/code-of-practice/index.html](http://www.statisticsauthority.gov.uk/assessment/code-of-practice/index.html) or from the Media Relations Office email: [media.relations@ons.gsi.gov.uk](mailto:media.relations@ons.gsi.gov.uk)