

Statistical bulletin

# House price statistics for small areas in England and Wales: year ending March 2018

House prices and number of transactions for property sales in England and Wales, on an annual basis, updated quarterly.

Contact:  
Nigel Henretty  
better.info@ons.gov.uk  
+44 (0)1329 447934

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# 1 . Main points

- The median price paid for residential properties in Lower layer Super Output Areas in England and Wales ranged from £24,000 (within County Durham) to £7.7 million (within Barnet).
- The number of residential property transactions recorded by HM Land Registry in England and Wales rose by 0.74% to 871,194 in the year ending March 2018.
- In London, East and the South East, the number of property transactions for flats decreased whilst transactions of houses increased in the year ending March 2018.
- The nominal total value of residential property transactions (unadjusted for inflation) in England and Wales increased by 4.7% in the year ending March 2018.

## 2 . Things you need to know about this release

### Definitions and data sources

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 LR data.

The data series in the HPSSAs is revised quarterly back to year ending March 2011 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

HPSSA data prior to year ending March 2011 were last revised on 20 December 2017.

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 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.

### Differences to other housing statistics

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. Changes in the price paid reported in the HPSSAs can reflect actual changes in house prices or a change in the composition of properties that were sold. 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 (HMRC) also produce Quarterly Stamp Duty Statistics for local authority districts and Westminster Parliamentary constituencies (this publication no longer includes transactions from Wales as, since April 2018, [Land Transaction Tax \(LTT\)](#) has replaced Stamp Duty Land Tax in Wales). These statistics show the number of property transactions but relate to a slightly different subset of transactions than the HPSSAs. They include transactions of £40,000 or more and include some types of transactions that are not included in the HPSSAs, such as transactions that took place with a buy-to-let mortgage, which are not recorded in the underlying data used to produce the HPSSAs. These differences mean that the number of transactions reported in the HPSSAs is lower than the number of transactions reported by HMRC.

### **3 . Median price paid for residential properties in LSOAs in England and Wales ranged from £24,000 to £7.7 million**

In the year ending March 2018, the median price paid for residential properties in Lower layer Super Output Areas (LSOAs) in England and Wales ranged from £24,000 (within County Durham) to £7.7 million (within Barnet). The LSOA in Barnet that had the highest median price paid has been the highest for 11 of the last 23 years. For comparison, the median price paid for this LSOA in the year ending March 2018 is five and a half times the median of its parent Middle layer Super Output Area (£1.4 million).

Figure 1 shows a map of the median price paid for LSOAs in England and Wales in the year ending March 2018. There were 45 LSOAs in which the median price paid was £2 million or over in the year ending March 2018. All 45 were in London (this represents 0.9% of London LSOAs).

#### **Figure 1: Median price paid for all dwellings by Lower layer Super Output Area**

##### **England and Wales, year ending March 2018**

In the year ending March 2018, the median price paid for residential properties increased in 64% of LSOAs where data were available (approximately 96% of LSOAs) in England and Wales. The median price paid stayed the same in 1.3% of LSOAs and decreased in the rest.

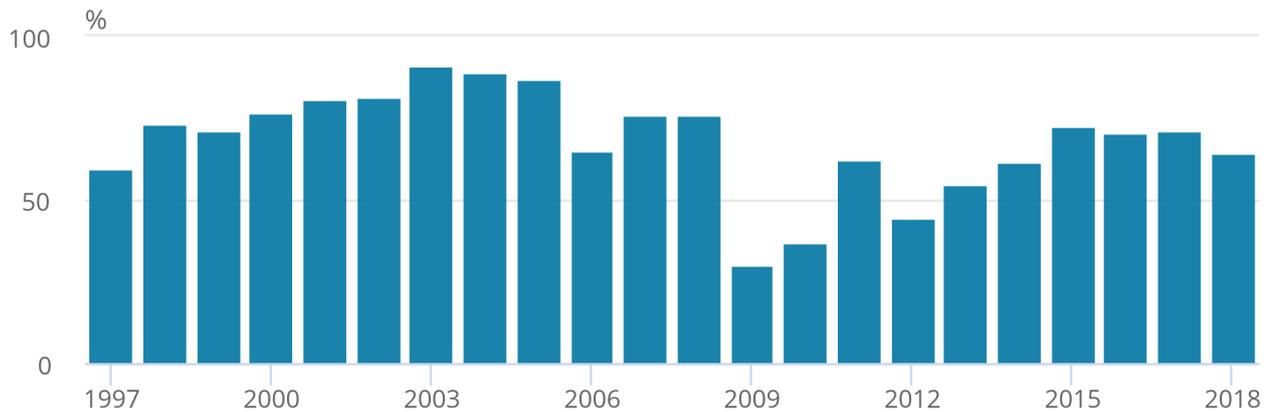
Figure 2 shows that the percentage of LSOAs with an increase in median price paid has dropped compared with the previous year, with a decrease of 7 percentage points since the year ending March 2017. This follows a relatively stable period for the previous three years.

**Figure 2: Percentage of Lower layer Super Output Areas in which median property price paid increased since the previous year**

England and Wales, year ending March 1997 to year ending March 2018

**Figure 2: Percentage of Lower layer Super Output Areas in which median property price paid increased since the previous year**

England and Wales, year ending March 1997 to year ending March 2018



Source: Office for National Statistics and HM Land Registry

Notes:

1. The percentages are calculated for LSOAs where data are available (approximately 96% of LSOAs).

## 4 . Sales of flats fell in London, the East and the South East, whilst house sales rose

The number of residential property transactions recorded by HM Land Registry in England and Wales rose 0.74% to 871,194 in the year ending March 2018, from 864,752 in the previous year. This is more than 100,000 lower than the number of sales for the year ending March 2016 and nearly half a million lower than the pre-recession peak of over 1.3 million for the year ending March 2007.

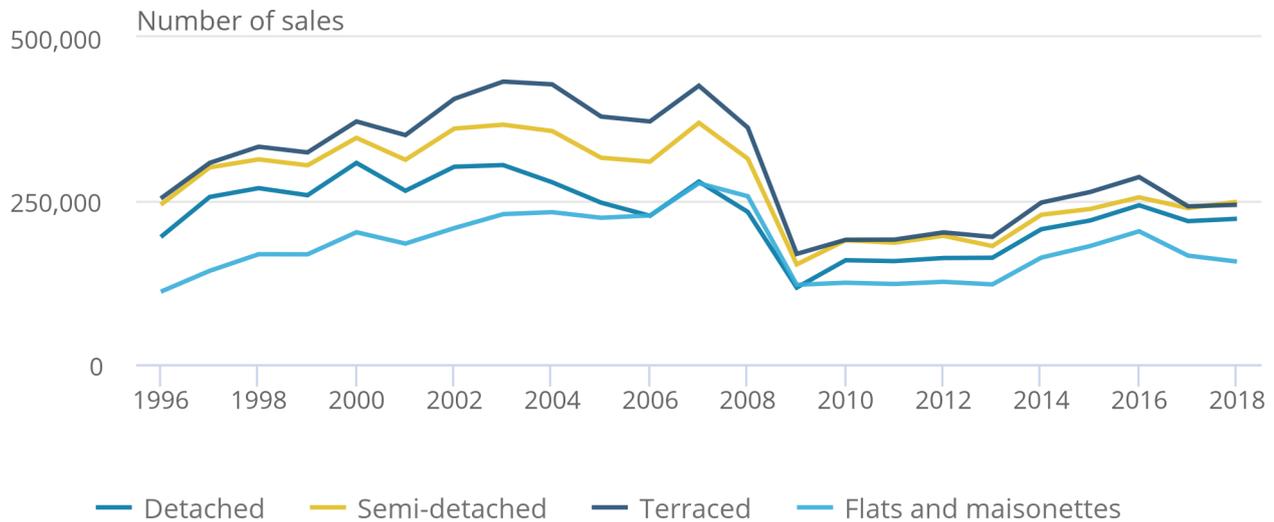
Figure 3 shows a rise in the number of property transactions for all property types, except flats and maisonettes, in the year ending March 2018 compared with the previous year. The overall increase in property transactions was caused by an increase of around 15,500 in house sales and a decrease of around 9,100 in sales of flats and maisonettes. These decreases were concentrated in London, the East and the South East. The number of property transactions for flats and maisonettes in England and Wales has decreased by around 23% since the year ending March 2016.

### Figure 3: Number of residential property transactions by property type

England and Wales, year ending March 1996 to year ending March 2018

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England and Wales, year ending March 1996 to year ending March 2018



Source: Office for National Statistics and HM Land Registry

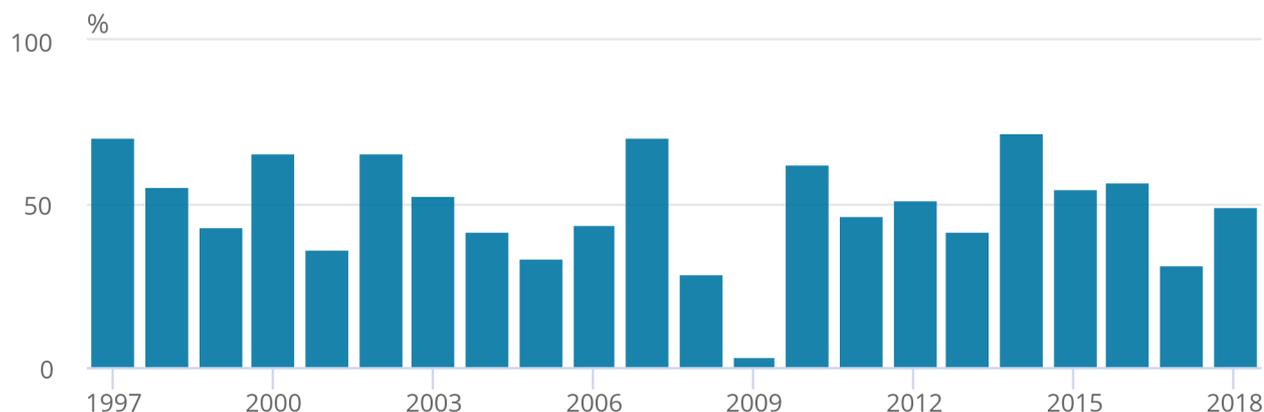
Figure 4 shows the percentage of Lower layer Super Output Areas (LSOA) in which the number of property transactions increased compared with the previous year. In the year ending March 2018, there were 49% of LSOAs with an increase in the number of property transactions since the previous year, up from 31% for the year ending March 2017.

**Figure 4: Percentage of Lower layer Super Output Areas in which the number of property transactions increased since the previous year**

England and Wales, year ending March 1997 to year ending March 2018

Figure 4: Percentage of Lower layer Super Output Areas in which the number of property transactions increased since the previous year

England and Wales, year ending March 1997 to year ending March 2018



Source: Office for National Statistics and HM Land Registry

Notes:

1. Please note that the subtitle for this figure was updated at 11:30 am, 24 September 2018. It previously stated the period was for the year ending March 1996 to year ending March 2018. The data is unaffected.

## 5 . Nominal total housing market value in England and Wales increased by 4.7%

Housing market value 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 means 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 housing market value in England and Wales for the year ending March 2018 was £256 billion. This is an increase of over £11 billion on the previous year but is still nearly £18 billion less than the post-recession peak of the year ending March 2016, which stood at £274 billion.

Figure 5 shows the total housing market value in nominal terms expressed as an index. It was marginally lower in the year ending March 2018 than the pre-recession peak in 2007 for both England and Wales, and London. The proportional rise in total housing market value was slightly larger in England and Wales than for London. Although London's total housing market value increased in the year ending March 2018, the housing market value for flats and maisonettes decreased. This was driven by a fall in the number of property transactions for flats and maisonettes despite an increase in the mean price paid.

**Figure 5: Nominal total value of property transactions**

London, England and Wales, year ending March 1996 to year ending March 2018

Figure 5: Nominal total value of property transactions

London, England and Wales, year ending March 1996 to year ending March 2018



Source: Office for National Statistics and HM Land Registry

Notes:

1. Nominal total value is the total value of residential property transactions. This is expressed as an index in this chart, where 100 represents the value in the year ending March 2007.

**6 . Links to related statistics**

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

- [UK House Price Index](#) – monthly house price inflation in the UK
- [Housing affordability in England and Wales](#) – brings together data on house prices and annual earnings to provide a measure of housing affordability
- [Quarterly Stamp Duty Statistics](#) – statistics on the number of property transactions from Stamp Duty records

## 7 . 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
- uses and users of the data
- how the output was created
- the quality of the output including the accuracy of the data