

Statistical bulletin

# House price statistics for small areas in England and Wales: year ending March 2019

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

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# 1 . Main points

- The median price paid for residential properties in Lower-layer Super Output Areas (LSOAs) in England and Wales ranged from £25,000 (within Sunderland and County Durham) to £5 million (within Kensington and Chelsea).
- The total value of residential property transactions (unadjusted for inflation) decreased most in London.
- The median price paid for residential properties decreased in 40.2% of LSOAs.
- The number of residential property sales recorded by HM Land Registry in England and Wales fell 5.2% to 849,442.
- Transactions of flats and maisonettes fell 10.3% from the previous year, a larger fall than any other property type.

## 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 to provide statistics on the price paid and number of residential property transactions for properties that were sold in England and Wales. Properties sold at a discount to the market level, such as properties sold under the Right to Buy scheme, are not included in these statistics.

HPSSAs are updated quarterly, adding a new 12-month period to the data. The use of rolling annual data removes seasonal effects (that is, peaks and troughs in property transactions at particular times of the year) and reduces the impact of registration lag (that is, where transactions are registered by HM Land Registry some time after the date on which they are completed). The latest release includes the year ending March 2019, which covers the period from March 1996 to March 2019. Any comparisons with previous years are also for the year ending March 2019.

The [datasets](#) used to create this analysis are available. These datasets show both property prices and the number of transactions for existing and newly built properties, and they are available across a range of geographies, as summarised in Section 8.

With each quarterly publication, we make revisions to the entire time series of HPSSAs back to the year ending December 1995 to reflect that fact that HM Land Registry can make amendments to the historical underlying data used to produce these statistics. The data in this release should be used rather than all previously published HPSSA data. This is to ensure that residential property transactions added to or edited in the HM Land Registry Price Paid Data are included, especially in more recent periods to which changes are more likely to relate, and 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 [Middle-layer Super Output Areas \(MSOAs\)](#). There are 7,201 MSOAs in England and Wales, each containing around 3,000 households. Statistics for these Super Output Areas therefore provide a detailed geographic understanding of the number of and price paid for properties that were sold at market value.

## Differences to other house price statistics

There are two sets of official statistics for house prices. In addition to these HPSSAs, the Office for National Statistics (ONS) also produces the [UK House Price Index \(UK HPI\)](#). The HPSSAs measure the number of property transactions and the price paid for properties sold in a given period, whereas the UK HPI provides a measure of the changing value of properties in the housing market. The differences and uses of these outputs are summarised in Table 1.

Table 1: Summary of differences between the house price statistics for small areas and UK House Price Index

	HPSSA	UK HPI
Period covered	12 months	Month
Frequency of production	Quarterly	Monthly
What is it designed to measure?	The price paid for properties sold in a given period and the number of transactions	The changing value of properties in the housing market
Are the data weighted?	No, to reflect the mix of properties sold in a short period	Yes, to reflect the mix of properties sold over the previous year. This is broadly representative of the mix of properties in the overall dwelling stock
Seasonal adjustment	Not required, as data covers a year	Seasonally adjusted series are calculated at the regional and national level
Coverage	England and Wales:  Several geographies, down to Lower layer Super Output Area	UK:  Country, region, county and unitary authority, local authority

Source: Office for National Statistics – House Price Statistics for Small Areas; HM Land Registry – Price Paid Data

There are also other sources of house price statistics, which are described in the [Quality and Methodology Information \(QMI\) report](#).

## 3 . Median price paid for residential properties in LSOAs in England and Wales ranged from £25,000 to £5 million

In the year ending March 2019, the median price paid for residential properties in Lower-layer Super Output Areas (LSOAs) in England and Wales ranged from £25,000 (within two LSOAs, one in Sunderland and the other in County Durham) to £5 million (within Kensington and Chelsea). The least and most expensive LSOAs were the same as in the previous year.

Figure 1 shows the geographic distribution of house prices across LSOAs in England and Wales in the year ending March 2019.

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

England and Wales, year ending March 2019

There were fewer small areas in which the median price paid was £1 million or more in the year ending March 2019 than in the previous year (337 LSOAs, down from 372). Out of the 337 LSOAs in which the median price paid was £1 million or more, 276 were in London (this represents 5.7% of London's LSOAs).

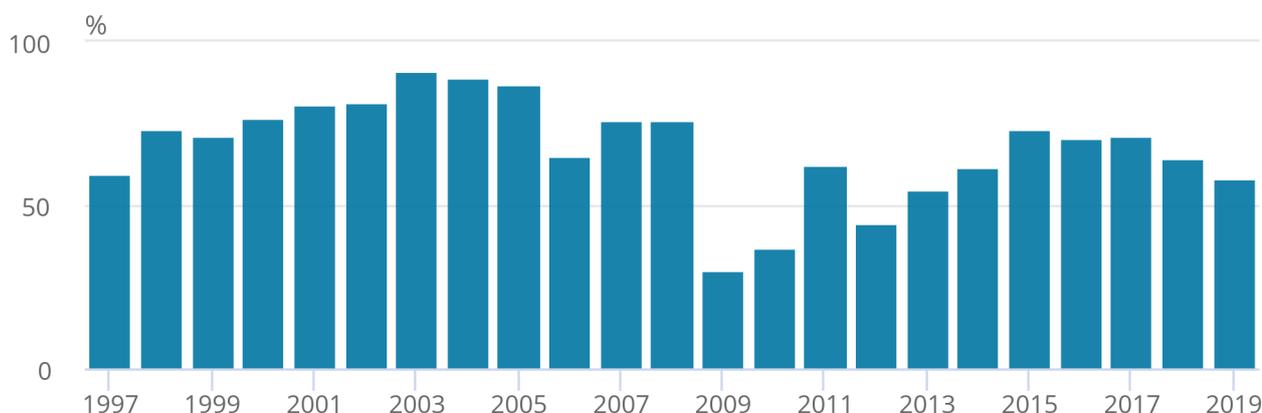
Figure 2 shows the percentage of LSOAs with an increase in median price paid compared with the previous year.

**Figure 2: For the second year running, fewer small areas saw an increase in house prices**

Percentage of Lower-layer Super Output Areas in which the median property price paid increased since the previous year, England and Wales, year ending March 1997 to year ending March 2019

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Percentage of Lower-layer Super Output Areas in which the median property price paid increased since the previous year, England and Wales, year ending March 1997 to year ending March 2019



Source: Office for National Statistics and HM Land Registry

Notes:

1. The percentages are calculated for LSOAs where data are available (approximately 98% of LSOAs).

In the year ending March 2019, the median price paid for residential properties increased in 58.3% of LSOAs where data were available (around 98% of LSOAs) in England and Wales. The median price paid stayed the same in 1.5% of LSOAs and decreased in 40.2% of LSOAs.

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 six percentage points since the year ending March 2018. This is the second consecutive annual decrease, but it still remains notably higher than the year ending March 2009, following the economic downturn.

## 4 . Fewer sales of flats was the main driver of the decrease in property transactions

The number of residential property transactions recorded by HM Land Registry in England and Wales fell 5.2% to 849,442 in the year ending March 2019, from 896,248 in the previous year. This was the second consecutive year in which the number of property transactions has decreased and is the lowest number of sales since the year ending March 2014.

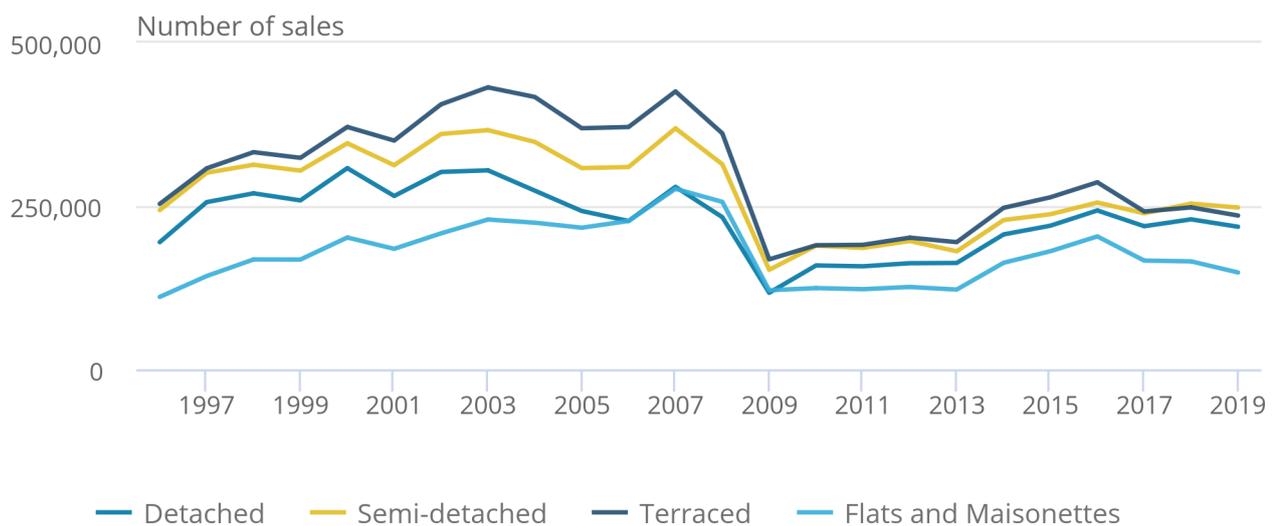
Figure 3 shows the number of property transactions for all residential property types over the last 24 years.

### Figure 3: Property sales fell for all residential property types

Number of residential property transactions, England and Wales, year ending March 1996 to year ending March 2019

#### Figure 3: Property sales fell for all residential property types

Number of residential property transactions, England and Wales, year ending March 1996 to year ending March 2019



Source: Office for National Statistics and HM Land Registry

There was an overall decrease of 46,806 residential property sales in England and Wales on the previous year. Flats and maisonettes were the largest contributor, with 17,010 fewer transactions (a fall of 10.3%). Every country and region (except the West Midlands) had a greater percentage drop for flats and maisonettes than for other residential property types, with the largest drop being in the East Midlands (15.8%).

The next largest decrease was for terraced properties, of which there were 5% fewer transactions in the year ending March 2019 compared with the previous year in England and Wales. For all residential property types in England and Wales, the number of transactions in the year ending March 2019 was higher than 10 years ago, following the economic downturn around 2007 and 2008. This is the same for each region with the exception of the North East, for which flats and maisonettes had fewer transactions in year ending March 2019 compared with 10 years ago.

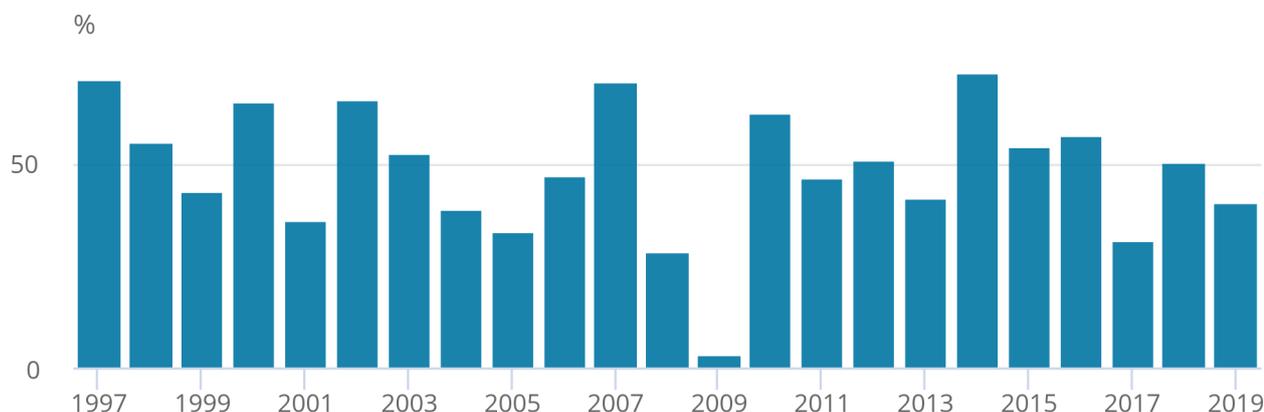
Figure 4 shows the percentage of Lower-layer Super Output Areas (LSOA) in which the number of property transactions increased compared with the previous year.

**Figure 4: Housing market activity in small areas continues to fall**

**Percentage of Lower-layer Super Output Areas in which the number of property transactions increased since the previous year, England and Wales, years ending March 1997 to year ending March 2019**

Figure 4: Housing market activity in small areas continues to fall

Percentage of Lower-layer Super Output Areas in which the number of property transactions increased since the previous year, England and Wales, years ending March 1997 to year ending March 2019



Source: Office for National Statistics and HM Land Registry

In the year ending March 2019, 40.3% of LSOAs had an increase in the number of property transactions compared with the previous year, down from 50.6% for the year ending March 2018. There was no change in number of property transactions for 5.8% of LSOAs and for 43.6%, there was a decrease.

## **5 . The nominal total housing market value decreased most in London**

Housing market value is the total value of residential property transactions in an area. It is determined 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 they have not been adjusted to take account of price inflation. They therefore present the simple total transactional value of all property sales.

The total housing market value in England and Wales was £251 billion in the year ending March 2019. This is a decrease of 4.7% on the previous year, and it is 9.9% less than the highest level of housing market value, which was in the year ending March 2007.

Figure 5 shows the total housing market value in nominal terms expressed as an index.

## Figure 5: The housing market value decreased most in London

Nominal total value of property transactions, North East, East, London, and England and Wales, year ending March 1996 to year ending March 2019

### Figure 5: The housing market value decreased most in London

Nominal total value of property transactions, North East, East, London, and England and Wales, year ending March 1996 to year ending March 2019



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.
2. In the year ending March 2019, the East of England had the highest housing market value relative to the peak in 2007. The North East had the lowest relative to the peak in 2007.

For England and Wales overall, the housing market value was lower in the year ending March 2019 than the pre-recession peak of 2007. This was also the case for all English regions and Wales, with London's housing market value falling the most. The East of England retained the highest proportion of its 2007 value (with an index of 96.7) despite a fall from 101.8 in the previous year. The North East remained the lowest (with an index of 73.5).

In London, the housing market value fell 9.5% in the year ending March 2019 compared with the previous year. This was the largest fall out of all English regions and Wales. The North East saw a 0.4% year on year increase in housing market value in the year ending March 2019, despite an overall drop of 4.8% for England. This was the largest increase of all English regions and Wales.

## 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. This provides a measure of the changing value of properties in the housing market and is available for countries, regions, county and unitary authorities, and local authorities.

[Housing affordability in England and Wales](#) – this brings together data on house prices and annual earnings to provide a measure of housing affordability down to the local authority level. This provides information about house prices in the context of how much people earn. Housing affordability statistics are used in local authority planning for housing, as part of their housing needs assessments.

[Quarterly Stamp Duty Statistics for England](#) – these are produced by HM Revenue and Customs (HMRC) on the number of property transactions from Stamp Duty records. The number of transactions reported in the house price statistics for small areas (HPSSAs) is lower than the number of transactions reported by HMRC because they relate to a different subset of transactions. HMRC 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 data used to produce the HPSSAs), but they exclude transactions of less than £40,000.

These Quarterly Stamp Duty Statistics are 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).

[Land Transaction Tax Statistics for Wales](#) – Statistics on the number of property transactions subject to the LTT, published by the Welsh Government on a monthly basis, and on a quarterly basis with accompanying commentary.

In addition to these official statistics about house prices, there are also some other data sources available, including house price statistics from financial organisations such as Halifax and Nationwide. More information about these sources is available in the [Quality and Methodology Information \(QMI\) report](#).

## 7 . Quality and methodology

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

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

The [datasets](#) used to create this analysis are available. There are 49 datasets, which show house prices by property type for various geographies in England and Wales, as well as the number of property transactions (see Table 2).

Table 2: Geographies covered by the house price statistics for small areas datasets

<b>Geography</b>	<b>Statistic</b>	<b>Dataset</b>
Middle layer Super Output Area (MSOA)	Sales	1
	Prices	2 to 5
Administrative: country and region; local authority; county and unitary authority; combined authority	Sales	6 to 8
	Median	9 to 11
	Mean	12 to 14
	Lower quartile	15 to 17
	10th percentile	18 to 20
Subnational: rural and urban; travel to work areas; Parliamentary constituencies; local enterprise partnership; towns and cities; NUTS3	Sales	21 to 23
	Median	24 to 26
	Mean	27 to 29
	Lower quartile	30 to 32
	10th percentile	33 to 35
Ward	Sales	36
	Prices	37 to 40
Lower layer Super Output Area (LSOA)	Sales	41 to 45
	Prices	46 to 49

Source: Office for National Statistics – House Price Statistics for Small Areas