



National Assembly for **Wales**
Cynulliad Cenedlaethol **Cymru**

House Prices in Wales

Abstract

This paper provides the latest statistics on house prices in Wales. This includes changes in house prices between 1999 and 2006 at a unitary authority level, based on information from the Land Registry. Also included is a comparison of house prices and average earnings, the August 2007 House Price Index produced by the Department for Communities and Local Government and the latest estimates of house prices in Wales from the Halifax and Nationwide Building Societies.

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House Prices in Wales

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Executive Summary

The average house price in Wales in August 2007 was £168,300, compared with £219,500 for the UK as a whole.

Over the year to August 2007, the average house price in Wales rose by 7.9 per cent, compared with 11.4 per cent for the UK as a whole.

The increase in Wales over the year to August 2007 was below that of the other UK countries and lower than some of the English regions.

(see Section 4)

Based on Land Registry median house price figures for the period 1999 to 2006:

- Between 1999 and 2006 Wales had a larger increase than any of the English regions.
- The highest in 2006 were in Monmouthshire (£183,000), Ceredigion (£172,000), Powys (£159,000) and Pembrokeshire (£158,500).
- The lowest in 2006 were in Blaenau Gwent (£80,000), Merthyr Tydfil (£85,000) Rhondda Cynon Taf (£91,000) and Neath Port Talbot (£94,000).
- The largest percentage increases between 1999 and 2006 were all in north, mid and west Wales and particularly in Pembrokeshire, Gwynedd, Ceredigion, Isle of Anglesey/Ynys Môn and Carmarthenshire.
- The smallest percentage increases between 1999 and 2006 were in the Vale of Glamorgan, Neath Port Talbot, Bridgend and Rhondda Cynon Taf.

(see Section 2)

For Wales as a whole house prices in 2006 were 6.28 times full-time pay. This ratio was higher in all of the nine unitary authorities classified as rural and in two of the three partly rural authorities. The highest ratios were for Monmouthshire and Ceredigion.

(see Section 3)

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House prices in Wales

1. Introduction

This paper provides the latest statistics on house prices in Wales. This includes changes in median¹ house prices in Wales between 1999 and 2006. The main source of information for this paper is the Land Registry of England and Wales², although the figures shown here are derived from tables prepared by the Department for Communities and Local Government (DCLG) using Land Registry data³. These figures are available for Unitary Authorities, whilst other sources of information about house prices only provide information for Wales as a whole. The paper updates the figures published in previous MRS Research Papers in July 2005 and September 2006.

The paper includes a comparison of house prices and earnings for each unitary authority in 2006.

Information is also included from the latest monthly experimental House Prices Index (HPI) produced by the DCLG for Wales and other UK regions and countries, along with estimates of house prices for the second quarter of 2007, produced by the Halifax and Nationwide Building Societies.

2. Trends in house prices 1999 to 2006 (Land Registry data)

2.1 Unitary Authorities

Table 1 shows median house prices in Wales by unitary authority for the period 1999 to 2006. These figures are based on total house sales recorded by the Land Registry. The median is considered to be a better measure than the simple average, which can be distorted by a small number of sales of very expensive houses.

Between 1999 and 2006 the median price of a house in Wales has increased from £53,500 to £132,500, equivalent to an increase of 147.7%. Between 2005 and 2006, the median price of a house in Wales has increased from £125,000 to £132,500, equivalent to an increase of 6.0%.

The highest median house prices in Wales in 2006 were in Monmouthshire (£183,000), Ceredigion (£172,000), Powys (£159,000) and Pembrokeshire (£158,500).

¹ The median is the price with half of all sales above and half below (ie: the middle value). See Annex A for a detailed explanation of what is included in the figures

² Land Registry property prices web pages: <http://www.landregistry.gov.uk/houseprices/>

³ Department for Communities and Local Government: Housing statistics: <http://www.communities.gov.uk/housing/housingresearch/housingstatistics/housingstatisticsby/housingmarket/livetables/>



The lowest median house prices in Wales in 2006 were in Blaenau Gwent (£80,000), Merthyr Tydfil (£85,000) Rhondda Cynon Taf (£91,000) and Neath Port Talbot (£94,000).

Median house prices increased in all unitary authority areas between 1999 and 2006. The largest percentage increases were all in north, mid and west Wales and particularly in Pembrokeshire (+204.8%), Gwynedd (+191.7%), Ceredigion (+189.1%), Isle of Anglesey/Ynys Môn (+179.2%) and Carmarthenshire (+177.7%).

The smallest percentage increases between 1999 and 2006 were in the Vale of Glamorgan (+123.5%), Neath Port Talbot (+123.8%), Bridgend (+125.0%) and Rhondda Cynon Taf (+130.4%).

Between 2005 and 2006, the largest percentage increases were in Torfaen and Caerphilly (both +15.0%), Merthyr Tydfil (+13.3%), Ceredigion (+12.6%) and Rhondda Cynon Taf (+12.3%).

Map 1 shows median house prices in 2006 by unitary authority in Wales.

Map 2 shows percentage increases in house prices in Wales by unitary authority between 1999 and 2006.

Map 3 shows percentage increases in house prices in Wales by unitary authority between 2005 and 2006.

2.2 National and Regional

Table 2 shows median house prices in England and Wales by Region and Country for the period 1999 to 2006. Between 1999 and 2006 Wales had a larger increase than any of the English regions.

Over this period, median house prices in England and Wales as a whole have increased from £73,000 to £166,500, an increase of 128.1%. Between 2005 and 2006 there was an increase of 5.7%.

The median price of a house in England in 2006 was £168,500, compared with £132,500 in Wales.

The percentage increase in median house prices in Wales (+147.7%) for the 1999-2006 period was above the increase in England (+127.7%). Between 2005-2006 the median house price in Wales increased by 6.0%, whilst in England the increase was 5.3%.

Wales (£132,500) had the fourth lowest median house price in 2006, after the North East (£119,000), the North West (£127,000) and Yorkshire and the Humber (£129,000).



Between 1999 and 2006, the largest increase occurred in Wales (+147.7%), followed by the Yorkshire and the Humber (+143.3%) and the South West (+141.0%).

Between 2005 and 2006 the largest increases were in the North East (+10.2%), the North West (+7.6%) and Yorkshire and the Humber (7.5%). These are also the English regions with the lowest median house prices.

Table 1: Median house prices in each unitary authority in Wales 1999-2006 (£) (a) (b)

Unitary Authority	1999	2000	2001	2002	2003	2004	2005	2006	%Change 99-06	%Change 05-06
Isle of Anglesey/Ynys Môn	53,000	55,000	60,000	70,000	86,000	124,500	135,000	148,000	179.2%	9.6%
Gwynedd	48,000	52,200	55,000	62,000	85,000	112,500	130,000	140,000	191.7%	7.7%
Conwy	54,950	58,000	62,500	75,000	100,000	130,000	142,000	145,000	163.9%	2.1%
Denbighshire	47,500	51,000	55,000	66,000	86,300	110,000	120,000	129,500	172.6%	7.9%
Flintshire	56,950	59,950	64,950	74,000	90,000	117,000	127,000	135,000	137.1%	6.3%
Wrexham	52,700	58,000	62,000	74,950	91,000	118,000	127,000	135,000	156.3%	6.4%
Powys	59,000	65,500	70,000	83,500	110,000	140,000	145,000	159,000	169.5%	9.7%
Ceredigion	59,500	64,000	70,000	83,400	112,500	142,500	153,000	172,000	189.1%	12.6%
Pembrokeshire	52,000	55,500	59,500	78,000	99,950	132,950	147,000	158,500	204.8%	7.8%
Carmarthenshire	45,000	45,000	49,000	55,000	74,000	96,500	120,000	124,900	177.7%	4.1%
Swansea	52,000	56,000	57,000	64,000	80,000	109,950	120,000	127,500	145.2%	6.3%
Neath Port Talbot	42,000	43,500	45,500	46,250	55,000	75,500	88,000	94,000	123.8%	6.8%
Bridgend	54,950	58,500	59,000	64,000	80,000	104,950	117,000	123,600	125.0%	5.7%
Vale of Glamorgan	68,000	70,000	75,000	89,950	115,000	137,500	145,000	152,000	123.5%	4.8%
Cardiff	66,500	73,000	81,000	100,000	125,000	145,000	150,000	156,500	135.3%	4.3%
Rhondda Cynon Taf	39,500	39,000	39,950	45,000	54,000	72,000	81,000	91,000	130.4%	12.3%
Merthyr Tydfil	33,950	35,900	36,000	37,950	43,000	58,500	75,000	85,000	150.4%	13.3%
Caerphilly	45,000	48,000	50,000	55,000	69,950	89,500	100,000	115,000	155.6%	15.0%
Blaenau Gwent	33,000	34,000	33,000	36,000	39,000	60,000	75,000	80,000	142.4%	6.7%
Torfaen	46,000	46,500	49,950	58,000	75,000	91,500	100,000	115,000	149.9%	15.0%
Monmouthshire	77,750	85,000	95,000	117,000	140,000	162,000	179,000	183,000	135.4%	2.2%
Newport	54,000	59,000	65,000	77,000	92,000	117,000	128,000	133,500	147.2%	4.3%
Wales	53,500	56,500	60,000	70,000	87,500	115,000	125,000	132,500	147.7%	6.0%

Source: Land Registry of England and Wales and Department for Communities & Local Government

(a) See notes in Annex A

(b) Figures are rounded

Table 2: Median house prices by Country and Region, England and Wales 1999-2006 (£) (a) (b)

Region/Country	1999	2000	2001	2002	2003	2004	2005	2006	%Change 99-06	%Change 05-06
England and Wales	73,000	80,000	90,000	110,000	130,000	150,000	157,500	166,500	128.1%	5.7%
Wales	53,500	56,500	60,000	70,000	87,500	115,000	125,000	132,500	147.7%	6.0%
England	74,000	82,000	92,000	114,000	132,500	151,500	160,000	168,500	127.7%	5.3%
North East	50,000	52,000	54,950	60,000	77,000	95,000	108,000	119,000	138.0%	10.2%
North West	53,950	56,250	60,000	70,000	85,000	107,000	118,000	127,000	135.4%	7.6%
Yorkshire and the Humber	53,000	56,000	59,950	70,000	87,500	110,000	120,000	129,000	143.3%	7.5%
East Midlands	57,750	61,950	70,000	85,000	107,000	126,000	132,000	137,000	137.2%	3.8%
West Midlands	61,000	67,000	75,950	89,950	110,000	128,000	134,000	142,250	133.2%	6.2%
East	76,000	86,950	99,950	125,000	146,000	163,500	170,000	178,000	134.2%	4.7%
London	118,000	138,400	155,000	181,000	200,000	220,000	230,000	245,000	107.6%	6.5%
South East	92,500	112,000	126,000	148,000	169,950	185,000	192,500	203,000	119.5%	5.5%
South West	74,100	85,000	96,500	123,000	145,000	165,000	170,000	178,650	141.0%	5.1%

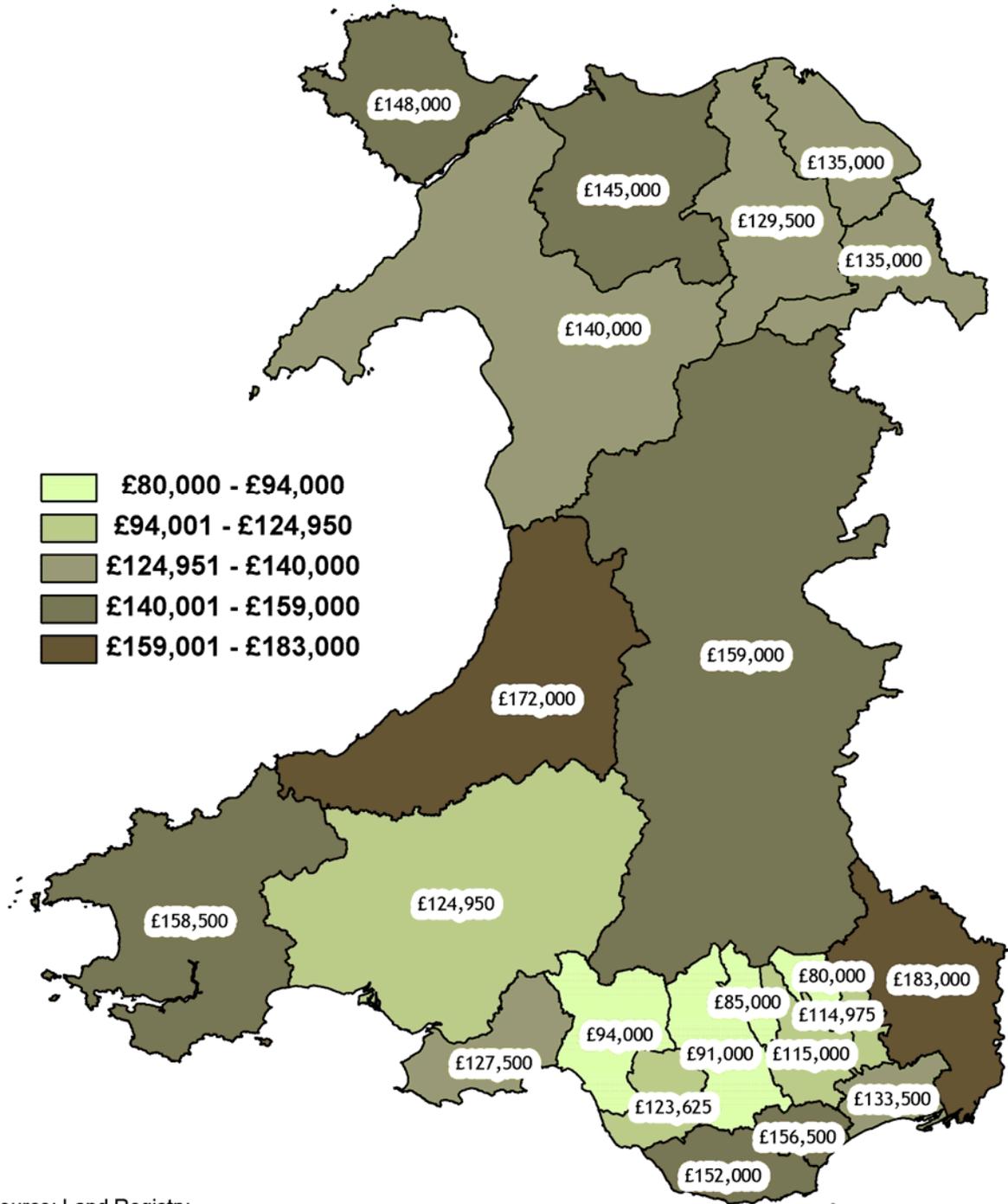
Source: Land Registry of England and Wales and Department for Communities & Local Government

(a) See notes in Annex A

(b) Figures are rounded



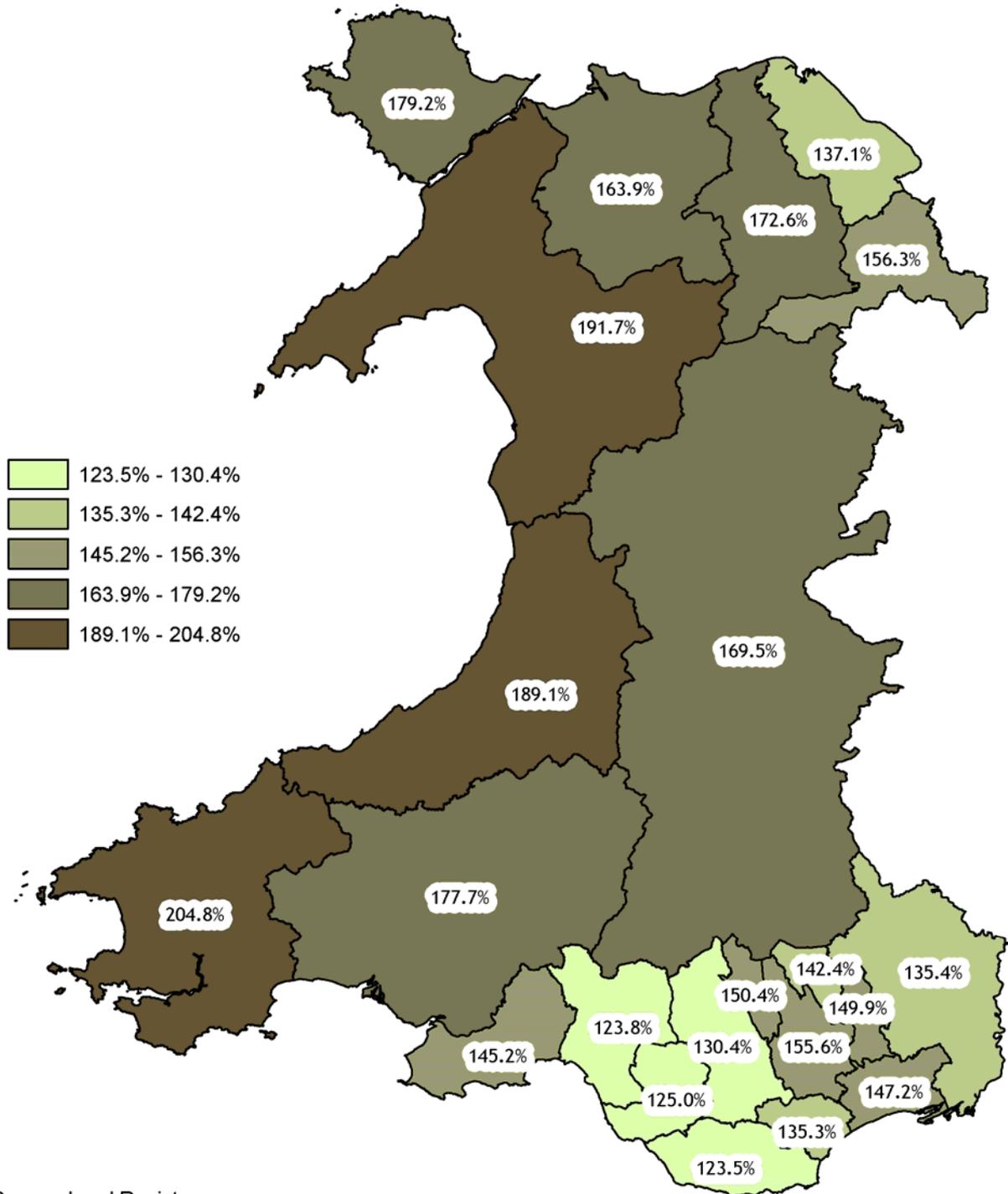
Map 1: Median House Prices in 2006 by unitary authority in Wales



Source: Land Registry



Map 2: Percentage increases in Median House Prices in Wales by unitary authority: 1999-2006



Source: Land Registry

3. House prices and average earnings

Table 3 shows the ratio of median house prices to gross median full-time pay⁴ by unitary authority in 2006. Map 4 shows the same information.

For Wales as a whole house prices in 2006 were 6.28 times full-time pay. This ratio was higher in all of the nine unitary authorities classified as rural and in two of the three partly rural authorities⁵. The highest ratios were for Monmouthshire and Ceredigion (9.48 and 9.45 respectively). In the remaining ten authorities, the ratio was above the all Wales average for only two authorities (Cardiff at 7.02 and Swansea at 6.54). The lowest ratios were for Neath Port Talbot (3.87) and Blaenau Gwent (4.37).

Table 3: Ratio of median house prices to gross median full-time pay by unitary authority in Wales 2006 (a)

	Gross median annual pay, full- time workers – 2006 (£)	Median house prices – 2006 (£)	Ratio House prices/earnings
Isle of Anglesey/ Ynys Môn	20,100	148,000	7.36
Gwynedd	19,800	140,000	7.07
Conwy	20,500	145,000	7.07
Denbighshire	19,600	129,500	6.61
Flintshire	23,900	135,000	5.65
Wrexham	20,900	135,000	6.46
Powys	20,000	159,000	7.95
Ceredigion	18,200	172,000	9.45
Pembrokeshire	19,800	158,500	8.01
Carmarthenshire	18,800	124,950	6.65
Swansea	19,500	127,500	6.54
Neath Port Talbot	24,300	94,000	3.87
Bridgend	22,300	123,600	5.54
The Vale of Glamorgan	23,100	152,000	6.58
Cardiff	22,300	156,500	7.02
Rhondda, Cynon, Taff	19,700	91,000	4.62
Merthyr Tydfil	18,500	85,000	4.59
Caerphilly	19,600	115,000	5.87
Blaenau Gwent	18,300	80,000	4.37
Torfaen	22,900	115,000	5.02
Newport	22,500	133,500	5.93
Monmouthshire	19,300	183,000	9.48
Wales	21,100	132,500	6.28

Sources: Annual Survey of Hours and Earnings, workplace analysis, 2006 - Office for National Statistics, Land Registry and Department for Communities & Local Government

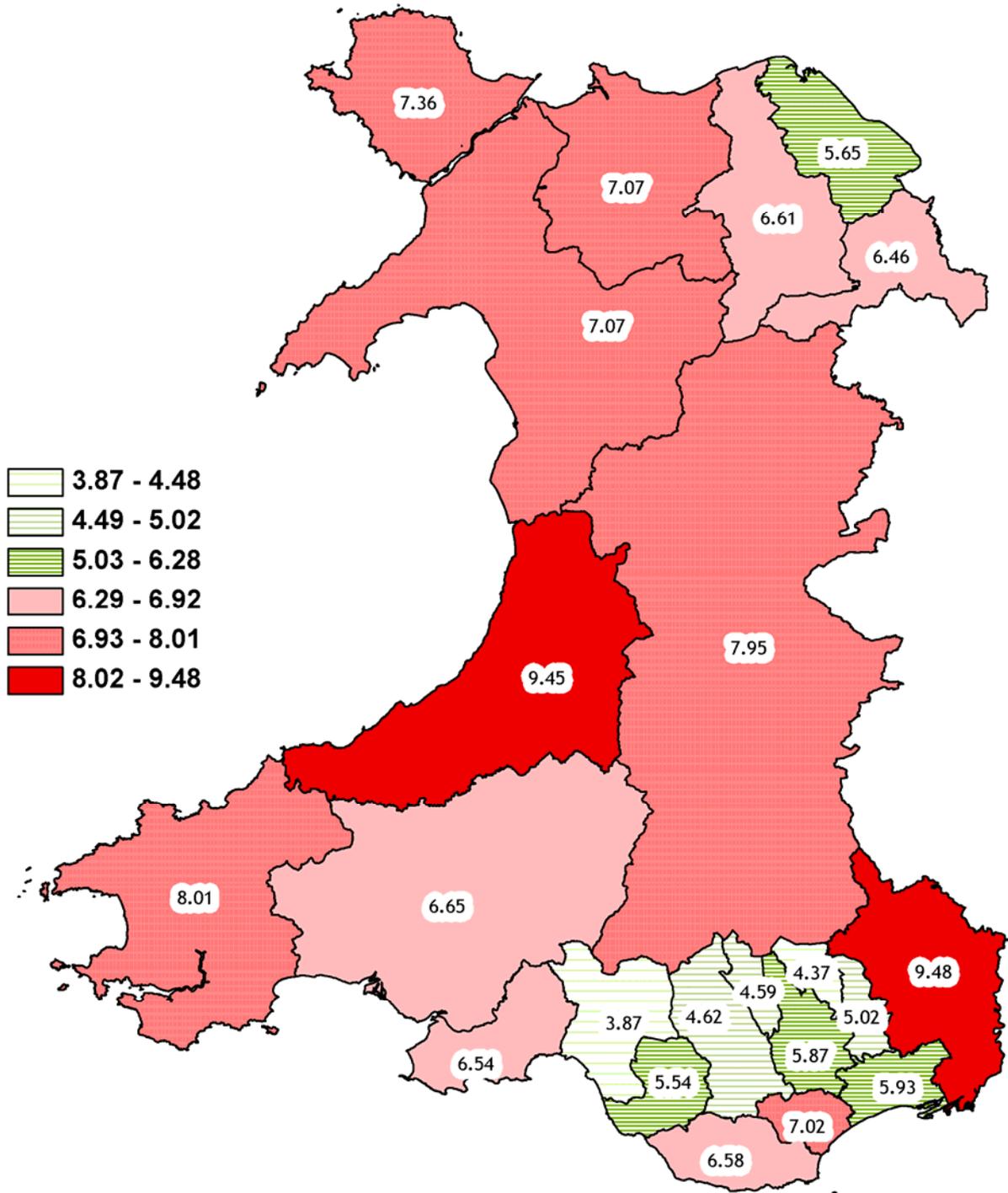
(a) Figures are rounded

⁴ Figures are from the workplace analysis. Residence-based figures are not available for every unitary authority

⁵ Nine local authority areas in Wales are commonly agreed to be primarily rural in nature, namely Ynys Môn, Gwynedd, Conwy, Denbighshire, Powys, Ceredigion, Pembrokeshire, Carmarthenshire and Monmouthshire. The Wales Rural Observatory uses this definition plus the parts of three other unitary authorities which have rural characteristics - Flintshire, the Vale of Glamorgan and Wrexham.



Map 4: Ratio of median house prices to gross median full-time pay by unitary authority in Wales 2006



Source: Land Registry and Office for National Statistics

4. House Price Index: August 2007 (published 15 October 2007)

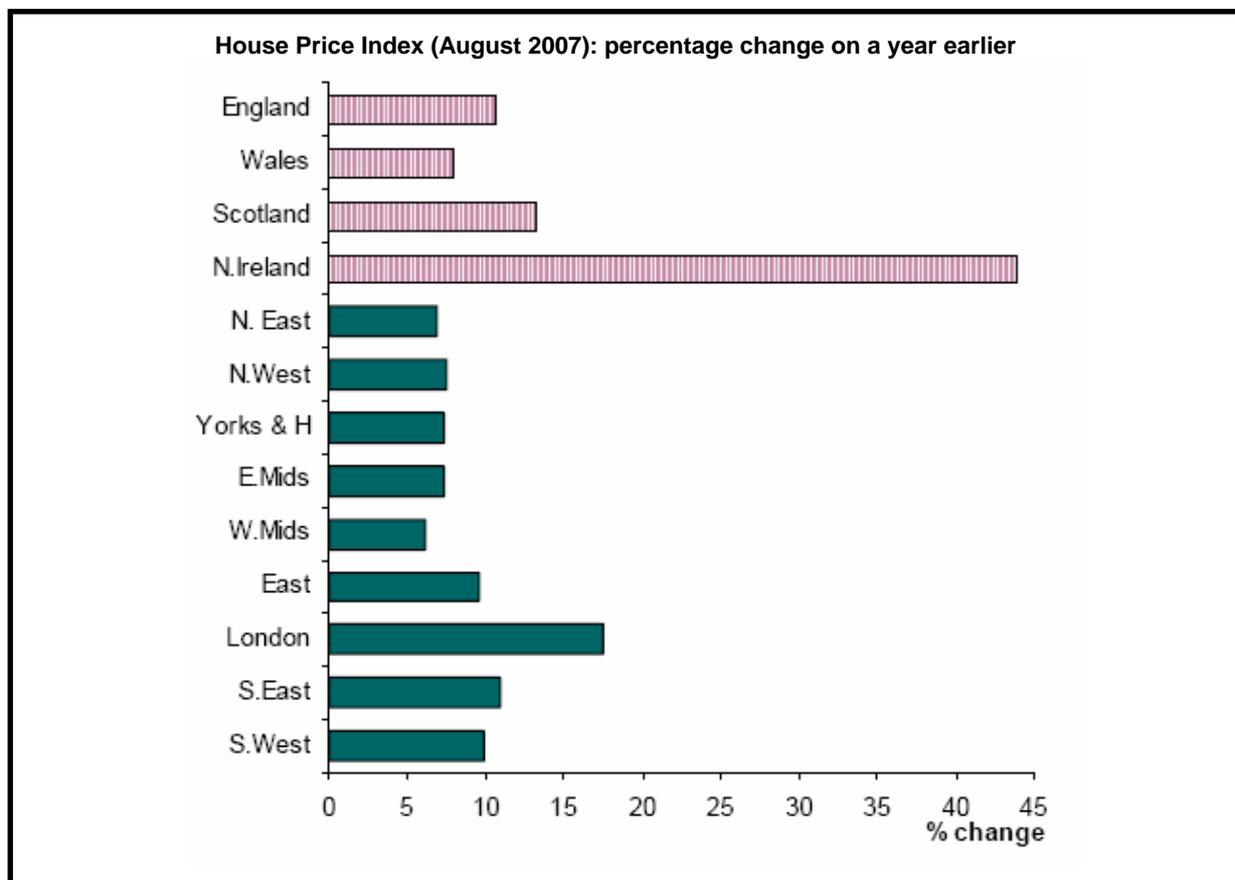
The House Price Index (HPI)⁶ is calculated by the Department for Communities and Local Government as a monthly series of changes in house prices since February 2002 across the different regions and countries of the UK. The data are experimental and are not currently seasonally adjusted. The figures are average “mix adjusted” house prices⁷ and so are not comparable with the median figures based on Land Registry information presented in Section 2 of this paper.

- Over the year to August 2007, the HPI in Wales increased by 7.9 per cent, up on the annual increase to August 2006 (7.0 per cent).
- Across the UK as a whole, the HPI increased by 11.4 per cent over the year to August 2007, up on the annual increase to August 2006 (7.4 per cent).
- The average house price in Wales in August 2007 was £168,298, the fifth lowest figure amongst the countries and regions of the UK (higher than in the North East, Scotland, the North West and Yorkshire & the Humber).
- The UK average house price stood at £219,528, whilst the UK figure excluding London and the South East was £187,567.

⁶ Department for Communities and Local Government: House Price Index August 2007 Statistical Release HPI-10-07, 15 October 2007 <http://www.communities.gov.uk/documents/housing/pdf/507125>

⁷ Mix-adjusted house prices which, take account of the different mix of properties sold in the period in question and are thus unaffected by varying sales of particular property types in one period when compared to another.

The DCLG Statistical Release shows that over the year to August 2007, Wales has seen an increase in average house prices below that of the other UK countries and lower than some of the English regions (see the chart below taken from the Release):



5. Halifax Building Society: Regional House Price Index Quarter 2: 2007

The Halifax Building Society also publishes a quarterly House Price Index for Wales. The UK Index is typically based on around 15,000 house purchases per month, and covers the whole calendar month. From this data, a "standardised" house price is calculated and property price movements on a like-for-like basis (including seasonal adjustments) are analysed over time. The index is seasonally adjusted with the seasonal factors updated monthly.

The latest figures for the second quarter of 2007 (released on 20 July 2007)⁸ show an annual increase of 9.0% in average houses prices in Wales, compared with a 10.7% increase for the UK as a whole. The Halifax estimate that the average price of a house in Wales is £163,328.

⁸ Halifax House Price Index Second Quarter 2007, National Index, HBOS plc, 20 July 2007
http://www.hbosplc.com/economy/includes/20_07_07WalesQ22007.doc



6. Nationwide Building Society: Regional House Price Index Quarter 2: 2007

The Nationwide Building Society also produces an index derived using their own mortgage data. This data is extracted monthly for mortgages that are at the approvals stage has been completed to give an earlier indication of current trends in prices in the housing market. The monthly figure measures the mix adjusted average house price for all houses in the UK. Every quarter the Nationwide also publishes a more detailed breakdown of house prices for countries and regions.

The latest figures for the second quarter of 2007 (released on 10 July 2007)⁹ show an annual increase of 7.4% in average houses prices in Wales, compared with an increase of 10.2% for the UK as a whole. The Nationwide estimate that the average price of a house in Wales is £154,969.

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⁹ House Prices Regional Review Second Quarter 2007 Nationwide Building Society, 10 July 2007
http://www.nationwide.co.uk/hpi/historical/Q2_2007.pdf

7. Links

Land Registry:

<http://www.landreg.gov.uk/>

DCLG House Price Statistics:

<http://www.communities.gov.uk/housing/housingresearch/housingstatistics/housingstatisticsby/housingmarket/>

and

<http://www.communities.gov.uk/housing/housingresearch/housingstatistics/housingstatisticsby/housingmarket/livetables/> (Table 586)

Welsh Assembly Government Statistical Directorate: Housing Market and Prices:

<http://new.wales.gov.uk/topics/statistics/theme/housing/market/?lang=en>

Council of Mortgage Lenders statistics:

<http://www.cml.org.uk/cml/statistics>

Annex A – Land Registry house price information: definitions

Information relates to single unit residential properties sold for their current market value and registered at the Land Registry. There is no information about unregistered property or commercial or agricultural property.

Properties are counted in the period during which the transfer date occurred i.e. if a transfer is dated January but registered in May the property is counted in the period January-March. Land Registry records are updated at the end of each month.

The figures used in this publication are median house prices. The median price is determined by ranking all property prices in ascending order. The median is the mid-point of this ranking with 50 per cent of prices below the median and 50 per cent above.

This is the middle value of all house sales for a particular area and a particular year. The median is considered to be a more reliable measure for comparisons between areas and over time because it is less likely to be distorted by a small number of sales of expensive properties. No weighting or adjustment is applied to reflect any seasonal or other factors.

The following are excluded from the figures shown in this report

- ◆ All commercial transactions
- ◆ Before January 2000 - All sales below £10,000 and over £1million (data for January 2000 onwards includes details of these sales)
- ◆ Transfer, conveyances, assignments or leases at a premium with nominal rent which are:
 - 'Right to buy' sales at a discount
 - subject to a lease
 - subject to an existing mortgage
 - to effect the sale of a share in a property
 - by way of a gift
 - by way of exchange
 - under a Compulsory Purchase order
 - under a court order
 - to Trustees
 - Vesting Deeds
 - Transmissions or Assents
 - of more than one property
 - Leases for 21 years or less



Annex B – unitary authority boundaries

