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## House prices have trebled since the Millennium

- Greater London prices soared 239% over the past 20 years
- The average price of a home up 207% since the turn of the century
- First time buyers facing prices 264% higher

The price of a home in the UK has more than trebled since the turn of the century, new research by Halifax can reveal [Table 1].

In an assessment of UK house prices since the turn of the millennium, [Table 1] at the end of 1999 the average price of a home would have set you back £91,199. However, by the end of November 2019 that figure had soared to £279,997, representing an increase of over 200%.

No more stark is this increase than in Greater London, where individuals need to fork out an extra £375,983 (239%) now than they would have done in 1999 (£157,453). This has also gone some way to decrease affordability within the region. In 2000, the house price to earnings ratio (average earnings in the Region as a proportion of average house prices in that Region, or PE ratio) sat at 5.4. However, by the end of 2019 this has rocketed to 10.8.

Similarly, people buying in East Anglia now face buying costs £190,308 higher (238%) than they would have paid over the same period (£79,899). At the same time, properties have become much less affordable (PE ratio of 4 to 6.8).

While every region saw houses, at the very least double, in value, residents in Northern Ireland experienced the least dramatic increase at 139%, or £97,056. They have also enjoyed a less dramatic fall in affordability, with the PE ratio rising by just 1.2 (from 4 in 2000 to 5.2 in at the end of 2019). Scotland (172%) and the North (185%) also sat close to the bottom of the table of average house price increases.

	£ House price 1999	£ House price 2019	£s difference	20 Year % Change	PE Ratio 2019
Greater London	157,453	533,437	375,983	239%	10.8
East Anglia	79,899	270,206	190,308	238%	6.8
South West	88,509	277,275	188,766	213%	8.0
East Midlands	69,599	217,030	147,431	212%	6.4
South East	120,648	375,191	254,543	211%	8.9
Yorkshire and Humberside	63,374	194,146	130,772	206%	5.9
West Midlands	77,137	226,312	149,175	193%	6.6
Wales	64,752	189,888	125,136	193%	6.0
North West	71,220	204,933	133,713	188%	6.1



<i>North</i>	59,819	170,320	110,501	185%	5.3
<i>Scotland</i>	68,959	187,533	118,574	172%	5.3
<i>Northern Ireland</i>	69,648	166,704	97,056	139%	5.2
<b>UK</b>	91,199	279,998	188,798	<b>207%</b>	<b>7.5</b>

Table 1 - Regional house price increases from November 1999 to November 2019

Source: Halifax 12month rolling data to November each year / ASHE: Full Time Earnings Q2 2000, Q2 2019

### Over 400% rise in Newham and Waltham Forest [Table 3 & 4]

Two Local Authorities in London have seen average house price increases of over 400% since the end of 1999, Newham (429%) and Waltham Forest (418%). In fact, nine of the top ten biggest risers are situated in London, with Brighton and Hove the only exception.

Newry, Mourne and Down, situated on the East coast of Northern Ireland saw the smallest increase at 106%. Hyndburn, named after the River Hyndburn in the North West increased by 117%.

**Russell Galley, Managing Director, Halifax, said:** “The rise in house prices in London since the turn of the century is well documented, and a sharp decrease in affordability just shows how quickly the market has moved. Conversely, there are bargains to be had elsewhere such as in the North, Scotland and Northern Ireland where prices have been slightly more subdued and properties compared to earnings are comparatively affordable. A renewed focus on housing policy and increased infrastructure investment aimed outside the South East, for example, may go some way to rebalance the differences.”

“New buyers are hugely important to the overall health of the UK housing market. Despite a shortage of homes and the ongoing challenge of raising deposits, we know that the number of first-time buyers is moving in the right direction. Key to this is continued low mortgage rates and a wealth of options available to first-time buyers, helping to support even more step foot on the ladder.”

### Increasing price of first homes outpacing UK average house prices [Table 5]

First-time buyers are also facing into higher prices than 20 years ago, with the cost of a first home outstripping the increases seen in the average UK home. At the end of 1999, the average first home cost £63,640, rising 264% over the period to £231,442.

Greater London and East Anglia both share top spot for biggest percentage increases, with first homes in both regions increasing a huge 284%. Again, both Northern Ireland and Scotland have seen the smallest increases in prices, 160% and 212% respectively.

When translated into purchasing power, the increase in prices in Greater London is having the unsurprising effect of making first homes in the region the most unaffordable in the country [Table 6 and 7]. In fact, nine out of ten local authorities where affordability has decreased by the largest margins are in the region. Hillingdon on the outskirts of West London had a first home PE ratio of 3.9 in 2000. However, by November 2019 this had catapulted to 11.1. Not far behind was Newham, where its ratio has increased from 4.2 to 10.8.

#### MEDIA CONTACTS:

Halifax Press Office: 0207 356 2374



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Richmond-upon-Thames has seen the smallest change in its first home house price to earnings ratio, increasing by just 0.4. However, in 2000, the area was already the most unaffordable according to this measure at 7.2.

	<b>20 Year % Change</b>	<b>£ House price 1999</b>	<b>£ House price 2019</b>	<b>£s difference</b>
Greater London	284%	119,012	457,548	338,536
East Anglia	284%	56,749	217,873	161,124
South East	278%	77,733	293,911	216,178
East Midlands	267%	48,404	177,562	129,158
South West	262%	60,627	219,475	158,848
Yorkshire and Humberside	255%	43,659	155,081	111,422
West Midlands	249%	52,153	182,131	129,979
Wales	239%	45,884	155,437	109,553
North West	237%	48,319	162,708	114,389
North	226%	41,440	135,046	93,606
Scotland	212%	48,683	151,847	103,165
Northern Ireland	160%	53,160	138,306	85,146
<b>UK</b>	<b>264%</b>	<b>63,640</b>	<b>279,998</b>	<b>167,802</b>

Table 5 - Regional first home price increases from November 1999 to November 2019  
Source: Halifax 12month rolling data to November each year

**END**

## Notes to editors

*Additional data tables included in the Appendix, please request Local Authority data.*

*This report is prepared from information that we believe is collated with care, however, it is only intended to highlight issues and it is not intended to be comprehensive. We reserve the right to vary our methodology and to edit or discontinue/withdraw this, or any other report. Any use of this report for an individual's own or third party commercial purposes is done entirely at the risk of the person making such use and solely the responsibility of the person or persons making such reliance. © Bank of Scotland plc all rights reserved 2019.*

## Appendix

### Local Authority house price increases

Source: Halifax 12month rolling data to November each year

<i>Local Authority</i>	<i>Region</i>	<i>20 Year % Change</i>	<i>£ House price 1999</i>	<i>£ House price 2019</i>	<i>£s difference</i>
<i>Newham</i>	London	429%	75,762	400,574	324,812
<i>Waltham Forest</i>	London	418%	94,091	487,488	393,396
<i>Lewisham</i>	London	379%	100,353	480,847	380,495
<i>Redbridge</i>	London	346%	111,181	495,339	384,158
<i>Hackney</i>	London	339%	143,000	627,924	484,924
<i>Barking and Dagenham</i>	London	335%	73,017	317,909	244,892
<i>Brighton and Hove</i>	South East	315%	93,492	387,750	294,258
<i>Southwark</i>	London	313%	141,052	582,761	441,709
<i>Greenwich</i>	London	312%	121,063	498,922	377,859
<i>Bexley</i>	London	311%	95,298	391,293	295,995

Table 3 - Top 10 Local Authorities with the biggest percentage increase in house prices

<i>Local Authority</i>	<i>Region</i>	<i>20 Year % Change</i>	<i>£ House price 1999</i>	<i>£ House price 2019</i>	<i>£s difference</i>
<i>Blackpool</i>	North West	146%	53,905	132,500	78,595
<i>Renfrewshire</i>	Scotland	144%	64,565	157,440	92,875
<i>Darlington</i>	North East	143%	64,358	156,136	91,778
<i>Aberdeen City</i>	Scotland	137%	84,740	200,603	115,863
<i>Lisburn and Castlereagh</i>	Northern Ireland	135%	80,859	189,755	108,895
<i>East Ayrshire</i>	Scotland	133%	55,737	129,818	74,081
<i>Antrim and Newtownabbey</i>	Northern Ireland	124%	66,725	149,615	82,890
<i>Argyll and Bute</i>	Scotland	121%	76,978	170,485	93,507
<i>Hyndburn</i>	North West	117%	53,354	115,591	62,237
<i>Newry, Mourne and Down</i>	Northern Ireland	106%	78,843	162,222	83,379

Table 4 - Bottom 10 Local Authorities with the smallest percentage increase in first home prices

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## Local Authority price to earnings ratio

Source: Halifax 12month rolling data to November each year / ASHE: Full Time Earnings Q2 2000, Q2 2019

<b>Local Authority</b>	<b>Region</b>	<b>PE Ratio 2000</b>	<b>PE Ratio 2019</b>	<b>2019 vs 2000</b>
<i>Richmond upon Thames</i>	London	7.2	7.6	0.4
<i>East Ayrshire</i>	Scotland	2.0	3.0	1.0
<i>Belfast</i>	Northern Ireland	3.3	4.6	1.3
<i>North Ayrshire</i>	Scotland	2.0	3.3	1.3
<i>Neath Port Talbot</i>	Wales	2.1	3.5	1.4
<i>County Durham</i>	North East	2.1	3.5	1.4
<i>South Lanarkshire</i>	Scotland	2.1	3.6	1.4
<i>Renfrewshire</i>	Scotland	1.9	3.4	1.5
<i>North Lanarkshire</i>	Scotland	2.1	3.6	1.6
<i>Swansea</i>	Wales	2.8	4.4	1.6

Table 6 - Bottom 10 Local Authorities with smallest increases in Price to Earnings Ratio

<b>Local Authority</b>	<b>Region</b>	<b>PE Ratio 2000</b>	<b>PE Ratio 2019</b>	<b>2019 vs 2000</b>
<i>Hillingdon</i>	London	3.9	11.1	7.2
<i>Newham</i>	London	4.2	10.8	6.6
<i>Slough</i>	South East	3.1	9.7	6.6
<i>Brent</i>	London	5.6	11.9	6.4
<i>Lambeth</i>	London	5.0	11.2	6.2
<i>Waltham Forest</i>	London	4.3	10.4	6.1
<i>Barking and Dagenham</i>	London	3.3	9.4	6.1
<i>Hounslow</i>	London	5.3	11.0	5.7
<i>Enfield</i>	London	4.2	9.8	5.6
<i>Lewisham</i>	London	4.4	9.9	5.5

Table 7 - Top 10 Local Authorities with largest increases in Price to Earnings Ratio

**Local Authority first home deposit price increases**

<i>Local Authority</i>	<i>Region</i>	<i>20 Year % Change</i>	<i>£ Deposit 1999</i>	<i>£ Deposit 2019</i>	<i>£s difference</i>
<i>Waltham Forest</i>	London	737%	11,376	95,271	83,896
<i>Lewisham</i>	London	642%	11,481	85,181	73,701
<i>Newham</i>	London	625%	10,349	75,043	64,694
<i>Bury</i>	North West	606%	4,281	30,208	25,927
<i>York</i>	Yorkshire and The Humber	583%	6,875	46,986	40,111
<i>Greenwich</i>	London	570%	12,205	81,823	69,619
<i>Southwark</i>	London	550%	19,200	124,845	105,644
<i>East Riding of Yorkshire</i>	Yorkshire and The Humber	548%	4,696	30,416	25,720
<i>North Tyneside</i>	North East	547%	4,698	30,376	25,678
<i>Gateshead</i>	North East	531%	3,872	24,419	20,547

Table 8 – Top 10 increases in first-time buyer deposits from November 1999 to November 2019

<i>Local Authority</i>	<i>Region</i>	<i>20 Year % Change</i>	<i>£ Deposit 1999</i>	<i>£ Deposit 2019</i>	<i>£s difference</i>
<i>Telford and Wrekin</i>	West Midlands	231%	7,097	23,481	16,384
<i>Swindon</i>	South West	220%	8,325	26,639	18,314
<i>Richmond upon Thames</i>	London	216%	35,974	113,675	77,701
<i>South Ribble</i>	North West	212%	6,824	21,288	14,464
<i>Neath Port Talbot</i>	Wales	202%	5,881	17,748	11,867
<i>Harrow</i>	London	202%	25,973	78,349	52,376
<i>Sandwell</i>	West Midlands	196%	8,516	25,187	16,671
<i>Walsall</i>	West Midlands	193%	8,436	24,685	16,249
<i>East Ayrshire</i>	Scotland	187%	4,931	14,166	9,234
<i>Hounslow</i>	London	174%	24,878	68,289	43,411

Table 9 – Bottom 10 increases in first-time buyer deposits from November 1999 to November 2019

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