

PRESS RELEASE



20/05/2016

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The **Halifax House Price per Square Metre Survey** examines the movement in house prices on an average price per square metre (m²) basis in 279 UK towns (including 32 London boroughs which have been classified as towns for this research). Average price per square metre is a useful measure for house price comparison, helping to adjust for differences in property size and type across areas. The average price per square metre is calculated by dividing the average house price by the average square metres per property (excluding external space). **The price per square metre can be converted into price per square foot by dividing by 10.7639104.**

£11,321 buys 1m² of a home in Chelsea: five times the national average

- **17 areas in Greater London have an average price in excess of £5,000 per m²**
- **Solihull, West Midlands is the most expensive town outside southern England**
- **Airdrie, Scotland has the lowest average price per m²**
- **House prices per m² have risen from £631 to £2,216 since research began 20 years ago**

Property prices per square metre have risen by 432% in Greater London against a national average increase of 251% over the past two decades, according to new research from Halifax.

Although London dominates the country's list of most expensive property locations on a per square metre basis, five areas outside southern England fetch a higher property price per square metre than the national average of £2,216 – Solihull and Leamington Spa in West Midlands, Altrincham in the North West, Scotland's capital, Edinburgh and Harrogate in Yorkshire.

There has been a substantial gap widening in property prices per square metre between southern England and the rest of Britain over the past 20 years. This has continued since 2011 with London gains nearly double that of the rest of the country.

MOST EXPENSIVE AREAS

The borough of Kensington and Chelsea remains Britain's most expensive neighbourhood, with an average price of £11,321 per m². Despite dropping 1% lower than last year, it is more than five times the national average of £2,216. Kensington and Chelsea, along with Westminster (£10,552) are the only areas in Britain with an average price above £10,000 per m² followed by Camden at £9,012 per m².

Seventeen areas – all in Greater London – have an average price in excess of £5,000 per m²; with the borough of Merton – South West London – a new addition to this group since last year. **(Table 1)**

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Half of the 10 most expensive towns outside southern England* are in the West Midlands. Solihull, with an average price of £2,661 per m² and Leamington Spa (£2,645) are the two most expensive towns. The other West Midlands towns that made the top 10 include Sutton Coldfield (£2,113), Bromsgrove (£1,970) and Stourbridge (£1,943).

Meanwhile, five places outside southern England have average prices per m² above the national average of £2,216. In addition to Solihull and Leamington Spa, these include Altrincham in the North West (£2,634), Edinburgh (£2,355) and Harrogate (£2,342). **(Table 2)**

LEAST EXPENSIVE AREAS

The research found that nowhere in Great Britain had an average price below £1,000 per m², but Airdrie in Scotland had the lowest average price at £1,019 per m², less than a tenth of the average price per square metre in Kensington and Chelsea.

Six of the 10 towns with the lowest prices per square metre are outside England,* with four in Scotland: Airdrie (£1,019), Lanark (£1,040), Coatbridge (£1,071) and Kilmarnock (£1,120). Two are in Wales: Llanelli (£1,028) and Neath (£1,065). The four English towns with the lowest house prices on a per square metre basis are all in northern England – Scunthorpe (£1,036), Accrington (£1,055), Hartlepool (£1,062) and Wallasey (£1,067). **(Table 3)**

Chris Gowland, Mortgages Director, Halifax, said: “House price per square metre can be a useful comparison measure as it helps to adjust for differences in the size and type of properties between locations.

“We have seen the average price per square metre increase by 251% over the past 20 years from £631 in 1996 to £2,216 in 2016, although this national figure does conceal considerable regional differences.

“In particular, there has been a marked widening in the North/South property divide over the past two decades as prices per square metre have risen by 432% over this period in Greater London – more than twice the increase in areas outside of southern England. The consistent gap between southern England – led by London – and the rest of the country over the past two decades – is a trend that has embedded itself throughout the last five years.”

PRICE CHANGES OVER THE PAST FIVE YEARS

The 10 areas recording the highest house price growth on a per square metre basis over the last five years are all London boroughs. Waltham Forest, Greenwich and Lewisham all recorded the largest growth – 87% over the five-year period closely followed by Newham (82%). **(Table 4)**

Nationally, house prices per square metre have risen by 31% since 2011 from an average of £1,696 to £2,216 in 2016, with increases of at least 10% in all regions. Greater London has experienced

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substantially faster growth than elsewhere in Britain, with an average increase of 57%. The South East (32%) recorded the next greatest rise, while Scotland has seen the slightest rise (10%) during this period.

PRICE CHANGES OVER THE PAST 20 YEARS

Nine of the 10 areas that have seen the biggest increases in price per square metre over the last 20 years are in London, with Hove making up the tenth. Hackney has seen the largest rise since 1996 with an increase of 821%, nearly twice the London average (432%). (*Table 5*)

Over the past two decades, only four towns outside southern England have recorded a price increase per square metre in excess of the national average. Leamington Spa (287%), Salford (276%), Rushden in Northamptonshire (267%) and Harrogate (257%). (*Table 6*)

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Ends

Note to editors

*Southern England covers East Anglia, South East, South West and Greater London

The average price per square metre is sourced from the Halifax House Price Index database and is calculated by dividing the average house price by the average square metres per property (excluding external space). The price per square metre can be converted into price per square foot by dividing by 10.7639104. Square metre per dwelling is based purely on the size of the house and does not take account of outdoor space attached to a dwelling.

All property prices are based on the average prices per square metre for transactions during the 12-month period to April for each year.

Table 1: Ten Most Expensive towns per Square Metre in Great Britain

Town/ Borough	Region	Price per M ² (£) 2016
Kensington and Chelsea	Greater London	11,321
Westminster	Greater London	10,552
Camden	Greater London	9,012
Hammersmith and Fulham	Greater London	8,635
Islington	Greater London	7,964
Wandsworth	Greater London	6,959
Hackney	Greater London	6,860
Southwark	Greater London	6,484
Richmond upon Thames	Greater London	6,446
Tower Hamlets	Greater London	6,432

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Table 2: Ten Most Expensive towns per Square Metre outside Southern England

Town	Region	Price per M ² (£) 2016
Solihull	West Midlands	2,661
Leamington Spa	West Midlands	2,645
Altrincham	North West	2,634
Edinburgh	Scotland	2,355
Harrogate	Yorkshire and Humberside	2,342
Aberdeen	Scotland	2,191
Sutton Coldfield	West Midlands	2,113
Chester	North West	1,973
Bromsgrove	West Midlands	1,970
Stourbridge	West Midlands	1,943

Table 3: Ten Least Expensive towns per Square Metre in Great Britain

Town	Region	Price per M ² (£) 2016
Airdrie	Scotland	1,019
Llanelli	Wales	1,028
Scunthorpe	Yorkshire and Humberside	1,036
Lanark	Scotland	1,040
Accrington	North West	1,055
Hartlepool	North	1,062
Neath	Wales	1,065
Wallasey	North West	1,067
Coatbridge	Scotland	1,071
Kilmarnock	Scotland	1,120

Table 4: Biggest Price Increases per Square Metre (%), 2011-2016

Town/Borough	Region	Average House Price 2016 £	Price per M ² (£)		5 Year %	5 Year £
			2011	2016		
Waltham Forest	London	409,823	2,564	4,806	87%	2,242
Greenwich	London	419,184	2,462	4,611	87%	2,148
Lewisham	London	415,406	2,658	4,958	87%	2,300
Newham	London	336,639	2,332	4,246	82%	1,914
Lambeth	London	496,968	3,503	6,356	81%	2,853
Hackney	London	527,814	3,821	6,860	80%	3,039
Ealing	London	514,382	3,264	5,655	73%	2,391
Tower Hamlets	London	474,441	3,716	6,432	73%	2,716

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Southwark	London	496,202	3,797	6,484	71%	2,687
Haringey	London	521,760	3,530	5,922	68%	2,393

Table 5: Biggest Price Increases per Square Metre (%), 1996-2016

Town/Borough	Region	Average House Price 2016 £	Price per M ² (£)		20 Year %	20 Year £
			1996	2016		
Hackney	London	527,814	745	6,860	821%	6,115
Southwark	London	496,202	827	6,484	684%	5,657
Newham	London	336,639	554	4,246	666%	3,692
Lambeth	London	496,968	848	6,356	649%	5,508
Lewisham	London	415,406	672	4,958	638%	4,286
Waltham Forest	London	409,823	669	4,806	618%	4,137
Islington	London	589,018	1,158	7,964	588%	6,806
Brent	London	517,924	827	5,648	583%	4,821
Tower Hamlets	London	474,441	961	6,432	569%	5,471
Hove	South East	360,544	579	3,859	566%	3,280

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Table 6: Biggest Price Increases per Square Metre (%), 1996-2016 outside Southern England

Town	Region	Average House Price 2016 £	Price per M ² (£)		20 Year %	20 Year £
			1996	2016		
Leamington Spa	West Midlands	313,231	684	2,645	287%	1,962
Salford	North West	164,921	427	1,606	276%	1,179
Rushden	East Midlands	176,759	453	1,660	267%	1,207
Harrogate	Yorkshire & the Humber	281,230	657	2,342	257%	1,685
Northampton	East Midlands	215,681	551	1,906	246%	1,355
Altrincham	North West	372,604	771	2,634	241%	1,863
Rugby	West Midlands	222,600	549	1,865	240%	1,316
Wellingborough	East Midlands	189,554	486	1,647	239%	1,161
Barrow in Furness	North	126,528	364	1,201	230%	837
Corby	East Midlands	159,377	427	1,398	228%	971

Source for all Tables: Halifax; 12 months to April

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.

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