

HOUSE PRICE STATISTICS FOR SMALL AREAS – USING ADMIN DATA TO GIVE NEW INSIGHTS

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Abstract

The Office for National Statistics (ONS) produce quarterly rolling year House Price Statistics for Small Areas (HPSSAs) for England and Wales. The statistics are produced using administrative data that is obtained without charge from the Land Registry, the government agency responsible for maintaining a record of land ownership in England and Wales. This paper will explain the source data and how it is processed to create the HPSSAs. It will then describe the resulting statistical outputs, as well as demonstrating how the product has been used by ONS to support policy needs and provide new insights.

Land Registry 'price paid' data provides a reliable administrative source for HPSSAs because whenever a person transfers ownership of a property or takes a mortgage out against it there is a legal requirement to supply Land Registry all the relevant details. Land Registry hold data going back to 1995, which allows a long time series to be produced. Using geo-referencing, the postcode of each transaction is matched to a postcode lookup file which determines the small area where the transaction took place.

The smallest areas covered by the HPSSAs are middle layer super output areas (areas with a population of approximately 7,500 people) but data are also created for a range of higher level geographies. The statistics are broken down by different house type (detached, semi-detached, terraced houses and flats/maisonettes), as well as by whether the property is newly built or existing stock.

The method used to create HPSSAs means that it is flexible and can be adapted to give new cuts of data and applied to new geographies. This has allowed ONS to use HPSSAs to support policy and provide new insights. Examples include linking the data to Small Area Income Estimates to provide a measure of housing affordability for local areas; how sales of £1 million and above houses have changed over time; understanding rural-urban differences in the housing market; and a focus on the differences in the major towns and cities in England and Wales.