

Platinum Jubilee 2022 70 Years of Housing

In this Platinum Jubilee year, Halifax has looked at the way homes and housing have changed during Her Majesty Queen Elizabeth II's 70-year reign.

The analysis starts a year before the coronation of Queen Elizabeth II at a time when the country was recovering from World War II and some rationing was still in place.

Key Facts:

- Twice as many people own their own homes as when the Queen came to the throne
- House prices have risen over 300% over the last 70 years in real terms
- London prices up over 400% in real terms
- Four housing booms witnessed during the Queen's reign
- House price: Earnings ratio nearly double its 1951 level
- Housebuilding numbers in 2021 half their 1968 peak
- In 1952, approximately 5 million homes had no indoor toilet, Buckingham Palace has 78

House Prices

Table 1: UK Real House Prices* 1951-2021

	Total % change	Average Annual % change
1951-1961	-7.2	-0.7
1961-1971	26.6	2.4
1971-1981	27.2	2.4
1981-1991	49.4	4.1
1991-2001	21.0	1.9
2001-2011	30.0	2.7
2011-2021	21.8	2.0
1951-2021	327.6	2.1

Sources: Halifax / Communities and Local Government

- House prices across the UK have increased over 4-fold over the past 70 years, increasing by an average of 327% in real terms¹.
- Prices have risen at an average annual rate of 2.1%, slightly faster than the 1.1% per annum average rise in real earnings over the period.
- House prices in the 1980s recorded their biggest increase with a real rise of 49.4% between 1981 and 1991- more than double the increase of 21.8% over the last ten years.
- The poorest performing decade was the 1950s when house prices declined by 7% in real terms.

¹ Monetary - or nominal - house price figures have been adjusted to allow for general price inflation by applying the retail price index (RPI).

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A changing market:

- UK housing market has become more volatile since the 1970s, while continuing to grow over the long term.
- But for a small decline in the early 1950s, house prices were relatively stable in the 20 years to 1971.
- There have since been four periods of rapid real house price growth: 1971-73, 1977-80, 1985-89 and 1998-2007.
- Each period was succeeded by a marked fall in real house prices.
- The “Noughties” housing boom - which lasted ten years - was by far the longest period of rapidly rising house prices.
- Over the last ten years growth has been staggered by slowing from 2016 to 2018 before rebounding.

Table 2: UK Average house prices 1951-2021

	Actual	Real Terms		Actual	Real Terms		Actual	Real Terms		Actual	Real Terms
Year	£	£	Year	£	£	Year	£	£	Year	£	£
1951	1,800	60,150	1971	4,699	70,680	1991	58,766	134,246	2012	162,815	204,573
1952	1,725	52,820	1972	6,287	88,265	1992	56,795	125,066	2013	169,096	206,199
1953	1,707	50,701	1973	8,563	110,198	1993	54,421	117,960	2014	183,534	218,641
1954	1,676	48,827	1974	9,274	102,838	1994	55,568	117,608	2015	196,205	231,445
1955	1,756	49,020	1975	9,817	87,621	1995	55,461	113,448	2016	210,023	243,519
1956	1,940	51,521	1976	10,694	81,902	1996	57,994	115,833	2017	217,440	243,394
1957	1,982	50,854	1977	11,508	76,082	1997	62,656	121,340	2018	223,932	242,560
1958	2,033	50,547	1978	13,326	81,346	1998	66,950	125,357	2019	228,408	241,218
1959	2,050	50,760	1979	17,231	92,764	1999	73,243	135,059	2020	238,886	248,554
1960	2,152	52,745	1980	20,886	95,300	2000	82,404	147,587	2021	257,197	257,197
1961	2,357	55,816	1981	22,035	89,873	2001	92,281	162,399			
1962	2,510	56,976	1982	22,578	84,788	2002	111,046	192,218			
1963	2,688	59,902	1983	26,694	95,846	2003	131,873	221,853			
1964	2,859	61,638	1984	28,636	97,939	2004	152,058	248,413			
1965	3,114	64,152	1985	31,095	100,252	2005	160,588	255,143			
1966	3,267	64,757	1986	34,764	108,392	2006	172,822	266,078			
1967	3,446	66,544	1987	39,910	119,452	2007	188,151	277,771			
1968	3,696	68,200	1988	50,445	143,932	2008	174,100	247,171			
1969	3,948	69,136	1989	59,629	157,857	2009	159,288	227,349			
1970	4,198	69,100	1990	59,476	143,842	2010	165,700	226,069			

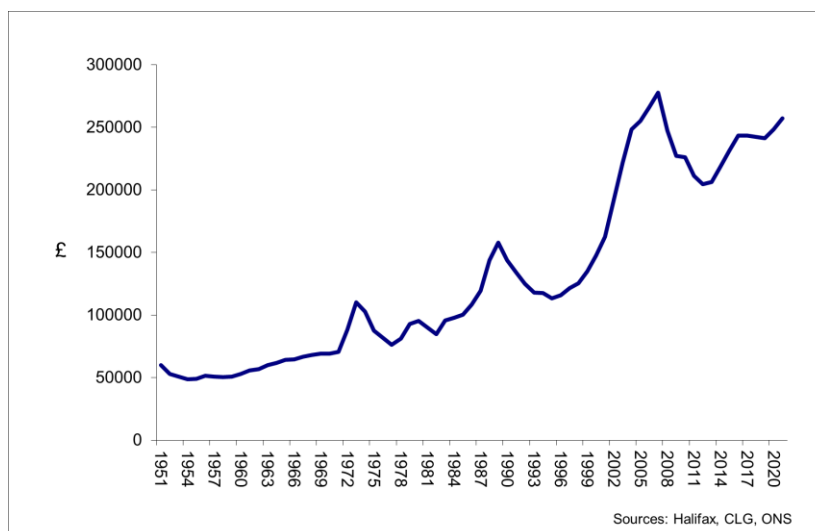
1 Monetary - or nominal - house price figures have been adjusted to allow for general price inflation by applying the retail price index (RPI).

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Chart: UK Real House Prices* 1951-2021



House prices and earnings

- House prices over the last ten years have been at their highest in relation to incomes than at any decade over the last 70 years.
- House prices averaged 5.4 as a multiple of gross annual average earnings between 2011 and 2021
- The House price: Earnings ratio (PE Ratio) is now more than double what it was when Queen Elizabeth II ascended to the throne (PE: 3.2)
- PE Ratio reached its highest level in 2021 at 6.7
- The average PE ratio since 1951 is 3.7
- Property values were lowest in relation to earnings in the 1950s when the average house price to earnings ratio remained relatively stable between 1951 (3.3x) and 2001 (3.4x)
- It is only since the start of the new millennium that house price growth has accelerated beyond that of earnings

Table 3: UK Average house price-earnings ratio* 1951-2021

	Average house price-earnings ratio
1951-1961	2.8
1961-1971	2.9
1971-1981	3.2
1981-1991	3.4
1991-2001	3.1
2001-2011	4.7
2011-2021	5.4
1951-2021	3.7

Sources: Halifax, Communities and Local Government, ONS

¹ Monetary - or nominal - house price figures have been adjusted to allow for general price inflation by applying the retail price index (RPI).

Table 4: Annual UK Average house price-earnings ratio 1951-2021

	UK PE		UK PE		UK PE		UK PE
1951	3.3	1971	2.7	1991	3.5	2011	4.5
1952	3.1	1972	3.3	1992	3.2	2012	4.5
1953	2.9	1973	3.9	1993	3.0	2013	4.6
1954	2.7	1974	3.7	1994	3.0	2014	4.9
1955	2.7	1975	3.1	1995	2.8	2015	5.3
1956	2.9	1976	2.9	1996	2.9	2016	5.5
1957	2.8	1977	2.8	1997	2.9	2017	5.6
1958	2.8	1978	2.9	1998	2.9	2018	5.6
1959	2.7	1979	3.3	1999	3.1	2019	5.5
1960	2.7	1980	3.2	2000	3.2	2020	6.2
1961	2.8	1981	3.0	2001	3.4	2021	6.7
1962	2.9	1982	2.8	2002	4.0		
1963	3.0	1983	3.1	2003	4.6		
1964	3.0	1984	3.1	2004	5.0		
1965	3.1	1985	3.1	2005	5.1		
1966	3.0	1986	3.2	2006	5.3		
1967	3.1	1987	3.4	2007	5.6		
1968	3.0	1988	3.9	2008	5.0		
1969	2.9	1989	4.3	2009	4.4		
1970	2.7	1990	3.9	2010	4.6		

Regional House Prices

- The north-south house price divide has widened since 1971
- House prices in the south have outperformed northern house prices over the past 50 years
- London has recorded the biggest rise in house prices: a real rise of 408%, at an average annual rate of 3.3%. (UK prices increased by 264% over the same period)
- East Anglia recorded the second biggest increase (317%), followed by East Midlands (284%)
- Scotland recorded the smallest increase with a real rise of 160%

Table 5: Regional Real House Prices* 1971-2021

	Total change %	Average Annual change %
Greater London	408	3.3
South West	282	2.7
Yorks & the Humber	259	2.6
East Anglia	317	2.9
East Midlands	284	2.7
South East	283	2.7

¹ Monetary - or nominal - house price figures have been adjusted to allow for general price inflation by applying the retail price index (RPI).

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Wales	229	2.4
North West	251	2.5
West Midlands	238	2.5
North	163	2.0
Northern Ireland	164	2.0
Scotland	160	1.9
United Kingdom	264	2.6

Tenure

- The pattern of tenure has changed dramatically since the 50s,
- In 1953, 32% of homes were owner occupied, and half (50%) were privately rented.
- By the early 1970s, homeownership had increased to represent half of homes (51%)
- Homeownership peaked in 2001 at 70%
- Private rentals have grown from 10 to 19% since 2001 – close to their 1971 level

Table 6: Property tenure

Year	Tenure %		
	Owner occupiers	Social renters	Private renters
1953	32	18	50
1961	43	23	34
1971	51	29	20
1981	57	32	11
1991	68	23	9
2001	70	20	10
2011	65	18	17
2021	64	17	19

Housebuilding

- More than 14 million homes have been built in the UK in the past 70 years.
- The number of houses built in England in the last decade is 42% lower than in the decade from 1952-61,
- Peak housebuilding period was 1962-71, when over 3million homes were constructed.

Table3. Housebuilding in England

	Homes	% Change
1952-61	2,519,720	
1962-71	3,084,070	22%
1972-81	2,363,870	-23%
1982-91	1,746,700	-26%
1992-01	1,450,300	-17%
2002-11	1,425,600	-2%
2012-21	1,456,300	2%
Total	14,046,560	

Source: DLUHC

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Housing Quality

- There has been a marked improvement in the quality of housing since the 1950s
- In 1947 there were an estimated 5.3 million homes (42%) in Britain without bathrooms
- By 1967 2.5 million homes (19% percent) still lacked an indoor WC.
- By 1991, fewer than 1 per cent of households lacked an indoor toilet

Warmer and drier:

- Modern construction standards have pushed the energy efficiency of homes upward rapidly
- The average EPC rating for home built since 2012 is B or higher
- The average rating for all homes in England and Wales of D
- One in ten homes built before the 1930s achieves an EPC rating of C

Average energy-efficiency grade and EPC rating (See Editors' notes)

Region	Pre 1900	1900 to 1929	1930 to 1982	1983 to 2011	2012 onwards
England & Wales	51	55	63	71	83
Estimated EPC rating	E	D	D	C	B

Percentage of EPC 'C' rated properties by date of construction

Region	Pre 1900 %	1900 to 1929 %	1930 to 1982 %	1983 to 2011 %	2012 onwards %	All %
England	11.8	11.1	27.6	63	97.5	42.1
Wales	7.5	8.8	26.9	62.6	98.3	37.3

ENDS

Notes to Eds:

Sources:

Housebuilding : DLUHC [LiveTable244.ods](#)

Housing conditions: English Housing Survey, [Section 1 \(publishing.service.gov.uk\)](#); Housing Policy in Britain: A History By A. E. Holmans

Property age and energy rating data: ONS Energy Efficiency figures for England and Wales

This information is intended for the sole use of journalists and media professionals.

Monetary - or nominal - house price figures have been adjusted to allow for general price inflation by applying the retail price index (RPI), in line with standard practice. The RPI has been chosen rather than any other inflation measure because it is the longest running series. It also incorporates housing costs unlike the much more recent consumer price index

House Prices:

National and regional figures from the Halifax house price index have been used for 1983-2021. CLG house price data has been used for the period prior to 1983. Annual averages have been used throughout. Regional house price data are available from 1971 only.

House price to earnings ratio:

Ratio of the Halifax standardised average price to national average earnings for full-time male employees.

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 2021.

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