

**Local area affordability report**

**Inverclyde crowned Britain’s most affordable place for first-time buyers**

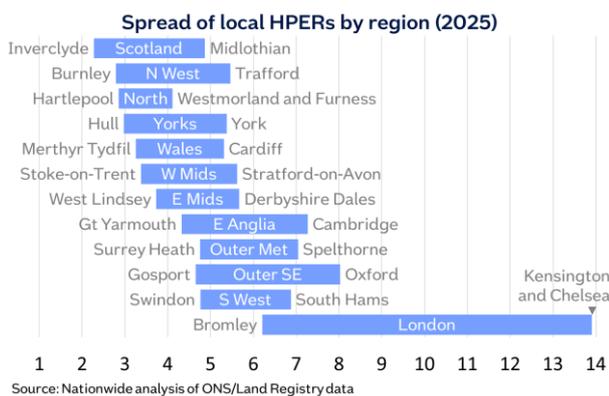
- Inverclyde, Burnley and Hartlepool amongst most affordable areas in Britain
- Kensington and Chelsea, Oxford and Cambridge least affordable
- North has smallest gap between least and most affordable areas in the region while London has largest
- Around 70% of local authorities have seen an improvement in affordability over the last year, with Islington seeing biggest improvement
- 10% deposit on a first-time buyer property is between £10,000 and £25,000 in over half of local authorities

Commenting on the figures, Andrew Harvey, Nationwide’s Senior Economist, said:

“Our recent [Affordability Report](#) showed that affordability had improved across all regions in Great Britain over the past year, helping to support first-time buyer activity. However, it is important to recognise there is also considerable variation in affordability within regions and in this report we explore this further.

“We’ve updated our local affordability metrics, which use house price and earnings data from the Land Registry and ONS to give the most comprehensive view at a local level.

“As shown on the chart below, London continues to have the greatest gap between the most and least affordable areas within the region by a considerable margin. Meanwhile, the North has the smallest difference between highest and lowest house price to earnings ratios (HPERs) by local authority area.



**Least affordable local authorities**

“The table (above and right) shows the least affordable authority in each region, as measured by the first-time buyer HPER. This data is not available for Northern Ireland.

Region	Local authority	HPER
London	Kensington & Chelsea	13.9
Outer SE	Oxford	8.0
East Anglia	Cambridge	7.3
Outer Met	Spelthorne	7.0
S West	South Hams	6.9
E Mids	Derbyshire Dales	5.7
W Mids	Stratford-on-Avon	5.6
N West	Trafford	5.5
Yorkshire	York	5.4
Wales	Cardiff	5.3
Scotland	Midlothian	4.9
North	Westmorland & Furness	4.1

“Kensington and Chelsea is the least affordable local authority in London and, by extension, Great Britain, with a HPER of 13.9.

“Oxford is the least affordable area in the Outer South East region, with first-time buyer house prices eight times average earnings. Meanwhile, academic rival Cambridge is the least affordable part of East Anglia, with average prices around £400,000 - much higher than other areas in the region.

“Spelthorne in Surrey is the least affordable local authority in the Outer Metropolitan region. Close to London, this is prime commuter territory and includes towns such as Staines-upon-Thames, Sunbury-on-Thames and Shepperton.

“In the South West, South Hams in Devon is a popular tourist location, taking in places such as Totnes, Dartmouth and Salcombe. However, with average prices nearly seven times average earnings, it is very challenging for local prospective first-time buyers.

“Meanwhile, in the East Midlands, Derbyshire Dales is one of the highest priced areas, with much of it sitting within the Peak District National Park, including towns such as Matlock, Ashbourne and Bakewell. Continuing the theme, Westmorland & Furness, which takes in significant swathes of the Lake District National Park, is the least affordable area in the North.

“Another sought after area is Stratford-on-Avon in Warwickshire, which is the highest price location in the West Midlands, with average first-time buyer house prices around £300,000. York remains the least affordable location within Yorkshire and the Humber, with a first-time buyer HPER of 5.4.

“Cardiff continues to be the least affordable part of Wales, with a first-time buyer HPER of 5.3. Meanwhile in Scotland, Midlothian has taken over from neighbouring Edinburgh as the least affordable area, with a first-time buyer HPER of 4.9.

## Most affordable local authorities

“We’ve also explored the most affordable areas, based on the local authorities with the lowest first-time buyer HPERs within each region (see table below).

Region	Local authority	HPER
Scotland	Inverclyde	2.3
N West	Burnley	2.8
North	Hartlepool	2.9
Yorkshire	Kingston upon Hull	3.0
Wales	Merthyr Tydfil	3.3
W Mids	Stoke-on-Trent	3.4
E Mids	West Lindsey	3.7
East Anglia	Great Yarmouth	4.3
Outer SE	Gosport	4.7
Outer Met	Surrey Heath	4.8
S West	Swindon	4.8
London	Bromley	6.2

“Inverclyde in Scotland is the most affordable local authority in Great Britain, with average first-time buyer house prices just 2.3 times average earnings in the area. Inverclyde includes Greenock and Port Glasgow and is also the cheapest area in Scotland, with average prices around £100,000.

“Burnley and Hartlepool remain the most affordable areas in the North West and North regions respectively. Whilst in the West Midlands, Stoke-on-Trent continues to be the most affordable area, with a HPER of 3.4.

“Kingston upon Hull is the most affordable local authority in Yorkshire and The Humber, with a HPER of 3.0. South of the river, West Lindsey in Lincolnshire is the most affordable part of the East Midlands.

“Whilst further down the east coast, Great Yarmouth in Norfolk continues to have the lowest HPER in East Anglia and is also the lowest priced area in the region. Meanwhile, on the south coast, Gosport in Hampshire is the most affordable area in the Outer South East, with notably lower average prices than elsewhere at c£200,000.

“Swindon remains the most affordable town in the South West, with a house price earnings ratio of 4.8. Meanwhile in the Outer Metropolitan region, Surrey Heath, which includes Camberley and Bagshot, is the most affordable area, due to relatively high earnings.

“Bromley is the most affordable London borough, although its house price earnings of 6.2 is still higher than the majority of local authorities across the UK.

## Where has affordability improved the most?

“Around 70% of local authorities have seen an improvement in affordability over the last year. Some of the biggest improvements have been within the London boroughs, with some of this delivered through lower average prices. Nonetheless, house prices remain elevated relative to earnings, especially compared with other parts of the country.

## Top 10 improvers

Region	Local authority	HPER (2024)	HPER (2025)
London	Islington	10.6	7.8
London	City of London	11.1	8.4
London	Wandsworth	10.2	8.4
London	Hammersmith & Fulham	11.9	10.6
E Anglia	Norwich	5.4	4.3
London	Barnet	9.4	8.3
London	Hackney	10.0	9.0
Outer Met	Welwyn Hatfield	7.6	6.6
London	Kensington & Chelsea	14.9	13.9
London	Harrow	8.4	7.4

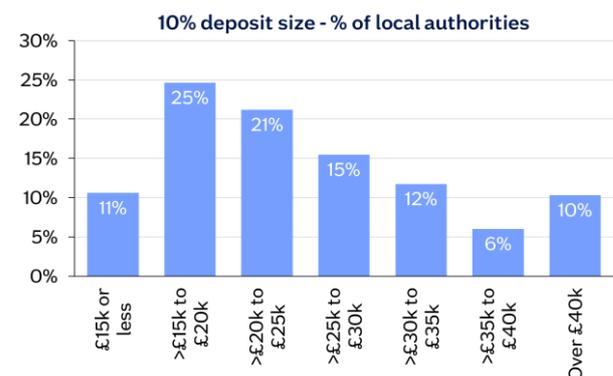
“Outside of London, Norwich saw the biggest improvement in affordability, with the first-time buyer HPER falling to 4.3, from 5.4 in 2024, driven by strong earnings growth.

“Welwyn Hatfield in Hertfordshire also saw a significant improvement, with the first-time buyer HPER moving down to 6.6, from 7.6 in 2024, through a combination of higher earnings and lower average prices.

## Where is raising a deposit most challenging?

“The level of deposit required varies considerably by, and also within, region, reflecting differences in average house prices. We’ve explored this further, based on a 10% deposit on an average first-time buyer property in each local authority.

“The chart below shows the distribution – a 10% deposit on a first-time buyer property is £15,000 or less in c10% of local authorities, while in nearly half of areas the average deposit is between £15,000 and £25,000.



Source: Nationwide analysis of ONS/Land Registry data

“Perhaps unsurprisingly, the top ten local authorities with the highest deposit requirement are all in London. Indeed, 26 out of the 36 local authorities where a 10% deposit is more than £40,000 are in the capital. The most challenging borough to raise a deposit is Kensington & Chelsea, reflecting average prices in excess of £1 million.

Region	Local authority	Deposit
London	Kensington & Chelsea	£100,600
London	Westminster	£78,900
London	City of London	£73,200
London	Camden	£68,700
London	Richmond upon Thames	£61,900
London	Islington	£61,900
London	Hammersmith & Fulham	£61,100
London	Wandsworth	£58,400
London	Hackney	£55,800
London	Haringey	£53,100

“Meanwhile, around half of the local authorities where a 10% deposit is less than £15,000 are located in Scotland, which features heavily in the top 10 local authorities with the lowest deposit requirement. Inverclyde, East Ayrshire and Aberdeen are amongst the areas where raising a deposit is less burdensome.”

Region	Local authority	Deposit
Scotland	Inverclyde	£9,700
Scotland	East Ayrshire	£10,700
Scotland	Aberdeen	£11,300
Scotland	West Dunbartonshire	£11,400
N East	Hartlepool	£11,500
Scotland	North Ayrshire	£11,500
Scotland	Eilean Siar	£11,500
N West	Burnley	£11,800
Scotland	Dundee	£12,200
Yorkshire	Kingston upon Hull	£12,400

## Notes

House price data is sourced from the UK House Price Index (UK HPI) dataset for first time buyers. Data is at June 2025. The UK HPI is a joint production by HM Land Registry, Land and Property Services Northern Ireland, Office for National Statistics and Registers of Scotland. Contains HM Land Registry data © Crown copyright and database right 2025. This data is licensed under the Open Government Licence v3.0.

Earnings data from the ONS Annual Survey of Hours & Earnings (2025). Mean earnings for a full-time worker on adult rates are used.

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### Most affordable local authorities in Great Britain (2025)

Most affordable  Least affordable

Inverclyde

Hartlepool

Burnley

Kingston upon Hull

West Lindsey

Stoke on Trent

Great Yarmouth

Merthyr Tydfil

Swindon

Bromley

Gosport

Surrey Heath

## English Region Definitions

### East Anglia

Cambridgeshire (Cambridge, East Cambridgeshire, Fenland, Huntingdonshire, South Cambridgeshire), Norfolk (Breckland, Broadland, Great Yarmouth, King's Lynn & West Norfolk, North Norfolk, Norwich, South Norfolk), Peterborough, Suffolk (Babergh, East Suffolk, Ipswich, Mid Suffolk, West Suffolk)

### East Midlands

Derby, Derbyshire (Amber Valley, Bolsover, Chesterfield, Derbyshire Dales, Erewash, High Peak, North East Derbyshire, South Derbyshire), Leicester, Leicestershire (Blaby, Charnwood, Harborough, Hinckley & Bosworth, Melton, North West Leicestershire, Oadby & Wigston), Lincolnshire (Boston, East Lindsey, Lincoln, North Kesteven, South Holland, South Kesteven, West Lindsey), North Northamptonshire, Nottingham, Nottinghamshire (Ashfield, Bassetlaw, Broxtowe, Gedling, Mansfield, Newark & Sherwood, Rushcliffe), Rutland, West Northamptonshire

### London

Barking & Dagenham, Barnet, Bexley, Brent, Bromley, Camden, City of London, Croydon, Ealing, Enfield, Greenwich, Hackney, Hammersmith & Fulham, Haringey, Harrow, Havering, Hillingdon, Hounslow, Islington, Kensington & Chelsea, Kingston upon Thames, Lambeth, Lewisham, Merton, Newham, Redbridge, Richmond upon Thames, Southwark, Sutton, Tower Hamlets, Waltham Forest, Wandsworth, Westminster

### North

County Durham, Cumberland, Darlington, Gateshead, Hartlepool, Middlesbrough, Newcastle upon Tyne, North Tyneside, Northumberland, Redcar & Cleveland, South Tyneside, Stockton-on-Tees, Sunderland, Westmorland & Furness

### North West

Blackburn with Darwen, Blackpool, Bolton, Bury, Cheshire East, Chester West & Chester, Halton, Knowsley, Lancashire (Burnley, Chorley, Fylde, Hyndburn, Lancaster, Pendle, Preston, Ribble Valley, Rossendale, South Ribble, West Lancashire, Wyre), Liverpool, Manchester, Oldham, Rochdale, Salford, Sefton, St. Helens, Stockport, Tameside, Trafford, Warrington, Wigan, Wirral

### Outer Metropolitan

Basildon, Bracknell Forest, Brentwood, Buckinghamshire, Castle Point, Chelmsford, Crawley, Dartford, Epping Forest, Gravesham, Harlow, Hart, Hertfordshire (Broxbourne, Dacorum, East Hertfordshire, Hertsmere, North Hertfordshire, St Albans, Stevenage, Three Rivers, Watford, Welwyn Hatfield), Horsham, Luton, Maidstone, Medway, Mid Sussex, Reading, Rochford, Rushmoor, Sevenoaks, Slough, Southend-on-Sea, Surrey (Elmbridge, Epsom & Ewell, Guildford, Mole Valley, Reigate & Banstead, Runnymede, Spelthorne, Surrey Heath, Tandridge, Waverley, Woking), Thurrock, Tonbridge & Malling, Tunbridge Wells, Windsor & Maidenhead, Wokingham

### Outer South East

Adur, Arun, Ashford, Basingstoke & Deane, Bedford, Braintree, Brighton & Hove, Canterbury, Central Bedfordshire, Chichester, Colchester, Dover, East Hampshire, Eastleigh, East Sussex (Eastbourne, Hastings, Lewes, Rother, Wealden), Fareham, Folkestone & Hythe, Gosport, Havant, Isle of Wight, Maldon, Milton Keynes, New Forest, Oxfordshire (Cherwell, Oxford, South Oxfordshire, Vale of White Horse, West Oxfordshire), Portsmouth, Southampton, Swale, Tendring, Test Valley, Thanet, Uttlesford, West Berkshire, West Oxfordshire, Winchester, Worthing

### South West

Bath & North East Somerset, Bournemouth, Christchurch & Poole, Bristol, Cornwall, Dorset, Devon (East Devon, Exeter, Mid Devon, North Devon, South Hams, Teignbridge, Torridge, West Devon), Gloucestershire (Cheltenham, Cotswold, Forest of Dean, Gloucester, Stroud, Tewkesbury), Isles of Scilly, North Somerset, Plymouth, Somerset, South Gloucestershire, Swindon, Torbay, Wiltshire

### West Midlands

Birmingham, Coventry, Dudley, Herefordshire, Sandwell, Shropshire, Solihull, Staffordshire (Cannock Chase, East Staffordshire, Lichfield, Newcastle-under-Lyme, South Staffordshire, Stafford, Staffordshire Moorlands, Tamworth), Stoke-on-Trent, Telford & Wrekin, Walsall, Warwickshire (North Warwickshire, Nuneaton & Bedworth, Rugby, Stratford-on-Avon, Warwick), Wolverhampton, Worcestershire (Bromsgrove, Malvern Hills, Redditch, Worcester, Wychavon, Wyre Forest)

### Yorkshire & The Humber

Barnsley, Bradford, Calderdale, Doncaster, East Riding of Yorkshire, Kingston upon Hull, Kirklees, Leeds, North East Lincolnshire, North Lincolnshire, North Yorkshire, Rotherham, Sheffield, Wakefield, York