

*This Bitesize explores the change in house prices and housing affordability ratios for Oxfordshire.*

### House prices show five-year double-digit percentage increase across the county

- South Oxfordshire has shown the largest increase in average house price in the five years from 2018 to 2023 at 15.84%.[1]
- This is followed by Oxford with a 15.48% increase and West Oxfordshire at 13.40%.
- The district with the highest average house price in 2023 was Oxford at £455,000. Cherwell's was lowest at £353,000.

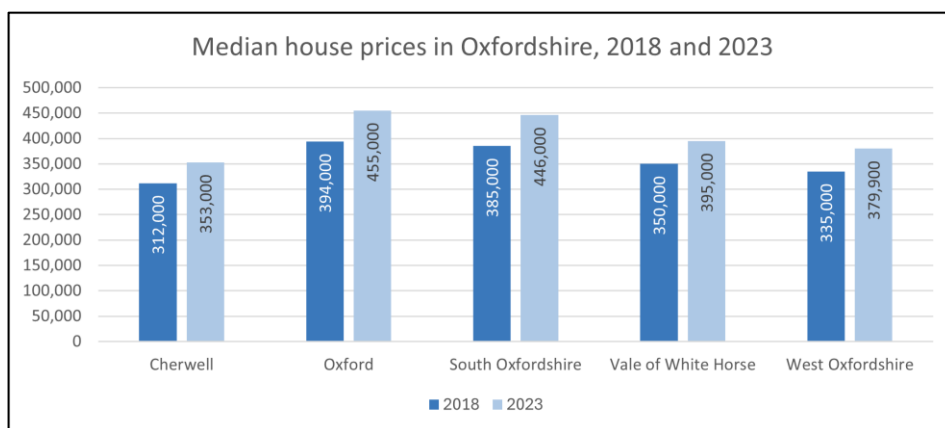


Table 1 - Percentage increase in median house price from 2018 to 2023

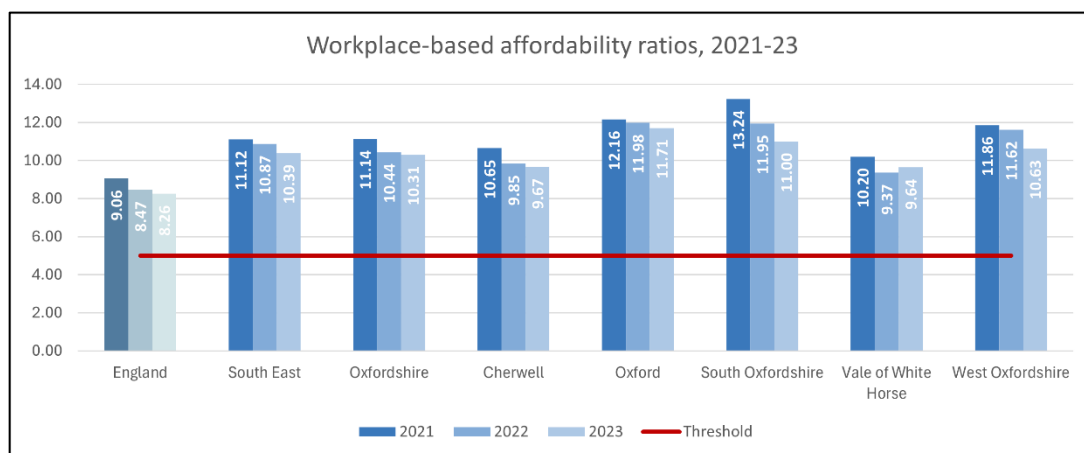
Cherwell	Oxford	South Oxfordshire	Vale of White Horse	West Oxfordshire
13.14%	15.48%	15.84%	12.86%	13.40%

### Affordability is improving but still much higher than Office for National Statistics' threshold

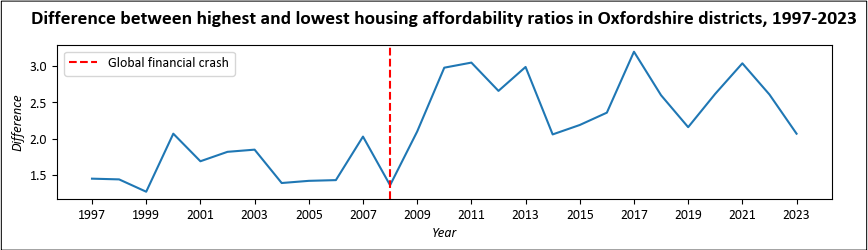
- The Office for National Statistics (ONS) defines its affordability ratio threshold for homes at 5.
- Using this as a benchmark, housing affordability continues to be a significant challenge in the county, with affordability ratios twice the ONS's threshold in most districts. Oxfordshire's affordability ratio of 10.31 means that people who work in the county can expect to pay over ten times what they earn to buy a house here. This is higher than the England average of 8.3, but slightly lower than that of the South East at 10.39. [2]
- As of 2023, Oxford has the highest affordability ratio in the county at 11.71.
- All districts in Oxfordshire are above the England ratio of 8.3. The Vale of White Horse is lowest with a ratio of 9.64.
- Since 1997, the greatest increase in affordability ratios has been in Oxford (7.08). This is followed by Cherwell (5.78), South Oxfordshire (5.66), West Oxfordshire (5.50), and Vale of White Horse (5.29).

#### What is a housing affordability ratio?

A housing affordability ratio is one way of understanding how affordable homes are. To calculate it, we take the value of a home and divide it by the household's income. Therefore, if a home is worth £250,000 and the household's income is £50,000, the affordability ratio would be 5 in this instance. Affordability ratios vary across the county according to location and property type.



- The differences between the highest and lowest affordability ratios have increased over time, too. Although this difference has reduced in recent years, it remains higher than at any point pre-2008. Research has demonstrated that the global financial crash of 2008 can be seen as a turning point for housing affordability.[4]



### Small areas demonstrate significant variability in housing affordability

- There is a significant amount of variability across the county for small areas, both within and across districts and property types.[4]
- Three of the five most expensive areas are within South Oxfordshire, with the other two in Oxford.
- Most of the areas with the lowest affordability ratios are in Cherwell (3).
- Accounting for different property types, many of the most expensive places to live in the county are within the district of Oxford.

Table 2 - Highest affordability ratios in small areas, sorted on ‘All properties’

Local authority	Small area name	All properties	Detached	Semi-detached	Terraced	Flats/maisonettes
South Oxfordshire	Shiplake & Binfield Heath	13.09	15.84	8.70	No data	No data
Oxford	Summertown	10.42	14.84	10.20	13.95	4.32
Oxford	Oxford Central	10.34	No data	No data	17.59	7.85
South Oxfordshire	Henley North	10.12	12.85	10.17	8.85	6.22
South Oxfordshire	Henley South	9.91	15.99	10.02	9.03	7.15

Table 3 - Lowest affordability ratios in small areas, sorted on ‘All properties’

Local authority	Small area name	All properties	Detached	Semi-detached	Terraced	Flats/maisonettes
West Oxfordshire	Carterton North	3.80	5.63	3.98	3.60	2.51
South Oxfordshire	Didcot Ladygrove	3.91	4.95	3.91	3.32	No data
Cherwell	Banbury Neithrop	4.05	No data	4.42	4.05	2.70
Cherwell	Bicester North	4.12	5.07	3.78	3.33	2.59
Cherwell	Banbury Hardwick	4.21	5.92	4.10	3.72	2.81

### Housing affordability can impact health

Research has shown that housing affordability and health outcomes are related. The Health Foundation notes that:

*‘Difficulty paying the rent or mortgage can cause stress and affect our mental health, while spending a high proportion of our income on housing leaves less for other essentials that influence health, such as healthy foods and social activities. Housing affordability has a disproportionate impact on people with low incomes, as housing costs usually remain high even at the most affordable end of the spectrum.’[5]*

Stories from Oxfordshire residents affected by [homelessness](#) and [housing affordability](#) provide compelling testimony about housing’s impact on health outcomes. [6, 7]

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[1] [Office for National Statistics, House price to workplace-based earnings ratio](#), Accessed October 2024.

[2] [Office for National Statistics, Housing Affordability in England and Wales: 2023](#), Accessed October 2024.

[3] [Understanding Society, Housing affordability after the crash](#), Accessed October 2024.

[4] [Oxfordshire Insight, Guide to Geography](#), Accessed October 2024.

[5] [Housing | The Health Foundation](#), Accessed November 2024.

[6] [Real Stories Archives - Homeless Oxfordshire](#), Accessed November 2024.

[7] [Our tenants' stories | Oxfordshire Community Land Trust](#), Accessed November 2024.

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We welcome your comments. Please email [jsna@oxfordshire.gov.uk](mailto:jsna@oxfordshire.gov.uk).

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