

Housing Affordability in Croydon

Sources and Notes About Data

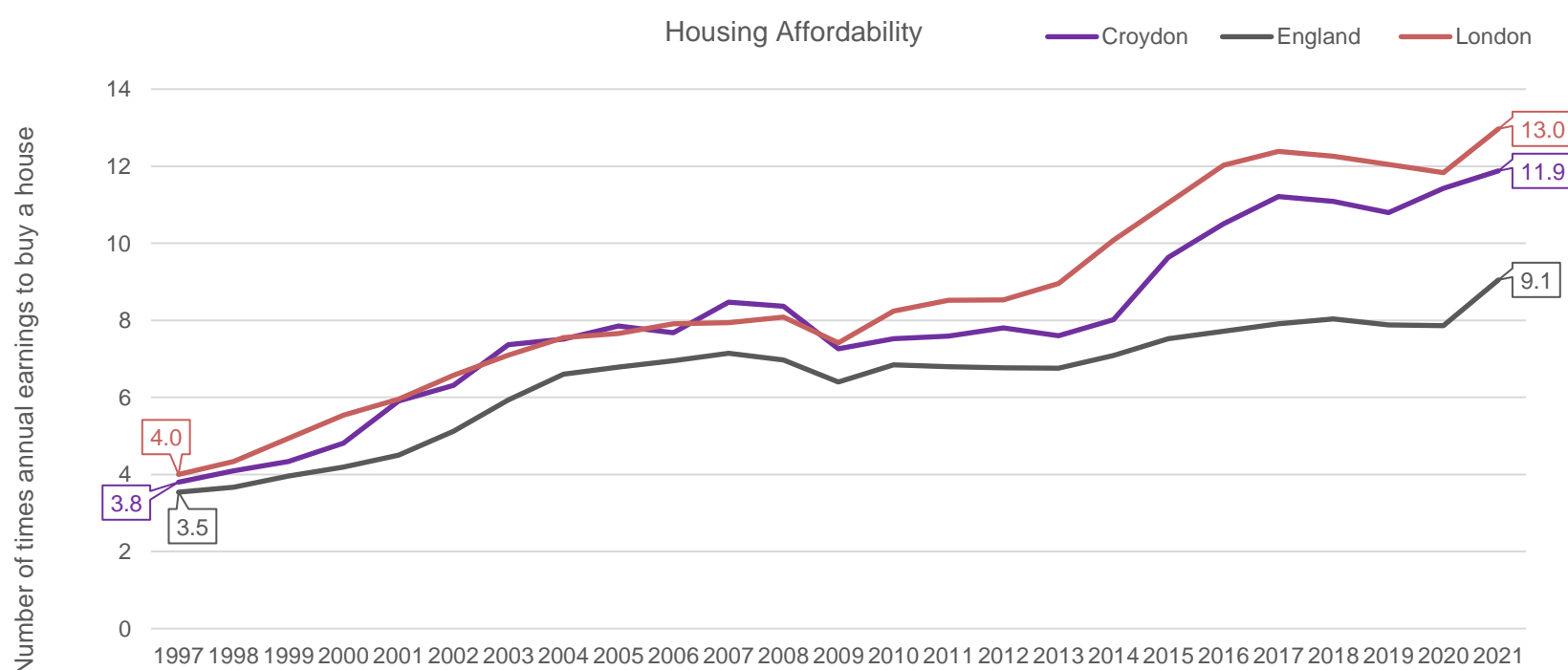
ONS. Housing Affordability in England and Wales: Published March 2022.

[LINK TO DATA](#)

Affordability ratios are calculated by dividing house prices by gross annual earnings, based on the median of both house price and earnings. The earnings data are from the Annual Survey of Hours and Earnings which provides a snapshot of earnings at April in each year. The house price statistics come from the House Price Statistics for Small Areas, which report the median price paid for residential property and refer to a 12 month period with April in the middle (year ending September).

Affordability (based on those working in Croydon)

- > On average, people working in Croydon could expect to pay almost twelve times their annual earnings on purchasing a home within the borough in 2021, up from 10.5 times earnings five years ago in 2016.
- > This is the fifth lowest ratio in London making Croydon the fifth most affordable London borough to live and work in in 2021.
- > Since 1997 housing affordability has worsened overall. Over the last two decades, affordability has worsened the most in London, which is driven largely by increasing house prices.

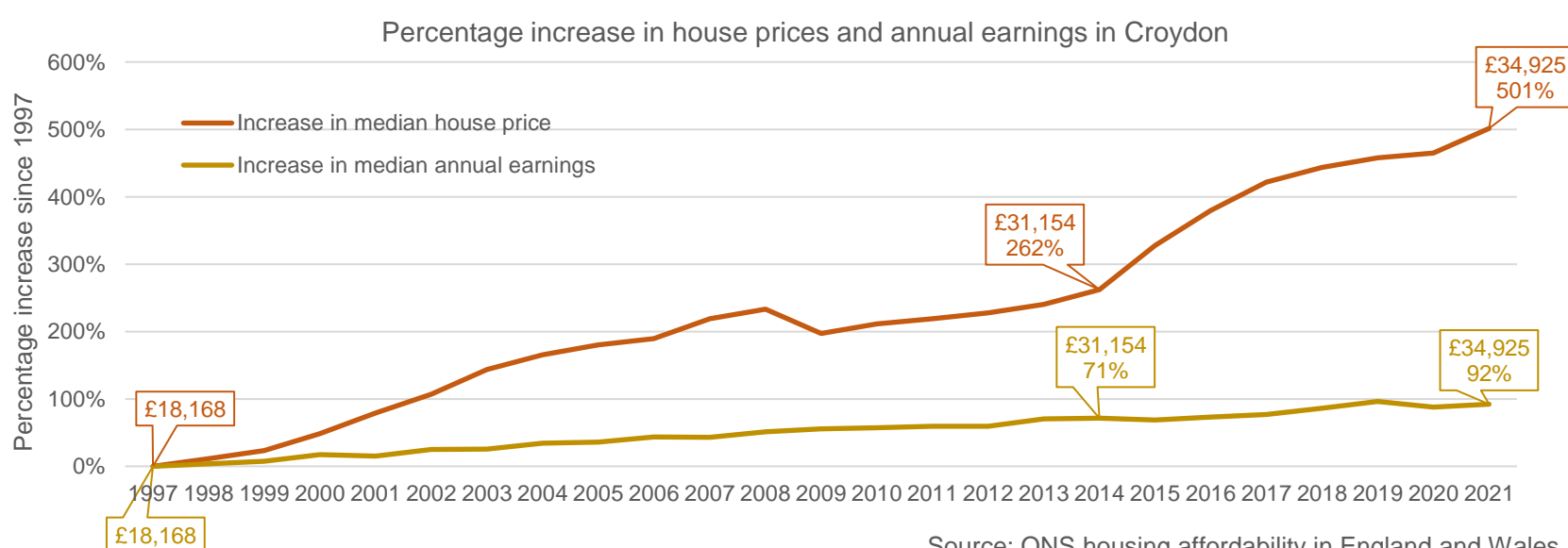


Source: ONS housing affordability in England and Wales.
Based on median annual earnings of those working in each area and median house prices in the same area

Housing Affordability in Croydon

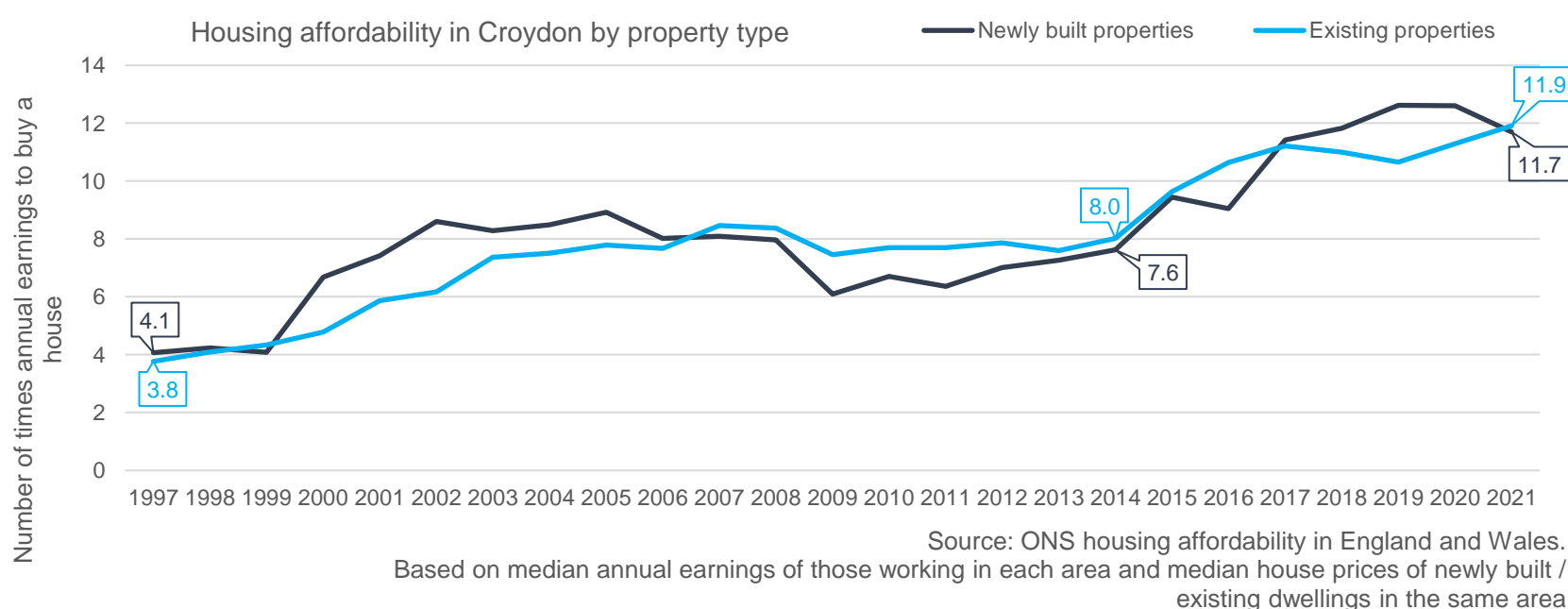
Earnings and House Prices

- > Housing affordability has worsened over time throughout England and Wales owing to house prices increasing at a faster rate than earnings.
- > The same is true within Croydon where the median price paid for a residential property in 2021 was £415,000, an increase of 501% since 1997.
- > In contrast, individual annual earnings in 2021 of people working in Croydon were £34,925, an increase of 92% since 1997.
- > In the last year, earnings of people working in Croydon increased by 2% while house prices increased by 6% leading to a reduction in housing affordability compared to 2020.



New and Existing Dwellings

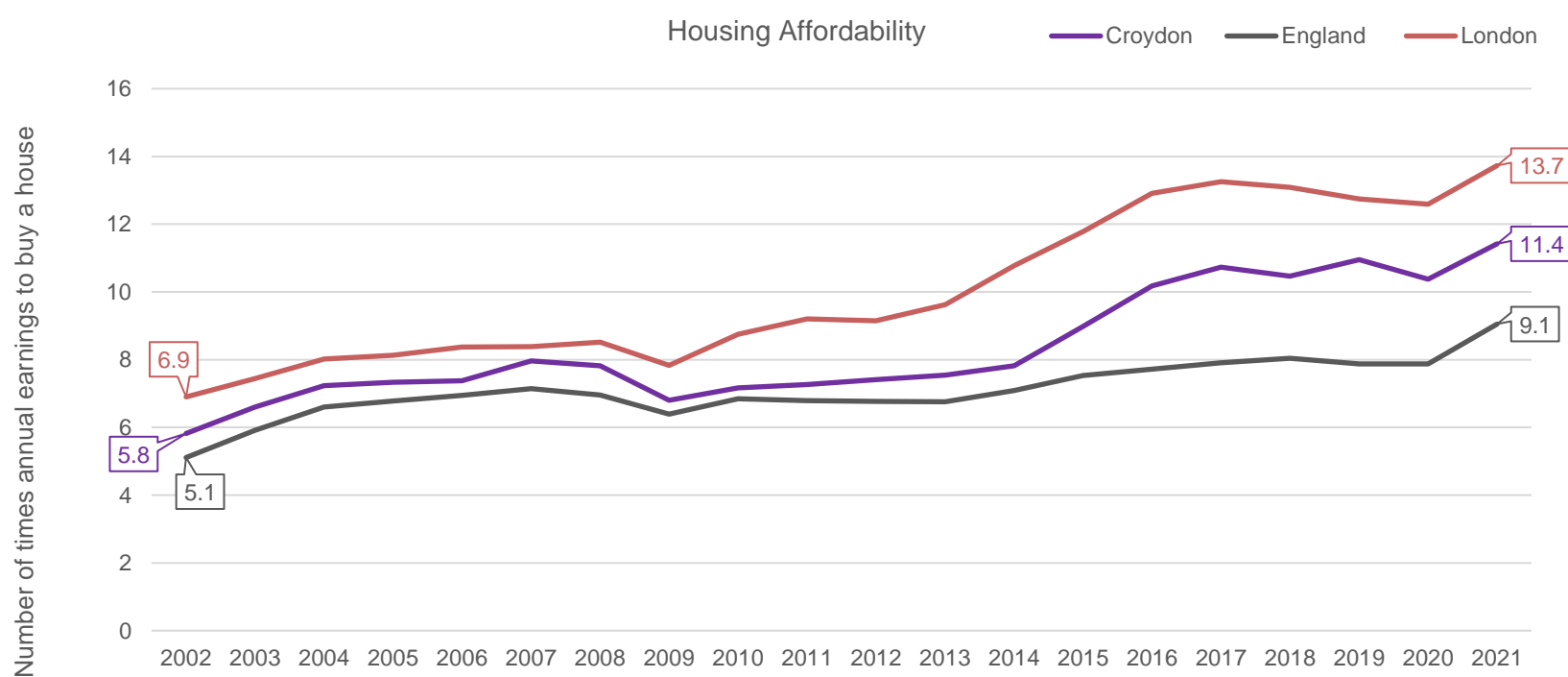
- > In Croydon, unlike the rest of England, new housing is now more affordable than existing housing.
- > In 2021, those working in Croydon could expect to pay 11.7 times their median gross annual salary to buy a newly built property, and almost 12 times their annual earnings for an existing property.



Housing Affordability in Croydon

Affordability (based on those living in Croydon)

- > On average, people living in Croydon could expect to pay almost eleven and a half times their annual earnings on purchasing a home within the borough in 2021, up from 10.2 times earnings five years ago in 2016.
- > This is the fourth lowest ratio in London making Croydon the fourth most affordable London borough to live in in 2021.
- > Since 2002 housing affordability has worsened overall. Over the last two decades, affordability has worsened the most in London, which is driven largely by increasing house prices.

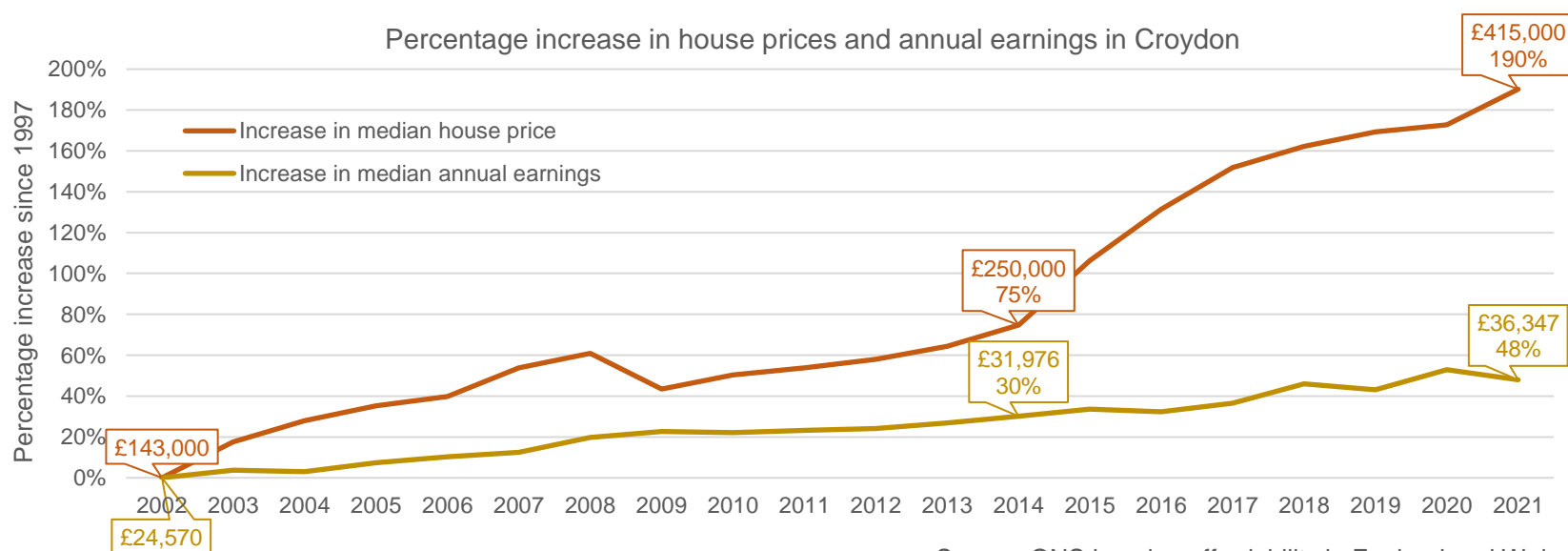


Source: ONS housing affordability in England and Wales.
Based on median annual earnings of those living in each area and median house prices in the same area

Housing Affordability in Croydon

Earnings and House Prices

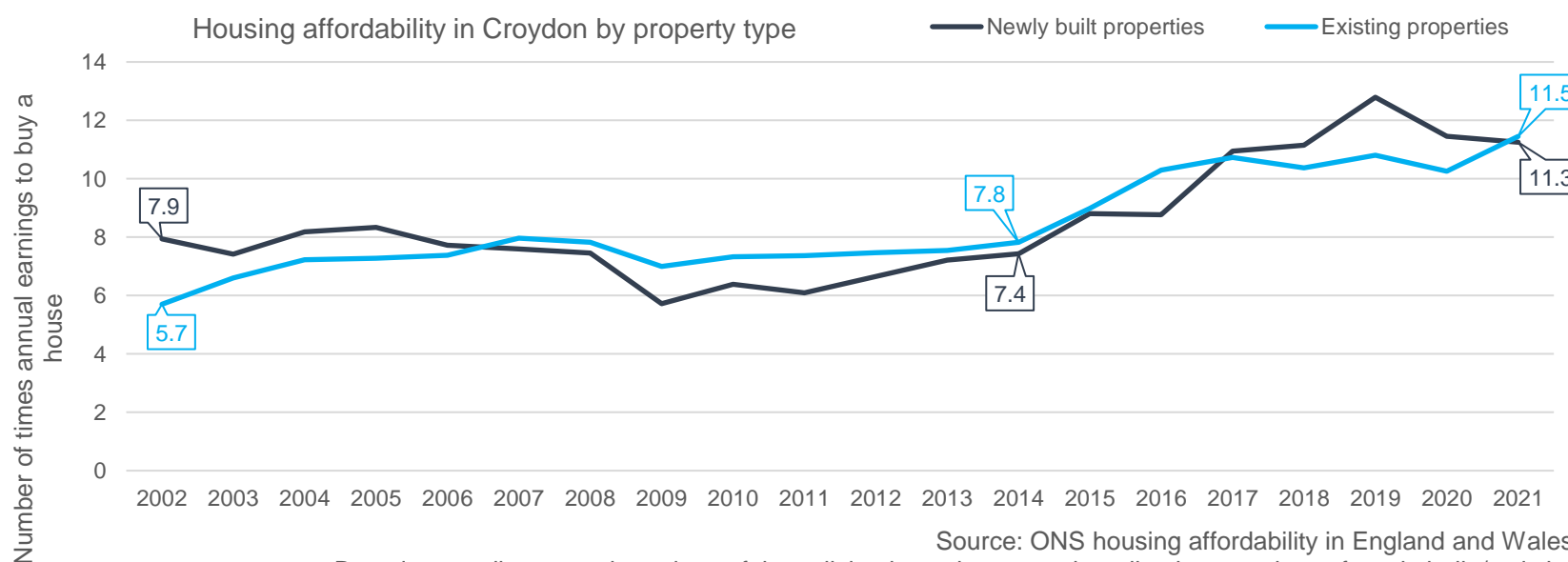
- > Housing affordability has worsened over time throughout England and Wales owing to house prices increasing at a faster rate than earnings.
- > The same is true within Croydon where the median price paid for a residential property in 2021 was £145,000, an increase of 190% since 2002.
- > In contrast, individual annual earnings in 2021 of people living in Croydon were £36,347, an increase of 48% since 2002.
- > In the last year, earnings of people living in Croydon decreased by -3% while house prices increased by 6% leading to a reduction in housing affordability compared to 2020.



Source: ONS housing affordability in England and Wales. Based on median annual earnings of those living in each area and median house prices in the same area

New and Existing Dwellings

- > In Croydon, unlike the rest of England, new housing is now more affordable than existing housing.
- > In 2021, those living in Croydon could expect to pay 11.3 times their median gross annual salary to buy a newly built property, and 11.5 times their annual earnings for an existing property.



Source: ONS housing affordability in England and Wales. Based on median annual earnings of those living in each area and median house prices of newly built / existing dwellings in the same area