

A wide-angle photograph of the Tower Bridge in London, showing its two massive stone towers and the blue-painted suspension cables. The bridge spans the River Thames. In the background, the London skyline is visible under a cloudy sky. A semi-transparent white banner is overlaid across the middle of the image, containing the title and author's name. A small horizontal bar with green and orange segments is located in the upper left corner of the banner.

Evaluation of House Prices in London, United Kingdom

By Marizeek Mabifa



Outline

- Introduction to the project and data
- Objectives of the project
- Dashboard and Visualisations
- Results from Model
- Conclusion
- Recommendations



Introduction

- London; one of the world's largest economies has 32 boroughs (& the City of London - 33)
- The study focuses on house prices in London, from 1995 to 2023
- There is currently a housing crisis in London, United Kingdom
- House prices in London has been on a steady increase over the past years
- There are 4 major house types in London
- The real estate market has a huge impact on the economy
- There are various factors that affect the price of a house

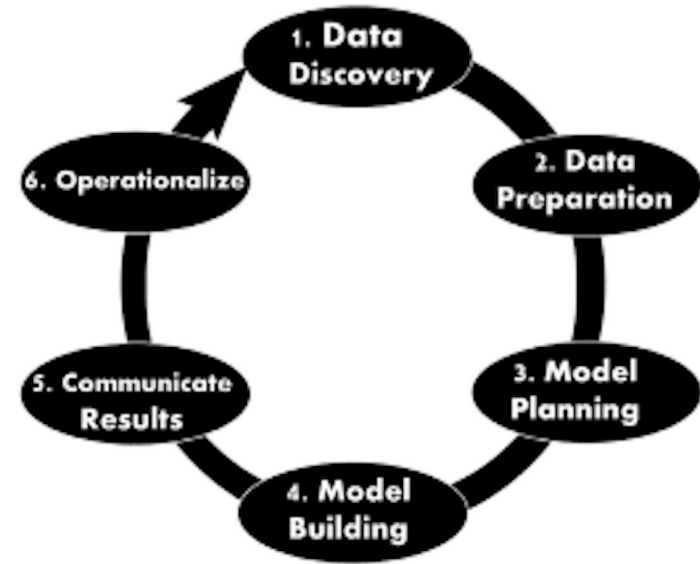


Objectives

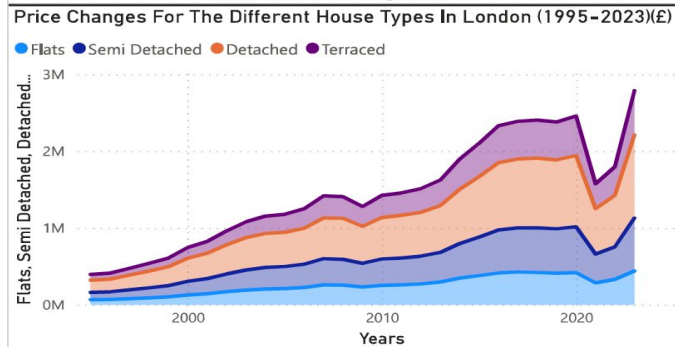
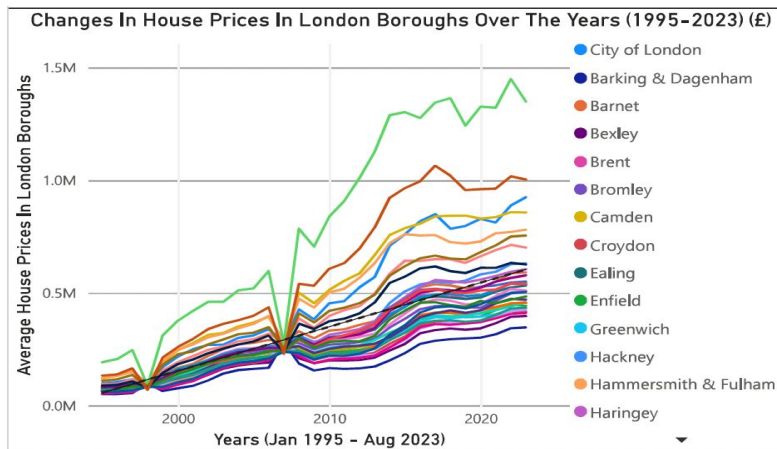
- To employ Time Series analysis to investigate the temporal evolution of house prices in London and identify trends
- Understand regional disparities and dynamics in house price trends
- To evaluate the influence of location on house prices in various boroughs
- To visualise the data and present the findings in a user-friendly and informative manner
- To forecast future changes in house prices in London, United Kingdom

Methodology

- Discovering & understanding the data
- Preparing the data for analysis
- Planning the model for analysis & forecasting
- Building and deploying the model
- Communicating findings
- Applying live

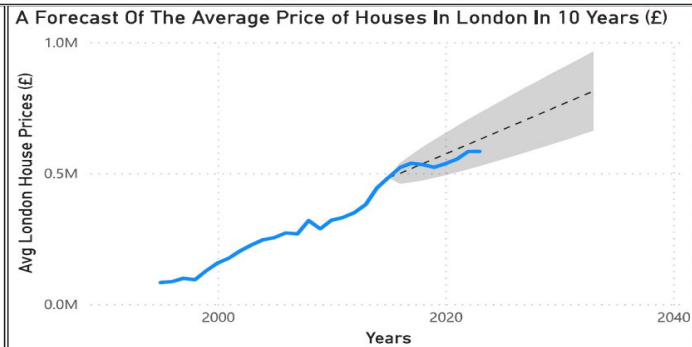


Dashboard

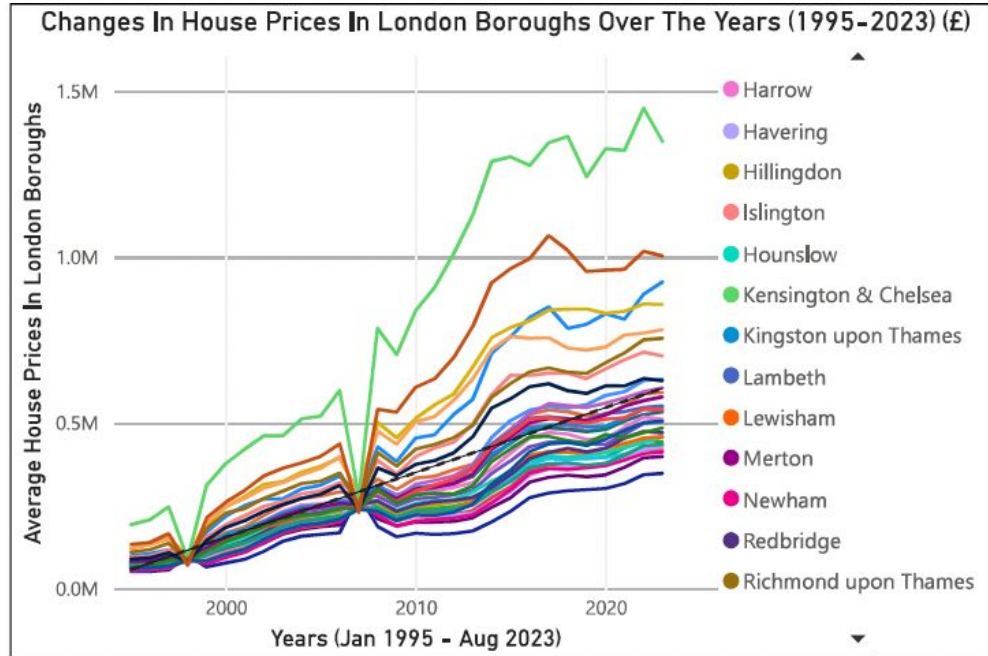


573.71K

Average House Price in
London Boroughs In The
Last 3 Years



Insights



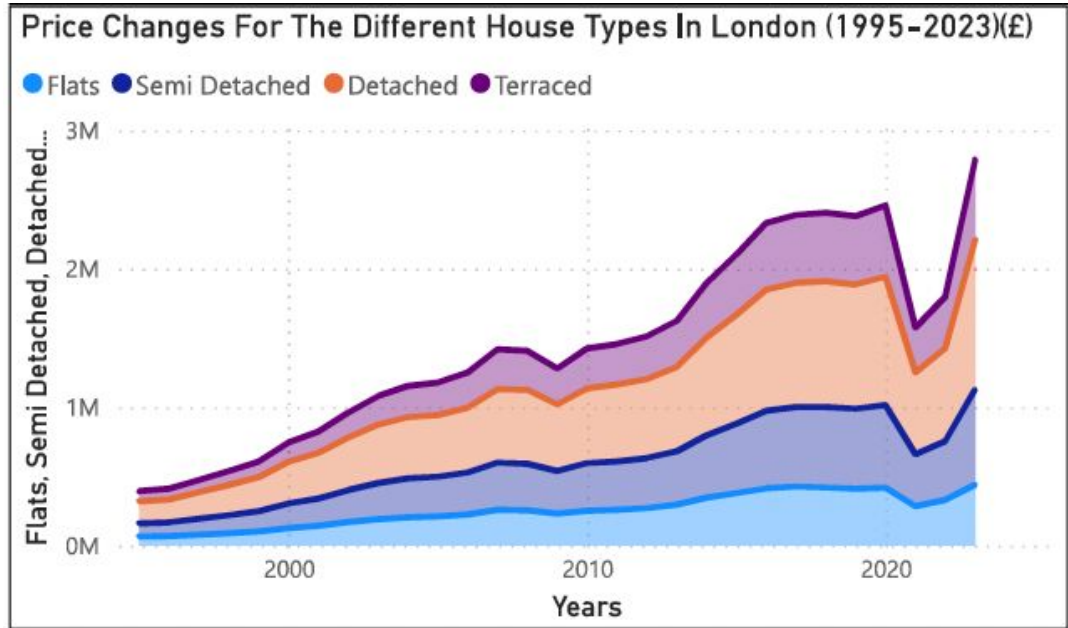
- House prices in all London boroughs have increased significantly over the last 3 decades.
- Kensington & Chelsea, Westminster, City of London and Camden have witnessed the highest increase rates
- Barking & Dagenham, Bexley, and Enfield witnessed the lowest increase rates

Insights



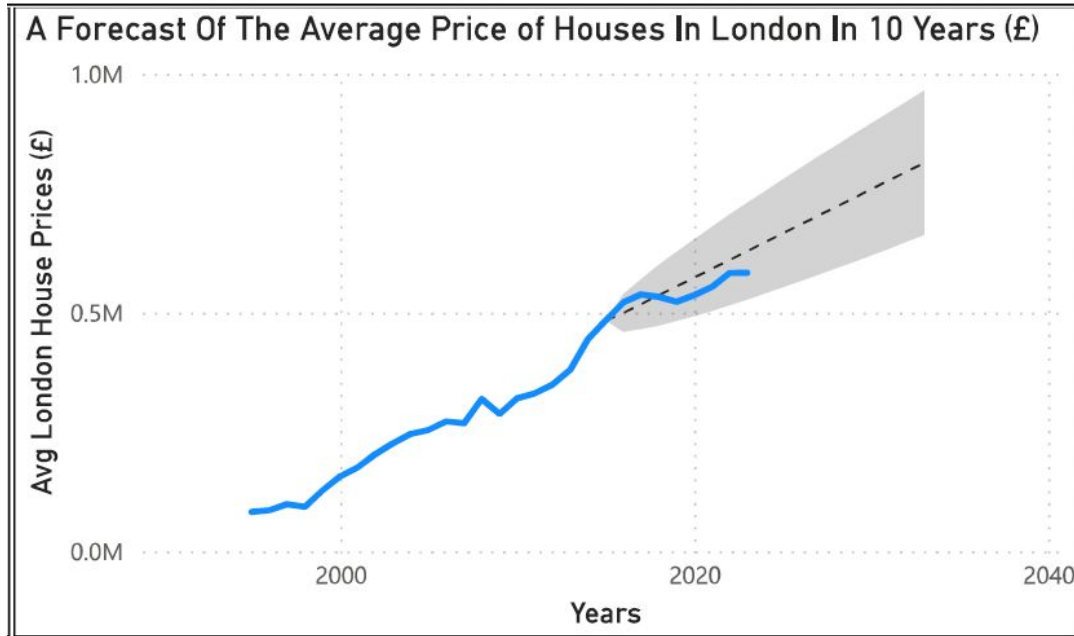
- It shows that the most expensive boroughs in London are Kensington & Chelsea, City of London, and Westminster, while the least most expensive boroughs are Bexley, Barking & Dagenham, and Newham.

Insights



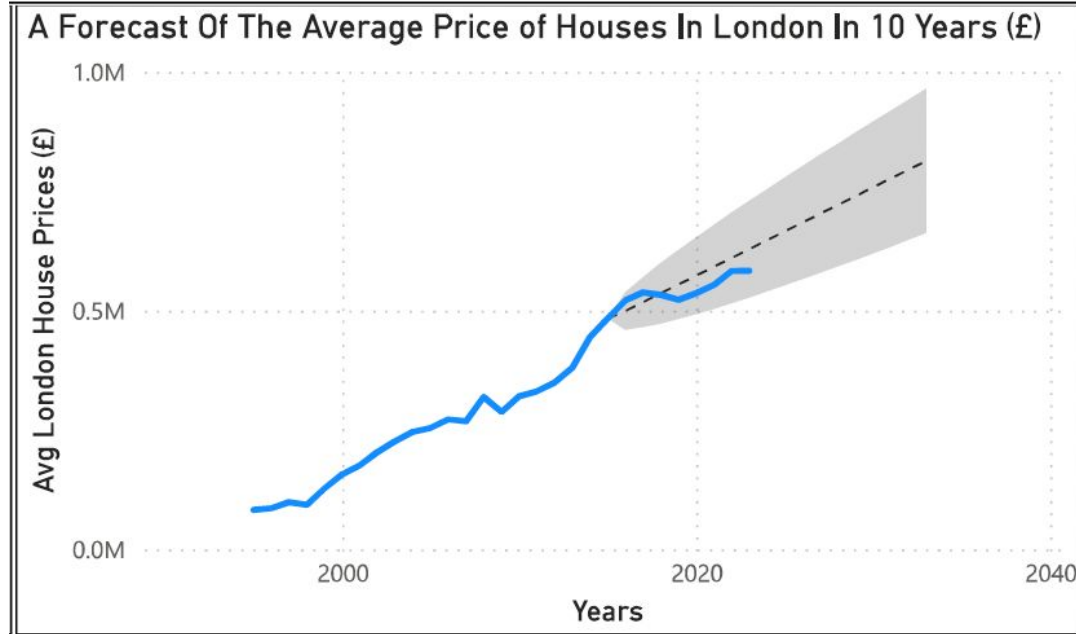
- Detached houses have consistently been the most expensive house type, followed by semi-detached houses, terraced houses, and then flats.
- It shows a sharp drop in the price of all house types in 2020, & a steady rise since 2021.
- After 2020, the difference between the average prices of the different house types has narrowed

Insights



- The forecast suggests a continuous rise over the next decade from 2023 to 2033
- The average price of a house in London is projected to reach £814,129 by 2033, depicting an increase of approximately 39% from the 2023 value of £583,866.

Model Results



- Time Series analysis was utilised for this project using the Exponential Smoothing model
- The accuracy of the model can be visually assessed; it shows that actual and predicted values were synchronous, and the actual values consistently fell within the upper and lower limits of the predictions.



Conclusion

- Despite all government interventions over the years, house prices in London have continued to increase exponentially is predicted to continue increasing.
- The most expensive borough in London is Kensington & Chelsea, while the cheapest borough is Barking & Dagenham.
- Houses in the inner boroughs of London are more expensive than the outer boroughs.
- The inner boroughs being more expensive means they are affluent and the quality of life in the outer boroughs is lower.
- Government bodies, Policymakers and NGOs need to act decisively and swiftly to implement newer measures to alleviate the housing crisis.



Recommendations

- Increase the supply of affordable housing
- Address the issue of overseas investment
- Monitor and regulate the housing market
- Protect homeowners from rising interest rates
- Promote transparency and accountability



THANK YOU!!!

Any questions?