# UK wealth gap widens as property market drives regional disparities



Wealth inequality in the UK has been increasingly driven by surging property values, particularly in London and the South East, according to recent analyses and official statistics. A report highlights that property wealth has played a pivotal role in wealth disparities within London, where rising house prices combined with unequal homeownership have amplified the divide. In contrast, the South East outside London shows a somewhat more balanced distribution of property wealth, where gains from escalating house prices are more widely spread across families.

The Resolution Foundation’s research reveals the scale of wealth concentration, with the richest 10% of households holding about half of all UK household assets—a proportion that has remained stable since the 1980s. Nonetheless, the gap between the wealthiest and median earners has worsened significantly. Between 2020 and 2022, the wealthiest 10% possessed assets worth £1.3 million more than the median household, an increase from £1 million in 2006-08. This growing divide equates to over five decades of average income, up from 38 years previously.

Regional disparities also reflect this pattern of wealth inequality. The South East stands out for its higher property ownership rates and values, with about 64% of residents owning property worth a median net of £111,000, compared to only 20% of individual wealth derived from property in the North East. This is compounded by the fact that the North East has a higher proportion of renters and lower property values overall, contributing to a more even distribution of wealth there.

The wealth gap between the South East and North East has nearly doubled over the last decade, a trend largely attributed to the housing market boom in the South East, including London. Household wealth in the South East has grown by 43% since 2006, reaching an average of £503,400, while the North East lags behind at £168,500. This divergence is underscored by data showing that mean property and financial wealth grew by 150% and 50%, respectively, in London and the South East during the decade leading up to 2018, contrasting starkly with only 3% growth in the North East.

The role of housing market dynamics in exacerbating inequality is further underscored by studies indicating that the top 50% of households have seen their wealth increase much faster than the bottom half since the early 2000s. Homeownership rates are predominantly higher in the upper wealth deciles, and rising house prices have been a major contributor to this trend. By 2015-16, the top 10% owned 45% of the wealth, while the bottom half collectively owned just 11%.

Calls for wealth taxation, frequently voiced by political parties such as Labour, face scrutiny due to the complexity of wealth ownership and its demographic distribution. Senior economists warn that such measures could disproportionately affect pensioners and homeowners in the South, rather than solely the ultra-wealthy, hinting at the challenges policymakers face in addressing wealth inequality without unintended consequences.

These evolving patterns highlight the multidimensional nature of wealth inequality in the UK, where regional, generational, and asset-type disparities intertwine. They also define a critical policy dilemma: how to balance growth and stability in the housing market with the need to reduce entrenched disparities that wealth concentration fosters.

### 📌 Reference Map:

* Paragraph 1 – [[1]](https://www.standard.co.uk/business/money/office-for-national-statistics-gdp-resolution-foundation-wealth-south-east-b1251771.html), [[3]](https://www.ons.gov.uk/peoplepopulationandcommunity/personalandhouseholdfinances/incomeandwealth/bulletins/distributionofindividualtotalwealthbycharacteristicingreatbritain/april2018tomarch2020)
* Paragraph 2 – [[2]](https://www.reuters.com/business/finance/uk-workers-face-growing-wealth-gap-challenge-think-tank-says-2025-10-07/), [[7]](https://www.theguardian.com/inequality/2017/jun/17/wealth-gap-rises-as-uk-home-ownership-falls-resolution-foundation)
* Paragraph 3 – [[3]](https://www.ons.gov.uk/peoplepopulationandcommunity/personalandhouseholdfinances/incomeandwealth/bulletins/distributionofindividualtotalwealthbycharacteristicingreatbritain/april2018tomarch2020), [[6]](https://www.nuffieldfoundation.org/news/geographical-inequality-in-incomes-has-been-falling-but-wealth-inequalities-are-rising)
* Paragraph 4 – [[4]](https://bylinetimes.com/2022/01/10/the-growing-regional-wealth-gap-and-why-it-matters/), [[6]](https://www.nuffieldfoundation.org/news/geographical-inequality-in-incomes-has-been-falling-but-wealth-inequalities-are-rising)
* Paragraph 5 – [[5]](https://theconversation.com/how-the-housing-boom-has-driven-rising-inequality-102581)
* Paragraph 6 – [[2]](https://www.reuters.com/business/finance/uk-workers-face-growing-wealth-gap-challenge-think-tank-says-2025-10-07/)
* Paragraph 7 – [[1]](https://www.standard.co.uk/business/money/office-for-national-statistics-gdp-resolution-foundation-wealth-south-east-b1251771.html), [[2]](https://www.reuters.com/business/finance/uk-workers-face-growing-wealth-gap-challenge-think-tank-says-2025-10-07/), [[4]](https://bylinetimes.com/2022/01/10/the-growing-regional-wealth-gap-and-why-it-matters/)

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## Bibliography

1. <https://www.standard.co.uk/business/money/office-for-national-statistics-gdp-resolution-foundation-wealth-south-east-b1251771.html> - Please view link - unable to able to access data
2. <https://www.reuters.com/business/finance/uk-workers-face-growing-wealth-gap-challenge-think-tank-says-2025-10-07/> - A report by the Resolution Foundation reveals that wealth inequality in the UK has significantly worsened, largely due to rising asset prices, particularly in property and private pension savings. The richest 10% of British households now hold around half of all household assets, a level that has remained relatively unchanged since the 1980s. However, the gap between the wealthiest and the average earners has widened: in 2020-22, the wealthiest 10% had £1.3 million more in assets than median households, up from £1 million in 2006-08. This gap now equates to 52 years of average income, compared to 38 years previously. Additionally, the wealth divide between individuals in their early 30s and early 60s has more than doubled to £310,000. The report, which analyzes official data, also highlights London’s sharp increase in inequality, driven by surging property prices. Senior economist Molly Broome warned that calls for wealth taxation, particularly by Labour Party members, could impact pensioners and southern homeowners more than the ultra-wealthy.
3. <https://www.ons.gov.uk/peoplepopulationandcommunity/personalandhouseholdfinances/incomeandwealth/bulletins/distributionofindividualtotalwealthbycharacteristicingreatbritain/april2018tomarch2020> - The Office for National Statistics (ONS) report indicates that in the South East of England, 33% of individual wealth is derived from property, compared to just 20% in the North East. This disparity is attributed to higher property ownership rates and property values in the South East, where 64% of residents own property with a median net property wealth of £111,000. In contrast, the North East has a higher proportion of renters, with lower property values, leading to a more even distribution of wealth in that region.
4. <https://bylinetimes.com/2022/01/10/the-growing-regional-wealth-gap-and-why-it-matters/> - An analysis highlights a significant increase in wealth inequality between the South East and North East of England. Between 2010 and 2012, the wealth gap was £80,000, but it has roughly doubled over the past decade. The South East's household wealth has increased by 43% since 2006, now standing at £503,400, compared to £168,500 in the North East. This disparity is largely driven by the housing market, with property prices in the South East, particularly London, inflating rapidly compared to other regions.
5. <https://theconversation.com/how-the-housing-boom-has-driven-rising-inequality-102581> - The housing boom has played a significant role in increasing wealth inequalities in the UK. Since the early 2000s, the wealth of households in the top 50% grew faster than the bottom half, with the upper deciles experiencing average annual growth close to 3%, while the bottom decile experienced negative growth. By 2015-16, those in the top 10% owned 45% of wealth, while the bottom half owned just 11%. Property ownership rates are higher in the middle and upper deciles, and house price growth has made a major contribution to rising wealth.
6. <https://www.nuffieldfoundation.org/news/geographical-inequality-in-incomes-has-been-falling-but-wealth-inequalities-are-rising> - A report by the Nuffield Foundation indicates that while geographical inequalities in earnings and household incomes have decreased since the early 2000s, wealth inequalities have been rising. Mean property and financial wealth in London and the South East grew by 150% and 50%, respectively, in the decade up to 2018, compared to just 3% in the North East of England. This suggests that housing market trends have contributed to increasing regional wealth disparities.
7. <https://www.theguardian.com/inequality/2017/jun/17/wealth-gap-rises-as-uk-home-ownership-falls-resolution-foundation> - A study by the Resolution Foundation found that just a tenth of adults own around half of the nation’s wealth, with the top 1% owning 14% of the total. It warned that even this figure may be an underestimate due to difficulties in calculating the assets of the super-rich. By contrast, 15% of adults in Britain have either no share of the nation’s record £11.1 trillion of wealth or have negative wealth. The study found that wealth is distributed far less evenly than earnings or household income.