



Under embargo until 00:01 Wednesday 20th September 2017

August 2017

House price growth continues as regions redress the balance

- All regions in England & Wales continue to record annual growth
- East of England still leads the way, with 5.5% annual price growth
- London has lowest rate of regional house price growth at 0.7%
- Transactions in August were up 6% compared to July

House Price	Index	Monthly Change %	Annual Change %	Annual % (excluding London & the SE)
£297,398	288.7	-0.2	2.1	3.4

House price growth fell marginally in August (0.2%), which left the average England and Wales house price at £297,398. This is still 2.1% higher than this time last year, when the average price was £5,982 lower.

In terms of transactions, there were an estimated 80,500 sales completed - an increase of 5% compared to July's total, and up 6% on a seasonally adjusted basis.

Oliver Blake, Managing Director of Your Move and Reeds Rains estate agents, said: "We're seeing a balanced market this year. Regions like the East of England are closing the gap on the traditionally stronger performers like the South East as first time buyers drive growth in search of more affordable housing.

"The rise in transactions in August and strong regional performance highlights a monthly slowdown of prices in the capital. However, on an annual basis, London's boroughs, particularly those in the south east, are continuing to show steady growth."

Annual increases peaked in February 2016 at 9.1%, with both London and the South East boosting the national house price inflation figure by over 2%. With the rate of growth in the regions falling steadily over the year, by February 2017, the national figures were stronger without the two regions included. Today, at 0.7%, London has the lowest house price increases of any region, while other areas such as the East of England (up 5.5%) have continued to rise strongly.

House prices in London fell by an average of 1.4% in July, leaving the average price in the capital at £591,459. Over the year, though, prices are still up by £4,134 or 0.7% compared to July 2016. In July, 21 of the 33 London boroughs saw price falls, however 20 boroughs have increased over the year.

Much of the fall in London's price in the last month is down to three of the most expensive boroughs: Kensington and Chelsea, the most expensive, where they fell 3.4% to £1,823,659; City of Westminster, second, with prices down 6.8% on the month (and 9.8% on the year, the biggest annual fall) to £1,347,536; and Wandsworth, relatively less expensive, but still in the top ten, with prices at £731,782 after a 3.8% fall.

Just two of the cheapest third of boroughs have seen prices fall in the last year: Greenwich, down 3.9% and Enfield, down 0.9%. By contrast Croydon (up 5.4% annually) and Lewisham (up 6.7%) both saw new peak average prices in the month.

Looking at transactions, sales in the three months May-July 2017 are up 7% on the same period last year.

All regions continued to record annual growth in July, but the East of England is particularly strong. With prices up 5.5% annually, and a 0.3% increase over the month, the region set a new peak average price of £325,616.

Prices in the East of England are still some way off the levels in London, but they're closing the gap with the South East, where the average price is £369,095, and growth in the last year has been less than half the rate in the East, at 2.5%. Since price growth began to slow in February, the gap between average prices in the two regions has fallen by a fifth from £54,786 to £43,479.

Elsewhere, the divide between high and low priced areas continues to be reinforced, however. With the exception of London and the South East, higher priced areas – the East, South West (up 3.9% annually), East Midlands (up 3.5%) and North West (up 3.9%) – are all seeing stronger annual growth than the cheaper regions of the North East (up 1.2%), Yorks & Humber (up 1.0%) and Wales (up 1.8%).

House price index: historical data



Overall, 86 unitary authority areas in England and Wales – 80% of the 108 total – have recorded price rises over the year. Those in the best performing region, the East of England, have been consistently strong. Southend-on-Sea (up 11%), Luton (up 9.2%), Bedfordshire (up 9.1%), Peterborough (up 8.6%) and others are growing fast and no authority in the region has seen prices fall for eight months.

Elsewhere, Poole (up 12.9%), Blaenau Gwent (up 12.8%), Pembrokeshire (up 10.3%) and - topping the table (albeit on low transaction volumes) - Rutland, up 16.3%, have also all seen double-digit house price growth in the last year. The biggest fall on an annual basis is in Carmarthenshire, with prices down 7.2% over the year.

When it comes to transactions, Wales is leading the way: eight of the ten top spots in terms of the areas with the highest increase in property sales between the periods of May-July 2016 and May-July 2017 are all located in the country.

NB: The LSL/Acadata house price index incorporates all transactions, including those made with cash.

For a more detailed market analysis by Acadata, see page 3.

Table 1. Average House Prices in England & Wales for the period August 2016 – August 2017

[link to source Excel](#)

		House Price	Index	Monthly Change %	Annual Change %
August	2016	£291,416	289.3	0.3	6.1
September	2016	£293,368	289.7	0.7	6.0
October	2016	£296,142	290.7	0.9	5.8
November	2016	£297,875	290.5	0.6	6.2
December	2016	£300,116	291.4	0.8	6.2
January	2017	£302,505	293.7	0.8	6.2
February	2017	£304,385	295.5	0.6	4.6
March	2017	£305,358	296.5	0.3	4.8
April	2017	£303,929	295.1	-0.5	4.3
May	2017	£301,790	293.0	-0.7	4.3
June	2017	£299,274	290.6	-0.8	3.2
July	2017	£298,063	289.4	-0.4	2.6
August	2017	£297,398	288.7	-0.2	2.1

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Peter Williams, Chairman of Acadata and John Tindale, Acadata housing analyst comment:

House Prices August 2017

The annual rate of house price growth continues to slow. In August the rate fell to 2.1%, the lowest it has been since April 2012, over 5 years ago. On a monthly basis, house prices have reduced by 0.2%, the fifth month in succession in which the average price has fallen. The average price of a house in England and Wales now stands at £297,398, the same level as seen in November 2016.

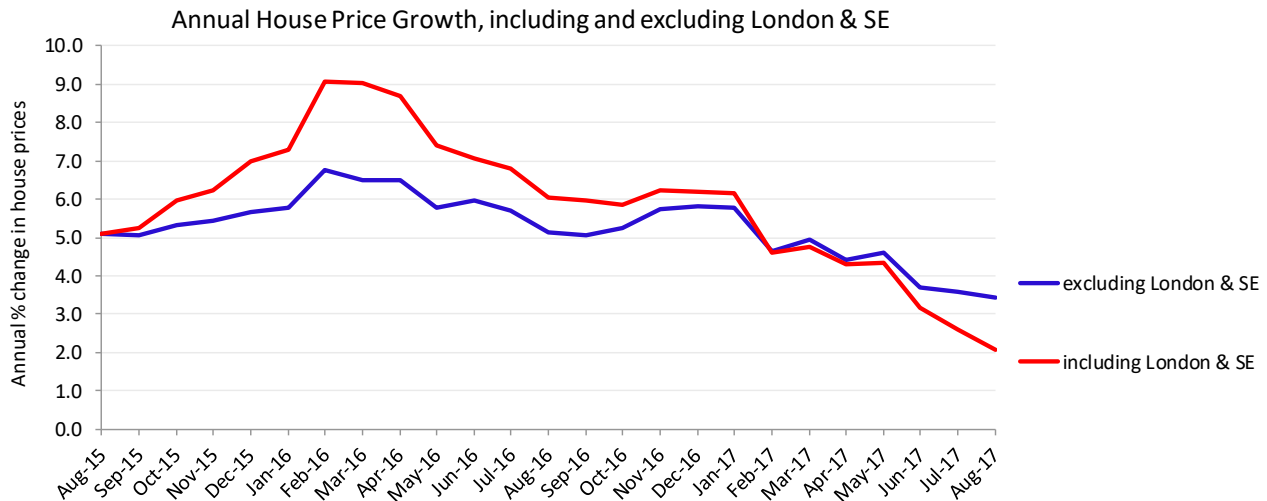


Figure 1. The annual percentage change in average house prices in England & Wales, August 2015 – August 2017

[link to source Excel](#)

Source LSL Acadata HPI. The figures are mix and seasonally adjusted

Figure 1 shows the annual rate of house price growth over the last two years, both including and excluding London and the South East. As can be seen, the graph starts in August 2015 with both house price series at 5.1%, irrespective of their geographies. However, during the remainder of 2015 and all of 2016, the rates including London and the South East grew at a faster pace than the rest of the country and continued to do so up until February 2017. After February 2017 the position reverses, with national rates being lower when London and the South East are included in the calculations. In August 2017, the ‘gap’ between the two series is at its maximum for the calendar year at 1.3%, highlighting the divergent experience between London and the South East and the rest of England & Wales.

It is also evident from Figure 1 that over the last two years annual house price growth, including London and the South East, reached its peak of 9.1% in February 2016, but has been in almost continuous decline over the last year and a half to the current low levels seen in August 2017.

The Housing Market

Though we note below a modest rise in transactions, August might traditionally be seen as a month that characterises the summer lull, with households pre-occupied with other issues such as holidays. However, with a generally lacklustre housing market in existence - and with diminished expectations of how it might perform over the next 12 months or so - it is important to think more broadly and to consider whether we can identify any positive market improvements.

The most obvious of these would be the easing of housing affordability as a consequence of the combination of slowing house price growth, continued low interest rates and intensifying competition in the mortgage market. The latest edition of the *UK Housing Review Briefing Paper* (issued in mid-September) highlights some significant improvements in the situation. In an assessment based on dual-earner incomes (unlike many affordability measures which focus unrealistically on single incomes), the data show that for first time buyers (FTBs) house price-to-income ratios have now returned to 2003/04 levels for most of the UK, with London levels being closer to those in 2007. Though being able to afford a specified mortgage is different from being able to access one, as a consequence of the mortgage rules that now apply, it is a first important step in the process.



Moreover, such buyers are also benefitting from the continued existence of Help to Buy equity loans which have now aided some 120,000 purchases (over 80% of which are for FTBs) since introduced in 2013. Indeed, as UK Finance recently commented ‘the only part of the market that has been consistently growing has been first time buyers’, with the home mover market struggling to achieve momentum. The same is true of the Buy-to-Let market, previously a cornerstone of market growth, with purchase activity falling away since the tax changes of 2016. In addition, and more recently, the surging remortgage market in this sector has similarly reduced in volume.

A recent Resolution Foundation report highlighted the rise in both multiple property ownership and non-property ownership over the period 2000/02 to 2012/14, with the former rising by 30% or 1.6 million adults – one in ten of all adults – while by contrast some four in ten adults had no property ownership at all, a decline of 8% over the same period. This sense of an ever-more polarised housing market is clearly a matter of concern.

Looking ahead however, two key props to the currently growing FTB market have been Help to Buy - due to end in 2021 - and the Term Funding Scheme (TFS) which has allowed lenders to borrow very cheap money from the Bank of England. No further TFS funding will be allowed to be drawn down from 28th February 2018, and thus that scheme will begin to wind down and with it the cheap funds that have supported the market. These important changes are beginning to loom over the market and impact on planning horizons, adding to the pervasive uncertainty that exists.

Housing Transactions

We estimate the number of housing transactions in August 2017 in England & Wales at 80,500, based on Land Registry numbers and their methodology for accounting for domestic property sales. This is up by 5% on July’s total, and goes against the typical seasonal decrease of 1% that we would expect in August (based on averages from the last 20 years). On a seasonally adjusted basis, we would therefore be reporting a 6% increase in transactions in the month. Sales volumes in August 2017 are 2.5% down on August 2016.

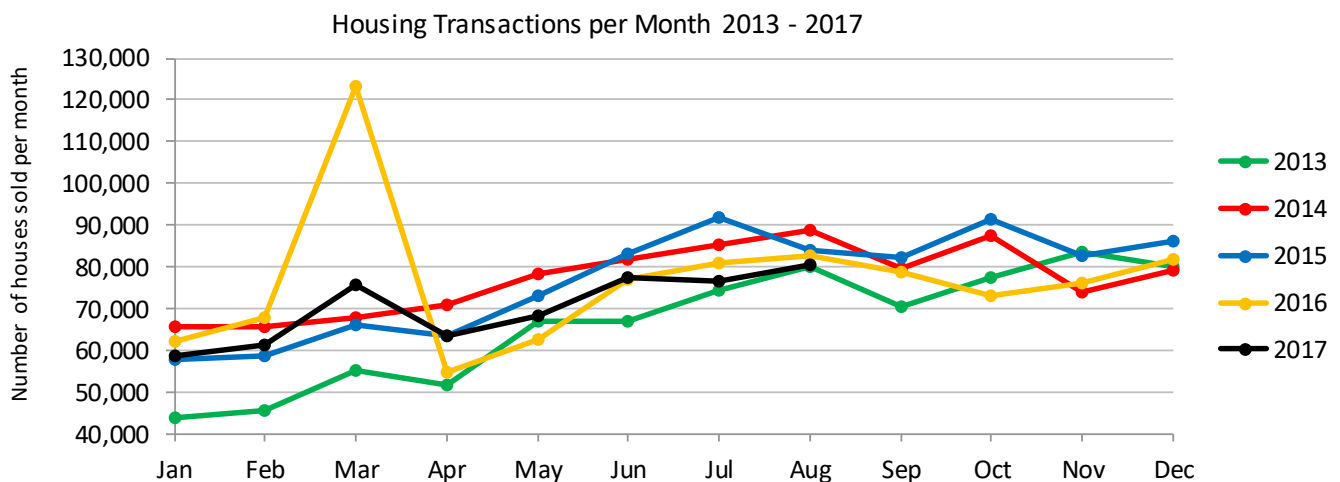


Figure 2. Number of properties sold per month in England & Wales, January 2013 – August 2017

Source Land Registry & Acadata estimates. The totals shown have not been seasonally adjusted

[link to source Excel](#)

Table 2 below shows the level of transactions recorded at the Land Registry at the end of August in 2015, 2016 and 2017, for the three months May - July of each year. In interpreting these data, we remind readers that May 2016 was an ‘abnormally’ low month for activity, in which there was a lack of sales following the surge in transactions in March 2016 brought about by purchasers rushing to complete transactions ahead of the 3% surcharge on stamp duty for second homes and Buy-to-Let properties that came into effect from 1st April 2016. (see Figure 2 above). This consequently means that transactions for May - July 2017 are higher than might be expected when compared with the same three months in 2016.



Table 2. Transaction counts at the end of August of each year for the three months, May - July in 2015, 2016 and 2017 [link to source Excel](#)

TRANSACTIONS ANALYSIS BY REGION

REGION	May - Jul			May - Jul	
	2015	2016	2017	2015/17	2016/17
NORTH EAST	9,195	7,358	8,297	-10%	13%
NORTH WEST	25,686	22,001	24,659	-4%	12%
YORKS & HUMBERSIDE	19,993	16,994	18,792	-6%	11%
EAST MIDLANDS	19,348	16,647	17,461	-10%	5%
WEST MIDLANDS	19,928	16,741	18,321	-8%	9%
EAST OF ENGLAND	26,658	21,938	22,166	-17%	1%
GREATER LONDON	27,485	17,847	19,080	-31%	7%
SOUTH EAST	39,862	30,955	32,573	-18%	5%
SOUTH WEST	25,829	20,247	22,391	-13%	11%
WALES	10,544	8,926	10,569	0%	18%
ENGLAND & WALES	224,528	179,654	194,309	-13%	8%

Table 2 shows that the overall volume of sales for May - July 2017 was 8% higher than the same three months in 2016, but 13% lower than the same period in 2015. As noted above, the main reason for the 8% rise in transactions between 2016 and 2017 is a consequence of the lower than normal level of sales in May 2016, following the introduction of the 3% surcharge on stamp duty in April 2016.

The difference in the level of transactions between May and July 2015, as well as the same three months in 2017, relates in part to stamp duty. Overall, there has been a 13% fall in transactions in May - July between these two years, but on closer examination it is also clear that there is a distinct north/south divide between the regions, in terms of the size of the reduction in sales volumes. The southern regions are showing a decline of 13% or more in transaction numbers, particularly in Greater London (-31%), while in the northern regions we can see that transactions have fallen by 10% or less, with Wales not seeing any change in its sales volumes over the two years.

As we have explained in previous releases, the fall in transaction levels between the two years is partly a consequence of the changes in stamp duty that came into force on 3rd December 2014 when the then Chancellor, George Osborne MP, announced that with immediate effect the old slab system of calculating stamp duty would be abolished (and be replaced by the introduction of a new five tier system of charges, starting at 2% on properties costing more than £125,000, up to 12% on properties over £1.5 million, which exists today). This had the effect of lowering the overall purchase price of a home, when including stamp duty, on properties priced less than £937k, but increasing the overall price on properties above this level, and in particular on properties priced in excess of £1.5 million. As the majority of homes valued at £1.5 million and above are to be found in Greater London and the South East, this increased the cost of buying homes in the south of the country, resulting in fewer transactions being undertaken in these areas.

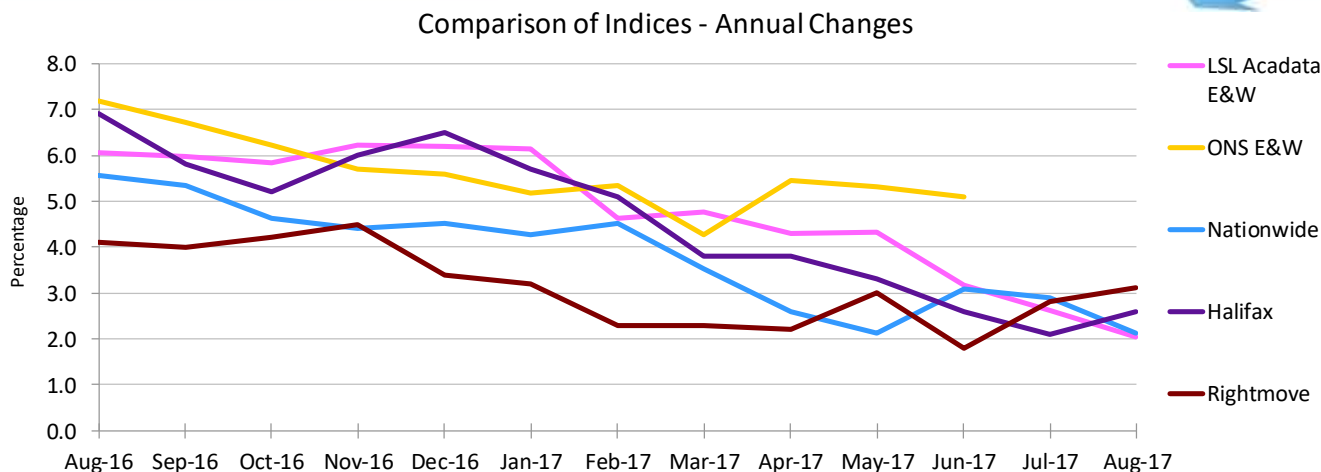


Figure 3. Annual change in house prices

[link to source Excel](#)

As Figure 3 shows, all house price indices - including both the mix-adjusted and 'conceptual' price indices - are recording positive movements over the year, albeit at different levels, in terms of the **annual** change in house prices. In general terms, all indices are showing a fall in the annual rate of house price inflation over the last 12 months.

Over the period April 2017 - June 2017 (the latest available figures published by the ONS) the ONS has been reporting the highest level of house price growth at an average 5.3% for the three months, which contrasts with the average 3.0% of the other four index providers for this same time period.

The ONS also shows the smallest reduction in the rate of house price inflation over the period August 2016 to June 2017, at -2.1%. It is instructive to compare the ONS figure with that of the LSL Acadata index, which shows a decline in the growth rate of -2.9% over this same period. The two indices employ the same base data, but the ONS index uses a geometric average as opposed to LSL Acadata's arithmetic average, the former tending to give more weight to lower priced homes, which have not been subject to the same slowing in price growth as higher value properties, which has been a significant feature of the current market.

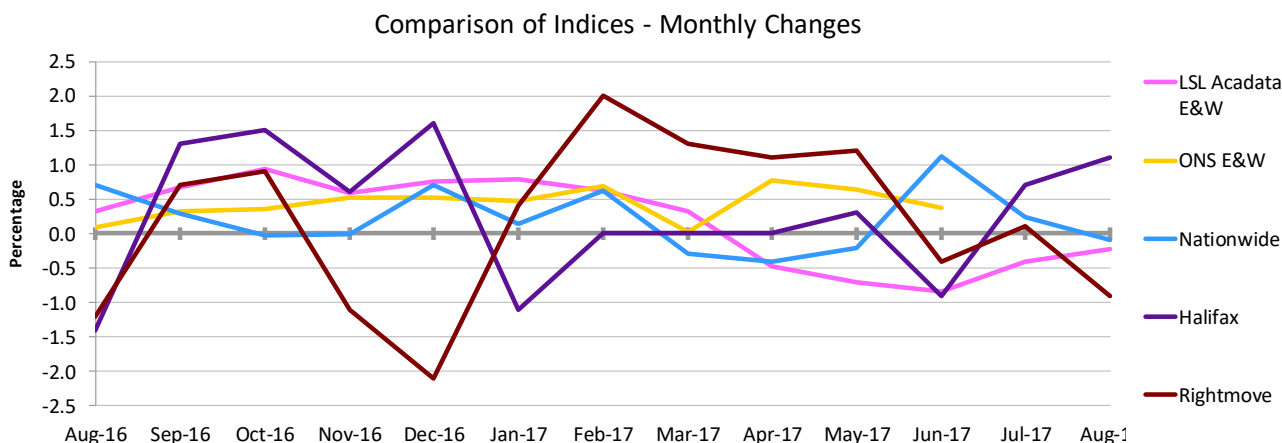


Figure 4. Monthly change in house prices

[link to source Excel](#)

Figure 4 above covers the **monthly** change in house prices as recorded by the different indices. As can be seen, the monthly rates in Figure 4 show more volatility in their respective movements from month-to-month, compared to the annual rates of Figure 3. Of the four Indices that have reported rates for August, three are showing a negative movement in house prices in the month, ranging from -0.1% (Nationwide) to -0.9% (Rightmove), while Halifax is reporting a positive movement of +1.1%.

From August 2016 to June 2017 the ONS is the only index not to have recorded a negative movement in prices in a month, contrasting with the -2.1% reported by Rightmove for December 2016, or the revised -1.4% reported by Halifax for August 2016. Again we suggest that this is a consequence of the ONS index using a geometric average, which gives more weight to lower priced housing than the methodologies used by the other four index providers.

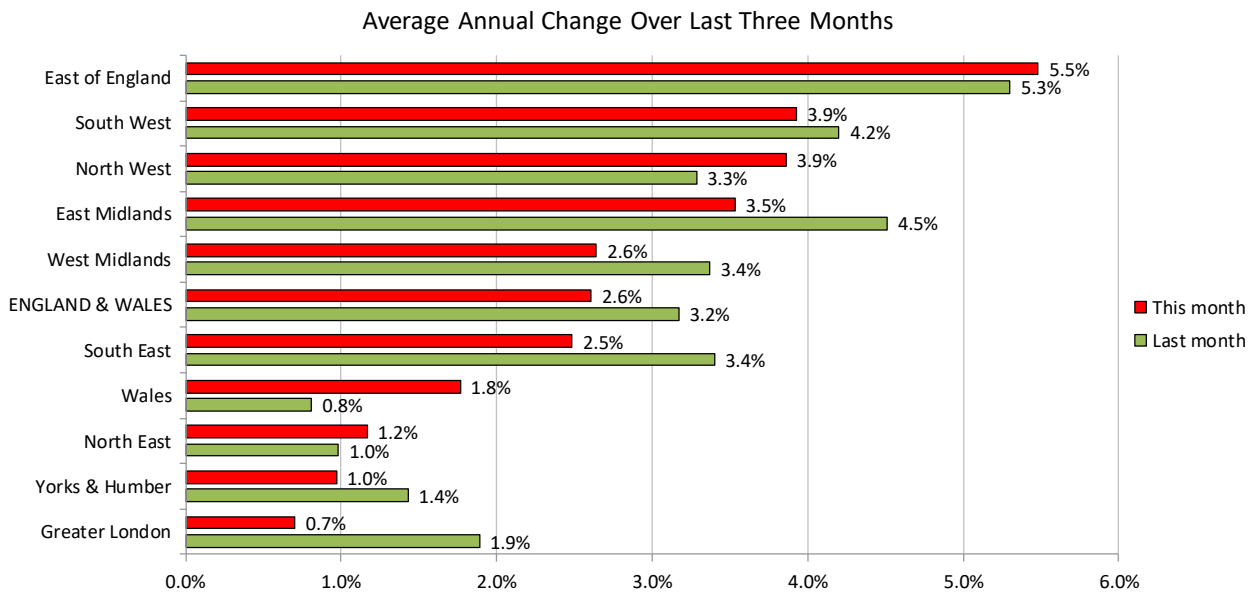


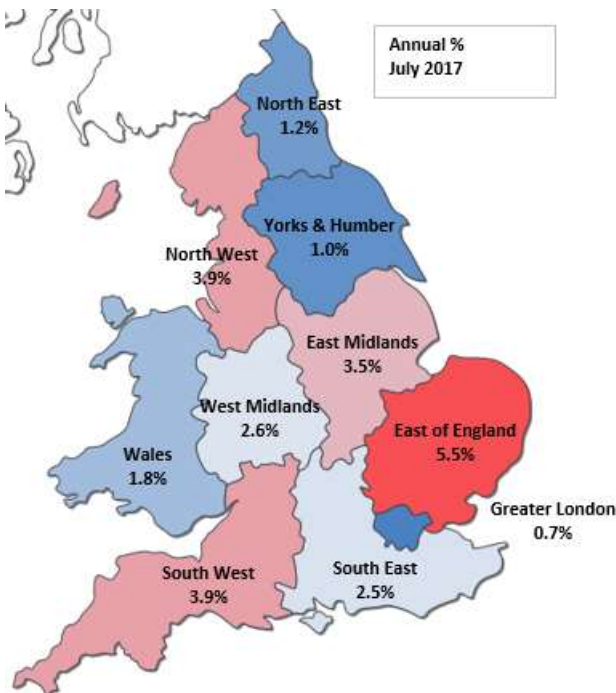
Figure 5. The annual change in the average house price for the three months centered on July 2017, analysed by GOR [link to source Excel](#)

In July 2017, all regions are still showing a positive movement in their rates of **annual** house price change, although only just so in the case of Greater London, where house price growth has fallen to 0.7%, its lowest annual rate for the past five years. Meanwhile the East of England continues to record the highest rate of annual house price growth of all the regions, with six of its ten constituent areas setting record-breaking average prices in the month.

In July, four regions have seen their annual rate of house price growth increase, being the North East, the North West, the East of England and Wales, while six regions have seen their rates fall. The largest increase of +1.0% in the month occurred in Wales, and the largest decrease in the rate of growth of -1.2% occurred in Greater London.

The big question for those interested in the dynamics of the UK/England & Wales housing market is:- “Will Greater London be the first region for four years to see actual annual house price deflation and will the other regions then follow suit?”

There would appear to be two main trends co-existing in the England & Wales housing markets over recent months. The first is a tendency for house price growth to be linked to the average value of a home in each of the regions. In general, the higher the average value of a home the higher the rate of house price growth.



We can observe this for most of the country, with the exception of London & the South East. For example, the three areas of the North East, Wales and Yorks & Humber are ranked 10th, 9th and 8th respectively in terms of their average house prices, and these areas have the lowest rates of annual price growth. The next four regions in terms of average prices are the North West, the East and West Midlands, and the South West – and these with the exception of the West Midlands are coloured pink on the heat map. The next region in terms of ranking by average house price is the East of England and here we see the highest rate of price growth.

This leaves London and the South East as the anomalies. As we discussed on page 3, these two areas are subject to higher rates of stamp duty and affordability issues, which is constraining the number of purchases undertaken by those wishing to move up the housing ladder, with a resultant drop in demand for higher priced properties.

Figure 6. Heat Map of the annual change in the average house price of English regions and Wales, July 2017

London boroughs, counties and unitary authorities



Table 3. The change in house prices, for the 33 London boroughs, comparing July 2016 and June 2017 with July 2017 [link to source Excel](#)

PRIOR YR RANK	RANK BY PRICE	LONDON BOROUGH	Jul-16	Jun-17	Jul-17	Month % Change	Annual % Change
1	1	KENSINGTON AND CHELSEA	1,640,674	1,887,489	1,823,659	-3.4%	11.2%
2	2	CITY OF WESTMINSTER	1,494,771	1,445,247	1,347,536	-6.8%	-9.8%
3	3	CAMDEN	908,266	1,014,219	1,012,008	-0.2%	11.4%
4	4	CITY OF LONDON	906,341	836,506	894,837	7.0%	-1.3%
5	5	HAMMERSMITH AND FULHAM	890,677	860,829	840,849	-2.3%	-5.6%
6	6	RICHMOND UPON THAMES	784,029	809,376	805,590	-0.5%	2.7%
8	7	ISLINGTON	754,661	734,971	737,255	0.3%	-2.3%
7	8	WANDSWORTH	770,958	760,831	731,782	-3.8%	-5.1%
14	9	HARINGEY	568,866	628,718	629,045	0.1%	10.6%
13	10	BARNET	585,518	629,401	622,873	-1.0%	6.4%
10	11	MERTON	600,073	600,944	601,953	0.2%	0.3%
12	12	LAMBETH	594,106	596,786	586,447	-1.7%	-1.3%
9	13	SOUTHWARK	603,422	589,094	568,577	-3.5%	-5.8%
15	14	EALING	556,080	554,052	560,507	1.2%	0.8%
18	15	BRENT	531,945	572,356	560,118	-2.1%	5.3%
16	16	KINGSTON UPON THAMES	542,326	556,779	555,215	-0.3%	2.4%
11	17	HACKNEY	594,824	547,338	544,575	-0.5%	-8.4%
17	18	TOWER HAMLETS	534,467	537,796	532,435	-1.0%	-0.4%
21	19	BROMLEY	494,460	505,023	505,163	0.0%	2.2%
19	20	HARROW	515,847	512,612	503,156	-1.8%	-2.5%
20	21	HOUNSLOW	508,570	481,729	496,162	3.0%	-2.4%
23	22	LEWISHAM	447,093	476,302	477,082	0.2%	6.7%
24	23	HILLINGDON	446,128	458,016	458,579	0.1%	2.8%
26	24	REDBRIDGE	437,926	454,263	452,744	-0.3%	3.4%
22	25	ENFIELD	453,376	452,335	449,193	-0.7%	-0.9%
25	26	WALTHAM FOREST	441,423	450,170	449,005	-0.3%	1.7%
27	27	GREENWICH	436,905	424,683	419,661	-1.2%	-3.9%
28	28	SUTTON	399,110	403,308	404,485	0.3%	1.3%
29	29	CROYDON	382,073	401,600	402,528	0.2%	5.4%
30	30	HAVERING	373,205	381,527	386,931	1.4%	3.7%
31	31	NEWHAM	355,459	390,733	372,618	-4.6%	4.8%
32	32	BEXLEY	343,741	351,793	351,091	-0.2%	2.1%
33	33	BARKING AND DAGENHAM	289,671	297,426	294,333	-1.0%	1.6%
		ALL LONDON	587,325	599,708	591,459	-1.4%	0.7%

The analysis of Greater London house prices in Table 3 relates to July 2017, and compares these prices to one month and one year earlier. In July 2017, the price paid for a property in London fell in the month by £8,250, or 1.4%, leaving the average price of a property at £591,459. This was the fourth month in succession in which average prices have dropped.

Over the year from July 2016 to July 2017, the average price in Greater London rose by £4,134, or 0.7%, down from the 1.9% rise seen in the previous month. This annual rate of 0.7% is the lowest seen in the capital since February 2012.

Looking at the monthly change in prices, 21 London boroughs saw prices fall, compared with 17 boroughs seeing falls in June. If we divide the 33 London boroughs into 3 groups, ranked by average house price, then each group had 7 boroughs with price falls, suggesting that the falls were evenly distributed across the capital. However, three boroughs in the top 8 by price, the City of Westminster (-6.8%), Wandsworth (-3.8%) and Kensington and Chelsea (-3.4%) between them accounted for 70% of the fall in London's average price in July, on a weight-adjusted basis.

On an annual basis, there are 13 boroughs where prices have fallen, more or less evenly divided between the top and middle eleven boroughs by value, but with only two boroughs, Greenwich and Enfield, recording price falls in the lowest tier of the price league. The borough with the highest increase in prices over the year is Camden, where prices have increased by 11.4%, despite the -0.2% drop in the month, followed by Kensington and Chelsea, where prices have increased by 11.2%, or £182,985. The price rises in these two boroughs, which are both popular with overseas buyers, suggest that the fall in the value of sterling compared to the dollar is overcoming the reluctance of foreign buyers to pay the higher rates of stamp duty that are associated with properties valued over £1.5 million plus the 3% surcharge on second homes.



In terms of Greater London transactions, looking at the number of sales in the three months May - July 2017 and comparing with the same three months in 2016, we find that volumes have increased by 7%. However, as discussed earlier, the increase in transactions is partly due to the 'dearth' of sales in May 2016, following the introduction of the 3% surcharge on second homes and Buy-to-Let properties in April 2016. The five boroughs that have seen the largest increase in sales volumes over this period are Kensington and Chelsea (+48%), the City of Westminster (+45%), Newham (+42%), Camden (+30%) and Wandsworth (+22%) - these boroughs, with the exception of Newham, all appear in the top 8 boroughs when ranked by price.

The five boroughs that have seen the largest reduction in sales volumes when comparing May - July 2017 with the same three months in 2016 are Lewisham (-9%), Tower Hamlets (-7%), Redbridge (-7%), Barking and Dagenham (-6%) and Southwark (-4%). These boroughs, with the exception of Southwark, are all ranked in the lower half of London boroughs by price, suggesting that they were not as influenced by the reduction in sales in May 2016, relating to the 3% surcharge on second homes and Buy-to-Let properties, and hence have not seen the 'artificial recovery' in sales volumes experienced by the higher priced areas of central London.

There are two boroughs this month which have set new peak average prices, being Lewisham and Croydon. Both boroughs are located to the south of London and are ranked 4th and 6th in terms of their annual house price growth. In Croydon, 278 new-build flats have been recorded as being sold to date in 2017, with a 21% premium in new-build prices compared to existing properties. Similarly, 69 new-build flats have been recorded as sold in Lewisham in 2017, with a 36% premium over existing flat prices.

London house price heat map

The heat map below shows the annual % change in house prices across London in July 2017. The boroughs shaded red and light red show the highest price increases over the year, while the boroughs shaded in blue illustrate the areas where prices have fallen. As can be seen, the boroughs with rising prices are mainly located to the north of the capital, although this month the red areas of Camden at 11.4%, Kensington & Chelsea at 11.2% and Haringey at 10.6% are distinctly notable. The areas which have seen falling prices are mostly located along the banks of the Thames, with the exceptions of Richmond upon Thames to the West and Newham, Barking and Dagenham, Havering and Bexley to the East.

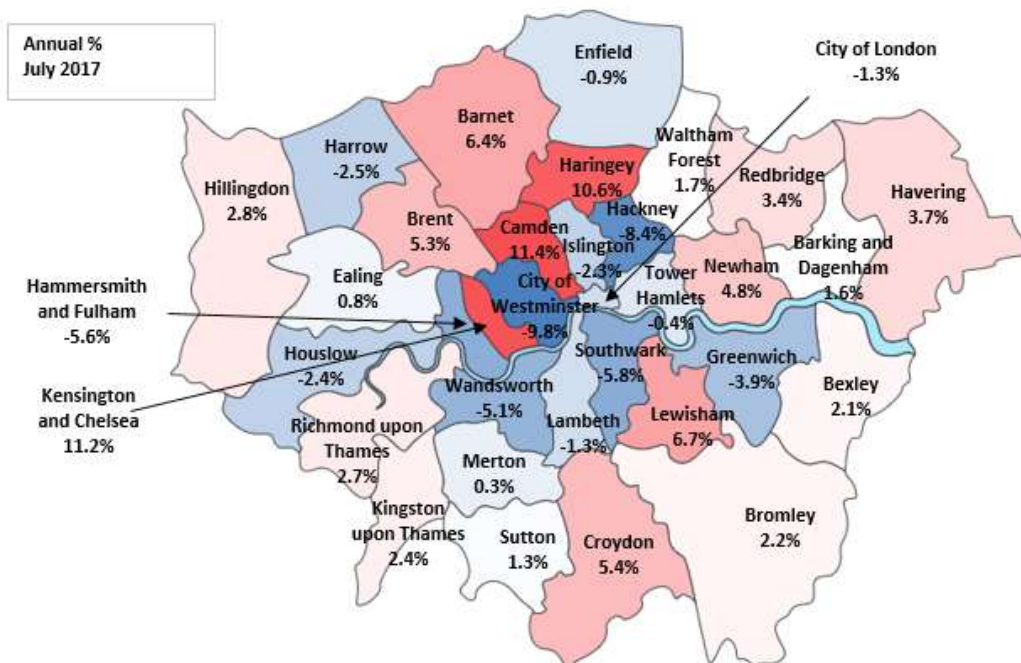


Figure 7. Heat Map of the annual change in the average house price for Greater London, analysed by borough, July 2017

London boroughs, counties and unitary authorities



Table 4. The annual percentage change in mix adjusted house prices, for the 108 Counties and Unitary Authorities in England & Wales, comparing July 2016 and June 2017 with July 2017 [link to source Excel](#)

PRIOR YR RANK	RANK BY PRICE	COUNTY / UNITARY AUTHORITY / REGION	Jul-16	Jun-17	Jul-17	Monthly change	Annual Change
100	101	COUNTY DURHAM	£127,697	£131,273	£130,950	-0.2%	2.5%
90	89	DARLINGTON	£147,923	£152,925	£149,914	-2.0%	1.3%
99	99	HARTLEPOOL	£135,268	£137,089	£134,836	-1.6%	-0.3%
97	97	MIDDLESBROUGH	£136,767	£134,678	£133,665	-0.8%	-2.3%
61	61	NORTHUMBERLAND	£187,397	£196,253	£196,484	0.1%	4.8%
95	96	REDCAR AND CLEVELAND	£138,107	£136,750	£135,772	-0.7%	-1.7%
85	87	STOCKTON-ON-TEES	£158,652	£153,018	£152,071	-0.6%	-4.1%
83	84	TYNE AND WEAR	£160,445	£161,992	£161,966	0.0%	0.9%
		NORTH EAST TOTAL	£153,774	£155,997	£155,567	-0.3%	1.2%
104	100	BLACKBURN WITH DARWEN	£127,516	£131,980	£135,419	2.6%	6.2%
106	102	BLACKPOOL	£118,355	£120,013	£121,772	1.5%	2.9%
37	37	CHESHIRE	£240,190	£248,699	£247,872	-0.3%	3.2%
82	90	HALTON	£160,209	£158,726	£163,096	2.8%	1.8%
56	57	WARRINGTON	£201,156	£202,499	£207,258	2.4%	3.0%
72	69	CUMBRIA	£175,999	£187,673	£186,446	-0.7%	5.9%
69	70	GREATER MANCHESTER	£176,046	£184,518	£183,252	-0.7%	4.1%
79	82	LANCASHIRE	£165,550	£164,585	£165,679	0.7%	0.1%
86	79	MERSEYSIDE	£159,056	£167,930	£170,702	1.7%	7.3%
		NORTH WEST TOTAL	£177,867	£184,422	£184,730	0.2%	3.9%
60	59	EAST RIDING OF YORKSHIRE	£187,971	£197,897	£196,481	-0.7%	4.5%
107	107	KINGSTON UPON HULL, CITY OF	£110,601	£115,419	£113,890	-1.3%	3.0%
98	94	NORTH EAST LINCOLNSHIRE	£133,077	£141,574	£144,134	1.8%	8.3%
93	92	NORTH LINCOLNSHIRE	£150,773	£150,295	£151,084	0.5%	0.2%
34	32	YORK	£257,479	£269,959	£267,419	-0.9%	3.9%
39	45	NORTH YORKSHIRE	£240,570	£238,598	£237,947	-0.3%	-1.1%
89	88	SOUTH YORKSHIRE	£155,098	£154,378	£154,323	0.0%	-0.5%
75	73	WEST YORKSHIRE	£171,979	£175,266	£173,657	-0.9%	1.0%
		YORKS & HUMBER TOTAL	£178,572	£181,255	£180,301	-0.5%	1.0%
77	80	DERBY	£168,433	£167,364	£167,795	0.3%	-0.4%
78	78	LEICESTER	£162,726	£168,287	£167,299	-0.6%	2.8%
92	93	NOTTINGHAM	£146,329	£149,805	£149,976	0.1%	2.5%
25	18	RUTLAND	£286,911	£326,333	£333,577	2.2%	16.3%
65	63	DERBYSHIRE	£187,062	£192,697	£192,693	0.0%	3.0%
50	49	LEICESTERSHIRE	£223,468	£231,531	£232,675	0.5%	4.1%
66	65	LINCOLNSHIRE	£185,472	£192,115	£192,413	0.2%	3.7%
47	46	NORTHAMPTONSHIRE	£227,451	£238,793	£236,245	-1.1%	3.9%
67	67	NOTTINGHAMSHIRE	£184,974	£190,226	£190,608	0.2%	3.0%
		EAST MIDLANDS TOTAL	£196,347	£203,372	£203,280	0.0%	3.5%
44	44	HEREFORDSHIRE	£228,358	£242,035	£242,817	0.3%	6.3%
49	48	SHROPSHIRE	£225,428	£231,076	£231,971	0.4%	2.9%
103	106	STOKE-ON-TRENT	£120,038	£116,041	£116,601	0.5%	-2.9%
73	76	TELFORD & WREKIN	£172,664	£171,076	£169,807	-0.7%	-1.7%
57	56	STAFFORDSHIRE	£201,399	£203,385	£204,458	0.5%	1.5%
32	33	WARWICKSHIRE	£267,935	£268,720	£268,093	-0.2%	0.1%
64	62	WEST MIDLANDS	£185,424	£193,999	£193,061	-0.5%	4.1%
38	36	WORCESTERSHIRE	£242,091	£251,936	£250,604	-0.5%	3.5%
		WEST MIDLANDS TOTAL	£205,953	£211,788	£211,395	-0.2%	2.6%
21	21	BEDFORDSHIRE	£289,556	£313,287	£315,938	0.8%	9.1%
45	38	LUTON	£234,662	£252,196	£256,150	1.6%	9.2%
59	58	PETERBOROUGH	£188,776	£202,059	£205,022	1.5%	8.6%
27	22	SOUTHEND-ON-SEA	£280,897	£309,539	£311,802	0.7%	11.0%
30	29	THURROCK	£273,222	£276,525	£276,290	-0.1%	1.1%
17	16	CAMBRIDGESHIRE	£305,040	£329,074	£328,834	-0.1%	7.8%
15	14	ESSEX	£327,179	£340,331	£342,491	0.6%	4.7%
5	4	HERTFORDSHIRE	£439,839	£453,969	£450,194	-0.8%	2.4%

London boroughs, counties and unitary authorities



46	43	NORFOLK	£228,609	£242,953	£244,255	0.5%	6.8%
35	35	SUFFOLK	£248,783	£263,998	£266,961	1.1%	7.3%
		EAST OF ENGLAND TOTAL	£308,696	£324,783	£325,616	0.3%	5.5%
		GREATER LONDON TOTAL	£587,325	£599,708	£591,459	-1.4%	0.7%
6	8	BRACKNELL FOREST	£391,944	£383,794	£376,954	-1.8%	-3.8%
7	6	BRIGHTON AND HOVE	£389,117	£399,569	£396,764	-0.7%	2.0%
52	47	ISLE OF WIGHT	£220,103	£231,390	£231,459	0.0%	5.2%
40	39	MEDWAY	£240,367	£252,246	£255,730	1.4%	6.4%
23	25	MILTON KEYNES	£287,403	£292,470	£287,918	-1.6%	0.2%
51	50	PORTSMOUTH	£216,767	£229,313	£228,013	-0.6%	5.2%
14	15	READING	£327,226	£327,850	£325,187	-0.8%	-0.6%
16	20	SLOUGH	£318,564	£313,505	£311,440	-0.7%	-2.2%
55	55	SOUTHAMPTON	£212,923	£212,718	£211,545	-0.6%	-0.6%
9	9	WEST BERKSHIRE	£384,812	£376,580	£373,948	-0.7%	-2.8%
1	1	WINDSOR AND MAIDENHEAD	£558,485	£579,219	£568,329	-1.9%	1.8%
3	5	WOKINGHAM	£458,193	£438,661	£440,734	0.5%	-3.8%
4	3	BUCKINGHAMSHIRE	£462,211	£487,707	£490,104	0.5%	6.0%
20	24	EAST SUSSEX	£291,811	£303,730	£304,049	0.1%	4.2%
12	13	HAMPSHIRE	£337,701	£346,927	£346,226	-0.2%	2.5%
19	19	KENT	£310,305	£318,205	£318,950	0.2%	2.8%
8	7	OXFORDSHIRE	£388,817	£391,518	£397,094	1.4%	2.1%
2	2	SURREY	£503,977	£527,572	£519,398	-1.5%	3.1%
11	12	WEST SUSSEX	£348,006	£356,089	£354,296	-0.5%	1.8%
		SOUTH EAST TOTAL	£360,141	£370,299	£369,095	-0.3%	2.5%
10	10	BATH AND NORTH EAST SOMERSET	£366,630	£368,743	£367,651	-0.3%	0.3%
31	27	BOURNEMOUTH	£269,522	£285,259	£286,185	0.3%	6.2%
24	26	BRISTOL, CITY OF	£290,882	£293,439	£293,034	-0.1%	0.7%
43	40	CORNWALL	£238,603	£248,038	£247,682	-0.1%	3.8%
26	34	NORTH SOMERSET	£277,278	£269,405	£271,642	0.8%	-2.0%
63	71	PLYMOUTH	£184,376	£183,471	£183,400	0.0%	-0.5%
13	11	POOLE	£323,304	£372,205	£364,962	-1.9%	12.9%
28	30	SOUTH GLOUCESTERSHIRE	£274,216	£276,190	£275,152	-0.4%	0.3%
48	52	SWINDON	£225,431	£228,929	£233,616	2.0%	3.6%
54	53	TORBAY	£214,248	£218,346	£216,625	-0.8%	1.1%
22	23	WILTSHIRE	£289,242	£302,321	£306,958	1.5%	6.1%
33	31	DEVON	£259,130	£274,754	£274,179	-0.2%	5.8%
18	17	DORSET	£303,926	£315,981	£313,660	-0.7%	3.2%
29	28	GLOUCESTERSHIRE	£265,543	£284,139	£284,245	0.0%	7.0%
42	41	SOMERSET	£238,946	£246,691	£245,300	-0.6%	2.7%
		SOUTH WEST TOTAL	£265,887	£276,423	£276,324	0.0%	3.9%
70	68	ISLE OF ANGLESEY	£175,308	£183,207	£184,836	0.9%	5.4%
81	74	GWYNEDD	£164,943	£171,854	£171,611	-0.1%	4.0%
71	72	CONWY	£172,471	£179,422	£175,768	-2.0%	1.9%
84	85	DENBIGHSHIRE	£155,811	£159,212	£157,747	-0.9%	1.2%
68	77	FLINTSHIRE	£171,046	£170,009	£168,226	-1.0%	-1.6%
80	81	WREXHAM	£162,022	£164,194	£163,696	-0.3%	1.0%
62	66	POWYS	£189,311	£191,680	£196,882	2.7%	4.0%
58	60	CEREDIGION	£190,650	£195,368	£195,026	-0.2%	2.3%
74	64	PEMBROKESHIRE	£173,795	£189,911	£191,652	0.9%	10.3%
94	98	CARMARTHENSHIRE	£156,305	£135,903	£145,068	6.7%	-7.2%
87	86	SWANSEA	£158,934	£163,181	£164,334	0.7%	3.4%
102	103	NEATH PORT TALBOT	£124,154	£120,475	£121,317	0.7%	-2.3%
88	83	BRIDGEND	£158,998	£165,183	£162,629	-1.5%	2.3%
41	51	VALE OF GLAMORGAN	£237,355	£233,625	£240,624	3.0%	1.4%
53	54	CARDIFF	£209,270	£214,547	£215,644	0.5%	3.0%
101	105	RHONDDA CYNON TAFF	£124,297	£120,829	£121,467	0.5%	-2.3%
105	104	MERTHYR TYDFIL	£118,540	£117,836	£119,119	1.1%	0.5%
96	95	CAERPHILLY	£138,349	£141,880	£144,302	1.7%	4.3%
108	108	BLAENAU GWENT	£91,447	£101,593	£103,126	1.5%	12.8%



91	91	TORFAEN	£147,015	£151,730	£153,555	1.2%	4.4%
36	42	MONMOUTHSHIRE	£242,833	£245,507	£247,891	1.0%	2.1%
76	75	NEWPORT	£171,935	£171,771	£169,585	-1.3%	-1.4%
		WALES TOTAL	£169,877	£171,660	£172,874	0.7%	1.8%
		ENGLAND & WALES TOTAL	£290,491	£299,274	£298,063	-0.4%	2.6%

Table 4 shows the average property price for each of the 108 unitary authorities and counties in England & Wales, together with a regional summary based on the GOR, for July 2016, and June and July 2017. It also records the percentage change in these prices over the last month and year, highlighting the great diversity that exists across housing markets in England & Wales. In the above Table, Regions, Counties and Unitary Authorities highlighted in turquoise are currently at a peak price.

Annual Trends

On an annual basis, prices in July 2017 have increased in England & Wales by £7,572, or 2.6%, which is 0.6% lower than the previous month. Some 86 of the 108 unitary authority areas have recorded price rises over the year, up from the 82 seen in the previous month, which represents some 80% of the unitary authorities in England & Wales. Of the 22 areas where prices have fallen, 6 are located in the South East, 5 are located in Wales, 4 are located in the North East, 2 each are located in Yorkshire and the Humber, the West Midlands and the South West, with 1 located in the East Midlands. The North West and the East of England have no unitary authorities experiencing price falls on an annual basis, the latter having had no reduction in prices in any of its constituent areas for eight months in succession.

Peak Prices

In Table 4, those areas highlighted in turquoise have set a new peak price in the month; there are 13 such locations, up from the 9 seen in the previous month. Of the 13 unitary authority areas that recorded a new peak, there are 6 in the East of England, 2 each in the North West and Wales and 1 each in Yorkshire and the Humber, the South East and the South West. No authorities reached a new peak in the North East or the East and West Midlands during the month.

In July there was 1 GOR region which established a new peak average price, being the East of England.

Monthly Trends

On a monthly basis, the average price of a home in England & Wales in July 2017 fell by £1,211, or -0.4%. This reduction was half the monthly rate recorded in June of -0.8%. In July, prices fell in 56 of the 108 unitary authority areas, compared with 71 falls in June, 60 falls in May and 55 in April, suggesting that prices are recovering in nearly half of the areas in England & Wales over the summer months.

Highest and lowest unitary authorities

In July, looking at the unitary authority areas on an individual basis, Rutland is in first position as having the highest annual rate of change in prices at 16.3%. However, we would point out that Rutland has the smallest number of housing transactions of any of the areas listed in Table 4 above (just 53 in July), which tends to result in considerable variance in its average house prices when expressed in percentage terms. Aside from Rutland, there are four unitary authority areas where prices have increased by more than 10% over the year, being Poole (12.9%), Blaenau Gwent (12.8%), Southend-on-Sea (11.0%) and Pembrokeshire (10.3%). If we include the London Boroughs in this listing, we also need to add Camden (11.4%), Kensington and Chelsea (11.2%) and Haringey (10.6%).

On an annual basis, the authority with the largest reduction in prices is Carmarthenshire, where values have fallen by -7.2% over the year. The average prices of both semi-detached and terraced properties in Carmarthenshire have fallen by £3k over the year to £120k and £98k respectively. The average price of a semi-detached property in Carmarthenshire, at £120k, is the second lowest of the 108 unitary authority areas in England & Wales.

Transactions

Looking at the change in transactions in the 108 unitary authorities between May - July 2016 and May - July 2017, we find that eight of the ten top spots in terms of the areas with the highest increase in property sales are all located in Wales, but perhaps this shouldn't be too much of a surprise given the statistics shown in Table 2 of this report, where we can see that Wales was the only region/country where sales volumes did not fall over this period. For the record, the eight areas in Wales with the highest increase in sales were Ceredigion (+47%), Newport (+39%), Torfaen (+38%), Isle of Anglesey (+33%), Wrexham (+31%), Powys (+31%), Caerphilly (+27%) and Conwy (+26%). The two areas in England in the top ten places by transaction growth were Hartlepool (+40%) and Wokingham (+27%).



The area with the highest fall in transactions over this same period was, for the second month running, Slough, down by 16%. In 2016, 244 new-build flats had been sold in Slough by the end of the second quarter, compared with 84 new-build flats currently recorded as being sold in 2017. Interestingly, we wrote a similar story two months ago about Reading, a near neighbouring district to Slough. One of the commonalities between Reading and Slough is that they are both located on the new Elizabeth Line Crossrail service which will become operational from December 2019. It would appear that developers built a number of new-build apartments in 2016 in these two areas, to allow commuters to take advantage of the improved transport facilities that will eventually exist, long before the service commences.

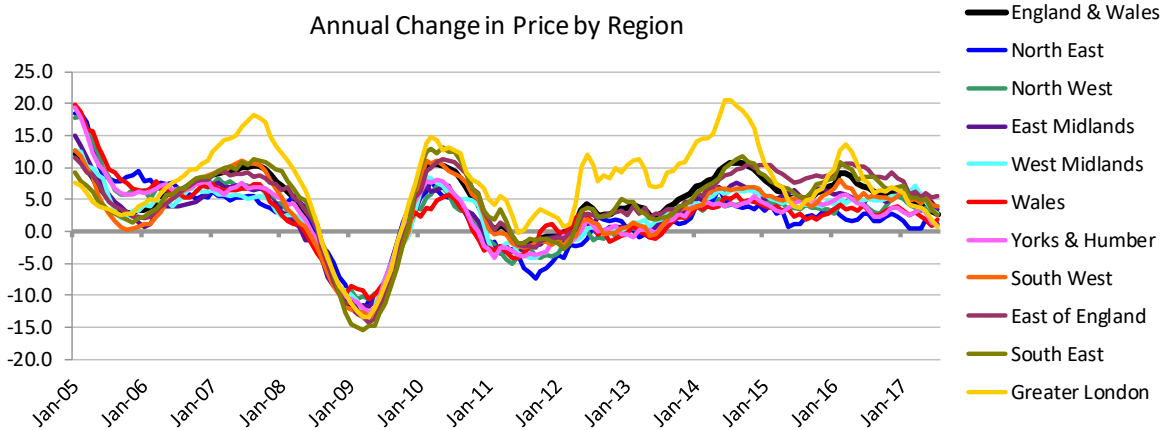


Figure 8. A comparison of the annual change in house prices, by region for the period January 2005 – July 2017

[link to source Excel](#)

Note that individual regions can be compared using our “National and Regional series from 2005 with Interactive Charts”, linked from NOTE 4 below and from our covering email; timescales can be varied for clarity. Numerous other comparisons are facilitated in this and other interactive charts available through the same links.

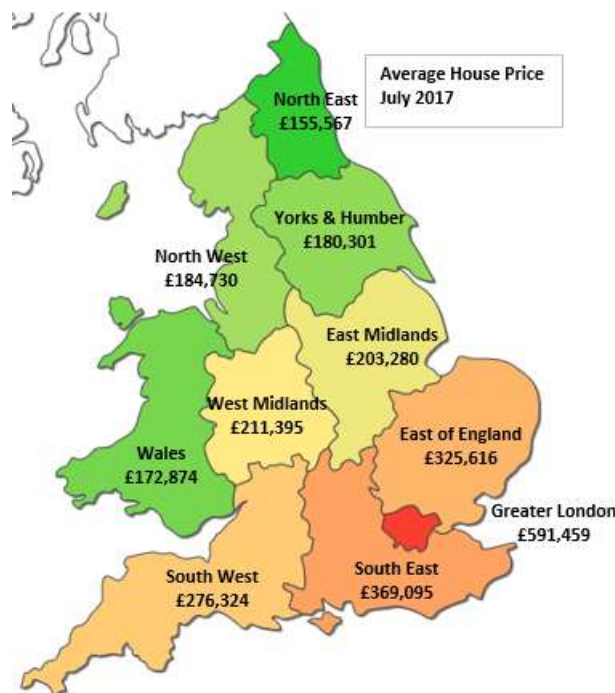


Figure 9. Heat Map of the average house price for England & Wales, analysed by region, July 2017



Table 5. Average house prices by region, August 2016 – August 2017, with monthly and annual % growth

[link to source Excel](#)

	North East			North West			Yorks & Humber			East Midlands		
	Av HP	%monthly	%annual	Av HP	%monthly	%annual	Av HP	%monthly	%annual	Av HP	%monthly	%annual
Aug-16	£153,182	-0.4	1.5	£178,865	0.6	2.9	£178,181	-0.2	2.4	£197,244	0.5	5.5
Sep-16	£153,287	0.1	1.7	£178,809	0.0	2.7	£178,819	0.4	2.2	£198,694	0.7	5.3
Oct-16	£155,137	1.2	2.3	£181,795	1.7	3.9	£181,137	1.3	2.7	£199,869	0.6	4.6
Nov-16	£156,152	0.7	2.7	£182,344	0.3	5.1	£182,671	0.8	3.6	£200,847	0.5	5.0
Dec-16	£156,923	0.5	2.2	£183,652	0.7	5.5	£183,107	0.2	3.6	£201,516	0.3	5.9
Jan-17	£157,582	0.4	1.5	£183,178	-0.3	5.0	£183,335	0.1	3.0	£203,256	0.9	6.3
Feb-17	£157,985	0.3	0.5	£184,960	1.0	4.2	£183,207	-0.1	2.5	£204,473	0.6	5.5
Mar-17	£157,513	-0.3	0.5	£185,482	0.3	3.7	£184,512	0.7	3.1	£205,439	0.5	5.8
Apr-17	£156,515	-0.6	0.5	£185,352	-0.1	3.2	£184,016	-0.3	3.6	£204,689	-0.4	5.6
May-17	£156,671	0.1	1.9	£184,822	-0.3	3.8	£183,299	-0.4	2.9	£203,286	-0.7	5.0
Jun-17	£155,997	-0.4	1.0	£184,422	-0.2	3.3	£181,255	-1.1	1.4	£203,372	0.0	4.5
Jul-17	£155,567	-0.3	1.2	£184,730	0.2	3.9	£180,301	-0.5	1.0	£203,280	0.0	3.5

	West Midlands			East of England			Greater London			South East		
	Av HP	%monthly	%annual	Av HP	%monthly	%annual	Av HP	%monthly	%annual	Av HP	%monthly	%annual
Aug-16	£206,286	0.2	4.8	£310,344	0.5	8.5	£588,787	0.2	5.9	£361,788	0.5	8.5
Sep-16	£206,581	0.1	4.9	£312,704	0.8	8.5	£597,659	1.5	6.5	£363,058	0.4	7.6
Oct-16	£208,792	1.1	5.1	£315,242	0.8	8.4	£605,257	1.3	6.3	£364,559	0.4	6.8
Nov-16	£209,585	0.4	5.6	£316,541	0.4	9.2	£611,538	1.0	6.8	£365,947	0.4	6.7
Dec-16	£211,583	1.0	5.4	£317,014	0.1	8.3	£615,363	0.6	6.5	£369,710	1.0	6.8
Jan-17	£213,781	1.0	6.6	£319,834	0.9	7.7	£620,463	0.8	6.0	£374,177	1.2	7.2
Feb-17	£215,250	0.7	6.1	£322,156	0.7	5.7	£622,900	0.4	4.1	£376,942	0.7	5.2
Mar-17	£216,050	0.4	7.0	£324,996	0.9	6.1	£625,245	0.4	3.9	£377,440	0.1	5.3
Apr-17	£213,749	-1.1	5.6	£324,317	-0.2	5.3	£621,970	-0.5	3.7	£375,375	-0.5	4.7
May-17	£212,489	-0.6	4.7	£324,769	0.1	5.9	£611,839	-1.6	3.1	£373,321	-0.5	5.1
Jun-17	£211,788	-0.3	3.4	£324,783	0.0	5.3	£599,708	-2.0	1.9	£370,299	-0.8	3.4
Jul-17	£211,395	-0.2	2.6	£325,616	0.3	5.5	£591,459	-1.4	0.7	£369,095	-0.3	2.5

	South West			Wales			ENGLAND & WALES			
	Av HP	%monthly	%annual	Av HP	%monthly	%annual	Av HP	%monthly	%annual	
Aug-16	£266,875	0.4	5.5	£169,295	-0.3	2.5		£291,416	0.3	6.1
Sep-16	£267,322	0.2	5.3	£170,841	0.9	2.5		£293,368	0.7	6.0
Oct-16	£269,330	0.8	5.3	£173,135	1.3	3.2		£296,142	0.9	5.8
Nov-16	£270,090	0.3	4.9	£174,493	0.8	3.6		£297,875	0.6	6.2
Dec-16	£274,695	1.7	5.6	£175,585	0.6	3.9		£300,116	0.8	6.2
Jan-17	£276,944	0.8	6.2	£175,974	0.2	3.3		£302,505	0.8	6.2
Feb-17	£279,425	0.9	4.8	£177,559	0.9	2.6		£304,385	0.6	4.6
Mar-17	£279,111	-0.1	5.1	£177,057	-0.3	2.9		£305,358	0.3	4.8
Apr-17	£278,255	-0.3	4.4	£174,826	-1.3	2.3		£303,929	-0.5	4.3
May-17	£277,346	-0.3	5.3	£172,634	-1.3	1.9		£301,790	-0.7	4.3
Jun-17	£276,423	-0.3	4.2	£171,660	-0.6	0.8		£299,274	-0.8	3.2
Jul-17	£276,324	0.0	3.9	£172,874	0.7	1.8		£298,063	-0.4	2.6
Aug-17								£297,398	-0.2	2.1



NOTES

1. LSL Acadata E&W HPI:
 - uses the **actual** price at which every property in England & Wales was transacted, including prices for properties bought with cash, based upon the factual Land Registry data as opposed to mortgage-based prices, asking prices or prices based upon samples
 - is updated monthly so that prices of **all reported** relevant transactions are employed in our latest LSL Acadata E&W HPI release
 - provides the arithmetic average of prices paid for houses, different from the geometric average prices used in the ONS UK HPI
2. the initial LSL Acadata E&W HPI for each month employs an academic “index of indices” model, custom-built at Cambridge, pending release of further transacted prices from the Land Registry which are reflected in our monthly index updates.
3. all LSL Acadata E&W HPI numbers, published prior to receipt of all transaction data, are subject to change; we publish the precise numbers that result from our calculations but these numbers reflect our mix adjustment and seasonal adjustment methodologies and, initially, our index of indices model. Our indices also reflect our best endeavours and are issued in good faith without any claim as to precision, accuracy or fitness for any purpose. For more detail see www.acadata.co.uk.
4. the Acadata website enables comparisons of selected indices over selected timescales to be undertaken [here](#) with ease and provides historic results and other information.
5. Acadata is an independent privately owned consultancy specialising in house price data. Our associated company MIAC Acadametrics Limited is an independent asset valuation service provider, specialising in behavioural modelling, stress testing and collateral valuation for the financial services industry.
6. LSL Acadata E&W HPI may not be used for commercial purposes without written permission from Acadata. Specifically it may not be used to measure the performance of investments or to determine the price at which investments may be bought or sold or for collateral valuation concerning which enquiries should be directed to MIAC Acadametrics.

For further footnotes and a description of the methodology used in the LSL Acadata Index please click [here](#).