



Under embargo until 00:01 Monday 12th March 2018

February 2018

## The Rise of the North West

- North West now tops regional price growth league as prices rise at fastest rate in five months
- New peaks also achieved in the South West, East Midlands and Wales
- Blackburn records year-on-year growth of 16.4%
- Ninth month recorded of slowing annual house price growth

House Price	Index	Monthly Change %	Annual Change %	Annual % (excluding London & the SE)
£299,556	293.6	0.5	0.6	2.5

Average house prices rose again in February, up 0.5% over the month – making it the biggest rise in five months. The North West, East Midlands, South West and Wales all recorded new peak average prices in the month.

Annually, however, price growth continued to slow, slipping to 0.6% from 0.7% in January 2018. The South East and London, however, weigh on the market, with annual prices up 2.5% excluding those regions.

It leaves the average value of a home in England & Wales at £299,556, up £1,512 compared to one month earlier, and £1,700 compared to a year ago.

**Oliver Blake, Managing Director of Your Move and Reeds Rains estate agents, said:** “When examining the bigger picture, house prices are steadily balancing to meet the needs of house buyers which is welcome news for those looking to take their first steps onto the property ladder.

“However, housing supply in the UK isn’t meeting demand and there is still a bottleneck of available properties. The industry needs to work together to provide a long-term solution to increase movement within the market. By building more homes and introducing more initiatives for each stage of the property lifecycle we should start to see more choice for first time buyers, second steppers and last-time buyers.”

Whilst there have been monthly increases in house prices for the last two months, the annual rate of growth has slowed in England and Wales. Although its beginnings were in London, this has now spread to the South East and North East too. All three have seen prices fall on an annual basis. Even excluding London and the South East, the annual growth rate of 2.5% today is far below the peak recorded two years ago in February 2016 - which was then at 6.7% (or 9% including the capital and South East, which were then powering growth in the market).

There’s reason for optimism, though. First, other regions remain robust, including the South West, and the North West which now leads the growth table for the first time, with prices here up 4.6% annually. Second, the rate of decline in annual prices seems to be flattening out.

Prices in London fell again in January, down £4,662 or 0.8%, leaving average prices in the capital at £593,396. That’s down 2.6% annually, the biggest decline since August 2009.

Average prices in the top 11 priced boroughs have fallen most, by 3.8%, while mid-priced boroughs are down an average 2.7%. At the top, Wandsworth has seen the biggest fall in the capital, with the average price declining 14.9% to £685,567 from £805,460 a year ago, followed by the City, where prices are now £844,768, down 10.8% from last January.

The cheaper boroughs have fared better. More than half have seen price rises over the year, led by 4.5% growth in Bexley, which, with an average price of £363,082, still has the cheapest property in the capital outside Barking and Dagenham (£300,627). Waltham Forest, meanwhile, which is just in the bottom 11, has seen prices increase 3.1%. It was the only borough in January to set a new peak average price, of £464,872. Overall, however, the cheapest third of London’s borough still saw a modest fall in prices over the period, down 0.5% on a year ago.

There are signs of momentum returning to the top of the market, however. Prices in Kensington and Chelsea are still 4.6% up on an annual basis, at £2,162,671, the biggest increase in the capital other than Brent, where prices increased 8.5%.

# House price index: historical data



More significantly, looking at transactions, while sales in London for the three months from November 2017 to January 2018 are down overall by 5% compared to the same period last year, Hammersmith and Fulham and Camden bucked the trend. Transactions saw the largest increases in London, up 17% and 13% respectively. The boroughs are also ranked fourth and third, respectively, by price.

Price growth continues across England and Wales, with exactly three quarters of the 108 unitary authorities and counties outside London recording increases in the 12 months to January. Seven out of ten regions (where this includes London) are also recording growth.

That's now led by 4.6% annual growth in the North West, one of four regions to see new peak prices in January (along with the East Midlands, the South West and Wales).

Just eight months ago, the region was trailing every other region bar one. Now, it's seeing strong growth in every part of the market: at the bottom, Blackburn with Darwen has seen the biggest increase in prices in the country, up 16.4% annually. At the top, Warrington is also seeing double digit growth, with prices up 10.3%. Its major conurbations are also performing strongly: Greater Manchester prices are up 4.3%; in Merseyside prices have increased 8%.

The region plays an increasingly important part in the housing market of England and Wales as a whole, too. In our annual mix adjustment used to calculate the average house price for this report, the North West's market share, based on transactions in the last year, sees the biggest increase of all regions, up 0.5%. It now makes a greater contribution to the average house price than any region other than the South East.

In terms of price growth, the only region that now comes close to the North West is the South West, where prices are up 4.1% annually, driven by strong performance in North Somerset (up 12.1%) and Bristol (up 9.2%), one of six local authority areas in the region to set a new peak price.

While growth in Bristol was particularly strong, it was not unusual set against the other cities of the UK regions. As well as Merseyside and Greater Manchester in the North West, Cardiff in Wales (up 2.8%), the West Midlands conurbation, which includes Birmingham (up 2.4%), and Leicester and Nottingham in the East Midlands (up 4.7% and 4.5%, respectively) all saw prices increase in the last year. It's clear that London remains the exception, rather than the rule.

**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 February 2017 – February 2018

[link to source Excel](#)

		House Price	Index	Monthly Change %	Annual Change %
February	2017	£297,856	295.5	0.6	4.7
March	2017	£299,477	297.1	0.5	5.1
April	2017	£299,305	296.9	-0.1	5.0
May	2017	£299,016	296.6	-0.1	5.7
June	2017	£297,709	295.1	-0.4	4.9
July	2017	£297,436	294.7	-0.1	4.7
August	2017	£297,783	294.7	0.1	4.5
September	2017	£299,684	295.3	0.6	4.5
October	2017	£300,232	294.3	0.2	3.6
November	2017	£299,274	293.2	-0.3	2.7
December	2017	£297,960	292.1	-0.4	1.5
January	2018	£298,044	292.2	0.0	0.7
February	2018	£299,556	293.6	0.5	0.6

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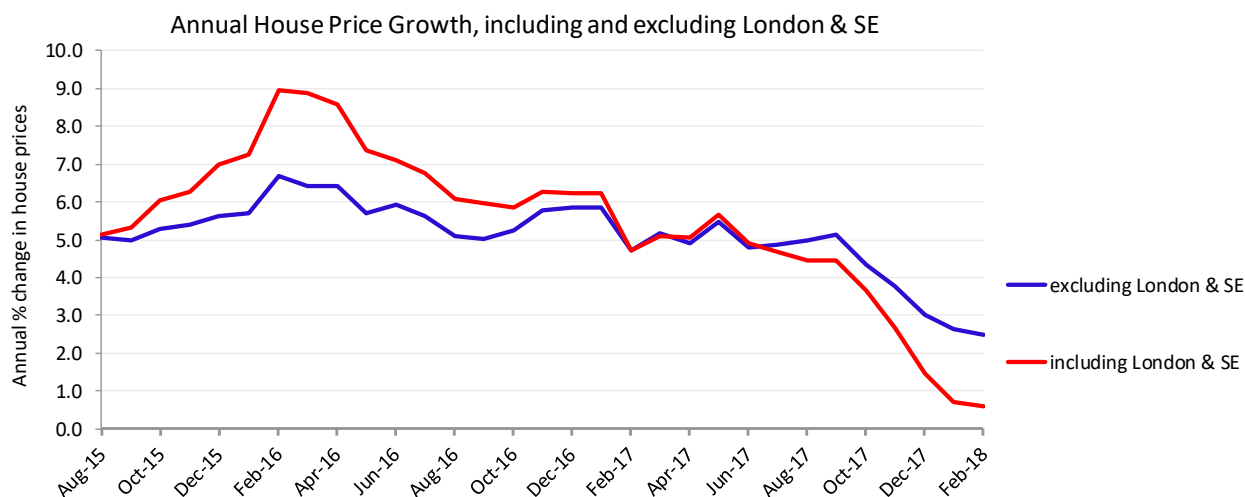
**Peter Williams, Chairman of Acadata and John Tindale, Acadata housing analyst comment:**

## House Prices February 2018

Including this February, we are now in the ninth month where the annual rate of house price growth has continued to slow. It now stands at 0.6% when including London and the South East, or at 2.5% when excluding these two regions. As Figure 1 below shows, the annual rate of price growth peaked in February 2016 - at 9.0% - including London and the South East, or at 6.7% without, just prior to the introduction of the 3% surcharge on second homes and buy-to-let properties. Subsequent to the introduction of this tax, the rates of price growth have been falling, and at an accelerated rate since September 2017.

However, the rate of decline is now slowing as is evident from the flattening of the line in the right-hand corner of Figure 1, and as we discuss later in this release by the data showing four regions, outside of the south east that are currently reporting new peak prices - the North West, the East Midlands, the South West and Wales.

The average price of a home in England & Wales now stands at £299,556, which is £1,512, or 0.5%, higher than one month earlier, this increase being the highest rise seen in a month for 5 months, ie since September 2017.



**Figure 1. The annual percentage change in average house prices in England & Wales, August 2015 – February 2018** [link to source Excel](#)  
Source LSL Acadata HPI. The figures are mix and seasonally adjusted

The Regional analysis on page 10 and our discussion on the changes in the long term transaction levels on page 7 show that the North West is very much on the ascendency in the England & Wales housing market, with the annual rate of house price growth currently at 4.6%, up from the 4.1% recorded last month. Greater Manchester, Merseyside, Warrington and Blackburn have all set their own individual peak prices in 2018, with Blackburn leading the way in annual house price growth at 16.4%.

## The Housing Market

Bad weather and declining confidence have done little to boost the housing market in the approach to the traditional spring rise in the market. Indeed, on the evidence to date, the generally accepted wisdom of a flat-lining market in 2018 might prove too optimistic. The Bank is signalling rate rises - perhaps two - in 2018 and higher interest costs normally mean lower house prices. Of course, lenders have come into the year with ambitious lending targets which some will try to largely achieve in the first six months. We can thus expect to see very competitive mortgage pricing to help underpin the market. Certainly, mortgage approvals data issued by the Bank of England on 1st March showed that in January on a seasonally adjusted basis they rose to 67,478 loans for house purchase - a somewhat higher figure than expected. Trend data discussed above shows the strengthening in housing markets outside of London and the South East, giving owners in those areas a more positive outlook and sending clear signals to first time buyers regarding their own timing of entry to the market.



Setting aside the day-to-day narrative on the housing market, in early March we had speeches by the Prime Minister and the Secretary of State for Housing, Communities and Local Government underlining the government’s commitment to driving further change, and not least increasing housing supply. Housebuilders, local authorities and indeed communities will come under increasing pressure to deliver the number of homes needed in what will be an ever more tightly policed planning framework. This highlights the uncomfortable position government finds itself in – needing to respond to meeting the needs and aspirations of younger households to buy a home and at the same time possibly upsetting local communities who insist that development in their area is inappropriate. Ensuring the infrastructure can support expansion and securing high design standards is key to overcoming this tension, but then much turns on public expenditure as well as bearing down on the cost of land. With yet another report out in the month highlighting the collapse of home ownership amongst younger people, this time from the Institute for Fiscal Studies (*The decline of homeownership among young adults*), the government now seems to have resolved some of the internal tensions around housing policy, and has strengthened its resolve to act. This is not before time.

## Housing Transactions

We estimate the number of housing transactions in February 2018 in England & Wales at 60,000 - based on Land Registry numbers - down by 4% on January’s (revised) total. This reduction needs to be set against the seasonal trend of the last twenty years, where a 3% increase in sales volumes is the ‘norm’ at this time of year.

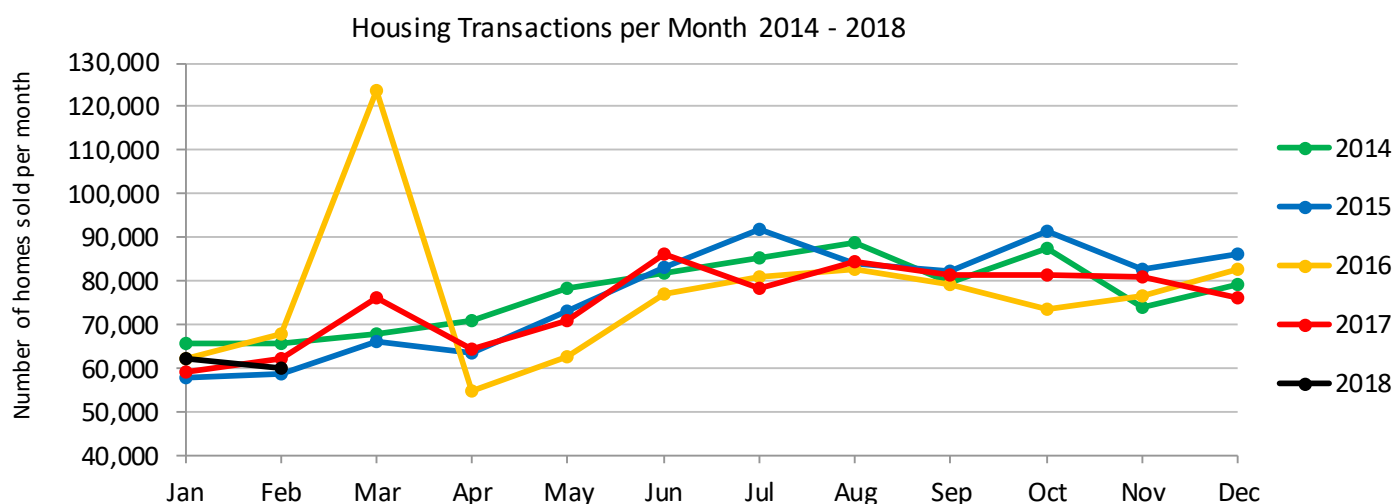


Figure 2. Number of properties sold per month in England & Wales, January 2014 – February 2018

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

[link to source Excel](#)

Figure 2 gives the number of transactions on a monthly basis, covering the years from 2014 to date: the series has not been seasonally adjusted. In general, the lowest point in a year occurs in January and February, with peak sales usually being achieved in July/August of each year. In a ‘normal’ year one can anticipate transactions in March rising by 25%, as buyers overcome their Christmas festivities and look to move home in the spring. However, the spike in transactions in March 2016, which represents an 82% increase over February 2016, is clearly exceptional, occurring immediately prior to the pre-announced introduction of the 3% surcharge in stamp duty on the purchase of second homes and buy-to-let properties.

Table 2 below analyses the number of transactions for the three months November to January in each of the three years 2015/16, 2016/17 and 2017/18. The Table shows that the overall volume of sales in England & Wales for the three months in 2017/18 was at the same level as the same three months in 2016/17, but 8% lower than the same period in 2015/16.



The difference in the level of transactions between 2015/16 and 2017/18 relates in part to changes in Stamp Duty. Overall, there has been an 8% fall between these two years. On closer examination, it is also clear that there is a distinct geography to this, reflecting the north/south divide between the regions, in terms of the reduction in sales volumes. The southern regions, excluding the South West but including the East of England, are showing a decline of 16% or more in transactions, particularly in Greater London (-26%), while in the northern regions we can see that they have fallen by 6% or less, with the North East, the North West and Wales showing a positive movement in sales volumes.

The fall in 2017/18 compared to 2015/16 mainly reflects the changes in Stamp Duty in December 2014. This saw 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 lowered the overall purchase price of a home when including stamp duty on properties priced less than £937k, but increased 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 southern England, and resulted in fewer transactions in these areas.

Table 2. Transaction counts at the end of January of each year, for the three months November - January

[link to source Excel](#)

TRANSACTIONS ANALYSIS BY REGION					
REGION	Nov - Jan			Nov - Jan	
	2015-16	2016-17	2017-18	2015/18	2016/18
NORTH EAST	7,819	7,500	7,971	2%	6%
NORTH WEST	23,426	23,235	23,971	2%	3%
YORKS & HUMBERSIDE	17,891	17,122	17,891	0%	4%
EAST MIDLANDS	18,083	17,076	17,005	-6%	0%
WEST MIDLANDS	18,019	17,471	17,936	0%	3%
EAST OF ENGLAND	24,610	21,653	20,682	-16%	-4%
GREATER LONDON	23,876	18,694	17,683	-26%	-5%
SOUTH EAST	36,185	30,875	30,350	-16%	-2%
SOUTH WEST	23,208	21,268	21,704	-6%	2%
ENGLAND	193,117	174,894	175,193	-9%	0%
WALES	9,628	9,976	10,434	8%	5%
ENGLAND & WALES	202,745	184,870	185,627	-8%	0%

Source: Land Registry transaction counts of its emergent data.

The change in transaction levels between the three months in 2016/17, compared to the same three months in 2017/18, broadly follows the pattern of affordability ratios between the regions. The five most affordable areas in England & Wales are the North East, the North West, Yorkshire and the Humber, the West Midlands and Wales – which are all in the top 5 of our transactions growth table above.



## CHANGE IN MIX ADJUSTMENT

This month we have updated the mix adjustment that we use to calculate the average house price for England & Wales. It is the House Price Index equivalent of changing the basket of goods that comprise the calculations for the Retail Price Index. The purpose in updating the mix is to ensure that our average prices continue to reflect the current housing market. We change this mix on an annual basis, the last change having been undertaken in February 2017.

Over the last year, the LSL Acadata house price index has been based on a weighting of property type and location given by the number of housing transactions that took place in England & Wales between January 2013 and December 2016, some 3.5 million in number. This mix of property type and location has been kept constant over the last year to enable a comparison of prices to take place irrespective of the actual volume and type of sales that occurred in any one month.

This month we have recalculated these weights to reflect the number and types of transactions that took place in England & Wales between January 2014 and December 2017, i.e. one year later, some 3.6 million in number. We summarise the differences in the weightings in Tables 3, 4 & 5 below. We have subsequently recalculated all our various house price series on the basis of the new weightings, which has had the effect of decreasing the average house price in December 2017 by £6,340.

### Average House Prices 2007 - 2017

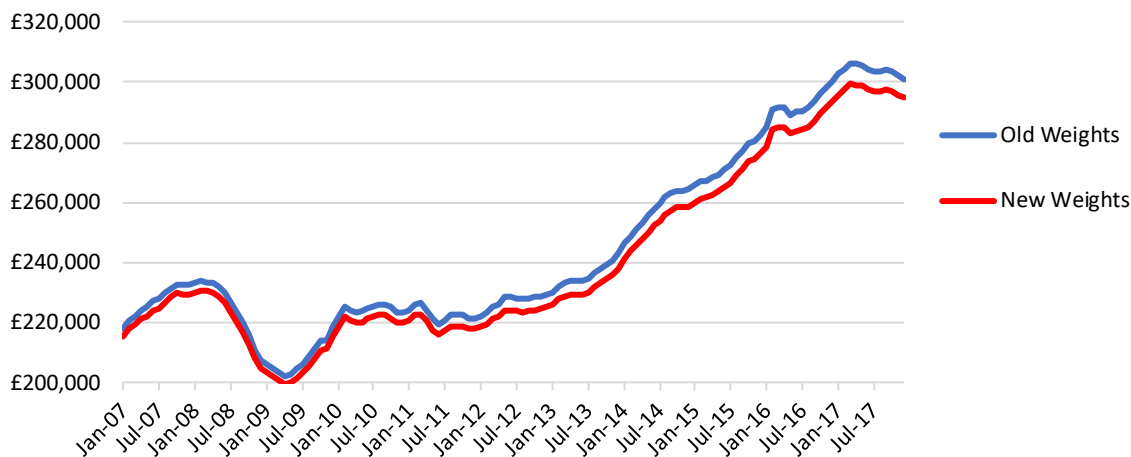


Figure 3. Average House Prices in England & Wales, 2007-2017, comparing values using new & old weights

[link to source Excel](#)

As can be seen from Figure 3, the movements in the average value of house prices using both the new and old weights match closely, with a general downward shift in prices over the entire period associated with the new weightings.

Overall, the new weights reduce average prices by between £2,650 and £6,750 compared to the old weights, with the more recent observations showing the larger differences. One consequence of the new weightings is that the average price of a home in England & Wales has fallen below the £300,000 threshold, which we reported as having been breached during 2017.

The most significant change in the weightings, as we show in Table 3 over the page, has been a shift in sales away from the south-east corner of England to the Midlands, Wales and the North. The south-east corner, in which we include the East of England, the South East and Greater London, has seen a cumulative 1.5% reduction in market share – and given that these three regions have the three highest average prices of all 10 GOR areas in England & Wales, it is perhaps not surprising that the average price of a home in England & Wales has seen a £6,750 fall in value.

Why should sales be falling in the south-east of England? There is no doubt that the disproportionate increase in stamp duty on higher priced properties has resulted in fewer transactions. The cost of moving home in the south-east has become prohibitive to many aspiring and existing owners compared to staying put. While in the north of the country a move up the housing ladder may still be the most cost-effective method of achieving additional living space, in the south-east corner the maxim 'improve rather than move' has become the main means of achieving extra accommodation if that is what is desired.





Table 3. The change in the LSL Acadata HPI weights 2017 vs 2016 by region

[link to source Excel](#)

## % MARKET SHARE OF REGIONAL SALES

REGION	New weights	Old weights	Change
NORTH EAST	4.0%	3.9%	0.1%
NORTH WEST	11.9%	11.4%	0.5%
YORKS & HUMBER	8.9%	8.7%	0.2%
EAST MIDLANDS	8.7%	8.6%	0.1%
WEST MIDLANDS	9.1%	8.8%	0.2%
EAST OF ENGLAND	11.8%	12.0%	-0.2%
GREATER LONDON	11.7%	12.5%	-0.9%
SOUTH EAST	17.5%	17.9%	-0.4%
SOUTH WEST	11.6%	11.5%	0.1%
WALES	4.9%	4.7%	0.2%
ENGLAND & WALES	100.0%	100.0%	0.0%

Table 3 shows that the three regions that have seen a decline in market share over the last year are Greater London (-0.9%), the South East (-0.4%) and the East of England (-0.2%). The area with the highest increase in market share over the year is the North West (+0.5%).

Table 4. The change in the LSL Acadata HPI weights 2017 vs 2016 by ranking of London boroughs

[link to source Excel](#)

## % MARKET SHARE OF LONDON BOROUGHS

BOROUGH BY VALUE	New weights	Old weights	Change
TOP 11	26.8%	27.8%	-1.1%
MIDDLE 11	36.7%	37.0%	-0.3%
BOTTOM 11	36.5%	35.1%	1.4%
ALL BOROUGHS	100.0%	100.0%	0.0%

Within London itself we can see a shift in market share away from the high value boroughs to the lower end of the market. The bottom 11 boroughs by value, listed in Table 7 on page 11, have seen an increase of 1.4% in market share, at the expense of the top 11 boroughs by value (-1.1%) and the middle 11 boroughs by value (-0.3%).

This shift in the weights to the lower end of the London housing market has resulted in the average price of a property in London in December 2017 being some £12,000 lower than that calculated using the old weights.

Table 5. The change in the LSL Acadata England & Wales HPI weights 2017 vs 2016 by property type

[link to source Excel](#)

## % MARKET SHARE OF PROPERTY SALES

TYPE OF PROPERTY	New weights	Old weights	Change
DETACHED	24.8%	24.6%	+0.3%
SEMI-DETACHED	26.9%	26.8%	+0.1%
TERRACED	28.8%	29.4%	-0.6%
FLATS	19.5%	19.2%	+0.2%
ALL PROPERTIES	100.0%	100.0%	0.0%

The market share of terraces has decreased over the period by -0.6%, while the share of other property types have increased, with the largest increase being seen in detached properties at +0.3%.

This is the fourth year in which we have highlighted the change in the weights that we use to determine the average price of a property in England & Wales. The changes in these weights are determined by the long term trends within the overall property markets, as they reflect the number and types of transactions that have taken place over the previous four years. In all four of the analyses we have undertaken there has been an increase in the market share of flats, which typically are at the lower end of the price spectrum.

The largest regional increase in market share over the four separate analyses has on each occasion been the North West region gaining ground, while London has seen a consistent decline in its market share over the same period. This has resulted in a reduction in the average price of a home in England & Wales on each occasion that we have carried out the revisions to our weights.



Given the ascendancy of the North West, we consider it appropriate to look at the region's constituent parts to determine which areas are contributing the most to its expansion.

Table 6. The change in the LSL Acadata North West Region weights 2017 vs 2013 by constituent area

[link to source Excel](#)

VOLUME OF NORTH WEST SALES				
NORTH WEST	2013 weights	2017 weights	% change 2013/17	Rank by price
BLACKBURN WITH DARWEN	5,265	6,585	25%	99
BLACKPOOL	6,047	7,895	31%	107
CHESHIRE	34,624	52,652	52%	41
HALTON	3,923	6,545	67%	91
WARRINGTON	9,251	13,163	42%	56
CUMBRIA	25,359	33,872	34%	69
GREATER MANCHESTER	107,805	158,029	47%	66
LANCASHIRE	54,781	76,609	40%	79
MERSEYSIDE	48,607	74,295	53%	81
NORTH WEST	295,662	429,645	45%	

Table 6 shows the weights derived from 2010/2013 and 2014/2017 transaction levels for each of the Unitary Authority Areas / Counties in the North West region. The rank by price is extracted from Table 9 on page 13, which ranks the particular area on the basis of its average house price compared to the 108 Unitary Authority Areas / Counties within England & Wales. The area in the North West with the biggest growth in property sales over the period is Halton at 67%. Halton borders Merseyside, Warrington and Cheshire, straddling the River Mersey and includes the towns of Runcorn and Widnes. It is interesting to observe that the areas which Halton borders have, with the exception of Warrington (42%), all seen growth in excess of 45%, a figure which applies to the North West as a whole. Thus the general area encompassing Cheshire and Merseyside, including Halton, has experienced the highest growth in property sales of the England & Wales property market over the last seven years.

The growth in property sales in Greater Manchester at 47% is marginally above the average for the region as a whole. It is far in excess of the 3% fall in property sales that took place in Greater London over this same time period, reflecting the very successful regeneration and growth strategies of this city region underpinned in recent years by the "city deal" struck with the government. On the basis of housing transactions, it certainly suggests that the concept of a Northern powerhouse to rival London has already begun to emerge, and one that is being built on the back of relatively affordable housing.

Despite having the near-lowest average price of housing in England & Wales, the areas of both Blackpool and Blackburn with Darwen have seen the lowest growth in home sales of all the areas within the North West. One might have expected to see high growth in sales in these areas due to affordability considerations, but certainly in the recent past the low prices were due to the low demand to purchase properties in the area.

On a technical point and for those financial institutions that use the LSL Acadata Index as an index measure of house price change, we should advise that we have chain-linked our Index (Jan 2000 = 100.0) to that recorded in December 2017 at 292.1, using the previously adopted weights. Thus the index from Jan 2000 – Dec 2017 is frozen at the levels recorded over the last eighteen years using the weights that applied at the time of their calculation, with changes in the Index post-December 2017 reflecting the changes in price that take place using the new weights from January 2018 onwards.





### Comparison of Indices - Annual Changes

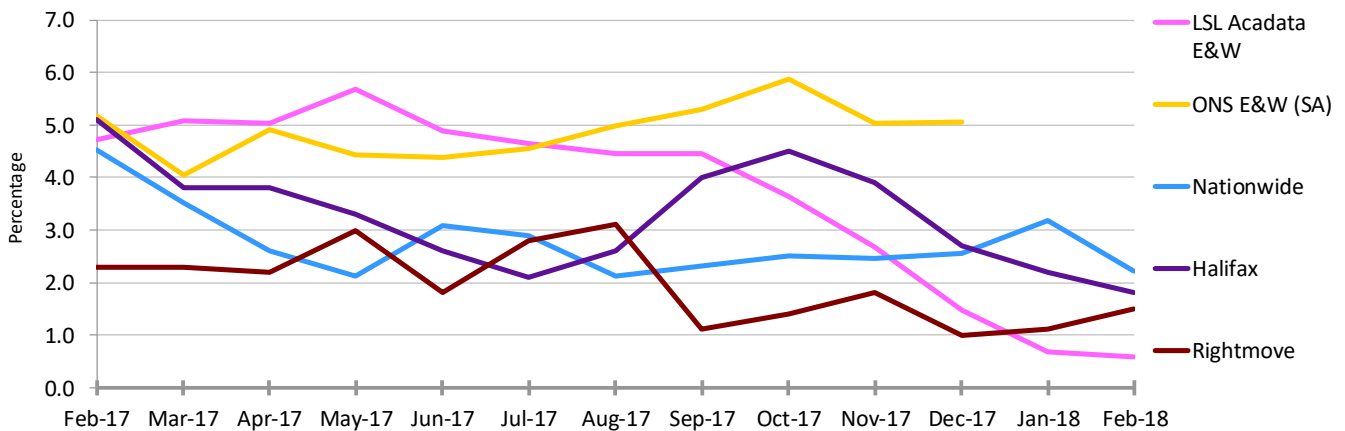


Figure 4. Annual change in house prices

[link to source Excel](#)

As Figure 4 shows, four of the five indices which we monitor were showing near agreement in the annual rate of house price growth for February 2017, at an average 4.9%, with only Rightmove having a different view at 2.3%. The range between the four highest rates amounted to 0.7%, with ONS having the highest rate at 5.2% and Nationwide the lowest at 4.5%. However, by December 2017 (the latest month available from ONS) the same four indices differed by 3.6% in their view of the market, ranging from 5.1% published by the ONS to 1.5% from LSL Acadata, with near agreement between the two lender indices, with Halifax at 2.7% and Nationwide at 2.6%.

At the end of February 2018 there is near agreement between three of the indices, with Nationwide at 2.2%, Halifax at 1.8% and Rightmove at 1.5%, giving an average 1.8%, while LSL Acadata reports a lower figure of 0.6% and one suspects the ONS will be reporting a higher figure when it publishes. Interestingly, of the four indices which have published February figures, the range between the highest and lowest rate, at 1.6%, is the lowest spread of the last twelve months.

### Comparison of Indices - Monthly Changes

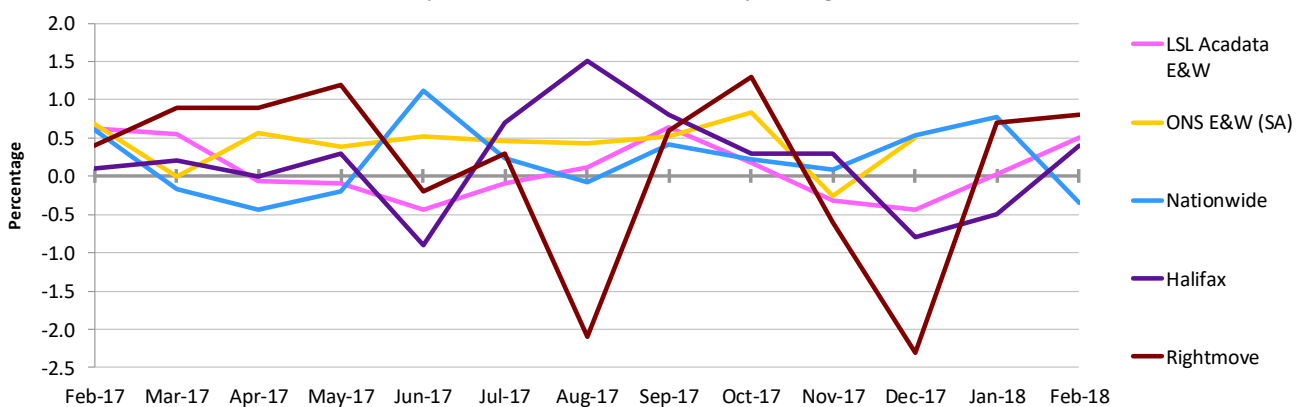
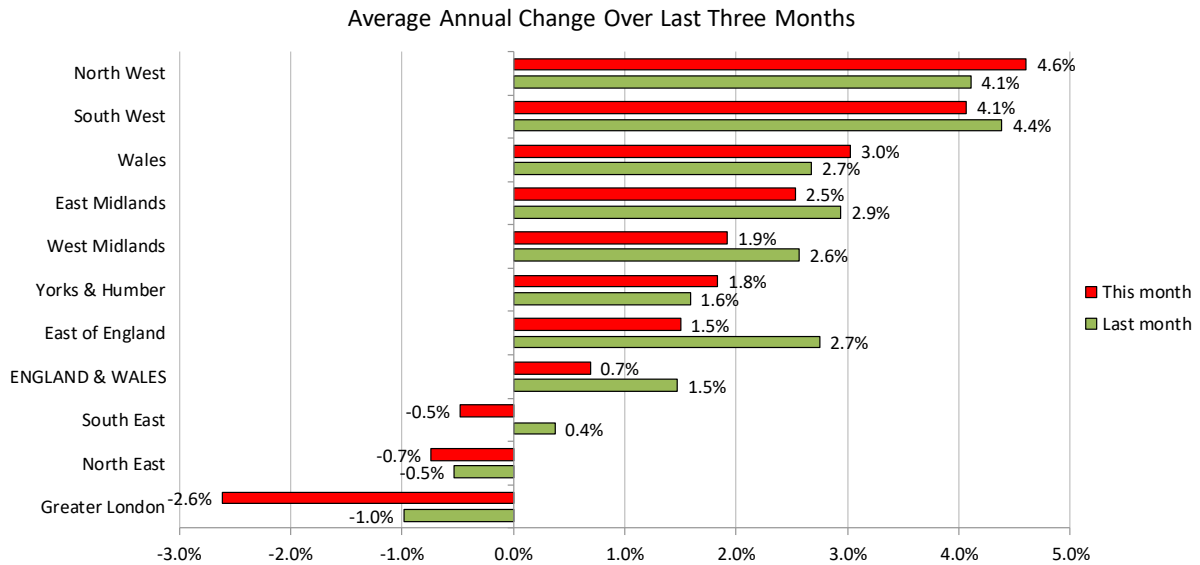


Figure 5. Monthly change in house prices

[link to source Excel](#)

Figure 5 above covers the **monthly** change in house prices as recorded by the different indices. Of the four Indices that have reported rates for February, three indices are reporting an increase in prices in the month, with only Nationwide taking a negative view. LSL Acadata and Halifax are showing an increase of 0.5% and 0.4% respectively, with Nationwide at -0.3% and Rightmove at +0.8%. Looking at the variance in the reported monthly rates over the last twelve months, the ONS statistic shows the least volatility, followed by LSL Acadata, Nationwide and Halifax, with Rightmove reporting the greatest change between the months.



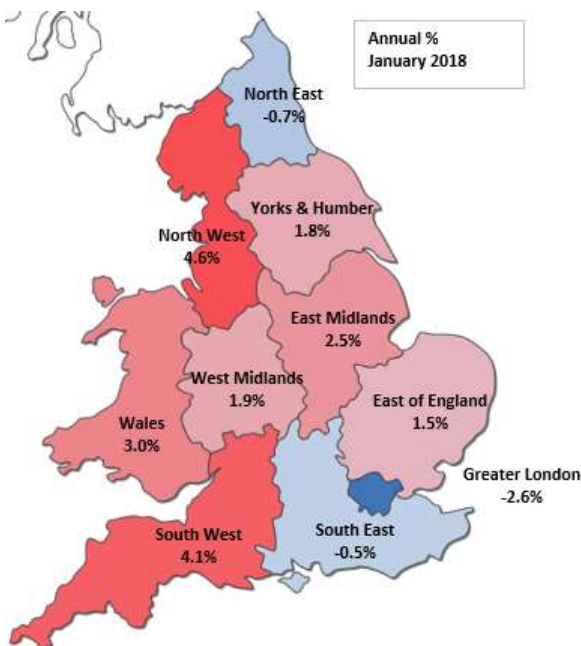
**Figure 6.** The annual change in the average house price for the three months centred on January 2018, analysed by GOR [link to source Excel](#)

Figure 6 shows the annual change in house prices, averaged over a three month period, centred on January 2018 and contrasts these movements with the same analysis one month earlier. As we can observe, three regions have shown an increase in the rate of house price inflation over the month, with seven regions seeing a lowering in their rates.

The highest riser over the month has been the North West, where prices have increased by 0.5% to 4.6% - the region now stands top of the league, having climbed from 9th place, where it was just eight months ago. The other two regions showing an increase in the rate of growth over the month are Wales (+0.3%) and Yorkshire and the Humber (+0.2%).

The region with the largest decline in the rate of house price growth over the month is Greater London, down by an additional -1.6%, falling to a rate of -2.6%. Greater London is followed by the East of England which saw a negative movement of -1.2% and the South East, where the change was -0.9%. Thus the commuter regions of Greater London are succumbing to the negative ripple effect emanating outward from the capital.

Further research of Table 9 will show that a number of the major conurbations in England & Wales are continuing to experience relatively high changes in their annual house price growth. In the South West we have Bristol at 9.2%; in the North West Merseyside at 8.0% and Greater Manchester at 4.3%; in Wales, Cardiff is seeing growth of 2.8%; and growth in the West Midlands conurbation - which includes Birmingham - is currently at 2.4%; in the East Midlands Leicester stands at 4.7% and Nottingham at 4.5%. London is therefore presently out of line with most other major cities in England & Wales, in seeing its prices fall.



This month the heat map is mainly coloured red, indicating that prices are continuing to rise in most regions of England and in Wales. However, we can also identify the 'blue' spots in the south-east corner of England and the North East where prices continue to fall.

The two 'hottest' areas in the country are the North West and the South West where prices on an annual basis are rising by 4.6% and 4.1% respectively.

Prices across middle-England and Wales are rising in a band between 1.8% and 3.0%, while in the East of England prices are rising at a slower pace of 1.5% per annum.

**Figure 7.** Heat Map of the annual change in the average house price of English regions and Wales, January 2018

# London boroughs, counties and unitary authorities



Table 7. The change in house prices, for the 33 London boroughs, comparing January 2017 and December 2017 with January 2018 [link to source Excel](#)

PRIOR YR RANK	RANK BY PRICE	LONDON BOROUGH	Jan-17	Dec-17	Jan-18	Month % Change	Annual % Change
1	1	KENSINGTON AND CHELSEA	2,066,576	2,203,134	2,162,671	-1.8%	4.6%
2	2	CITY OF WESTMINSTER	1,654,896	1,607,403	1,575,083	-2.0%	-4.8%
3	3	CAMDEN	1,046,158	988,492	1,029,418	4.1%	-1.6%
4	4	HAMMERSMITH AND FULHAM	968,145	979,674	945,790	-3.5%	-2.3%
5	5	CITY OF LONDON	946,725	840,101	844,768	0.6%	-10.8%
7	6	RICHMOND UPON THAMES	763,924	747,537	732,731	-2.0%	-4.1%
6	7	WANDSWORTH	805,460	703,087	685,567	-2.5%	-14.9%
8	8	ISLINGTON	750,820	692,676	684,869	-1.1%	-8.8%
10	9	HARINGEY	646,413	645,061	652,146	1.1%	0.9%
11	10	HACKNEY	629,630	601,517	610,798	1.5%	-3.0%
15	11	MERTON	580,984	604,446	602,837	-0.3%	3.8%
12	12	BARNET	623,760	595,821	589,639	-1.0%	-5.5%
16	13	BRENT	541,139	586,405	587,372	0.2%	8.5%
9	14	SOUTHWARK	666,160	578,063	585,157	1.2%	-12.2%
13	15	LAMBETH	588,884	579,217	582,874	0.6%	-1.0%
14	16	EALING	585,186	555,103	544,889	-1.8%	-6.9%
18	17	KINGSTON UPON THAMES	536,746	546,962	544,444	-0.5%	1.4%
17	18	TOWER HAMLETS	538,138	541,646	528,169	-2.5%	-1.9%
19	19	HARROW	533,208	498,819	494,462	-0.9%	-7.3%
21	20	HOUNSLOW	482,740	492,642	485,160	-1.5%	0.5%
20	21	BROMLEY	487,515	487,651	480,020	-1.6%	-1.5%
26	22	REDBRIDGE	448,547	462,133	465,187	0.7%	3.7%
25	23	WALTHAM FOREST	451,035	459,664	464,872	1.1%	3.1%
27	24	LEWISHAM	442,475	453,936	454,077	0.0%	2.6%
23	25	HILLINGDON	464,351	448,524	445,271	-0.7%	-4.1%
22	26	ENFIELD	468,850	441,715	441,561	0.0%	-5.8%
24	27	GREENWICH	460,550	445,726	438,236	-1.7%	-4.8%
28	28	SUTTON	398,594	403,934	408,396	1.1%	2.5%
30	29	CROYDON	390,300	397,689	391,468	-1.6%	0.3%
31	30	HAVERING	381,092	386,644	384,645	-0.5%	0.9%
29	31	NEWHAM	394,871	390,580	384,173	-1.6%	-2.7%
32	32	BEXLEY	347,406	362,895	363,082	0.1%	4.5%
33	33	BARKING AND DAGENHAM	300,275	299,774	300,627	0.3%	0.1%
		ALL LONDON	609,327	598,058	593,396	-0.8%	-2.6%

The analysis of Greater London house prices in Table 7 relates to January 2018, and compares these prices to one month and one year earlier. As discussed earlier on page 9, the annual rate of change in London has continued to fall, with average prices now 2.6%, or £15,931, lower than one year earlier. This is the steepest annual rate of decline in London prices since August 2009, during the last housing slump, which was itself associated with the banking credit crisis of 2008/09.

On a monthly basis, average prices fell by £4,662, or -0.8%, leaving the average price of a property at £593,396. This is the third consecutive month in which prices in London have fallen. There was a previously unreported rally in prices in November, which has only recently come to light, following the late publication of new build data for the period October – December 2017.

Dividing the 33 London boroughs into 3 groups, ranked by average house price, we obtain the following price change profile:-

Table 8. Profile of price movement in January 2018 for 33 London boroughs, ranked by price

[link to source Excel](#)

Ranked by value	Annual % change	Month % change	Annual £ change	Month £ change	No. of price falls annual	No. of price falls month	Boroughs at peak
Top 11 boroughs	-3.8%	-1.1%	-36,306	-9,982	8	7	0
Middle 11 boroughs	-2.7%	-0.7%	-15,053	-3,708	7	7	0
Bottom 11 boroughs	-0.5%	-0.4%	-1,877	-1,721	4	6	1
All 33 boroughs	-2.6%	-0.8%	-15,930	-4,662	19	20	1



As can be seen in the above table, the largest price falls on an annual basis were in the top 11 boroughs by value, with prices in these eleven boroughs falling by an average £36,306, or 3.8%, over the year. The largest individual fall in this group over the period was seen in Wandsworth, down an average -14.9% or £119,893 per property. In January 2017 there were 164 new build flats sold in Wandsworth for an average price of £1.1 million. Data for Wandsworth new-builds in January 2018 has yet to be published, so we may see a revision to the published figures over the next few months, which may redress this apparent fall in values in the borough.

Over the year, the middle 11 boroughs by value saw prices fall by an average 2.7%, whilst at the bottom end of the market, prices have fallen by an average 0.5%, with the largest % increase in these bottom 11 boroughs on an annual basis being seen in Bexley at +4.5%. Bexley has the second lowest average house price of all 33 London boroughs.

During the month of January 2018, it is the 11 lowest-priced boroughs that have seen the smallest fall in prices at an average -£1,721, or -0.4%, with Waltham Forest seeing the largest monthly rise in prices in this sector, at +1.1%. It is the price of terraced houses in Waltham Forest that have seen an upward movement over the month to an average selling price of £550k.

In terms of Greater London transactions, sales for the three months Nov 2017 – Jan 2018 are 5% lower than the same three months one year earlier. The major downturn has been in the sale of flats (-8%), followed by detached properties (-6%), with semi-detached down -3% and terraces down -1%. The three boroughs having the highest increase in transactions over this period are Hammersmith and Fulham, +17%, Camden, +13% and Barking and Dagenham, +12%. The top two boroughs in terms of transaction increases are ranked fourth and third in London by price, indicating that momentum is returning to sales in the more expensive parts of central London, following the downturn in transactions experienced during late 2016. Barking and Dagenham is at the other end of the scale price wise, being the borough with the lowest average price in the capital.

### London house price heat map

The heat map below shows the annual % change in house prices across London in January 2018. 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. It would appear that the largest falls in prices are taking place in the inner London boroughs. There is also an ‘interesting’ strip of price falls running across the outer boroughs to the north of the capital stretching from Hillingdon to Enfield.

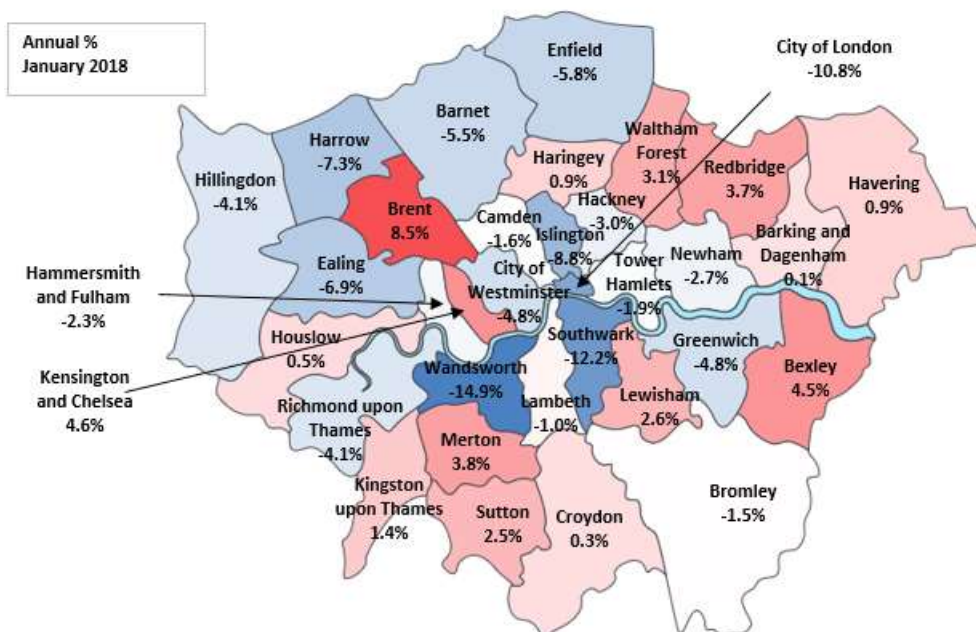


Figure 8. Heat Map of the annual change in the average house price for Greater London, analysed by borough, January 2018

There is only one borough this month at a new peak in terms of its average house price, being Waltham Forest. As discussed above it is the increase in the average price of terraces that has resulted in Waltham Forest setting a new record average price for the borough. Waltham Forest is on the Central and Victoria Underground lines, the Barking to Gospel Oak Overground line and is also served by an Overground line into Liverpool Street station.



# London boroughs, counties and unitary authorities



Table 9. The annual percentage change in mix adjusted house prices, for the 108 Counties and Unitary Authorities in England & Wales, comparing January 2017 and December 2017 with January 2018

[link to source Excel](#)

PRIOR YR RANK	RANK BY PRICE	COUNTY / UNITARY AUTHORITY / REGION	Jan-17	Dec-17	Jan-18	Monthly change	Annual Change
100	102	COUNTY DURHAM	£131,501	£128,890	£128,660	-0.2%	-2.2%
88	94	DARLINGTON	£160,483	£155,848	£147,445	-5.4%	-8.1%
99	103	HARTLEPOOL	£131,980	£125,343	£125,957	0.5%	-4.6%
95	96	MIDDLESBROUGH	£144,352	£143,286	£143,032	-0.2%	-0.9%
60	65	NORTHUMBERLAND	£196,800	£192,999	£195,982	1.5%	-0.4%
96	97	REDCAR AND CLEVELAND	£140,961	£140,133	£142,801	1.9%	1.3%
83	88	STOCKTON-ON-TEES	£166,747	£158,666	£160,941	1.4%	-3.5%
86	85	TYNE AND WEAR	£164,062	£165,413	£165,825	0.2%	1.1%
		<b>NORTH EAST TOTAL</b>	<b>£158,958</b>	<b>£157,311</b>	<b>£157,783</b>	<b>0.3%</b>	<b>-0.7%</b>
106	99	BLACKBURN WITH DARWEN	£120,427	£139,484	£140,160	0.5%	16.4%
107	107	BLACKPOOL	£113,929	£119,062	£117,812	-1.0%	3.4%
45	41	CHESHIRE	£241,057	£256,996	£254,065	-1.1%	5.4%
87	91	HALTON	£160,982	£160,793	£158,535	-1.4%	-1.5%
57	56	WARRINGTON	£201,313	£217,375	£222,047	2.1%	10.3%
69	69	CUMBRIA	£185,767	£192,276	£191,473	-0.4%	3.1%
68	66	GREATER MANCHESTER	£186,581	£193,134	£194,514	0.7%	4.3%
79	79	LANCASHIRE	£172,458	£174,092	£174,207	0.1%	1.0%
89	81	MERSEYSIDE	£159,628	£170,713	£172,448	1.0%	8.0%
		<b>NORTH WEST TOTAL</b>	<b>£183,726</b>	<b>£191,687</b>	<b>£192,188</b>	<b>0.3%</b>	<b>4.6%</b>
61	63	EAST RIDING OF YORKSHIRE	£196,150	£197,786	£197,463	-0.2%	0.7%
104	105	KINGSTON UPON HULL, CITY OF	£122,967	£120,185	£119,182	-0.8%	-3.1%
97	95	NORTH EAST LINCOLNSHIRE	£137,898	£142,278	£144,415	1.5%	4.7%
93	93	NORTH LINCOLNSHIRE	£153,733	£155,640	£155,348	-0.2%	1.1%
31	37	YORK	£269,719	£258,736	£260,823	0.8%	-3.3%
42	43	NORTH YORKSHIRE	£248,375	£251,715	£251,777	0.0%	1.4%
90	87	SOUTH YORKSHIRE	£156,602	£161,746	£161,811	0.0%	3.3%
76	74	WEST YORKSHIRE	£176,841	£179,988	£181,473	0.8%	2.6%
		<b>YORKS &amp; HUMBER TOTAL</b>	<b>£183,799</b>	<b>£186,457</b>	<b>£187,174</b>	<b>0.4%</b>	<b>1.8%</b>
82	83	DERBY	£168,257	£168,980	£168,926	0.0%	0.4%
78	75	LEICESTER	£173,151	£179,956	£181,233	0.7%	4.7%
92	89	NOTTINGHAM	£153,973	£160,968	£160,894	0.0%	4.5%
21	13	RUTLAND	£305,491	£334,940	£350,610	4.7%	14.8%
64	67	DERBYSHIRE	£191,725	£195,300	£193,593	-0.9%	1.0%
50	49	LEICESTERSHIRE	£229,229	£236,267	£237,859	0.7%	3.8%
66	68	LINCOLNSHIRE	£189,877	£194,009	£193,430	-0.3%	1.9%
44	45	NORTHAMPTONSHIRE	£242,349	£243,796	£247,068	1.3%	1.9%
65	64	NOTTINGHAMSHIRE	£191,587	£194,641	£196,604	1.0%	2.6%
		<b>EAST MIDLANDS TOTAL</b>	<b>£203,614</b>	<b>£207,780</b>	<b>£208,764</b>	<b>0.5%</b>	<b>2.5%</b>
41	40	HEREFORDSHIRE	£248,920	£252,388	£254,632	0.9%	2.3%
46	48	SHROPSHIRE	£238,828	£235,739	£238,676	1.2%	-0.1%
105	104	STOKE-ON-TRENT	£121,012	£121,187	£120,363	-0.7%	-0.5%
70	78	TELFORD & WREKIN	£182,379	£173,618	£174,545	0.5%	-4.3%
56	58	STAFFORDSHIRE	£202,950	£204,478	£204,141	-0.2%	0.6%
32	33	WARWICKSHIRE	£269,685	£284,407	£284,060	-0.1%	5.3%
62	62	WEST MIDLANDS	£195,233	£198,867	£199,963	0.6%	2.4%
37	39	WORCESTERSHIRE	£253,236	£254,703	£255,621	0.4%	0.9%
		<b>WEST MIDLANDS TOTAL</b>	<b>£213,688</b>	<b>£217,065</b>	<b>£217,797</b>	<b>0.3%</b>	<b>1.9%</b>
22	20	BEDFORDSHIRE	£304,004	£315,634	£315,287	-0.1%	3.7%
47	44	LUTON	£236,059	£248,072	£247,372	-0.3%	4.8%
67	57	PETERBOROUGH	£187,941	£205,766	£204,240	-0.7%	8.7%
24	25	SOUTHEND-ON-SEA	£297,337	£309,149	£306,224	-0.9%	3.0%
29	29	THURROCK	£281,755	£282,772	£288,021	1.9%	2.2%
15	16	CAMBRIDGESHIRE	£335,033	£325,015	£322,640	-0.7%	-3.7%
14	14	ESSEX	£338,046	£343,685	£341,219	-0.7%	0.9%
5	5	HERTFORDSHIRE	£439,143	£449,057	£449,742	0.2%	2.4%

# London boroughs, counties and unitary authorities



43	47	NORFOLK	£242,574	£243,743	£243,003	-0.3%	0.2%
34	35	SUFFOLK	£260,443	£270,624	£269,903	-0.3%	3.6%
		<b>EAST OF ENGLAND TOTAL</b>	<b>£318,736</b>	<b>£324,488</b>	<b>£323,513</b>	<b>-0.3%</b>	<b>1.5%</b>
		<b>GREATER LONDON TOTAL</b>	<b>£609,327</b>	<b>£598,058</b>	<b>£593,396</b>	<b>-0.8%</b>	<b>-2.6%</b>
7	10	BRACKNELL FOREST	£401,650	£386,817	£390,249	0.9%	-2.8%
6	6	BRIGHTON AND HOVE	£404,023	£411,573	£415,055	0.8%	2.7%
49	52	ISLE OF WIGHT	£229,994	£229,720	£228,157	-0.7%	-0.8%
40	42	MEDWAY	£251,190	£256,579	£252,367	-1.6%	0.5%
26	32	MILTON KEYNES	£291,232	£282,753	£286,196	1.2%	-1.7%
54	51	PORTSMOUTH	£218,609	£228,842	£229,623	0.3%	5.0%
16	21	READING	£325,797	£317,839	£312,102	-1.8%	-4.2%
18	23	SLOUGH	£319,847	£317,050	£310,418	-2.1%	-2.9%
53	54	SOUTHAMPTON	£220,684	£227,256	£227,921	0.3%	3.3%
10	7	WEST BERKSHIRE	£388,264	£396,289	£399,826	0.9%	3.0%
1	1	WINDSOR AND MAIDENHEAD	£590,529	£542,724	£538,972	-0.7%	-8.7%
4	4	WOKINGHAM	£453,581	£454,214	£454,979	0.2%	0.3%
3	3	BUCKINGHAMSHIRE	£482,902	£473,390	£483,393	2.1%	0.1%
20	24	EAST SUSSEX	£306,841	£309,277	£310,056	0.3%	1.0%
12	12	HAMPSHIRE	£344,811	£349,382	£350,639	0.4%	1.7%
19	19	KENT	£318,170	£320,840	£320,700	0.0%	0.8%
8	9	OXFORDSHIRE	£398,914	£391,490	£393,674	0.6%	-1.3%
2	2	SURREY	£532,324	£512,891	£514,108	0.2%	-3.4%
11	11	WEST SUSSEX	£366,829	£362,810	£364,082	0.4%	-0.7%
		<b>SOUTH EAST TOTAL</b>	<b>£371,350</b>	<b>£368,361</b>	<b>£369,579</b>	<b>0.3%</b>	<b>-0.5%</b>
9	8	BATH AND NORTH EAST SOMERSET	£389,486	£397,294	£396,984	-0.1%	1.9%
35	34	BOURNEMOUTH	£260,364	£275,744	£273,168	-0.9%	4.9%
25	17	BRISTOL, CITY OF	£295,146	£314,873	£322,261	2.3%	9.2%
38	36	CORNWALL	£251,770	£259,785	£264,476	1.8%	5.0%
33	27	NORTH SOMERSET	£267,747	£301,218	£300,223	-0.3%	12.1%
71	72	PLYMOUTH	£182,317	£185,589	£185,634	0.0%	1.8%
13	15	POOLE	£340,870	£343,100	£335,891	-2.1%	-1.5%
28	31	SOUTH GLOUCESTERSHIRE	£282,189	£286,705	£286,785	0.0%	1.6%
51	50	SWINDON	£223,785	£237,488	£235,258	-0.9%	5.1%
55	53	TORBAY	£213,694	£226,221	£227,993	0.8%	6.7%
23	22	WILTSHIRE	£303,137	£308,222	£311,101	0.9%	2.6%
30	28	DEVON	£272,926	£286,228	£288,916	0.9%	5.9%
17	18	DORSET	£321,117	£321,900	£321,663	-0.1%	0.2%
27	26	GLOUCESTERSHIRE	£290,171	£296,784	£301,213	1.5%	3.8%
39	38	SOMERSET	£251,736	£259,121	£256,417	-1.0%	1.9%
		<b>SOUTH WEST TOTAL</b>	<b>£276,612</b>	<b>£286,367</b>	<b>£287,858</b>	<b>0.5%</b>	<b>4.1%</b>
63	61	ISLE OF ANGLESEY	£192,303	£195,318	£200,071	2.4%	4.0%
81	80	GWYNEDD	£168,579	£175,610	£174,195	-0.8%	3.3%
77	77	CONWY	£174,844	£180,858	£175,110	-3.2%	0.2%
84	76	DENBIGHSHIRE	£166,013	£174,108	£176,046	1.1%	6.0%
74	73	FLINTSHIRE	£178,467	£182,530	£184,120	0.9%	3.2%
75	84	WREXHAM	£177,990	£164,990	£168,367	2.0%	-5.4%
59	59	POWYS	£196,983	£200,655	£203,694	1.5%	3.4%
58	60	CEREDIGION	£198,932	£205,100	£203,325	-0.9%	2.2%
72	70	PEMBROKESHIRE	£181,772	£193,709	£191,437	-1.2%	5.3%
91	90	CARMARTHENSHIRE	£156,287	£159,859	£160,701	0.5%	2.8%
80	82	SWANSEA	£170,812	£167,185	£169,908	1.6%	-0.5%
101	100	NEATH PORT TALBOT	£126,302	£129,807	£131,407	1.2%	4.0%
85	86	BRIDGEND	£164,412	£160,282	£163,578	2.1%	-0.5%
48	46	VALE OF GLAMORGAN	£234,789	£242,231	£243,644	0.6%	3.8%
52	55	CARDIFF	£220,709	£227,432	£226,997	-0.2%	2.8%
102	101	RHONDDA CYNON TAF	£125,918	£130,108	£130,435	0.3%	3.6%
103	106	MERTHYR TYDFIL	£124,515	£116,439	£118,458	1.7%	-4.9%
98	98	CAERPHILLY	£135,157	£142,451	£141,771	-0.5%	4.9%





108	108	<b>BLAENAU GWENT</b>	£93,396	£102,221	£101,033	-1.2%	8.2%
94	92	<b>TORFAEN</b>	£152,219	£150,833	£156,494	3.8%	2.8%
36	30	<b>MONMOUTHSHIRE</b>	£256,251	£273,781	£287,027	4.8%	12.0%
73	71	<b>NEWPORT</b>	£181,202	£187,087	£189,878	1.5%	4.8%
		<b>WALES TOTAL</b>	<b>£176,092</b>	<b>£180,133</b>	<b>£181,420</b>	<b>0.7%</b>	<b>3.0%</b>
		<b>ENGLAND &amp; WALES TOTAL</b>	<b>£296,006</b>	<b>£297,960</b>	<b>£298,044</b>	<b>0.0%</b>	<b>0.7%</b>

Table 9 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 January and December 2017 and January 2018. 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 this table, Regions, Counties and Unitary Authorities highlighted in turquoise are currently at a peak price.

## Annual Trends

On an annual basis, prices in January 2018 have increased in England & Wales by £2,038, or 0.7%, which is 0.8% lower than the previous month. Despite the decline in the annual rate, some 81 of the 108 unitary authority areas have recorded price rises over the year, which is 1 more than the previous month. Of the 27 areas where prices have fallen, 9 are located in the South East, 6 are in the North East, 4 are in Wales, 3 are in the West Midlands, 2 are in Yorkshire and the Humber, with 1 each located in the North West, the East of England and the South West. This month the East Midlands is the sole region where prices have risen in all of its constituent areas.

We can note that in January 2018, 27 of the 108 unitary authorities in England & Wales outside of London were witnessing price falls on an annual basis, compared with the position in London, where 19 of the 33 boroughs saw prices decline over the same period. In general, we can conclude that the majority of unitary authorities in England & Wales continue to experience rising house prices, while in London there is only a minority of boroughs that are doing so. We also note there is evidence of a weakening in the prices recorded by authorities in the South East, which is likely to be a consequence of a ripple effect radiating out from the Greater London suburbs.

## Peak Prices

In Table 9, those areas highlighted in turquoise have set a new peak price in the month; there are 22 such locations, compared with 18 seen in the previous month, again indicative of a strengthening in house prices outside the south east of England. Of the 22 unitary authority areas that recorded a new peak, 6 are in the South West, 4 each are in the North West and Wales, 3 are in the East Midlands, 2 are in the South East, with 1 each in Yorkshire and the Humber, the West Midlands and the East of England. There were no new peak prices set this month in the North East. In January, four GOR regions established a new peak average price, up from two in the previous month, with the North West and the South West being joined in January by the East Midlands and Wales.

## Monthly Trends

On a monthly basis, the average price of a home in England & Wales in January 2018 rose by a minimal £84, which equates to a 0.0% change. This does however stop a decline in prices which had been witnessed over the preceding two months. In January 2018, prices fell in 45 of the 108 unitary authority areas, compared with 52 falls in December.

## Highest and lowest unitary authorities

In January, looking at the unitary authority areas on an individual basis, Blackburn with Darwen has the highest annual rate of change in prices at 16.4%. In Blackburn it is detached properties that have seen the most significant increase in values, up from an average £205k in January 2017 to £295k in January 2018.

On an annual basis, the authority with the largest reduction in prices is Windsor and Maidenhead, where values have fallen by 8.7% over the year. Outside of Greater London, Windsor and Maidenhead has the highest average house price of all 108 unitary authority areas. In Windsor and Maidenhead, the price of the average home has fallen by £50k over the year. Average prices were somewhat flattered in January 2017 by the purchase of 2 new build apartments in Sunningdale for £2.7 million apiece, with no similar sales having taken place one year later – hence the fall in average prices that are currently being seen in the area.

## Transactions

As shown in Table 2 earlier, the overall change in transactions in England & Wales between Nov 2016 – Jan 2017 and the same three months one year later is a minor gain of 0.4%. Over this period there has been a 4% decline in the sale of flats, mostly associated with declining transaction levels in London, offset by an increase in the sale of semi-detached homes, +2%, and terraced and detached properties, both up by 1%.



Analysing the change in transactions in England & Wales by unitary authority area, the five areas with the highest % increase in transactions are Hull (+125%), Conwy (+18%), Newport (+18%), Wokingham (+15%) and Ceredigion (+15%).

It is hard to decipher a common theme between the above locations, although we can point out that Ceredigion has a relatively small number of monthly transactions, being ranked 105th by sales volumes of the 108 unitary authority areas in England & Wales. A small number of additional properties sold in a month in this area can consequently produce a large change when expressed in percentage terms.

The figures for Hull show that there was a smaller than usual number of property sales in the area in January 2017, which may have been a result of home movers deciding to stay put at the start of the “Year of Culture”, which was held in the city during 2017. The number of transactions has subsequently returned to a more normal level, which consequently shows as a relatively large increase in sales volumes at the start of 2018 when compared to the previous year.

Newport has the highest number of new build property sales of the 22 local authority areas in Wales. The major house building companies normally have a push to complete sales by the end of the calendar year to meet agreed performance targets, which may explain the rise in sales volumes seen over this period.

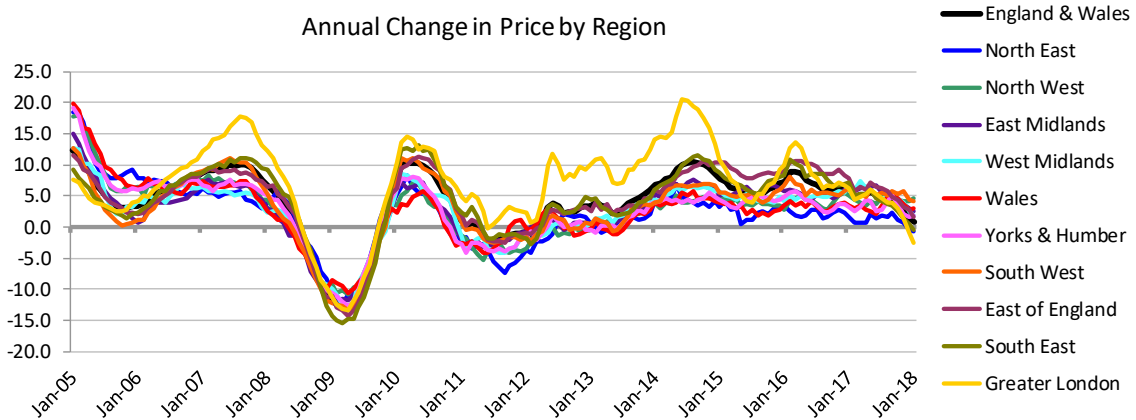


Figure 9. A comparison of the annual change in house prices, by region for the period January 2005 – January 2018 [link to source Excel](#)

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.

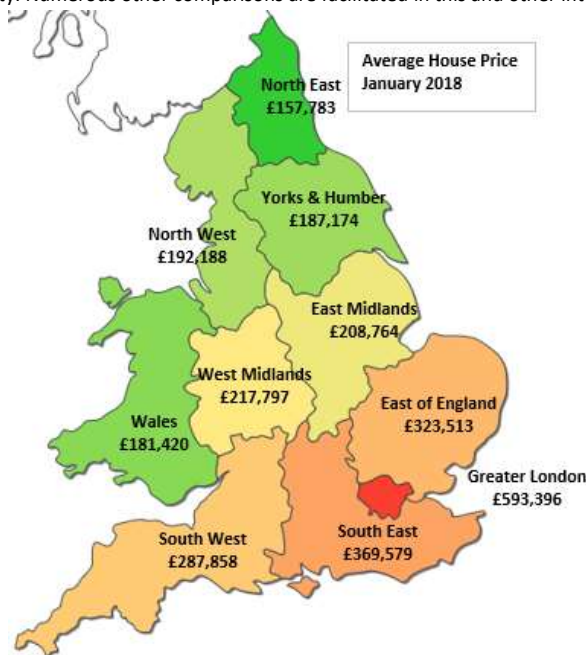


Figure 10. Heat Map of the average house price for England & Wales, analysed by region, January 2018

# Regional data



Table 10. Average house prices by region, February 2017 – February 2018, 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
Feb-17	£159,567	0.4	0.7	£185,641	1.0	4.3	£183,434	-0.2	2.5	£204,784	0.6	5.6
Mar-17	£158,956	-0.4	0.6	£186,265	0.3	3.8	£184,760	0.7	3.1	£206,130	0.7	6.1
Apr-17	£157,831	-0.7	0.6	£186,228	0.0	3.5	£185,284	0.3	4.2	£206,369	0.1	6.4
May-17	£157,804	0.0	2.0	£185,707	-0.3	4.0	£185,399	0.1	4.1	£206,171	-0.1	6.5
Jun-17	£157,546	-0.2	1.3	£185,518	-0.1	3.6	£183,493	-1.0	2.6	£207,431	0.6	6.5
Jul-17	£157,507	0.0	1.8	£187,041	0.8	4.9	£183,549	0.0	2.7	£207,163	-0.1	5.4
Aug-17	£156,650	-0.5	1.6	£188,506	0.8	5.2	£185,739	1.2	4.1	£208,140	0.5	5.5
Sep-17	£157,675	0.7	2.2	£189,229	0.4	5.6	£188,157	1.3	5.0	£208,438	0.1	4.8
Oct-17	£157,756	0.1	1.0	£189,967	0.4	4.2	£187,950	-0.1	3.5	£208,545	0.1	4.3
Nov-17	£158,168	0.3	0.6	£190,222	0.1	4.0	£186,820	-0.6	2.1	£208,348	-0.1	3.6
Dec-17	£157,311	-0.5	-0.5	£191,687	0.8	4.1	£186,457	-0.2	1.6	£207,780	-0.3	2.9
Jan-18	£157,783	0.3	-0.7	£192,188	0.3	4.6	£187,174	0.4	1.8	£208,764	0.5	2.5

	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
Feb-17	£215,089	0.7	6.1	£321,054	0.7	5.8	£611,661	0.4	4.4	£374,085	0.7	5.1
Mar-17	£216,390	0.6	7.3	£324,366	1.0	6.4	£617,251	0.9	4.7	£375,138	0.3	5.4
Apr-17	£215,014	-0.6	6.3	£324,683	0.1	6.0	£618,921	0.3	5.2	£374,270	-0.2	5.2
May-17	£214,950	0.0	5.9	£326,556	0.6	7.0	£616,880	-0.3	5.9	£373,804	-0.1	5.9
Jun-17	£214,964	0.0	5.0	£327,018	0.1	6.5	£608,764	-1.3	5.3	£372,308	-0.4	4.7
Jul-17	£215,051	0.0	4.5	£326,204	-0.2	6.2	£603,149	-0.9	4.7	£372,418	0.0	4.1
Aug-17	£216,343	0.6	4.9	£326,345	0.0	5.7	£599,967	-0.5	3.9	£372,750	0.1	3.8
Sep-17	£217,781	0.7	5.5	£325,933	-0.1	4.7	£609,061	1.5	3.9	£372,709	0.0	3.4
Oct-17	£218,338	0.3	4.6	£327,435	0.5	4.3	£611,943	0.5	3.1	£371,200	-0.4	2.6
Nov-17	£217,957	-0.2	4.0	£325,528	-0.6	3.2	£608,967	-0.5	1.4	£368,456	-0.7	1.4
Dec-17	£217,065	-0.4	2.6	£324,488	-0.3	2.7	£598,058	-1.8	-1.0	£368,361	0.0	0.4
Jan-18	£217,797	0.3	1.9	£323,513	-0.3	1.5	£593,396	-0.8	-2.6	£369,579	0.3	-0.5

	South West			Wales			ENGLAND & WALES			
	Av HP	%monthly	%annual	Av HP	%monthly	%annual	Av HP	%monthly	%annual	
Feb-17	£279,114	0.9	4.9	£177,876	1.0	2.9		£297,856	0.6	4.7
Mar-17	£279,178	0.0	5.3	£177,513	-0.2	3.3		£299,477	0.5	5.1
Apr-17	£278,861	-0.1	4.8	£175,277	-1.3	2.6		£299,305	-0.1	5.0
May-17	£278,559	-0.1	6.0	£173,653	-0.9	2.6		£299,016	-0.1	5.7
Jun-17	£277,990	-0.2	5.0	£173,722	0.0	2.1		£297,709	-0.4	4.9
Jul-17	£279,722	0.6	5.4	£175,576	1.1	3.4		£297,436	-0.1	4.7
Aug-17	£279,963	0.1	5.0	£177,184	0.9	4.7		£297,783	0.1	4.5
Sep-17	£282,425	0.9	5.8	£179,499	1.3	5.1		£299,684	0.6	4.5
Oct-17	£283,328	0.3	5.3	£180,756	0.7	4.5		£300,232	0.2	3.6
Nov-17	£285,014	0.6	5.7	£180,855	0.1	3.8		£299,274	-0.3	2.7
Dec-17	£286,367	0.5	4.4	£180,133	-0.4	2.7		£297,960	-0.4	1.5
Jan-18	£287,858	0.5	4.1	£181,420	0.7	3.0		£298,044	0.0	0.7
Feb-18								£299,556	0.5	0.6



## 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](http://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](#).