



Under embargo until 00:01 Monday 14th August 2017

July 2017

Housing transactions pause for summer holidays

- Prices slow but all regions in England and Wales still record annual growth
- East of England still leads, with 5.1% annual price growth
- Wales sees the biggest increase in transactions in Q2, despite low price rises
- London borough of Lewisham records new peak price, up 2.4% in July

House Price	Index	Monthly Change %	Annual Change %	Annual % (excluding London & the SE)
£298,906	290.3	-0.2	2.9	3.4

The housing market paused for breath in July, dipping just 0.2%, reducing the annual rate of house price inflation to 2.9% – the lowest since July 2013.

On an annual basis, the average house price in England and Wales rose by £8,433. Monthly, prices reached £298,906 across England and Wales.

Transactions slowed, dropping an estimated 9% in July from the previous month. Both prices and transaction data show a marked pause in summer housing market.

Oliver Blake, Managing Director of Your Move and Reeds Rains estate agents, said: “Annual prices are still rising positively and regions continue to perform strongly – despite the slowdown in transaction numbers over the summer months.

“Whilst, as a business, we often see this at this time of year, the cause of the dip may also be down to the buy-to-let slowdown as a result of tax changes.”

Although there has been a slight slowdown in monthly transactions, yearly activity shows regions such as London and East of England are continuing to grow strongly.

Every region across England and Wales recorded annual growth as demand for affordable property continues to rise. Traditionally lower priced boroughs of London and cities outside the commuter belt are beginning to see increased activity and transactions from first time buyers.

Prices in London fell for the third month in succession in June, by 1.5% – the second biggest drop in over six years but still remain up £14,244 on last year.

The fall takes £8,913 off the average property price in London, but this still remains double the national average, at £602,849. The trend in London is a mixed picture with 17 London boroughs seeing prices fall last month, and the other 16 seeing prices rise.

The top three boroughs in London still show solid annual growth, led by Kensington and Chelsea, the most expensive borough. Average prices in the borough are £1,954,735, up 17.3% on last year.

Of the top third most expensive boroughs among all 33 in London, eight saw prices drop last month, including all of the top five. The City of Westminster, with the second highest priced property in the capital, saw the biggest fall – 11.6%, and the City of London, fifth in the table, the second biggest – 8.2%. More significantly, the latter also saw the biggest fall on an annual basis, with prices down 17.6%.

At the other end of the market, of the cheapest eleven boroughs in London, six saw prices increase in June and only one (Greenwich) has seen prices decline on an annual basis. Just outside the cheapest 11, Lewisham also saw the biggest increase of the month, up 2.4%. With the average value in Lewisham now £469,709 it was also the only borough in London during June to record a new peak price.

House price index: historical data



Every region in the UK still shows annual growth, however they all slowed in June. The biggest drops in annual growth were in Wales, down 1.5% to just 0.2% for the year, the West Midlands, down 1.3% to 3.3%, and Yorks & Humber and the South East, with annual growth rates falling 1.2% in both to 1.5% and 3.5%, respectively.

A slowdown in the South East means that it looks significantly less buoyant than its three neighbours. In the South West prices are up 4.2% annually, the East Midlands registered an increase of 4.1% and the East of England, which continues to lead the way in England and Wales with annual house price inflation, rose 5.1%.

Nevertheless, something of the re-emerging north-south divide continues to be apparent, with the North East (1.1%), Yorks & Humber (1.5%), Wales (0.2%) and, to a lesser extent, the North West and West Midlands (both up 3.3%) recording weaker growth than the southern regions. Greater London, with 2.4% annual growth remains an exception.

The East of England continues to perform strongly, with all its unitary authority areas showing solid annual growth, led by Southend-on-Sea, up 10.2%, and Luton and Bedfordshire (both up 8%). The former two, along with Peterborough, also recorded new peak prices in the month.

Aside from Southend-on-Sea, four other areas recorded double digit growth in prices on an annual basis: Rutland in the East Midlands, with the highest annual increase (12.9%), albeit on low transaction volumes; Poole (up 10.8%) in the South West, which shows strong growth overall with Bournemouth, up 9.0% annually, also particularly strong; and Pembrokeshire (10.8%) and Blaenau Gwent (10.7%), both bucking the trend in Wales.

Wales also bucks the trend when it comes to transactions: looking at increases in transaction volumes between Q2 2015 and Q2 2017 across all 108 unitary authorities in England and Wales, the top five are all in Wales: Torfaen (+28%), Caerphilly (+26%), Isle of Anglesey (+26%), Ceredigion (+22%) and Wrexham (+19%).

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 July 2016 – July 2017

[link to source Excel](#)

		House Price	Index	Monthly Change %	Annual Change %
July	2016	£290,473	288.7	0.1	6.8
August	2016	£291,375	289.3	0.3	6.0
September	2016	£293,321	289.7	0.7	6.0
October	2016	£296,065	290.7	0.9	5.8
November	2016	£297,832	290.5	0.6	6.2
December	2016	£300,058	291.4	0.7	6.2
January	2017	£302,542	293.8	0.8	6.2
February	2017	£304,306	295.5	0.6	4.6
March	2017	£304,960	296.1	0.2	4.6
April	2017	£303,220	294.4	-0.6	4.1
May	2017	£301,376	292.7	-0.6	4.2
June	2017	£299,537	290.9	-0.6	3.3
July	2017	£298,906	290.3	-0.2	2.9

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Peter Williams, Chairman of Acadata and John Tindale, Acadata housing analyst comment:
July 2017

Housing transactions, ie, the number of homes being sold, have fallen by 9% from the levels seen in June. As with the rest of the economy, activity levels in the housing market are showing weakness, with sales in the month at their lowest July level since 2012. House prices in the month have also dropped by -0.2%, with the annual rate of house price inflation down to 2.9% - the lowest annual rate since July 2013. This is the housing market's first full month after the General Election on June 8th and it shows that the political and economic uncertainties surrounding the outcome of the election have further unsettled housing sentiment.

Annual % Change in House Prices
July 2013 - 2017

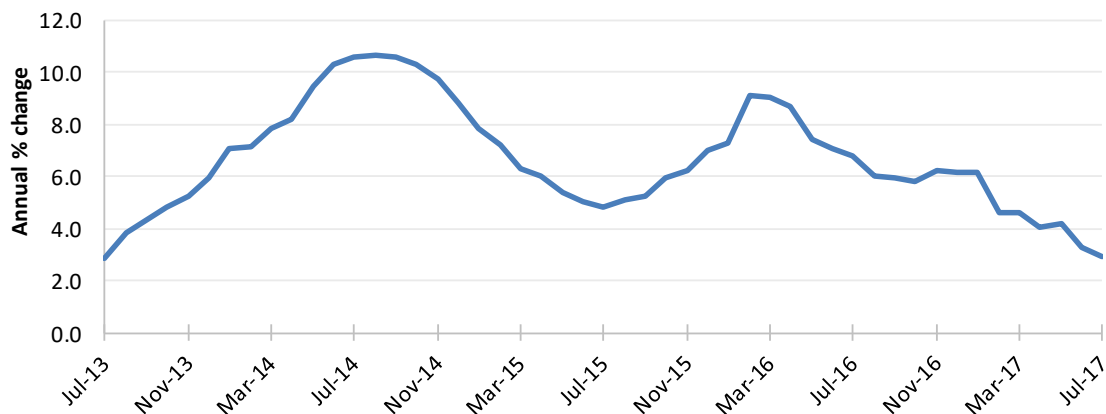


Figure 1. The annual percentage change in average house prices in England & Wales, July 2013 – July 2017

[link to source Excel](#)

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

Although it is almost certainly correct to ascribe the fall in housing transactions in July to the uncertainties surrounding the outcome of the general election, the decline in the annual rate of house price inflation has been a feature of the England & Wales housing market for the last seventeen months. As can be observed in Figure 1 above, the rate of house price inflation has been falling since March 2016, albeit with a few ‘bumps’ in the general direction of travel along the way.

Over the last year, the average house price in England & Wales has risen by £8,433, but has fallen by £631 over the last month, to stand at £298,906. The average price is therefore now back below the £300,000 benchmark, which had been first passed in December 2016. This contraction is not without significance, even though it is simply a statistical average. It is symbolic of the current state of the market and one which will be viewed negatively by many home buyers, adding to the sense of malaise that now exists.

The Housing Market

Looking ahead, this slowing of the housing market is likely to continue through the autumn and onwards to winter. Any seasonal upsurge in the former is likely to be muted, reflecting the more complex market conditions that now exist. The Bank of England in its *August Inflation Report* not only noted the slowdown that had taken place over the last 18 months, but also that the pace of the slowdown was increasing (see pages 17 & 18 of the report). The Bank highlighted the key role played by Buy-to-Let in this longer term slowdown (London and the South East make up around 50% of Buy-to-Let transactions) reflecting the impact of increased stamp duty: however, we do have to recognise that this is not fully captured in the data, as commercial Buy-to-Let via limited companies is not included in the LR data used here. This discrepancy will grow as individual landlords incorporate in order to avoid some of the tax changes now working through the system.

The Bank saw the latest falls in mortgage approvals as being driven by the post Brexit effects - reduced confidence, incomes and spending which have added to the pressures being felt, and not least in London and the South East. Looking ahead, the Bank expects the lack of confidence and income expectations to reduce demand, and that with house price growth falling home owners will have less borrowing capacity. This negative outlook echoes the views of most analysts.



Moreover, there are then a number of perceived policy threats overhanging the market, notably the future of the Help-to-Buy equity loan scheme, but also the possibility of further regulation in the private rented sector (PRS). However, it is evident that the government is very aware of the need to avoid any so called 'cliff edge' effect in resolving the future of the former - and with respect to the latter, the results of the recent General Election mean that government will have greater difficulty steering any controversial legislation through Parliament. Given that an estimated 25% of Conservative MPs are landlords, new action around the PRS might be more difficult to achieve. An interesting political tension, given the evident electoral impact of the so called 'Generation Rent' in the last election.

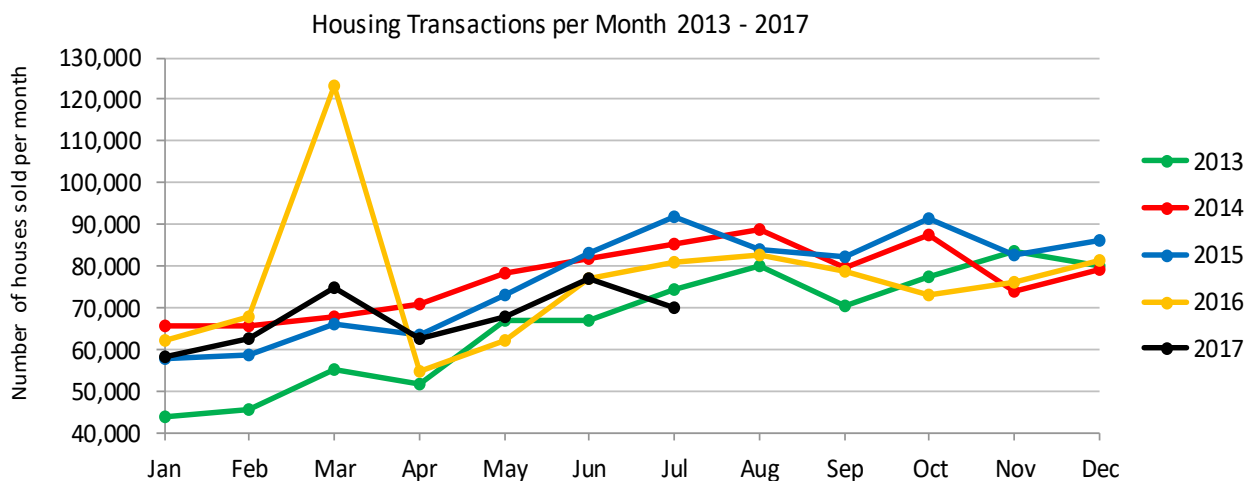
At the moment and in terms of government income from stamp duty, the impact of falling transactions has been compensated for by higher rates of SDLT. However, if higher-priced areas continue to cool alongside all the other markets, then we might see the SDLT take declining. This would create problems for a cash-strapped government, and would add to the pressure to adjust the rates to help keep momentum in the market. The Chancellor is particularly concerned with maintaining stability, and the housing market is showing sustained signs of weakness that he may feel the need to address. Time will tell!

Housing Transactions

We estimate the number of housing transactions in July 2017 in England & Wales at 70,000, based on Land Registry numbers and their methodology for accounting for domestic property sales. This is down by 9% on June's total, and goes against the typical seasonal increase of 5% that we would expect in July (based on averages from the last 20 years). On a seasonally adjusted basis, we would therefore be reporting a 14% decrease in transactions in the month. Sales volumes in July 2017 are 13% lower than the number recorded in July 2016, one month after the EU referendum.

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

[link to source Excel](#)



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

Table 2 below shows the level of transactions recorded at the Land Registry at the end of July in 2015, 2016 and 2017, for the second quarter of each year. In interpreting these data we remind readers that April 2016 was an 'exceptional' month for activity, in which there was a 'dearth' 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).



Table 2. Transaction counts at the end of July of each year for the three months, Apr - Jun in 2015, 2016 and 2017

[link to source Excel](#)

TRANSACTIONS ANALYSIS BY REGION					
REGION	Apr - Jun			Apr - Jun	
	2015	2016	2017	2015/17	2016/17
NORTH EAST	8,398	6,506	7,980	-5%	23%
NORTH WEST	23,145	19,139	22,791	-2%	19%
YORKS & HUMBERSIDE	17,971	15,097	17,434	-3%	15%
EAST MIDLANDS	17,197	14,571	16,520	-4%	13%
WEST MIDLANDS	17,616	14,721	16,927	-4%	15%
EAST OF ENGLAND	23,364	19,034	20,936	-10%	10%
GREATER LONDON	24,565	15,408	18,207	-26%	18%
SOUTH EAST	35,650	26,598	30,031	-16%	13%
SOUTH WEST	23,109	17,126	20,775	-10%	21%
WALES	9,328	7,818	9,974	7%	28%
ENGLAND & WALES	200,343	156,018	181,575	-9%	16%

Table 2 shows that the overall volume of sales in Q2 2017 was 16% higher than Q2 2016, but 9% lower than the same period in 2015. As noted above, we can explain the 16% rise in transactions between 2016 and 2017 as a consequence of the exceptionally low level of sales in April 2016 following the introduction of the 3% surcharge on stamp duty at the start of the month.

The difference in the level of transactions between Q2 2015 and Q2 2017 also, in part, relates to stamp duty. Overall, there has been a 9% fall in transactions in April - June of these two years, but on closer examination it is also clear that there is a marked north/south divide between the regions. The southern regions are showing a double digit % decline in transaction numbers, particularly in Greater London, while in the northern regions we can see that transactions have fallen by 5% or less, with Wales actually seeing an increase of 7% in its sales volumes. The change 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).



Comparison of Indices - Annual Changes

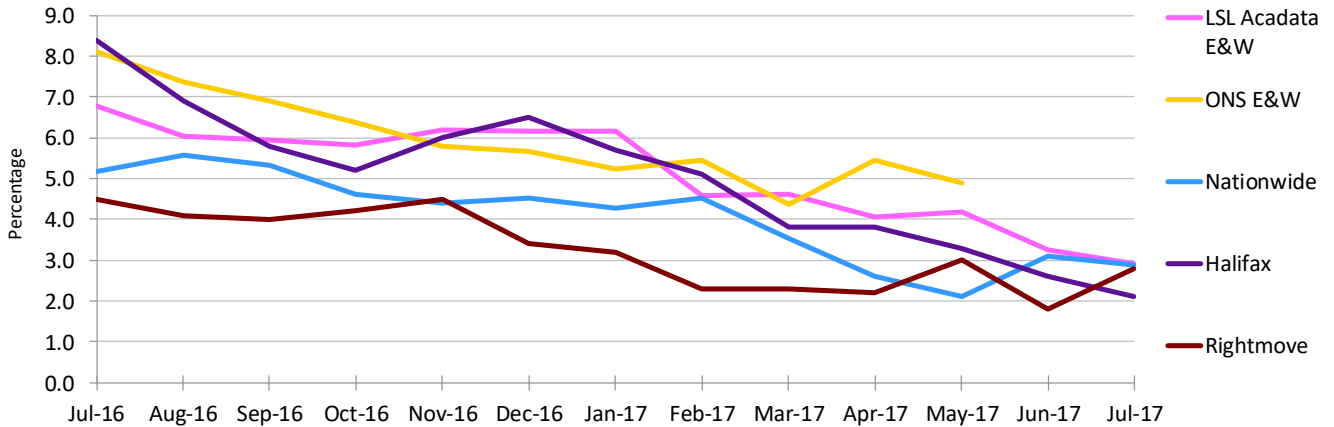


Figure 3. Annual change in house prices

[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.

This month, three of the indices that have reported July figures are showing annual house price inflation in the range 2.8% - 2.9%, with Halifax showing a marginally lower rate of 2.1%. Three indices are reporting a slowing in the rate of annual inflation compared to last month, with Halifax down by 0.5%, LSL Acadata by 0.4% and Nationwide by 0.2%. Rightmove is the only Index to be reporting a rise in the rate of annual growth, up by 1% from last month.

Comparison of Indices - Monthly Changes

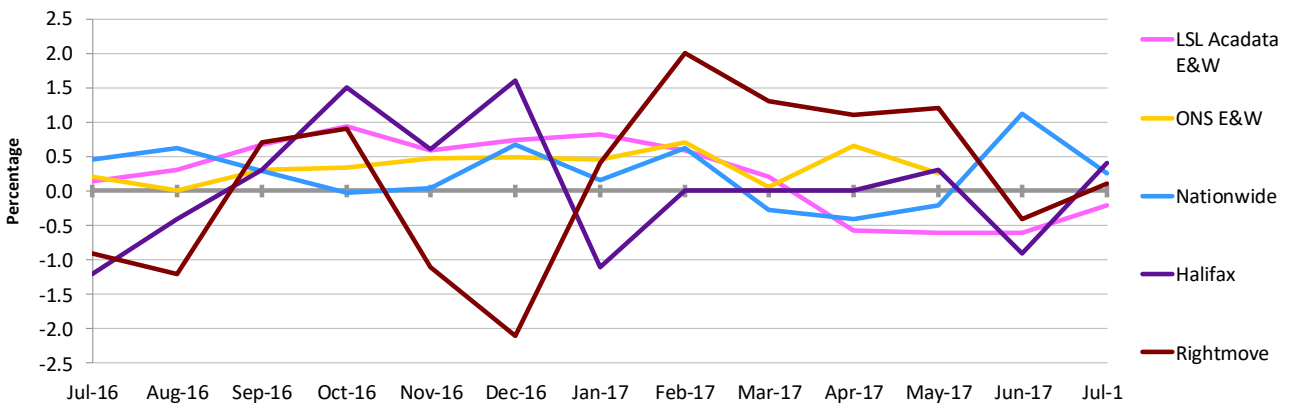


Figure 4. Monthly change in house prices

[link to source Excel](#)

Figure 4 above covers the **monthly** change in house prices. 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 July, three are showing positive movements in house prices, ranging from +0.1% (Rightmove) to +0.4% (Halifax), while LSL Acadata is reporting a negative movement of -0.2%.

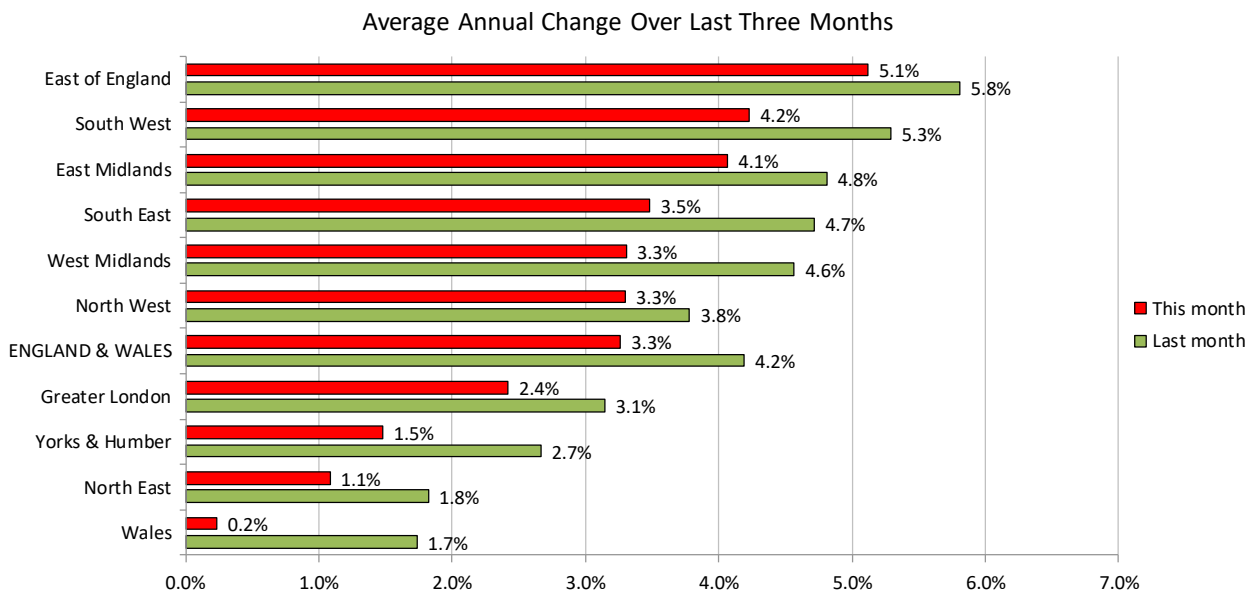


Figure 5. The annual change in the average house price for the three months centered on June 2017, analysed by GOR [link to source Excel](#)

In June 2017, all regions are still showing a positive movement in their rates of **annual** house price change, although all regions saw a fall in their rates of growth from the previous month. In June, the regions with the highest falls in their annual rates of growth were Wales, at -1.5%, the West Midlands at -1.3% and Yorks & Humberside and the South East, both with -1.2%. The region with the lowest change in its annual rate was the North West, at -0.5%.

The East of England continues to be the region with the highest rate of house price inflation, at 5.1%, followed by the South West, at 4.2%. In Figure 5 above, the ten regions are ranked by their respective growth rates, appearing in June in the same order as the previous month, with Wales having the lowest rate of house price growth at 0.2%. Wales was the last GOR area in England & Wales to have seen a negative movement in its annual rate of house price growth, which occurred back in July 2013.

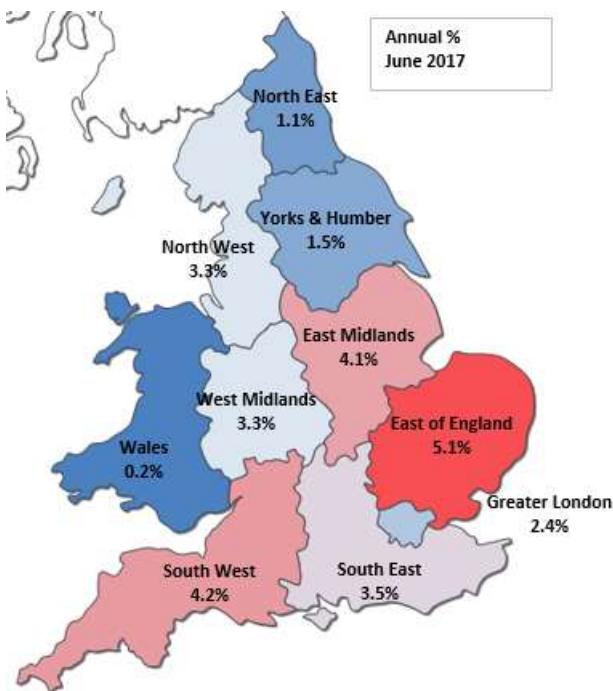


Figure 6. Heat Map of the annual change in the average house price of English regions and Wales, June 2017

The pattern observable in June’s heat map, which illustrates the annual rates of change in house prices across England & Wales, is perhaps that of a slow return to a north/south divide, with the higher rates of house price growth being seen in the South of the country, if one excludes Greater London, and the lower rates being observed in Wales and the North, if one excludes the East Midlands.

Greater London continues to be an anomaly, with rates having been consistently lower than its neighbouring regions of the South East and the East of England for the past 8 months. The anticipated ‘ripple effect’ outward from Greater London, in terms of lower price growth, has yet to materialise, although as discussed above there has been a reduction in annual house price growth across all 10 regions in June.

June 2017 is the first month in which no region has recorded a new peak price since June 2013.

London boroughs, counties and unitary authorities



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

PRIOR YR RANK	RANK BY PRICE	LONDON BOROUGH	Jun-16	May-17	Jun-17	Month % Change	Annual % Change
1	1	KENSINGTON AND CHELSEA	1,666,996	1,977,553	1,954,735	-1.2%	17.3%
2	2	CITY OF WESTMINSTER	1,457,550	1,771,366	1,565,477	-11.6%	7.4%
4	3	CAMDEN	962,418	1,033,075	1,019,239	-1.3%	5.9%
5	4	HAMMERSMITH AND FULHAM	897,681	877,458	857,922	-2.2%	-4.4%
3	5	CITY OF LONDON	993,518	891,800	818,240	-8.2%	-17.6%
6	6	RICHMOND UPON THAMES	812,007	790,119	792,032	0.2%	-2.5%
8	7	WANDSWORTH	763,756	772,153	746,307	-3.3%	-2.3%
7	8	ISLINGTON	766,234	717,529	731,610	2.0%	-4.5%
10	9	BARNET	603,190	650,519	640,876	-1.5%	6.2%
12	10	HARINGEY	592,694	636,615	639,245	0.4%	7.9%
13	11	MERTON	589,027	621,497	619,678	-0.3%	5.2%
11	12	LAMBETH	600,857	601,047	600,135	-0.2%	-0.1%
9	13	SOUTHWARK	611,479	608,153	590,236	-2.9%	-3.5%
16	14	BRENT	538,357	583,228	585,406	0.4%	8.7%
15	15	KINGSTON UPON THAMES	568,748	560,788	568,193	1.3%	-0.1%
17	16	EALING	537,568	543,917	544,555	0.1%	1.3%
14	17	HACKNEY	580,790	553,962	543,478	-1.9%	-6.4%
18	18	TOWER HAMLETS	523,856	514,044	522,965	1.7%	-0.2%
20	19	HARROW	494,238	519,179	515,457	-0.7%	4.3%
21	20	BROMLEY	489,307	507,611	503,987	-0.7%	3.0%
19	21	HOUNSLOW	500,337	481,789	486,943	1.1%	-2.7%
22	22	LEWISHAM	457,408	458,505	469,709	2.4%	2.7%
24	23	HILLINGDON	447,912	457,591	457,694	0.0%	2.2%
23	24	ENFIELD	451,315	466,565	457,045	-2.0%	1.3%
27	25	REDBRIDGE	428,366	449,404	452,827	0.8%	5.7%
25	26	WALTHAM FOREST	442,114	447,020	447,724	0.2%	1.3%
26	27	GREENWICH	431,677	414,020	414,487	0.1%	-4.0%
28	28	SUTTON	399,351	406,778	402,397	-1.1%	0.8%
29	29	CROYDON	377,328	393,724	396,916	0.8%	5.2%
30	30	HAVERING	368,171	372,888	376,465	1.0%	2.3%
31	31	NEWHAM	349,953	379,214	370,548	-2.3%	5.9%
32	32	BEXLEY	341,508	349,404	350,668	0.4%	2.7%
33	33	BARKING AND DAGENHAM	291,170	299,924	297,074	-0.9%	2.0%
		ALL LONDON	588,605	611,762	602,849	-1.5%	2.4%

The analysis of Greater London house prices in Table 3 relates to June 2017, and compares these prices to one month and one year earlier. In June 2017, the average price paid for a property in London fell in the month by £8,913, or 1.5%, leaving the arithmetic average price of a property at £602,849. This was the third month in succession in which prices have dropped, and the second largest fall in a month since May 2011.

Over the year from June 2016 to June 2017, the average house price in Greater London rose by £14,244, or 2.4%, down from the 3.1% seen in the previous month. This annual rate of 2.4% is the lowest seen in the capital since March 2012.

Looking at the monthly change in prices, 17 London boroughs saw prices fall, while the other 16 saw prices rise. Of the 11 boroughs having the highest house prices by value, 8 saw prices fall, while 5 of the middle eleven boroughs by value saw falls, but only 4 of the lowest eleven priced boroughs had a reduction in prices. Clearly, the price falls have been concentrated in the higher-value London boroughs, almost certainly reflecting both stamp duty effects plus economic uncertainty. Two boroughs, the City of Westminster (-11.6%) and Wandsworth (-3.3%), between them accounted for 81% of the fall in London's average price in June, on a weight-adjusted basis.

On an annual basis, there are 12 boroughs where prices have fallen, more or less evenly divided between the top and middle eleven boroughs by value, but with only one borough, Greenwich, at the lower end of the price league recording a fall. The borough with the highest increase in prices over the year is Kensington and Chelsea, where prices have increased by 17.3%, despite the -1.2% drop in the month. In second place, we have Brent, where prices have



increased by 8.7%. 90 new-build flats have been sold in Brent during Q1 2017, achieving a price premium of 17% over existing premises.

In terms of Greater London transactions, looking at the number of sales in Q2 2017 and comparing with Q2 2016, we find that volumes have increased by 18%. However, as discussed earlier, the increase in transactions is due to the 'death' of sales in April 2016, following the introduction of the 3% surcharge on second homes and Buy-to-Let properties.

We therefore need to compare transaction levels with Q2 2015, as being a more 'normal' year. Here we find that transactions have fallen by 26% in Q2 2017, compared with Q2 2015 – the main causes of the decline in sales being the high rates of stamp duty payable on properties having a sales value in excess of £925,000, the additional 3% surcharge on stamp duty payable on second homes and Buy-to-Let properties and the general uncertainties relating to the economy and the future direction of Brexit.

The three boroughs that have seen the largest fall in sales volumes when comparing Q2 2017 with Q2 2015 are the City of London (-47%) - but here low transaction numbers make any change in sales volumes look large when expressed in percentage terms, Tower Hamlets (-43%) - the borough is dominated by flat sales especially to those working in Canary Wharf, and Harrow (-42%) - in Harrow it is flats that have seen the largest fall in sales over the period (-139 units) although semi-detached sales in the borough have also suffered (-59 homes).

The three boroughs that have seen the smallest reduction in sales volumes when comparing Q2 2017 with Q2 2015 are Havering (-9%) - ranked 30th by average house price out of the 33 London boroughs, Camden (-13%) - almost at the opposite end of the scale to Havering, Camden is ranked as the third most expensive borough in London with the average price of a home being in excess of £1 million, and finally Hillingdon (-14%) - ranked 23rd in terms of average house prices, Hillingdon has one of the lowest % share of flats of all the London boroughs. Hillingdon and Havering are located at the geographical extremities of Greater London, being the most westward and eastward of all the London boroughs.

London house price heat map

The heat map below shows the annual % change in house prices across London in June 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 over the year. As can be seen, the boroughs with rising prices are mainly located to the north of the capital, although this month we can also observe the red areas of Kensington & Chelsea at 17.3% and the City of Westminster at 7.4%. The areas which have seen falling prices are mostly located in the higher-value boroughs to the south west of Greater London, although the City of London at -17.6%, Hackney at -6.4% and Islington at -4.5%, are notable as the three boroughs with the highest reduction in prices over the year.

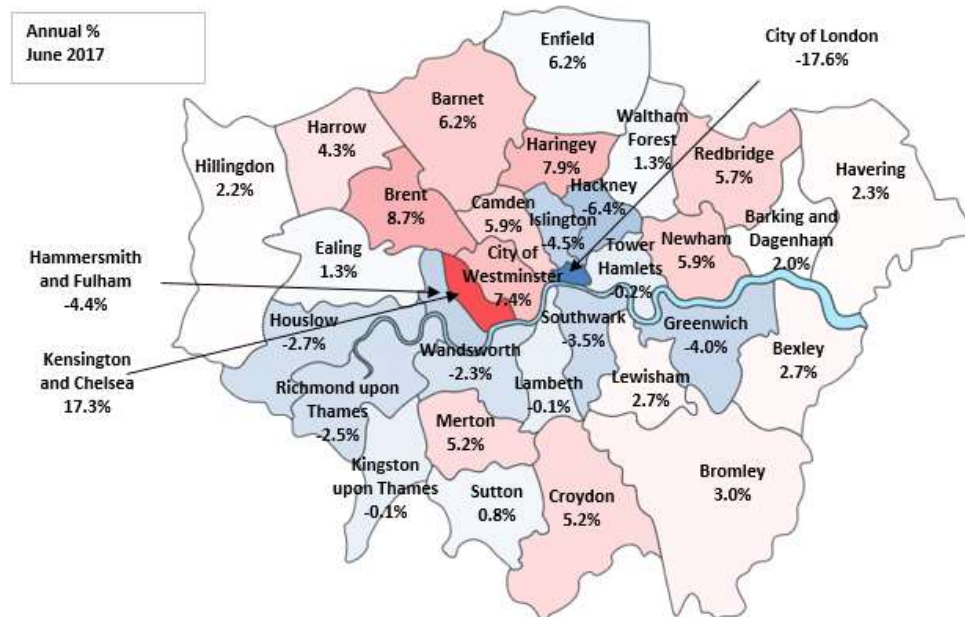


Figure 7. Heat Map of the annual change in the average house price for Greater London, analysed by borough, June 2017

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 June 2016 and May 2017 with June 2017 [link to source Excel](#)

PRIOR YR RANK	RANK BY PRICE	COUNTY / UNITARY AUTHORITY / REGION	Jun-16	May-17	Jun-17	Monthly change	Annual Change
100	101	COUNTY DURHAM	£126,642	£128,292	£130,008	1.3%	2.7%
90	89	DARLINGTON	£152,496	£152,881	£153,219	0.2%	0.5%
99	99	HARTLEPOOL	£134,244	£131,438	£134,721	2.5%	0.4%
97	97	MIDDLESBROUGH	£136,863	£139,997	£136,236	-2.7%	-0.5%
61	61	NORTHUMBERLAND	£186,363	£193,992	£196,643	1.4%	5.5%
95	96	REDCAR AND CLEVELAND	£143,941	£138,116	£137,918	-0.1%	-4.2%
85	87	STOCKTON-ON-TEES	£159,275	£160,559	£154,732	-3.6%	-2.9%
83	84	TYNE AND WEAR	£161,747	£163,777	£162,381	-0.9%	0.4%
		NORTH EAST TOTAL	£154,488	£156,556	£156,162	-0.3%	1.1%
104	100	BLACKBURN WITH DARWEN	£121,042	£129,621	£131,534	1.5%	8.7%
106	102	BLACKPOOL	£114,482	£119,073	£120,813	1.5%	5.5%
37	37	CHESHIRE	£245,076	£254,146	£251,370	-1.1%	2.6%
82	90	HALTON	£162,655	£153,365	£151,770	-1.0%	-6.7%
56	57	WARRINGTON	£201,474	£204,846	£201,478	-1.6%	0.0%
72	69	CUMBRIA	£174,882	£186,719	£186,549	-0.1%	6.7%
69	70	GREATER MANCHESTER	£177,106	£184,655	£184,599	0.0%	4.2%
79	82	LANCASHIRE	£165,638	£165,583	£164,031	-0.9%	-1.0%
86	79	MERSEYSIDE	£158,509	£165,952	£167,873	1.2%	5.9%
		NORTH WEST TOTAL	£178,563	£184,844	£184,452	-0.2%	3.3%
60	59	EAST RIDING OF YORKSHIRE	£188,098	£198,531	£199,048	0.3%	5.8%
107	107	KINGSTON UPON HULL, CITY OF	£111,161	£115,952	£114,398	-1.3%	2.9%
98	94	NORTH EAST LINCOLNSHIRE	£134,845	£139,801	£140,229	0.3%	4.0%
93	92	NORTH LINCOLNSHIRE	£147,437	£148,573	£149,652	0.7%	1.5%
34	32	YORK	£254,333	£276,655	£270,316	-2.3%	6.3%
39	45	NORTH YORKSHIRE	£240,650	£244,066	£239,592	-1.8%	-0.4%
89	88	SOUTH YORKSHIRE	£153,833	£155,339	£153,704	-1.1%	-0.1%
75	73	WEST YORKSHIRE	£173,359	£175,996	£175,517	-0.3%	1.2%
		YORKS & HUMBER TOTAL	£178,703	£182,804	£181,350	-0.8%	1.5%
77	80	DERBY	£169,441	£167,158	£166,750	-0.2%	-1.6%
78	78	LEICESTER	£167,641	£169,777	£168,859	-0.5%	0.7%
92	93	NOTTINGHAM	£148,682	£150,355	£147,438	-1.9%	-0.8%
25	18	RUTLAND	£280,878	£312,633	£317,039	1.4%	12.9%
65	63	DERBYSHIRE	£183,665	£193,823	£192,284	-0.8%	4.7%
50	49	LEICESTERSHIRE	£221,763	£231,459	£230,099	-0.6%	3.8%
66	65	LINCOLNSHIRE	£182,846	£190,416	£191,884	0.8%	4.9%
47	46	NORTHAMPTONSHIRE	£227,044	£238,594	£238,364	-0.1%	5.0%
67	67	NOTTINGHAMSHIRE	£181,083	£188,622	£188,897	0.1%	4.3%
		EAST MIDLANDS TOTAL	£194,612	£202,886	£202,522	-0.2%	4.1%
44	44	HEREFORDSHIRE	£233,437	£244,067	£242,972	-0.4%	4.1%
49	48	SHROPSHIRE	£221,967	£232,696	£230,824	-0.8%	4.0%
103	106	STOKE-ON-TRENT	£121,394	£117,560	£115,521	-1.7%	-4.8%
73	76	TELFORD & WREKIN	£174,713	£169,059	£170,545	0.9%	-2.4%
57	56	STAFFORDSHIRE	£200,332	£204,716	£203,642	-0.5%	1.7%
32	33	WARWICKSHIRE	£262,871	£270,686	£268,631	-0.8%	2.2%
64	62	WEST MIDLANDS	£184,594	£191,475	£192,707	0.6%	4.4%
38	36	WORCESTERSHIRE	£241,517	£259,165	£254,752	-1.7%	5.5%
		WEST MIDLANDS TOTAL	£204,836	£212,252	£211,605	-0.3%	3.3%
21	21	BEDFORDSHIRE	£289,742	£314,424	£312,856	-0.5%	8.0%
45	38	LUTON	£232,202	£248,307	£250,694	1.0%	8.0%
59	58	PETERBOROUGH	£190,512	£196,584	£200,507	2.0%	5.2%
27	22	SOUTHEND-ON-SEA	£278,759	£302,431	£307,073	1.5%	10.2%

London boroughs, counties and unitary authorities



30	29	THURROCK	£265,410	£278,205	£276,756	-0.5%	4.3%
17	16	CAMBRIDGESHIRE	£311,014	£328,489	£325,934	-0.8%	4.8%
15	14	ESSEX	£323,951	£337,529	£339,300	0.5%	4.7%
5	4	HERTFORDSHIRE	£440,882	£455,893	£454,217	-0.4%	3.0%
46	43	NORFOLK	£228,311	£243,753	£243,662	0.0%	6.7%
35	35	SUFFOLK	£248,750	£264,979	£264,152	-0.3%	6.2%
		EAST OF ENGLAND TOTAL	£308,410	£324,306	£324,197	0.0%	5.1%
		GREATER LONDON TOTAL	£588,605	£611,762	£602,849	-1.5%	2.4%
6	8	BRACKNELL FOREST	£395,818	£385,117	£383,682	-0.4%	-3.1%
7	6	BRIGHTON AND HOVE	£391,366	£408,631	£403,063	-1.4%	3.0%
52	47	ISLE OF WIGHT	£214,894	£231,778	£232,314	0.2%	8.1%
40	39	MEDWAY	£240,481	£248,060	£250,411	0.9%	4.1%
23	25	MILTON KEYNES	£286,106	£294,128	£294,172	0.0%	2.8%
51	50	PORTSMOUTH	£221,202	£228,766	£230,082	0.6%	4.0%
14	15	READING	£326,040	£328,638	£328,456	-0.1%	0.7%
16	20	SLOUGH	£316,342	£317,830	£313,140	-1.5%	-1.0%
55	55	SOUTHAMPTON	£211,503	£219,247	£213,607	-2.6%	1.0%
9	9	WEST BERKSHIRE	£384,116	£385,101	£379,139	-1.5%	-1.3%
1	1	WINDSOR AND MAIDENHEAD	£568,807	£590,559	£589,809	-0.1%	3.7%
3	5	WOKINGHAM	£453,224	£438,173	£436,276	-0.4%	-3.7%
4	3	BUCKINGHAMSHIRE	£450,473	£489,444	£492,191	0.6%	9.3%
20	24	EAST SUSSEX	£290,913	£302,832	£301,594	-0.4%	3.7%
12	13	HAMPSHIRE	£338,788	£349,706	£347,959	-0.5%	2.7%
19	19	KENT	£304,548	£316,690	£316,754	0.0%	4.0%
8	7	OXFORDSHIRE	£386,642	£399,473	£392,475	-1.8%	1.5%
2	2	SURREY	£499,927	£529,651	£527,025	-0.5%	5.4%
11	12	WEST SUSSEX	£349,459	£356,099	£355,397	-0.2%	1.7%
		SOUTH EAST TOTAL	£358,105	£372,090	£370,577	-0.4%	3.5%
10	10	BATH AND NORTH EAST SOMERSET	£365,254	£374,546	£372,515	-0.5%	2.0%
31	27	BOURNEMOUTH	£264,069	£285,637	£287,799	0.8%	9.0%
24	26	BRISTOL, CITY OF	£286,021	£291,389	£290,207	-0.4%	1.5%
43	40	CORNWALL	£235,490	£249,850	£248,657	-0.5%	5.6%
26	34	NORTH SOMERSET	£280,515	£268,383	£265,951	-0.9%	-5.2%
63	71	PLYMOUTH	£184,651	£183,146	£182,831	-0.2%	-1.0%
13	11	POOLE	£331,912	£359,440	£367,801	2.3%	10.8%
28	30	SOUTH GLOUCESTERSHIRE	£274,505	£279,840	£275,229	-1.6%	0.3%
48	52	SWINDON	£224,517	£227,458	£226,498	-0.4%	0.9%
54	53	TORBAY	£211,739	£216,513	£217,589	0.5%	2.8%
22	23	WILTSHIRE	£288,701	£303,166	£303,043	0.0%	5.0%
33	31	DEVON	£258,768	£274,189	£274,966	0.3%	6.3%
18	17	DORSET	£304,696	£322,271	£318,947	-1.0%	4.7%
29	28	GLOUCESTERSHIRE	£266,544	£284,496	£284,375	0.0%	6.7%
42	41	SOMERSET	£238,146	£250,714	£247,877	-1.1%	4.1%
		SOUTH WEST TOTAL	£265,260	£277,215	£276,475	-0.3%	4.2%
70	68	ISLE OF ANGLESEY	£176,698	£193,689	£187,444	-3.2%	6.1%
81	74	GWYNEDD	£163,424	£173,558	£173,180	-0.2%	6.0%
71	72	CONWY	£176,528	£178,614	£177,013	-0.9%	0.3%
84	85	DENBIGHSHIRE	£160,619	£170,569	£161,617	-5.2%	0.6%
68	77	FLINTSHIRE	£179,433	£173,995	£169,009	-2.9%	-5.8%
80	81	WREXHAM	£164,888	£167,781	£165,163	-1.6%	0.2%
62	66	POWYS	£185,265	£197,183	£189,060	-4.1%	2.0%
58	60	CEREDIGION	£197,531	£195,285	£197,319	1.0%	-0.1%
74	64	PEMBROKESHIRE	£173,374	£191,669	£192,033	0.2%	10.8%
94	98	CARMARTHENSHIRE	£144,087	£138,616	£135,022	-2.6%	-6.3%
87	86	SWANSEA	£157,619	£158,631	£158,937	0.2%	0.8%
102	103	NEATH PORT TALBOT	£122,116	£121,916	£120,049	-1.5%	-1.7%



88	83	BRIDGEND	£156,616	£161,642	£163,445	1.1%	4.4%
41	51	VALE OF GLAMORGAN	£239,801	£231,798	£229,330	-1.1%	-4.4%
53	54	CARDIFF	£211,918	£213,528	£213,995	0.2%	1.0%
101	105	RHONDDA CYNON TAFF	£123,265	£121,810	£118,803	-2.5%	-3.6%
105	104	MERTHYR TYDFIL	£115,463	£120,181	£119,210	-0.8%	3.2%
96	95	CAERPHILLY	£141,948	£136,700	£138,682	1.5%	-2.3%
108	108	BLAENAU GWENT	£91,214	£100,769	£100,983	0.2%	10.7%
91	91	TORFAEN	£150,837	£148,328	£149,890	1.1%	-0.6%
36	42	MONMOUTHSHIRE	£246,837	£246,638	£245,490	-0.5%	-0.5%
76	75	NEWPORT	£169,466	£175,834	£172,580	-1.9%	1.8%
		WALES TOTAL	£170,296	£172,362	£170,699	-1.0%	0.2%
		ENGLAND & WALES TOTAL	£290,071	£301,376	£299,537	-0.6%	3.3%

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 June 2016, and May and June 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 June 2017 have increased in England & Wales by £9,466, or 3.3%, which is 0.9% lower than the previous month. Some 82 of the 108 unitary authority areas have recorded price rises over the year, down from the 87 seen in the previous month, but this still represents some 76% of the unitary authorities in England & Wales. Of the 26 areas where prices have fallen, 9 are located in Wales, 4 are located in the South East, 3 are located in the North East and 2 each are located in the North West, Yorkshire and the Humber, the East Midlands, the West Midlands and the South West, while for the seventh month in succession the East of England has no authorities experiencing price falls on an annual basis.

Peak Prices

In Table 4, those areas highlighted in turquoise have set a new peak price in the month; there are 9 such locations, down from the 12 seen in the previous month – clearly the market continues to moderate as 2017 progresses. Of the 9 unitary authority areas that recorded a new peak, there are 3 each in the East of England and the South West and 1 each in the North West, Yorkshire and the Humber and the South East. No authorities reached a new peak in the North East, the East and West Midlands, or Wales.

In June, none of the 10 GOR regions established a new peak average price, compared with 1 in May and 6 in March 2017.

Monthly Trends

On a monthly basis, the average price of a home in England & Wales in June 2017 fell by £1,839, or -0.6%. This was the third month in succession in which prices have fallen by 0.6%. In June, prices fell in 71 of the 108 unitary authority areas, compared with 60 falls in May, 55 in April, and 43 in March, again showing how price growth is cooling across ever more tracts of the country.

Highest and lowest unitary authorities

In June, 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 12.9%. 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 26 in June), 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 (10.8%), Pembrokeshire (10.8%), Blaenau Gwent (10.7%) and Southend-on-Sea (10.2%). If we include the London Boroughs in this listing, we also need to add Kensington and Chelsea at 17.3%.

On an annual basis, the authority with the largest reduction in prices is, for the second month running, Halton in Cheshire where values have fallen by -6.7% over the year. The average price of semi-detached properties in Halton has fallen from £155k in 2016 to £145k in 2017. The higher average prices in 2016 were assisted by new developments of semi-detached properties coming to the market in Widnes and Runcorn, having a 35% premium in price over the existing stock.



Transactions

Looking at the change in transactions in the 108 unitary authorities between Q2 2015 and Q2 2017, we find that the five 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 showing a positive movement in sales over this period. For the record, the five Unitary Authority areas with the highest increase in transactions are Torfaen (+28%), Caerphilly (+26%), Isle of Anglesey (+26%), Ceredigion (+22%) and Wrexham (+19%). In sixth place, we return to England with Thurrock also having seen a 19% increase in sales volumes.

The area with the largest fall in transactions over this same period was Slough, down by 37%. In 2015, 108 new-build flats had been sold in Slough by the end of the second quarter, compared with just 42 new-build flats currently recorded as being sold in 2017. Interestingly, we wrote a similar story last month about Reading, a neighbouring area 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 2015 in these two areas, to allow commuters to take advantage of the improved transport facilities that will come into being, long before the service has actually begun.

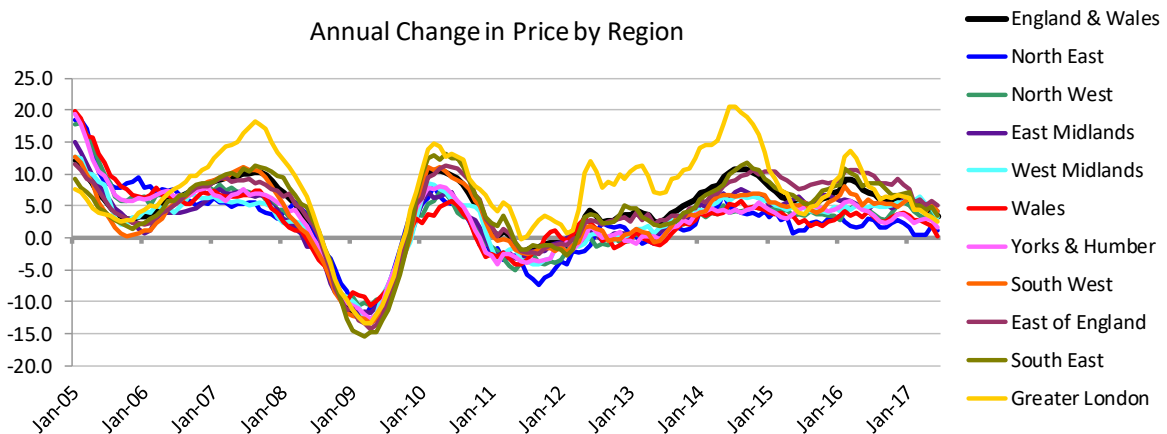


Figure 8. A comparison of the annual change in house prices, by region for the period January 2005 – June 2017

[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.



Table 5. Average house prices by region, July 2016 – July 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
Jul-16	£153,772	-0.5	2.8	£177,856	-0.4	3.7	£178,594	-0.1	3.5	£196,360	0.9	5.3
Aug-16	£153,201	-0.4	1.5	£178,816	0.5	2.9	£178,234	-0.2	2.4	£197,249	0.5	5.5
Sep-16	£153,290	0.1	1.7	£178,749	0.0	2.7	£178,917	0.4	2.3	£198,692	0.7	5.3
Oct-16	£155,093	1.2	2.3	£181,745	1.7	3.9	£181,254	1.3	2.8	£199,831	0.6	4.6
Nov-16	£156,103	0.7	2.7	£182,323	0.3	5.1	£182,757	0.8	3.7	£200,809	0.5	5.0
Dec-16	£156,911	0.5	2.2	£183,589	0.7	5.5	£183,196	0.2	3.7	£201,534	0.4	5.9
Jan-17	£157,548	0.4	1.5	£183,091	-0.3	5.0	£183,333	0.1	3.0	£203,246	0.8	6.3
Feb-17	£157,823	0.2	0.4	£184,660	0.9	4.0	£182,909	-0.2	2.3	£204,233	0.5	5.4
Mar-17	£157,320	-0.3	0.3	£185,110	0.2	3.4	£183,746	0.5	2.6	£204,865	0.3	5.5
Apr-17	£156,309	-0.6	0.3	£185,061	0.0	3.1	£183,090	-0.4	3.1	£203,959	-0.4	5.2
May-17	£156,556	0.2	1.8	£184,844	-0.1	3.8	£182,804	-0.2	2.7	£202,886	-0.5	4.8
Jun-17	£156,162	-0.3	1.1	£184,452	-0.2	3.3	£181,350	-0.8	1.5	£202,522	-0.2	4.1

	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
Jul-16	£205,930	0.5	5.1	£308,686	0.1	9.7	£587,334	-0.2	7.6	£360,098	0.6	8.6
Aug-16	£206,283	0.2	4.8	£310,334	0.5	8.5	£588,589	0.2	5.9	£361,772	0.5	8.5
Sep-16	£206,567	0.1	4.9	£312,691	0.8	8.5	£597,434	1.5	6.4	£363,046	0.4	7.6
Oct-16	£208,766	1.1	5.1	£315,233	0.8	8.4	£604,837	1.2	6.2	£364,516	0.4	6.7
Nov-16	£209,578	0.4	5.6	£316,520	0.4	9.2	£611,401	1.1	6.8	£365,899	0.4	6.6
Dec-16	£211,559	0.9	5.4	£316,973	0.1	8.3	£615,200	0.6	6.4	£369,541	1.0	6.8
Jan-17	£213,633	1.0	6.5	£319,649	0.8	7.7	£621,487	1.0	6.2	£373,967	1.2	7.2
Feb-17	£214,722	0.5	5.8	£321,699	0.6	5.6	£624,742	0.5	4.4	£376,495	0.7	5.1
Mar-17	£215,043	0.1	6.5	£324,242	0.8	5.9	£627,365	0.4	4.3	£376,186	-0.1	4.9
Apr-17	£212,878	-1.0	5.2	£323,621	-0.2	5.1	£621,444	-0.9	3.6	£374,084	-0.6	4.4
May-17	£212,252	-0.3	4.6	£324,306	0.2	5.8	£611,762	-1.6	3.1	£372,090	-0.5	4.7
Jun-17	£211,605	-0.3	3.3	£324,197	0.0	5.1	£602,849	-1.5	2.4	£370,577	-0.4	3.5

	South West			Wales			ENGLAND & WALES			
	Av HP	%monthly	%annual	Av HP	%monthly	%annual	Av HP	%monthly	%annual	
Jul-16	£265,798	0.2	5.3	£169,893	-0.2	3.2		£290,473	0.1	6.8
Aug-16	£266,801	0.4	5.5	£169,217	-0.4	2.5		£291,375	0.3	6.0
Sep-16	£267,234	0.2	5.3	£170,724	0.9	2.5		£293,321	0.7	6.0
Oct-16	£269,292	0.8	5.3	£172,962	1.3	3.1		£296,065	0.9	5.8
Nov-16	£270,015	0.3	4.9	£174,400	0.8	3.6		£297,832	0.6	6.2
Dec-16	£274,689	1.7	5.6	£175,571	0.7	3.9		£300,058	0.7	6.2
Jan-17	£276,839	0.8	6.1	£176,100	0.3	3.3		£302,542	0.8	6.2
Feb-17	£279,025	0.8	4.7	£177,651	0.9	2.6		£304,306	0.6	4.6
Mar-17	£278,373	-0.2	4.8	£176,845	-0.5	2.8		£304,960	0.2	4.6
Apr-17	£277,741	-0.2	4.2	£174,649	-1.2	2.2		£303,220	-0.6	4.1
May-17	£277,215	-0.2	5.3	£172,362	-1.3	1.7		£301,376	-0.6	4.2
Jun-17	£276,475	-0.3	4.2	£170,699	-1.0	0.2		£299,537	-0.6	3.3
Jul-17								£298,906	-0.2	2.9



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](#).