



Under embargo until 00:01 Monday 16th July 2018

June 2018

Average house price in England and Wales in June stood at £303,960

- Price growth in London
- All regions saw annual growth in June, led by the North East, up 3.7%
- West Midlands topped the conurbation table at 5.4% growth
- Transactions down by 8% year-to-date to June 2018

House Price	Index	Monthly Change %	Annual Change %	Annual % (excluding London & the SE)
£303,960	291.2	-0.2	2.1	2.0

Average prices in England and Wales were slightly down in June, falling by 0.2% from May, although this is a smaller decline than March or April. On an annual basis, however, prices edged up, bringing to an end a slowdown in annual price growth that began in the middle of last year.

Prices are up 2.1% on an annual basis, rising from 1.8% in May. That makes the average house in England and Wales in June worth £303,960 – up more than £6,000 on last June.

Annual price growth in the capital has started to accelerate over the last month and without London and the South East, growth would have been a little lower – just 2.0%.

While Greater London is the only region to have seen growth accelerate, it is far from being the strongest performer, with both the North East and West Midlands growing more strongly. Furthermore, all regions continue to record annual growth.

Oliver Blake, Managing Director of Your Move and Reeds Rains estate agents said: “Two key factors could give rise to cautious optimism this month. The overall month on month decline has slowed to its lowest since February and in London there was modest house price growth for the first time since January.”

Prices in London are bucking the national trend on both a monthly basis, where they were up 0.2% in June, and annually, where growth rose to 2.8%.

While there has been a turnaround in the overall trend in London’s prices, there has also been a turnaround within the capital itself and its constituent boroughs: the top of the market is now driving growth after months in which prices in more expensive areas struggled.

The three most expensive boroughs – Kensington and Chelsea, where average prices are £1.97 million, Westminster (£1.73m) and Camden (£1.09m) have all seen price increases over the last year. Up 4.4%, 1.5% and 1.8%, respectively, this has helped boost the Greater London average.

It is far from a consistent picture at the top of the market, however. The remaining two names in the top five – the City of London and Hammersmith and Fulham have seen double-digit drops, down 16.9% and 10.4%, respectively – the biggest falls other than Southwark (down 17.9%) and Wandsworth (-14.9%). The biggest increase in the capital, meanwhile, has been in Redbridge, where average prices are well below the London average at £465,183.

The influence of the high priced property areas is significant, however, and is enough to see the capital reporting rising price growth despite the fact that more than two thirds of boroughs in the capital – 24 out of 33 – have seen prices drop on an annual basis.

Two thirds of England and Wales’ unitary authority areas – 72 out of 108 – continued to record annual price rises in May. Overall prices were up 1.8%, or £5,485 on a year earlier.

Areas where prices have dropped are concentrated in either Wales (eight of the 36) or in the South, with eight in the South East and five in the South West.

House price index: historical data



The North East continues its strong performance, with prices up 3.7%, led by strong markets in Darlington (up 7.9% annually) and Northumberland (up 8.7%). The West Midlands is also growing well, with prices up 3.2%, and prices in Warwickshire hitting a new peak average and up 5.7% over the year; prices in the West Midlands conurbation are also growing above average, up 5.4% – the strongest growth among the 12 major urban centres in England and Wales, with Leicester, up 4.3%, also growing strongly.

It is in Rutland (East Midlands) where annual and monthly growth is strongest, however. Prices there are up 7.0% in May to hit a new peak price, and up 18.5% over the year. However, it did have the lowest number of transactions in the country, which in part accounts for the big swings. Overall, though, the East Midlands was the only region where prices were up in all of its unitary authorities.

Even in regions where prices have fared less well, there are pockets that continue to flourish. The South East, for example, where prices were down 0.4% in May and annual growth is 0.5%, the weakest of any region, saw more areas hitting a new peak average price than any other. East Sussex, Oxfordshire, West Berkshire and the Isle of Wight have all set new highs and show above average annual growth: 7.8%, 6.1%, 5.1% and 3.4%, respectively.

On an annual basis, Windsor and Maidenhead in the same region shows the largest reduction in prices for the third month running, down 12.4% over the year. Outside of Greater London, this unitary authority also has the highest average house price of all 108 in England and Wales, at £532k.

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 June 2017 – June 2018

[link to source Excel](#)

		House Price	Index	Monthly Change %	Annual Change %
June	2017	£297,803	295.1	-0.4	4.9
July	2017	£297,530	294.7	-0.1	4.7
August	2017	£297,864	294.7	0.1	4.5
September	2017	£299,746	295.3	0.6	4.5
October	2017	£301,251	294.3	0.5	4.0
November	2017	£302,675	293.2	0.5	3.8
December	2017	£304,892	292.1	0.7	3.8
January	2018	£307,431	294.5	0.8	3.8
February	2018	£308,775	295.8	0.4	3.6
March	2018	£307,647	294.7	-0.4	2.7
April	2018	£305,638	292.8	-0.7	2.1
May	2018	£304,592	291.8	-0.3	1.8
June	2018	£303,960	291.2	-0.2	2.1

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

House Prices June 2018

The decline in house prices appeared to slow more markedly this month. The average **annual** rate of house price growth now stands at 2.1%, a rise of 0.3% on May when including London and the South East, or at 2.0% (with no change on the previous month) if London and the South East are excluded. The small uplift in prices at national level is consequently dependant on the performance of the housing market in the south-east corner of England.

As we show later in this report - in Figure 5 - all ten GOR areas in England and Wales have seen a decline in the rate of house price growth, with just one exception – Greater London. Here, the top three boroughs by price (the prime central area) are all recording a positive movement in their annual rates of growth, which is helping to lift London's prices, even when more than two-thirds of London's 33 boroughs are experiencing price falls.

However, on a **monthly** basis, the overall rate of house price inflation in June fell by -0.2%. This was the fourth month in succession in which the rate was negative.

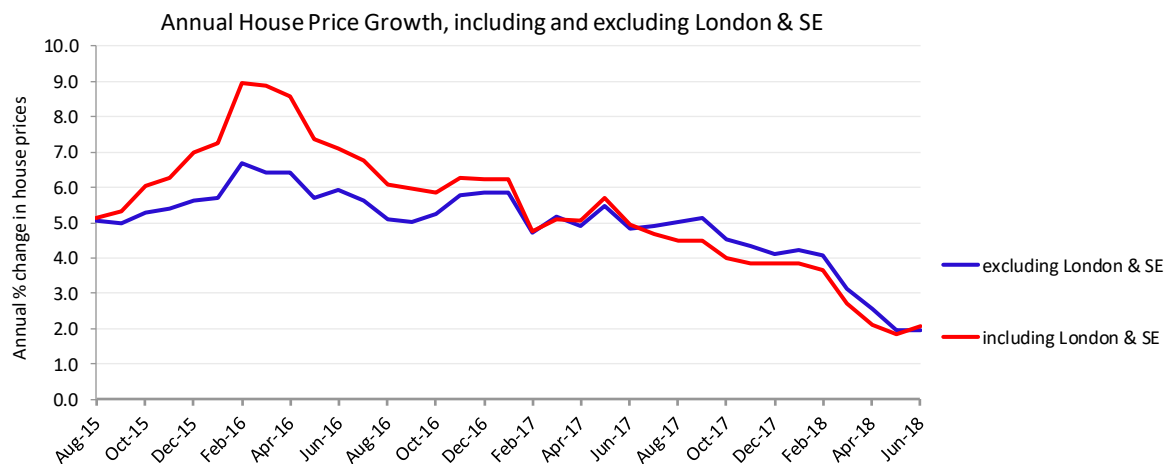


Figure 1. The annual percentage change in average house prices in England & Wales, August 2015 – June 2018

[link to source Excel](#)

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

Last month we reported that there had been a very small rise in the annual rate of house price growth for England & Wales as a whole, of +0.1%. However, as further data emerged from the Land Registry, our figures had to be revised downward to a -0.3% fall. The question is, will the rise in the annual rate of +0.3% observed this month stand the test of time? If it is any help, Halifax, Nationwide and Rightmove all reported a positive movement in their monthly prices for June, even if Acadata on first assessment showed a small decline.

The Housing Market

A theme throughout this release is the variability of the England & Wales housing markets. The media do tend to focus on what is happening in London and to assume rather too readily that this applies universally. As we show, this is far from the case. Table 2 below on transactions perhaps makes the case most strongly – transactions are down across all of England & Wales but strikingly so in London and the South East. Outside of London, the housing market continues to function relatively normally, albeit we are seeing a general decline in price growth (and transactions numbers). This is no bad thing – lower rates of price inflation ease affordability pressures, not least when combined with wage growth. Ideally most would like to see sustained price stability even though - given the rapid price inflation of recent years - we need the market to deflate for a period to bring prices and incomes back into long term alignment.

The government continues to argue that this can only be done by more supply, and it has worked hard to try to edge this up. We can probably expect further housing announcements in the Autumn Budget (November), and not least around the future of the Help-to-Buy equity loan programme which is due to end in 2021.

The recent announcement of a consultation on the term of tenancies in the private rented sector is likely to further suppress the appetite to invest in that sector. As with other changes still working their way through the system, this should continue to reduce the competition for the purchase of properties between landlords and first time buyers. Lenders too are easing back on some of their more obviously binding affordability measures to try and better align the mortgage market with borrower demand, albeit this can only be eased at the margins in order to continue to comply with macro-prudential and regulatory requirements.



Housing Transactions

In June 2018, we estimate that there were 66,250 transactions - based on Land Registry figures - 2% up on our revised May total. This rise in numbers needs to be set against the seasonal trend of the last twenty years, where a considerably higher 9% increase in sales volumes is the 'norm' for this time of year, so on a seasonally-adjusted basis, turnover has declined by some 7%. We estimate that transactions in the first six months of 2018 are 8% below the same period in 2017. Part of this decline in sales, on a seasonal basis, will be due to the weather, not least in February - snow, rain and travel disruption are not conducive to house-hunting. However, part of the decline in sales over recent months has been due to a lack of confidence among buyers. In its May *Outlook* RICS (Royal Institution of Chartered Surveyors) commented that 'overall new buyer enquiries had once again fallen in the month', although this was a 'balanced' figure in that enquiries had risen in six of the 12 regions monitored. Enquiries were strong in Northern Ireland and Scotland, with modest rises being seen in London, the West Midlands, Yorkshire and the Humber and the South West, while enquiries were down strongly in the North East and the North West, and marginally lower in the South East, the East of England, the East Midlands and Wales.

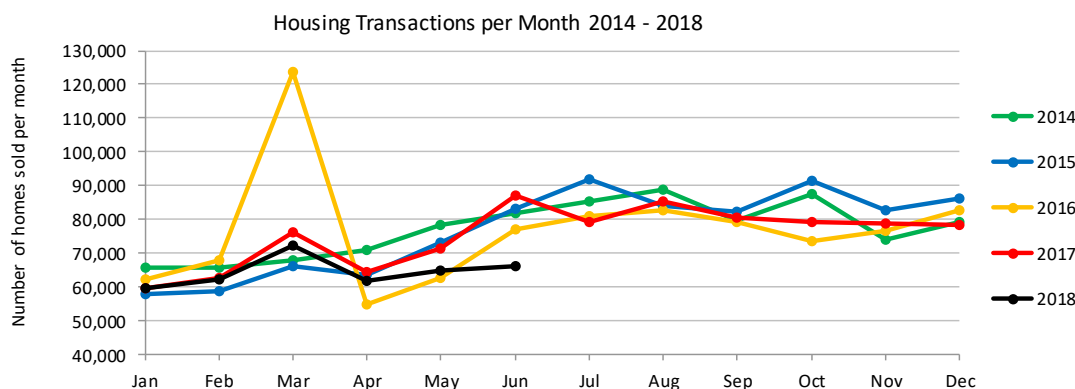


Figure 2. Number of properties sold per month in England & Wales, January 2014 – June 2018
Source Land Registry & Acadata estimates. The totals shown have not been seasonally adjusted

[link to source Excel](#)

Table 2 below analyses the number of transactions for the three months March to May in each of the last three years 2016, 2017 and 2018. The Table shows that the overall volume of sales in England & Wales for those three months has been falling away on an annual basis; in 2018 it was 5% lower than the same three months in 2017, and 16% lower than the same period in 2016. However, it needs to be remembered that March 2016 was an exceptional month, being immediately prior to the introduction of the 3% surcharge on buy-to-let properties and second homes.

Table 2. Transaction counts at the end of June of each year, for the three months March - May
TRANSACTIONS ANALYSIS BY REGION

[link to source Excel](#)

REGION	Mar - May			Mar - May	
	2016	2017	2018	2016/18	2017/18
NORTH EAST	7,781	7,887	7,579	-3%	-4%
NORTH WEST	24,185	22,443	22,288	-8%	-1%
YORKS & HUMBERSIDE	18,084	17,091	16,799	-7%	-2%
EAST MIDLANDS	18,100	16,192	15,426	-15%	-5%
WEST MIDLANDS	18,459	16,836	16,338	-11%	-3%
EAST OF ENGLAND	23,973	20,888	19,357	-19%	-7%
GREATER LONDON	24,368	18,495	16,509	-32%	-11%
SOUTH EAST	34,626	29,540	27,129	-22%	-8%
SOUTH WEST	22,619	20,600	19,065	-16%	-7%
ENGLAND	192,195	169,972	160,490	-16%	-6%
WALES	9,780	9,659	9,388	-4%	-3%
ENGLAND & WALES	201,975	179,631	169,878	-16%	-5%

Source: Land Registry transaction counts of its emergent data.



The change in transaction levels between the three months, March to May 2018, compared to the same three months in 2017, 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 in the top 5 positions of our transactions growth table above. It is also noticeable that the areas with the greatest reduction in transactions are all based in the south of England where the stamp duty increases are having the greatest impact.

Comparing Indices

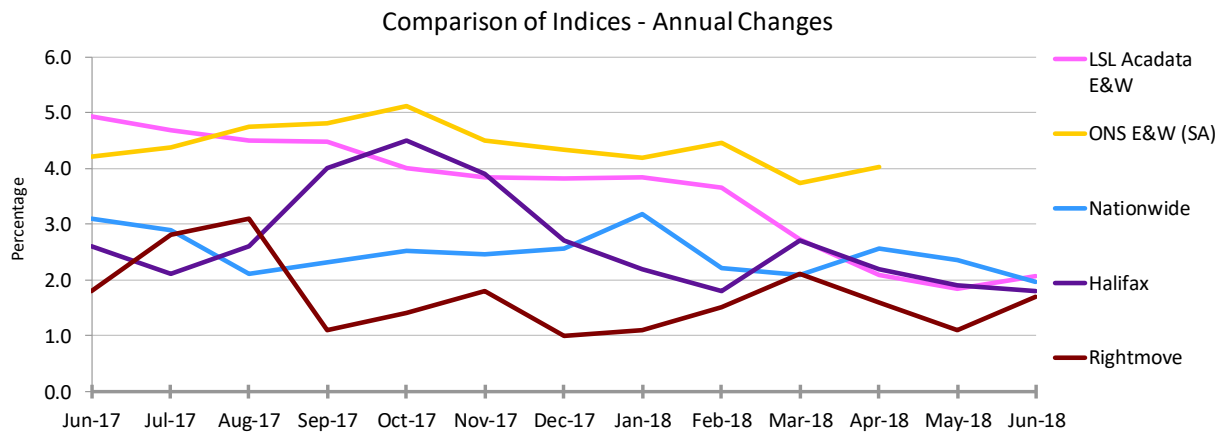


Figure 3. Annual change in house prices

[link to source Excel](#)

As Figure 3 shows, the four indices which have reported on **annual** rates to June 2018 are close to unanimity in a relatively tight cluster, ranging from LSL Acadata at 2.1% to Rightmove at 1.7%. The range in June between the highest and lowest index of 0.4% is the smallest it has been over the last twelve months.

The latest published ONS annual rate for England & Wales relates to April 2018, at 4.0%, and is 1.4% above Nationwide (2.6%), being the closest published figure to its own. Looking at the ONS April regional figures and comparing them to our own, the ONS is showing a higher rate of house price inflation in eight of the ten GOR areas that we monitor, the two exceptions being Greater London and the North West. The largest difference in the April rates between the ONS and the LSL Acadata Indices is in the South West - ONS 6.1%; LSL Acadata 2.4% - and the South East - ONS 3.5%; LSL Acadata 0.7%.

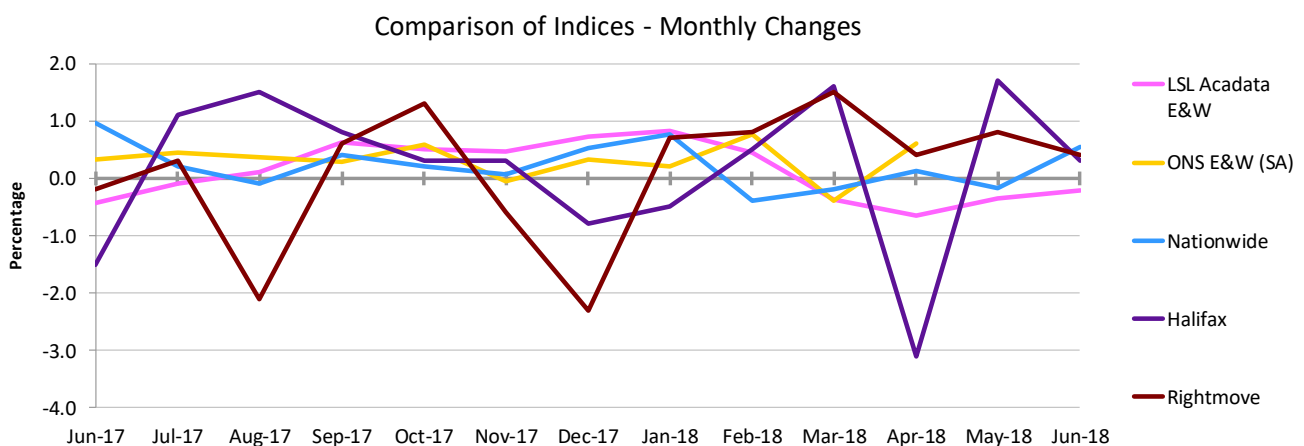


Figure 4. Monthly change in house prices

[link to source Excel](#)

Figure 4 above shows the **monthly** change in house prices as recorded by the five indices. As with the annual rate, the range between the highest and lowest rate of the four indices that have published a monthly figure for June is the smallest it has been over the last twelve months. The highest published rate for June is Nationwide (+0.5%) and the lowest LSL Acadata (-0.2%) – making the range 0.7%.

The ONS monthly rate has only been outside the bounds of the other four indices on one occasion in the last twelve months, being April 2018 when ONS reported 0.6%, being closest to Rightmove at 0.4%.

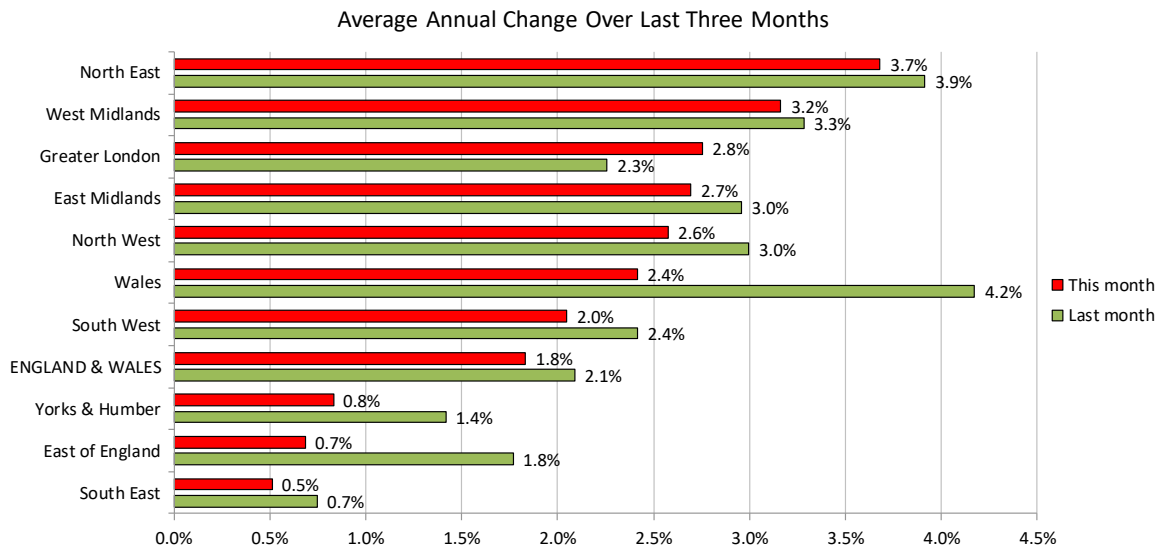


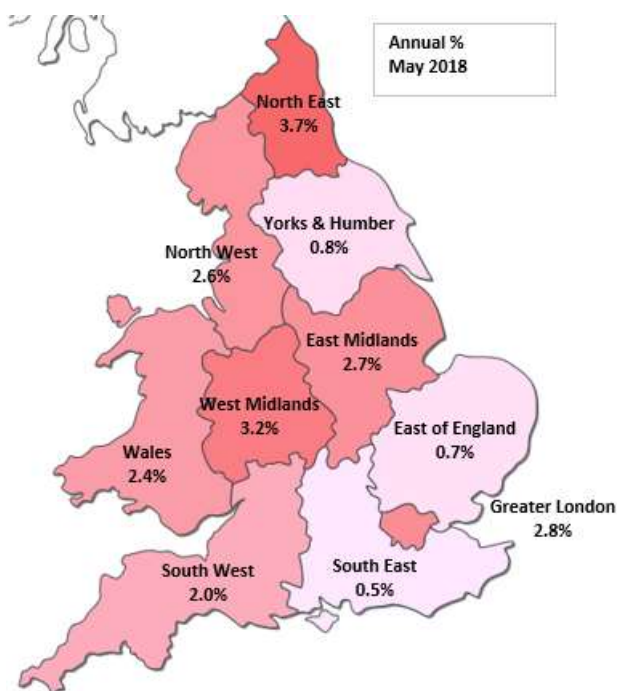
Figure 5. The annual change in the average house price for the three months centred on May 2018, analysed by GOR [link to source Excel](#)

Figure 5 shows the annual change in house prices, averaged over a three-month period centred on May 2018, and contrasts these movements with one month earlier. The North East finally makes the number one position in our growth league table, having last been in this position in October 2009, as the housing market was starting to recover from the credit squeeze of 2008/09. This month the region has witnessed a 1.5% climb in prices in Northumberland, where the annual rate of house price growth is currently 8.7% - the second highest in England & Wales after Torfaen.

Meanwhile Wales, which was last month's leader, has dropped to 6th place, possibly as the new LTT tax – which replaces SDLT in the Principality – comes into effect. Prices in Wales are now growing at a rate of a more sustainable 2.4%.

Only one GOR area recorded an increase in its annual growth rate in house prices in May, being Greater London, where the rate increased by 0.5% to 2.8%. The largest fall in annual rates in May occurred in Wales, discussed above, followed by the East of England, down by 1.1% on April, with Peterborough dipping by 2.0% in the month and the county of Essex similarly falling by 1.4%.

The South East remains at the bottom of the league table, having held this position for the last five months. The May 2018 annual rate of growth in the region of 0.5% is the lowest it has been since March 2012, which is the month when the England & Wales annual rate of growth was last negative.



Heat Map

This month the heat map is coloured entirely in red, indicating that prices are continuing to rise in all regions of England and in Wales.

The two 'hottest' areas are the North East and the West Midlands, where prices on an annual basis are climbing by 3.2% or above.

The second grouping consists of the areas where prices are rising at rates between 2.0% and 2.8%, being mostly on the west side of England & Wales, plus Greater London and the East Midlands.

Finally we have three regions where prices are rising at rates of 0.8% or below, being the South East, the East of England, and Yorkshire and the Humber.

Figure 6. Heat Map of the annual change in the average house price of English regions and Wales, May 2018



Table 3. The change in house prices, for the 33 London boroughs, comparing May 2017 and April 2018 with May 2018 [link to source Excel](#)

PRIOR YR RANK	RANK BY PRICE	LONDON BOROUGH	May-17	Apr-18	May-18	Month % Change	Annual % Change
1	1	KENSINGTON AND CHELSEA	1,889,862	2,052,968	1,972,778	-3.9%	4.4%
2	2	CITY OF WESTMINSTER	1,704,988	1,709,907	1,729,879	1.2%	1.5%
3	3	CAMDEN	1,071,498	1,064,837	1,090,609	2.4%	1.8%
4	4	CITY OF LONDON	1,004,492	779,165	835,061	7.2%	-16.9%
5	5	HAMMERSMITH AND FULHAM	910,043	892,030	815,816	-8.5%	-10.4%
6	6	RICHMOND UPON THAMES	824,826	777,915	762,998	-1.9%	-7.5%
8	7	ISLINGTON	729,248	694,451	710,709	2.3%	-2.5%
7	8	WANDSWORTH	810,925	696,685	689,916	-1.0%	-14.9%
11	9	HARINGEY	655,651	655,494	652,544	-0.5%	-0.5%
10	10	BARNET	668,325	666,973	647,420	-2.9%	-3.1%
13	11	LAMBETH	632,632	642,420	627,381	-2.3%	-0.8%
12	12	MERTON	639,605	598,634	596,667	-0.3%	-6.7%
15	13	HACKNEY	564,827	577,212	587,530	1.8%	4.0%
9	14	SOUTHWARK	694,579	579,100	570,380	-1.5%	-17.9%
14	15	BRENT	589,567	560,458	548,446	-2.1%	-7.0%
16	16	KINGSTON UPON THAMES	563,289	544,440	546,947	0.5%	-2.9%
17	17	EALING	556,019	540,957	533,015	-1.5%	-4.1%
18	18	TOWER HAMLETS	531,491	543,216	527,355	-2.9%	-0.8%
19	19	HARROW	522,352	525,291	522,662	-0.5%	0.1%
20	20	BROMLEY	512,833	498,538	493,012	-1.1%	-3.9%
22	21	HOUNSLOW	476,936	486,082	476,106	-2.1%	-0.2%
26	22	REDBRIDGE	445,121	457,654	465,183	1.6%	4.5%
23	23	ENFIELD	472,822	466,550	460,428	-1.3%	-2.6%
27	24	WALTHAM FOREST	441,764	457,695	457,773	0.0%	3.6%
21	25	LEWISHAM	482,413	457,472	454,162	-0.7%	-5.9%
24	26	HILLINGDON	461,522	450,767	452,056	0.3%	-2.1%
28	27	NEWHAM	429,673	425,744	423,729	-0.5%	-1.4%
25	28	GREENWICH	447,488	429,902	421,877	-1.9%	-5.7%
29	29	SUTTON	407,059	399,878	399,546	-0.1%	-1.8%
31	30	HAVERING	378,431	393,045	390,857	-0.6%	3.3%
30	31	CROYDON	397,419	387,388	385,792	-0.4%	-2.9%
32	32	BEXLEY	349,357	358,644	358,624	0.0%	2.7%
33	33	BARKING AND DAGENHAM	306,283	304,951	305,733	0.3%	-0.2%
		ALL LONDON	617,106	633,106	634,092	0.2%	2.8%

London

The analysis of Greater London house prices in Table 3 relates to May 2018, and compares these prices to one month and one year earlier. The annual rate of change in London has risen to 2.8% from the 2.3% seen in the previous month, although this still represents the second lowest annual rate recorded over the last six years. Prices have risen by just under £17,000 over the last twelve months, taking the new average price to £634,092 – this is some £5,500 below the peak average price for London as a whole, which was established in January 2018. On a monthly basis, average prices rose by some £1,000, or 0.2%, partly reversing the fall of £6,500 over the previous three months.

Highest and lowest London Boroughs

On an annual basis, prices in May fell in 24 of the 33 boroughs, the same number as had falling prices one month earlier. Over the year, the highest fall was seen in Southwark, down 17.9%, but here the May 2017 prices for Southwark were flattered by the sale of a large number of new build flats, including 1 apartment in Blenheim House overlooking the Thames, adjacent to Tower Bridge, which sold for £11.5 million. Similar sales have not been repeated in May 2018 – hence the fall in average prices recorded for the borough in Table 3.

The highest annual increase in prices was seen in Redbridge, at 4.5%. In Redbridge it is the price of detached homes that has had the largest influence on the change in average prices for the area, despite being the property class with the lowest number of sales in the borough. In May 2018 there have been four sales of detached homes in excess of £1 million, compared with just two in May 2017, which has helped to raise the average price of a home by £20,000 over the year.

London boroughs, counties and unitary authorities



On a monthly basis, prices in May have fallen in 23 of the 33 London boroughs, the same number as in the previous month. The largest increase was seen in the City of London at +7.2%, but here low transaction volumes - for example in May 2018 only 5 sales have been recorded to date at the Land Registry - result in large changes to average values, especially when expressed in percentage terms. The second-highest increase in the month was seen in Camden at 2.4%, where prices in the month have been strengthened by the sale of 13 terraced properties for an average price of £2.1 million.

The largest fall in the month was seen in Hammersmith and Fulham at -8.5%. As mentioned last month, in Hammersmith and Fulham a number of new build flats were sold around the start of 2018, for example at the Queens Wharf development, just to the north of Hammersmith Bridge. These flats were sold at a premium price to existing stock, and consequently raised average values in the area. No similar sales have been recorded by the Land Registry for May (as yet), which has resulted in the average price for flats returning to their previous levels.

London borough peak prices

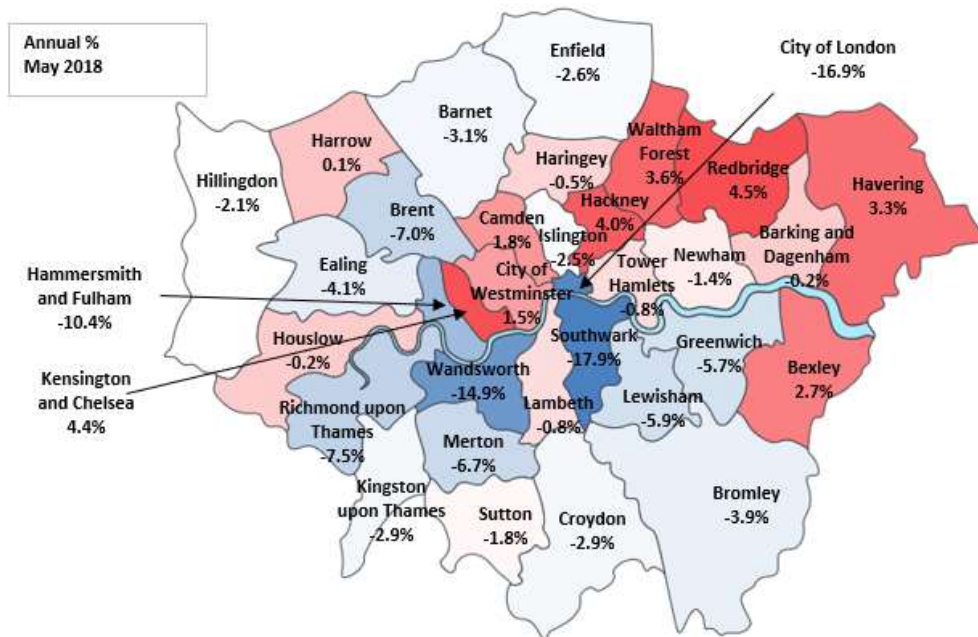
There were no London boroughs recording a new peak price in May 2018. This is the third month in succession in which no borough has recorded a new peak.

London borough transactions

In terms of Greater London transactions, sales for the three months March – May 2018 are 11% lower than the same three months one year earlier. The major downturn has been in the sale of flats (-14%), followed by semi-detached properties (-10%), terraced properties (-7%) and detached properties (-4%). The three boroughs having the highest increase in transactions over this period are Hammersmith and Fulham (+4%), Harrow (+4%) and Haringey (+1%); in Harrow and Haringey it was the sale of flats that had the largest influence on the increased transaction count, whereas this month in Hammersmith and Fulham it was the sale of terraced properties that boosted sales.

The three boroughs with the highest decline in transaction numbers over this period were Croydon (-28%), the City of Westminster (-28%) and Barnet (-21%); in each borough it is flats that have seen the largest fall in sales volumes.

London house price heat map



The heat map is showing an interesting geographical split with the boroughs displaying an increase in prices (shaded red) largely lying in the centre or to the north-east of the capital, while the boroughs shaded blue (indicating a fall in prices) are mainly located to the south of the Thames, or along the north-western outer suburbs.

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 May 2017 and April 2018 with May 2018

[link to source Excel](#)

PRIOR YR RANK	RANK BY PRICE	COUNTY / UNITARY AUTHORITY / REGION	May-17	Apr-18	May-18	Monthly change	Annual Change
101	101	COUNTY DURHAM	£131,235	£131,817	£130,792	-0.8%	-0.3%
92	89	DARLINGTON	£153,135	£165,070	£165,280	0.1%	7.9%
99	100	HARTLEPOOL	£134,971	£135,815	£133,059	-2.0%	-1.4%
94	94	MIDDLESBROUGH	£147,506	£145,468	£146,839	0.9%	-0.5%
64	57	NORTHUMBERLAND	£192,290	£205,923	£208,973	1.5%	8.7%
97	98	REDCAR AND CLEVELAND	£138,594	£139,333	£137,764	-1.1%	-0.6%
83	84	STOCKTON-ON-TEES	£165,064	£168,589	£167,776	-0.5%	1.6%
85	82	TYNE AND WEAR	£163,202	£171,794	£170,458	-0.8%	4.4%
		NORTH EAST TOTAL	£157,596	£163,883	£163,396	-0.3%	3.7%
100	99	BLACKBURN WITH DARWEN	£132,847	£131,784	£134,349	1.9%	1.1%
103	106	BLACKPOOL	£124,016	£117,940	£118,391	0.4%	-4.5%
40	40	CHESHIRE	£250,877	£265,652	£262,671	-1.1%	4.7%
87	92	HALTON	£159,817	£158,426	£156,811	-1.0%	-1.9%
56	55	WARRINGTON	£209,440	£219,145	£222,368	1.5%	6.2%
69	70	CUMBRIA	£186,597	£184,367	£186,479	1.1%	-0.1%
70	67	GREATER MANCHESTER	£185,391	£194,809	£192,001	-1.4%	3.6%
81	81	LANCASHIRE	£170,713	£172,543	£170,756	-1.0%	0.0%
84	85	MERSEYSIDE	£164,028	£166,853	£167,699	0.5%	2.2%
		NORTH WEST TOTAL	£185,614	£191,676	£190,394	-0.7%	2.6%
58	62	EAST RIDING OF YORKSHIRE	£205,295	£203,460	£200,239	-1.6%	-2.5%
106	107	KINGSTON UPON HULL, CITY OF	£120,388	£119,321	£117,715	-1.3%	-2.2%
95	97	NORTH EAST LINCOLNSHIRE	£142,864	£141,915	£142,450	0.4%	-0.3%
93	91	NORTH LINCOLNSHIRE	£149,978	£159,365	£157,965	-0.9%	5.3%
30	35	YORK	£282,528	£268,579	£271,433	1.1%	-3.9%
44	46	NORTH YORKSHIRE	£245,793	£250,076	£248,176	-0.8%	1.0%
89	90	SOUTH YORKSHIRE	£157,832	£164,403	£163,061	-0.8%	3.3%
73	74	WEST YORKSHIRE	£178,072	£180,249	£179,951	-0.2%	1.1%
		YORKS & HUMBER TOTAL	£185,438	£187,889	£186,978	-0.5%	0.8%
80	79	DERBY	£170,844	£170,882	£171,852	0.6%	0.6%
79	73	LEICESTER	£172,486	£179,936	£179,973	0.0%	4.3%
90	93	NOTTINGHAM	£153,851	£153,057	£152,872	-0.1%	-0.6%
21	11	RUTLAND	£309,234	£342,649	£366,555	7.0%	18.5%
61	63	DERBYSHIRE	£197,022	£200,018	£199,045	-0.5%	1.0%
49	48	LEICESTERSHIRE	£233,963	£245,468	£245,162	-0.1%	4.8%
62	65	LINCOLNSHIRE	£194,023	£197,807	£194,630	-1.6%	0.3%
46	44	NORTHAMPTONSHIRE	£242,377	£253,933	£252,970	-0.4%	4.4%
63	64	NOTTINGHAMSHIRE	£192,675	£196,252	£196,112	-0.1%	1.8%
		EAST MIDLANDS TOTAL	£206,289	£212,546	£211,846	-0.3%	2.7%
43	43	HEREFORDSHIRE	£246,190	£251,894	£253,291	0.6%	2.9%
48	49	SHROPSHIRE	£234,520	£240,419	£239,747	-0.3%	2.2%
102	105	STOKE-ON-TRENT	£124,197	£120,655	£119,860	-0.7%	-3.5%
77	77	TELFORD & WREKIN	£175,109	£174,276	£172,472	-1.0%	-1.5%
57	58	STAFFORDSHIRE	£207,889	£211,264	£208,357	-1.4%	0.2%
31	27	WARWICKSHIRE	£279,405	£292,358	£295,291	1.0%	5.7%
66	61	WEST MIDLANDS	£192,073	£202,320	£202,412	0.0%	5.4%
36	37	WORCESTERSHIRE	£262,398	£265,117	£263,878	-0.5%	0.6%
		WEST MIDLANDS TOTAL	£215,011	£222,135	£221,813	-0.1%	3.2%
20	20	BEDFORDSHIRE	£316,127	£318,890	£320,036	0.4%	1.2%
42	42	LUTON	£247,663	£254,004	£254,395	0.2%	2.7%
59	59	PETERBOROUGH	£200,876	£208,944	£204,800	-2.0%	2.0%
25	24	SOUTHEND-ON-SEA	£301,623	£307,535	£306,177	-0.4%	1.5%
32	32	THURROCK	£278,469	£282,389	£282,022	-0.1%	1.3%
15	18	CAMBRIDGESHIRE	£334,477	£331,255	£328,263	-0.9%	-1.9%
14	15	ESSEX	£344,216	£350,402	£345,331	-1.4%	0.3%
4	4	HERTFORDSHIRE	£459,634	£460,173	£461,581	0.3%	0.4%

London boroughs, counties and unitary authorities



45	45	NORFOLK	£244,603	£252,593	£250,892	-0.7%	2.6%
35	36	SUFFOLK	£266,691	£270,809	£270,099	-0.3%	1.3%
		EAST OF ENGLAND TOTAL	£326,651	£330,609	£328,884	-0.5%	0.7%
		GREATER LONDON TOTAL	£617,106	£633,106	£634,092	0.2%	2.8%
8	10	BRACKNELL FOREST	£392,234	£382,169	£374,454	-2.0%	-4.5%
6	8	BRIGHTON AND HOVE	£402,554	£402,819	£405,725	0.7%	0.8%
50	50	ISLE OF WIGHT	£231,466	£238,412	£239,350	0.4%	3.4%
38	38	MEDWAY	£251,609	£265,218	£263,866	-0.5%	4.9%
22	26	MILTON KEYNES	£303,781	£298,341	£297,835	-0.2%	-2.0%
52	51	PORTSMOUTH	£229,499	£233,308	£234,472	0.5%	2.2%
16	16	READING	£326,758	£331,793	£330,157	-0.5%	1.0%
18	21	SLOUGH	£322,916	£322,366	£317,081	-1.6%	-1.8%
53	56	SOUTHAMPTON	£219,840	£220,978	£217,843	-1.4%	-0.9%
9	7	WEST BERKSHIRE	£388,667	£403,192	£408,550	1.3%	5.1%
1	1	WINDSOR AND MAIDENHEAD	£607,493	£553,817	£532,386	-3.9%	-12.4%
5	5	WOKINGHAM	£453,072	£455,997	£449,626	-1.4%	-0.8%
3	3	BUCKINGHAMSHIRE	£489,950	£485,280	£482,649	-0.5%	-1.5%
23	19	EAST SUSSEX	£302,737	£323,517	£326,441	0.9%	7.8%
13	14	HAMPSHIRE	£355,033	£355,370	£355,307	0.0%	0.1%
19	17	KENT	£322,914	£330,826	£328,665	-0.7%	1.8%
7	6	OXFORDSHIRE	£395,857	£417,983	£419,863	0.4%	6.1%
2	2	SURREY	£533,804	£527,710	£521,388	-1.2%	-2.3%
12	12	WEST SUSSEX	£361,219	£361,476	£362,578	0.3%	0.4%
		SOUTH EAST TOTAL	£374,022	£377,352	£375,933	-0.4%	0.5%
11	9	BATH AND NORTH EAST SOMERSET	£370,414	£389,988	£387,728	-0.6%	4.7%
28	33	BOURNEMOUTH	£288,164	£266,063	£278,672	4.7%	-3.3%
26	25	BRISTOL, CITY OF	£293,945	£300,323	£302,355	0.7%	2.9%
41	39	CORNWALL	£250,183	£264,504	£263,538	-0.4%	5.3%
34	29	NORTH SOMERSET	£267,788	£288,775	£286,559	-0.8%	7.0%
71	68	PLYMOUTH	£185,169	£191,283	£191,974	0.4%	3.7%
10	13	POOLE	£375,033	£370,110	£361,826	-2.2%	-3.5%
29	28	SOUTH GLOUCESTERSHIRE	£284,334	£292,009	£290,941	-0.4%	2.3%
51	52	SWINDON	£229,939	£233,122	£229,289	-1.6%	-0.3%
54	53	TORBAY	£218,265	£226,140	£225,788	-0.2%	3.4%
24	23	WILTSHIRE	£302,449	£311,936	£314,305	0.8%	3.9%
33	30	DEVON	£274,691	£287,986	£285,893	-0.7%	4.1%
17	22	DORSET	£323,387	£323,200	£316,450	-2.1%	-2.1%
27	31	GLOUCESTERSHIRE	£289,462	£286,903	£284,779	-0.7%	-1.6%
39	41	SOMERSET	£251,342	£261,759	£259,561	-0.8%	3.3%
		SOUTH WEST TOTAL	£278,687	£285,578	£284,393	-0.4%	2.0%
67	72	ISLE OF ANGLESEY	£190,707	£188,679	£183,748	-2.6%	-3.6%
74	87	GWYNEDD	£177,380	£167,516	£166,713	-0.5%	-6.0%
72	76	CONWY	£182,024	£174,859	£172,610	-1.3%	-5.2%
78	78	DENBIGHSHIRE	£174,605	£177,796	£171,985	-3.3%	-1.5%
76	80	FLINTSHIRE	£176,793	£173,369	£171,481	-1.1%	-3.0%
82	75	WREXHAM	£168,991	£181,162	£174,158	-3.9%	3.1%
60	60	POWYS	£197,846	£207,453	£202,928	-2.2%	2.6%
65	66	CEREDIGION	£192,114	£198,581	£194,430	-2.1%	1.2%
68	71	PEMBROKESHIRE	£187,203	£185,328	£185,524	0.1%	-0.9%
96	95	CARMARTHENSHIRE	£138,819	£157,531	£146,424	-7.1%	5.5%
88	86	SWANSEA	£159,440	£178,495	£167,199	-6.3%	4.9%
107	103	NEATH PORT TALBOT	£120,069	£124,830	£125,690	0.7%	4.7%
86	88	BRIDGEND	£161,708	£168,329	£166,107	-1.3%	2.7%
47	47	VALE OF GLAMORGAN	£236,865	£261,036	£246,460	-5.6%	4.1%
55	54	CARDIFF	£214,400	£230,297	£222,791	-3.3%	3.9%
104	102	RHONDDA CYNON TAF	£123,668	£128,487	£127,691	-0.6%	3.3%
105	104	MERTHYR TYDFIL	£123,424	£118,863	£121,692	2.4%	-1.4%



98	96	CAERPHILLY	£137,370	£143,170	£143,028	-0.1%	4.1%
108	108	BLAENAU GWENT	£105,663	£97,715	£100,607	3.0%	-4.8%
91	83	TORFAEN	£153,458	£167,462	£169,041	0.9%	10.2%
37	34	MONMOUTHSHIRE	£255,892	£284,256	£277,005	-2.6%	8.3%
75	69	NEWPORT	£177,172	£192,231	£187,528	-2.4%	5.8%
		WALES TOTAL	£173,666	£182,576	£177,858	-2.6%	2.4%
		ENGLAND & WALES TOTAL	£299,107	£305,638	£304,592	-0.3%	1.8%

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 May 2017 and April and May 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 May 2018 have increased in England & Wales by some £5,485, or 1.8%, which is 0.3% less than the previous month. In May, 72 of the 108 unitary authority areas recorded price rises over the year, being 3 fewer than the previous month. Of the 36 areas where prices have fallen, 8 each are located in the South East and Wales, 5 are located in the South West, with 4 each in the North East and Yorkshire and the Humber, 3 in the North West, 2 in the West Midlands and 1 each in the East Midlands and the East of England. It is interesting to observe that - with the exception of Wales - the two regions with the highest number of reductions in prices over the year are in the south of England.

We can note that in May 2018, 36 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 24 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.

Peak Prices

In Table 4, those areas highlighted in turquoise have set a new peak price in the month; there are 8 such locations, compared with 14 seen in April and 27 in March – indicating the softening in the market seen over the last three months. Of the 8 unitary authority areas that recorded a new peak, 4 are in the South East, and 1 each are in the North West, the East and West Midlands and the South West. This month, for the second month running, no GOR region established a new peak average price.

Monthly Trends

On a monthly basis, the average price of a home in England & Wales in May 2018 fell by £1,046, which equates to a -0.3% change. This is the third month in 2018 in which prices have fallen. In May 2018, prices fell in 73 of the 108 unitary authority areas, compared with 72 falls in April.

Highest and lowest unitary authorities

In May, looking at the unitary authority areas on an individual basis, Rutland has the highest annual rate of change in prices at 18.5%. However, Rutland has the lowest number of transactions in a month of all the 108 unitary authority areas in England & Wales and is consequently subject to exaggerated changes in its average price, particularly when expressed in percentage terms. In second place behind Rutland, we have Torfaen at 10.2%. In Torfaen, the average price paid for a detached home has risen from £240k in May 2017 to £260k one year later.

On an annual basis, for the third month running, the authority with the largest reduction in prices is Windsor and Maidenhead, where values have fallen by 12.4% over the year. Outside of Greater London, Windsor and Maidenhead has the highest average house price of all 108 unitary authority areas, at £532k. In Windsor and Maidenhead it is the price of flats that has fallen over the year, from an average £440k in May 2017 to £340k in May 2018. However, prices in May 2017 were assisted by the sale of 2 new apartments in Ascot for £2 million apiece – an occurrence which was not repeated one year later – these Ascot flats will disappear from our calculations next month.



The Conurbations

Table 5. The annual percentage change in mix adjusted house prices, for 12 conurbations in England & Wales, comparing March – May 2018
 Table 5 is based on three month averages centred on the named month [link to source Excel](#)

THE CONURBATIONS	Annual rates of change %		
	March	April	May
West Midlands	4.9	5.2	5.4
Tyne & Wear	5.7	5.0	4.4
Leicester	2.8	2.8	4.3
Cardiff	6.9	8.2	3.9
Greater Manchester	5.5	4.7	3.6
South Yorkshire	5.8	4.1	3.3
Bristol	2.6	2.0	2.9
Greater London	3.3	2.3	2.8
Merseyside	2.1	2.7	2.2
West Yorkshire	2.5	1.5	1.1
Nottingham	2.1	0.3	-0.6
Southampton	-0.6	-0.5	-0.9

Table 5 shows the relative movement in the rates of house price growth of 12 conurbation areas/cities in England & Wales.

The West Midlands tops our conurbation league at 5.4%, coming up from second place last month - it is one of only four areas that have seen the rate of change in prices increase since March.

Leicester has seen the largest positive change in its annual rate of growth, up by 1.5% since April, while Cardiff has seen the largest fall over this period, down by -3.0%. Cardiff is something of a special case, as during the period being analysed, SDLT has been replaced by LTT in Wales, which gave an incentive to purchase higher value properties early in the year, prior to the introduction of the new tax.

For the third month running Southampton is bottom of the league, reflecting the current performance of the South East region, which has the lowest price growth of the 10 GOR areas in England and Wales.

Transactions

As shown in Table 2 earlier, there was an overall fall of 5% in transactions in England & Wales between the three months March to May 2018 compared to the same three months in 2017. Analysing this fall by property type, there was a 9% decline in the sale of flats, mostly associated with declining transaction levels in London and the South East, a 5% fall in the sale of detached properties, particularly in the South East and the East of England, a 5% fall in the sale of terraced properties, mainly due to a fall in sales volumes in the South East and South West, and a 4% fall in the sale of semi-detached homes, again associated with a fall in sales in the South East and the East of England.

Analysing the change in transactions in England & Wales by unitary authority area, the five areas with the highest % increase in transactions are Blaenau Gwent (+16%), Halton (+14%), Wokingham (+13%), Redcar & Cleveland (+12%) and the City of Derby (+6%).

It is hard to decipher a common theme between the above locations, although two - Blaenau Gwent and Halton - have a low monthly transaction count, which tends to result in high volatility of monthly sales when expressed in percentage terms. Both Wokingham and Redcar & Cleveland have a relatively high number of new-build properties already sold in 2018, which helps to explain the observed increase in transaction numbers in these two locations. Finally, we have the City of Derby – estate agents frequently state that it is the three “Ds” of Divorce, Death and Debt that result in owners selling their properties, to which we would add economic circumstances. One can perhaps speculate that the recent announcement by Rolls Royce that over 2,000 management positions at their offices in Derby are to be lost has prompted a number of home-owners in the City to look to the sale of their properties.

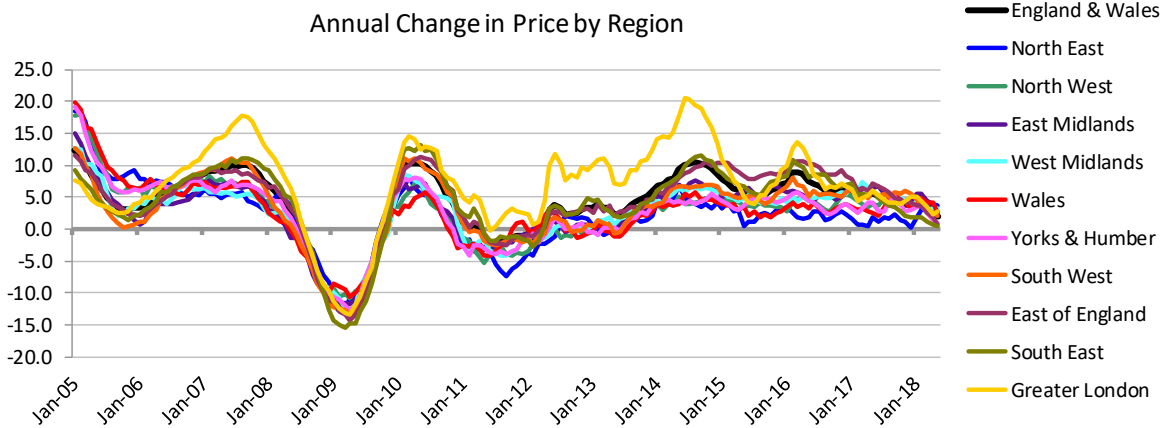


Figure 7. A comparison of the annual change in house prices, by region for the period January 2005 – May 2018 [link to source Excel](#)

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.

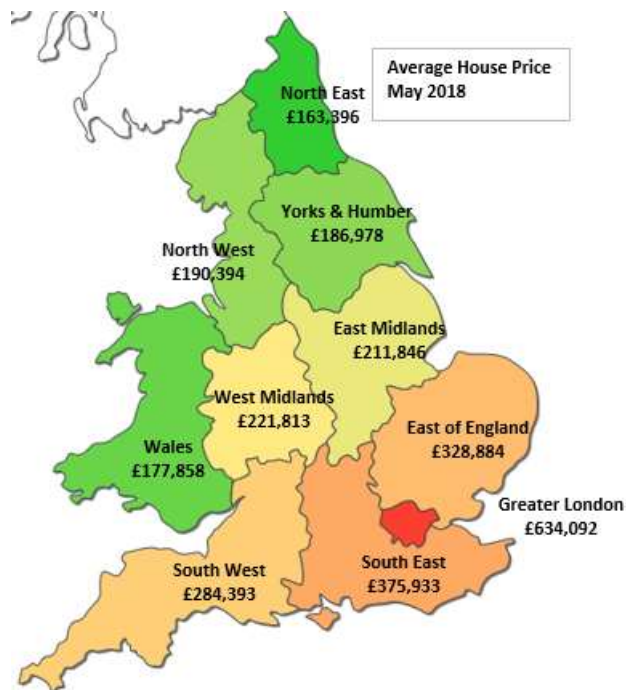


Figure 8. Heat Map of the average house price for England & Wales, analysed by region, May 2018

Regional data



Table 6. Average house prices by region, June 2017 – June 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
Jun-17	£157,376	-0.1	1.2	£185,414	-0.1	3.6	£183,551	-1.0	2.6	£207,537	0.6	6.6
Jul-17	£157,376	0.0	1.7	£187,118	0.9	4.9	£183,625	0.0	2.7	£207,342	-0.1	5.5
Aug-17	£156,538	-0.5	1.6	£188,442	0.7	5.1	£185,765	1.2	4.1	£208,363	0.5	5.6
Sep-17	£157,586	0.7	2.2	£189,250	0.4	5.6	£188,180	1.3	5.1	£208,709	0.2	5.0
Oct-17	£158,071	0.3	1.2	£189,947	0.4	4.2	£188,349	0.1	3.8	£209,359	0.3	4.7
Nov-17	£158,917	0.5	1.1	£190,473	0.3	4.2	£188,228	-0.1	2.8	£210,130	0.4	4.5
Dec-17	£158,524	-0.2	0.2	£192,547	1.1	4.6	£188,819	0.3	2.9	£210,823	0.3	4.4
Jan-18	£161,929	2.1	1.9	£193,012	0.2	5.0	£190,242	0.8	3.5	£214,858	1.9	5.5
Feb-18	£164,346	1.5	3.0	£193,892	0.5	4.4	£190,313	0.0	3.8	£216,014	0.5	5.5
Mar-18	£165,895	0.9	4.4	£192,710	-0.6	3.5	£189,239	-0.6	2.4	£215,184	-0.4	4.4
Apr-18	£163,883	-1.2	3.9	£191,676	-0.5	3.0	£187,889	-0.7	1.4	£212,546	-1.2	3.0
May-18	£163,396	-0.3	3.7	£190,394	-0.7	2.6	£186,978	-0.5	0.8	£211,846	-0.3	2.7

	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
Jun-17	£215,118	0.0	5.1	£327,139	0.1	6.6	£608,881	-1.3	5.4	£372,519	-0.4	4.7
Jul-17	£215,207	0.0	4.6	£326,214	-0.3	6.2	£603,194	-0.9	4.7	£372,562	0.0	4.2
Aug-17	£216,506	0.6	5.0	£326,362	0.0	5.7	£600,349	-0.5	4.0	£372,778	0.1	3.8
Sep-17	£217,845	0.6	5.5	£325,840	-0.2	4.7	£609,624	1.5	4.0	£372,571	-0.1	3.4
Oct-17	£218,703	0.4	4.7	£328,487	0.8	4.7	£617,131	1.2	3.9	£371,739	-0.2	2.7
Nov-17	£219,131	0.2	4.5	£328,098	-0.1	4.1	£626,510	1.5	4.3	£371,030	-0.2	2.1
Dec-17	£219,736	0.3	3.8	£328,861	0.2	4.1	£633,940	1.2	4.9	£373,968	0.8	1.9
Jan-18	£222,429	1.2	4.1	£330,369	0.5	3.6	£639,607	0.9	4.9	£377,949	1.1	1.8
Feb-18	£223,995	0.7	4.1	£332,687	0.7	3.6	£639,052	-0.1	4.5	£380,554	0.7	1.7
Mar-18	£223,048	-0.4	3.1	£332,898	0.1	2.6	£637,658	-0.2	3.3	£379,264	-0.3	1.0
Apr-18	£222,135	-0.4	3.3	£330,609	-0.7	1.8	£633,106	-0.7	2.3	£377,352	-0.5	0.7
May-18	£221,813	-0.1	3.2	£328,884	-0.5	0.7	£634,092	0.2	2.8	£375,933	-0.4	0.5

	South West			Wales			ENGLAND & WALES			
	Av HP	%monthly	%annual	Av HP	%monthly	%annual	Av HP	%monthly	%annual	
Jun-17	£278,172	-0.2	5.1	£173,695	0.0	2.1		£297,803	-0.4	4.9
Jul-17	£279,910	0.6	5.5	£175,572	1.1	3.4		£297,530	-0.1	4.7
Aug-17	£280,013	0.0	5.1	£177,181	0.9	4.7		£297,864	0.1	4.5
Sep-17	£282,375	0.8	5.8	£179,638	1.4	5.2		£299,746	0.6	4.5
Oct-17	£283,609	0.4	5.5	£181,015	0.8	4.6		£301,251	0.5	4.0
Nov-17	£286,090	0.9	6.1	£181,434	0.2	4.1		£302,675	0.5	3.8
Dec-17	£289,221	1.1	5.4	£181,120	-0.2	3.2		£304,892	0.7	3.8
Jan-18	£289,375	0.1	4.6	£182,572	0.8	3.7		£307,431	0.8	3.8
Feb-18	£289,714	0.1	3.8	£186,469	2.1	4.8		£308,775	0.4	3.6
Mar-18	£286,717	-1.0	2.7	£184,705	-0.9	4.1		£307,647	-0.4	2.7
Apr-18	£285,578	-0.4	2.4	£182,576	-1.2	4.2		£305,638	-0.7	2.1
May-18	£284,393	-0.4	2.0	£177,858	-2.6	2.4		£304,592	-0.3	1.8
Jun-18								£303,960	-0.2	2.1



NOTES

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

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