



Under embargo until 00:01 Tuesday 18th April 2017

March 2017

## Eight of 10 UK regions record new peak average prices, with the West Midlands taking the top spot for regional annual price growth

- 39 of the 108 regions and counties in England & Wales set new peak prices – up from 26 last month
- This is the highest number of regions with peak prices in a month since March 2016

House Price	Index	Monthly Change %	Annual Change %	Annual % (excluding London & the SE)
£301,278	295.0	0.5	3.3	4.2

The average house price rose to £301,278 in March, up 0.5% month-on-month and 3.3% annually. The West Midlands has become the region with the highest rate of annual house price growth at 4.8%, but the South East, including Greater London, sees price growth continuing to slow.

This is the first time that the West Midlands has taken the top spot in regional annual price growth since Your Move records began in January 1996, 21 years ago. Birmingham is currently seeing new peak prices, with annual increases of 7.8%, assisting the region to gain its number one position. By contrast, Greater London has fallen back into 9th position in terms of regional price change, one place ahead of the North East, which comes in last in the latest figures.

**Oliver Blake, Managing Director of Your Move and Reeds Rains estate agents, said:** “In England and Wales, house price inflation continues but at a relatively low, though still positive, level. The average annual rate of house price inflation was 3.3% in March, slightly up from the revised 3.1% seen in February. From May 2016 onward, there has been a relatively gentle and almost straight-line increase in house prices, despite the Brexit referendum in June 2016.

“There is little in the short-to-medium term that will disrupt the market greatly, with interest rate increases seemingly on hold, mortgage supply and pricing remaining favourable and consumer confidence strong. In addition, first time buyer numbers are up, not least as a consequence of government schemes and the Bank of Mum and Dad.

“However, with supply still tight, rising house prices remain a problem. We therefore cannot afford to overlook the ongoing housing shortage in the UK, which continues to dampen the hopes of many would-be homeowners.

“RICS indicated in its February UK Residential Market Survey that ‘tight supply conditions’ across most regions, along with flat sales in that month, resulted in ‘a further erosion of available stock for sale, with the average stock per surveyor just shy of a record low’. Our data shows that March has seen a pick up on this.”

The number of housing transactions in March 2017 in England & Wales is estimated at 78,500. This is a notable 26% uplift in sales on February’s total, which appears high, but is in line with the average seasonal increase that takes place in March of most years.

Overall in February house price inflation fell to 3.1%, down from the 4.7% of the previous month, a decline of 1.6% in the month. This is the largest decline in a single month since December 2010, when a fall of 2.0% occurred.

A comparison of transaction numbers with last year’s levels is not considered particularly useful this month, however, as last year’s figures were significantly distorted by the surge in sales that took place immediately prior to the introduction of the 3% surcharge on the purchase of second homes. Any comparison of transaction levels between 2016 and 2017 could as a consequence lead to incorrect conclusions being drawn on the current state of the market, when compared to the previous year.

The lowest-priced boroughs in London such as Bexley, Havering and Croydon are seeing the highest growth in prices, while the highest-priced boroughs including Kensington and Chelsea and Camden are seeing prices fall. In February, the top eleven boroughs by value saw prices fall by a weighted average of -0.5%, while the bottom eleven boroughs saw prices climb by a weighted +0.4%. The equivalent figures for the annual change in prices are +0.8% and +5.5%.

# House price index: historical data



Of the four boroughs recording an increase in transactions during the three months Dec 2016 – Feb 2017, (Tower Hamlets, +13%, Hackney +7%, the City of Westminster +6%, and Sutton, +4%), three of them saw a very high proportion of property sales being flats – suggesting that flats are currently the most sought after property type in the Greater London market.

The heat map (page 6) shows that middle-England (West Midlands, East Midlands and East of England) and the South West are having the strongest growth in house prices, with the South East and Greater London showing lower rates than in the recent past. By contrast, Yorkshire and Humber, Wales and the North East currently occupy 7th, 8th and 10th position in the regional price growth league.

In London, Hounslow and Haringey showed the biggest jump in house prices month-on-month (4% and 3.5% respectively, whereas Kensington and Chelsea showed the greatest slowdown (-2.6%). On an annual basis, Haringey was once again in the top spot at 19.6% growth year-on-year, compared to an 8% drop in Richmond upon Thames and 10.5% in the City of London.

The West Midlands has displaced the East of England for regional house price growth - from the number one spot where it had been for the previous 8 months - into second place. We are now seeing middle-England and the South West having the strongest growth in house prices, although the South East and Greater London are showing lower rates than in the recent past. This month the South East is in sixth place, having fallen from second position last month, a ranking it had held for the previous eight months.

**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 March 2016 – March 2017

[link to source Excel](#)

		House Price	Index	Monthly Change %	Annual Change %
March	2016	£291,548	290.1	0.2	9.1
April	2016	£291,441	289.9	0.0	8.7
May	2016	£289,287	287.7	-0.7	7.4
June	2016	£290,067	288.5	0.3	7.1
July	2016	£290,393	288.7	0.1	6.7
August	2016	£291,251	289.3	0.3	6.0
September	2016	£293,078	289.7	0.6	5.9
October	2016	£295,767	290.7	0.9	5.7
November	2016	£296,560	290.5	0.3	5.8
December	2016	£297,554	291.4	0.3	5.3
January	2017	£298,240	292.0	0.2	4.7
February	2017	£299,846	293.6	0.5	3.1
March	2017	£301,278	295.0	0.5	3.3

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

## House prices

The West Midlands has become the Region with the highest rate of annual house price growth as the south-east corner of England, including Greater London, sees price growth continuing to slow. This is the first time that the West Midlands has taken the top spot in regional annual price growth since our records began in 1996, some 21 years ago. Birmingham is currently seeing new peak prices in its conurbation with annual increases of 7.8%, assisting the region to gain its No. 1 position.

Average House Prices in England & Wales (Not smoothed)  
December 2015 - March 2017

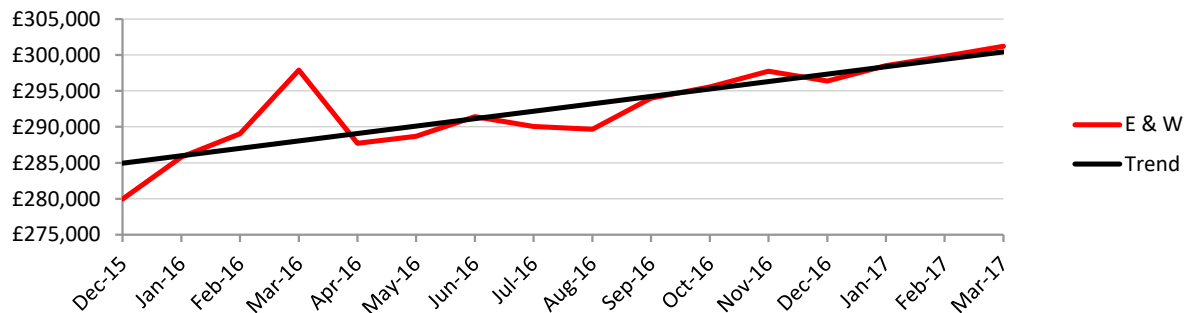


Figure 1. The average house price in England & Wales, December 2015 – March 2017  
Source LSL Acadata HPI. The figures are mix and seasonally adjusted

[link to source Excel](#)

In England and Wales as a whole, house price inflation continues but at a relatively low though still positive level. The average annual rate of house price inflation was 3.3% in March, slightly up from the (revised) 3.1% seen in February and very much in line with other indices.

Figure 1 above tracks the movement in house prices over the last 16 months, on an unsmoothed basis. The graph demonstrates the relatively steep increase in prices that took place in the three months prior to the introduction of the 3% surcharge in stamp duty on second homes. It also shows the equally steep fall in prices that occurred in April 2016, being the first month in which the new tax applied. From May 2016 onward there has been a relatively gentle and almost straight-line increase in house prices, despite the Brexit referendum in June 2016. We will need to wait until May 2017 before the changes associated with the introduction of the stamp duty surcharge drop out of the annual statistics, and the measure of the rate of annual house price growth better reflects the underlying trends in house prices that are currently prevalent.

## The Housing Market

Understanding the underlying direction and shape of the housing market in England & Wales remains a considerable challenge at present, given the many interventions made by government and the Bank over recent years and still in place. It is clear that some of the negativity that informed thinking late last year has fallen away, and this is reflected in recent market forecasts for this year and the next which are more bullish – both the updated OBR assessment for the Budget and a recent Intermediary Mortgage Lenders Association published outlook being cases in point. The view is that there is little in the short-to-medium term that will disrupt the market greatly, with interest rate increases seemingly on hold, mortgage supply and pricing remaining favourable and consumer confidence strong. Mortgage approvals rose on a non-seasonally adjusted basis in February, as they typically do at this time of year, but they were down slightly on a seasonally-adjusted basis.

However, we then have the Buy-to-Let market, and here we have some survey evidence that as more ‘amateur’ landlords begin fully to appreciate the implications of the 4-year removal of the tax relief that they can claim on their mortgage interest payments, they will start to sell some properties and additionally reduce their plans to purchase more. The question is whether this will actually materialise, and if it does what impact it will have on the overall market. First time buyer numbers are up, not least as a consequence of government schemes and the Bank of Mum and Dad. However, as the White Paper indicated, although such efforts are to continue, the extent to which the Starter Home Initiative in particular will be a significant driver is clearly a matter of conjecture, as it is clearly now being downplayed as part of the policy armoury. One piece of good news is that the government has moved quickly to deal with the unfair new build leasehold rent escalation clauses that had crept into the Help-to-Buy scheme for new houses.



The scale of the challenge facing the government is huge, as was evidenced in a recent report from the Social Mobility Commission looking at the impact of family support on young peoples' access to home ownership. It highlighted the enhanced role played by the Bank of Mum and Dad, and explored how this might change in the future. Affordability pressures remain intense, despite the reduction in mortgage costs - and a slowing in house price inflation is clearly important in that regard, while the government looks to gear up supply and come closer to bridging the supply/demand gap in the medium term. It is to be hoped that Brexit doesn't derail this via loss of immigrant labour and through higher imported building material costs.

## Housing Transactions

The number of housing transactions in March 2017 in England & Wales is estimated at 78,500, based on the Land Registry methodology of accounting for domestic property sales. This is a notable 26% uplift in sales on February's total, which appears high, but is in line with the average seasonal increase that takes place in March of most years.

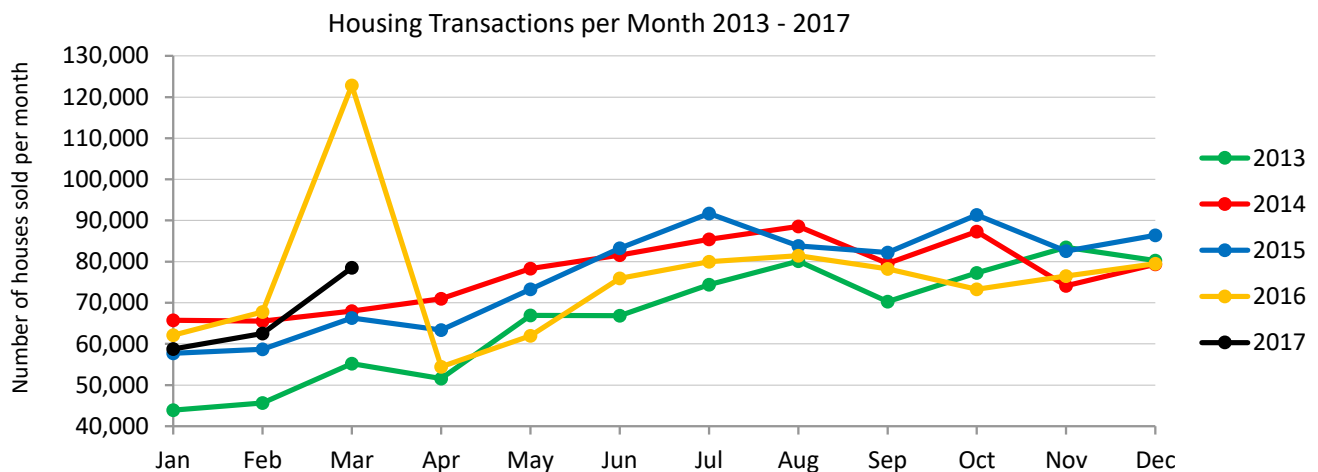


Figure 2. Number of properties sold per month in England & Wales, January 2013 – March 2017  
Source Land Registry & Acadata estimates. The totals shown have not been seasonally adjusted

[link to source Excel](#)

Figure 2 above captures the dramatic surge in transaction levels that took place in March 2016, well above the seasonal average, due to the introduction of the 3% surcharge in stamp duty that came into effect in April 2016. It is therefore no surprise that we report March 2017 sales as being 36% below March 2016 levels, as these were exceptionally high. Looking at sales in Q1 for each year, there is a -21% decline in 2017 compared to 2016, but a +9% increase over 2015. It is this latter figure - based on a 'more normal' year - that provides a more comparable statistic. On this basis, it is encouraging, as there does not appear to have been a slow-down in the domestic housing market arising from Brexit fears as some commentators had argued. We should also not forget that the RICS indicated in their February UK Residential Market Survey that 'tight supply conditions' across most regions, along with flat sales in that month resulted in 'a further erosion of available stock for sale, with the average stock per surveyor just shy of a record low'. Clearly March has seen a pick up on this, and it is to be hoped this might signal that a more liquid housing market is emerging.

The March CML Market Commentary highlights the data in its January release. The analysis shows that the number of loans to first time buyers increased by 7% in January 2017 compared to a year earlier, which amounts to an additional 1,400 properties being purchased. However, loans to home-movers decreased by 7% over the same period, which resulted in -1,700 fewer property sales in this sector. The Buy-to-Let market was more subdued in January 2017 than one year earlier, with 39% fewer loans for home purchases, which amounted to -3,800 fewer sales. However, it should be remembered that the Land Registry excludes Buy-to-Let purchases, where identifiable, from its property count and hence the graph above and our own figures do not reflect the decline in this sector of the market.

# Comparison of indices

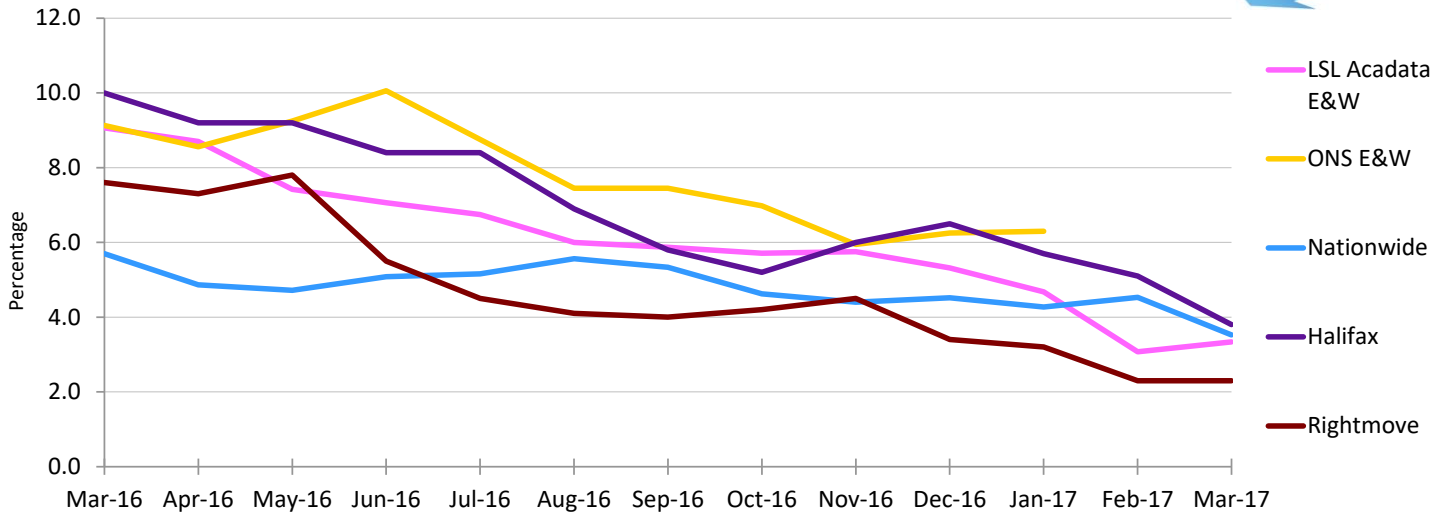


Figure 3. ANNUAL CHANGE IN HOUSE PRICES - COMPARISON OF INDICES CHART [link to source Excel](#)

As Figure 3 shows, all house price indices - including both the mix-adjusted and 'conceptual' price indices - are recording positive movements, albeit at different levels over the year in terms of the **annual** change in house prices. In general terms, all indices are reporting a similar reduction in the annual rate of house price inflation over the last year, with a gentle slope downwards in the rates reported by the indices as they track across the page. Of the four indices that have reported in March, the two that use an arithmetic average for house prices (LSL Acadata and Rightmove) are showing the lowest rates of inflation, at 3.3% and 2.3% respectively, while the two that are based on a conceptual average price of a house (Halifax and Nationwide) are in remarkable unanimity, at 3.8% and 3.5% respectively.

Taking these four indices, the range in the results for the latest month of 1.5% (3.8% - 2.3%) is the smallest it has been over the last year, indicating close agreement between the index providers as to the current state of the market.

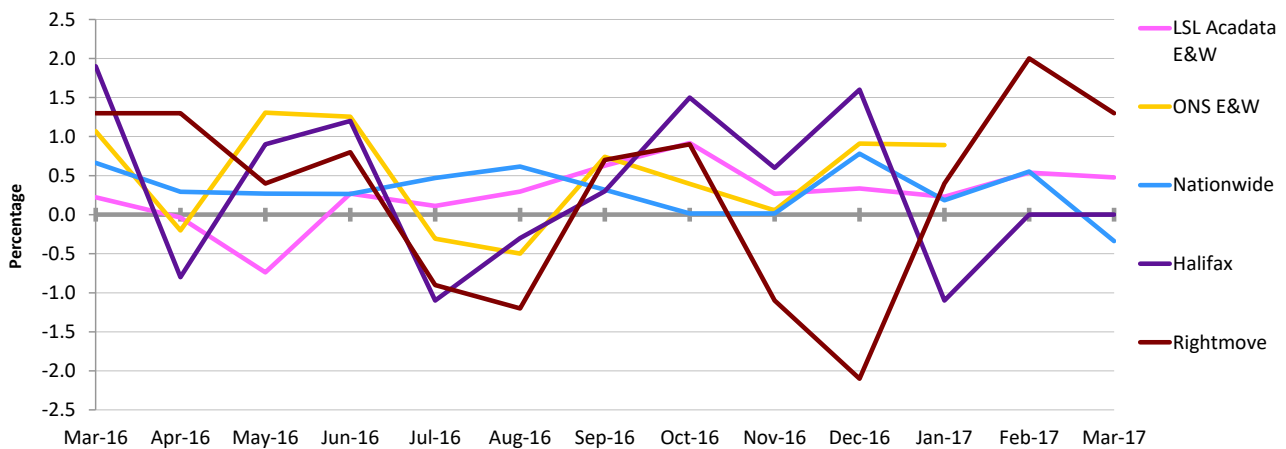


Figure 4. MONTHLY CHANGE IN HOUSE PRICES - COMPARISON OF INDICES CHART [link to source Excel](#)

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 March, Rightmove based on asking prices is the highest, at +1.3% and Nationwide the lowest at -0.3%. Nationwide is the only index showing a fall in monthly prices, while Halifax remains neutral at a no-change position. LSL Acadata and Rightmove show prices increasing in the month, albeit at differing rates of +0.5% and +1.3% respectively. Rightmove advises that the "monthly rise of this size (1.3%) has only been exceeded once at this time of year since 2007" hinting at an emerging trend yet to be captured by other indices all further down the sales chain.

Acadata has published a briefing note on the new "ONS UK House Price Index" which includes details of the differences between using a geometric mean (ONS) and an arithmetic mean (LSL Acadata and Rightmove). This briefing paper can be viewed or downloaded by clicking [here](#).

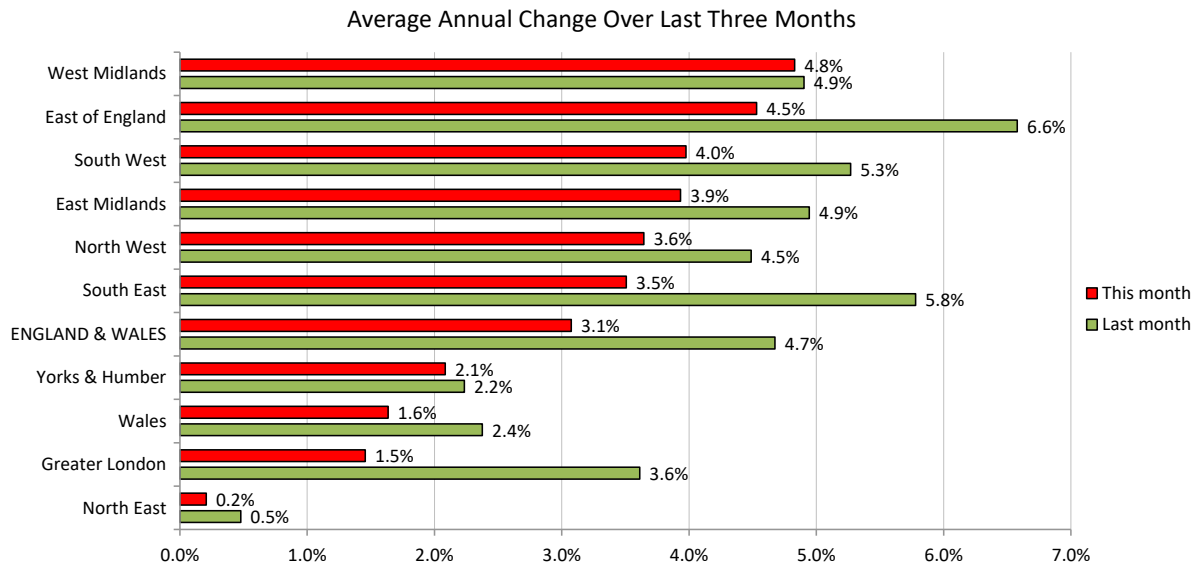
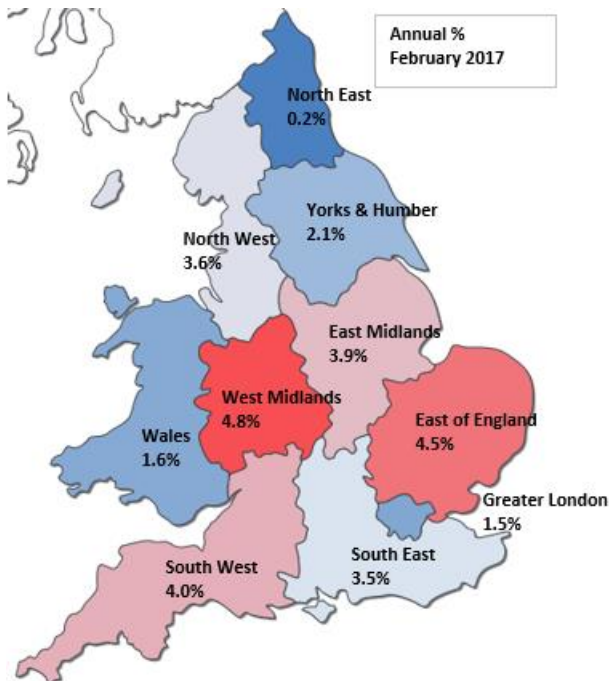


Figure 5. The annual change in the average house price for the three months centered on February 2017, analysed by GOR [link to source Excel](#)

The February 2017 figures show the West Midlands topping the charts for regional house price growth. The West Midlands has displaced the East of England - from the No 1 spot where it had been for the previous 8 months - into second place. This is the first time the West Midlands has been the highest placed region in England & Wales since our records began in January 1996.

Greater London has fallen back into 9th position in terms of regional price change, one place ahead of the North East which is in bottom position. This is the thirteenth month in succession in which the North East has seen the lowest rise in house prices of all ten regions.

Overall in February house price inflation fell to 3.1%, down from the 4.7% of the previous month, a decline of 1.6% in the month. This is the largest decline in a single month since December 2010, when a fall of 2.0% occurred.



The pattern observable in February’s regional heat map, which illustrates the annual rates of change in house prices across England & Wales, has altered from January. We are now seeing middle-England and the South West having the strongest growth in house prices, with the South East and Greater London showing lower rates than in the recent past.

We have previously remarked on Greater London currently being in ninth position in terms of regional price growth, down from first position some nine months earlier. This month the South East is in sixth place, having fallen from second position last month, a ranking it had held for the previous eight months.

Yorkshire and Humber, Wales and the North East currently occupy 7th, 8th and 10th position in the regional price growth league. None of these three GOR areas has been placed higher than 6th position since October 2015, when Yorkshire and Humber was 5th in the league. The house price inflation of the last eighteen months would appear to have largely bypassed these three regions, though of course there are hot spots within them.

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

# London boroughs, counties and unitary authorities



Table 2. The change in house prices, for the 33 London boroughs, comparing February 2016 and January 2017 with February 2017. [link to source Excel](#)

PRIOR YR RANK	RANK BY PRICE	LONDON BOROUGH	Feb-16	Jan-17	Feb-17	Month % Change	Annual % Change
1	1	KENSINGTON AND CHELSEA	1,969,150	2,019,854	1,967,141	-2.6%	-0.1%
2	2	CITY OF WESTMINSTER	1,453,995	1,558,596	1,562,332	0.2%	7.5%
3	3	CAMDEN	1,082,973	1,038,218	1,012,081	-2.5%	-6.5%
5	4	HAMMERSMITH AND FULHAM	919,980	896,228	890,382	-0.7%	-3.2%
4	5	CITY OF LONDON	947,458	846,500	848,330	0.2%	-10.5%
7	6	WANDSWORTH	776,085	805,817	797,317	-1.1%	2.7%
6	7	RICHMOND UPON THAMES	828,665	754,653	762,246	1.0%	-8.0%
8	8	ISLINGTON	729,598	736,275	732,853	-0.5%	0.4%
15	9	HARINGEY	564,291	652,360	674,979	3.5%	19.6%
9	10	SOUTHWARK	650,231	631,230	623,959	-1.2%	-4.0%
13	11	BARNET	597,718	612,310	618,080	0.9%	3.4%
10	12	HACKNEY	614,241	606,788	607,645	0.1%	-1.1%
11	13	MERTON	612,360	591,421	601,061	1.6%	-1.8%
12	14	LAMBETH	605,985	575,506	586,353	1.9%	-3.2%
14	15	EALING	572,838	578,392	563,871	-2.5%	-1.6%
17	16	BRENT	545,086	535,262	537,576	0.4%	-1.4%
16	17	KINGSTON UPON THAMES	553,579	529,810	533,391	0.7%	-3.6%
19	18	HARROW	511,957	515,050	527,681	2.5%	3.1%
18	19	TOWER HAMLETS	530,881	520,207	523,674	0.7%	-1.4%
20	20	HOUNSLOW	508,785	478,908	498,248	4.0%	-2.1%
21	21	BROMLEY	474,439	485,437	486,881	0.3%	2.6%
22	22	ENFIELD	441,036	460,755	464,410	0.8%	5.3%
23	23	HILLINGDON	440,952	455,228	463,234	1.8%	5.1%
25	24	GREENWICH	438,416	457,310	458,252	0.2%	4.5%
26	25	WALTHAM FOREST	421,588	452,507	457,893	1.2%	8.6%
24	26	LEWISHAM	440,420	451,090	450,391	-0.2%	2.3%
27	27	REDBRIDGE	415,207	447,905	447,002	-0.2%	7.7%
28	28	SUTTON	388,566	398,388	393,583	-1.2%	1.3%
29	29	CROYDON	365,442	389,810	392,602	0.7%	7.4%
30	30	HAVERING	360,185	386,639	388,914	0.6%	8.0%
31	31	NEWHAM	353,397	372,212	374,101	0.5%	5.9%
32	32	BEXLEY	338,416	348,288	351,280	0.9%	3.8%
33	33	BARKING AND DAGENHAM	276,944	303,586	298,497	-1.7%	7.8%
		ALL LONDON	598,073	606,215	606,783	0.1%	1.5%

The analysis of Greater London house prices in Table 2 relates to February 2017, and compares these prices to one month and one year earlier. In February 2017, the average price paid for a property in London rose by just £568, or 0.1%, in the month. As with last month, we have seen considerable upward revision to prices in central London that occurred during the period Nov 2016 – Jan 2017, as further data have emerged from the Land Registry. Most of these high value revisions relate to new-build properties, which tend to take longer to register at the Land Registry than previously owned dwellings, and hence appear at a later date in our own statistics.

Over the year from February 2016 to February 2017, the average house price in Greater London rose by £8,710, or 1.5%. This is the lowest annual rise seen in London since March 2012, some five years ago, and is in sharp contrast to the 13.7% growth recorded in March 2016. London is currently positioned as the region with the second lowest house price growth of the ten GOR areas in England & Wales.

Last month we reported that there were tentative signs that a recovery in prices at the top-end of the London market was taking place. However, in February 2017 that recovery appears to have fizzled out, with a reversion to the position that it is the lowest-priced boroughs in London that are seeing the highest growth in prices, while the highest-priced boroughs are seeing prices fall. For example, in the month of February the top eleven boroughs by value saw prices fall by a weighted average of -0.5%, while the bottom eleven boroughs saw prices climb by a weighted +0.4%. The equivalent figures for the annual change in prices are +0.8% and +5.5%. Over the year 14 boroughs saw prices fall, of which 6 are in the top eleven boroughs by value, 8 are in the middle eleven boroughs by value, but none are in the bottom eleven boroughs – i.e. all eleven of the lowest priced boroughs in London have seen average house prices rise over the year.



The highest increase in prices in the month, at 4.0%, was recorded in Hounslow – currently ranked twentieth by price, while the largest fall in average prices in the month, at -2.6%, occurred in Kensington and Chelsea, ranked as the most expensive borough in London. Similarly, of the 8 boroughs which recorded new peak prices this month, 5 are in the bottom eleven boroughs by price, with 2 in the middle and only one in the top eleven boroughs by value.

In terms of transactions, 29 London boroughs have seen a reduction in transactions during the three months Dec 2016 – Feb 2017, compared to the same three months a year earlier. The four boroughs recording an increase in transactions over this period were Tower Hamlets (+13%), Hackney (+7%), the City of Westminster (+6%) and Sutton (+4%). One commonality between the first three of these boroughs is that a very high proportion of property sales are flats – suggesting that flats are currently the most sought after property type in the Greater London market.

## London house price heat map

The heat map below shows the monthly movement in house prices across London for February 2017. The highest price increases in the month were seen in Hounslow, up 4.0%, followed by Haringey at 3.5%, and Harrow, up 2.5%. These three boroughs are located to the North West of the capital, which is in stark contrast to recent months where it has been the boroughs to the east of the city that have seen a consistently high growth in prices.

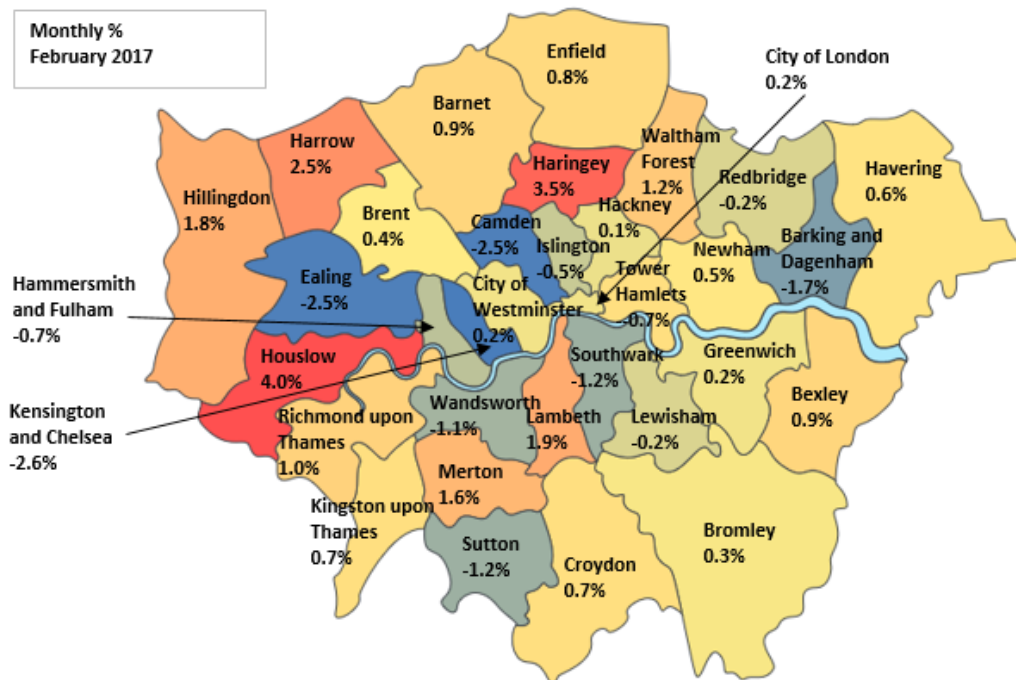


Figure 7. Heat Map of the annual change in the average house price for Greater London, analysed by borough, February 2017



# London boroughs, counties and unitary authorities



Table 3. The annual percentage change in mix adjusted house prices, for the 108 Counties and Unitary Authorities in England & Wales, comparing February 2016 and January 2017 with February 2017. Regions, Counties and Unitary Authorities highlighted in turquoise are currently at a peak price. [link to source Excel](#)

PRIOR YR RANK	RANK BY PRICE	COUNTY / UNITARY AUTHORITY / REGION	Feb-16	Jan-17	Feb-17	Monthly change	Annual Change
100	99	COUNTY DURHAM	£127,640	£130,140	£129,721	-0.3%	1.6%
87	88	DARLINGTON	£157,613	£156,773	£161,524	3.0%	2.5%
96	100	HARTLEPOOL	£140,863	£127,761	£127,138	-0.5%	-9.7%
95	95	MIDDLESBROUGH	£141,478	£139,641	£139,658	0.0%	-1.3%
60	62	NORTHUMBERLAND	£190,216	£188,828	£191,663	1.5%	0.8%
93	96	REDCAR AND CLEVELAND	£146,660	£138,434	£139,575	0.8%	-4.8%
85	87	STOCKTON-ON-TEES	£159,015	£160,824	£162,293	0.9%	2.1%
83	83	TYNE AND WEAR	£164,817	£163,043	£165,266	1.4%	0.3%
		<b>NORTH EAST</b>	<b>£157,260</b>	<b>£156,000</b>	<b>£157,586</b>	<b>1.0%</b>	<b>0.2%</b>
103	104	BLACKBURN WITH DARWEN	£120,984	£121,013	£121,783	0.6%	0.7%
106	107	BLACKPOOL	£108,516	£113,686	£114,456	0.7%	5.5%
37	46	CHESHIRE	£242,322	£237,143	£239,356	0.9%	-1.2%
92	89	HALTON	£147,426	£154,254	£158,777	2.9%	7.7%
56	57	WARRINGTON	£198,806	£203,424	£200,491	-1.4%	0.8%
66	67	CUMBRIA	£183,083	£186,405	£188,929	1.4%	3.2%
71	70	GREATER MANCHESTER	£175,869	£185,110	£186,151	0.6%	5.8%
78	80	LANCASHIRE	£166,761	£166,791	£169,272	1.5%	1.5%
89	82	MERSEYSIDE	£154,978	£162,715	£165,496	1.7%	6.8%
		<b>NORTH WEST</b>	<b>£177,597</b>	<b>£182,298</b>	<b>£184,071</b>	<b>1.0%</b>	<b>3.6%</b>
63	65	EAST RIDING OF YORKSHIRE	£188,469	£187,727	£189,280	0.8%	0.4%
105	105	KINGSTON UPON HULL, CITY OF	£112,015	£123,540	£121,351	-1.8%	8.3%
99	98	NORTH EAST LINCOLNSHIRE	£132,028	£134,466	£135,545	0.8%	2.7%
94	91	NORTH LINCOLNSHIRE	£145,831	£154,670	£154,238	-0.3%	5.8%
33	33	YORK	£250,857	£271,075	£265,426	-2.1%	5.8%
38	38	NORTH YORKSHIRE	£241,411	£248,079	£252,121	1.6%	4.4%
88	92	SOUTH YORKSHIRE	£155,859	£154,669	£154,177	-0.3%	-1.1%
73	75	WEST YORKSHIRE	£172,592	£174,745	£175,466	0.4%	1.7%
		<b>YORKS &amp; HUMBER</b>	<b>£178,729</b>	<b>£181,917</b>	<b>£182,456</b>	<b>0.3%</b>	<b>2.1%</b>
81	84	DERBY	£165,508	£164,854	£164,919	0.0%	-0.4%
80	78	LEICESTER	£165,953	£170,504	£171,949	0.8%	3.6%
97	94	NOTTINGHAM	£139,703	£152,163	£150,034	-1.4%	7.4%
16	16	RUTLAND	£313,094	£312,918	£322,670	3.1%	3.1%
64	68	DERBYSHIRE	£185,927	£187,084	£187,841	0.4%	1.0%
51	50	LEICESTERSHIRE	£221,497	£226,614	£227,224	0.3%	2.6%
67	66	LINCOLNSHIRE	£182,772	£188,027	£189,274	0.7%	3.6%
50	47	NORTHAMPTONSHIRE	£222,373	£237,118	£239,073	0.8%	7.5%
69	64	NOTTINGHAMSHIRE	£181,847	£190,529	£190,423	-0.1%	4.7%
		<b>EAST MIDLANDS</b>	<b>£193,863</b>	<b>£200,665</b>	<b>£201,487</b>	<b>0.4%</b>	<b>3.9%</b>
40	40	HEREFORDSHIRE	£238,440	£245,980	£250,375	1.8%	5.0%
48	45	SHROPSHIRE	£225,428	£238,363	£239,594	0.5%	6.3%
104	106	STOKE-ON-TRENT	£114,626	£116,623	£116,295	-0.3%	1.5%
79	73	TELFORD & WREKIN	£166,359	£178,192	£179,367	0.7%	7.8%
58	56	STAFFORDSHIRE	£194,372	£200,320	£202,736	1.2%	4.3%
29	32	WARWICKSHIRE	£265,567	£263,769	£267,362	1.4%	0.7%
70	60	WEST MIDLANDS	£180,976	£192,407	£195,151	1.4%	7.8%
36	41	WORCESTERSHIRE	£244,724	£248,078	£248,624	0.2%	1.6%
		<b>WEST MIDLANDS</b>	<b>£202,907</b>	<b>£210,399</b>	<b>£212,706</b>	<b>1.1%</b>	<b>4.8%</b>
22	23	BEDFORDSHIRE	£287,577	£302,489	£304,106	0.5%	5.7%
46	43	LUTON	£225,598	£241,587	£242,496	0.4%	7.5%
65	69	PETERBOROUGH	£184,747	£189,171	£187,131	-1.1%	1.3%
25	24	SOUTHEND-ON-SEA	£277,682	£298,103	£302,495	1.5%	8.9%
32	28	THURROCK	£252,536	£278,701	£283,623	1.8%	12.3%
17	18	CAMBRIDGESHIRE	£312,283	£322,928	£321,562	-0.4%	3.0%
15	14	ESSEX	£320,348	£333,668	£335,979	0.7%	4.9%
5	4	HERTFORDSHIRE	£432,728	£435,942	£441,405	1.3%	2.0%

# London boroughs, counties and unitary authorities



45	44	NORFOLK	£226,496	£240,737	£241,427	0.3%	6.6%
35	35	SUFFOLK	£246,205	£258,627	£260,428	0.7%	5.8%
		<b>EAST OF ENGLAND</b>	<b>£304,709</b>	<b>£316,402</b>	<b>£318,517</b>	<b>0.7%</b>	<b>4.5%</b>
		<b>GREATER LONDON</b>	<b>£598,073</b>	<b>£606,215</b>	<b>£606,783</b>	<b>0.1%</b>	<b>1.5%</b>
10	10	BRACKNELL FOREST	£373,748	£387,897	£379,850	-2.1%	1.6%
9	6	BRIGHTON AND HOVE	£382,561	£403,498	£407,360	1.0%	6.5%
44	49	ISLE OF WIGHT	£226,918	£227,872	£229,435	0.7%	1.1%
49	42	MEDWAY	£225,093	£249,032	£248,580	-0.2%	10.4%
24	26	MILTON KEYNES	£283,470	£288,340	£291,188	1.0%	2.7%
55	54	PORTSMOUTH	£204,695	£217,688	£217,983	0.1%	6.5%
14	15	READING	£322,995	£321,008	£328,072	2.2%	1.6%
19	17	SLOUGH	£306,495	£314,188	£322,447	2.6%	5.2%
52	51	SOUTHAMPTON	£211,940	£219,840	£221,472	0.7%	4.5%
8	8	WEST BERKSHIRE	£385,415	£380,916	£386,987	1.6%	0.4%
1	1	WINDSOR AND MAIDENHEAD	£588,833	£569,754	£568,875	-0.2%	-3.4%
4	5	WOKINGHAM	£440,451	£436,769	£437,910	0.3%	-0.6%
3	3	BUCKINGHAMSHIRE	£443,610	£480,598	£486,731	1.3%	9.7%
21	22	EAST SUSSEX	£299,091	£306,839	£305,300	-0.5%	2.1%
13	12	HAMPSHIRE	£333,505	£337,218	£340,056	0.8%	2.0%
20	20	KENT	£305,431	£317,276	£316,822	-0.1%	3.7%
7	7	OXFORDSHIRE	£392,009	£399,827	£402,914	0.8%	2.8%
2	2	SURREY	£513,131	£525,150	£528,563	0.7%	3.0%
12	11	WEST SUSSEX	£348,500	£363,365	£364,403	0.3%	4.6%
		<b>SOUTH EAST</b>	<b>£358,364</b>	<b>£369,067</b>	<b>£370,932</b>	<b>0.5%</b>	<b>3.5%</b>
6	9	BATH AND NORTH EAST SOMERSET	£401,630	£379,481	£386,462	1.8%	-3.8%
43	34	BOURNEMOUTH	£232,178	£265,915	£263,844	-0.8%	13.6%
26	25	BRISTOL , CITY OF	£275,853	£293,205	£296,959	1.3%	7.7%
34	36	CORNWALL	£246,956	£252,494	£253,484	0.4%	2.6%
30	31	NORTH SOMERSET	£265,156	£270,961	£272,999	0.8%	3.0%
68	71	PLYMOUTH	£182,529	£179,327	£181,252	1.1%	-0.7%
11	13	POOLE	£359,166	£339,091	£337,127	-0.6%	-6.1%
31	29	SOUTH GLOUCESTERSHIRE	£262,238	£274,963	£276,686	0.6%	5.5%
53	53	SWINDON	£210,329	£219,992	£220,120	0.1%	4.7%
54	55	TORBAY	£208,002	£211,659	£210,498	-0.5%	1.2%
23	21	WILTSHIRE	£285,448	£301,327	£309,750	2.8%	8.5%
28	30	DEVON	£267,854	£272,493	£273,729	0.5%	2.2%
18	19	DORSET	£311,118	£315,389	£318,846	1.1%	2.5%
27	27	GLOUCESTERSHIRE	£273,343	£286,215	£289,157	1.0%	5.8%
41	39	SOMERSET	£235,821	£247,217	£250,759	1.4%	6.3%
		<b>SOUTH WEST</b>	<b>£266,536</b>	<b>£274,582</b>	<b>£277,135</b>	<b>0.9%</b>	<b>4.0%</b>
57	63	ISLE OF ANGLESEY	£196,054	£187,281	£191,231	2.1%	-2.5%
76	81	GWYNEDD	£168,176	£164,810	£167,184	1.4%	-0.6%
75	76	CONWY	£168,967	£173,848	£174,204	0.2%	3.1%
84	86	DENBIGHSHIRE	£163,779	£164,552	£163,204	-0.8%	-0.4%
77	77	FLINTSHIRE	£167,415	£173,797	£173,763	0.0%	3.8%
82	74	WREXHAM	£164,878	£175,309	£177,914	1.5%	7.9%
62	58	POWYS	£189,987	£198,137	£198,143	0.0%	4.3%
59	59	CEREDIGION	£191,665	£191,792	£195,514	1.9%	2.0%
61	61	PEMBROKESHIRE	£190,199	£185,989	£192,273	3.4%	1.1%
91	90	CARMARTHENSHIRE	£149,101	£156,175	£158,096	1.2%	6.0%
72	79	SWANSEA	£174,863	£169,872	£171,388	0.9%	-2.0%
101	101	NEATH PORT TALBOT	£124,837	£124,746	£125,456	0.6%	0.5%
86	85	BRIDGEND	£158,655	£161,244	£164,029	1.7%	3.4%
42	48	VALE OF GLAMORGAN	£233,288	£231,966	£232,885	0.4%	-0.2%
47	52	CARDIFF	£225,451	£217,950	£220,263	1.1%	-2.3%
102	102	RHONDDA CYNON TAFF	£121,804	£122,214	£122,842	0.5%	0.9%
107	103	MERTHYR TYDFIL	£107,536	£121,769	£122,653	0.7%	14.1%
98	97	CAERPHILLY	£132,465	£134,176	£136,342	1.6%	2.9%



108	108	<b>BLAENAU GWENT</b>	£86,603	£94,762	£93,383	-1.5%	7.8%
90	93	<b>TORFAEN</b>	£149,900	£150,460	£151,241	0.5%	0.9%
39	37	<b>MONMOUTHSHIRE</b>	£241,033	£257,437	£253,379	-1.6%	5.1%
74	72	<b>NEWPORT</b>	£171,162	£178,670	£180,849	1.2%	5.7%
		<b>WALES</b>	<b>£173,034</b>	<b>£174,407</b>	<b>£175,864</b>	<b>0.8%</b>	<b>1.6%</b>
		<b>ENGLAND &amp; WALES</b>	<b>£290,901</b>	<b>£298,240</b>	<b>£299,846</b>	<b>0.5%</b>	<b>3.1%</b>

Table 3 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 February 2016 and January and February 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 February 2017, the monthly rate of house price inflation in England & Wales was 0.5% and the headline annual increase in prices for England & Wales was 3.1%.

## Annual Trends

On an annual basis, prices in February 2017 have increased in England & Wales by 3.1%, down from the (revised) 4.7% seen in January, one month earlier. Some 91 of the 108 unitary authority areas have recorded price rises over the year, down from the 97 seen in the previous month, which represents some 84% of the unitary authorities in England & Wales. Of the 17 areas where prices have fallen, (with last month's count being shown in brackets), 6 are in Wales (3), 3 are in the North East (4) and 3 in the South West (1), with 2 in the South East (0), and 1 each in the North West (1), Yorks & Humber (1) and the East Midlands (1), while the West Midlands (0) and the East of England (0) currently have no authorities experiencing price falls.

In the current market we are finding that our calculation of house price inflation is under-estimated when first published, as a number of new build developments come on stream. These new-build properties take longer to be entered on the Land Register than repeat sales, and hence their existence tends to go unreported in the initial month of purchase, but is added to the register at a later date. As an example, this month the annual rates we had previously reported for Nov 2016 – Feb 2017 have each been increased by an average 0.8% as more data have become available. In general, new-build properties are selling at higher prices than the average for their location, which is boosting the rates of house price inflation for the areas concerned.

## Peak Prices

In Table 3, those areas highlighted in turquoise have set a new peak price in the month; there are 39 such locations, up from the 26 seen last month. Of the 39 unitary authority areas that recorded a new peak, 8 are in the South West (5), with 7 each in the East of England (3) and the South East (9), 5 are in the West Midlands (3), with 3 each in the East Midlands (2) and Wales (0), and finally 2 each in the North East (0), the North West (1) and Yorks and Humber (3). This is the highest number of unitary authorities with peak prices in a month since March 2016, although that month was distorted by the surge of properties purchased to avoid paying the additional 3% surcharge on stamp duty.

This month, 8 of the 10 regions have established new peak average prices, the only two not included in this grouping being Greater London and the North East.

## Monthly Trends

On a monthly basis, the headline rates for prices in England & Wales in February 2017 show an increase of 0.5%, compared with a rate of 0.2% one month earlier. There were price rises over the month in 84 of the 108 unitary authority areas, compared to 65 in the previous month. Again, this is the highest number of unitary authorities seeing prices rise in a month since the introduction of the 3% surcharge in stamp duty on second homes.

## Highest and lowest unitary authorities

In February, looking at the unitary authority areas on an individual basis, Merthyr Tydfil is in first position as having the highest annual rate of change in prices at 14.1%. However, next to Rutland, Merthyr Tydfil has the lowest volume of transactions in England & Wales, which tends to make the percentage change in house prices in the area more volatile than most. In second place, we have Bournemouth at 13.6%, followed by Thurrock at 12.3% and the Medway at 10.4%. The authority with the largest reduction in prices is Hartlepool, where values have fallen by -9.7% over the year. The property type in Hartlepool recording the largest decline in house prices is terraces, where average prices have fallen from £74k in Q1 2016, to £64k in Q1 2017 – Hartlepool currently has the lowest average price for terraced properties of any of the 108 unitary authority areas in England & Wales.



## Transactions

A comparison of transaction numbers with last year's levels is not considered particularly useful this month, as last year's figures were significantly distorted by the surge in sales that took place immediately prior to the introduction of the 3% surcharge on the purchase of second homes. Any comparison of transaction levels between 2016 and 2017 could as a consequence lead to incorrect conclusions being drawn on the current state of the market, when compared to the previous year.

ANNUAL CHANGE IN PRICE BY REGION

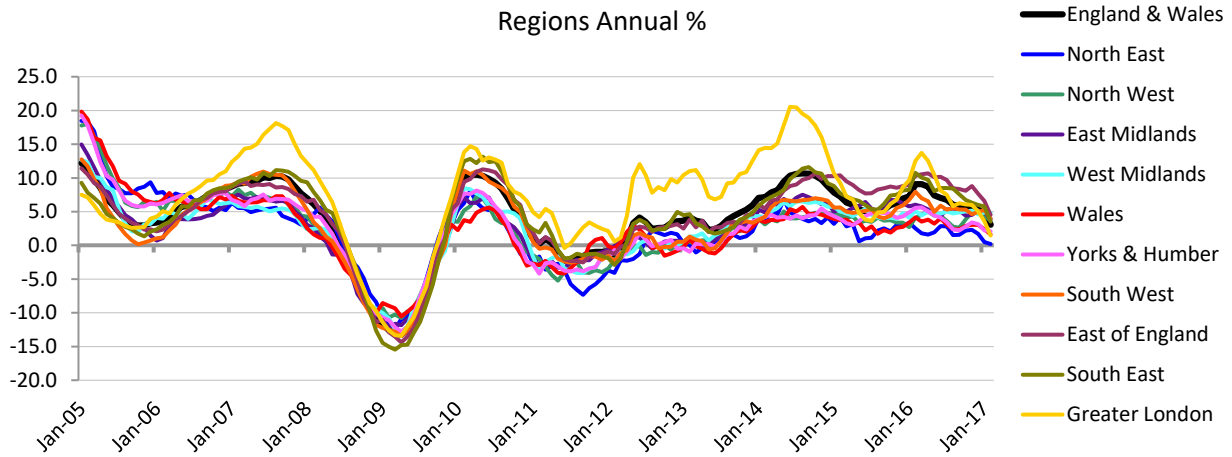


Figure 8. A comparison of the annual change in house prices, by region for the period January 2005 – February 2017 [link to source Excel](#)

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 4. Average house prices by region, March 2016 – March 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
Mar-16	£156,771	-0.3	1.8	£178,926	0.7	4.6	£178,972	0.1	5.6	£194,357	0.3	5.8
Apr-16	£155,830	-0.6	1.6	£179,414	0.3	5.0	£177,623	-0.8	5.0	£193,842	-0.3	5.3
May-16	£153,777	-1.3	1.9	£177,979	-0.8	4.4	£178,079	0.3	4.4	£193,560	-0.1	4.6
Jun-16	£154,486	0.5	2.8	£178,464	0.3	4.4	£178,726	0.4	4.1	£194,536	0.5	4.3
Jul-16	£153,797	-0.4	2.8	£177,756	-0.4	3.6	£178,595	-0.1	3.5	£196,296	0.9	5.3
Aug-16	£153,172	-0.4	1.5	£178,615	0.5	2.8	£178,178	-0.2	2.4	£197,191	0.5	5.5
Sep-16	£153,139	0.0	1.6	£178,625	0.0	2.6	£178,847	0.4	2.2	£198,540	0.7	5.2
Oct-16	£154,929	1.2	2.2	£181,719	1.7	3.9	£181,271	1.4	2.8	£199,499	0.5	4.4
Nov-16	£155,524	0.4	2.3	£181,985	0.1	4.9	£182,344	0.6	3.4	£199,811	0.2	4.5
Dec-16	£156,132	0.4	1.7	£183,053	0.6	5.2	£182,277	0.0	3.1	£200,095	0.1	5.1
Jan-17	£156,000	-0.1	0.5	£182,298	-0.4	4.5	£181,917	-0.2	2.2	£200,665	0.3	4.9
Feb-17	£157,586	1.0	0.2	£184,071	1.0	3.6	£182,456	0.3	2.1	£201,487	0.4	3.9

	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
Mar-16	£201,855	-0.5	4.4	£306,224	0.5	10.5	£602,089	0.7	13.7	£358,491	0.0	10.1
Apr-16	£202,390	0.3	5.0	£307,844	0.5	10.7	£600,133	-0.3	12.5	£358,369	0.0	9.7
May-16	£202,901	0.3	4.6	£306,474	-0.4	10.1	£593,708	-1.1	10.5	£355,271	-0.9	8.0
Jun-16	£204,728	0.9	4.7	£308,411	0.6	10.1	£588,856	-0.8	8.1	£358,042	0.8	8.5
Jul-16	£205,802	0.5	5.0	£308,690	0.1	9.7	£587,147	-0.3	7.5	£359,958	0.5	8.5
Aug-16	£206,263	0.2	4.8	£310,288	0.5	8.5	£588,084	0.2	5.8	£361,628	0.5	8.4
Sep-16	£206,558	0.1	4.9	£312,360	0.7	8.3	£596,457	1.4	6.3	£362,834	0.3	7.6
Oct-16	£208,606	1.0	5.0	£314,497	0.7	8.1	£603,891	1.2	6.1	£364,416	0.4	6.7
Nov-16	£208,684	0.0	5.1	£315,311	0.3	8.8	£606,953	0.5	6.0	£364,805	0.1	6.3
Dec-16	£209,872	0.6	4.6	£315,178	0.0	7.7	£606,634	-0.1	5.0	£366,723	0.5	6.0
Jan-17	£210,399	0.3	4.9	£316,402	0.4	6.6	£606,215	-0.1	3.6	£369,067	0.6	5.8
Feb-17	£212,706	1.1	4.8	£318,517	0.7	4.5	£606,783	0.1	1.5	£370,932	0.5	3.5

	South West			Wales			ENGLAND & WALES			
	Av HP	%monthly	%annual	Av HP	%monthly	%annual	Av HP	%monthly	%annual	
Mar-16	£265,508	-0.4	7.0	£172,062	-0.6	3.5		£291,548	0.2	9.1
Apr-16	£266,471	0.4	6.6	£170,994	-0.6	3.8		£291,441	0.0	8.7
May-16	£263,232	-1.2	5.0	£169,397	-0.9	3.2		£289,287	-0.7	7.4
Jun-16	£265,301	0.8	5.9	£170,218	0.5	4.0		£290,067	0.3	7.1
Jul-16	£265,816	0.2	5.3	£169,747	-0.3	3.1		£290,393	0.1	6.7
Aug-16	£266,880	0.4	5.5	£169,154	-0.3	2.4		£291,251	0.3	6.0
Sep-16	£267,277	0.1	5.3	£170,567	0.8	2.4		£293,078	0.6	5.9
Oct-16	£269,231	0.7	5.3	£172,624	1.2	2.9		£295,767	0.9	5.7
Nov-16	£269,391	0.1	4.6	£173,537	0.5	3.1		£296,560	0.3	5.8
Dec-16	£272,979	1.3	5.0	£174,087	0.3	3.0		£297,554	0.3	5.3
Jan-17	£274,582	0.6	5.3	£174,407	0.2	2.4		£298,240	0.2	4.7
Feb-17	£277,135	0.9	4.0	£175,864	0.8	1.6		£299,846	0.5	3.1
Mar-17								£301,278	0.5	3.3



## 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. These comparisons should be viewed in the light of the different data and different methodologies employed by the index producers. Please see our “[Which House Price Index?](#)” paper.
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. Our “Which House Price Index?” discusses.
7. the AcaData Library provides a portfolio of ready-to-use datasets and calculation series updated monthly, based upon the factual Land Registry and/or Registers of Scotland results ([free sample here](#)). Our comprehensive selections of geography (national/ regional/ unitary authority/ postcode) and of property types with arithmetic mean and median prices provide the “off the shelf” historic data series and analyses needed for rapid study and commentary. AcaData Library is available on subscription or on a one-off basis. It may not be used for collateral valuation, to measure the performance of investments or to determine the price at which investments may be bought or sold; neither may it be used to determine interest payable on loans. Subscribers may use the data for business planning and advisory purposes and for showing national and regional trends. For local builders, developers and estate agents the data show stock and new build results within postcode districts and enables analyses at town and street level.

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