



Under embargo until 00:01 Friday 22nd June 2018

April 2018

## Positive growth in house prices in Scotland

- Average house price now stands at £183,994 - up by £11,800 over last year
- Lothians, Edinburgh and surrounding areas contribute significantly to 6.9% annual growth in house prices in April
- Annual prices up in 28 of 32 local authorities

House Price	Index	Monthly Change %	Annual Change %
£183,994	241.0	0.3	6.9

The market gathered its breath in Scotland in April, with monthly price growth slowing to 0.3% from 0.9% the month before and a peak of 1.7% in February. That also meant annual price growth slowed, from 7.8% in March to 6.9% in April. That still leaves the average house price in Scotland up by £11,800 in the last 12 months, reaching £183,994. The growth rate is the third highest since April 2008 (other than the period around the introduction of the Land and Buildings Transaction Tax in April 2015, which led some buyers to rush to buy property to avoid additional taxes that might become payable). Prices in Scotland are therefore growing at their highest for a decade and continue to leave the rest of the UK behind, with an annual growth of 2.1% in England, 4.2% in Northern Ireland and 5.2% in Wales.

**Christine Campbell, Your Move managing director in Scotland, said:** “The market in Scotland continues to power on, and the performance of Edinburgh is astounding. We should look at how we can help first time buyers, though, to ensure they don’t increasingly find themselves locked out of the market as they have been elsewhere in the UK.”

**Alan Penman, business development manager for Walker Fraser Steele, one of Scotland’s oldest firms of chartered surveyors and part of the LSL group of companies, said:** “Price growth in Scotland has come off the boil a little, but it had to for it to be sustainable. While Edinburgh powers on, it provides a strong foundation for the market.”

Scotland’s capital continues to drive the market. While price growth elsewhere has slowed, it accelerated in the capital, rising to 15.6% on an annual basis. The average property in the city is now worth £290,956, the highest in the country. That growth is beaten only by neighbouring Midlothian, up 15.7%, which along with West Lothian (up 8.5% annually), was among four local authority areas to set a new peak in April.

This strength has powered the Scottish market recently. Edinburgh accounts for 61% of the change in house prices since December 2017 on a weight-adjusted basis. Add in the two Lothians and the city and its surrounds are responsible for almost three quarters (72%) of the annual price growth. That is in contrast to Scotland’s second city, Glasgow, where average prices are just £157,477. While average prices there are up annually (by 8.1%), it has accounted for none of the growth we’ve seen in Scotland this year.

This probably reflects the different markets in the two cities, with a significant amount of Edinburgh’s growth coming from sales of high value properties. Sales of property for more than £750,000 have been particularly strong in the first quarter of the year, with 65 transactions against 25 in the same period last year. Glasgow, with more affordable property, meanwhile, probably suffers from the decline in first time buyers, with UK Finance reporting mortgage approvals for these down 9.2% in Scotland on the same period in 2017. Indeed, the one note of caution in discussing Scotland’s current house price boom is that it is based on significantly fewer transactions than previous years. Official ONS statistics for January 2018, the latest available, show transactions in Scotland at their lowest for the month in the last five years.

# House price index: historical data

Nevertheless, there is undeniable strength across the market. In total 28 of the 32 local authorities are seeing annual price growth, with double digit rises in a wide range of areas other than Edinburgh and its surrounds: The Shetland Islands, up 11.5% and setting a new peak average price; Dumfries and Galloway, up 11.2%; North Lanarkshire, 10.1% and another peak; and Falkirk, up 10%. West Dunbartonshire (9.7%), East Renfrewshire (8.9%) and Fife (8.8%) are also all growing particularly strongly.

For commentary by John Tindale, Acadata’s senior housing analyst, see page 3.

**Table 1. Average House Prices in Scotland for the period April 2017 – April 2018**  
(The prices are end-month smoothed over a 3 month period)

[link to source Excel](#)

		House Price	Index	Monthly Change %	Annual Change %
April	2017	£172,192	225.5	1.2	2.9
May	2017	£173,612	227.4	0.8	2.9
June	2017	£174,417	228.4	0.5	4.2
July	2017	£174,201	228.2	-0.1	4.0
August	2017	£174,526	228.6	0.2	4.0
September	2017	£175,191	229.4	0.4	4.2
October	2017	£175,135	229.4	0.0	3.3
November	2017	£175,646	230.0	0.3	3.5
December	2017	£176,936	231.7	0.7	4.3
January	2018	£178,601	233.9	0.9	5.5
February	2018	£181,675	237.9	1.7	7.2
March	2018	£183,396	240.2	0.9	7.8
April	2018	£183,994	241.0	0.3	6.9

## Press Contacts:

Melanie Cowell, LSL Property Services  
Richard Sumner, Acadata  
Sophie Placido, Rostrum Agency

01904 698860  
020 8392 9082  
020 7440 8678

[melanie.cowell@slps.co.uk](mailto:melanie.cowell@slps.co.uk)  
[richard.sumner@acadata.co.uk](mailto:richard.sumner@acadata.co.uk)  
[yourmove@rostrum.agency](mailto:yourmove@rostrum.agency)

**John Tindale, senior housing analyst for Acadata, comments:**

## The April housing market

This month we have updated the weights that we use to calculate the average price of a house in Scotland. We describe the process we use in more detail on pages 7 and 8. The end result of these changes is that average prices are now marginally lower than previously stated. The full series of our revised prices for each local authority area - and Scotland as a whole back to June 2003 - can be found [here](#). We should also advise that we use an arithmetic average in calculations for our Scotland HPI, whereas the ONS HPI Scotland is based on a geometric average. The geometric average is almost always a numerically lower figure than its arithmetic average counterpart.

House prices in Scotland rose by 0.3% in April, down from the 0.9% experienced in March, and the exceptional 1.7% seen in February. Price growth is therefore slowing, with a negative movement in the month's prices in 16 of the 32 local authority areas, although the City of Edinburgh and its neighbouring areas continue upwards.

Over the last 12 months, the average house price in Scotland has increased by £11,800, or 6.9%, and now stands at £183,994. This is the third highest annual rate since April 2008, if one ignores the period around the introduction of LBTT – the second highest and the highest rates having occurred in February and March 2018. As we reported last month, not only is Scotland currently seeing the highest growth rate in its house prices for ten years, but it also tops the league in terms of house price growth in the United Kingdom. Average house prices are currently climbing at an annual rate of 2.1% in England, 4.2% in Northern Ireland and 5.2% in Wales (Source: LSL Acadata HPI and NISRA.Gov.UK).

**Table 2. The weighted change in average house prices in the Lothian Local Authority Areas December 2017 – April 2018**

[link to source Excel](#)

### WEIGHTED CHANGE IN AVERAGE HOUSE PRICES IN SCOTLAND YTD - APRIL 2018

RANK BY WEIGHTED PRICE CHANGE	WEIGHT	LOCAL AUTHORITY AREA	Dec-17	Apr-18	Change in Price YTD	Weighted change in Price	% of Total Change	Cumulative % change
1	36,888	City of Edinburgh	255,916	290,956	35,040	4,302	60.9%	
2	5,394	Midlothian	201,029	226,760	25,731	462	6.5%	67.5%
5	9,343	West Lothian	163,186	173,581	10,395	323	4.6%	72.1%
24	6,010	East Lothian	234,683	234,021	-662	-13	-0.2%	71.9%
	300,466	All Scotland	176,936	183,994	7,059	7,059	100.0%	100.0%

Table 2 above shows that since the start of 2018, most of the running in Scotland's upturn in house prices has occurred in the City of Edinburgh and the Lothians. Edinburgh itself accounts for 61% of the change in house prices in Scotland since December 2017 which, when we add the movement in prices in Midlothian and West Lothian, brings this total up to 72%. Thus nearly three-quarters of the increase in prices in Scotland in 2018 is associated with Edinburgh and its surrounding neighbourhoods.

As we show in Table 4 below, both Midlothian and West Lothian have set new peak average prices in April 2018, with Midlothian currently seeing annual house price growth of 15.7% - the highest in Scotland – but it is only just a whisker ahead of the City of Edinburgh itself, where annual house price inflation is 15.6%. To put Edinburgh's price increases into the context of the UK, the highest annual price increase of any city in England and Wales in April was Cardiff at 9.5%, Newcastle was in second position at 6.1%, while Greater London saw price increases of 2.9%.

So why are house prices rising in Scotland? As we suggested last month, the answer lies in many parts:- the bank base rate, currently at 0.5%, is only marginally higher than its all-time low; the employment rate in Scotland for the period Jan – Mar 2018 is an estimated 74.7% (Source: ONS), this is up +0.2% on the quarter, +0.7% on the year and +1.5% over two years – the employment rate is one of the key metrics in demand for housing; Scotland's Average Weekly Earnings are the third highest of the 12 GOR areas/countries in the UK, but the average house price is second-lowest in the UK – hence the 'affordability ratio' (that is the median house price divided by the median average weekly earnings) is the lowest in the UK.

Most of the above-mentioned factors relate to housing demand - however, on the supply side we find that matters are not so positive, with a majority of estate agents continuing to report a lack of properties being put up for sale. As a consequence, there is frequent competition for those properties that do come to market, with prices thereby tending to rise.

## Transactions analysis

In January 2018, the latest month for which the official ONS statistics are published, transactions in Scotland totalled 5,909 properties. This was the lowest level of sales for the month of January in the last five years, and was some 7% down on the January 2017 total. The figure was 27% lower than the December 2017 sales total, against an average seasonal fall of 23%, based on the last seven years. Sales for January 2018 are therefore some 4% below what one would normally anticipate for the time of year.

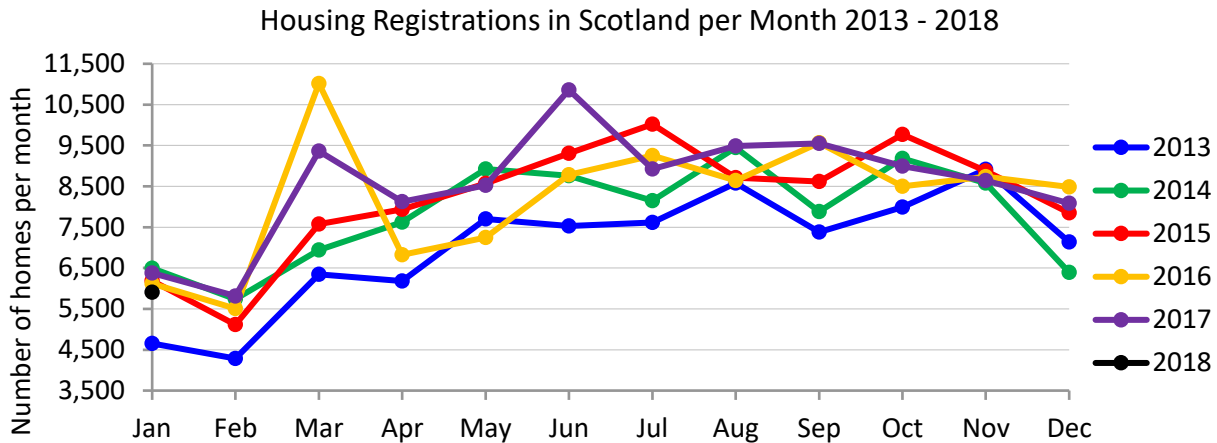


Figure 1. The number of sales per year recorded by Registers of Scotland based on entry date, for the period 2004 - 2018

Source: Registers of Scotland.

[link to source Excel](#)

UK Finance (successor organisation to the CML and others) has recently published its analysis of mortgage approvals in Scotland for Q1 2018. In Q1 2018 there were 6,900 new loans to first time buyers, which were down by 9.2% on the same period in 2017. Similarly, there were 6,600 new loans to home-movers, which were down by 2.9% on Q1 2017. Amalgamating this information, we can calculate that the number of new loans taken out for a home purchase in Q1 2018 was 6.25% lower than a year earlier. This is much in line with our own figures, given that our figures include cash sales which represented approximately 30% of the overall market in 2017.

## Edinburgh – high value sales

As we show on page 3, for the first four months of 2018, Edinburgh has made most of the running in Scotland in terms of the monthly price rises. Looking at the weighted change in prices in Scotland for the period January – April 2018, Edinburgh has accounted for +61% of the total uplift in prices over this period. By way of contrast, Glasgow has accounted for a 0% change over the same four months, possibly due to the fall-off in the number of first time buyers. Given Edinburgh’s current dominance, we believe that it would be useful to look at the number of high-value sales that took place in the capital over this period, and placing these into an historic context.

Table 3. The number of housing transactions by month equalling or exceeding £750k, in the City of Edinburgh, for the period Jan 2014 – Mar 2018

EDINBURGH - Number of properties sold for £750k or higher													<a href="#">link to source Excel</a>
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2014	17	14	15	15	27	25	19	21	27	22	25	15	242
2016	11	12	25	20	12	28	19	25	27	31	15	13	238
2017	6	6	13	15	16	20	35	43	25	22	22	22	245
2018	16	33	16	9									74

Note: The year 2015 has been deliberately omitted from the above analysis due to the distortion that arose at the time of the introduction of LBTT in April 2015. For the record, the number of sales in March 2015 on the above basis was 119, followed by zero sales in April 2015 and only 5 in May 2015.

Looking at the four months January – April in Table 3 above, we can see that 2018 has the highest number of £750k+ sales of the four years analysed; 2018 – 74, 2017 – 40, 2016 – 68 and 2014 – 61. Clearly, 2018 is showing an increase over the earlier three years, with the count for April 2018 likely to be higher than that currently recorded, as further data emerge from the Registers of Scotland.

Table 4. Average House Prices in Scotland, by local authority area, comparing April 2017 and March 2018 with April 2018 [link to source Excel](#)

PRIOR YR RANK	RANK BY PRICE	LOCAL AUTHORITY AREA	Apr-17	Mar-18	Apr-18	% Monthly Change	% Annual Change
1	1	City of Edinburgh	251,750	286,348	290,956	1.6%	15.6%
2	2	East Renfrewshire	249,991	272,428	272,326	0.0%	8.9%
3	3	East Dunbartonshire	239,327	249,295	249,349	0.0%	4.2%
4	4	East Lothian	216,936	233,271	234,021	0.3%	7.9%
8	5	Midlothian	196,058	220,712	226,760	2.7%	15.7%
5	6	Aberdeenshire	214,795	217,741	218,672	0.4%	1.8%
7	7	Aberdeen City	202,993	200,101	203,044	1.5%	0.0%
6	8	Perth and Kinross	203,731	187,281	195,587	4.4%	-4.0%
9	9	Stirling	189,578	196,740	194,852	-1.0%	2.8%
10	10	Scottish Borders	176,626	195,351	185,470	-5.1%	5.0%
13	11	Shetland Islands	160,155	160,485	178,565	11.3%	11.5%
11	12	Highland	172,875	181,293	178,163	-1.7%	3.1%
14	13	West Lothian	159,977	170,789	173,581	1.6%	8.5%
18	14	Fife	151,817	166,057	165,107	-0.6%	8.8%
12	15	Moray	160,544	166,002	164,701	-0.8%	2.6%
16	16	Angus	156,481	165,628	164,697	-0.6%	5.3%
15	17	Argyll and Bute	156,627	166,923	163,643	-2.0%	4.5%
19	18	South Ayrshire	149,647	158,556	161,430	1.8%	7.9%
21	19	Glasgow City	145,727	158,116	157,477	-0.4%	8.1%
24	20	Falkirk	137,617	152,565	151,397	-0.8%	10.0%
25	21	Dumfries and Galloway	135,079	149,611	150,165	0.4%	11.2%
20	22	South Lanarkshire	149,306	152,139	150,090	-1.3%	0.5%
22	23	Clackmannanshire	140,311	148,716	147,831	-0.6%	5.4%
17	24	Orkney Islands	156,361	143,893	142,300	-1.1%	-9.0%
23	25	Renfrewshire	138,989	145,721	141,410	-3.0%	1.7%
28	26	North Lanarkshire	124,581	135,759	137,164	1.0%	10.1%
26	27	Dundee City	133,431	129,428	133,746	3.3%	0.2%
27	28	Inverclyde	125,223	121,901	122,559	0.5%	-2.1%
30	29	East Ayrshire	118,961	116,987	120,738	3.2%	1.5%
31	30	West Dunbartonshire	107,650	118,976	118,141	-0.7%	9.7%
29	31	North Ayrshire	118,990	120,000	117,969	-1.7%	-0.9%
32	32	Na h-Eileanan Siar	102,207	110,784	109,676	-1.0%	7.3%
		All Scotland	172,192	183,396	183,994	0.3%	6.9%

Table 4 above shows the average house price and percentage change (over the last month and year) by Local Authority Area for April 2017, as well as for March and April 2018, calculated on a seasonal and mix-adjusted basis.

### Monthly change

On a monthly basis, house prices have increased by a more sustainable 0.3% in April, cooling from the 0.9% increase that occurred in both January and March and the 1.7% rise seen in February. At the end of April, the average house price in Scotland is £7,000 higher than at the start of the year. Looking at the change in prices in April 2018 at local authority level, 15 of the 32 areas saw prices rise in the month, compared with 22 in March. The highest growth in the month took place in the Shetland Islands at 11.3%, but low transaction numbers in the Islands - only 17 sales have currently been recorded for April 2018 - result in considerable volatility in the calculated average house prices for the area, especially when the change is expressed in percentage terms. On the mainland, the highest increase was seen in Perth and Kinross, where there were 256 transactions in the month, with prices rising by 4.4%. In Perth and Kinross, prices increased across all property types, with terraces seeing the largest growth, rising from an average £130k in January to £140k by the end of April.

At the other end of the scale, the largest fall in prices was in the Scottish Borders, down by -5.1% in the month: however, this was a consequence of a £2.25 million transaction, the third highest seen to date in Scotland in 2018, dropping out of the calculations in April. If we had excluded this property from our data, then the monthly fall in prices in the Scottish Borders would have been a far more modest -0.2%.

## Annual change

The average house price in Scotland at the end of April 2018 was £183,994, an increase of £11,800, or 6.9%, over the last twelve months. This is the third-highest annual increase since April 2008, at the end of the last housing boom, if one ignores the period around the introduction of the LBTT in April 2015. The second-highest and the highest annual rates in the last ten years, of 7.2% and 7.8% respectively, occurred in February and March 2018.

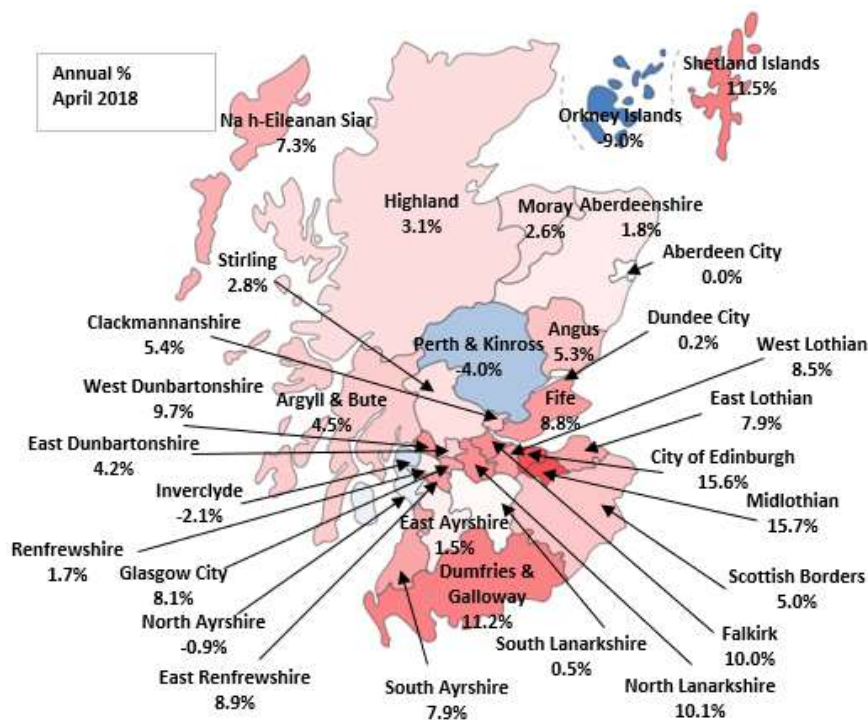
The largest annual increase in prices on the mainland by local authority area occurred in Midlothian at +15.7%, although this was just a whisker ahead of Edinburgh, where prices over the last twelve months have increased by +15.6%. In Midlothian, all property types have seen an upward movement in prices over the year, with semi-detached homes recording the largest increase, from an average £165k in April 2017 to £215k in April 2018. Prices in Midlothian in April 2018 have been boosted by the purchase of a semi-detached property in Lasswade for £950,000. Interestingly, three of the four highest-priced properties to be sold in Midlothian over the last twelve months have all been located in Lasswade. Geographically, Lasswade lies nine miles to the south of Edinburgh city centre.

## Peak Prices

Each month, in Table 4 above, we highlight the local authority areas that have reached a new peak in their average house prices. This month there are four such authorities - last month there were ten - confirming the slowing of price increases across the country. For the record, the four areas with peak prices in April are, in descending order of average price values: Midlothian, the Shetland Islands, West Lothian and North Lanarkshire.

## Heat Map

The heat map below, which shows the annual rate of house price growth for the year ending April 2018, is mostly pink or red, which is indicative of the fact that 28 of the 32 local authority areas in Scotland are experiencing increases in their average house prices. The deeper shades of red, signifying price rises of around 10% or higher, are mostly located across Scotland's central belt and to the south, with the notable exception of the Shetland Islands to the north, at 11.5%. Of the four areas coloured in blue, showing a negative growth in prices over the year, the Orkney Islands have seen the largest fall in prices at -9.0%, but low transaction numbers make the percentage changes relating to the Islands particularly volatile. Perth and Kinross also stand out at -4.0%, but as discussed above the monthly change in prices, at +4.4%, was the highest of all 32 local authority areas, suggesting that a strong recovery in values is currently underway.



# Change in mix and seasonal adjustment

## CHANGE IN MIX AND SEASONAL ADJUSTMENT

This month we have updated the mix and seasonal adjustment that we use to calculate the average house price for Scotland. It is the House Price Index equivalent of changing the basket of goods that make up the calculations for the Retail Price Index. The purpose in updating the mix and seasonality is to ensure that our average prices continue to reflect current market behaviour. Over the last year, the Your Move Acadata Scotland house price index has been based on a weighting of property type and location given by the number of housing transactions that took place in Scotland between January 2014 and December 2016, some 292,500 in number. This mix of property type and location has been kept constant over the last year to enable a comparison of prices to take place, irrespective of the actual volume and type of sales that occurred in any one month. We have recalculated these weights to reflect the number and types of transactions that took place in Scotland between January 2015 and December 2017, i.e. one year later, which comprise some 300,500 in number. In addition, we have recalculated the seasonality relating to these average prices, which marginally changes from year-to-year. We summarise the differences in these changes in Tables 5 & 6 below. We have subsequently recalculated all our various house price series on the basis of the new weightings and seasonality, which has had the effect of decreasing the average house price in Scotland in March 2018 by £814.

Average House Prices Mar 2013 - Mar 2018

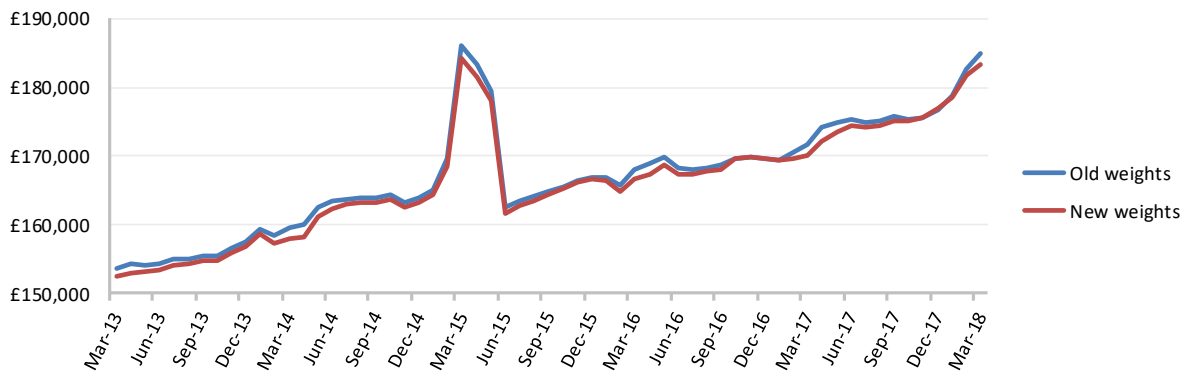


Figure 2. Average House Prices in Scotland, March 2013-2018, comparing values using new & old weights

[link to source Excel](#)

As can be seen from Figure 2, the movements in the average value of house prices using both the new and old weights match closely, with a general downward shift in prices over the period associated with the new weightings. Overall, the new weights reduce average prices by between £150 and £2,000 compared to the old weights, with the 2015/2016 observations showing the largest differences in price.

Table 5. The change in the Your Move Acadata Scotland HPI weights 2016 vs 2014 by property type

[link to source Excel](#)

% SHARE OF PROPERTY SALES			
TYPE OF PROPERTY	New weights	Old weights	change
Detached	21.4%	21.7%	-0.3%
Semi-detached	17.7%	18.0%	-0.3%
Terraced	22.4%	22.0%	+0.4%
Flats	38.5%	38.3%	+0.2%
All property types	100.0%	100.0%	0.0%

As can be seen from Table 5, the market share of both terraced properties and flats in Scotland’s housing market have increased over the period by 0.4% and 0.2% respectively, with a decline of 0.3% in the share of both detached and semi-detached properties.

## Change in mix and seasonal adjustment

In addition to the change in the mix of property types, we have also changed the weights relating to each Local Authority area, which are shown in Table 6 below. In the table we have also highlighted the five areas with the largest change in market share over the period. The major gains have been seen in Glasgow City and Renfrewshire, with a 0.2% gain in each. Aberdeen City, Aberdeenshire and Moray are the three areas where market share has fallen. Edinburgh and Glasgow collectively represent 24.0% of Scotland's total housing market.

Table 6. The change in the Your Move Acadata HPI weights 2015-2017 vs 2014-2016 by local authority area

[link to source Excel](#)

Local Authority Area	Weights		Weights		change in share
	New	% Share	Old	% Share	
Aberdeen City		4.3%		4.9%	-0.6%
Aberdeenshire		4.4%		5.1%	-0.7%
Angus		2.0%		2.1%	0.0%
Argyll and Bute		1.7%		1.7%	0.0%
City of Edinburgh		12.3%		12.2%	0.0%
Clackmannanshire		0.9%		0.9%	0.0%
Dumfries and Galloway		2.3%		2.2%	0.1%
Dundee City		2.5%		2.5%	0.0%
East Ayrshire		2.0%		1.9%	0.1%
East Dunbartonshire		1.9%		2.0%	0.0%
East Lothian		2.0%		1.9%	0.1%
East Renfrewshire		1.8%		1.8%	0.0%
Falkirk		2.9%		2.9%	0.0%
Fife		6.6%		6.6%	0.0%
Glasgow City		11.7%		11.5%	0.2%
Highland		4.3%		4.3%	0.0%
Inverclyde		1.2%		1.2%	0.0%
Midlothian		1.8%		1.8%	0.0%
Moray		1.7%		1.8%	-0.1%
Na h-Eileanan Siar		0.4%		0.3%	0.0%
North Ayrshire		2.2%		2.2%	0.1%
North Lanarkshire		5.3%		5.2%	0.1%
Orkney Islands		0.4%		0.4%	0.0%
Perth and Kinross		3.0%		2.9%	0.0%
Renfrewshire		3.5%		3.4%	0.2%
Scottish Borders		2.0%		2.0%	0.1%
Shetland Islands		0.3%		0.3%	0.0%
South Ayrshire		2.2%		2.2%	0.0%
South Lanarkshire		6.0%		5.9%	0.1%
Stirling		1.7%		1.7%	0.0%
West Dunbartonshire		1.4%		1.3%	0.0%
West Lothian		3.1%		3.0%	0.1%
Grand Total		100.0%		100.0%	0.0%



# Notes

## NOTES

1. Your Move Acadata Scotland HPI is a price series as opposed to a value series and uses:
  - the actual prices at which every residential property in Scotland was transacted, including prices for properties bought with cash, using the data provided by Registers of Scotland as opposed to valuation estimates or asking prices
  - the price of every single relevant transaction, as opposed to prices based upon samples
2. The current month Your Move Acadata Scotland HPI is not forecast, unlike the LSL Acadata E&W HPI, but is based on achieved prices. The first release of the Scotland results lag the first release of those for England & Wales by one month, as the former index does not use estimates of market prices.
3. Whilst the Your Move Acadata Scotland HPI, like the LSL Acadata E&W HPI, comprises a smoothed average of three months' prices, the Your Move Acadata Scotland HPI average reflects the average price at the month of the index and the prior two months' prices and is ascribed to the month of the index i.e. it is "end month smoothed" (ems) and not "centre month smoothed" (cms) as applied to the LSL Acadata E&W HPI. Since we provide only a national England & Wales average price in our current month LSL Acadata E&W HPI and prices at region and lower levels are lagged one month, this procedure means that the Your Move Acadata Scotland HPI prices are contemporaneous with the prices published for the equivalent month for England & Wales and the regions. All Your Move Acadata Scotland HPI results are subject to change following receipt of updated data from Registers of Scotland.
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. Your Move Acadata Scotland 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.
6. 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

# Comparison of indices

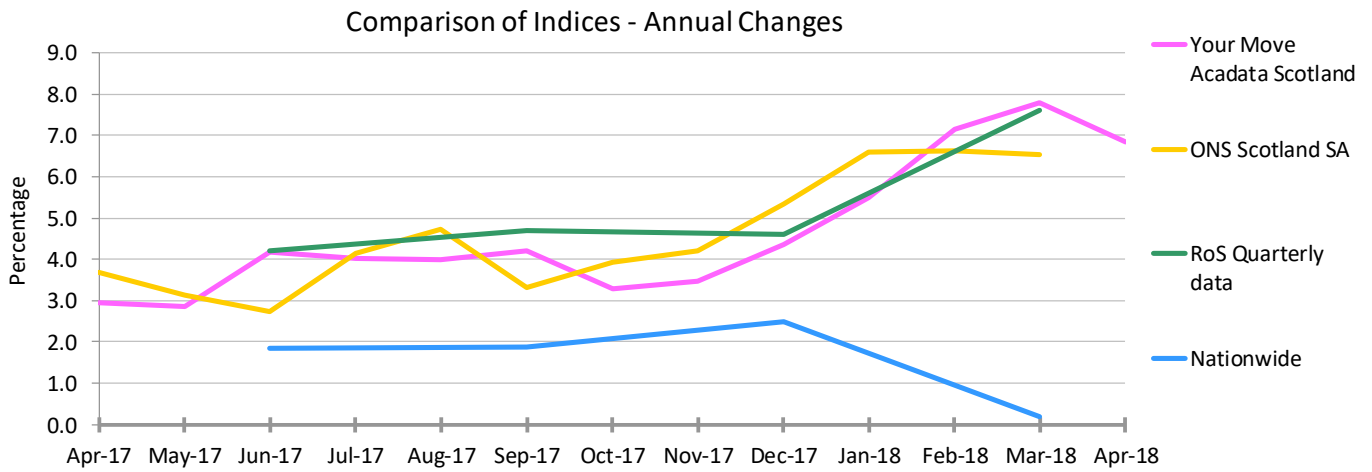


Figure 3. Annual change in house prices

[link to source Excel](#)

The charts on this page show the main indices provided for Scotland. It should be noted that both Nationwide and RoS quarterly data provide prices for the Scottish market only on a quarterly basis and we have charted these by interpolating on a straight line basis. The Your Move Acadata index is based on an arithmetic mean, whereas the ONS Index is based on a geometric mean.

Nationwide estimates the 'price of the average house' as opposed to calculating the 'average price paid' for houses. As such its indices should be less affected by the influences of the LBTT than our own and those provided by the ONS and RoS.

Acadata has published a briefing note on the "ONS UK House Price Index" which includes a discussion of the main differences between using an arithmetic mean (Your Move Acadata and RoS Quarterly) and a geometric mean (ONS Scotland). This briefing paper can be viewed or downloaded by clicking [here](#).

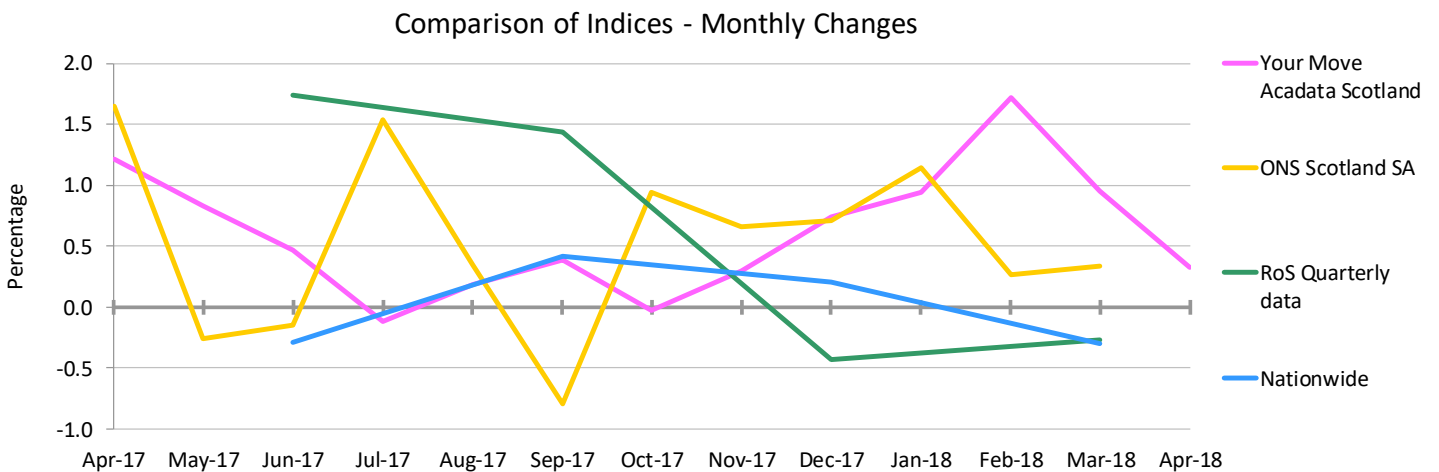


Figure 4. Monthly change in house prices

[link to source Excel](#)

## Average House Price

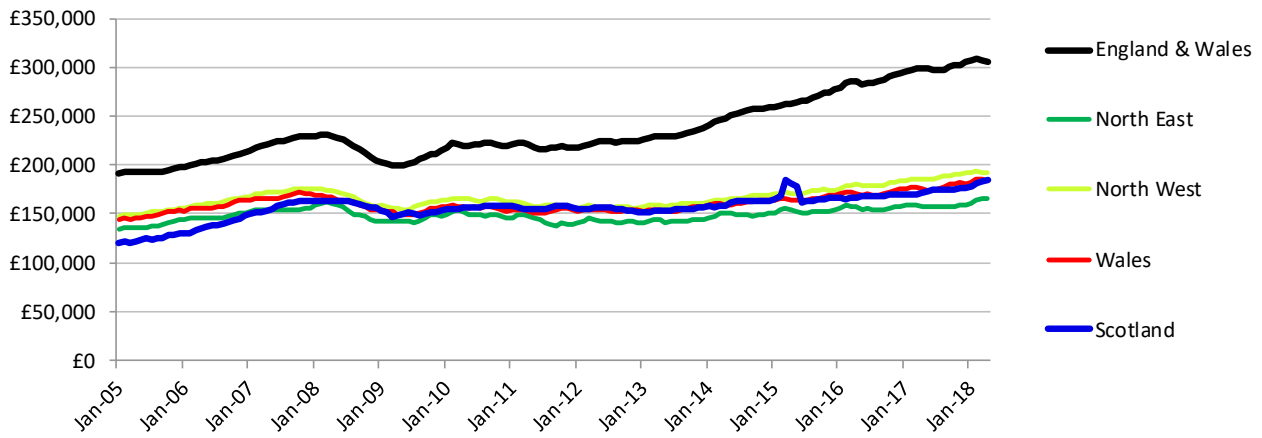


Figure 5. Scotland house prices, compared with England & Wales, Wales, North East and North West for the period January 2005-April 2018 [link to source Excel](#)

## Annual % change in Average House Prices

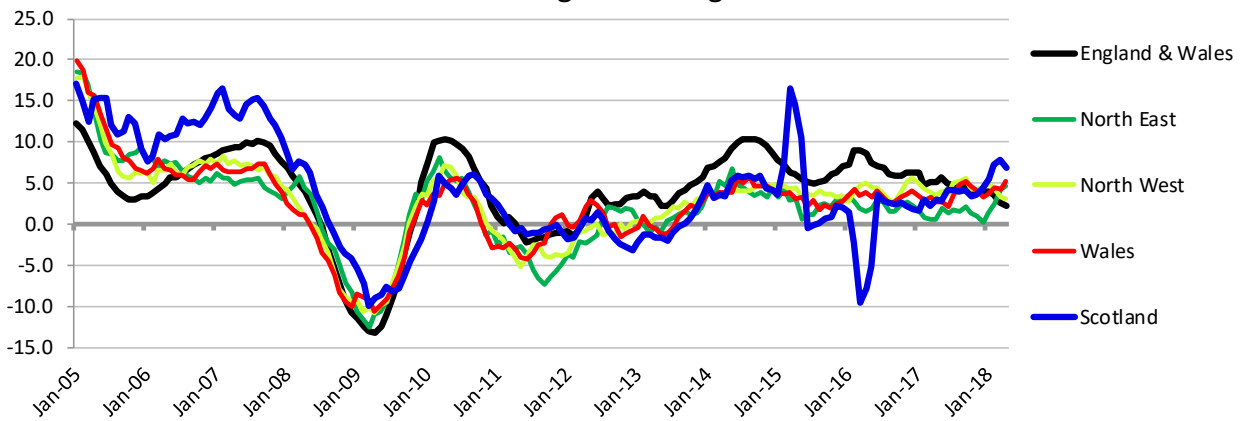


Figure 6. A comparison of the annual change in house prices in Scotland, England & Wales, Wales, North East and North West for the period January 2005-April 2018 [link to source Excel](#)

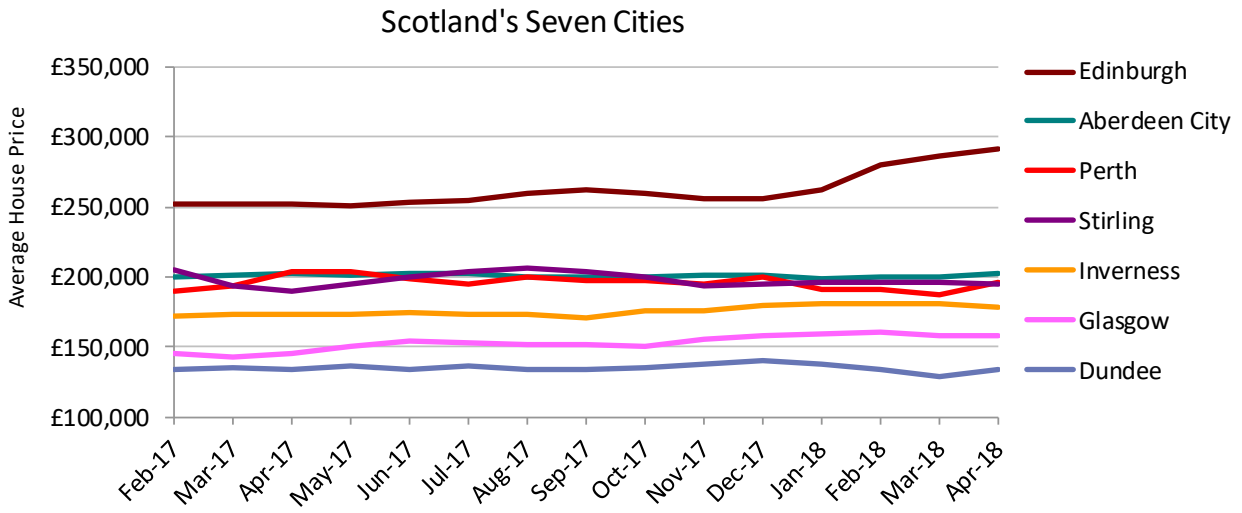


Figure 7. Average house prices for Scotland's seven cities from February 2017–April 2018

[link to source Excel](#)

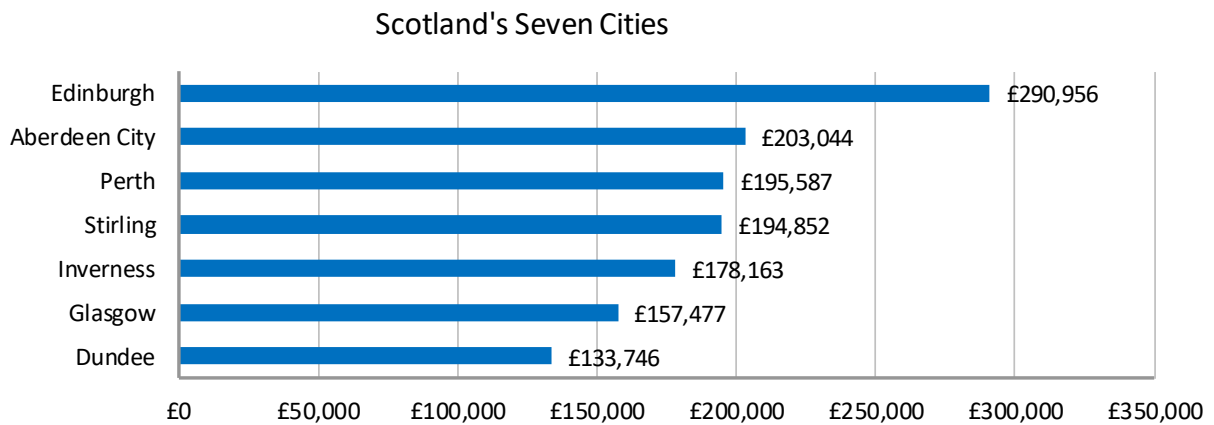


Figure 8. Average house prices for Scotland's seven cities April 2018

[link to source Excel](#)

1. Your Move Acadata Scotland HPI is derived from Registers of Scotland (RoS) house price data, seasonally and mix adjusted by property type. © Crown copyright material reproduced with the permission of Registers of Scotland. The prices are smoothed to show underlying trends. Your Move Acadata Scotland HPI includes cash purchase prices and is based upon the complete, factual house price data for Scotland, as opposed to a sample.
2. Most indices employ data available to the provider as a result of its business; index methodologies are designed to exploit the advantages and overcome the disadvantages of each particular dataset; an asking price or an offer price series is not the same as a price series, such as Your Move Acadata Scotland HPI or ONS UK HPI; these can be prepared only when the prices at which properties have been transacted have been recorded at RoS (Your Move Acadata Scotland HPI) or when firm prices at mortgage completion have been made available by lenders (ONS HPI); asking or offer valuation series can be prepared whenever the data are available to the provider; publicity accrues to those indices which are released first; indices published at or before month end are likely to employ data for the current and prior months.
3. Whilst the Your Move Acadata Scotland HPI, like the LSL Acadata E&W HPI, comprises a smoothed average of three months' prices, the Your Move Acadata Scotland HPI average reflects prices at the month of the index and those for the prior two months and is ascribed to the month of the index i.e. the prices are "end month smoothed" (ems) and not "centre month smoothed" (cms) as applicable to the LSL Acadata E&W HPI. Please note that:
  - we provide only a current month average price for England & Wales as a whole in our LSL Acadata E&W HPI, and that prices at region and lower levels are lagged one month
  - RoS monthly data comprises some 98% of the transactions for the current month and c.99% for the prior month

Hence, a smoothed average price using three months data ascribed to the index month (ems) for Your Move Acadata Scotland HPI provides the equivalent price, to all intents and purposes, to the centre month smoothed (cms) price at region/county level, lagged by one month, as provided by the LSL Acadata E&W HPI. An ems procedure allows the Scotland prices to be placed alongside the contemporaneous prices for E&W as a whole and for Wales as a whole, and those for the E & W regions for comparison purposes.

4. LSL Acadata E&W HPI provides prices from January 2005. RoS national data were available only from January 2001 and the constituents of RoS data changed between then and April 2003, showing a significant step change in prices between March and April. ONS HPI quarterly data were used to construct Your Move Acadata Scotland HPI from January 2000 to April 2001 with straight line interpolations used to construct prices by month. Data for 11 local authorities were unavailable for the period January 2001 to April 2003 and were constructed by back-casting. The underlying data by property type, for months when no sales of a particular property type in a particular area were reported, were in-filled using the same procedure used in LSL Acadata E&W and, by Eurostat, in preparing seasonal data.
5. Note that Your Move Acadata Scotland HPI is unable to identify different prices according to e.g. numbers of bedrooms; the lender hedonic indices and the ONS UK HPI do so. RoS data, and hence Your Move Acadata Scotland HPI, exclude commercial and thus auction sales, and do not reflect repossession prices on the grounds that such prices do not reflect those between a willing buyer and a willing seller.
6. Your Move Acadata Scotland HPI is prepared from RoS data using a methodology designed to provide a "true measure of house price inflation"; Acadata does not guarantee the accuracy of the Your Move Acadata Scotland HPI results and neither LSL nor Acadata shall be liable for any loss or damage, whatsoever, consequential upon any error, incorrect description of or inadequacy in the data; persons using the data do so entirely at their own risk; Your Move Acadata Scotland HPI is freely provided for publication with due attribution to Acadata. Permission is required for any commercial use of the data.
7. The monthly, smoothed, average RoS prices at local authority level provided at property type, which underlie Your Move Acadata Scotland HPI, together with historic data, can be purchased from Acadata.
8. LSL Acadata E&W HPI was published under the name FTHPI from September 2003 until December 2009. Until the October 2013 LSL Acadata E&W HPI was published, it was prepared by Acadametrics as was the Your Move Acadata Scotland HPI. Acadametrics then changed its name to Acadata to reflect its new focus entirely upon house price indices and data following its agreement to sell its 50% holding in MIAC Acadametrics to MIAC Analytics over a 4 year period.