



Under embargo until 00:01 Monday 15th May 2017

April 2017

Current market ticking over as affordability pressures dominate

- Prices are currently in effect static, increasing by 0.1% in the month though still by 3.5% over the year
- West Midlands has the highest price increases for the second month in succession
- Sales volumes in London down 20% from Q1 2015 as high rates of stamp duty take their toll

House Price	Index	Monthly Change %	Annual Change %	Annual % (excluding London & the SE)
£301,606	293.9	0.1	3.5	4.0

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 April 2016 – April 2017

[link to source Excel](#)

		House Price	Index	Monthly Change %	Annual Change %
April	2016	£291,369	289.9	0.0	8.7
May	2016	£289,207	287.7	-0.7	7.4
June	2016	£290,032	288.5	0.3	7.1
July	2016	£290,376	288.7	0.1	6.7
August	2016	£291,281	289.3	0.3	6.0
September	2016	£293,224	289.7	0.7	5.9
October	2016	£295,934	290.7	0.9	5.8
November	2016	£297,344	290.5	0.5	6.0
December	2016	£298,986	291.4	0.6	5.8
January	2017	£300,206	292.6	0.4	5.4
February	2017	£300,925	293.3	0.2	3.4
March	2017	£301,221	293.6	0.1	3.3
April	2017	£301,606	293.9	0.1	3.5

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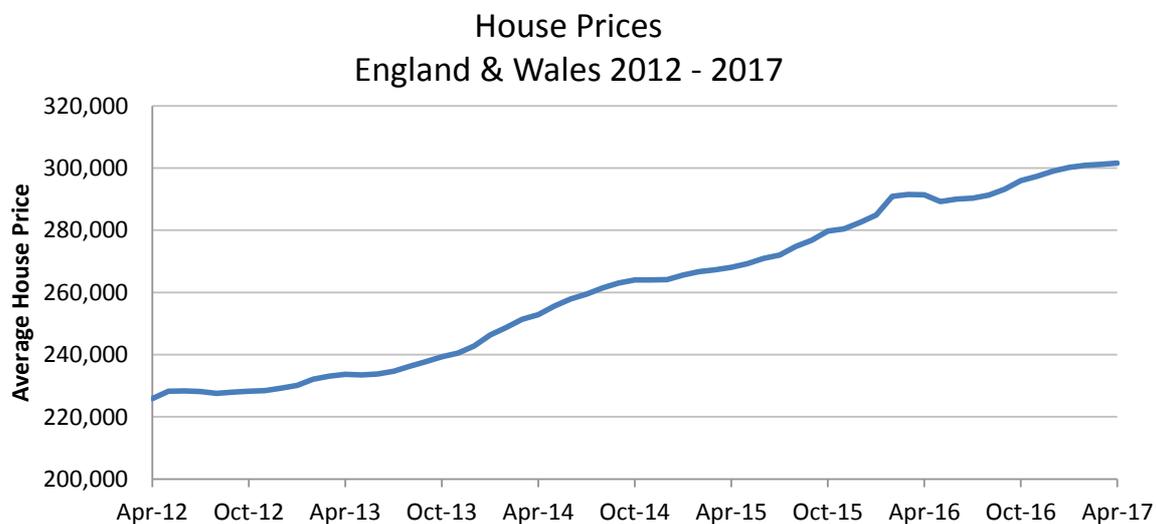
Peter Williams, Chairman of Acadata and John Tindale, Acadata housing analyst comment:

House prices

Theresa May announced on the 18th April 2017 that a General Election was to be held. As such, this announcement will have made very little difference to the housing market in April, on which we currently report, as most decisions to purchase a property will have been taken one or two months earlier – with very few buyers wishing to stop the process once in motion. The figures for April therefore reflect the market as it was, prior to purchasers knowing that the election would be taking place in June.

During April, average house prices rose by £385, or 0.1%, and now stand at £301,606. This increase in April follows on from a similar rise of 0.1% in March, with house prices over the last quarter increasing by just 0.5%. Somewhat surprisingly, this subdued increase in prices comes in a period when mortgage interest rates are at a record low and the employment rate is at a record high – indeed, the highest since comparable records began in 1971. Both of these are key drivers of strong house price growth. However, the rate of average weekly earnings, adjusted for inflation, only rose by 0.1% in February (the latest figures available) – suggesting that affordability continues to be a major issue in the current market.

On an annual basis, house prices have increased by 3.5% - a slight increase on the 3.3% recorded in March. Over the



last three months, the rate of house price growth has been almost constant, at an average 3.4%.

Figure 1. The average house price in England & Wales, April 2012 – April 2017

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

[link to source Excel](#)

Figure 1 above tracks the movement in house prices over the last 5 years. The graph shows that the average house price has increased from £225k in April 2012, to just over £300k in April 2017, an increase of £75k, or 33% over the five year period. During this same five year period, average earnings have only increased by 9% in monetary terms, or have fallen by 1.2% when expressed in real terms, after inflation has been taken into account.

The Housing Market

Election manifestos are due out in a few days and housing will clearly feature strongly. Rushed out quickly before Parliament closed were two housing reports by select committees - the Public Accounts Committee report *Housing: the State of the Nation* criticizes the Government for not showing sufficient 'urgency and ambition on supply', while the Communities and Local Government Committee report *Capacity in the Home Building Industry* highlights the case for increased public intervention in the land market and the over-reliance on a few large developers. Taken together with the NAO *Housing in England overview* report issued in January, the pressure to deliver more - and more quickly - is ramping up. However, the reality is that output is still well behind requirements at England and county level.

Given there is now some uncertainty due to the Election, not only as to who might be the Secretary of State and the Housing Minister, but also around what new policy might emerge, we have yet another hiatus alongside the long shadow of Brexit. While in the short term the housing market is performing adequately, with low price inflation and



modest levels of transactions, the reality is that, given housing is a long term business, many of the firms who operate in the

market - housebuilders, mortgage lenders, estate agents and even consumers themselves - who need to generate plans for the next five years, are finding that ever more difficult. Moreover, we know that housebuilding is already beginning to experience a loss of skilled trades as contractors opt for more certain conditions elsewhere, and this pressure will intensify in the run up to Brexit. This in turn will pose challenges for increasing the output of new homes unless, finally, modern manufacturing methods reach lift-off and begin to produce the volumes needed. The Communities Select Committee highlighted the need to help small and medium-sized builders back into the market, a point re-iterated in the updated NHBC Foundation report *'Small house builders and developers: current challenges to growth'* released this week and focussed on continuing issues with planning, land availability and finance for this sector.

Already there is a sense that political parties will be vying with each other in terms of their planned housing targets, but the reality is that to date all governments have failed to deliver the numbers needed to help rebalance the market in England & Wales. The same might be true of the rumoured proposals on taxation changes around stamp duty and capital gains tax – difficult areas for any party, but potentially part of the mix in terms of the future shape of the housing market.

Housing Transactions

The number of housing transactions in April 2017 in England & Wales is estimated at 63,500, based on the Land Registry methodology of accounting for domestic property sales. This is down 7% on March's total and is a marginally larger fall than the typical average seasonal decrease of 5% that occurs this month based on data from the last 20 years.

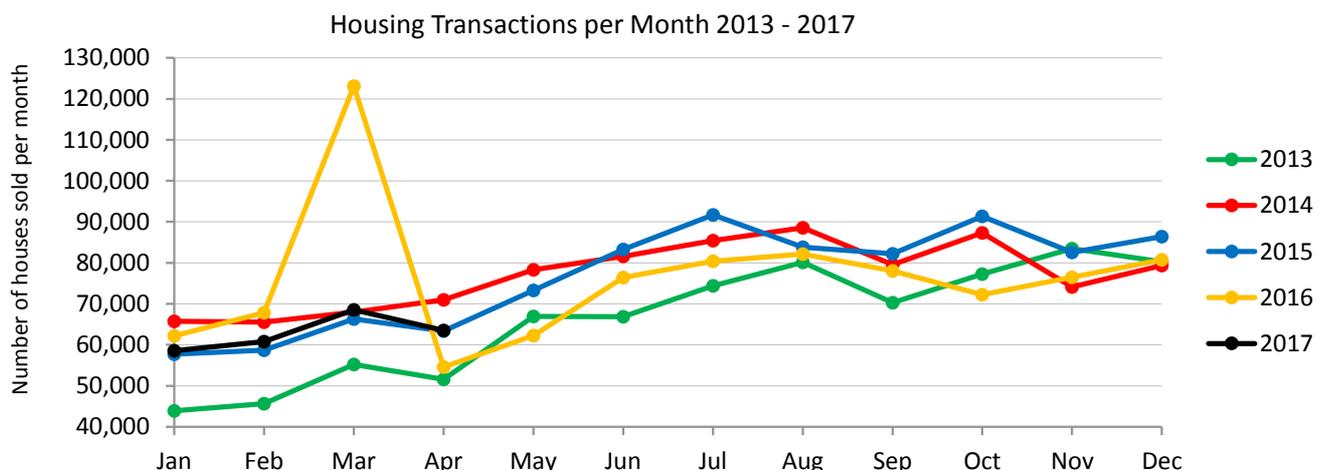


Figure 2. Number of properties sold per month in England & Wales, January 2013 – April 2017
Source Land Registry & Acadata estimates. The totals shown have not been seasonally adjusted

[link to source Excel](#)

In Table 2 below we compare the level of transactions recorded at the Land Registry at the end of April in each year, for Q1 2015, Q1 2016 and Q1 2017. In interpreting these data we should remind readers that Q1 2016 was an 'exceptional' quarter as it preceded the introduction of the 3% surcharge on stamp duty for second homes and buy-to-let properties that came into effect from 1st April 2016. The dramatic surge in transactions which occurred as a consequence of this tax in March 2016, as purchasers sought to avoid paying this additional tax, is clearly visible in Figure 2 above.



Table 2. Transaction counts at the end of April for Quarter 1 in 2015, 2016 and 2017

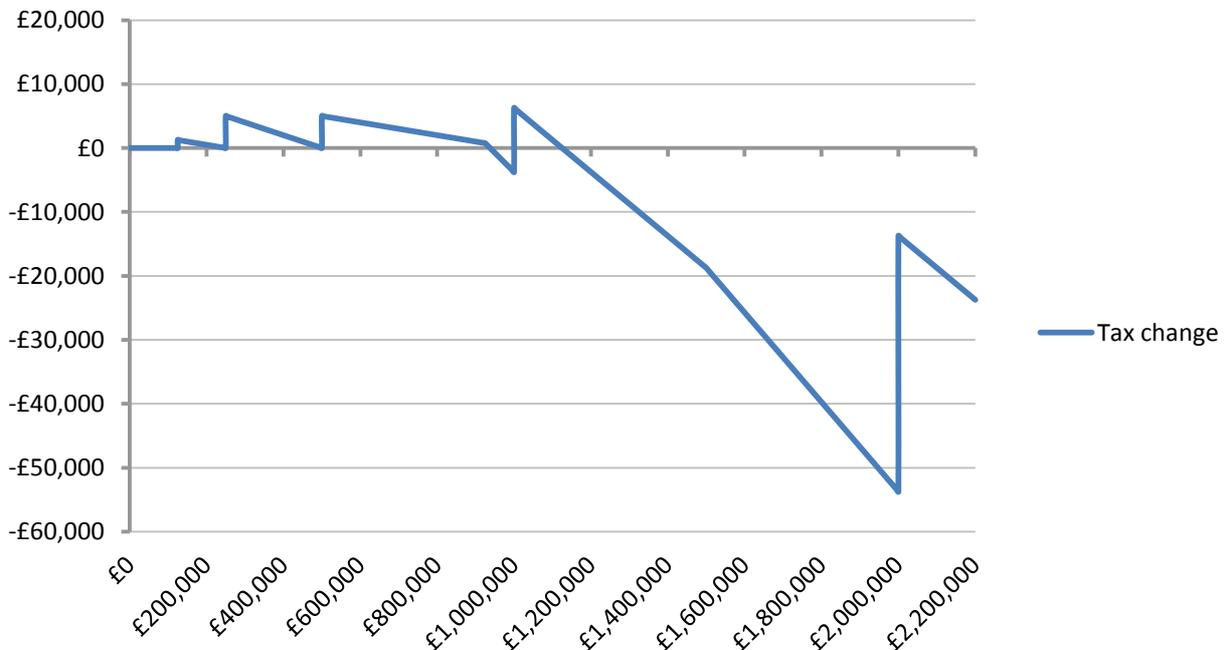
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TRANSACTIONS ANALYSIS BY REGION

REGION	QUARTER 1			QUARTER 1	
	2015	2016	2017	2015/17	2016/17
NORTH EAST	6,493	7,612	6,884	6%	-10%
NORTH WEST	19,037	23,996	20,544	8%	-14%
YORKS & HUMBERSIDE	14,325	17,555	15,332	7%	-13%
EAST MIDLANDS	14,230	17,843	14,544	2%	-18%
WEST MIDLANDS	14,872	18,235	15,708	6%	-14%
EAST OF ENGLAND	20,367	25,138	19,590	-4%	-22%
GREATER LONDON	22,379	26,356	17,979	-20%	-32%
SOUTH EAST	30,826	36,664	28,002	-9%	-24%
SOUTH WEST	18,967	24,183	18,895	0%	-22%
WALES	7,827	9,625	8,595	10%	-11%
ENGLAND & WALES	169,323	207,207	166,073	-2%	-20%

However, the Table shows that the volume of sales in Q1 2017 is 20% lower than Q1 2016 and 2% lower than Q1 2015. As noted above, we can explain the 20% drop in transactions between Q1 2016 and Q1 2017 as a consequence of the introduction of the 3% surcharge on stamp duty. We can similarly ascribe the change in transaction levels between Q1 2015 and Q1 2017 as being a consequence of the changes in stamp duty that came into force on 3rd December 2014. In his Autumn Statement in December 2014, George Osborne, the then Chancellor, announced that with immediate effect the old slab system of calculating stamp duty would be abolished, to be replaced by the introduction of a new five tier system of charges, starting at 2% on properties costing more than £125,000, up to 12% on properties over £1.5 million.

Tax savings New SDLT vs Old



At the time of the change in stamp duty we produced the above graph, showing the tax savings which would apply under the new system compared to the old, but also the additional tax to be paid on properties purchased for more than £1,125,000. We also quoted the OBR observation in their report on the *Economic and Fiscal Outlook* that “the immediate reforms to stamp duty land tax announced in the Autumn Statement are likely to have significant effects



the UK housing market. The main effect is likely to be distributional – house prices and transactions will be lifted at lower prices (where the effective tax rate has been reduced), and will be depressed at higher prices (where the effective tax rate has risen).” We would suggest that Table 2 above, and in particular the column showing the change in transaction levels between Q1 2015 and Q1 2017, evidences precisely that, at least as far as transactions are concerned, with the high priced areas of Greater London, the South East and the East of England showing a fall in sales volumes, while the lower priced regions in England & Wales have seen transaction volumes increase.

Comparison of indices

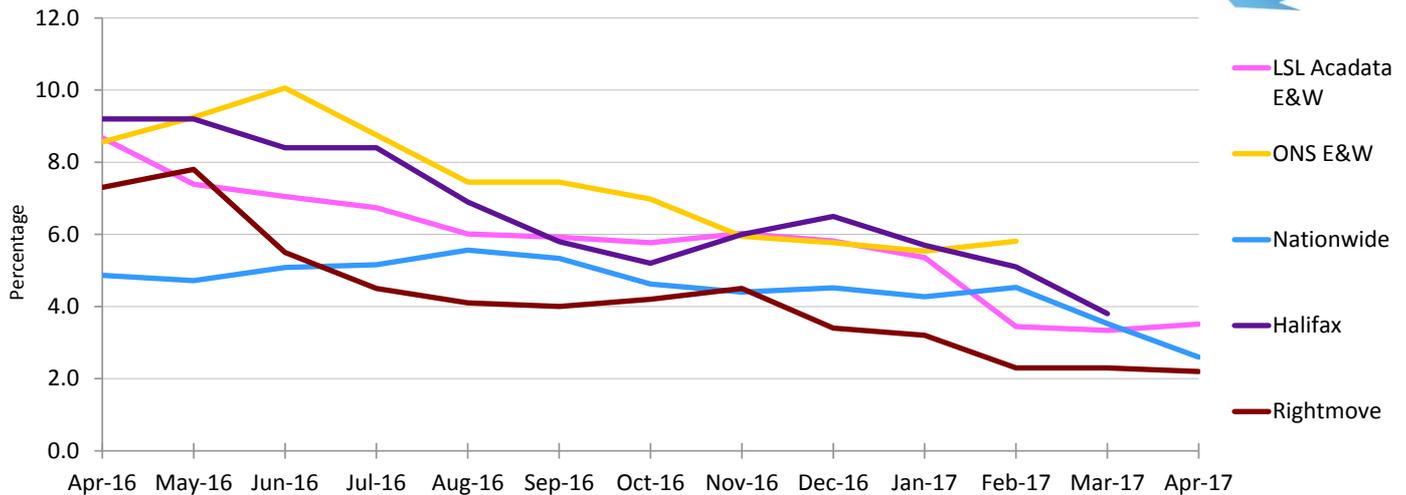


Figure 3. ANNUAL CHANGE IN HOUSE PRICES - COMPARISON OF INDICES CHART [link to source Excel](#)

[To be updated once Halifax has reported]. 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 showing a reduction in the annual rate of house price inflation over the last year. Of the three indices that have reported in April, both Nationwide and Rightmove are showing their lowest rate of the last twelve months, while LSL Acadata is reporting a small uptick in its rate from its lowest point in March.

Taking these three indices, the range in the results for the latest month of 1.3% (3.5% - 2.2%) 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. The one exception to this consensus may turn out to be the ONS – its quoted annual rate of inflation has frequently been the highest of the five indices which we monitor, almost certainly due its use of a geometric as opposed to arithmetic average. The geometric average gives less weight to the movement in higher priced properties than that of an arithmetic average. The ONS is therefore giving less weight to the fall in prices at the top end of the London market than, say, our own Acadata index.

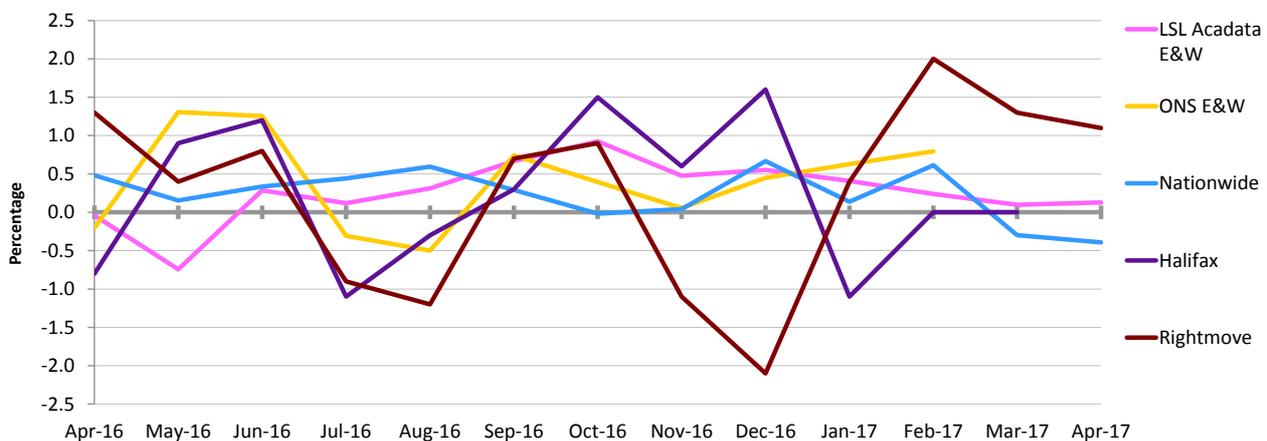


Figure 4. MONTHLY CHANGE IN HOUSE PRICES - COMPARISON OF INDICES CHART [link to source Excel](#)

[to be updated once Halifax has published]. 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 three Indices that have reported rates for March, Rightmove - based on asking prices - is the highest at +1.1%, and Nationwide the lowest at -0.4%. Both Nationwide and Rightmove are showing a fall in the monthly rate from March, while LSL Acadata is showing a no-change position of +0.1% from March.

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](#).

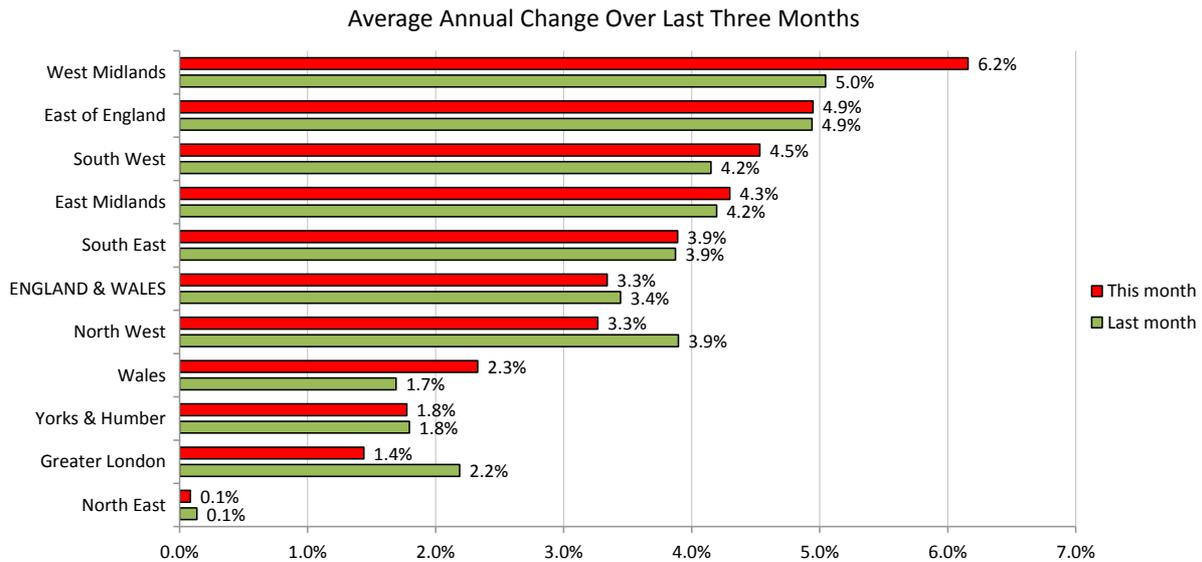
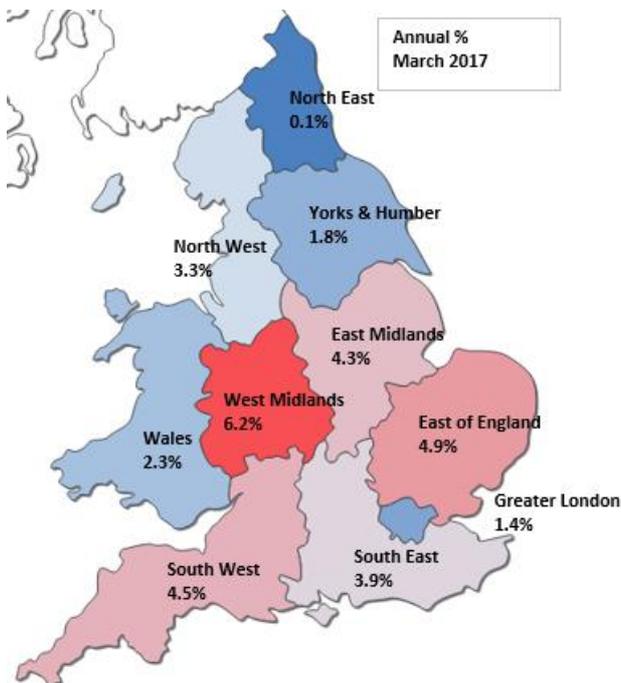


Figure 5. The annual change in the average house price for the three months centered on March 2017, analysed by GOR [link to source Excel](#)

In March 2017, for the second month running, the figures show the West Midlands topping the charts for regional house price growth at 6.2%, with the East of England remaining in second place at 4.9%, and the South West third at 4.5%. Greater London remains in 9th position in terms of regional price change, one place ahead of the North East which is in bottom position. This is the fourteenth month in succession in which the North East has seen the lowest rise in house prices of all ten regions.

In March, four regions are showing an increase in their annual rates from the previous month, four regions are recording no change, with two regions seeing a fall in their annual rates. The West Midlands is showing the largest increase in its rate, up by 1.2% from the previous month, while Greater London has the greatest fall of 0.8%. Overall in March, house price inflation fell to 3.3%, down from the 3.4% of the previous month.



The pattern observable in March's heat map, which illustrates the annual rates of change in house prices across England & Wales, demonstrates the current ascendancy of the West Midlands, as the region with the highest growth in house prices. The map has similarities with an 'archery target', with the 'inner-ring' represented by the West Midlands, being flanked to its east and south by a second-tier of regions with rates ranging from 3.9% - 4.9%, while to its north and west rates range from 2.3% - 3.3%.

Outside of the target board we have a strip to the north east of England where rates range from 1.8% to 0.1%. Finally there is Greater London, at 1.4%, looking incongruous among the higher rates of the commuter belts of the East of England (4.9%) and the South East (3.9%).

This month there are six regions where house prices have reached a new peak, being the North West, the East and West Midlands, the East of England, the South East and Wales. The areas where prices are below their peak are the North East, Yorks & Humber, Greater London and the South West.

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

London boroughs, counties and unitary authorities



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

PRIOR YR RANK	RANK BY PRICE	LONDON BOROUGH	Mar-16	Feb-17	Mar-17	Month % Change	Annual % Change
1	1	KENSINGTON AND CHELSEA	1,955,817	1,941,988	1,952,658	0.5%	-0.2%
2	2	CITY OF WESTMINSTER	1,541,901	1,591,603	1,621,262	1.9%	5.1%
3	3	CAMDEN	1,018,204	1,025,589	1,046,941	2.1%	2.8%
5	4	CITY OF LONDON	924,994	937,084	893,540	-4.6%	-3.4%
4	5	HAMMERSMITH AND FULHAM	929,165	882,559	873,162	-1.1%	-6.0%
6	6	WANDSWORTH	797,958	802,493	766,811	-4.4%	-3.9%
7	7	RICHMOND UPON THAMES	783,750	775,423	760,974	-1.9%	-2.9%
8	8	ISLINGTON	763,371	727,941	728,630	0.1%	-4.6%
14	9	HARINGEY	567,872	660,256	656,713	-0.5%	15.6%
9	10	SOUTHWARK	673,324	651,000	650,947	0.0%	-3.3%
11	11	BARNET	619,589	639,940	646,207	1.0%	4.3%
10	12	MERTON	649,453	601,426	607,765	1.1%	-6.4%
12	13	LAMBETH	609,619	592,302	593,950	0.3%	-2.6%
13	14	HACKNEY	598,286	615,432	583,494	-5.2%	-2.5%
17	15	EALING	542,129	563,751	564,797	0.2%	4.2%
15	16	BRENT	562,899	554,233	559,624	1.0%	-0.6%
19	17	TOWER HAMLETS	511,914	518,733	541,824	4.5%	5.8%
18	18	HARROW	514,373	535,980	540,344	0.8%	5.0%
16	19	KINGSTON UPON THAMES	545,266	533,045	540,048	1.3%	-1.0%
20	20	HOUNSLOW	511,722	511,688	529,427	3.5%	3.5%
21	21	BROMLEY	469,362	489,354	481,681	-1.6%	2.6%
25	22	ENFIELD	433,377	468,075	467,466	-0.1%	7.9%
22	23	HILLINGDON	446,871	466,376	462,595	-0.8%	3.5%
26	24	WALTHAM FOREST	427,599	456,581	458,352	0.4%	7.2%
23	25	LEWISHAM	446,421	451,967	455,497	0.8%	2.0%
27	26	REDBRIDGE	420,110	446,688	447,444	0.2%	6.5%
24	27	GREENWICH	440,943	456,251	439,772	-3.6%	-0.3%
28	28	SUTTON	398,340	396,285	395,687	-0.2%	-0.7%
29	29	CROYDON	369,694	393,819	394,903	0.3%	6.8%
31	30	HAVERING	352,612	387,715	380,162	-1.9%	7.8%
30	31	NEWHAM	356,927	375,769	368,340	-2.0%	3.2%
32	32	BEXLEY	341,897	351,958	354,777	0.8%	3.8%
33	33	BARKING AND DAGENHAM	285,325	296,588	298,966	0.8%	4.8%
		ALL LONDON	601,759	611,167	610,418	-0.1%	1.4%

The analysis of Greater London house prices in Table 3 relates to March 2017, and compares these prices to one month and one year earlier. In March 2017, the average price paid for a property in London fell in the month by -£750, or 0.1%, leaving the arithmetic average price of a property at £610,418.

Over the year from March 2016 to March 2017, the average house price in Greater London rose by £8,659, or 1.4%. This is the lowest annual rise seen in London since March 2012, some five years earlier, and is in sharp contrast to the 13.6% growth recorded one year earlier 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.

Splitting the Greater London boroughs into three groups ranked by price, we find that the lowest eleven boroughs had a weighted average increase in price over the year of 4.0%, whereas the top eleven boroughs only saw an annual increase of 0.3%. However, on the same basis looking at the change in prices during the month of March, it was the middle eleven boroughs ranked by price that recorded the highest increase, of 0.5%, compared to an average reduction of -0.3% in the top eleven boroughs, and an average fall of -0.5% among the lowest eleven boroughs.

Over the year the area with the highest increase in prices was Haringey, at 15.6% and the lowest was Merton at -6.4%. In Haringey, terraces and flats are the most popular property types, with both having increased in price by approximately £90k over the year. The same two property types are similarly the most popular in Merton, but the price of flats in that borough has fallen by some £20k over the year. The average price of a flat in Haringey is now close to £500k, while in Merton the average cost of a flat is around £380k. Haringey includes some parts of Highgate, Muswell Hill and Crouch End, which are among the most prosperous areas in the country, so the high prices currently witnessed in Haringey may be a result of a higher than average mix of properties being sold in these areas.



In terms of Greater London transactions, looking at the number of sales in Q1 2017 and comparing with both Q1 2016 and Q1 2015, we find that volumes are down by 32% and 20% respectively. However, one needs to bear in mind that transactions during Q1 2016 were abnormally high for reasons discussed earlier (see Figure 2 on page 4), so it comes as no surprise that sales in Q1 2017 are below those of Q1 2016. Similarly, as we discussed on page 5, sales after Q1 2015 have been strongly affected by the introduction of the higher rates of stamp duty on properties costing in excess of £925k. So, for example, sales volumes in Kensington and Chelsea, the most expensive borough in London, have fallen by 37% between Q1 2015 and Q1 2017.

The three boroughs that have seen the smallest reduction in sales volumes between Q1 2015 and Q1 2017 are Havering, out to the east of Greater London, with the fourth lowest average house price of the 33 London boroughs, Sutton, popular with first time buyers, where flat prices are the fourth lowest of all London boroughs and Hackney, where the predominant property type is flats, with good transport connections to London Liverpool Street.

London house price heat map

The heat map below shows the annual movement in house prices across London for March 2017. The boroughs shaded red and light red show the highest price increases over the year, while the boroughs shaded in blue illustrate the areas where prices have fallen over the year. As can be seen, the boroughs with rising prices are mainly located to the north of the capital, with a bias towards the east, whereas the areas which have seen falling prices are mostly located in the higher value boroughs to the south west of Greater London.

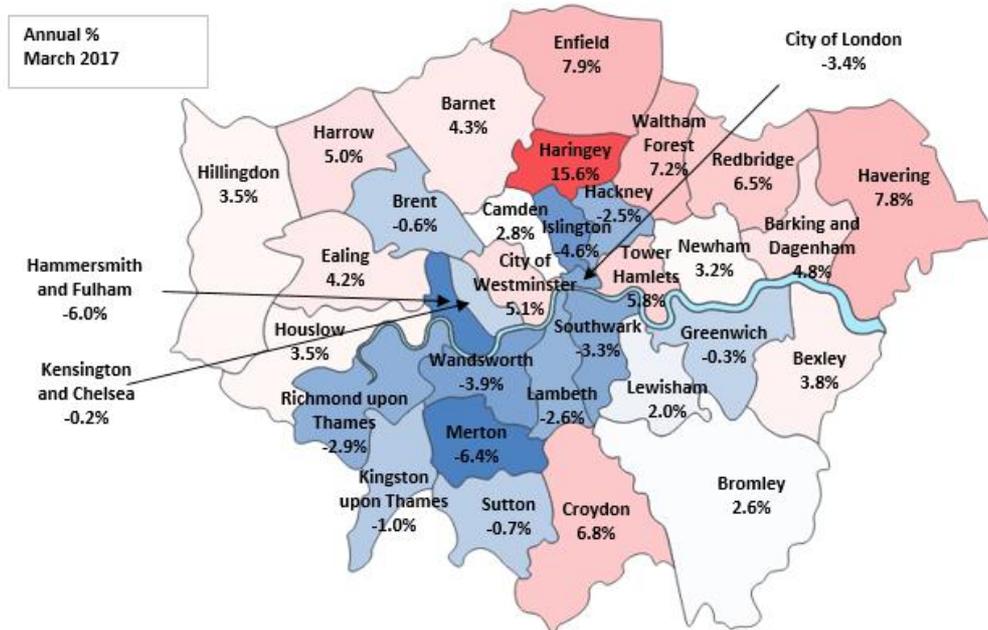


Figure 7. Heat Map of the annual change in the average house price for Greater London, analysed by borough, March 2017

London boroughs, counties and unitary authorities



Table 4. The annual percentage change in mix adjusted house prices, for the 108 Counties and Unitary Authorities in England & Wales, comparing March 2016 and February 2017 with March 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	Mar-16	Feb-17	Mar-17	Monthly change	Annual Change
100	100	COUNTY DURHAM	£128,538	£129,000	£127,301	-1.3%	-1.0%
91	88	DARLINGTON	£151,819	£161,953	£161,910	0.0%	6.6%
97	98	HARTLEPOOL	£139,395	£128,955	£135,774	5.3%	-2.6%
95	97	MIDDLESBROUGH	£146,552	£139,529	£137,547	-1.4%	-6.1%
61	63	NORTHUMBERLAND	£188,763	£192,017	£192,630	0.3%	2.0%
93	95	REDCAR AND CLEVELAND	£147,308	£142,097	£143,547	1.0%	-2.6%
85	85	STOCKTON-ON-TEES	£161,493	£164,215	£162,816	-0.9%	0.8%
83	84	TYNE AND WEAR	£163,382	£164,431	£163,449	-0.6%	0.0%
		NORTH EAST	£156,806	£157,502	£156,940	-0.4%	0.1%
102	103	BLACKBURN WITH DARWEN	£125,298	£121,445	£121,468	0.0%	-3.1%
107	107	BLACKPOOL	£110,274	£112,882	£109,617	-2.9%	-0.6%
35	44	CESHIRE	£248,730	£242,773	£247,034	1.8%	-0.7%
90	90	HALTON	£152,501	£161,450	£158,974	-1.5%	4.2%
56	58	WARRINGTON	£203,635	£199,012	£203,024	2.0%	-0.3%
66	68	CUMBRIA	£185,161	£186,585	£186,786	0.1%	0.9%
71	70	GREATER MANCHESTER	£175,935	£186,252	£185,155	-0.6%	5.2%
81	81	LANCASHIRE	£164,792	£170,190	£169,303	-0.5%	2.7%
87	82	MERSEYSIDE	£156,881	£165,628	£166,975	0.8%	6.4%
		NORTH WEST	£178,877	£184,483	£184,720	0.1%	3.3%
58	62	EAST RIDING OF YORKSHIRE	£194,442	£190,376	£193,457	1.6%	-0.5%
106	106	KINGSTON UPON HULL, CITY OF	£113,239	£118,341	£116,818	-1.3%	3.2%
98	99	NORTH EAST LINCOLNSHIRE	£131,550	£136,693	£135,135	-1.1%	2.7%
96	92	NORTH LINCOLNSHIRE	£144,866	£153,319	£153,475	0.1%	5.9%
32	33	YORK	£257,100	£265,724	£263,385	-0.9%	2.4%
39	41	NORTH YORKSHIRE	£241,906	£249,312	£249,520	0.1%	3.1%
88	91	SOUTH YORKSHIRE	£156,473	£154,082	£154,204	0.1%	-1.4%
74	74	WEST YORKSHIRE	£170,925	£175,356	£175,619	0.1%	2.7%
		YORKS & HUMBER	£179,009	£181,987	£182,185	0.1%	1.8%
79	83	DERBY	£167,619	£164,889	£166,017	0.7%	-1.0%
84	76	LEICESTER	£162,689	£172,715	£174,161	0.8%	7.1%
94	94	NOTTINGHAM	£146,800	£148,821	£150,493	1.1%	2.5%
16	15	RUTLAND	£317,127	£322,454	£335,032	3.9%	5.6%
65	66	DERBYSHIRE	£185,565	£188,395	£190,318	1.0%	2.6%
48	49	LEICESTERSHIRE	£223,037	£229,536	£230,477	0.4%	3.3%
67	64	LINCOLNSHIRE	£182,418	£190,091	£191,219	0.6%	4.8%
49	47	NORTHAMPTONSHIRE	£222,607	£239,676	£238,404	-0.5%	7.1%
68	67	NOTTINGHAMSHIRE	£181,276	£188,911	£188,605	-0.2%	4.0%
		EAST MIDLANDS	£194,258	£201,902	£202,606	0.3%	4.3%
40	35	HEREFORDSHIRE	£239,784	£249,994	£256,466	2.6%	7.0%
50	46	SHROPSHIRE	£219,346	£239,328	£241,201	0.8%	10.0%
104	105	STOKE-ON-TRENT	£117,758	£116,758	£117,731	0.8%	0.0%
78	72	TELFORD & WREKIN	£167,849	£179,993	£180,531	0.3%	7.6%
57	57	STAFFORDSHIRE	£195,112	£203,661	£204,294	0.3%	4.7%
30	32	WARWICKSHIRE	£263,775	£267,463	£267,225	-0.1%	1.3%
70	60	WEST MIDLANDS	£179,882	£195,504	£196,714	0.6%	9.4%
38	39	WORCESTERSHIRE	£242,072	£250,029	£251,018	0.4%	3.7%
		WEST MIDLANDS	£201,878	£213,200	£214,309	0.5%	6.2%
22	23	BEDFORDSHIRE	£289,983	£304,248	£307,456	1.1%	6.0%
46	45	LUTON	£226,901	£241,645	£243,857	0.9%	7.5%
64	65	PETERBOROUGH	£187,235	£188,205	£190,843	1.4%	1.9%
25	24	SOUTHEND-ON-SEA	£279,430	£299,067	£304,567	1.8%	9.0%
33	28	THURROCK	£253,170	£282,215	£278,328	-1.4%	9.9%
18	17	CAMBRIDGESHIRE	£312,325	£326,456	£325,499	-0.3%	4.2%
15	13	ESSEX	£319,671	£337,180	£338,759	0.5%	6.0%
5	5	HERTFORDSHIRE	£435,068	£443,675	£442,775	-0.2%	1.8%
45	43	NORFOLK	£229,679	£243,153	£247,422	1.8%	7.7%



34	34	SUFFOLK	£249,306	£259,573	£262,437	1.1%	5.3%
		EAST OF ENGLAND	£306,224	£319,776	£321,373	0.5%	4.9%
		GREATER LONDON	£601,759	£611,167	£610,418	-0.1%	1.4%
9	10	BRACKNELL FOREST	£376,597	£382,013	£377,538	-1.2%	0.2%
10	8	BRIGHTON AND HOVE	£374,423	£407,443	£401,425	-1.5%	7.2%
47	50	ISLE OF WIGHT	£225,679	£230,478	£228,311	-0.9%	1.2%
44	40	MEDWAY	£230,783	£249,958	£250,387	0.2%	8.5%
24	26	MILTON KEYNES	£281,606	£292,474	£288,682	-1.3%	2.5%
55	52	PORTSMOUTH	£208,980	£216,569	£220,435	1.8%	5.5%
14	16	READING	£325,050	£330,035	£332,356	0.7%	2.2%
17	18	SLOUGH	£317,121	£323,856	£324,909	0.3%	2.5%
53	54	SOUTHAMPTON	£212,213	£221,375	£218,240	-1.4%	2.8%
6	9	WEST BERKSHIRE	£391,473	£387,773	£391,611	1.0%	0.0%
1	1	WINDSOR AND MAIDENHEAD	£589,337	£576,161	£574,416	-0.3%	-2.5%
3	4	WOKINGHAM	£442,823	£441,197	£444,799	0.8%	0.4%
4	3	BUCKINGHAMSHIRE	£441,364	£490,991	£494,817	0.8%	12.1%
21	22	EAST SUSSEX	£302,020	£306,002	£308,972	1.0%	2.3%
13	12	HAMPSHIRE	£334,879	£344,107	£347,679	1.0%	3.8%
20	20	KENT	£303,312	£318,288	£318,380	0.0%	5.0%
8	7	OXFORDSHIRE	£387,669	£401,983	£402,131	0.0%	3.7%
2	2	SURREY	£514,927	£527,530	£524,707	-0.5%	1.9%
11	11	WEST SUSSEX	£348,013	£364,575	£361,871	-0.7%	4.0%
		SOUTH EAST	£358,437	£372,247	£372,379	0.0%	3.9%
7	6	BATH AND NORTH EAST SOMERSET	£390,253	£395,467	£406,529	2.8%	4.2%
42	42	BOURNEMOUTH	£231,431	£258,454	£247,554	-4.2%	7.0%
26	25	BRISTOL , CITY OF	£277,651	£296,227	£294,930	-0.4%	6.2%
37	37	CORNWALL	£243,775	£253,995	£254,563	0.2%	4.4%
31	31	NORTH SOMERSET	£263,269	£273,978	£271,324	-1.0%	3.1%
69	71	PLYMOUTH	£180,838	£181,822	£181,942	0.1%	0.6%
12	14	POOLE	£347,688	£332,998	£335,077	0.6%	-3.6%
28	30	SOUTH GLOUCESTERSHIRE	£264,451	£277,060	£273,498	-1.3%	3.4%
51	51	SWINDON	£215,724	£222,362	£220,560	-0.8%	2.2%
54	55	TORBAY	£211,751	£213,482	£214,912	0.7%	1.5%
23	21	WILTSHIRE	£288,468	£308,979	£310,806	0.6%	7.7%
29	29	DEVON	£264,049	£274,620	£276,699	0.8%	4.8%
19	19	DORSET	£308,448	£322,804	£324,220	0.4%	5.1%
27	27	GLOUCESTERSHIRE	£271,550	£286,080	£283,078	-1.0%	4.2%
41	38	SOMERSET	£239,077	£252,964	£253,382	0.2%	6.0%
		SOUTH WEST	£265,500	£277,602	£277,533	0.0%	4.5%
60	59	ISLE OF ANGLESEY	£188,793	£194,444	£198,792	2.2%	5.3%
80	78	GWYNEDD	£166,360	£170,322	£173,207	1.7%	4.1%
77	75	CONWY	£169,304	£174,278	£174,676	0.2%	3.2%
82	87	DENBIGHSHIRE	£164,732	£162,671	£162,017	-0.4%	-1.6%
73	80	FLINTSHIRE	£171,046	£173,221	£172,877	-0.2%	1.1%
72	79	WREXHAM	£171,348	£177,947	£172,935	-2.8%	0.9%
59	61	POWYS	£192,344	£198,058	£193,566	-2.3%	0.6%
63	56	CEREDIGION	£187,851	£201,393	£207,383	3.0%	10.4%
62	69	PEMBROKESHIRE	£188,020	£189,283	£185,452	-2.0%	-1.4%
92	89	CARMARTHENSHIRE	£148,678	£158,464	£160,495	1.3%	7.9%
76	77	SWANSEA	£170,144	£172,207	£173,780	0.9%	2.1%
101	101	NEATH PORT TALBOT	£125,504	£126,018	£126,092	0.1%	0.5%
86	86	BRIDGEND	£161,164	£163,679	£162,600	-0.7%	0.9%
43	48	VALE OF GLAMORGAN	£230,860	£232,349	£235,523	1.4%	2.0%
52	53	CARDIFF	£215,480	£218,807	£218,314	-0.2%	1.3%
103	102	RHONDDA CYNON TAFF	£123,928	£124,612	£122,462	-1.7%	-1.2%
105	104	MERTHYR TYDFIL	£114,220	£122,373	£120,041	-1.9%	5.1%
99	96	CAERPHILLY	£130,210	£139,015	£140,333	0.9%	7.8%
108	108	BLAENAU GWENT	£88,994	£90,559	£89,373	-1.3%	0.4%



89	93	TORFAEN	£152,953	£151,164	£151,276	0.1%	-1.1%
36	36	MONMOUTHSHIRE	£246,977	£251,691	£255,325	1.4%	3.4%
75	73	NEWPORT	£170,743	£180,386	£180,022	-0.2%	5.4%
		WALES	£172,034	£176,013	£176,040	0.0%	2.3%
		ENGLAND & WALES	£291,487	£300,925	£301,221	0.1%	3.3%

Table 4 shows the average property price for each of the 108 unitary authorities and counties in England & Wales, together with a regional summary based on the GOR, for March 2016 and February and March 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 March 2017, the monthly rate of house price inflation in England & Wales was 0.1% and the headline annual increase in prices for England & Wales was 3.3%.

Annual Trends

On an annual basis, prices in March 2017 have increased in England & Wales by 3.3%, down from the (revised) 3.4% seen in February, one month earlier. Some 90 of the 108 unitary authority areas have recorded price rises over the year, down from the 91 seen in the previous month, which represents some 83% of the unitary authorities in England & Wales. Of the 18 areas where prices have fallen, 4 each are located in the North East, the North West and Wales, with 2 in Yorks & Humber, and 1 each in the East Midlands, the West Midlands, the South East and the South West, while the East of England currently has no authorities experiencing price falls.

Peak Prices

In Table 4, those areas highlighted in turquoise have set a new peak price in the month; there are 34 such locations, down from the 39 seen last month. Of the 34 unitary authority areas that recorded a new peak, 7 are in the South West, with 6 each in the West Midlands, the East of England and the South East, 5 are in the East Midlands, 2 are in the North West, and 1 each in Wales and Yorks & Humber and finally none in the North East.

This month, 6 of the 10 GOR regions have established new peak average prices, the four not included in this grouping being the North East, Yorks & Humber, Greater London and the South West.

Monthly Trends

On a monthly basis, the headline rates for prices in England & Wales in March 2017 show an increase of 0.1%, compared with a rate of 0.2% one month earlier. It was the third month in succession in which the rate of price increases in the month has fallen. There were price rises over the month in 65 of the 108 unitary authority areas, down from 84 in the previous month.

Highest and lowest unitary authorities

In March, looking at the unitary authority areas on an individual basis, Buckinghamshire is in first position as having the highest annual rate of change in prices at 12.1%. Detached properties are the most popular property type in Buckinghamshire and these have seen prices rise from an average £700k in March 2016 to £780k one year later, assisted in part by a number of new build developments which have come on stream in the Aylesbury, High Wycombe and Gerrards Cross areas. Of the 108 unitary authority/county areas in England & Wales - excluding the Greater London boroughs - Buckinghamshire is currently ranked third by average house price.

The authority with the largest reduction in prices is Middlesbrough, where values have fallen by -6.1% over the year. Semi-detached homes are the most popular property type in Middlesbrough, and these have seen a decline of £5k in average prices over the year to £125k. Out of the 108 unitary authorities/counties in England & Wales, Middlesbrough's semi-detached properties are ranked 100th in terms of price for this property type.

Transactions

Looking at the change in transaction volumes between Q1 2015 and Q1 2017, we find that Newport in South Wales has seen the highest increase in property sales, up by 54%, or an additional 190 homes, over this period. There have been a considerable number of new developments taking place in Newport over the last two years, with approximately 560 new-build homes in the area having been sold in 2016.



The area with the largest fall in transactions over this same period was West Berkshire, down by 24%. West Berkshire is an area where there is a high percentage of detached and semi-detached homes, which are more likely to appeal to the ‘movers’ in the market as opposed to first time buyers. The CML report that in the current market it is the first time buyers sector which is still seeing growth in the number of transactions being undertaken, while the ‘movers’ - existing owners - are reducing the number of purchases being made. At the same time, the incidence of remortgaging is growing, suggesting that many existing owners are opting to borrow and stay, improving their homes rather than moving.

ANNUAL CHANGE IN PRICE BY REGION

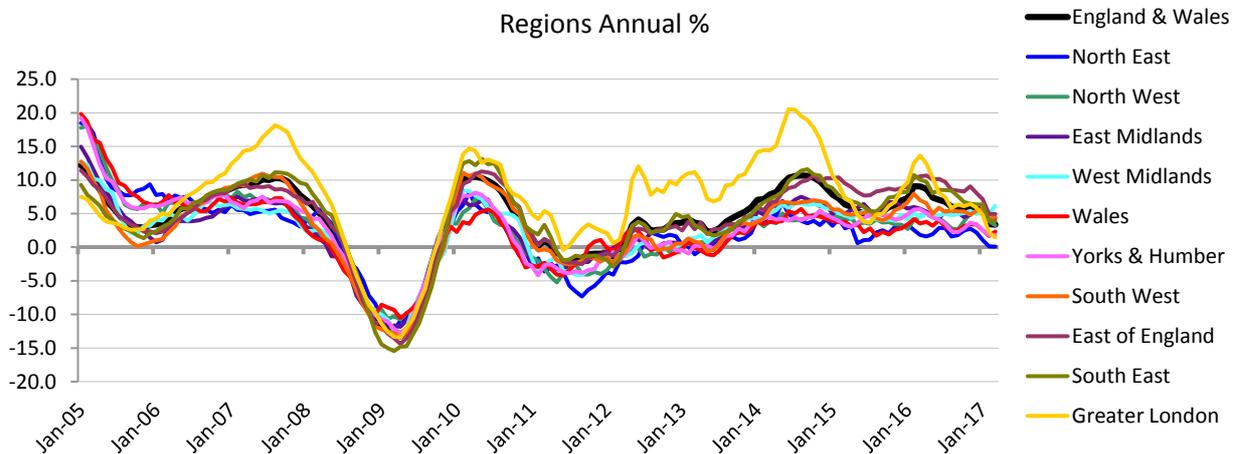


Figure 8. A comparison of the annual change in house prices, by region for the period January 2005 – March 2017

[link to source Excel](#)

Note that individual regions can be compared using our “National and Regional series from 2005 with Interactive Charts”, linked from NOTE 4 below and from our covering email; timescales can be varied for clarity. Numerous other comparisons are facilitated in this and other interactive charts available through the same links.



Table 5. Average house prices by region, April 2016 – April 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
Apr-16	£155,866	-0.6	1.6	£179,412	0.3	5.0	£177,651	-0.8	5.1	£193,794	-0.2	5.3
May-16	£153,809	-1.3	1.9	£177,940	-0.8	4.4	£178,083	0.2	4.4	£193,501	-0.2	4.6
Jun-16	£154,523	0.5	2.9	£178,460	0.3	4.4	£178,725	0.4	4.1	£194,460	0.5	4.3
Jul-16	£153,850	-0.4	2.9	£177,770	-0.4	3.6	£178,600	-0.1	3.5	£196,235	0.9	5.3
Aug-16	£153,276	-0.4	1.6	£178,687	0.5	2.8	£178,194	-0.2	2.4	£197,191	0.5	5.5
Sep-16	£153,431	0.1	1.8	£178,655	0.0	2.6	£178,848	0.4	2.2	£198,629	0.7	5.2
Oct-16	£155,327	1.2	2.5	£181,699	1.7	3.8	£181,285	1.4	2.8	£199,640	0.5	4.5
Nov-16	£156,267	0.6	2.8	£182,161	0.3	5.0	£182,765	0.8	3.7	£200,417	0.4	4.8
Dec-16	£156,892	0.4	2.2	£183,557	0.8	5.5	£182,802	0.0	3.4	£200,839	0.2	5.5
Jan-17	£156,893	0.0	1.0	£182,879	-0.4	4.8	£182,482	-0.2	2.5	£201,710	0.4	5.5
Feb-17	£157,502	0.4	0.1	£184,483	0.9	3.9	£181,987	-0.3	1.8	£201,902	0.1	4.2
Mar-17	£156,940	-0.4	0.1	£184,720	0.1	3.3	£182,185	0.1	1.8	£202,606	0.3	4.3

	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
Apr-16	£202,383	0.3	5.0	£307,849	0.5	10.7	£599,623	-0.4	12.4	£358,333	0.0	9.7
May-16	£202,915	0.3	4.6	£306,497	-0.4	10.1	£593,100	-1.1	10.4	£355,287	-0.8	8.0
Jun-16	£204,732	0.9	4.7	£308,453	0.6	10.2	£588,551	-0.8	8.1	£358,060	0.8	8.5
Jul-16	£205,822	0.5	5.0	£308,750	0.1	9.7	£586,920	-0.3	7.5	£359,993	0.5	8.5
Aug-16	£206,302	0.2	4.8	£310,456	0.6	8.5	£587,997	0.2	5.8	£361,681	0.5	8.4
Sep-16	£206,607	0.1	4.9	£312,628	0.7	8.4	£596,917	1.5	6.3	£362,930	0.3	7.6
Oct-16	£208,771	1.0	5.1	£314,989	0.8	8.3	£604,165	1.2	6.1	£364,417	0.4	6.7
Nov-16	£209,202	0.2	5.4	£316,018	0.3	9.0	£609,609	0.9	6.5	£365,333	0.3	6.5
Dec-16	£210,644	0.7	4.9	£316,369	0.1	8.1	£611,539	0.3	5.9	£368,131	0.8	6.4
Jan-17	£211,869	0.6	5.6	£318,058	0.5	7.1	£613,134	0.3	4.8	£371,143	0.8	6.4
Feb-17	£213,200	0.6	5.0	£319,776	0.5	4.9	£611,167	-0.3	2.2	£372,247	0.3	3.9
Mar-17	£214,309	0.5	6.2	£321,373	0.5	4.9	£610,418	-0.1	1.4	£372,379	0.0	3.9

	South West			Wales			ENGLAND & WALES			
	Av HP	%monthly	%annual	Av HP	%monthly	%annual	Av HP	%monthly	%annual	
Apr-16	£266,481	0.4	6.6	£170,946	-0.6	3.8		£291,369	0.0	8.7
May-16	£263,216	-1.2	5.0	£169,370	-0.9	3.2		£289,207	-0.7	7.4
Jun-16	£265,296	0.8	5.9	£170,226	0.5	4.0		£290,032	0.3	7.1
Jul-16	£265,776	0.2	5.3	£169,777	-0.3	3.1		£290,376	0.1	6.7
Aug-16	£266,830	0.4	5.5	£169,165	-0.4	2.4		£291,281	0.3	6.0
Sep-16	£267,291	0.2	5.3	£170,774	1.0	2.5		£293,224	0.7	5.9
Oct-16	£269,334	0.8	5.3	£173,069	1.3	3.1		£295,934	0.9	5.8
Nov-16	£269,921	0.2	4.8	£174,125	0.6	3.4		£297,344	0.5	6.0
Dec-16	£274,092	1.5	5.4	£174,724	0.3	3.4		£298,986	0.6	5.8
Jan-17	£275,829	0.6	5.7	£174,715	0.0	2.5		£300,206	0.4	5.4
Feb-17	£277,602	0.6	4.2	£176,013	0.7	1.7		£300,925	0.2	3.4
Mar-17	£277,533	0.0	4.5	£176,040	0.0	2.3		£301,221	0.1	3.3
Apr-17								£301,606	0.1	3.5



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. 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](#).



LSL PROPERTY SERVICES PLC

LSL is one of the leading residential property services companies in the UK and provides a broad range of services to a wide range of customers including mortgage lenders together with buyers and sellers of residential properties.

LSL's operations cover four key areas; surveying, estate agency, corporate services and financial services.

Surveying

LSL's [surveying](#) business operates under the e.surv Chartered Surveyors brand, and the Walker Fraser Steele brand in Scotland. e.surv is one of the largest employers of residential Chartered Surveyors in the UK and is the largest distributor and manager of mortgage valuations and private surveys.

Estate Agency

LSL's [estate agency](#) business operates under the Your Move, Reeds Rains, Intercounty and several independent brands. Your Move is the single largest estate agency brand in the UK.

In January 2010 the acquisition of the Halifax Estate Agency (HEA) business from Lloyd Banking Group saw LSL increase in size to become the second largest UK estate agency network - with around 570 branches. It is also the largest letting agency in the UK.

Corporate Services

LSL Corporate Client Services was launched in 2008 to provide asset management and lettings property portfolio management services to corporate clients. This business has grown through the addition of St Trinity Asset Management - which previously operated as HEA Corporate Services - and Templeton LPA, which LSL acquired in February 2010.

Financial Services

LSL offers financial services across its entire branch network. In May 2010 LSL acquired over 450 advisers from leading financial services network Home of Choice - these advisers now operate under the brand of First Complete.

In October 2010 LSL also announced the acquisition of mortgage distribution company, Advance Mortgage Funding Limited (trading as Pink Home Loans) and its subsidiary business BDS Mortgage Group Limited, (together known as Pink), from Skipton Building Society. It further confirmed LSL's position as one of the largest mortgage advisory businesses in the UK today.

For further information see www.lslps.co.uk