

LSL Property Services/Acadametrics England & Wales House Price Index

APRIL 2013

STRICTLY UNDER EMBARGO UNTIL 00.01 FRIDAY 10TH MAY 2013

Prices rise £6,726 over the past twelve months

- Sales up 18% compared to last year
- House prices up £707 in April and have fallen only once in the past 17 months
- Of the 10 regions in England & Wales only two regions have negative house price growth

House Price	Index	Monthly Change %	Annual Change %
£231,170	235.4	0.3	3.0

Richard Sexton, director of e.surv comments: "House prices in England and Wales climbed £707 in April, have risen £6,726 in the past 12 months and have dropped only once in the past seventeen months. The catalyst has been a significantly improved mortgage market.

"Sales are 18% higher than they were last year, reflecting the improved conditions for buyers. A plethora of excellent mortgage deals are surfacing, cheaper mortgages have trickled into the market and low interest rates too have led to a boost in buyer activity. The impact of the Funding for Lending Scheme (FLS) has been significant, allowing banks and building societies to accelerate lending levels to a wider pool of borrowers. Gradually, competitive rates have emerged which should mean we will see a solid improvement to lending levels in 2013.

"A word of warning though: the strong performance of the London market is dragging up the average UK house price and glossing over weaknesses elsewhere in the country, particularly the north of England and most of Wales. This is due to the lightning fast speed of growth in the capital. Take London out of the picture and the national rise in prices falls to 1.1%. Here the widening gap is also conspicuous between housing types and income groups. London is seeing a rise of 5% (2010-11) and 5.7% (2011-12) in properties sold for £1 million plus, while the rest of the country sees a drop of -5.3% and -8.5%. London's share of the whole £1m market and £2m property market has grown rapidly, outdoing its counterparts, suggesting wealthy buyers still form a disproportionately large share of the market.

"Despite difficult funding challenges, the Government's attempts to steer the housing market have been vital to the progress it has made so far. The property market has been recognised as key to a healthy economy. Numerous measures, such as the FLS, the Help to Buy, New Buy and First Buy, designed to stimulate lending for development and mortgages, are being taken to stimulate the market against strong economic headwinds. At the moment, the FLS needs to be improved in scale before we are to see a more substantial effect. In order to unlock increased LTV lending in a controlled way, lenders need the constraints that require them to hold 8 times more capital in reserve for advances over 60% LTV to be loosened. Unless these constraints change, alongside the increased cheaper funding availability, lenders will find it hard to extend lending to many hard pressed first time buyers."

For detailed analysis by Dr Peter Williams, housing market specialist and Chairman of Acadametrics, see page 3.



Table 1. Average House Prices in England & Wales for the period April 2012 – April 2013

[link to source Excel](#)

		House Price	Index	Monthly Change %	Annual Change %
April	2012	£224,444	228.5	0.5	1.0
May	2012	£226,921	231.0	1.1	3.6
June	2012	£227,082	231.2	0.1	4.4
July	2012	£227,005	231.1	0.0	3.7
August	2012	£226,225	230.3	-0.3	2.6
September	2012	£226,735	230.8	0.2	2.8
October	2012	£227,238	231.4	0.2	2.9
November	2012	£227,552	231.7	0.1	3.6
December	2012	£227,927	232.1	0.2	3.7
January	2013	£228,644	232.8	0.3	3.7
February	2013	£229,968	234.1	0.6	3.9
March	2013	£230,463	234.6	0.2	3.2
April	2013	£231,170	235.4	0.3	3.0

Press Contacts:

Melanie Cowell, LSL Property Services
David Pickles, Acadametrics
James Staunton, Wriglesworth PR

01904 715 326
020 8392 9082
020 7427 1404

melanie.cowell@slps.co.uk
david.pickles@acadametrics.co.uk
J.Staunton@wriglesworth.com



Dr Peter Williams, housing market specialist and Chairman of Acadametrics, comments:

House prices

The average price paid for a house in England & Wales in April rose by £707 (0.3%) from that paid in March. Over the last seventeen months the monthly price index has fallen only once (August 2012), with all the other months seeing percentage increases of between 0.0% and 1.1% in the average price. Since August the increase in average house prices at the national level has been remarkably consistent, edging upwards with monthly percentage increases ranging in a narrow band of between 0.1% and 0.6%.

The black trend line in Figure 1 below shows the movement in house prices in England & Wales over the last twelve months, and supports the view of slow growth during the period. However, the red line, which records the actual movement in the average price, shows that over the year there have been three separate periods of activity in the market. At the start of the twelve month period, prices climbed relatively quickly by +1.6% during April and May 2012, followed by a period from June to August 2012 of static or gently declining prices. From September 2012 onward there has been a period of almost straight-line growth, indicating relative 'stability' in the national housing market. However, as we show in Figure 6 and Tables 3, 4 & 5 below, this 'stability' at the national level hides considerable variation in prices at the regional and more local levels.

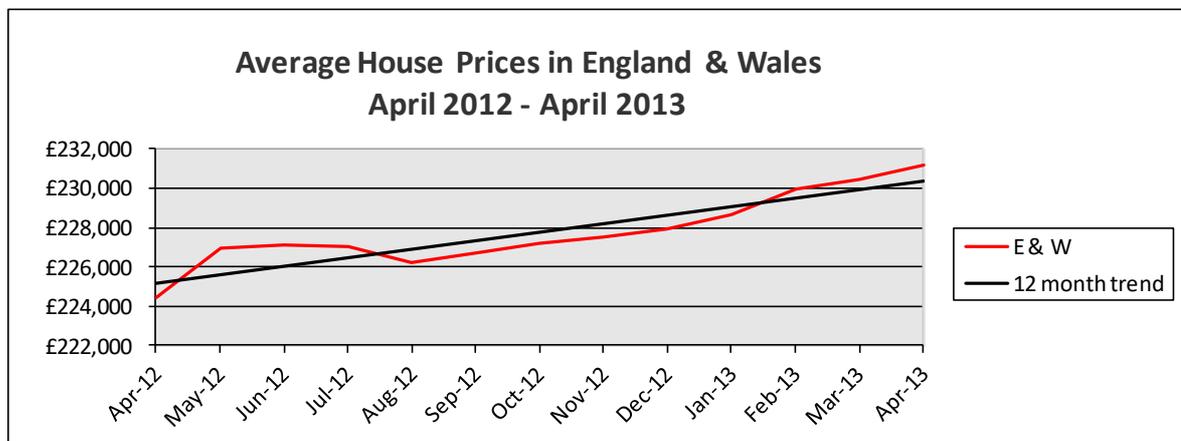


Figure 1. The Average House Price in England & Wales, April 2012 – April 2013

[link to source Excel](#)

Over the last year, average house prices in England & Wales have risen by 3.0%, which is marginally below the annual rate of inflation (RPI was 3.3% in March). As this suggests, prices have been falling in real terms as have wages. The average England & Wales house price in April 2013 now stands at £231,170, which is £660, or 0.3%, below the peak price seen in February 2008.

As Figure 2 below indicates, the average price at a national level is being supported by the rapid growth in house prices in the Greater London area. The annual rise in house prices in England & Wales, currently at 3.0%, would be 1.9% lower at 1.1% if we excluded London from the national statistic, and falling sharply in real terms.

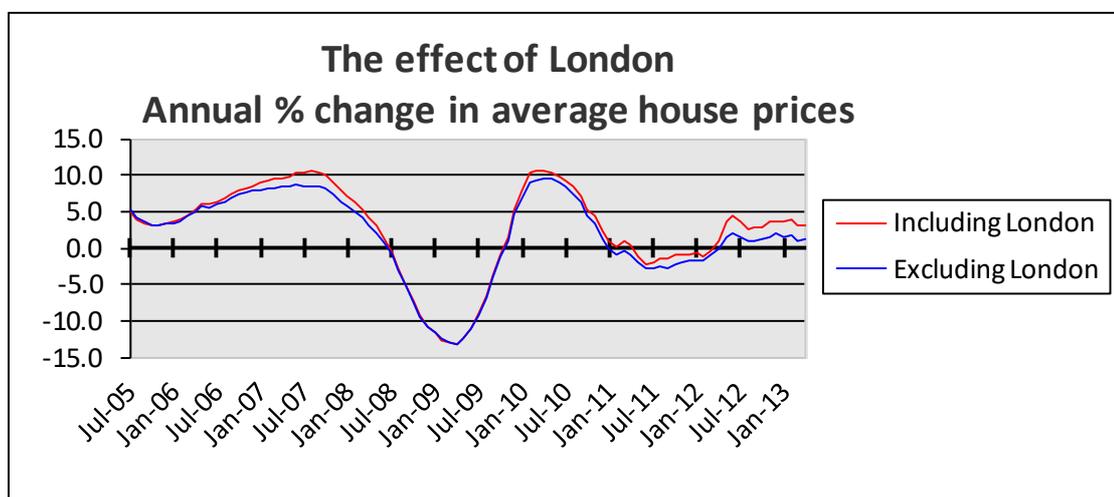


Figure 2. The Average House Price in England & Wales, July 2005 – April 2013, including and excluding Greater London properties

[link to source Excel](#)



Putting together the Funding for Lending scheme (which had delivered some £14 billion by the end of 2012), along with Help to Buy (£13.5 billion for equity loans and guarantees), NewBuy and First Buy (£1.5 billion), the Build to Rent and Rental Funding Guarantee schemes (£10.5 billion), plus other funding, takes the total to over £40 billion being pumped into lending for development and mortgages over a four year period. This is without doubt the largest intervention by government in the housing market for many decades and highlights the concerns government has over this market and of course the wider economy. These two issues are intertwined with the expectation that more housing market activity will help stimulate the economy. Clearly there is frustration that the market is only picking up slowly, as we have shown above and discuss below. However, it is evident that there is now a real appetite to see house prices rise and activity increase, whereas previously the focus had been on deflation. As we show though, to date it is London and the South East along with other selected areas where we see most activity; the big question will now be how far these stimulus measures really impact across the country as a whole (some measures are for England only). If they don't, the risk is that the differentials will increase. However, what should be very clear to consumers is that the government is backing the housing market strongly. This should help to increase confidence, which ultimately is a key driver. Unfortunately alongside this is the clear sense of budget cuts to come, and all the risks to jobs and wages that flow from that. It is this mix of positives and negatives which means many households will continue to hold back.

Housing Transactions

Based on the last eighteen years, there is an average 1% fall in transactions in the housing market in April compared to March. This is partly due to April having one less day in the month than March which, all other things being equal, would account for a 3% decrease in sales in the month. The increase in housing completions experienced during the summer months usually starts in May and continues through to July: hence we can anticipate seeing a rise in transaction numbers from next month onwards even though consumer confidence as measured by both GfK and Nationwide BS remains at a low ebb. Our early estimates suggest that in April 2013 sales volumes fell back by 5% from March levels, which is a larger decrease than the average, but only marginally so.

Even at this lower level of sales April 2013 will be some 18% up on April 2012 volume levels, although the latter were subdued due to the ending of the Stamp Duty holiday for first time buyers on properties costing between £125,000 - £250,000 in March 2012; this had the effect of boosting sales during that March as buyers rushed to complete their purchase before the tax holiday came to an end, with a consequent diminution of sales in April 2012. Taking the first four months of 2013 and comparing to the first four months of 2012, our current estimates suggest that 2013 is a marginal 0.2% (equivalent to approximately 500 homes) ahead on the number of properties that have been sold to date, compared to last year. The RICS housing market surveys suggest that new homes enquiries are rising, as are agent buyer and sales expectations. Put these alongside stable or rising nominal prices, and the overall picture is one of a market that is slowly edging upwards.

Having said that and viewed in the longer term over the first four months of 2013, the number of housing transactions is running at 50% of the same period in 2007. Most estate agents would advise that a lack of available mortgage finance is holding the market back from returning to anything close to 2007 transaction levels. Nevertheless, there are signs that the situation is slowly improving, with an easing of credit restrictions as is evidenced by the steady rise in the number of higher LTV loan products on the market. The Q1 2013 BoE Credit Conditions survey indicated that lending had increased and that this was expected to continue. However with the output of new homes still only around 130,000 in the period April 2012 to March 2013, and increasing only modestly despite the high level of government financial support given to the industry, there remain significant blockages in the market. Existing owners have been notable by their absence, although this does appear to be changing at least in some parts of England and Wales. With consumer confidence still low, there is a reluctance by many to enter the market while economic uncertainties remain. Even so, the pressure to move, whether for jobs or family reasons, will continue to build. As many surveys have shown, 'Middle England' feels squeezed. Little wonder then that the sales of semi-detached properties fell away by 8% over the last twelve months, compared to a 1% increase in the sale of detached homes.

The sense of difference not just between areas and regions but also between property types and income groups is growing. To explore part of this agenda, in the next section we look at the £1 million-plus property market and see how this is differentiated between Greater London and the remainder of England & Wales.

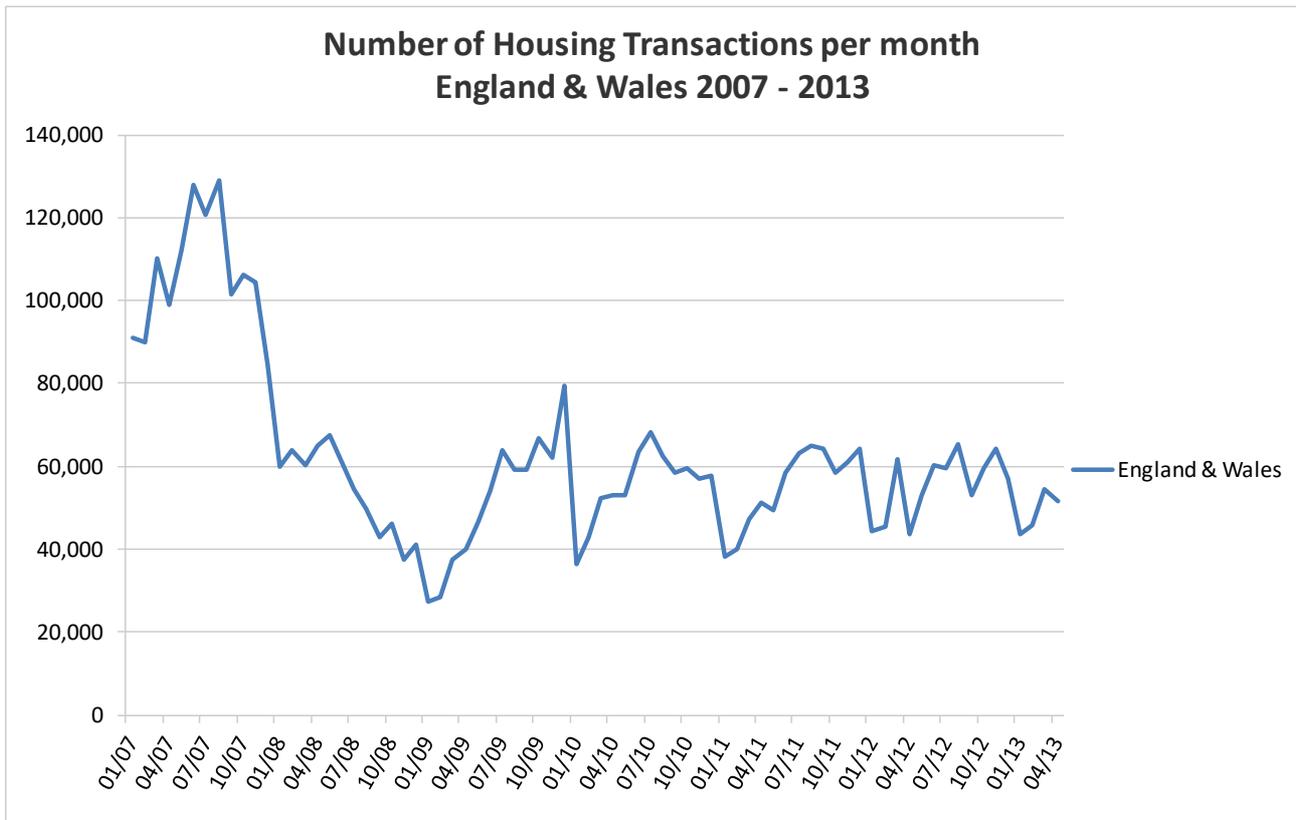


Figure 3. The number of housing transactions by month in England & Wales, 2006-2013 (not seasonally adjusted) [link to source Excel](#)

NOTES

1. LSL Acad E&W HPI is the only house price index to use:
 - the **actual** prices at which every property in England & Wales was transacted, including prices for properties bought with cash, using the factual Land Registry data as opposed to valuation estimates or asking prices
 - the price of **every** single relevant transaction, as opposed to prices based upon samples

LSL Acad E&W HPI is a price series as opposed to a value series.
2. the current month LSL Acad E&W HPI comprises a forecast of the LR outcome, using an academic “index of indices” model, pending release of sufficient real data from the Land Registry.
3. LSL Acad E&W HPI forecasts are progressively replaced with real data, until every transaction reported to the Land Registry has been recorded and we have provided our LSL Acad E&W HPI “ultimate” data. All LSL Acad E&W HPI numbers, published prior to receipt of all transaction data, are subject to change; in publishing precise numbers for a number of reasons, we do not claim precision.
4. the accuracy of our forecasts is shown monthly on the Acadametrics website www.acadametrics.co.uk in our “[Development of Forecasts](#)” and in our “[Comparison of Indices](#)”, which shows how each index, including the LSL Acad E&W HPI “forecast”, compares with the LSL Acad E&W HPI, once sufficient factual Land Registry data have replaced forecast data, to enable LSL Acad E&W HPI to approach the “ultimate” results.
5. the Acadametrics website enables comparisons of selected indices over selected timescales to be undertaken [here](#) with ease and provides historic results and other information.
6. Acadametrics is an independent privately owned consultancy working with Dr Stephen Satchell, Economics Fellow Trinity College Cambridge, and specialises in the assessment of risk in property and mortgage portfolios.
7. Acadametrics Prices and Transactions ([sample here](#)), which exclude any forecast element, underlie the LSL Acad E&W HPI data and are available upon subscription for organisations needing the factual month by month Land Registry prices, at county/London borough level by property type, for e.g. property portfolio valuation, planning and advisory purposes.



The £1 million plus housing market

Table 2. The number of properties sold in England & Wales having a value of £1 million or higher, 2010 - 2012

NUMBER OF PROPERTIES SOLD IN EXCESS OF £ 1 MILLION

ENGLAND & WALES, INCLUDING GREATER LONDON TOTAL

	£1 - £1.5 m	£1.5 - £2 m	> £2m	Total
Jan - Dec 2010	4,235	1,482	1,439	7,156
Jan - Dec 2011	4,073	1,525	1,630	7,228
Jan - Dec 2012	4,027	1,655	1,585	7,267

% Change 2010-11	-3.8%	2.9%	13.3%	1.0%
% Change 2011-12	-1.1%	8.5%	-2.8%	0.5%

GREATER LONDON TOTAL

	£1 - £1.5 m	£1.5 - £2 m	> £2m	Total
Jan - Dec 2010	2,336	961	1,077	4,374
Jan - Dec 2011	2,317	1,024	1,252	4,593
Jan - Dec 2012	2,432	1,131	1,292	4,855

% Change 2010-11	-0.8%	6.6%	16.2%	5.0%
% Change 2011-12	5.0%	10.4%	3.2%	5.7%

ENGLAND & WALES EXCLUDING GREATER LONDON

	£1 - £1.5 m	£1.5 - £2 m	> £2m	Total
Jan - Dec 2010	1,899	521	362	2,782
Jan - Dec 2011	1,756	501	378	2,635
Jan - Dec 2012	1,595	524	293	2,412

% Change 2010-11	-7.5%	-3.8%	4.4%	-5.3%
% Change 2011-12	-9.2%	4.6%	-22.5%	-8.5%

GREATER LONDON AS A PERCENTAGE OF ENGLAND & WALES

	£1 - £1.5 m	£1.5 - £2 m	> £2m	Total
Jan - Dec 2010	55%	65%	75%	61%
Jan - Dec 2011	57%	67%	77%	64%
Jan - Dec 2012	60%	68%	82%	67%

Source: Land Registry Data

duty on properties costing over £2 million was further increased to 7%. In 2011 the number of properties sold in England & Wales outside London declined by 150 units and there was a further decline of 220 units sold in 2012. This contrasts with Greater London where over the same period there was an increase of 220 and 260 properties sold in excess of £1 million.

In Greater London there appears to be a trend of purchasing more properties towards the higher priced end of the market. Looking at the change in the number of properties sold in 2012 over 2010, there was an increase of 96 sales in the £1 - £1.5 million price bracket; an increase of 170 sales in the £1.5 - £2 million price bracket; and an increase of 215 sales in the £2 million plus price bracket. Outside of London in 2010 the £2 million plus properties represented 13% of properties priced in excess of £1 million, but this had reduced to 12% in 2012.

Table 2 illustrates the number of properties sold in England & Wales as a whole for £1 million or higher, for the three years 2010 – 2012. The market for £1 million plus homes represents 1.1% of the total number of properties sold in each of the three years featured in the table.

Looking at the total figure for England & Wales, there does not appear to be much change in this market over the period, with a relatively small increase in annual transactions of 1.0% and 0.5%. This compares with a -0.5% decline and 0.8% rise in the total number of housing transactions in England & Wales over the same period.

However, as with our analysis of house prices, we find that the Greater London market has been behaving rather differently to the rest of the country. In London there has been an increase of 5.0% and 5.7% in the number of properties sold for £1 million or higher, whereas in the remainder of the country there has been a respective decline of -5.3% and -8.5% over the period. Of course part of this is the consequence of differential house price inflation.

It would appear that the market outside of London has been far more sensitive to changes in Stamp Duty than within London. On 6th April 2011 Stamp Duty on properties over £1 million was increased to 5% from 4%; and on 22nd March 2012 stamp



Given the above trends it is perhaps not surprising to see that over the period Greater London's share of the total £1 million plus market has increased from 61% to 67%, with a higher percentage share of 82% of the properties worth in excess of £2 million. Typically Greater London accounts for 15% of total property sales in England & Wales. The London £1 million plus market as a proportion of the total London market was 4.7% in 2010, 5.1% in 2011 and 5.2% in 2012.

If London is dominating this market it has also become the focus of attention for what is now termed the super rich. Recent reports such as the Smith Institute's *London for Sale*, the recent Knight Frank *London Residential Review* and the launch of Candy Global Prime Sector series on the 190,000 ultra-high-net-worth individuals with assets worth more than \$30 million show that the capital has a key global role. The question then is how much the super rich impact on the London housing market as a whole and ultimately on the market in England and Wales? In some respects it does not, but at the margins there is a connection as wealthy UK households are priced out of the most favoured streets.

Comparison of indices

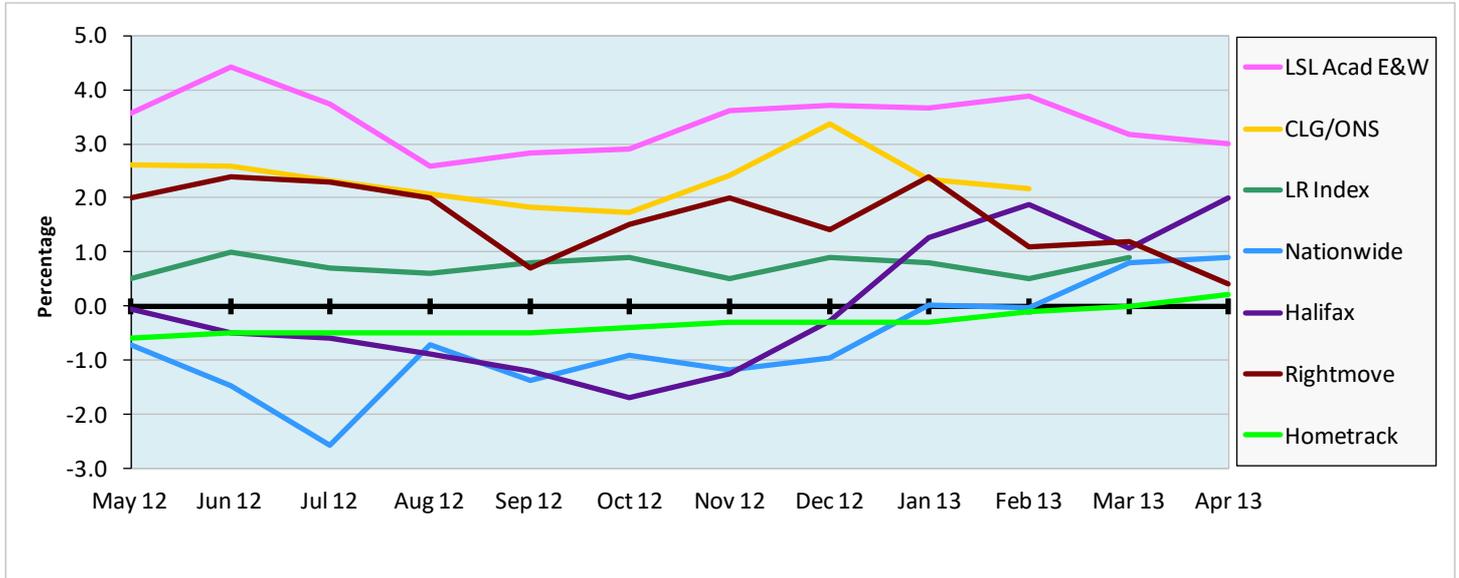


Figure 4. ANNUAL CHANGE IN HOUSE PRICES - COMPARISON OF INDICES CHART

[link to source Excel](#)

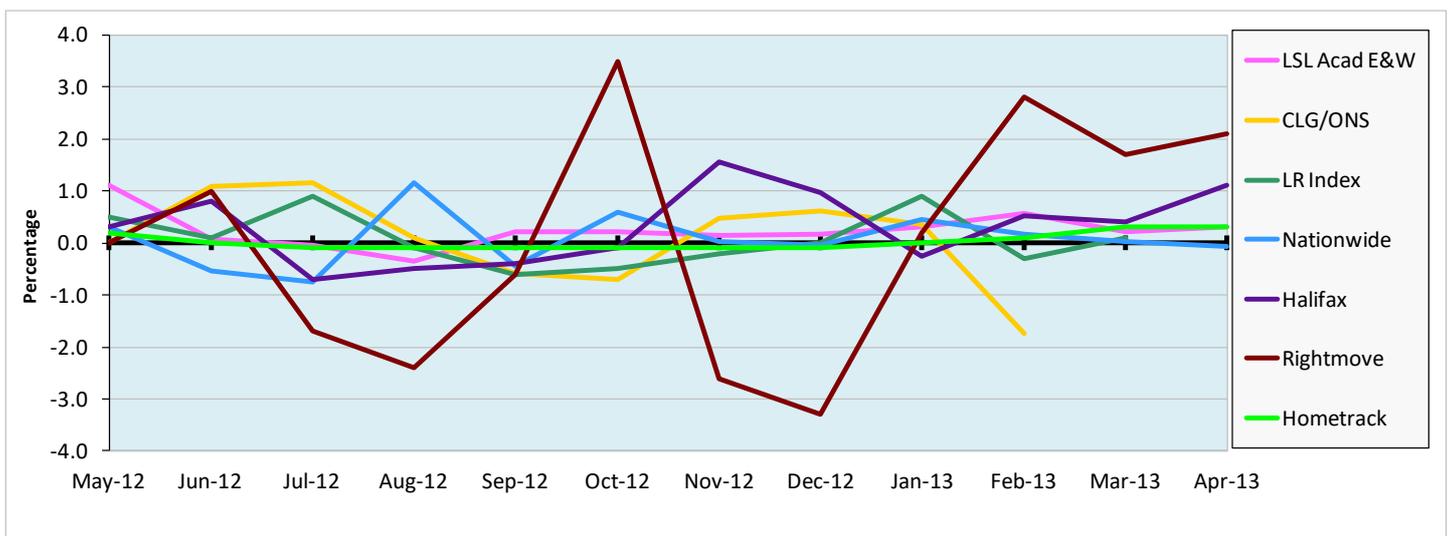


Figure 5. MONTHLY CHANGE IN HOUSE PRICES - COMPARISON OF INDICES CHART

[link to source Excel](#)



Greater London continues to dominate the housing market in terms of annual price change, with house price inflation over twice that of any other region of England & Wales. For the third month running, East Anglia takes second place and joins Greater London in being one of the only two regions in the country with annual price increases higher than the average for England & Wales as a whole. The region with the largest fall in annual house prices is the North, down 1.3% over the year, marginally below Wales where prices have fallen by 1.1%. This month we have four regions showing an increase in the annual price change compared to last month, and six regions showing a decrease in the rate of change. However as Figure 6 shows, there are only two regions this month where house price inflation is actually negative, compared to four regions last month.

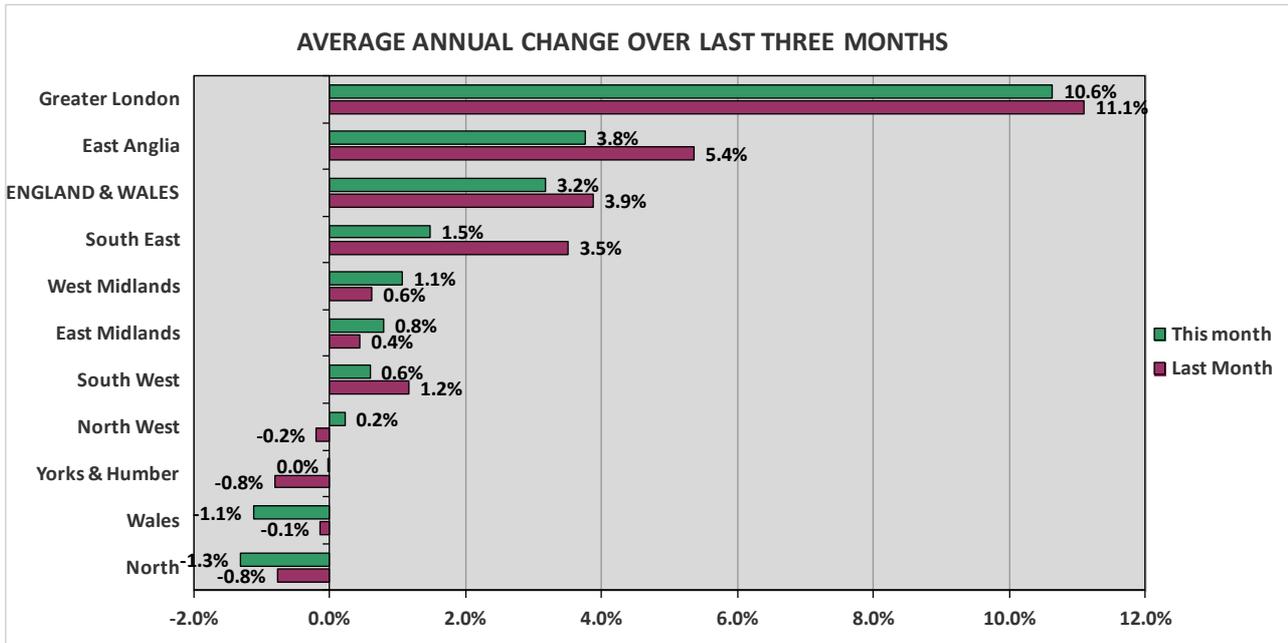


Figure 6. The annual change in the average house price, analysed by region

[link to source Excel](#)

ANNUAL CHANGE IN PRICE BY REGION

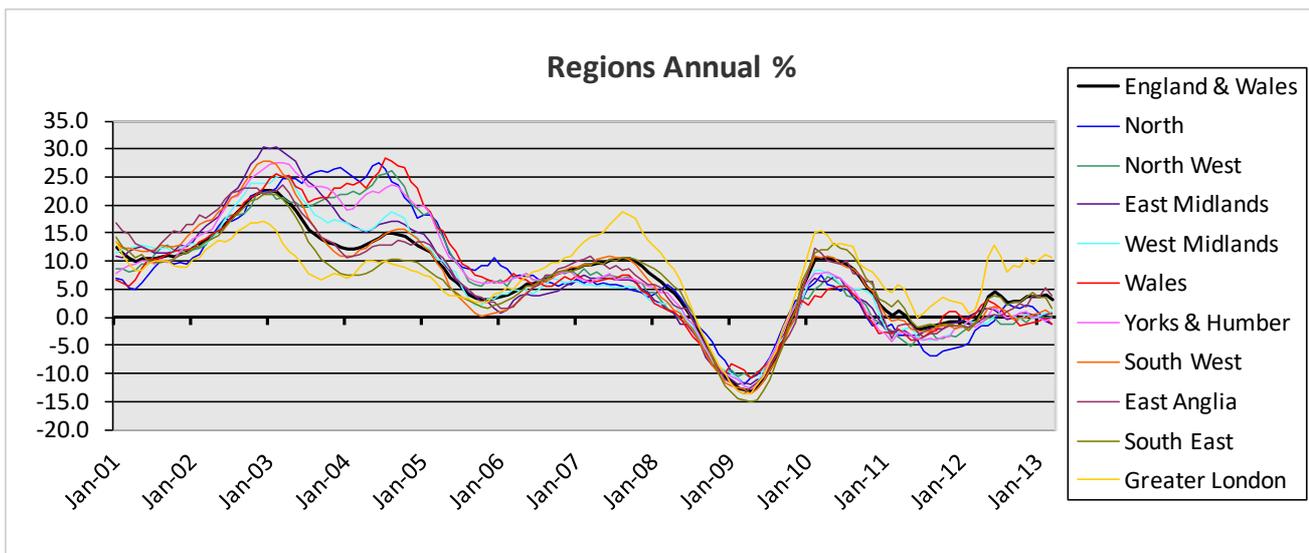


Figure 7. A comparison of the annual change in house prices, by region for the period January 2001 – March 2013

[link to source Excel](#)

Note that individual regions can be compared using our "National and Regional series from 1995 with Interactive Charts", linked from page 5 NOTE 5 above 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 3. The change in mix adjusted house prices, for the 33 London boroughs, comparing March 2012 with March 2013. [link to source Excel](#)

PRIOR YR RANK	RANK BY PRICE	LONDON BOROUGH	Mar-12	Mar-13	% Change
1	1	KENSINGTON AND CHELSEA	1,349,307	1,503,189	11.4%
2	2	CITY OF WESTMINSTER	908,821	1,260,125	38.7%
3	3	CAMDEN	732,484	852,918	16.4%
4	4	HAMMERSMITH AND FULHAM	654,965	731,217	11.6%
5	5	RICHMOND UPON THAMES	570,615	629,710	10.4%
7	6	CITY OF LONDON	503,549	623,518	23.8%
6	7	ISLINGTON	513,995	560,377	9.0%
8	8	WANDSWORTH	492,725	532,960	8.2%
9	9	BARNET	449,626	486,293	8.2%
10	10	HARINGEY	405,857	455,799	12.3%
13	11	LAMBETH	388,870	436,331	12.2%
12	12	MERTON	390,668	429,900	10.0%
14	13	HACKNEY	377,581	426,163	12.9%
15	14	EALING	370,815	411,475	11.0%
11	15	SOUTHWARK	395,840	405,253	2.4%
16	16	BRENT	360,771	400,258	10.9%
19	17	HOUNSLOW	346,988	379,280	9.3%
17	18	KINGSTON UPON THAMES	353,567	375,030	6.1%
18	19	TOWER HAMLETS	350,539	365,462	4.3%
20	20	HARROW	334,337	363,452	8.7%
21	21	BROMLEY	314,904	321,992	2.3%
24	22	GREENWICH	279,133	293,549	5.2%
25	23	ENFIELD	278,348	291,960	4.9%
23	24	HILLINGDON	284,987	290,927	2.1%
22	25	REDBRIDGE	286,061	285,018	-0.4%
26	26	LEWISHAM	264,400	281,468	6.5%
27	27	SUTTON	263,148	270,023	2.6%
28	28	CROYDON	244,306	257,703	5.5%
30	29	WALTHAM FOREST	234,980	252,688	7.5%
29	30	HAVERING	241,313	246,412	2.1%
32	31	BEXLEY	220,630	232,734	5.5%
31	32	NEWHAM	221,259	228,835	3.4%
33	33	BARKING AND DAGENHAM	177,392	184,269	3.9%
		ALL LONDON	399,990	442,495	10.6%

Table 3 above shows the average house price by London borough for March 2012 and March 2013, along with the percentage change over the year. As can be seen, prices have increased in 32 of the 33 London Boroughs, with only Redbridge showing a negative movement in its average price over the period. This month some 10 London Boroughs are experiencing peak prices, highlighted in grey above, as is Greater London as a whole. This gives a clear indication of the current buoyancy of the London market and the growing momentum in this market.

However, as previously reported on several occasions, it is the higher priced boroughs that are experiencing the largest growth in house prices. This month 10 boroughs have annual price increases greater than the average 10.6% for London as a whole, with all 10 being ranked in the top 16 boroughs in terms of price. The average increase in price of the top seventeen London boroughs in the above table is 12.9%, compared to an average of 4.4% for the bottom sixteen boroughs.

The three month period January 2013 to March 2013 has seen a 4% decrease in housing transactions in Greater London, compared to the same three months in 2012. During this period there has been a 16% increase in the sale of detached homes, but decreases in the sale of all other property types, with flats down 1%, terraces down 8% and semi-detached properties down 10%. We need to recall that stamp duty changes had an effect on purchases in March 2012, as the tax holiday for first time buyers on properties costing up to £250,000 was withdrawn on 24th March 2012 – this led to a flurry of purchase activity in March 2012, which was not repeated this year.

The largest increase in transactions in Q1 2013 compared to Q1 2012 was in Tower Hamlets, up 15%, with 100 more flats being sold than twelve months earlier. Tower Hamlets is followed by Barnet, up 11%, where all property types have seen an increase in the numbers being sold. Havering saw the largest fall in properties sold over the same period, with 100 fewer terraces being sold in Q1 2013 than Q1 2012. The average price of a terraced property in Havering is £220k, which suggests that the stamp duty holiday encouraged a large number of buyers to purchase a terraced property in 2012 in the borough, an experience not repeated in 2013.

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 2012 with March 2013 [link to source Excel](#)

PRIOR YR RANK	RANK BY PRICE	COUNTY / UNITARY AUTHORITY / REGION	Mar-12	Mar-13	Change
21	19	CAMBRIDGESHIRE	233,295	251,448	7.8%
81	80	CITY OF PETERBOROUGH	150,998	149,599	-0.9%
48	47	NORFOLK	180,220	187,266	3.9%
43	38	SUFFOLK	200,344	201,532	0.6%
		EAST ANGLIA	197,505	204,922	3.8%
89	86	CITY OF DERBY	134,885	144,863	7.4%
100	98	CITY OF NOTTINGHAM	115,219	119,631	3.8%
65	65	DERBYSHIRE	163,376	156,448	-4.2%
84	82	LEICESTER	135,315	138,235	2.2%
47	45	LEICESTERSHIRE	181,795	187,280	3.0%
71	72	LINCOLNSHIRE	152,875	149,543	-2.2%
52	51	NORTHAMPTONSHIRE	181,510	184,911	1.9%
68	68	NOTTINGHAMSHIRE	157,321	159,606	1.5%
9	9	RUTLAND	270,036	305,084	13.0%
		EAST MIDLANDS	161,719	162,998	0.8%
		GREATER LONDON	399,990	442,495	10.6%
61	53	CUMBRIA	168,646	162,378	-3.7%
90	91	DARLINGTON	144,881	144,350	-0.4%
97	93	DURHAM	119,653	117,519	-1.8%
101	97	HARTLEPOOL	118,143	118,135	0.0%
96	100	MIDDLESBROUGH	117,147	112,443	-4.0%
66	57	NORTHUMBERLAND	176,132	171,835	-2.4%
93	95	REDCAR AND CLEVELAND	124,417	127,499	2.5%
80	78	STOCKTON-ON-TEES	152,251	143,034	-6.1%
88	83	TYNE AND WEAR	139,305	141,351	1.5%
		NORTH	143,909	142,002	-1.3%
98	99	BLACKBURN WITH DARWEN	121,198	104,092	-14.1%
103	104	BLACKPOOL	101,967	97,131	-4.7%
38	41	CHESHIRE	203,147	215,727	6.2%
77	76	GREATER MANCHESTER	149,192	149,531	0.2%
91	90	HALTON	128,859	129,923	0.8%
79	81	LANCASHIRE	148,280	147,064	-0.8%
83	87	MERSEYSIDE	139,679	138,026	-1.2%
50	49	WARRINGTON	184,789	178,215	-3.6%
		NORTH WEST	152,233	152,569	0.2%
31	28	BEDFORDSHIRE	219,684	217,055	-1.2%
13	12	BRACKNELL FOREST	254,526	261,656	2.8%
11	10	BRIGHTON AND HOVE	277,867	288,556	3.8%
3	3	BUCKINGHAMSHIRE	354,920	356,432	0.4%
20	20	EAST SUSSEX	235,053	234,679	-0.2%
17	16	ESSEX	243,252	242,540	-0.3%
14	14	HAMPSHIRE	267,613	267,402	-0.1%
5	6	HERTFORDSHIRE	319,632	326,865	2.3%
42	44	ISLE OF WIGHT	194,951	185,295	-5.0%
22	18	KENT	232,117	235,622	1.5%
69	67	LUTON	160,080	155,324	-3.0%
62	59	MEDWAY	164,941	166,959	1.2%
39	32	MILTON KEYNES	209,400	208,890	-0.2%

Counties and unitary authorities



6	5	OXFORDSHIRE	322,259	314,158	-2.5%
60	61	PORTSMOUTH	162,556	166,431	2.4%
24	22	READING	222,225	232,856	4.8%
40	37	SLOUGH	208,240	210,039	0.9%
55	55	SOUTHAMPTON	173,615	168,214	-3.1%
36	42	SOUTHEND-ON-SEA	200,531	209,116	4.3%
2	2	SURREY	391,344	415,888	6.3%
54	50	THURROCK	177,111	181,122	2.3%
7	7	WEST BERKSHIRE	315,260	309,589	-1.8%
12	13	WEST SUSSEX	261,497	271,056	3.7%
1	1	WINDSOR AND MAIDENHEAD	460,167	452,391	-1.7%
4	4	WOKINGHAM	319,289	337,232	5.6%
		SOUTH EAST	268,508	272,481	1.5%
8	8	BATH AND NORTH EAST SOMERSET	286,442	303,475	5.9%
27	29	BOURNEMOUTH	198,026	190,899	-3.6%
35	26	CITY OF BRISTOL	214,578	222,062	3.5%
70	71	CITY OF PLYMOUTH	160,595	155,296	-3.3%
29	25	CORNWALL	229,105	222,476	-2.9%
18	21	DEVON	231,070	230,258	-0.4%
15	15	DORSET	261,330	267,736	2.5%
19	24	GLOUCESTERSHIRE	230,384	234,085	1.6%
30	27	NORTH SOMERSET	206,798	216,637	4.8%
10	11	POOLE	259,872	266,565	2.6%
34	34	SOMERSET	204,752	212,327	3.7%
33	35	SOUTH GLOUCESTERSHIRE	209,018	209,293	0.1%
58	60	SWINDON	175,915	166,088	-5.6%
49	48	TORBAY	175,328	179,511	2.4%
16	17	WILTSHIRE	241,986	237,041	-2.0%
		SOUTH WEST	221,951	223,258	0.6%
108	108	BLAENAU GWENT	78,802	82,240	4.4%
86	89	BRIDGEND	138,247	136,903	-1.0%
95	96	CAERPHILLY	122,637	115,919	-5.5%
45	46	CARDIFF	184,086	191,872	4.2%
85	88	CARMARTHENSHIRE	136,910	141,254	3.2%
46	54	CEREDIGION	180,579	166,362	-7.9%
63	63	CONWY	156,029	153,628	-1.5%
82	84	DENBIGHSHIRE	149,040	139,777	-6.2%
72	64	FLINTSHIRE	155,178	150,289	-3.2%
64	79	GWYNEDD	157,292	152,349	-3.1%
56	66	ISLE OF ANGLESEY	156,259	161,901	3.6%
107	106	MERTHYR TYDFIL	95,761	102,477	7.0%
23	23	MONMOUTHSHIRE	228,145	216,862	-4.9%
102	103	NEATH PORT TALBOT	109,686	107,147	-2.3%
74	69	NEWPORT	143,624	151,325	5.4%
53	56	PEMBROKESHIRE	168,011	166,645	-0.8%
51	52	POWYS	172,002	176,924	2.9%
104	102	RHONDDA CYNON TAFF	108,509	105,088	-3.2%
76	74	SWANSEA	153,550	146,331	-4.7%
32	36	THE VALE OF GLAMORGAN	214,606	204,655	-4.6%
92	94	TORFAEN	132,911	124,490	-6.3%
67	75	WREXHAM	158,157	155,515	-1.7%
		WALES	153,515	151,780	-1.1%
28	31	HEREFORDSHIRE	210,880	210,160	-0.3%



41	43	SHROPSHIRE	200,329	197,715	-1.3%
57	58	STAFFORDSHIRE	170,152	168,317	-1.1%
105	107	STOKE-ON-TRENT	95,537	97,228	1.8%
26	30	WARWICKSHIRE	220,871	221,349	0.2%
73	70	WEST MIDLANDS	149,639	154,575	3.3%
37	39	WORCESTERSHIRE	206,109	206,464	0.2%
78	77	WREKIN	149,006	147,622	-0.9%
		WEST MIDLANDS	170,301	172,121	1.1%
106	105	CITY OF KINGSTON UPON HULL	96,699	101,681	5.2%
59	62	EAST RIDING OF YORKSHIRE	160,990	164,841	2.4%
99	101	NORTH EAST LINCOLNSHIRE	111,911	117,046	4.6%
94	92	NORTH LINCOLNSHIRE	127,578	124,113	-2.7%
25	33	NORTH YORKSHIRE	210,526	219,429	4.2%
87	85	SOUTH YORKSHIRE	139,992	138,033	-1.4%
75	73	WEST YORKSHIRE	149,443	147,175	-1.5%
44	40	YORK	208,643	201,393	-3.5%
		YORKS & HUMBER	153,495	153,487	0.0%
		ALL ENGLAND & WALES	223,378	230,463	3.2%

The Table above shows the average house prices for each of the 108 unitary authorities and counties in England & Wales, together with a regional summary for March 2012 and March 2013; it records the annual change in these prices over the year. This month we have four unitary authority areas and counties reaching a new peak price (last month there were similarly four), being Brighton & Hove, Cambridgeshire, the City of Bristol and Wokingham. We perhaps should also mention Southend-on-Sea, where the average price is currently only £200 off its previous peak.

The unitary authority with the highest rise in prices over the year is Rutland, up some 13.0%, although low transaction volumes in the area tend to produce high volatility in terms of the percentage change in price. The next highest increase in prices is to be found in Cambridgeshire, up 7.8%, where the local economy is reaping the benefits of its close links to the University. The unitary authority with the largest fall in prices over the year is Blackburn with Darwen, in the heart of the North West region, which is down 14.1%.

Over the year from March 2012 to March 2013, 53 unitary authorities have seen prices rise, while 55 have seen prices fall. Outside of Greater London there is a complete division between areas witnessing price rises and those seeing price falls.

Looking at transactions for the period Q1 2013, compared with Q1 2012, there has been an overall 4% decline in sales in England & Wales. The largest rise in transactions over this period was seen in Merseyside, where sales increased by 267 properties, followed by Norfolk with a more modest increase of 90 additional sales compared to the previous year. The largest decline in sales between Q1 2012 and Q1 2013 was seen in Hertfordshire, where sales of terraced and semi-detached properties have fallen by 120 homes apiece.

Regional data table



Table 5. Average house prices by region, April 2012 – April 2013, with monthly and annual % growth

[link to source Excel](#)

	North			North West			East Midlands			West Midlands		
	Av HP	%monthly	%annual	Av HP	%monthly	%annual	Av HP	%monthly	%annual	Av HP	%monthly	%annual
Apr-12	£143,210	-0.5	-1.6	£150,891	-0.9	-0.9	£161,559	-0.1	1.2	£168,951	-0.8	-1.3
May-12	£141,927	-0.9	-1.6	£150,218	-0.4	-0.2	£160,949	-0.4	1.5	£169,544	0.4	-0.8
Jun-12	£141,170	-0.5	-0.8	£151,134	0.6	0.0	£161,307	0.2	1.2	£169,921	0.2	0.3
Jul-12	£140,782	-0.3	1.1	£150,701	-0.3	-1.3	£160,519	-0.5	0.4	£169,932	0.0	0.8
Aug-12	£140,681	-0.1	2.4	£151,600	0.6	-1.2	£159,672	-0.5	-0.4	£169,560	-0.2	-0.1
Sep-12	£140,384	-0.2	1.8	£150,792	-0.5	-1.2	£160,240	0.4	0.0	£169,576	0.0	0.0
Oct-12	£141,630	0.9	1.5	£151,651	0.6	-0.2	£161,011	0.5	0.6	£170,004	0.3	-0.4
Nov-12	£141,640	0.0	2.1	£149,871	-1.2	-0.9	£161,527	0.3	0.7	£169,873	-0.1	0.4
Dec-12	£140,551	-0.8	1.9	£150,095	0.1	0.0	£160,879	-0.4	0.6	£170,361	0.3	-0.1
Jan-13	£139,830	-0.5	0.7	£150,629	0.4	0.1	£161,078	0.1	0.3	£171,162	0.5	0.2
Feb-13	£140,499	0.5	-0.8	£151,784	0.8	-0.2	£162,306	0.8	0.4	£172,264	0.6	0.6
Mar-13	£142,002	1.1	-1.3	£152,569	0.5	0.2	£162,998	0.4	0.8	£172,121	-0.1	1.1

	Wales			Yorks & Humber			South West			East Anglia		
	Av HP	%monthly	%annual	Av HP	%monthly	%annual	Av HP	%monthly	%annual	Av HP	%monthly	%annual
Apr-12	£153,856	0.2	2.1	£154,552	0.7	-0.9	£222,902	0.4	-0.5	£198,705	0.6	-0.5
May-12	£153,448	-0.3	3.1	£154,644	0.1	0.3	£225,575	1.2	1.6	£200,259	0.8	0.1
Jun-12	£152,791	-0.4	2.5	£155,584	0.6	1.8	£224,712	-0.4	1.9	£199,095	-0.6	0.5
Jul-12	£152,106	-0.4	1.5	£154,071	-1.0	0.8	£223,723	-0.4	1.4	£198,183	-0.5	0.1
Aug-12	£151,441	-0.4	-0.2	£154,151	0.1	0.0	£223,299	-0.2	1.1	£200,249	1.0	1.0
Sep-12	£152,045	0.4	0.0	£154,336	0.1	0.3	£221,370	-0.9	-0.4	£201,243	0.5	1.5
Oct-12	£152,688	0.4	-1.5	£154,250	-0.1	0.7	£221,921	0.2	-0.2	£202,531	0.6	2.3
Nov-12	£152,483	-0.1	-1.4	£154,194	0.0	1.0	£220,714	-0.5	-0.1	£200,199	-1.2	1.8
Dec-12	£152,130	-0.2	-1.0	£153,638	-0.4	-0.1	£222,952	1.0	0.6	£202,843	1.3	3.8
Jan-13	£151,199	-0.6	-0.6	£153,870	0.2	-0.1	£223,009	0.0	0.6	£202,401	-0.2	3.5
Feb-13	£152,064	0.6	-0.1	£153,441	-0.3	-0.8	£224,031	0.5	1.2	£205,597	1.6	5.4
Mar-13	£151,780	-0.2	-1.1	£153,487	0.0	0.0	£223,258	-0.3	0.6	£204,922	-0.3	3.8

	South East			Greater London			ENGLAND & WALES			
	Av HP	%monthly	%annual	Av HP	%monthly	%annual	Av HP	%monthly	%annual	
Apr-12	£269,228	0.3	0.6	£407,276	1.8	4.6		£224,444	0.5	1.0
May-12	£272,448	1.2	3.3	£418,965	2.9	10.5		£226,921	1.1	3.6
Jun-12	£271,687	-0.3	3.8	£421,251	0.5	12.7		£227,082	0.1	4.4
Jul-12	£272,619	0.3	3.4	£422,488	0.3	11.0		£227,005	0.0	3.7
Aug-12	£271,173	-0.5	2.2	£418,978	-0.8	8.0		£226,225	-0.3	2.6
Sep-12	£270,872	-0.1	2.6	£424,727	1.4	9.1		£226,735	0.2	2.8
Oct-12	£270,463	-0.2	2.7	£426,162	0.3	8.8		£227,238	0.2	2.9
Nov-12	£270,433	0.0	3.6	£431,842	1.3	10.6		£227,552	0.1	3.6
Dec-12	£271,740	0.5	4.3	£430,509	-0.3	9.6		£227,927	0.2	3.7
Jan-13	£271,662	0.0	3.5	£435,580	1.2	10.5		£228,644	0.3	3.7
Feb-13	£273,020	0.5	3.5	£438,479	0.7	11.1		£229,968	0.6	3.9
Mar-13	£272,481	-0.2	1.5	£442,495	0.9	10.6		£230,463	0.2	3.2
Apr-13								£231,170	0.3	3.0



1. LSL Acad E&W HPI is derived from Land Registry (LR) house price data, seasonally and mix adjusted by property type. © Crown copyright material reproduced with the permission of Land Registry. The prices are smoothed to show underlying trends. LSL Acad E&W HPI includes cash purchase prices and is the only index based upon the **complete, factual**, house price data for England & Wales, as opposed to a sample.
2. most indices employ data available to the provider as result of its business; index methodologies are designed to exploit the advantages and overcome the disadvantages of each particular dataset; a valuation series (whether the values are professionally estimated at e.g. time of mortgage offer or by an estate agent) is not the same as a price series; price series (LSL Acad E&W HPI, CLG/ONS and LR) can be prepared only when the prices at which properties have been transacted have been recorded at LR (LSL Acad E&W HPI and LR) or when firm prices at mortgage completion (CLG/ONS) have been made available by lenders; valuation series can be prepared whenever the data e.g. asking or mortgage offer prices 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. LR overcomes the delay in availability of full LR transaction data by using only the prices of properties for which two prices are recorded at LR and the published American Case Shiller methodology, developed to prepare indices for metropolitan districts, since the USA lacks a central Land Registry. LSL Acad E&W HPI overcomes the above delay with an “index of indices” forecasting model, purpose developed by Dr Stephen Satchell Economics Fellow Trinity College Cambridge and Dr George Christodoulakis, then at the Sir John Cass Business School; of the price series, LSL Acad E&W HPI, LR and CLG/ONS are published in that order.
3. LSL Acad E&W HPI provides prices at national and regional level to 1995 and, at county/London borough level, to 2000; back-cast national prices for graphing are available to 1987.
4. at **national** level, only some 60,000 monthly transactions now occur compared with at least 100,000 in past markets. For any given month, c.38% (20,000) of these will be reported to LR by month end. When monthly sales were c.100,000, we found that using the initial 15,000 transactions then reported to LR, introduced volatility into our first LSL Acad E&W HPI result. Rather than rely upon a small sample, likely to be unrepresentative, LSL Acad E&W HPI therefore employs the above “index of indices”, and a series of auto regression and averaging models. After the elapse of one month, LR provides c.88% of the transactions for the prior month, used to replace the initial LSL Acad E&W HPI “forecast” with a first LSL Acad E&W HPI “updated” result. Two months after any given month, LR provides c.96% of the month’s transactions, sufficient to enable us to describe our next update as an LSL Acad E&W HPI “final” index, closely approximating the LSL Acad E&W HPI “ultimate” results; LSL Acad E&W HPI “ultimate” includes the price of virtually every single LR transaction for the month, smoothed, seasonally and mix adjusted; the LSL Acad E&W HPI “updated” now uses c.37,000 real transactions for the month (as well as, by smoothing, c.40,000 transactions for the prior month); only CLG/ONS with, this year, 28,000 mortgage completions (and the Rightmove asking price index) have specified comparable data volumes; lender index data volumes are not quantified; the Halifax HPI employs three month smoothing for annual change results but not for other results; Hometrack provides survey data and specifies that theirs is a survey, not an index; current results are showing a divide between indices with more, and indices with less, data volumes.
5. in each of the 10 **regions**, an average of only some 6,000 transactions now occur monthly; hence, we wait one month, pending receipt from LR of the c.88% sample and provide monthly results one month in arrears of the most recent month. In our Regional data table, **red** data represent LSL Acad E&W HPI “forecast” results, **blue** data represent LSL Acad E&W HPI “updated” results and black data represent the LSL Acad E&W HPI “final” index.
6. at **county and London borough** levels, c.60,000 national monthly transactions, spread over 10 regions and 108 counties and 33 London boroughs, provide an average of only c.425 house prices monthly within each sub-district. Even delayed one and smoothed over three months, LSL Acad E&W HPI is indicative until we are able to publish the LSL Acad E&W HPI “final” index using the LR 96% sample. LSL Acad E&W HPI data are calculated on a consistent basis from county and London borough through to region and ultimately to national level; at every level, the current month price represents the average of the prices for the current month and for the prior and subsequent months (“three month, centre month smoothed”). LR employs a “four month, end month smoothed”, process for county/London borough data, but not for national and regional results.
7. **data limitations** are not confined to volumes. LSL Acad E&W HPI and the LR index are unable to distinguish between 3, 4 or 5 bedroom houses or between those with 2, 1 or even no bathroom; the lender hedonic indices and the CLG/ONS mix adjusted index do so. LR data 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; some feel that auction prices represent true market prices; others believe that the repossession price of a recent new build flat in Manchester is not (at least not yet) reflected in the price of a flat in an upmarket area.
8. LSL Acad E&W HPI is prepared from Land Registry data using a methodology designed to provide a “true measure of house price inflation”; Acadametrics does not guarantee the accuracy of the LSL Acad E&W HPI results and Acadametrics shall not 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; LSL Acad E&W HPI is freely provided for publication with due attribution to Acadametrics. Permission is required for any commercial use of the data.
9. The monthly, smoothed, average Land Registry prices at regional, county and London borough level by property type, which underlie LSL Acad E&W HPI, together with historic data are available from Acadametrics as in page 5 NOTE 7 above.
10. LSL Acad E&W HPI was published under the name FTHPI from September 2003 until December 2009.

information@acadametrics.co.uk

© Acadametrics Limited