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February 2016

## House price growth doubles after boom in buy-to-let sales

- Average property prices jump 0.8% (£2,277) on a monthly basis in February – double the rise seen in January
- Demand from landlords and second-home buyers contribute to a surge in homes sales, up 12% month-on-month
- Strongest sales in Sandbanks, with property purchases in Poole up 21% year-on-year due to demand for luxury flats
- London house prices rise £36,903 (6.8%) in the past year, exceeding the average Londoner's £35,333 annual salary
- Hull's house prices up 0.9% in a month to hit new record of £111,409, boosted by new jobs and City of Culture status

House Price	Index	Monthly Change %	Annual Change %	Annual Change % (excluding London & SE)
£289,229	284.4	0.8	6.2	4.6

**Adrian Gill, director of Reeds Rains and Your Move estate agents, comments:** "House prices flew forwards in February, with the average home value in England and Wales increasing 0.8% (£2,277) during the month, equal to an average increase of £79 each day. This is double the 0.4% monthly growth seen in January, which could be as a result of buy to let investors rushing to complete quickly to avoid April's additional 3% Stamp Duty surcharge, which has also seen sales shoot up 11.8% since January. February's house price growth is fantastic news for homeowners, particularly those considering cashing in on the additional demand and making the most of this sellers' market. Typical property values are now £16,866 (6.2%) higher year-on-year; the fastest annual growth rate seen in eleven months, driven by the gulf in the number of aspiring home buyers, compared to the limited supply of homes for sale.

"The East of England is outranking the capital with the fastest growing property prices of all regions, with a 7.2% uplift in the last twelve months. This pace is being fuelled by commuter towns, as London's workers search for more affordable housing. The trend towards higher house price growth in cheaper areas can also be seen elsewhere. While house prices in Yorkshire and Humberside have remained flat on a monthly basis, property values in the City of Kingston upon Hull have hit a new record of £111,409, up 0.9% compared to the previous month, as the city has one of the lowest average home values in the country. The upswing in Hull's home values is due to the increase in new jobs resulting in more demand, with major firms including Samsung lifting employment in the city. Recently winning City of Culture 2017 may have provided an additional boost to demand for property within the city, as the pickup in tourism supports the local economy as a result of the award.

"In London, house prices have climbed 6.8% year-on-year, to reach £582,783. This rapid escalation means that the typical home in the capital is now worth £36,903 more than twelve months ago, exceeding the Londoner's median gross annual earnings of £35,333. Most of this jump in house prices again occurred in more affordable areas, with property values in the cheapest third of London boroughs going up 14.5% in the last twelve months. Despite the upswing in the capital's overall property values, sales have slipped 4.6% in the three months November 2015 – January 2016, compared to the same three months one year earlier. This is largely due to a lack of homes for sale combined with more caution at the top of the market, rather than a general decline in demand.

"In fact due to the impending stamp duty hike, home sales have surged in February across England and Wales as a whole, with total home sales up 9.3% compared to the same month last year. The biggest boost in property purchases of any region has been in Poole, with a 21% upswing in sales. Luxury flats with views over Poole Harbour and Sandbanks have seen the biggest growth, as wealthy buyers seek to avoid the additional stamp duty surcharge which will apply to second-homes, as well as buy-to-lets. Property prices have also risen as a result, up 11.6% over the year, as affluent buyers place a premium on luxury homes by the sea."

**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.

# House price index: historical data



Table 1. Average House Prices in England & Wales for the period February 2015 – February 2016

[link to source Excel](#)

		House Price	Index	Monthly Change %	Annual Change %
February	2015	£272,363	267.9	0.4	7.2
March	2015	£272,899	268.3	0.2	6.3
April	2015	£273,726	269.2	0.3	6.0
May	2015	£274,919	270.3	0.4	5.3
June	2015	£276,685	272.2	0.6	4.9
July	2015	£277,849	273.3	0.4	4.7
August	2015	£280,826	276.3	1.1	5.0
September	2015	£282,732	278.1	0.7	5.1
October	2015	£285,156	280.5	0.9	5.6
November	2015	£285,013	280.3	0.0	5.6
December	2015	£285,930	281.2	0.3	5.9
January	2016	£286,952	282.2	0.4	5.8
February	2016	£289,229	284.4	0.8	6.2

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

## House prices

House prices in February 2016 rose strongly to a new high of £289,229, up by an average £2,277, or 0.8%. On an annual basis, prices are £16,866, or 6.2% higher than a year earlier. This is the highest annual rate since March 2015, indicating that there is mounting pressure on house prices as we enter 2016, despite the reports from RICS that the supply of homes coming onto the market is slowly improving.

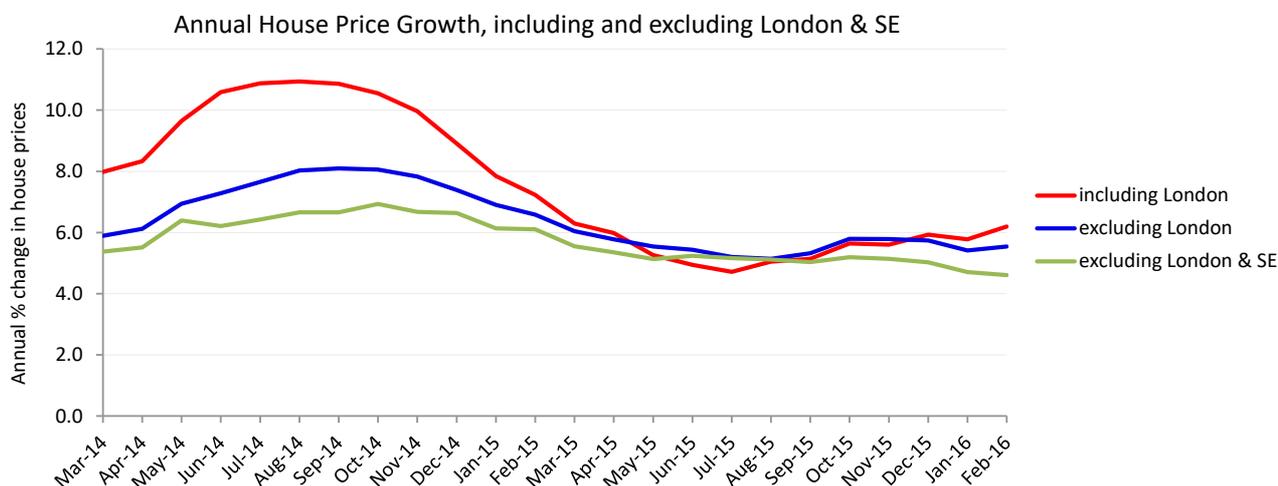


Figure 1. The Annual Rate of House Price Growth in England & Wales by month March 2014 – February 2016, including and excluding London and the South East [link to source Excel](#)

Figure 1 shows the annual rates of house price inflation over the last two years, both for England & Wales as a whole, as well as with London and the South East excluded from the calculations. As can be seen, there appears to have been a levelling off of house price inflation over the last eight months, especially noticeable if one excludes London, with the direction of travel still being downwards when we exclude both London and the South East.

Considerable uncertainty seems to exist as to the movement of house prices over the next six months. On the one hand the market continues to experience low interest rates and rising disposable incomes, which supports the case that demand for housing will remain strong, but this is offset by concerns that the new stamp duty surcharge on second homes and buy-to-let properties will have a negative effect on property sales. In addition, there are uncertainties as to how the market might react to Brexit, should that be the outcome of the referendum on 23rd June. It is therefore not surprising to find that the Bank of England “Forecasts for the UK economy, a comparison of independent forecasts”, published in February 2016, is showing house price predictions for the year ranging from 2.0% (Capital Economics) to 12.8% (Nomura), with the OBR predicting 6.2%, i.e. the same rate as is currently being experienced.

## The Housing Market

The publication of the latest *English Housing Survey* report for 2014/15 in mid-February - showing that for the first year since 2003 the level of home ownership did not fall - led to much comment from Ministers and the media about turning around the housing market. Clearly it was good news, but the underlying data do show the scale of the challenge. Looking at mortgaged home owners (Table 2) below, we can see the scale of the decline over the period 2003 to 2015 in the estimated number of households recorded in that year as buying with a mortgage. The only age group to show an increase over this longer period is for households headed by a person 65 years old or older.

Table 2 Trends in the numbers of households buying a home with a mortgage by age of household head, 2003/4 to 2014/15

Buying with a mortgage	2003/4 number (000s)	2003/4 percent	2014/15 number(000s)	2014/15 percent	Change 03/04 to 14/15 (000s)
16-24 years old	160	23	60	7.7	-100 or 62.5%
24-34	1,753	55.6	1,106	34	-647 or 37%
35-44	2,927	68.2	2,092	52.6	-835 or 29%
45-54	2,461	62.5	2,261	49.9	-200 or 8%
55-64	1,243	34.7	1,007	28.3	-236 or 19%
65 plus	299	5.9	322	5.0	+ 23 or 8%

Source: English housing survey 2014/15 DCLG



The government is rightly working hard to counteract these long term falls, and much now turns on the strength of the economic recovery being sustained, leading to strong wage growth and improved buying capacity. The likelihood that interest rates will stay lower longer is key to this, but if house prices surge ahead of increased supply and first time buying power, then the problems will remain. The government is hoping its policy changes will dampen some of the demand from investors, but with few alternatives to those looking to enhance their retirement income it would be reasonable to suggest that the private rental market will continue to grow. It was apparent from the evidence given by Sir Jon Cunliffe, Deputy Governor for Financial Stability for the Bank of England at the House of Lord’s Economic Committee hearing on 2nd March that the Bank did not see itself as focussing on the housing market - its concerns were with economic and financial stability. The Bank would highlight the risks posed by the housing market, but housing policy was for the government.

The next Budget is due on the 16th March 2016. It is hard to imagine there will not be further housing-related announcements, although there are still a string of policies being introduced – Help to Buy London, the still-to-be-settled Starter Homes policy, and the new planned boost to shared ownership. As this indicates, the government is putting a lot of effort into what are termed ‘intermediate’ ownership programmes, aimed at bridging the at times yawning gap between owning and renting. It is difficult to estimate the scale of the gap, but government has talked about 1 million would-be owners, and has set this number as its policy objective for the current Parliament – an additional 1 million owners. Table 2 above gives a clear sense of the scale of the challenge, and the strengthening housing market adds to that.

## Housing Transactions

We estimate that the number of housing transactions in England & Wales for the month of February 2016, as recorded by the Land Registry, will total some 64,000. This total is 6,750 transactions higher than in January, an increase of 11.8%, compared to a typical increase of 2.9%, being the seasonal effect for the time of year. The level of sales is also 9.3% higher than the same month in 2015. Both of these statistics indicate that the market in February 2016 is busier than usual, which is almost certainly due to an upswing in sales ahead of the introduction of the 3% surcharge in stamp duty on second homes and buy-to-let properties to be introduced on April 1st. We anticipate that sales in March will be similarly above expectations for the time of year to beat this tax deadline, and will then probably level off reflecting sales brought forward.

Figure 2 below shows the number of housing transactions per month for the period Jan 2013 – Feb 2016, as recorded by the Land Registry. The transaction numbers are not seasonally adjusted. The graph demonstrates that sales in 2016 started at a level below those in 2014, but have subsequently climbed to 2014 levels, assisted by the desire of investor purchasers to exchange housing contracts prior to the introduction of the new tax in April. We therefore expect sales in March 2016 to be at a higher level than in March 2014 & 2015, but then return to the levels seen in 2015.

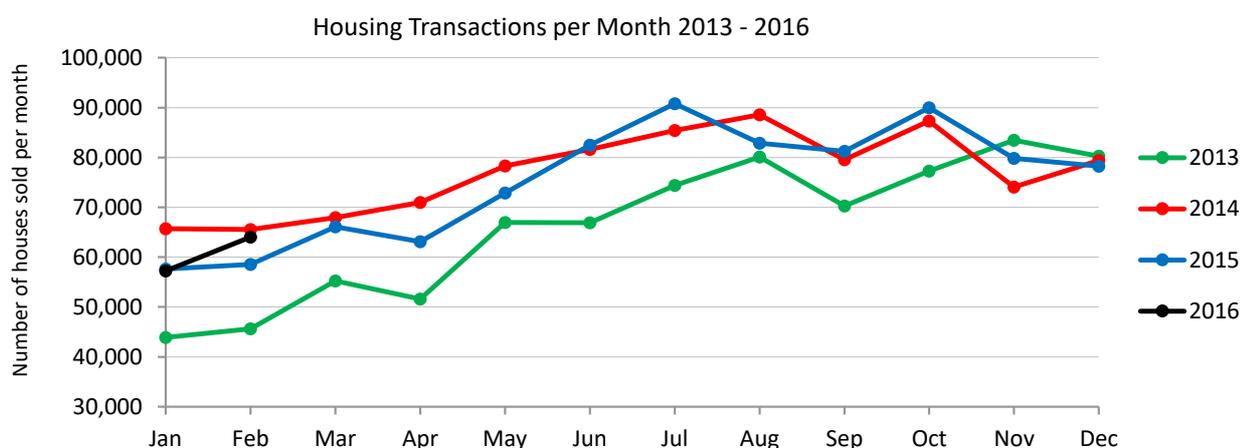


Figure 2. Number of properties sold per month in England & Wales, January 2013 – February 2016. Source Land Registry & Acadata estimates. The totals shown have not been seasonally adjusted. [link to source Excel](#)

The CML has recently reported on the characteristics of the home lending market for Q4 2015. We summarize its results in Table 3 below. The Table shows that the fastest growing category of home purchaser is the buy-to-let landlord, with



the number of loans taken out to purchase a property up 17.9% between Q4 2014 and Q4 2015. However, the number of buy-to-let landlords is relatively small compared to the other two categories, a statistic that is frequently overlooked.

The growth in the number of loans to both home owners and first time buyers is closely matched at 8.5% and 8.2% respectively. In terms of market share, buy-to-let landlords have increased by 0.8%, at the expense of both first time buyers, down 0.3% and home movers, down 0.5%.

Table 3: Analysis of the number of loans taken out by home purchasers in Q4 2015 compared to Q4 2014.

[link to source Excel](#)

Analysis of Buyer	Number of loans			Market share	
	Q4 2015	Q4 2014	% Change	Q4 2015	Q4 2014
Home Owners	189,100	174,300	8.5	61.4%	61.9%
First-time Buyers	87,100	80,500	8.2	28.3%	28.6%
Buy to Let	31,600	26,800	17.9	10.3%	9.5%
All Loans	307,800	281,600	9.3	100.0%	100.0%

Source: CML

## CHANGE IN MIX ADJUSTMENT

This month we have changed the basis of the mix adjustment that we use to calculate the average house price for England & Wales. It is the House Price Index equivalent of changing the basket of goods that comprise the calculations for the Retail Price Index. The purpose in changing the mix is to ensure that our average prices continue to reflect current market mix behaviour. It is our intention to change this mix on an annual basis, which we last did in March 2015.

Over the last year the Acadata 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 England & Wales between January 2011 and December 2014, some 3.0 million 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.

This month we have recalculated these weights to reflect the number of transactions that took place in England & Wales between January 2012 and December 2015, i.e. one year later, some 3.3 million in number. We summarise the differences in the weightings in Tables 4, 5 & 6 below. We have subsequently recalculated all our various house price series on the basis of the new weightings, which has had the effect of decreasing the average house price in December 2015 by £4,150.

## Average House Prices 2005 - 2015

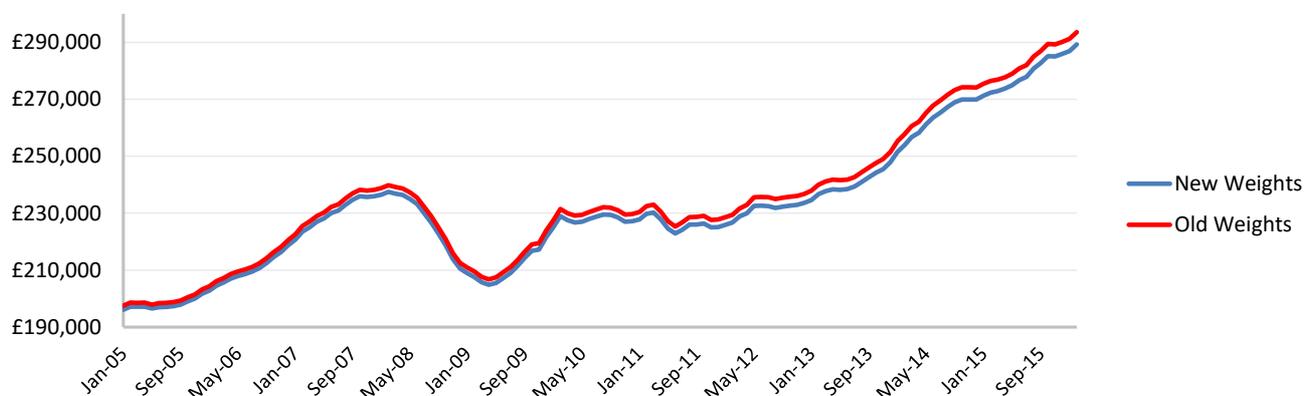


Figure 3. Average House Prices in England & Wales, 2005-2015, comparing values using new & old weights

[link to source Excel](#)

As can be seen from Figure 3, 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 entire period associated with the new weightings.



Overall, the new weights reduce average prices by between £1,400 and £4,300 compared to the old weights, with the more recent observations showing the larger differences.

The increase in the market share of flats and detached properties, at the expense of semi-detached properties, is one of the major changes that has taken place over the last year. A comparison of the property composition of the change in weights is given below (Table 4).

Table 4. The change in the LSL Acadata England & Wales HPI weights 2015 vs 2014 by property type

[link to source Excel](#)

% MARKET SHARE OF PROPERTY SALES			
TYPE OF PROPERTY	New weights	Old weights	change
DETACHED	24.6%	24.3%	+0.3%
SEMI-DETACHED	26.8%	27.3%	-0.5%
TERRACED	29.4%	29.4%	0.0%
FLATS	19.2%	19.0%	+0.2%
ALL PROPERTY TYPES	100.0%	100.0%	0.0%

As can be seen, the market share of flats and detached properties in the England & Wales housing market has increased over the period by 0.5%, with a 0.5% decline in the market share of semi-detached properties.

Within Greater London, as for all the other regions, we have also updated the weightings to take account of the changes in the market share of the differing property types.

Table 5. The change in the LSL Acadata HPI weights for Greater London 2015 vs 2014 by property type

[link to source Excel](#)

% MARKET SHARE OF PROPERTY SALES			
LONDON TYPE OF PROPERTY	New weights	Old weights	change
DETACHED	4.5%	4.6%	0.0%
SEMI-DETACHED	13.7%	14.2%	-0.5%
TERRACED	27.0%	27.4%	-0.5%
FLATS	54.8%	53.8%	+1.0%
ALL PROPERTY TYPES	100.0%	100.0%	0.0%

As Table 5 shows, there has been a relatively big increase in the market share of flat sales in Greater London at +1.0%, with sales of semi-detached and terraced properties both falling in relative terms by 0.5%. This has had the effect of reducing the average house price in Greater London as flats tend to have a lower sales value when compared to semi-detached and terraced properties. There has also been a shift in market share away from the Prime Central London areas to the outer boroughs of Greater London. For example, the top five London boroughs by price have collectively experienced a 0.8% decline in their market share, whereas the lowest five boroughs by price - which with the exception of Croydon are located to the east of London - have collectively seen an increase of 0.8% in their share of the London market. On a similar theme, the top five boroughs by price account for 10.5% of sales in London, while the lowest five boroughs by price account for 15.0%.

Thus at £579,250, the average price of a property in London in December 2015 under the revised weightings is some £15,800 lower than that calculated using the old weights.

In addition to the change in the mix of property types we have also changed the weights relating to regional sales, which are shown in Table 6 below. The respective market shares of the regions have seen minor changes over the year, with the North West recording an increase of 0.2%, and the East and West Midlands each seeing an increase of 0.1%, while Greater London has seen a drop in its market share of 0.4%. The increases in the weights relating to the North West, the East Midlands and the West Midlands, where prices are on average 3.2 times lower than in Greater London, will also have contributed to the reduction in average house prices that we now report.



Table 6. The change in the LSL Acadata HPI weights 2015 vs 2014 by region

[link to source Excel](#)

<b>MARKET SHARE OF THE REGIONS</b>	New weights	Old weights	change
NORTH EAST	3.9%	3.9%	0.0%
NORTH WEST	11.0%	10.8%	0.2%
YORKS & HUMBER	8.5%	8.5%	0.0%
EAST MIDLANDS	8.4%	8.3%	0.1%
WEST MIDLANDS	8.6%	8.5%	0.1%
EAST OF ENGLAND	12.1%	12.1%	0.0%
GREATER LONDON	13.3%	13.7%	-0.4%
SOUTH EAST	18.2%	18.2%	0.0%
SOUTH WEST	11.4%	11.4%	0.0%
WALES	4.6%	4.6%	0.0%
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>

This is the second year in succession in which we have highlighted the change in the weights that we use to determine the average price of a property in England & Wales. The changes in these weights are determined by the long term trends within the overall property markets, as they reflect the number of transactions that have taken place over the previous four years. In both of the analyses we have undertaken there has been a fall in the share of semi-detached sales, with a corresponding increase in the sale of flats. There has also been an increase in market share of the North West region, while London has seen a decline in its market share over the same period. We therefore considered it appropriate to look at the weights relating to the North West to determine which areas are contributing to its ascendancy.

Table 7. The change in the LSL Acadata HPI weights in the North West 2015 vs 2013 by area

[link to source Excel](#)

<b>NORTH WEST</b>	2013 Weights	2015 Weights	% Change 2013/15	E&W Rank by Price
BLACKBURN WITH DARWEN	5,265	5,547	5%	102
BLACKPOOL	6,047	6,873	14%	106
CHESHIRE	34,624	44,313	28%	41
HALTON	3,923	5,386	37%	95
WARRINGTON	9,251	11,649	26%	55
CUMBRIA	25,359	29,700	17%	70
GREATER MANCHESTER	107,805	131,271	22%	71
LANCASHIRE	54,781	64,786	18%	77
MERSEYSIDE	48,607	61,208	26%	86
<b>NORTH WEST</b>	<b>295,662</b>	<b>360,733</b>	<b>22%</b>	

Table 7 shows the weights derived from 2010/2013 and 2012/2015 transaction levels for each of the Unitary Authority Areas / Counties in the North West region. The rank by price is extracted from Table 9 on page 13, which ranks the particular area on the basis of its average house price compared to the 108 Unitary Authority Areas / Counties within England & Wales. The area with the biggest growth in property sales over the period is Halton at 37%. Halton borders Merseyside, Warrington and Cheshire, straddles the River Mersey and includes the towns of Runcorn and Widnes. It is interesting to observe that the areas which Halton borders have all seen growth in excess of 22%, a figure which applies to the North West as a whole. Thus the general area encompassing Cheshire and Merseyside, including Halton and Warrington, has experienced the highest growth in property sales of the England & Wales property market over the last five years.



The growth in property sales in Greater Manchester at 22% matches the average for the region as a whole. It is almost exactly double the growth in property sales that took place in Greater London over this same time period. Have George Osborne's aspirations for a Northern powerhouse to rival London already begun to take root?

Despite having the near-lowest average price of housing in England & Wales, the areas of both Blackpool and Blackburn with Darwen have seen the lowest growth in home sales of all the areas within the North West. One might have expected to see high growth in sales in these areas due to affordability considerations, but perhaps the cause of the low prices is due to the low demand to purchase properties in the area.

For those financial institutions that use the LSL Acad Index as an index measure of house price change, we should advise that we have chain-linked our Index (Jan 2000 = 100.0) to that recorded in December 2015 at 281.2, using the previously adopted weights. Thus the index from Jan 2000 – Dec 2015 is frozen at the levels recorded over the last sixteen years using the original weights, with changes in the Index post-December 2015 reflecting the changes in price that take place using the new weights from January 2016 onwards.

# Comparison of indices

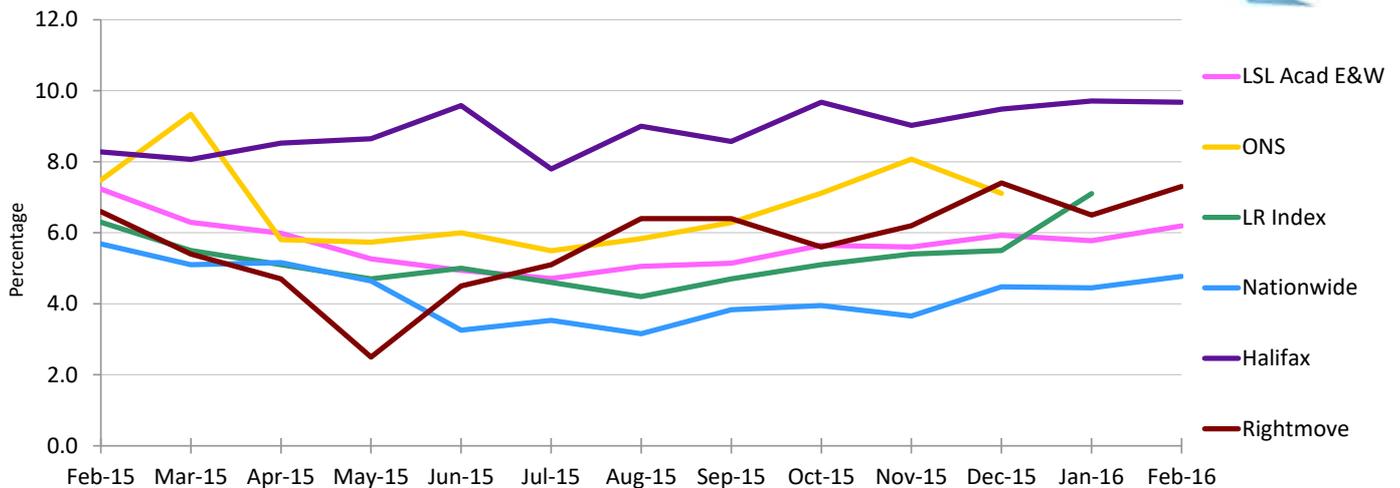


Figure 4. ANNUAL CHANGE IN HOUSE PRICES - COMPARISON OF INDICES CHART

[link to source Excel](#)

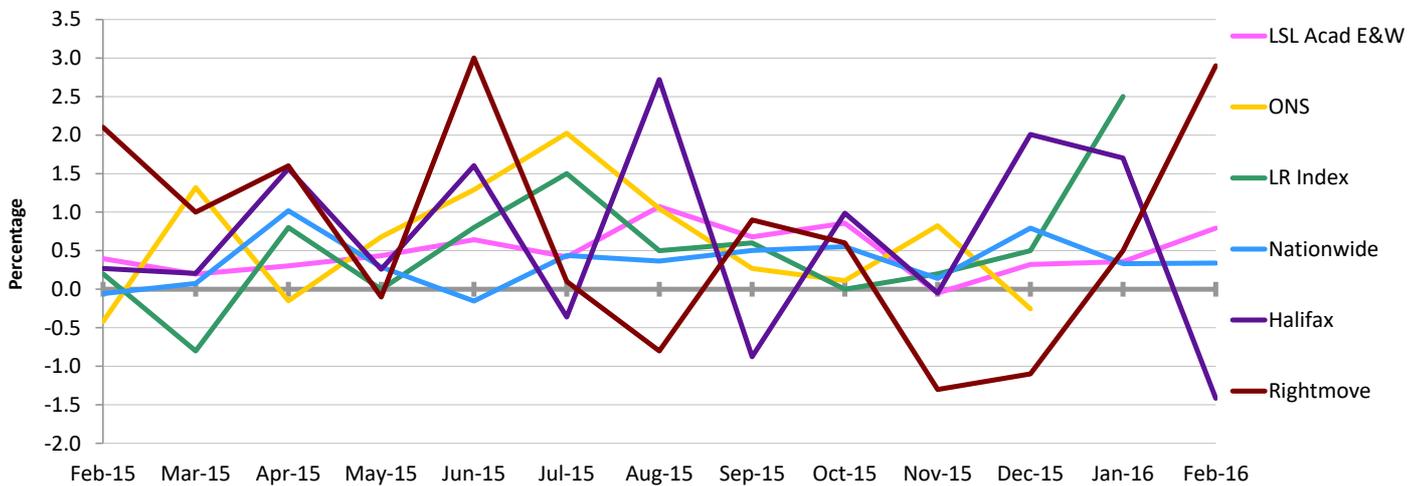


Figure 5. MONTHLY CHANGE IN HOUSE PRICES - COMPARISON OF INDICES CHART

[link to source Excel](#)

As Figure 4 shows, all indices, including both the mix-adjusted and ‘conceptual’ price indices, are recording positive movements over the year in terms of the **annual** change in house prices. The highest rate is that being recorded by Halifax both this month, and in October 2015 and January 2016, at 9.7%, and the lowest rate that recorded by Rightmove in May 2015, at 2.5%. In February 2016, of the four indices that have reported to date, there is considerable disparity in the results, ranging from Halifax at 9.7% to Nationwide at 4.8%. Nationwide has been reporting consistently lower rates than the LSL Acad index for the past twelve months, which might suggest that cash sales are causing upward pressure on house prices in the current market, as Nationwide excludes these from its calculations. However, Halifax, which also excludes cash sales, is reporting much higher house price inflation, with rates of growth double that of Nationwide since June 2015.

Figure 5 covers the **monthly** change in house prices. Again, as with the annual figures, there appears to be considerable disparity in the February rates, ranging from Rightmove at +2.9% to Halifax at -1.4%. It is interesting to note that of all the rates, both annual and monthly, reported over the last twelve months by the six organisations that we monitor, Halifax currently quotes both the highest figure at 9.7% (annual) and the lowest figure at -1.4% (monthly) with both of these rates occurring in February 2016.

Halifax continues to be significantly out of step with the other index providers in both its annual and monthly rates. As we discussed last month, our own index climbs by 1.5% if we exclude properties sold in Central London. On the assumption that Halifax does not make significant loans in Central London or on other high valued properties in the London area, which are also currently seeing prices fall, it is possible to explain why its Index appears out of kilter with the rest. Nevertheless, the inconsistencies between the Halifax and Nationwide indices continue to persist, with all the inevitable confusion this generates in the media.

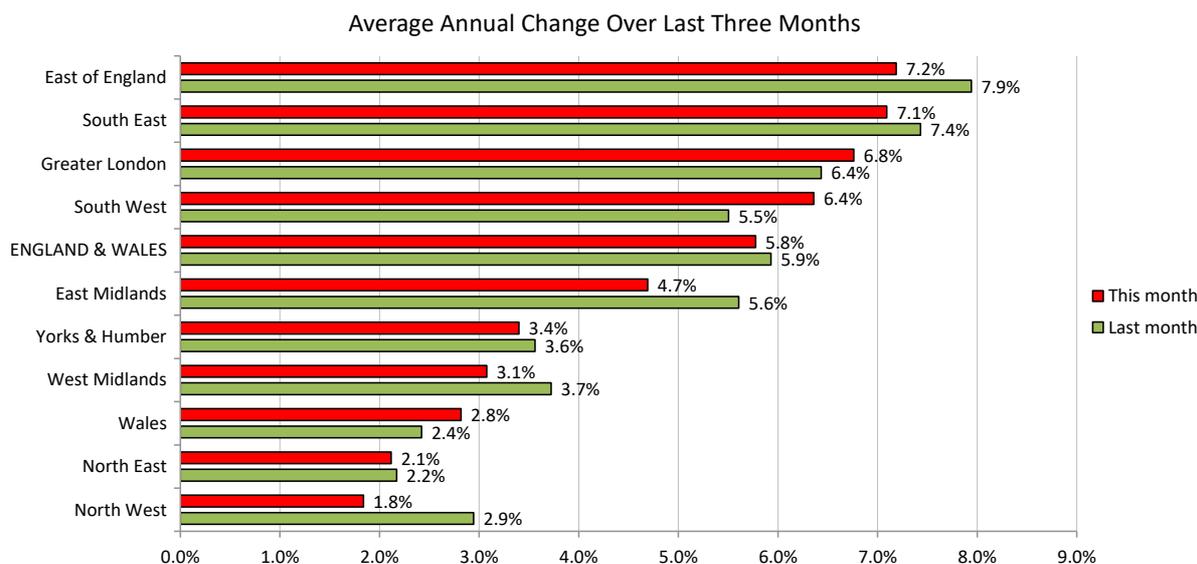


Figure 6. The annual change in the average house price, analysed by region

[link to source Excel](#)

In November 2015 the Office for National Statistics published its “*Guide to Presenting Statistics for Administrative Geographies*”, which recommended that organisations such as ourselves should present their statistics in a standard format and order, to enable ready comparisons between published data. Given the importance we attach to the accurate reporting of house prices and to assist this, Acadata has therefore changed the definitions of the regions used from SSR (Standard Statistical Regions) to the recommended GOR (Government Offices for the Regions). A listing of the GOR regions and their component areas that we are now adopting is given in Table 9 on page 13.

An example of the consequences of this change is that last month we had been reporting that the South East had the highest annual growth rate in house prices of the 10 regions in England & Wales. However, using our new regional definitions it transpires that we should have been advising that it was the East of England which had experienced the highest annual house price inflation. Indeed, the East of England had in fact seen the highest growth rate of all the regions for the previous eleven months. This has been brought about by the move from using SSR to GOR regions, with the latter using different regional boundaries so that some authorities now shift between regions. For example, local authorities such as Luton and Thurrock have been reclassified from the South East to the East of England. Last month they had annual growth rates of 18% and 15% respectively, and the consequence then is that this shifts the balance between regions and their rankings.

So this month we can start off by reporting that the East of England, for the twelfth month in succession, tops the league of regional house price growth at 7.2%. The South East is in second place for the sixth month in a row, with annual growth of 7.1%, with London remaining in third position at 6.8%, having moved up from fifth place two months earlier.

Wales had been bottom of the growth league for four consecutive months, but has moved up two places over the last two months to its current eighth position at 2.8%. Meanwhile at the bottom of the league the North East and the North West swapped places in January, with growth rates of 2.1% and 1.8% respectively.

Looking at the rate of change in the annual price growth over the month, we have seven regions where prices have slowed, with only three regions where the rate of change has accelerated. The region that saw the largest increase in the rate of annual house price growth was the South West, up by 1.1%, with the North West seeing the largest fall in the month at -1.1%.



## ANNUAL CHANGE IN PRICE BY REGION

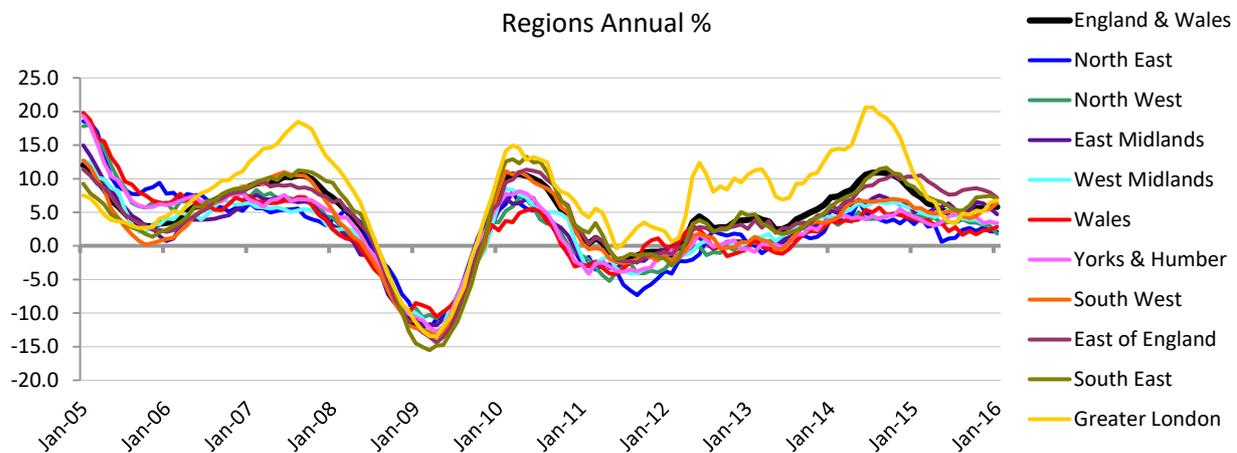


Figure 7. A comparison of the annual change in house prices, by region for the period January 2005 – January 2016

[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.

### 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
2. LSL Acad E&W HPI is a price series as opposed to a value series.
3. 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.
4. 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.
5. the Acadata website enables comparisons of selected indices over selected timescales to be undertaken [here](#) with ease and provides historic results and other information.
6. Acadata is an independent privately owned consultancy working with Dr Stephen Satchell, Economics Fellow Trinity College Cambridge, and specialist in the assessment of risk in property and mortgage portfolios.
7. Acadata DataLibrary 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 essential series here](#)). Our comprehensive selections of geography (national/ regional/ unitary authority/ postcodes) and of property types with mean and median prices provide the “off the shelf” historic data series and analyses needed for rapid study and commentary. The DataLibrary is available on subscription for e.g. property portfolio analysis, business planning and advisory purposes. For major lending institutions it shows national and regional trends. For local builders, developers and estate agents it shows stock and new build results within postcode districts and enables analyses at town and street level.
8. Given the postcodes in which a portfolio, fund or trust is invested, or in which a lender has exposure, an Acadata house price index for those postcodes alone indicates the effect of monthly house price changes on collateral. Our associated company MIAC Acadametrics provides loan revaluations, aligned to lender risk profile and regulatory requirements. Hearstone plc uses our regional weights in planning the geography of their property portfolio. Our work has a strong academic foundation and our data are used by government. For more detail see [www.acadata.co.uk](http://www.acadata.co.uk).

# London boroughs, counties and unitary authorities



Table 8. The change in house prices, for the 33 London boroughs, comparing January 2015 and December 2015 with January 2016.

[link to source Excel](#)

PRIOR YR RANK	RANK BY	LONDON BOROUGH	Jan-15	Dec-15	Jan-16	Month % Change	Annual % Change
1	1	KENSINGTON AND CHELSEA	1,810,03	1,781,44	1,805,99	1.4%	-0.2%
2	2	CITY OF WESTMINSTER	1,487,57	1,321,53	1,335,79	1.1%	-10.2%
5	3	CAMDEN	920,157	985,005	1,007,33	2.3%	9.5%
4	4	CITY OF LONDON	934,023	875,064	928,453	6.1%	-0.6%
3	5	HAMMERSMITH AND FULHAM	985,371	907,939	888,509	-2.1%	-9.8%
6	6	RICHMOND UPON THAMES	746,281	775,147	793,934	2.4%	6.4%
8	7	WANDSWORTH	691,411	743,363	738,789	-0.6%	6.9%
7	8	ISLINGTON	717,947	682,783	679,748	-0.4%	-5.3%
15	9	HARINGEY	501,740	605,070	607,006	0.3%	21.0%
13	10	HACKNEY	522,099	596,568	600,411	0.6%	15.0%
11	11	MERTON	542,817	605,001	594,287	-1.8%	9.5%
10	12	SOUTHWARK	546,226	603,339	592,330	-1.8%	8.4%
9	13	BARNET	573,213	601,699	592,253	-1.6%	3.3%
14	14	EALING	503,189	581,976	587,963	1.0%	16.8%
16	15	BRENT	501,388	539,764	561,898	4.1%	12.1%
12	16	LAMBETH	541,020	548,310	561,139	2.3%	3.7%
17	17	KINGSTON UPON THAMES	485,974	514,356	527,838	2.6%	8.6%
19	18	TOWER HAMLETS	453,899	508,173	502,067	-1.2%	10.6%
21	19	HOUNSLOW	411,754	485,777	485,969	0.0%	18.0%
18	20	HARROW	455,169	478,508	481,621	0.7%	5.8%
20	21	BROMLEY	417,504	449,557	450,034	0.1%	7.8%
23	22	LEWISHAM	382,711	437,794	442,982	1.2%	15.7%
22	23	GREENWICH	388,736	436,392	439,439	0.7%	13.0%
24	24	ENFIELD	376,485	422,445	430,079	1.8%	14.2%
26	25	HILLINGDON	364,082	420,771	424,498	0.9%	16.6%
25	26	REDBRIDGE	376,031	411,934	416,142	1.0%	10.7%
27	27	WALTHAM FOREST	354,745	411,257	413,470	0.5%	16.6%
28	28	SUTTON	336,716	377,897	381,814	1.0%	13.4%
29	29	CROYDON	327,679	368,804	369,950	0.3%	12.9%
30	30	HAVERING	307,699	345,549	349,381	1.1%	13.5%
32	31	NEWHAM	280,640	339,132	346,003	2.0%	23.3%
31	32	BEXLEY	281,976	319,749	327,198	2.3%	16.0%
33	33	BARKING AND DAGENHAM	232,518	262,500	266,150	1.4%	14.5%
		ALL LONDON	545,880	579,254	582,783	0.6%	6.8%

The analysis of Greater London house prices in Table 8 relates to January 2016, and compares these prices to one month and one year earlier. On an annual basis, house prices in London overall were 6.8% higher in January 2016 than 12 months earlier, an increase of £36,903 over the year. This annual increase in average house prices exceeds the Median Gross Annual Earnings of full time employees in Greater London, which amounts to £35,333, thus underlining the acute pressures that exist in the capital.

If we split the above table into thirds ranked by price, the first eleven boroughs saw an annual increase in prices of £13,555, or 1.6%, the second eleven boroughs saw an annual increase of £44,605, or 9.3%, while the bottom eleven boroughs saw an annual increase of £48,678, or 14.5%. The lowest rate of annual house price inflation amongst the bottom eleven boroughs by price is 10.7% (Redbridge) with the highest rate seen in Newham at an astonishing 23.3%. 16 boroughs set new peak prices in January (highlighted in grey in the above table), up from the 11 with new peaks in December. Of these 16 boroughs setting new peaks, 10 are listed in the lowest 11 boroughs ranked by price, which provides further evidence of the inverse position of the London market, with the highest increase in prices taking place in the lower priced boroughs, while the highest priced boroughs continue to see prices fall.

In terms of transaction numbers, London has seen a fall in sales of 4.6% in the three months November 2015 – January 2016, compared to the same three months one year earlier. The largest fall in the number of properties sold has been in Barking & Dagenham, where volumes are down 23% over this period, but one suspects that this has to do with the availability of supply, as opposed to a lack of demand in the area. Following Barking & Dagenham, the next three boroughs seeing volumes decline are Islington, down 20%, Tower Hamlets also down 20%, and Haringey, down 18%.

# London boroughs, counties and unitary authorities



The borough which has seen the largest increase in sales over this period is Southwark, where flat sales have increased by 15% (or 88 units).

## Counties and Unitary Authorities

Table 9. The annual percentage change in mix adjusted house prices, for the 108 Counties and Unitary Authorities in England & Wales, comparing January 2015 and December 2015 with January 2016. 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	Jan-15	Dec-15	Jan-16	Monthly change	Annual Change
98	100	COUNTY DURHAM	129,424	127,025	127,135	0.1%	-1.8%
92	90	DARLINGTON	141,284	150,656	149,457	-0.8%	5.8%
93	94	HARTLEPOOL	140,308	138,872	138,776	-0.1%	-1.1%
97	99	MIDDLESBROUGH	130,449	132,542	127,451	-3.8%	-2.3%
60	62	NORTHUMBERLAND	181,816	182,304	183,235	0.5%	0.8%
94	96	REDCAR AND CLEVELAND	137,995	136,067	135,974	-0.1%	-1.5%
89	85	STOCKTON-ON-TEES	146,535	155,752	153,747	-1.3%	4.9%
81	79	TYNE AND WEAR	155,399	159,000	162,111	2.0%	4.3%
		<b>NORTH EAST</b>	<b>149,894</b>	<b>152,101</b>	<b>153,068</b>	<b>0.6%</b>	<b>2.1%</b>
102	102	BLACKBURN WITH DARWEN	119,860	121,135	119,625	-1.2%	-0.2%
107	106	BLACKPOOL	104,166	110,327	110,153	-0.2%	5.7%
35	41	CHESHIRE	234,880	230,905	230,824	0.0%	-1.7%
91	95	HALTON	142,522	144,451	137,676	-4.7%	-3.4%
57	55	WARRINGTON	186,345	198,444	197,514	-0.5%	6.0%
66	70	CUMBRIA	173,932	175,857	172,359	-2.0%	-0.9%
72	71	GREATER MANCHESTER	166,211	170,977	171,488	0.3%	3.2%
79	77	LANCASHIRE	160,081	163,322	163,417	0.1%	2.1%
87	86	MERSEYSIDE	148,360	154,632	153,240	-0.9%	3.3%
		<b>NORTH WEST</b>	<b>169,554</b>	<b>173,161</b>	<b>172,672</b>	<b>-0.3%</b>	<b>1.8%</b>
63	69	EAST RIDING OF YORKSHIRE	176,692	180,296	177,021	-1.8%	0.2%
105	104	KINGSTON UPON HULL, CITY OF	107,808	110,424	111,409	0.9%	3.3%
99	98	NORTH EAST LINCOLNSHIRE	129,202	127,296	130,714	2.7%	1.2%
95	91	NORTH LINCOLNSHIRE	137,746	145,653	145,400	-0.2%	5.6%
29	34	YORK	244,243	240,345	242,253	0.8%	-0.8%
39	38	NORTH YORKSHIRE	228,555	241,342	240,445	-0.4%	5.2%
88	88	SOUTH YORKSHIRE	147,734	151,520	150,324	-0.8%	1.8%
73	72	WEST YORKSHIRE	163,033	169,880	170,839	0.6%	4.8%
		<b>YORKS &amp; HUMBER</b>	<b>169,555</b>	<b>175,358</b>	<b>175,321</b>	<b>0.0%</b>	<b>3.4%</b>
85	80	DERBY	152,674	160,353	161,051	0.4%	5.5%
84	83	LEICESTER	152,845	161,893	160,590	-0.8%	5.1%
96	93	NOTTINGHAM	135,007	144,150	140,334	-2.6%	3.9%
14	16	RUTLAND	302,388	293,294	301,130	2.7%	-0.4%
65	65	DERBYSHIRE	173,941	181,073	179,804	-0.7%	3.4%
47	51	LEICESTERSHIRE	204,735	211,630	212,985	0.6%	4.0%
70	66	LINCOLNSHIRE	170,363	179,664	179,602	0.0%	5.4%
46	49	NORTHAMPTONSHIRE	205,317	216,190	217,773	0.7%	6.1%
67	64	NOTTINGHAMSHIRE	171,878	180,670	179,917	-0.4%	4.7%
		<b>EAST MIDLANDS</b>	<b>180,695</b>	<b>189,167</b>	<b>189,174</b>	<b>0.0%</b>	<b>4.7%</b>
34	39	HEREFORDSHIRE	235,770	237,353	237,943	0.2%	0.9%
44	48	SHROPSHIRE	213,703	217,126	218,715	0.7%	2.3%
104	105	STOKE-ON-TRENT	109,099	111,954	111,100	-0.8%	1.8%
75	82	TELFORD & WREKIN	161,501	162,636	160,670	-1.2%	-0.5%
56	58	STAFFORDSHIRE	188,246	189,593	189,118	-0.3%	0.5%
26	31	WARWICKSHIRE	251,630	256,856	258,547	0.7%	2.7%
68	67	WEST MIDLANDS	171,038	180,061	178,746	-0.7%	4.5%
40	40	WORCESTERSHIRE	227,218	235,330	237,462	0.9%	4.5%
		<b>WEST MIDLANDS</b>	<b>192,872</b>	<b>198,937</b>	<b>198,804</b>	<b>-0.1%</b>	<b>3.1%</b>
21	23	BEDFORDSHIRE	261,854	280,272	282,338	0.7%	7.8%
55	46	LUTON	188,261	219,104	221,143	0.9%	17.5%

# London boroughs, counties and unitary authorities



69	68	PETERBOROUGH	170,371	179,696	177,104	-1.4%	4.0%
31	26	SOUTHEND-ON-SEA	241,477	264,195	270,580	2.4%	12.1%
43	33	THURROCK	221,015	243,369	247,907	1.9%	12.2%
15	18	CAMBRIDGESHIRE	284,108	295,429	298,636	1.1%	5.1%
17	15	ESSEX	283,350	305,595	306,394	0.3%	8.1%
4	5	HERTFORDSHIRE	381,952	412,552	414,901	0.6%	8.6%
45	50	NORFOLK	210,107	215,940	215,758	-0.1%	2.7%
37	36	SUFFOLK	230,408	240,600	241,691	0.5%	4.9%
		<b>EAST OF ENGLAND</b>	<b>274,490</b>	<b>292,690</b>	<b>294,217</b>	<b>0.5%</b>	<b>7.2%</b>
		<b>GREATER LONDON</b>	<b>545,880</b>	<b>579,254</b>	<b>582,783</b>	<b>0.6%</b>	<b>6.8%</b>
8	8	BRACKNELL FOREST	330,921	365,833	363,714	-0.6%	9.9%
7	7	BRIGHTON AND HOVE	350,881	371,625	377,156	1.5%	7.5%
49	47	ISLE OF WIGHT	203,810	219,928	221,009	0.5%	8.4%
50	45	MEDWAY	199,455	224,500	222,005	-1.1%	11.3%
27	24	MILTON KEYNES	248,515	271,595	277,584	2.2%	11.7%
53	56	PORTSMOUTH	193,702	197,836	195,940	-1.0%	1.2%
18	14	READING	280,980	312,177	316,510	1.4%	12.6%
22	20	SLOUGH	260,522	286,176	289,371	1.1%	11.1%
51	53	SOUTHAMPTON	198,141	203,023	203,476	0.2%	2.7%
10	9	WEST BERKSHIRE	321,139	370,744	362,313	-2.3%	12.8%
1	1	WINDSOR AND MAIDENHEAD	477,032	529,903	525,646	-0.8%	10.2%
5	4	WOKINGHAM	372,616	418,930	424,727	1.4%	14.0%
3	3	BUCKINGHAMSHIRE	404,806	440,238	450,408	2.3%	11.3%
20	21	EAST SUSSEX	274,683	288,782	289,262	0.2%	5.3%
12	13	HAMPSHIRE	307,467	316,421	318,474	0.6%	3.6%
19	17	KENT	274,982	297,226	298,727	0.5%	8.6%
6	6	OXFORDSHIRE	362,836	379,200	379,447	0.1%	4.6%
2	2	SURREY	466,634	497,392	494,772	-0.5%	6.0%
11	12	WEST SUSSEX	319,297	337,855	340,449	0.8%	6.6%
		<b>SOUTH EAST</b>	<b>325,749</b>	<b>347,481</b>	<b>348,855</b>	<b>0.4%</b>	<b>7.1%</b>
9	10	BATH AND NORTH EAST SOMERSET	328,161	343,987	344,410	0.1%	5.0%
38	30	BOURNEMOUTH	230,097	260,247	258,904	-0.5%	12.5%
28	27	BRISTOL , CITY OF	245,762	264,073	265,548	0.6%	8.1%
36	37	CORNWALL	231,674	239,067	241,083	0.8%	4.1%
30	28	NORTH SOMERSET	241,605	258,903	261,771	1.1%	8.3%
64	63	PLYMOUTH	174,384	182,098	182,577	0.3%	4.7%
13	11	POOLE	307,277	338,164	343,066	1.4%	11.6%
32	32	SOUTH GLOUCESTERSHIRE	240,405	256,677	256,497	-0.1%	6.7%
59	52	SWINDON	183,747	212,898	209,214	-1.7%	13.9%
52	54	TORBAY	195,048	202,258	201,111	-0.6%	3.1%
23	22	WILTSHIRE	256,877	284,968	284,019	-0.3%	10.6%
25	29	DEVON	253,743	261,341	260,826	-0.2%	2.8%
16	19	DORSET	283,516	298,857	297,967	-0.3%	5.1%
24	25	GLOUCESTERSHIRE	256,685	271,127	276,087	1.8%	7.6%
42	43	SOMERSET	223,356	227,975	229,974	0.9%	3.0%
		<b>SOUTH WEST</b>	<b>245,383</b>	<b>260,088</b>	<b>260,989</b>	<b>0.3%</b>	<b>6.4%</b>
62	57	ISLE OF ANGLESEY	178,150	184,072	190,591	3.5%	7.0%
83	84	GWYNEDD	153,440	158,139	155,040	-2.0%	1.0%
78	75	CONWY	160,224	168,820	165,654	-1.9%	3.4%
76	76	DENBIGHSHIRE	160,397	165,337	164,693	-0.4%	2.7%
71	74	FLINTSHIRE	167,307	167,249	167,349	0.1%	0.0%
74	73	WREXHAM	161,669	165,643	169,679	2.4%	5.0%
54	61	POWYS	190,363	185,830	183,605	-1.2%	-3.6%
61	59	CEREDIGION	179,750	190,270	187,489	-1.5%	4.3%
58	60	PEMBROKESHIRE	184,014	181,703	186,241	2.5%	1.2%
86	89	CARMARTHENSHIRE	150,087	147,696	149,789	1.4%	-0.2%
82	81	SWANSEA	154,108	161,488	161,047	-0.3%	4.5%
101	101	NEATH PORT TALBOT	123,138	122,068	121,027	-0.9%	-1.7%



80	87	<b>BRIDGEND</b>	156,986	153,905	153,183	-0.5%	-2.4%
41	42	<b>VALE OF GLAMORGAN</b>	225,310	224,426	229,992	2.5%	2.1%
48	44	<b>CARDIFF</b>	204,710	219,366	223,968	2.1%	9.4%
103	103	<b>RHONDDA CYNON TAFF</b>	114,156	119,489	119,417	-0.1%	4.6%
106	107	<b>MERTHYR TYDFIL</b>	107,341	105,234	107,054	1.7%	-0.3%
100	97	<b>CAERPHILLY</b>	128,543	131,150	131,139	0.0%	2.0%
108	108	<b>BLAENAU GWENT</b>	88,888	90,336	89,965	-0.4%	1.2%
90	92	<b>TORFAEN</b>	145,683	140,541	141,680	0.8%	-2.7%
33	35	<b>MONMOUTHSHIRE</b>	239,094	244,040	242,068	-0.8%	1.2%
77	78	<b>NEWPORT</b>	160,333	161,197	162,780	1.0%	1.5%
		<b>WALES</b>	<b>164,784</b>	<b>168,430</b>	<b>169,429</b>	<b>0.6%</b>	<b>2.8%</b>
		<b>E&amp;W</b>	<b>271,285</b>	<b>285,930</b>	<b>286,952</b>	<b>0.4%</b>	<b>5.8%</b>

We have recast the above Table (Table 9), based on the ONS Guidance discussed earlier, although we have made a few minor alterations, for example the use of the term “East of England” instead of just “East”, and “Greater London” instead of “London”, for what we hope is greater clarity. The Table shows the average property price for each of the 108 unitary authorities and counties in England & Wales, together with a regional summary for January 2015, December 2015 and January 2016. It also records the percentage change in these prices over the last month and year, highlighting the great diversity that exists across the markets in England & Wales. In January 2016, the monthly rate of house price inflation in England & Wales is 0.4% and the headline annual increase in prices for England & Wales is 5.8%, down from the 5.9% in December, one month earlier.

### Annual Trends

On an annual basis, prices have increased in 91 of the 108 unitary authority areas, three less than last month, but this still represents some 84% of the England & Wales unitary authority areas. Of the 17 areas where prices are falling, 6 are located in Wales, 4 are located in the North East and a further 4 in the North West, with 1 each in the East of England and the East and West Midlands.

In the above table, we have highlighted in turquoise those areas which have set a new peak price in the month; there are 26 such locations, the same number as last month. Of these 26 local authority areas, 10 are based in the South East and 6 in the East of England. We should perhaps give a special mention to the City of Kingston upon Hull, which is the area with the third lowest average price of the 86 unitary authority areas in England, but despite this low price it set its own new peak of £ 111,409 in January 2016.

Table 10 below shows the annual rate of property price growth outside Greater London, ordered by quartiles in terms of the average price of each unitary authority area. The table highlights the fact that the most expensive unitary authority areas in England & Wales are seeing the highest increase in house prices. Comparing the figures this month with the equivalent for those produced last month, we can see that the rate of price inflation has been decreasing across the lowest two quartiles of the housing market, with the lowest quartile seeing the largest fall of 0.5%, while the top two quartiles have seen the rate of change in house price inflation increase, with the largest change being recorded in the top quartile of +0.9% compared to the previous month.

Table 10. Trends in the distribution of house prices changes in the 108 unitary authority/counties, excluding Greater London, for the period December 2014 to December 2015, by quartile, based on average house prices.

Quartile	Price range	Average price change over the 12 months	Last month's equivalent price change over 12 months
1st Quartile	£0 - £160,953	1.2%	1.7%
2nd Quartile	£160,953 - £199,312	3.0%	3.4%
3rd Quartile	£199,312 - £262,715	5.6%	5.5%
4th Quartile	Above £262,715	8.3%	7.4%

### Monthly Trends

On a monthly basis, the headline rate for prices in England & Wales in January 2016 shows an increase of 0.4%, which is up from 0.3% seen in the previous month. In January, there were price rises over the month in 56 of the 108 unitary authority areas (two fewer than the previous month).



## Highest and lowest unitary authorities

Looking at the unitary authority areas on an individual basis, in January it is Luton at 17.5% that tops the league with the highest annual rate of change in prices. This is the third month in succession in which Luton has appeared at the top of the leader board. As we commented last month, Luton's transport infrastructure has been boosted by the introduction of fast train services to London St Pancras (23 minutes) and Blackfriars (42 minutes), which makes the town one of the most affordable areas with good access to London.

By way of contrast, the authority with the largest reduction in annual prices is Powys, in mid-Wales, where prices have fallen by 3.6%. In Powys, detached homes are the most frequently purchased property type, but these have seen prices fall from an average £250k in January 2015 to an average £230k one year later. Might the additional 3% surcharge in stamp duty on second homes, which are popular in Powys, result in further property price falls over the next 12 months?

## Transactions

In terms of transactions, looking at the volume of sales for the three months November 2015 – January 2016 and comparing with the same three months one year earlier, 63 of the 108 unitary authorities in England & Wales have seen an increase in sales volumes over the period, the same number as last month. The average increase in transactions over the period was 1%.

The authority that recorded the highest increase in transactions for the period November 2015 – January 2016, compared to the same three months a year earlier, was Poole, up by 21%, or 130 homes. The property type with the largest increase in sales in Poole was flats (up 60 units), which includes a number of new build apartments with views over Poole Harbour and Sandbanks, with prices to match.

The area in England with the largest decline in transactions over the three months was Slough, down 29%, with a reduction in the number of flats sold from 190 units in the three months November 2014 – January 2015 to 120 units in the same three months one year later. However, the price of flats in Slough increased by 12% over this same period, suggesting that the fall in the number of flats sold is a factor of supply as opposed to one of demand.

# Regional data table



Table 11. Average house prices by region, February 2015 – February 2016, 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
Feb-15	£153,041	2.1	4.2	£170,286	0.4	4.4	£169,204	-0.2	3.9	£182,712	1.1	5.3
Mar-15	£153,644	0.4	2.9	£170,759	0.3	4.0	£169,419	0.1	3.3	£183,653	0.5	5.0
Apr-15	£153,046	-0.4	3.1	£170,516	-0.1	4.2	£168,997	-0.2	3.0	£183,920	0.1	5.5
May-15	£150,504	-1.7	0.6	£170,189	-0.2	3.2	£170,412	0.8	3.6	£184,829	0.5	5.8
Jun-15	£149,941	-0.4	1.1	£170,643	0.3	3.6	£171,609	0.7	4.4	£186,267	0.8	6.3
Jul-15	£149,365	-0.4	1.2	£171,247	0.4	3.4	£172,596	0.6	4.7	£186,294	0.0	5.4
Aug-15	£150,804	1.0	2.4	£173,423	1.3	4.0	£173,944	0.8	4.9	£186,831	0.3	5.0
Sep-15	£150,668	-0.1	2.7	£173,671	0.1	3.5	£174,620	0.4	4.6	£188,606	1.0	5.1
Oct-15	£151,443	0.5	2.2	£174,324	0.4	3.4	£175,732	0.6	4.3	£190,711	1.1	6.6
Nov-15	£151,277	-0.1	2.8	£173,023	-0.7	3.2	£175,150	-0.3	3.4	£190,508	-0.1	6.3
Dec-15	£152,101	0.5	2.2	£173,161	0.1	2.9	£175,358	0.1	3.6	£189,167	-0.7	5.6
Jan-16	£153,068	0.6	2.1	£172,672	-0.3	1.8	£175,321	0.0	3.4	£189,174	0.0	4.7

	West Midlands			East of England			Greater London			South East		
	Av HP	%monthly	%annual	Av HP	%monthly	%annual	Av HP	%monthly	%annual	Av HP	%monthly	%annual
Feb-15	£193,194	0.2	5.0	£278,336	1.4	10.5	£543,409	-0.5	9.1	£326,999	0.4	7.7
Mar-15	£193,400	0.1	4.7	£279,337	0.4	9.6	£541,003	-0.4	7.0	£329,173	0.7	7.2
Apr-15	£192,796	-0.3	4.3	£280,455	0.4	9.0	£544,910	0.7	6.6	£329,966	0.2	6.8
May-15	£194,151	0.7	4.8	£280,543	0.0	8.2	£548,994	0.7	4.5	£332,244	0.7	6.5
Jun-15	£195,781	0.8	5.3	£282,021	0.5	7.6	£556,979	1.5	3.6	£333,260	0.3	5.9
Jul-15	£196,267	0.2	4.5	£283,469	0.5	7.7	£558,595	0.3	3.4	£335,077	0.5	5.3
Aug-15	£197,129	0.4	4.1	£288,224	1.7	8.3	£569,349	1.9	4.8	£336,841	0.5	5.2
Sep-15	£197,026	-0.1	3.9	£290,554	0.8	8.5	£573,820	0.8	4.7	£340,390	1.1	6.0
Oct-15	£198,476	0.7	3.9	£292,752	0.8	8.6	£578,730	0.9	5.3	£344,550	1.2	7.2
Nov-15	£197,689	-0.4	3.3	£291,471	-0.4	8.3	£577,743	-0.2	5.1	£346,152	0.5	7.3
Dec-15	£198,937	0.6	3.7	£292,690	0.4	7.9	£579,254	0.3	6.4	£347,481	0.4	7.4
Jan-16	£198,804	-0.1	3.1	£294,217	0.5	7.2	£582,783	0.6	6.8	£348,855	0.4	7.1

	South West			Wales			ENGLAND & WALES			
	Av HP	%monthly	%annual	Av HP	%monthly	%annual	Av HP	%monthly	%annual	
Feb-15	£247,887	1.0	5.6	£166,075	0.8	3.7		£272,363	0.4	7.2
Mar-15	£249,183	0.5	5.0	£166,122	0.0	3.8		£272,899	0.2	6.3
Apr-15	£251,019	0.7	4.8	£164,681	-0.9	3.1		£273,726	0.3	6.0
May-15	£251,679	0.3	4.9	£164,027	-0.4	3.4		£274,919	0.4	5.3
Jun-15	£251,410	-0.1	5.1	£163,594	-0.3	2.2		£276,685	0.6	4.9
Jul-15	£253,408	0.8	5.4	£164,517	0.6	2.8		£277,849	0.4	4.7
Aug-15	£254,320	0.4	4.4	£164,926	0.2	1.6		£280,826	1.1	5.0
Sep-15	£255,167	0.3	4.1	£166,427	0.9	2.2		£282,732	0.7	5.1
Oct-15	£256,923	0.7	4.5	£167,517	0.7	1.7		£285,156	0.9	5.6
Nov-15	£257,956	0.4	5.3	£167,918	0.2	2.3		£285,013	0.0	5.6
Dec-15	£260,088	0.8	5.5	£168,430	0.3	2.4		£285,930	0.3	5.9
Jan-16	£260,989	0.3	6.4	£169,429	0.6	2.8		£286,952	0.4	5.8
Feb-16								£289,229	0.8	6.2



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, ONS HPI and LR HPI) can be prepared only when the prices at which properties have been transacted have been recorded by the Land Registry (LSL Acad E&W HPI and LR HPI) or when firm prices at mortgage completion (ONS HPI) 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.
3. Typically, only some 38% of transactions are reported to LR at month end. LSL Acad E&W HPI overcomes this 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. LR HPI relies on the sample being reflective of all of the month’s price changes and uses c.40% of these (say c.9,000 price changes) being the prices of properties for which two prices are recorded on the Land Register and a repeat sales regression methodology based on work published by USA academics, notably for the USA S&P Case Shiller HPI. RSR was developed to prepare indices for single family homes using only the limited data volumes available for metropolitan districts, since the USA lacks a central Land Registry. LSL Acad E&W HPI, LR HPI and ONS HPI are published monthly in this order.
4. LSL Acad E&W HPI provides prices at national and regional level back to 1995 and, at county/London borough level, back to 2000; back-cast national prices for graphing are available to 1987. With only some 60,000 monthly transactions now occurring compared with at least 100,000 in past markets, reduced data volumes are a problem for every HPI. LSL Acad HPI employs not only the above “index of indices”, but also a series of auto regression and averaging models. The latter use a rolling 3 months of data to provide an average price for each month to show trends, as mentioned above. 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); LR HPI also provides an updated LR “latest” HPI shown in our monthly Comparison of Indices table. ONS HPI with, in 2013, c. 28,000 mortgage completions (and the Rightmove asking price index) are also based upon significant data volumes; lender HPI data volumes are not quantified; the Halifax HPI employs three month smoothing for annual but not for monthly change results; Hometrack provides survey data and specifies that theirs is a survey, not an index.
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 HPI are unable to identify different prices according to e.g numbers of bedrooms; the lender hedonic indices and the ONS mix adjusted HPI 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 prices do not.
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”; Acadata does not guarantee the accuracy of the LSL Acad E&W HPI results and Acadata 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 Acadata. 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 Acadata as in NOTE 6 above.
10. LSL Acad E&W HPI was published under the name FTHPI from September 2003 until December 2009. Until the October 2013 LSL Acad E&W HPI was published, it was prepared by Acadametrics. 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.

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