



Under embargo until 00:01 Thursday 12th November 2015

October 2015

### Fastest annual rise in house prices for six months

- The annual rate of house price growth across England and Wales climbs to 5.2%, the fastest increase witnessed since April
- Average property prices jump £2,500 in October – equal to £80 a day – to reach tenth record high this year
- Price revival driven by London, as values in the city rise £24,636 in the last year – equal to 75% of a typical Londoner’s salary
- Strongest October for sales since 2007, with the north seeing biggest sales boost due to better levels of supply on the market
- But sales of homes worth over £1.5 million down 35% year-on-year, as steeper Stamp Duty continues to bite

House Price	Index	Monthly Change %	Annual Change %	Annual Change % (excluding London & SE)
£288,421	279.5	0.9	5.2	3.9

Adrian Gill, director of Reeds Rains and Your Move estate agents, comments: “There has been somewhat of a Halloween resurrection in house prices this October, as annual growth finally comes back to life. House prices across England and Wales are now 5.2% (£14,211) higher than a year ago – an uptick from 4.7% in the twelve months to September. As growth jolts back into action, this is the fastest annual rise in house prices recorded for six months, since April. In addition, a more spirited monthly price hike has taken property values to a new high – their tenth consecutive record this year – with average home values increasing by £2,443 (0.9%) during October, equal to rising £78.81 a day in cash terms.

“This reawakening of price growth has been driven by London and the South East, the fastest growing regions across England and Wales. East Anglia has experienced the strongest year-on-year rise of any region, with a 6.2% annual increase in house prices taking the average price for a property in the area to £241,284.

“In London, house prices are recovering from the more subdued growth seen during the second half of 2014. Annually, there has been a 4.4% price increase in the capital, with property values rising by an average of £24,636 – roughly 75% of a typical Londoner’s salary. However, most of the recent price increases have emanated from the lower rungs of the market; with Harrow, Newham and Barking and Dagenham showing the strongest annual growth. These rapid rises are currently outweighing the decline at the top of the market, carrying average values higher. While many commentators are forecasting significant house price growth in London and the UK in the coming years, these need to be viewed in historical context and we’re unlikely to see a return to the unsustainable rises of the past decade. Most current predictions are still a slowdown from the past five years of growth, and overall since September 2005 average prices across the country have soared 43.5%, while average property values in London have more than doubled, jumping 104%.

“The Chancellor’s intimidating Stamp Duty remodel is still spooking the top end of the London market. Properties worth over £1.5 million have been hit with a stamp duty increase, currently set at 12% of the portion of the property’s value above £1.5m, up from 5% previously. As a result, sales of homes worth more than £1.5 million have fallen by 35% in Q3, compared to a year ago. This tax has really put the shackles on the prime market in the capital, as three quarters of these sales since January 2014 took place in London. The implications can be seen in the 12.6% annual drop in prices in Kensington and Chelsea, while prices in the City of Westminster have also fallen, 5.5% year-on-year. Stamp duty has had strong implications for the South East too, with prices dropping in other typically more expensive areas, such as Windsor and Maidenhead.

“This has been the best October for house sales for eight years, with 88,000 sales taking place during the month, up 9% since September. Regionally, the pattern of the sales is the reverse of what we’re seeing in house prices, with activity increasing fastest in the North, Yorkshire and Humber and North West, but falling in the southern half of the country. Supply of properties on the market seems to be the sticking point for sales growth, and activity in the northern most regions of England is also being facilitated by more affordable prices. With low interest rates now likely to be prolonged into 2017, there should be plenty of momentum to encourage further activity. But so far in 2015, total sales are still 4% down on last year, due to a slower first six months. We will need the current revival to storm through the remaining two months of the year, if we are going to match 2014 sales.”

**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 October 2014 – October 2015

[link to source Excel](#)

		House Price	Index	Monthly Change %	Annual Change %
October	2014	£274,210	266.1	0.4	10.7
November	2014	£274,176	266.3	0.0	10.1
December	2014	£274,109	265.7	0.0	9.0
January	2015	£275,406	266.9	0.5	7.9
February	2015	£276,358	267.8	0.3	7.2
March	2015	£276,812	268.3	0.2	6.2
April	2015	£277,689	269.1	0.3	5.9
May	2015	£278,861	270.3	0.4	5.1
June	2015	£280,667	272.0	0.6	4.8
July	2015	£281,863	273.2	0.4	4.5
August	2015	£284,315	275.5	0.9	4.7
September	2015	£285,978	277.2	0.6	4.7
October	2015	£288,421	279.5	0.9	5.2

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

## House prices

October sales confirm that there has been a turnabout in the annual rate of house price growth, as prices increase by 5.2% over the last twelve months, up from a rate of 4.5% recorded in July 2015. Thus the eleven month period of successive declines in the annual rate of house price growth has come to its end, and it is now climbing again. The average price paid for a home in October was £288,421, up £14,211 on October last year, the tenth new peak for house prices this calendar year. On a monthly basis, prices in October increased by 0.9% or £2,443, from September levels. As this suggests, falling rates and rising prices are quite compatible, but it does mean that now with a rising annual rate we can expect a further acceleration in prices.

Figure 1 below places the turnaround in the annual rate of house price growth in perspective. The slight uptick in the red line seen at the right-hand edge of the graph, which represents the October price increase, is relatively minor in comparison to the falling rates experienced over the period September 2014 – July 2015. However, what is significant is that the red line including London has now risen above the blue line which excludes the capital, and which indicates that London is returning to a positive role in determining the average house price for England & Wales as a whole. On the other hand, the annual rate of growth excluding London and the South East, shown by the green line, is continuing to decline, albeit at a slowing pace.

As we show on page 9, London is climbing back up the leader board in terms of regional house price growth and is now in third place, compared to its eighth position just two months ago. With a recovery in the London markets and an anticipated ripple effect of a turnaround in the remainder of the country, the momentum in the data predicts relatively strong price growth over the next two months. The trend indicates that annual house price growth will be around 6.5% – 7.0% at the end of the year. This would however still be lower than the 9.0% seen in December 2014.

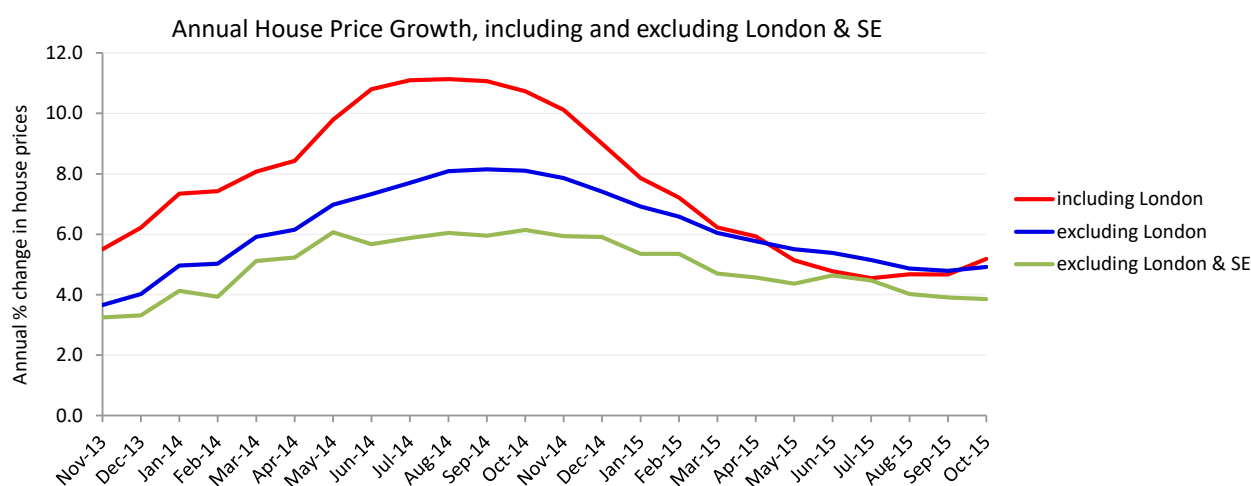


Figure 1. The Annual Rate of House Price Growth in England & Wales by month November 2013 – October 2015, including and excluding London & SE

[link to source Excel](#)

## The Housing Market

Both house prices and transaction levels have been in the headlines over the last two weeks, prompted in part by comments from the Governor of the Bank of England and the recently published Halifax house price index showing an annual rise of nearly 10%. As we show in this news release, the Halifax index is somewhat out of line with the other major indices but nonetheless is still part of the intelligence gathering used by the Bank. Both in its quarterly Inflation Report itself and the associated press conference, the Bank highlighted the strengthening of house prices and the housing market. In discussion the Governor commented ‘... house price - and this bounces around a bit, but we do see house price growth picking up. And in fact we see activity in the housing market picking up, albeit with respect to activity in the housing market, picking up from a relatively low level’. He made the links with financial stability and with macro-prudential interventions signaling very clearly how the housing market remains firmly on the agendas of the Bank’s MPC and the FPC committees. Savills published their 5 year house price forecast which suggested we would see a 17% rise in the period to 2020 for the UK but with considerable variation by region and country (from 21.6% in the South East to 14.2% in Yorkshire and Humberside for England & Wales). Savills also forecast transaction numbers highlighting the pre crunch average of 1.7 million for the UK and the much reduced numbers in the more constrained market of today and tomorrow, forecasting 1.215 million for 2015 rising to 1.305 million in 2020.



As the Bank notes, low transaction numbers can help fuel house price rises, especially in the context of continued low new housing supply. Although there has been no renewed talk of a UK housing bubble on the back of these different releases, there has been some speculation about the state of the London housing market. A newly established housing market observatory at the University of Lancaster published its Quarter 3 release in which it argues that London prices are now ‘very close to entering an exuberant phase’, similar to the 4th quarter of 2007, ie, what some described at the time as a bubble, and cautions about the consequences if that were to arise again. As we go on to show in this Acadata release, the impact of Stamp Duty changes on the London market have been quite profound, leading to headlines such as ‘*Housing market meltdown after stamp duty reforms*’ (The Times November 7th page 20). The Times article highlights the impact of the new rates on activity in the £1 million pound plus sales market, down a third in the first six months since the reform, and the loss of revenue to HMRC. These stamp duty changes, along with FPC interventions and the new tax regime for the Buy-to-Let market, have put in place a number of mechanisms which in combination may cool any nascent bubble in this market in particular. Clearly, market pressures in London are intense, and house prices reflect this and its vulnerability to interest rate increases. The latter again appear to be on hold until 2017, by which time continued income growth will have helped build more resilience. As this suggests, there are a multitude of factors at play and exactly how this all works out will depend on the mix at any point in time. The Bank’s continued engagement with the housing and mortgage markets does offer some re-assurance that we can avoid the worst outcomes, although the widespread use of cash in purchases - and not least by older households - does make the process of control more difficult.

## Housing Transactions

We estimate that the number of housing transactions in England & Wales for the month of October 2015, as recorded by the Land Registry, will total some 88,000. This is a 9% increase over the level seen in September 2015 and, as Figure 2 below shows, follows a similar pattern to the increases which took place in October of the previous three years. If our estimates are correct, October 2015 will have the highest number of transactions recorded in the month since 2007, when 106,350 sales took place. There have now been three months in 2015 when the number of transactions has exceeded the levels recorded in 2014, all three of which have taken place in the second half of the year.

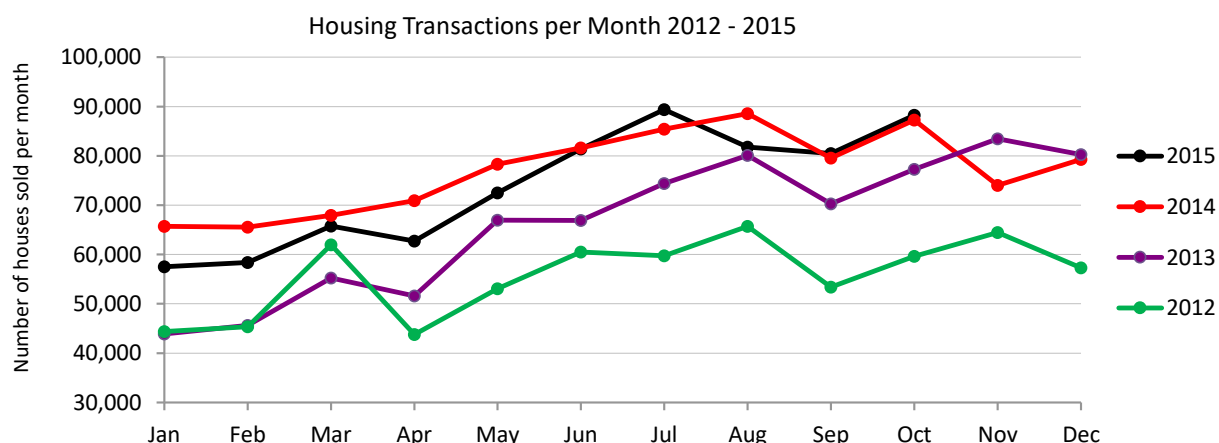


Figure 2. Number of properties sold per month in England & Wales, January 2012 – October 2015. Source Land Registry & Acadata estimates. The totals shown have not been seasonally adjusted. [link to source Excel](#)

Despite the uptick in transactions during the second half of 2015, total sales volumes are still down by 4% over the first ten months of 2015, compared to the same period in 2014. However, regions are performing at different rates. As Figure 3 below shows, the rate of change in the growth of transactions from Q3 2014 to Q3 2015 ranges from +3% in the North to -5% in East Anglia, with England & Wales as a whole being down by -2%. The rate of change in transactions in the north of the country remains positive, while the south-east corner shows a considerable decline in the number of properties being sold, possibly due to a shortage of available stock and affordability issues.



## CHANGES IN THE NUMBER OF HOUSING TRANSACTIONS FROM Q3 2014 TO Q3 2015.

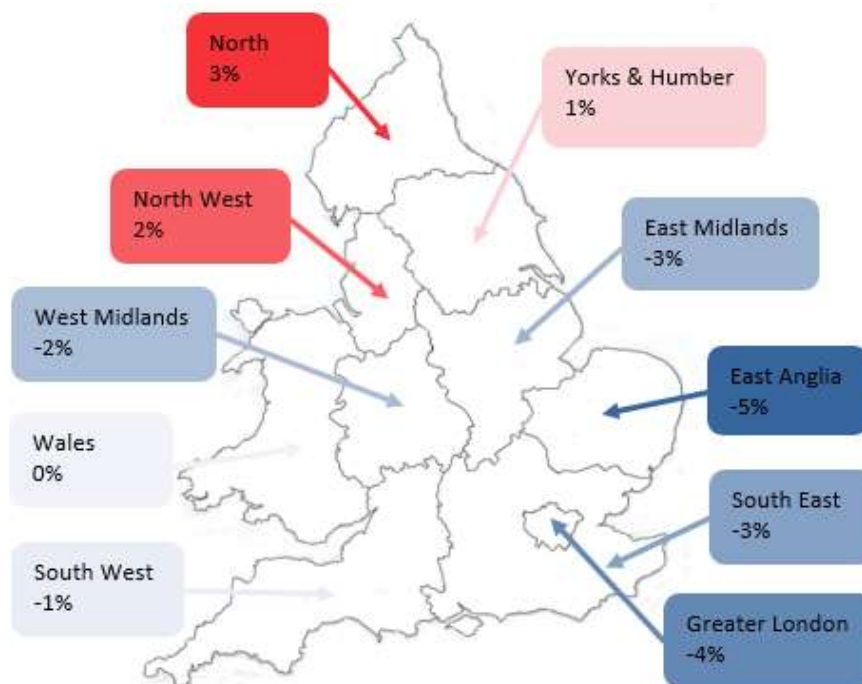


Figure 3. The % change in Housing Transactions for the period Q3 2014 to Q3 2015, analysed by region.

[link to source Excel](#)

Looking at property types, and again comparing Q3 2014 with Q3 2015, detached properties are showing a 1% increase in sales numbers, with growth of between 4% and 8% in the North West, Yorkshire & Humberside and the North, while in East Anglia detached sales have fallen by -4%. Sales of semi-detached properties in England & Wales have fallen by -1% over this period, with a fall of -8% in East Anglia, but a rise of 5% in the North. Terraced properties have fallen by -3% and flats by -5%. The largest decline in the sale of flats has been in the West Midlands, down -11%, with Birmingham in particular showing a -16% decline in the sale of flats over this period.

### The £1.5 million plus market

Although the media focus has been on homes priced at more than £1 million, this month we look at the £1.5 million plus market, as it has been one of the main sectors that has caused a slowdown in London house prices over the past year. The £1.5 million threshold became important as the Chancellor, in his autumn statement in December 2014, introduced a new tier of Stamp Duty Land Tax at 12% on the portion of the property price that is in excess of £1.5 million. Prior to the 2014 autumn statement, stamp duty had been at a rate of 5% on properties costing in excess of £1 million, and since 2012 at a rate of 7% on property values in excess of £2 million.

Table 2 below shows the number of properties that have been sold per quarter in 2014 (the year before the Chancellor's statement), and 2015 (the year following the Chancellor's statement). As can be seen, in the quarter immediately following the Chancellors statement, sales of these high priced properties reduced by 16%, although it is likely during this period that a number of such properties were already in the process of being sold, with the buyers not wishing to cancel negotiations. During the second quarter of 2015 sales of these high value properties reduced by 26% and by 35% during Q3 - although it is likely that some transactions for Q3 are still to be entered on the Land Registry records.

There is therefore considerable evidence and agreement that sales of these high value properties have diminished as a reaction to the rise in stamp duty rates.



Table 2. The number of properties sold in England & Wales in excess of £1.5 million per quarter 2014 - 2015

## NUMBER OF PROPERTIES SOLD IN ENGLAND & WALES IN EXCESS OF £1.5 MILLION

### ANALYSED BY REGION

Region	2014 Q1	2014 Q2	2014 Q3	2014 Q4	2015 Q1	2015 Q2	2015 Q3	Total	% Total
GREATER LONDON	1,052	1,228	1,382	998	870	894	882	7,306	74.5%
SOUTH EAST	217	287	431	308	206	234	280	1,963	20.0%
SOUTH WEST	32	45	47	43	19	25	36	247	2.5%
EAST ANGLIA	7	13	24	12	12	12	11	91	0.9%
NORTH WEST	4	15	10	11	4	2	7	53	0.5%
WEST MIDLANDS	5	8	4	7	3	11	8	46	0.5%
EAST MIDLANDS	4	3	7	9	2	2	3	30	0.3%
YORKS & HUMBER	3		6	4	4	3	4	24	0.2%
NORTH WEST	7		2		1	10	2	22	0.2%
NORTH	2	5	2	1		1	4	15	0.2%
WALES	2		1		2			5	0.1%
<b>Total</b>	<b>1,335</b>	<b>1,604</b>	<b>1,916</b>	<b>1,393</b>	<b>1,123</b>	<b>1,194</b>	<b>1,237</b>	<b>9,802</b>	<b>100%</b>

Change on year	-16%	-26%	-35%
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Source: Land Registry Price Paid Dataset

The table also shows that the tax almost exclusively relates to properties in the south-east of England, with 94.5% of such sales taking place in Greater London and the South East region, which increases to 97% if one includes the South West. It also shows that sales at these levels in 2015 represent the top 0.6% of sales for England & Wales as a whole, while the high value sales in Greater London represent 4.3% of that market. This high rate of tax therefore only affects a very minor percentage of buyers in the property market.

### Market forecasts

We note that Savills and other financial institutions are forecasting that house prices in 2020 will be approximately 17% higher than they are today. We believe it might be helpful to place these forecasts in a historic context, and have therefore produced Table 3 below to show how rates of growth in the regions have changed over the last ten years:-

Table 3. % change in regional house prices over a 1, 5 and 10 year period.

[link to source Excel](#)

Region	Sep 2014 - 2015	Sep 2005 - 2010	Sep 2010 - 2015	Total Period 2005 - 2015
North	2.5	8.4	1.5	10.1
North West	3.3	8.2	5.7	14.3
East Midlands	4.1	2.9	12.4	15.7
West Midlands	3.8	7.4	9.2	17.3
Wales	1.3	4.3	5.1	9.6
Yorks & Humber	4.0	8.5	6.6	15.6
South West	4.3	12.9	12.5	27.1
East Anglia	6.2	13.7	17.3	33.4
South East	6.1	17.8	22.8	44.6
Greater London	4.4	33.5	52.6	103.7
Scotland	1.4	26.7	4.3	32.1
<b>ALL REGION</b>	<b>4.7</b>	<b>16.3</b>	<b>23.3</b>	<b>43.5</b>



Table 3 above shows the annual change in house prices over a one, five and ten year period. It is noticeable that over each of the periods shown all regions recorded a positive increase in house prices. Over the last five years, 2010 – 2015, house prices increased by 23.3%. The Savills forecast of 17% for the next five years is therefore a slowing of rates compared to the recent past, although it is marginally higher than the previous five year period Sep 2005 – Sep 2010, which showed a movement of 16.3%. As Savills notes, this slowing reflects policy interventions including Stamp Duty rises and the new mortgage market rules (plus the tighter Bank oversight).

Looking at the 10 year period Sep 2005 – Sep 2015, prices have on average risen across the country by 43.5%, although there is considerable variation between regions. Greater London has seen a 103.7% increase in prices over this period, meaning that average house prices have doubled in the capital over the last ten years. Wales has seen the smallest change in house prices, at 9.6% over this same period.

The three regions that have seen the highest increase in house prices in 2015, namely East Anglia, the South East and Greater London, also show the highest growth in prices over the last ten years, although Scotland, which is placed in fourth position at 32.1% growth over the last ten years, has a relatively small rate of change in prices in 2015.

# Comparison of indices

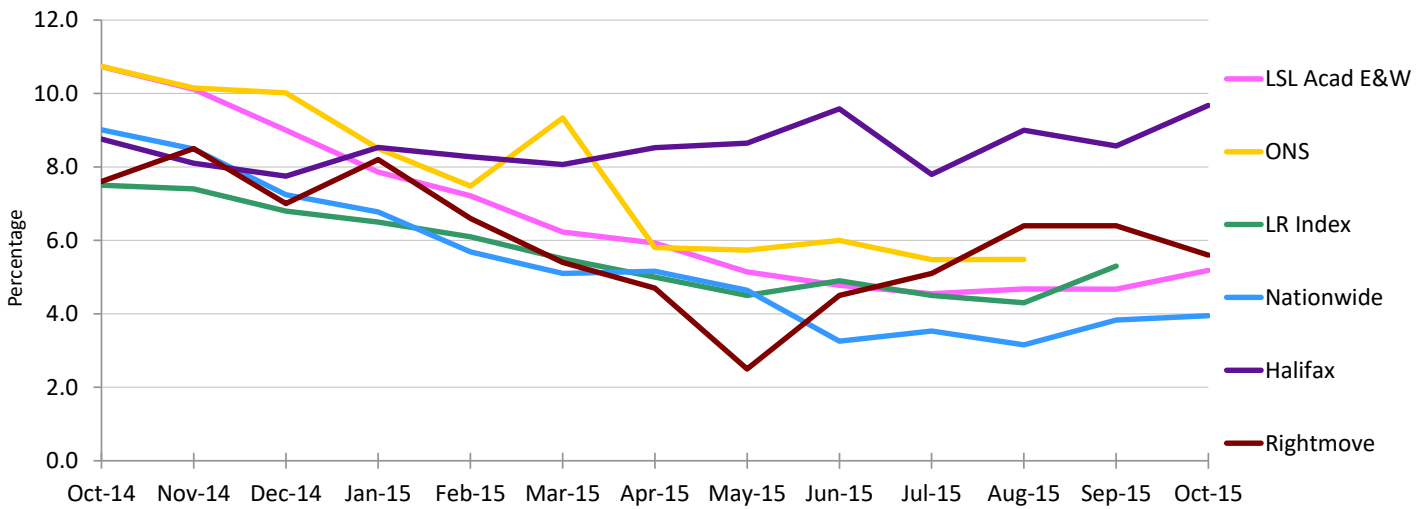


Figure 4. ANNUAL CHANGE IN HOUSE PRICES - COMPARISON OF INDICES CHART

[link to source Excel](#)

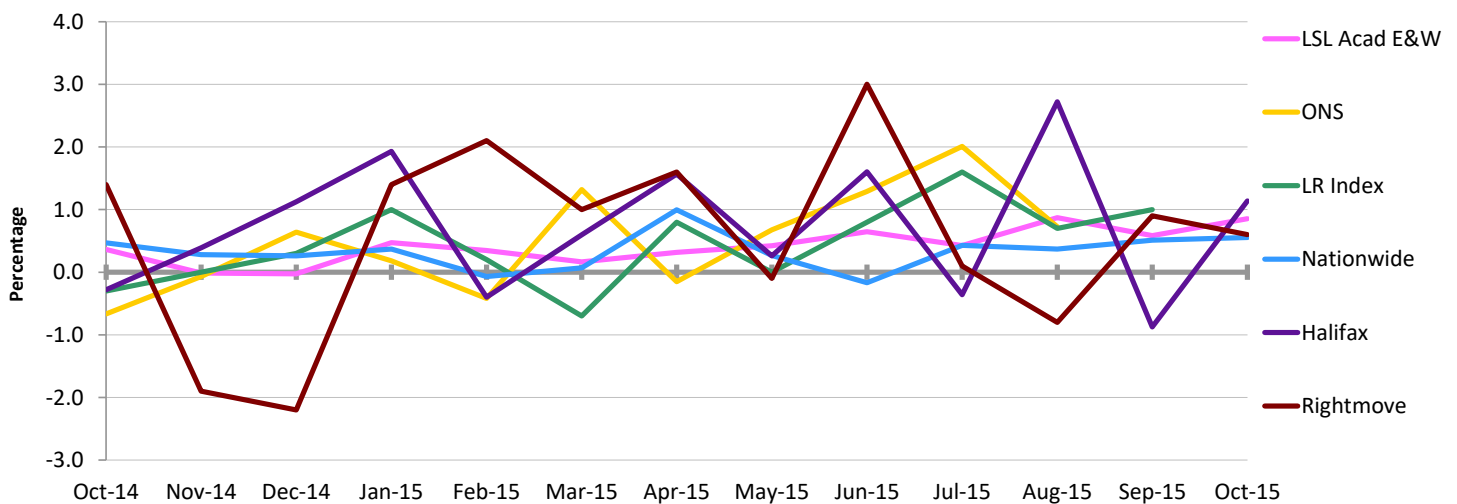


Figure 5. MONTHLY CHANGE IN HOUSE PRICES - COMPARISON OF INDICES CHART

[link to source Excel](#)

As Figure 4 shows, all indices are recording positive movements over the year in terms of the **annual** change in house prices, with the highest rate being recorded by both ONS and LSL Acad in Oct 2014 at 10.7%, and the lowest rate being recorded by Rightmove in May 2015, at 2.5%. In October 2015, of the four indices that have reported to date, three are in a relatively tight band with Rightmove at 5.6%, LSL Acad at 5.2% and Nationwide at 3.9%. Halifax is reporting the highest rate at 9.7%, which we discuss below.

Figure 5 covers the **monthly** change in house prices, with all four Indices showing remarkably similar rates of change. Halifax is the highest at 1.1%, LSL Acad is marginally below this at 0.9%, with Nationwide and Rightmove both showing a change of 0.6%. In its accompanying text, Halifax cautions that the movements in its monthly index can be volatile, and that its quarter-on-quarter change (+2.8%) is a more reliable indicator of the underlying trend.

Halifax continues to be significantly out of step with the other index providers in its annual rate, with the 9.7% rise on an annual basis being more than double that of the Nationwide at 3.9%. We note that the Halifax price for its average house is £205,240 in October – which is one of the price bands showing the largest shift in prices in the current market. Given that the index is based on those properties being mortgaged with the lender, it suggests that its lending is concentrated on homes in the middle price range. This would then explain why its index is more volatile, as these are the bands showing the largest change in house prices over the year. It also suggests that Halifax is doing less lending at the top and bottom ends of the market.



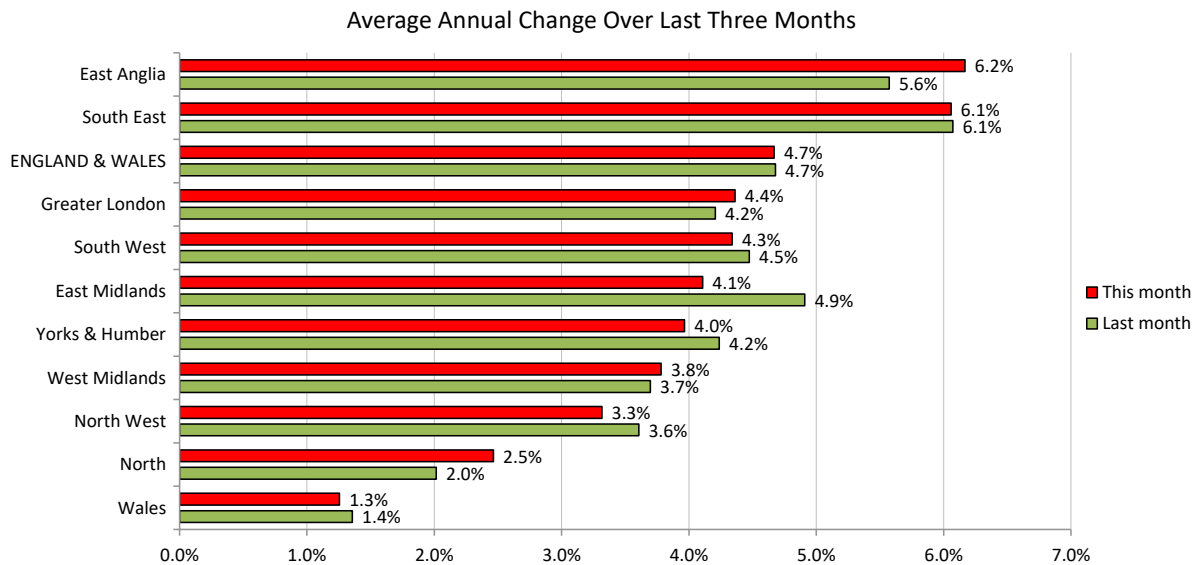


Figure 6. The annual change in the average house price, analysed by region

[link to source Excel](#)

This month it is noticeable that the regions in the south east of England are once again dominating the regional league table in terms of the highest annual inflation in house prices, taking the top three spots. East Anglia has retaken first place from the South East, which was at the top of the table last month, while Greater London has climbed to third place, up from fifth place last month, trading position with the East Midlands. Wales remains at the bottom. The ranking of the regions in the above table is almost the reverse order of Figure 3 above, which shows the change in transactions between Q3 2014 and Q3 2015, with a slowdown taking place in the south east of England, while the northernmost regions continue to see an expansion in sales volumes. This suggests that availability of stock is dominating the market in the south of England, but is less of a factor in the north.

Looking at the rate of change in the annual price inflation during the month, five English regions have seen a reduction in the annual rate of change, while four have seen rates climb. The region with the largest fall in rates is the East Midlands, where the annual rate has fallen by 0.8% from last month. Conversely, the region with the highest growth in annual rates is that of East Anglia, where the rate has increased by 0.6% from last month, to 6.2% this month.

### London and the South East v the Rest

Over the last year we have been paying particular attention to the influence of Greater London and the South East on the average house price growth in England & Wales as a whole. As Table 4 below shows, this influence was at a maximum in October 2014 when the annual rate of growth was 10.7% including Greater London and the South East, but only 6.1% if one excluded these two regions. In July 2015 this gap reduced to zero, meaning that London and the South East did not have any influence over the average growth rate in prices for England & Wales as a whole. However, as discussed above, with the renewed growth in the rates of these two southern regions, London and the South East are once again pushing up the average rate of house price inflation for England & Wales as a whole.

Month	including London (A)	excluding London	excluding London & SE (B)	difference 'the gap' (A) – (B)
Oct-14	10.7	8.1	6.1	4.6
Nov-14	10.1	7.9	5.9	4.2
Dec-14	9.0	7.4	5.9	3.1
Jan-15	7.9	6.9	5.4	2.5
Feb-15	7.2	6.6	5.4	1.8
Mar-15	6.2	6.0	4.7	1.5
Apr-15	5.9	5.8	4.6	1.3
May-15	5.1	5.5	4.4	0.7
Jun-15	4.8	5.4	4.6	0.2
Jul-15	4.5	5.1	4.5	0.0
Aug-15	4.7	4.9	4.0	0.7
Sep-15	4.7	4.8	3.9	0.8
Oct-15	5.2	4.9	3.9	1.3

Table 4. The annual percentage change in house prices in England & Wales, from October 2014 – October 2015, including and excluding Greater London and the South East. [link to source Excel](#)



## ANNUAL CHANGE IN PRICE BY REGION

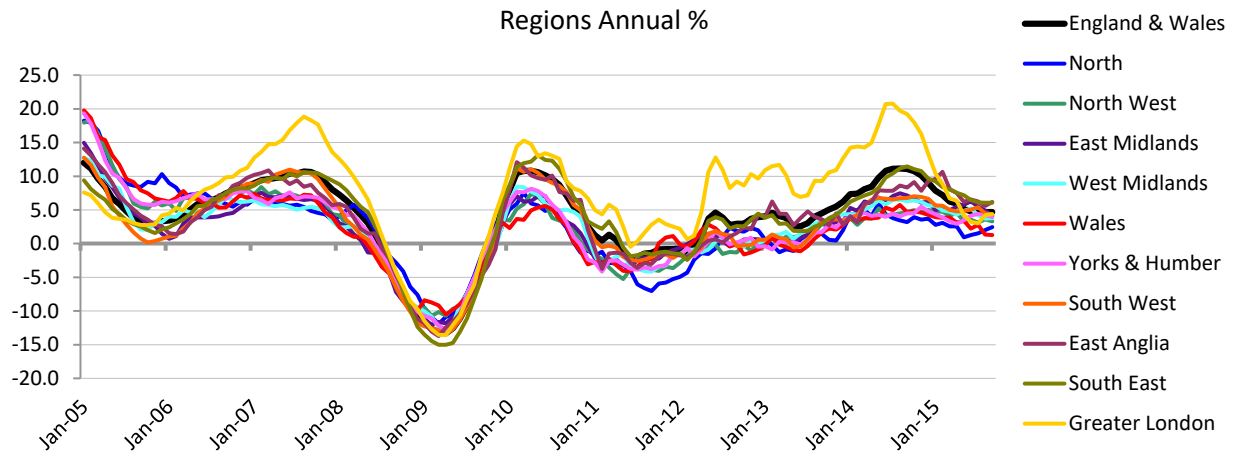


Figure 7. A comparison of the annual change in house prices, by region for the period January 2005 – September 2015

[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
- 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 Acadata website enables comparisons of selected indices over selected timescales to be undertaken [here](#) with ease and provides historic results and other information.
5. 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.
6. Acadata 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.

# London boroughs, counties and unitary authorities



Table 5. The change in house prices, for the 33 London boroughs, comparing September 2014 and August 2015 with September 2015.

[link to source Excel](#)

PRIOR YR RANK	RANK BY PRICE	LONDON BOROUGH	Sep-14	Aug-15	Sep-15	Month % Change	Annual % Change
1	1	KENSINGTON AND CHELSEA	2,029,068	1,816,489	1,773,100	-2.4%	-12.6%
2	2	CITY OF WESTMINSTER	1,558,559	1,394,948	1,472,421	5.6%	-5.5%
3	3	CAMDEN	988,953	1,119,286	1,085,309	-3.0%	9.7%
4	4	CITY OF LONDON	968,044	913,130	997,442	9.2%	3.0%
5	5	HAMMERSMITH AND	899,022	912,585	902,640	-1.1%	0.4%
6	6	RICHMOND UPON THAMES	752,565	767,050	772,476	0.7%	2.6%
7	7	WANDSWORTH	730,574	732,767	744,616	1.6%	1.9%
8	8	ISLINGTON	666,930	713,685	733,078	2.7%	9.9%
14	9	HACKNEY	531,159	589,416	596,502	1.2%	12.3%
9	10	MERTON	611,315	593,543	591,755	-0.3%	-3.2%
11	11	SOUTHWARK	552,157	577,249	589,734	2.2%	6.8%
13	12	LAMBETH	532,228	566,954	575,002	1.4%	8.0%
12	13	HARINGEY	538,683	551,439	571,276	3.6%	6.1%
10	14	BARNET	558,605	561,054	568,199	1.3%	1.7%
15	15	EALING	515,964	550,158	556,053	1.1%	7.8%
17	16	BRENT	464,938	531,235	532,725	0.3%	14.6%
16	17	KINGSTON UPON THAMES	503,169	510,330	523,807	2.6%	4.1%
18	18	HOUNSLOW	461,316	494,692	511,268	3.4%	10.8%
19	19	TOWER HAMLETS	438,321	488,876	492,948	0.8%	12.5%
20	20	HARROW	417,674	485,188	490,033	1.0%	17.3%
21	21	BROMLEY	417,630	452,917	463,816	2.4%	11.1%
23	22	GREENWICH	369,864	401,332	408,416	1.8%	10.4%
22	23	LEWISHAM	381,268	403,504	403,593	0.0%	5.9%
25	24	HILLINGDON	365,309	399,547	402,304	0.7%	10.1%
24	25	ENFIELD	366,741	395,584	401,796	1.6%	9.6%
27	26	REDBRIDGE	354,555	397,942	397,787	0.0%	12.2%
26	27	WALTHAM FOREST	359,764	391,551	396,401	1.2%	10.2%
28	28	SUTTON	346,848	368,841	368,806	0.0%	6.3%
29	29	CROYDON	322,058	350,411	350,884	0.1%	9.0%
30	30	HAVERING	296,292	331,743	332,010	0.1%	12.1%
31	31	NEWHAM	290,211	321,182	330,138	2.8%	13.8%
32	32	BEXLEY	278,946	305,788	305,787	0.0%	9.6%
33	33	BARKING AND DAGENHAM	217,804	251,051	250,262	-0.3%	14.9%
		ALL LONDON	564,780	583,125	589,416	1.1%	4.4%

The analysis of Greater London house prices in the above table relates to September 2015, and compares these prices to one month and one year earlier. On a monthly basis, house prices in London overall were 1.1% higher in September than in August. This is the third highest monthly rate seen in London over the last fourteen months, suggesting that the London market is now recovering from its more subdued pace seen in the second half of 2014 and the first quarter of 2015. It would appear that the momentum in price increases in the lower to middle price brackets of London's housing markets are now outweighing the fall in prices which remain prevalent in the more expensive housing locations.

There were 17 boroughs in September that set new peak prices, highlighted in grey in the above table. It is particularly noticeable this month that the top 6 boroughs when ranked by price have all failed to establish new record prices, while the majority of the lower priced boroughs have seen prices continuing to reach new highs.

On an annual basis, prices in London have increased by 4.4%, or £24,636. This increase represents approximately 75% of gross annual earnings for full time workers in the London area.

Splitting the above table into thirds, the top third of boroughs by price have seen prices rise by 2.3% over the last year, the middle third have seen prices over the period increase by 9.5%, while the bottom third have seen prices rise by an average 10.3%. Over the last year, three boroughs have seen prices fall, being the top two boroughs ranked by price and Merton, where special factors apply. Thus, it is the lower to middle priced boroughs which are seeing the largest growth in house prices, while the higher priced boroughs are seeing prices remaining static or falling.

# London boroughs, counties and unitary authorities



## Counties and Unitary Authorities

Table 6. The annual percentage change in mix adjusted house prices, for the 108 Counties and Unitary Authorities in England & Wales, comparing September 2014 and August 2015 with September 2015. 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	Sep-14	Aug-15	Sep-15	Monthly change	Annual Change
16	17	CAMBRIDGESHIRE	273,817	296,590	298,252	0.6%	8.9%
64	61	CITY OF PETERBOROUGH	170,903	179,219	178,012	-0.7%	4.2%
47	47	NORFOLK	204,329	214,571	215,397	0.4%	5.4%
35	37	SUFFOLK	226,993	235,718	237,041	0.6%	4.4%
		<b>EAST ANGLIA</b>	<b>227,268</b>	<b>240,220</b>	<b>241,284</b>	<b>0.4%</b>	<b>6.2%</b>
76	75	CITY OF DERBY	157,104	163,090	160,808	-1.4%	2.4%
95	94	CITY OF NOTTINGHAM	137,007	135,852	137,373	1.1%	0.3%
67	64	DERBYSHIRE	170,429	175,989	175,033	-0.5%	2.7%
88	87	LEICESTER	150,316	152,652	154,331	1.1%	2.7%
45	49	LEICESTERSHIRE	209,088	213,720	214,378	0.3%	2.5%
70	62	LINCOLNSHIRE	168,595	178,080	177,003	-0.6%	5.0%
49	48	NORTHAMPTONSHIRE	199,858	212,763	213,089	0.2%	6.6%
71	69	NOTTINGHAMSHIRE	169,099	175,706	177,069	0.8%	4.7%
14	15	RUTLAND	279,112	295,361	301,287	2.0%	7.9%
		<b>EAST MIDLANDS</b>	<b>178,834</b>	<b>186,041</b>	<b>186,180</b>	<b>0.1%</b>	<b>4.1%</b>
		<b>GREATER LONDON</b>	<b>564,780</b>	<b>583,125</b>	<b>589,416</b>	<b>1.1%</b>	<b>4.4%</b>
61	67	CUMBRIA	169,967	175,543	173,734	-1.0%	2.2%
90	88	DARLINGTON	142,357	150,399	151,959	1.0%	6.7%
100	99	DURHAM	125,728	123,830	124,415	0.5%	-1.0%
94	97	HARTLEPOOL	134,012	127,976	126,840	-0.9%	-5.4%
99	100	MIDDLESBROUGH	123,031	119,393	119,077	-0.3%	-3.2%
60	59	NORTHUMBERLAND	174,407	186,390	184,366	-1.1%	5.7%
96	96	REDCAR AND CLEVELAND	128,841	131,329	128,795	-1.9%	0.0%
85	86	STOCKTON-ON-TEES	149,467	151,920	151,887	0.0%	1.6%
84	84	TYNE AND WEAR	150,065	155,414	155,869	0.3%	3.9%
		<b>NORTH</b>	<b>149,849</b>	<b>153,946</b>	<b>153,542</b>	<b>-0.3%</b>	<b>2.5%</b>
103	101	BLACKBURN WITH DARWEN	117,899	118,495	120,637	1.8%	2.3%
104	105	BLACKPOOL	109,455	108,660	112,999	4.0%	3.2%
39	40	CHESHIRE	229,785	232,601	232,306	-0.1%	1.1%
74	73	GREATER MANCHESTER	161,224	167,531	169,303	1.1%	5.0%
81	78	HALTON	149,038	158,343	156,549	-1.1%	5.0%
80	81	LANCASHIRE	158,394	158,536	158,327	-0.1%	0.0%
87	82	MERSEYSIDE	150,846	155,578	157,359	1.1%	4.3%
51	50	WARRINGTON	190,946	210,707	207,302	-1.6%	8.6%
		<b>NORTH WEST</b>	<b>166,760</b>	<b>171,357</b>	<b>172,291</b>	<b>0.5%</b>	<b>3.3%</b>
26	23	BEDFORDSHIRE	247,032	267,703	267,121	-0.2%	8.1%
11	9	BRACKNELL FOREST	317,792	353,844	351,480	-0.7%	10.6%
8	10	BRIGHTON AND HOVE	334,093	346,138	348,605	0.7%	4.3%
3	3	BUCKINGHAMSHIRE	403,392	432,716	431,944	-0.2%	7.1%
20	22	EAST SUSSEX	272,668	273,463	277,218	1.4%	1.7%
17	16	ESSEX	277,613	299,589	301,391	0.6%	8.6%
13	13	HAMPSHIRE	297,032	316,830	316,527	-0.1%	6.6%
5	5	HERTFORDSHIRE	377,877	401,390	404,600	0.8%	7.1%
46	44	ISLE OF WIGHT	208,886	223,085	227,461	2.0%	8.9%
18	19	KENT	274,627	286,311	288,345	0.7%	5.0%
58	51	LUTON	182,040	210,047	209,903	-0.1%	15.3%
50	46	MEDWAY	201,379	215,724	217,419	0.8%	8.0%
33	25	MILTON KEYNES	241,087	262,972	268,504	2.1%	11.4%
6	6	OXFORDSHIRE	353,449	384,995	382,165	-0.7%	8.1%
53	54	PORTSMOUTH	191,528	199,774	201,109	0.7%	5.0%
19	14	READING	265,423	304,636	308,369	1.2%	16.2%
22	20	SLOUGH	258,340	283,058	285,639	0.9%	10.6%
52	56	SOUTHAMPTON	196,299	196,136	197,654	0.8%	0.7%
29	24	SOUTHEND-ON-SEA	245,640	267,631	268,579	0.4%	9.3%

# London boroughs, counties and unitary authorities



2	2	SURREY	463,714	476,876	480,762	0.8%	3.7%
43	36	THURROCK	216,456	237,688	240,100	1.0%	10.9%
7	7	WEST BERKSHIRE	341,321	364,927	364,737	-0.1%	6.9%
12	12	WEST SUSSEX	315,276	328,049	326,121	-0.6%	3.4%
1	1	WINDSOR AND MAIDENHEAD	538,372	521,883	530,393	1.6%	-1.5%
4	4	WOKINGHAM	383,111	399,689	407,279	1.9%	6.3%
		<b>SOUTH EAST</b>	<b>316,848</b>	<b>334,508</b>	<b>336,043</b>	<b>0.5%</b>	<b>6.1%</b>
9	8	BATH AND NORTH EAST SOMERSET	336,704	362,881	358,265	-1.3%	6.4%
30	26	BOURNEMOUTH	239,390	254,396	267,472	5.1%	11.7%
27	29	CITY OF BRISTOL	247,097	255,238	260,606	2.1%	5.5%
66	68	CITY OF PLYMOUTH	172,692	174,501	174,600	0.1%	1.1%
34	33	CORNWALL	232,399	242,089	242,746	0.3%	4.5%
23	27	DEVON	254,826	255,014	255,483	0.2%	0.3%
15	18	DORSET	283,706	291,122	292,919	0.6%	3.2%
24	28	GLOUCESTERSHIRE	249,474	256,452	258,254	0.7%	3.5%
25	31	NORTH SOMERSET	244,364	254,032	257,446	1.3%	5.4%
10	11	POOLE	319,320	332,930	329,632	-1.0%	3.2%
41	43	SOMERSET	218,409	225,490	226,148	0.3%	3.5%
31	30	SOUTH GLOUCESTERSHIRE	239,831	253,446	253,415	0.0%	5.7%
57	52	SWINDON	183,776	206,491	206,853	0.2%	12.6%
54	55	TORBAY	188,312	199,607	201,959	1.2%	7.2%
21	21	WILTSHIRE	257,763	275,449	274,418	-0.4%	6.5%
		<b>SOUTH WEST</b>	<b>245,452</b>	<b>254,748</b>	<b>256,103</b>	<b>0.5%</b>	<b>4.3%</b>
108	108	BLAENAU GWENT	89,685	94,886	98,045	3.3%	9.3%
91	92	BRIDGEND	148,703	145,683	145,043	-0.4%	-2.5%
97	95	CAERPHILLY	129,188	135,110	135,531	0.3%	4.9%
48	53	CARDIFF	199,276	203,210	202,000	-0.6%	1.4%
86	91	CARMARTHENSHIRE	150,096	149,843	152,904	2.0%	1.9%
59	58	CEREDIGION	178,495	187,198	183,611	-1.9%	2.9%
65	71	CONWY	171,551	169,490	166,784	-1.6%	-2.8%
83	83	DENBIGHSHIRE	153,584	155,704	161,655	3.8%	5.3%
72	72	FLINTSHIRE	169,287	170,494	172,865	1.4%	2.1%
79	76	GWYNEDD	158,714	164,147	165,156	0.6%	4.1%
62	70	ISLE OF ANGLESEY	166,436	176,696	177,571	0.5%	6.7%
105	107	MERTHYR TYDFIL	110,010	101,577	104,863	3.2%	-4.7%
32	34	MONMOUTHSHIRE	244,183	242,603	239,724	-1.2%	-1.8%
101	103	NEATH PORT TALBOT	114,569	112,507	112,109	-0.4%	-2.1%
73	79	NEWPORT	161,329	159,193	158,696	-0.3%	-1.6%
63	63	PEMBROKESHIRE	176,904	177,536	177,519	0.0%	0.3%
55	60	POWYS	186,104	184,863	185,357	0.3%	-0.4%
102	102	RHONDDA CYNON TAFF	115,531	117,382	118,731	1.1%	2.8%
78	89	SWANSEA	158,749	150,910	152,080	0.8%	-4.2%
42	42	THE VALE OF GLAMORGAN	210,848	225,694	226,734	0.5%	7.5%
92	90	TORFAEN	144,810	147,152	145,863	-0.9%	0.7%
82	80	WREXHAM	150,250	158,500	159,905	0.9%	6.4%
		<b>WALES</b>	<b>162,800</b>	<b>164,433</b>	<b>164,845</b>	<b>0.3%</b>	<b>1.3%</b>
36	39	HEREFORDSHIRE	228,127	230,284	229,600	-0.3%	0.6%
44	45	SHROPSHIRE	217,286	222,443	223,430	0.4%	2.8%
56	57	STAFFORDSHIRE	183,208	191,822	191,632	-0.1%	4.6%
107	104	STOKE-ON-TRENT	101,548	110,643	109,574	-1.0%	7.9%
28	32	WARWICKSHIRE	238,818	248,078	249,854	0.7%	4.6%
68	66	WEST MIDLANDS	169,367	176,395	177,291	0.5%	4.7%
40	41	WORCESTERSHIRE	224,192	227,577	226,829	-0.3%	1.2%
75	77	WREKIN	160,655	161,413	161,172	-0.1%	0.3%
		<b>WEST MIDLANDS</b>	<b>188,973</b>	<b>195,667</b>	<b>196,120</b>	<b>0.2%</b>	<b>3.8%</b>
106	106	CITY OF KINGSTON UPON HULL	105,407	107,500	108,410	0.8%	2.8%
69	65	EAST RIDING OF YORKSHIRE	173,077	176,789	177,086	0.2%	2.3%
98	98	NORTH EAST LINCOLNSHIRE	126,094	127,537	128,673	0.9%	2.0%



93	93	<b>NORTH LINCOLNSHIRE</b>	139,277	140,953	140,090	-0.6%	0.6%
38	38	<b>NORTH YORKSHIRE</b>	224,071	232,656	233,298	0.3%	4.1%
89	85	<b>SOUTH YORKSHIRE</b>	148,095	152,163	152,282	0.1%	2.8%
77	74	<b>WEST YORKSHIRE</b>	159,674	165,656	167,003	0.8%	4.6%
37	35	<b>YORK</b>	226,464	243,740	243,946	0.1%	7.7%
		<b>YORKS &amp; HUMBER</b>	<b>166,510</b>	<b>172,376</b>	<b>173,114</b>	<b>0.4%</b>	<b>4.0%</b>
		<b>ALL ENGLAND &amp; WALES</b>	<b>273,222</b>	<b>284,315</b>	<b>285,978</b>	<b>0.6%</b>	<b>4.7%</b>

Table 6 shows the average house price for each of the 108 unitary authorities and counties in England & Wales, together with a regional summary for September 2014, August 2015 and September 2015. 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 September, the monthly rate of house price inflation in England & Wales is 0.6% and the headline annual increase in prices for England & Wales in September 2015 is 4.7%, the same rate as seen in August one month earlier. This is the first time in the last twelve months that the annual rate has stopped falling.

## Annual Trends

On an annual basis, prices have increased in 94 of the 108 unitary authority areas, the same number as last month, which represents some 87% of the England & Wales unitary authority areas. Of the 14 areas where prices are falling, 8 are located in Wales, 4 are located in the North and 1 each in the North West and the South East. In the South East it is Windsor and Maidenhead that has seen prices fall over the year; Windsor and Maidenhead is ranked first in terms of the average house price of all the unitary authority areas in England & Wales. It is therefore the most expensive area in England in which to purchase a property, outside of Greater London, and would appear to be exhibiting the same characteristics, i.e. falling prices, as seen in the high value areas of London.

In the above table we have highlighted in turquoise the areas which have set a new peak price in the month; there are 26 such locations, which is two less than last month. The two areas that have dropped from the group recording record prices are both located in the South East.

Table 7 below shows the annual rate of house price growth outside Greater London, ordered by quartiles in terms of the average house price of each unitary authority area. The table highlights the fact that, despite the fall in prices in Windsor and Maidenhead, 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 house price inflation has been rising across all segments of the housing market, with the exception of the second quartile, where the growth in prices has remained at the same level as last month.

Table 7. Trends in the distribution of house prices changes in the 108 unitary authority/counties, for the period September 2014 to September 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 the 12 months
1st Quartile	£0 - £158,085	1.6%	1.4%
2nd Quartile	£158,085 - £201,534	2.9%	2.9%
3rd Quartile	£201,534 - £258,842	5.3%	5.2%
4th Quartile	Above £258,842	6.9%	6.7%

## Monthly Trends

On a monthly basis, the headline rate for prices in England & Wales in September 2015 shows an increase of 0.6%, down from the 0.9% seen in the previous month. In September, there were price rises over the month in 67 of the 108 unitary authority areas (four more than the previous month).

## Highest and lowest unitary authorities

Looking at the unitary authority areas on an individual basis, it is Reading at 16.2% that tops the league with the highest annual rate of change in prices. Reading has been listed on three separate occasions this year as being the area with the highest increase in house prices. As we previously mentioned, Reading is one of the Terminus stations for the new London Crossrail link, which is planned to be operational by 2019. In parallel to the process of improving the transport



infrastructure for Reading, several new apartment blocks have been constructed near to the town centre, which will have raised the average price of properties in the area.

By way of contrast, the area with the largest reduction in annual prices is Hartlepool, where prices have fallen by 5.4%. Next to Rutland, Hartlepool has the lowest level of transactions of any unitary authority in England, which tends to make the percentage change in prices more volatile than most – it was only six months ago that we were reporting that Hartlepool had seen the highest rise in prices of any area in England & Wales.

## Transactions

In terms of transactions, looking at the volume of sales in Q3 2015 and comparing with the same three months in 2014, 63 of the 108 unitary authorities in England & Wales have seen a decline in sales volumes over the period, compared to 65 last month. The area in England with the largest decline in transactions over these months was Slough, down 27%, with a reduction in the number of flats sold from 256 units in Q3 2014 to 115 units in Q3 2015. However, the price of flats in Slough increased by 5% 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.

The area that recorded the highest increase in transactions from Q3 2014 to Q3 2015 is Hartlepool, up 18%, but as we reported above, Hartlepool tends to see large percentage changes in its statistics, due to low volumes. Following Hartlepool it is Torbay that has seen the highest increase in property sales in England between Q3 2014 and Q3 2015, up by 15%. Flats have been particularly popular in Torbay, with flat sales rising from 154 units in Q3 2014 to 193 units in Q3 2015.

# Regional data table



Table 8. Average house prices by region, October 2014 – October 2015, 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
Oct-14	£151,228	0.9	3.9	£167,301	0.3	5.0	£178,429	-0.2	6.7	£190,341	0.7	6.4
Nov-14	£150,447	-0.5	3.6	£166,449	-0.5	4.7	£178,609	0.1	6.1	£190,565	0.1	6.2
Dec-14	£151,730	0.9	3.7	£166,904	0.3	5.0	£178,568	0.0	6.3	£191,013	0.2	5.6
Jan-15	£152,931	0.8	2.8	£168,076	0.7	4.7	£180,115	0.9	5.0	£192,157	0.6	5.6
Feb-15	£154,976	1.3	3.1	£169,029	0.6	4.7	£182,155	1.1	5.3	£192,440	0.1	4.9
Mar-15	£156,064	0.7	2.6	£169,302	0.2	4.1	£183,044	0.5	5.0	£192,730	0.2	4.7
Apr-15	£154,689	-0.9	2.5	£169,621	0.2	4.6	£183,296	0.1	5.5	£192,219	-0.3	4.3
May-15	£153,164	-1.0	0.9	£168,914	-0.4	3.3	£184,163	0.5	5.8	£193,531	0.7	4.9
Jun-15	£152,964	-0.1	1.3	£169,167	0.1	3.6	£185,581	0.8	6.3	£194,874	0.7	5.2
Jul-15	£153,064	0.1	1.5	£169,366	0.1	3.1	£185,967	0.2	5.5	£195,060	0.1	4.2
Aug-15	£153,946	0.6	2.0	£171,357	1.2	3.6	£186,041	0.0	4.9	£195,667	0.3	3.7
Sep-15	£153,542	-0.3	2.5	£172,291	0.5	3.3	£186,180	0.1	4.1	£196,120	0.2	3.8

	Wales			Yorks & Humber			South West			East Anglia		
	Av HP	%monthly	%annual	Av HP	%monthly	%annual	Av HP	%monthly	%annual	Av HP	%monthly	%annual
Oct-14	£164,616	1.1	4.8	£168,087	0.9	4.5	£246,335	0.4	7.0	£228,791	0.7	9.1
Nov-14	£164,089	-0.3	4.6	£168,955	0.5	5.5	£245,504	-0.3	6.9	£227,782	-0.4	7.9
Dec-14	£164,373	0.2	4.3	£168,947	0.0	4.8	£246,999	0.6	6.7	£230,266	1.1	9.3
Jan-15	£164,729	0.2	3.9	£169,194	0.1	4.3	£245,870	-0.5	5.7	£233,129	1.2	9.6
Feb-15	£166,061	0.8	3.8	£168,771	-0.2	3.9	£248,274	1.0	5.6	£237,867	2.0	10.6
Mar-15	£166,146	0.1	3.9	£168,983	0.1	3.3	£249,526	0.5	5.0	£237,984	0.0	8.1
Apr-15	£164,605	-0.9	3.1	£168,455	-0.3	2.9	£251,343	0.7	4.8	£238,701	0.3	7.5
May-15	£163,915	-0.4	3.4	£169,828	0.8	3.5	£251,898	0.2	4.8	£237,665	-0.4	6.2
Jun-15	£163,506	-0.2	2.2	£170,819	0.6	4.2	£251,667	-0.1	5.0	£239,095	0.6	6.6
Jul-15	£164,407	0.6	2.8	£171,582	0.4	4.4	£253,816	0.9	5.4	£239,380	0.1	6.2
Aug-15	£164,433	0.0	1.4	£172,376	0.5	4.2	£254,748	0.4	4.5	£240,220	0.4	5.6
Sep-15	£164,845	0.3	1.3	£173,114	0.4	4.0	£256,103	0.5	4.3	£241,284	0.4	6.2

	South East			Greater London			ENGLAND & WALES		
	Av HP	%monthly	%annual	Av HP	%monthly	%annual	Av HP	%monthly	%annual
Oct-14	£317,614	0.2	11.1	£566,219	0.3	18.0	£274,210	0.4	10.7
Nov-14	£318,328	0.2	10.8	£565,997	0.0	16.3	£274,176	0.0	10.1
Dec-14	£319,525	0.4	9.7	£560,008	-1.1	13.3	£274,109	0.0	9.0
Jan-15	£322,159	0.8	9.2	£561,298	0.2	10.4	£275,406	0.5	7.9
Feb-15	£323,972	0.6	8.4	£558,142	-0.6	8.9	£276,358	0.3	7.2
Mar-15	£326,014	0.6	8.0	£555,145	-0.5	6.7	£276,812	0.2	6.2
Apr-15	£326,937	0.3	7.5	£559,315	0.8	6.4	£277,689	0.3	5.9
May-15	£328,835	0.6	7.2	£563,364	0.7	4.2	£278,861	0.4	5.1
Jun-15	£330,100	0.4	6.5	£571,592	1.5	3.2	£280,667	0.6	4.8
Jul-15	£332,125	0.6	6.1	£573,387	0.3	3.0	£281,863	0.4	4.5
Aug-15	£334,508	0.7	6.1	£583,125	1.7	4.2	£284,315	0.9	4.7
Sep-15	£336,043	0.5	6.1	£589,416	1.1	4.4	£285,978	0.6	4.7
Oct-15							£288,421	0.9	5.2





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 page 5 NOTE 7 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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