



Under embargo until 00:01 Monday 17th September 2018

August 2018

Slow but steady

- House price growth remains at 1.8% for third consecutive month
- Transactions in 2018 at their lowest in five years
- Every region and 79 of the 108 unitary authority areas still record annual price rises

House Price	Index	Monthly Change %	Annual Change %	Annual % (excluding London & the SE)
£303,199	290.5	0.1	1.8	1.3

Monthly prices rose modestly in August. They were up just 0.1%, but it is enough to put an end to consistent falls seen every month since March. Regional variances are still very evident. Annual price increases, by contrast, remain steady, holding at 1.8% for the third month in a row. That's up from a 1.7% annual increase in May, but a fall from 3.8% in January and 4.5% last August.

The 1.8% increase is significantly below inflation of 2.3% (CPI), meaning real-terms falls. However, every region continues to show nominal increases in annual prices.

The average home in England and Wales is now worth £303,199, up £5,300 on the previous year.

London posted an annual price increase of 3.6% in July. The West Midlands, East Midlands and North East also all continue to record rises above inflation. The South East, where growth is weakest, nevertheless saw its annual growth increase in July, bucking the trend nation-wide.

Broadly, though, the market is flat across regions, and transactions are low – down 0.1% in August compared to July with an estimated 79,900 completed. Annually they are estimated to be down 4% on the same period in 2017, and at their lowest in five years.

The real-terms fall in prices in many regions is likely to help first time buyers, however, and many expect these to be the dominant players in the market this year. Housing related announcements expected in November's Autumn Budget may also offer more help.

Oliver Blake, Managing Director of Your Move and Reeds Rains estate agents said: "The slower market should help ease the affordability challenge faced by many buyers. Even in London, where an average increase was recorded over the month, homes in most boroughs are significantly cheaper in real terms than they were this time last year."

The capital started the year recording the biggest monthly fall in prices since the financial crisis, acting as a significant drag on the market. Now prices are up 3.6% in the year to July at £625,040.

Some other areas also continue to see good growth. Redbridge up 6.5% annually to £477,196; Kensington and Chelsea (still the most expensive borough with average prices of £1,834,640) is up 7.5% annually; Merton is up 10.1% to £659,305; and Lambeth is up 5.7% to £660,895.

More areas have seen prices drop, however, with prices falling in 21 out of 33 boroughs in London.

The biggest fall was in Westminster, which sits between Kensington and Chelsea and the City of London to make up the top three by price in the capital. Values in the borough are down 11.8% annually, largely a result of its failure to repeat the significant number of registrations of new build flats that boosted prices last year.

Outside London, the top regions for growth remained unchanged in July, with the West Midlands (up 2.9%) annually, East Midlands (up 2.7%) and North East (up 2.6%) topping the table. Growth rates in the first two slowed, while they remained unchanged in the North East, but all three continued to report increases above inflation.



The West Midlands conurbation saw prices up 4.7% – among the strongest growth of any unitary authority area. Other strong performers include Tyne and Wear (up 4.8%) and Darlington (up 4.4%) in the North East; and, to a lesser extent in the East Midlands, with prices in Leicestershire up 3.7% annually.

They are all put in the shade, however, by surging prices in some lower performing regions: Bournemouth, up 6.4% against 1.2% for the South West region as a whole; West Berkshire, bucking the trend in the South East (where growth is just 0.2%) with a 12.7% annual price rise; and Monmouthshire, already the most expensive local authority area in Wales, topping the table. With overall prices up 14.0% annually (against 2.1% for all of Wales), the average price paid for a detached home in the area has risen £60,000 from £325k in July 2017 to £385k one year later.

The South East, with the weakest growth, also saw the biggest drop over the year, in Slough, where prices are down 6.6% annually. That is largely a result of a lack of new build homes in the data, with just one new build sale recorded at the Land Registry for the period between June and August, compared to 43 in the same period last year. This may change as the Land Registry figures for these months are updated.

Despite the relative slowdown across regions, the clear majority of areas still continue to grow, with almost three quarters showing annual increases in prices in the year to July.

NB: The LSL/Acadata house price index incorporates all transactions, including those made with cash.

For a more detailed market analysis by Acadata, see page 3.

Table 1. Average House Prices in England & Wales for the period August 2017 – August 2018

[link to source Excel](#)

		House Price	Index	Monthly Change %	Annual Change %
August	2017	£297,899	294.7	0.1	4.5
September	2017	£299,780	295.3	0.6	4.5
October	2017	£301,318	294.3	0.5	4.0
November	2017	£302,707	293.2	0.5	3.8
December	2017	£304,882	292.1	0.7	3.8
January	2018	£307,338	294.4	0.8	3.8
February	2018	£308,744	295.8	0.5	3.6
March	2018	£307,972	295.0	-0.2	2.8
April	2018	£305,967	293.1	-0.7	2.2
May	2018	£304,305	291.5	-0.5	1.7
June	2018	£303,259	290.5	-0.3	1.8
July	2018	£303,013	290.3	-0.1	1.8
August	2018	£303,199	290.5	0.1	1.8

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

House Prices August 2018

Last month we reported that house prices were beginning to flatline. This month, as predicted and for the third month in succession, annual house prices are growing at a rate of 1.8%, just 0.1% up on the previous month. The main story therefore remains that house price growth at the national level is not changing significantly from month-to-month. Figure 1 shows that although there have been monthly variations over the last 24 months, the underlying trend is toward a stabilisation in the average house price. Moreover, given that the rate of increase is below inflation (the latest ONS release gives CPI in July as 2.3% and RPI at 3.2%), this means we have a modest real-term decline in house prices which helps those trying to enter the market - but at the same time creates tensions in the sales process, with vendors often sticking to outdated prices.

As we show later in this report on page 7, although all ten GOR areas in England & Wales remain in positive territory in July with respect to house price growth, the rate of increase has slowed in seven of them, with only Greater London and the East of England having increased rates of growth. The highest rate is 3.6%, in Greater London, i.e. marginally above inflation, while the smallest of 0.2% occurs in the South East, well below the rate of inflation. Despite these important variations, the housing markets across England & Wales are currently experiencing broadly similar circumstances – flattening prices for the most part, a falling number of transactions with fewer homes on the market, and reduced confidence despite falling unemployment and rising wages. A combination of stretched affordability, the prospect of continued - albeit modest - rate rises and the overhang of Brexit have produced this outcome.

Average House Prices in England & Wales
August 2016 - August 2018

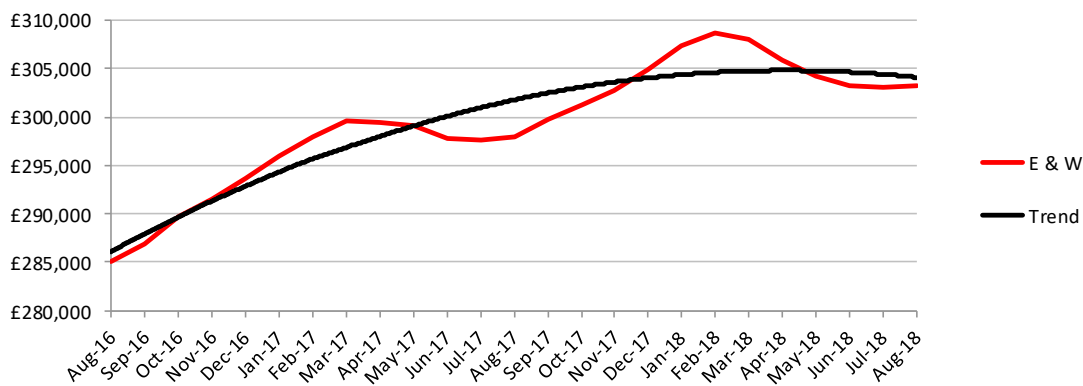


Figure 1. The annual percentage change in average house prices in England & Wales, August 2016 – August 2018 [link to source Excel](#)
Source LSL Acadata HPI. The figures are mix and seasonally adjusted

On a **monthly** basis, the overall rate of house price inflation in August was +0.1% when including London, or 0.0%, if London is excluded from the calculations. Figure 2 below shows how the monthly change has moved in a band roughly plus or minus 0.5% over the last 12 months, arriving back at a zero change position in August.

Monthly House Price Change, including and excluding London

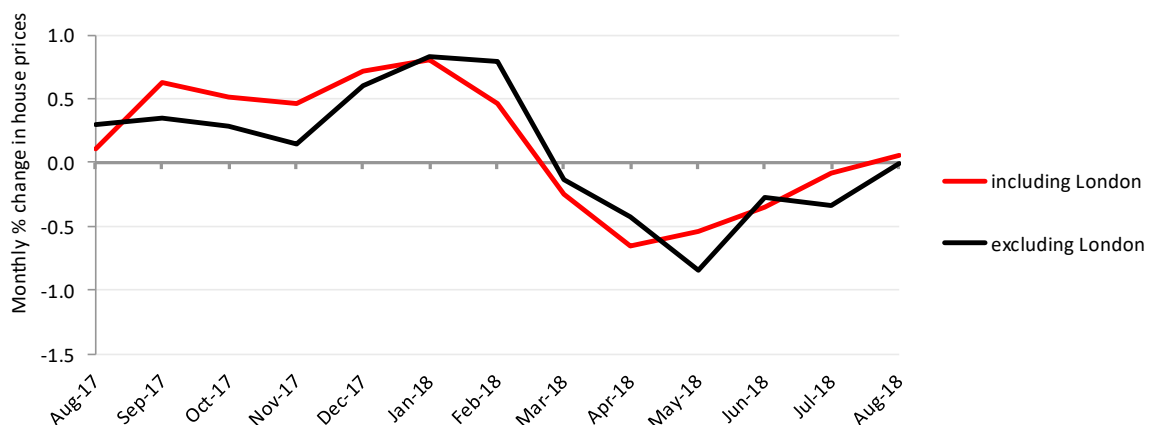


Figure 2. The monthly percentage change in average house prices in England & Wales, August 2017 – August 2018 [link to source Excel](#)



Although we are not surprised that the annual rate of house price growth has remained at this near constant and low level over the last four months, a number of specific events have occurred in the housing market over the summer which go against the recent trends. Firstly - as we report on page 8 - there were 61 transactions recorded in the City of London in June, of which 17 relate to a new development with average selling prices ranging from £2 million to £6 million. The typical number of sales in the City of London over the last year has been 17 per month. Unsurprisingly these additional sales have raised the average price in the City of London to a new high of £1,090,000.

Secondly - as we report on page 7 - London now tops the league of regional growth rates at 3.6%. This is the first time that London has topped this league in the past 26 months. This appears to contradict Reuters' panel of 30 experts who stated that London would see average prices fall over the year – time will tell, but it highlights the volatility that exists and not least in London where global factors have a big impact.

Thirdly - also on page 7 - we report that five regions currently have the lowest annual price growth of the last five years. These include the North West and the East and West Midlands, which have recently been the favourites of market commentators predicting higher growth in house prices outside of the south east of England (although Tyne and Wear does currently top our league of Conurbations on page 13).

Lastly, we have Halifax reporting 3.7% growth in annual rates, which is more than double our own calculations - we discuss possible reasons for this on page 6.

The Housing Market

A flattening market might generally be viewed positively, but of course it does impact on those who have bought at peak prices and not least those who have used the Help to Buy scheme and bought a newly-built home. Typically, new purchasers have less room to negotiate on price without taking a loss. In the case of Help to Buy purchasers, any loss is of course shared with the government (just as any increase in the value is shared). The recent extensive commentary on Help to Buy and the publication of a Home Builders Federation report highlighting the achievements of the current scheme do underline the clear tensions that are building in the run-up to the November Autumn Statement, when we can reasonably expect the government to set out its plans for the scheme post-2021. Various options have been canvassed by a variety of parties - from retention, modification and scrapping - the last seems unlikely, given timings and Brexit. The very open nature of the scheme and its impact on new build prices have been the subject of criticism, but it has boosted housing supply – a core policy objective.

Given the consultations triggered by the very green Housing Green Paper that was issued in August, it is likely that there will be other housing-related announcements in November. The pressure to do more continues, and not least in relation to the private rented sector where many younger and older households are finding their long-term homes. There is little hard data that suggests landlords are selling up in numbers on the back of the tax and policy changes introduced in recent years. However, there are fewer purchases of investment property, and considerable rethinking around a sensible portfolio which can return profits despite the changes which are working through over the next few years.

All in all, the pendulum has swung towards first time buyers, and experts suggest they will be the dominant group in the market this year despite all the continuing negatives we have highlighted. The government now needs to signal that it will continue to work to support new entrants to home ownership, and to ensure that we can bring more certainty to the macro-economy as soon as possible. The housing market is a key component of that economy, while at the same time being hugely reliant upon it. Transaction costs and most notably stamp duty remain high, despite recent concessions, and as we show below transactions remain reduced by historic standards. Ideally we want more transactions but without surging prices, in order that households may better adjust homes to their personal circumstances.



Housing Transactions

In August 2018, we estimate that there were 79,900 transactions - based on Land Registry figures - 0.1% lower than our revised July total. However, we estimate that transactions in the first eight months of 2018 are 4% below the same period in 2017. In 2018 to the end of August, transactions are at their lowest level since 2013.

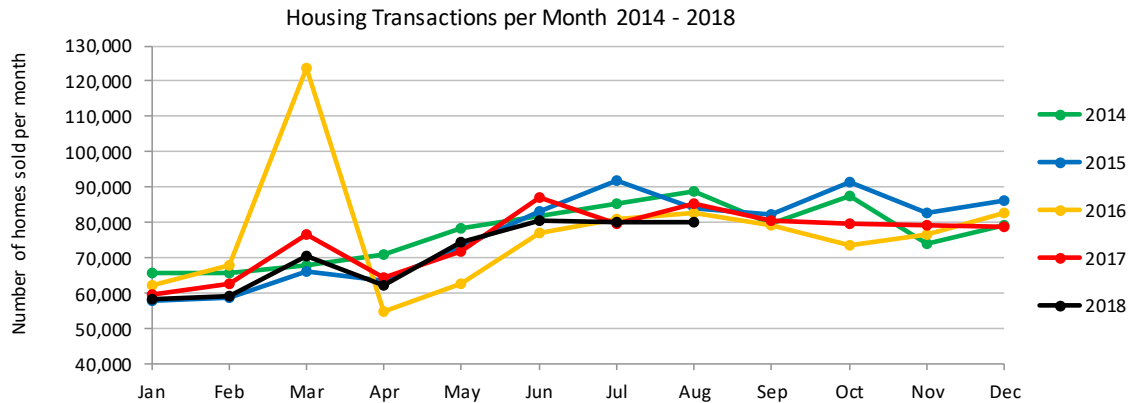


Figure 3. Number of properties sold per month in England & Wales, January 2014 – August 2018

[link to source Excel](#)

Source Land Registry & Acadata estimates. The totals shown have not been seasonally adjusted

Table 2 below analyses the number of transactions for the three months May – July, recorded by Land Registry in August, in each of the last three years 2016, 2017 and 2018. The Table shows that the overall volume of sales in England & Wales for those three months was up by 7% compared to 2016, but has fallen by 2% compared to 2017. Certainly, we must not forget (and as Figure 3 above clearly demonstrates) that sales in March 2016 soared, being immediately prior to the introduction of the 3% surcharge on Buy-to-Let properties and second homes, pushing down sales in both April and May 2016. This explains the apparent dramatic rise in transactions seen in the period May - July 2017, as outlined in Table 2 below.

Table 2. Transaction counts at the end of July of each year, for the three months May - July

[link to source Excel](#)

REGION	TRANSACTIONS ANALYSIS BY REGION			May - Jul	
	2016	2017	2018	2016/18	2017/18
NORTH EAST	7,358	8,297	8,808	20%	6%
NORTH WEST	22,001	24,659	24,953	13%	1%
YORKS & HUMBERSIDE	16,994	18,792	18,913	11%	1%
EAST MIDLANDS	16,647	17,461	17,295	4%	-1%
WEST MIDLANDS	16,741	18,321	18,156	8%	-1%
EAST OF ENGLAND	21,938	22,166	21,018	-4%	-5%
GREATER LONDON	17,847	19,080	18,502	4%	-3%
SOUTH EAST	30,955	32,573	31,406	1%	-4%
SOUTH WEST	20,247	22,391	21,875	8%	-2%
ENGLAND	170,728	183,740	180,926	6%	-2%
WALES	8,926	10,569	10,440	17%	-1%
ENGLAND & WALES	179,654	194,309	191,366	7%	-2%

Source: Land Registry transaction counts of its emergent data.

The change in transaction levels between the three months May – July 2017 and the same three months in 2018 follows the pattern of affordability ratios between the regions. The five most affordable areas in England & Wales are the North East, the North West, Yorkshire and the Humber, the West Midlands and Wales – which are in the top 5 of our transactions-growth table above. It is also noticeable that the areas with the greatest fall in transactions are all based in the south-east of England, where the stamp duty increases are having the greatest impact. Because these are the areas with the biggest number of sales, this also then impacts on the total number of transactions in England and Wales as a whole.



Comparing Indices

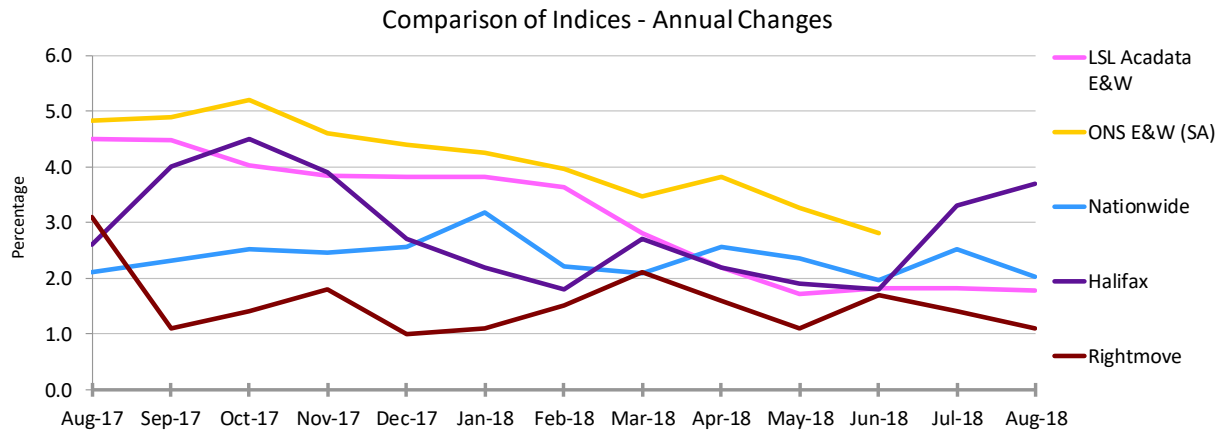


Figure 4. Annual change in house prices

[link to source Excel](#)

Following on from June’s near agreement in the annual rate among house price index providers, August is showing a far more divergent pattern, with Halifax at the top of the pack reporting a 3.7% rise in prices over the year, while Rightmove is the lowest at 1.1%. Meanwhile, Nationwide and LSL Acadata are in close agreement at 2.0% and 1.8% respectively. So why is there a divergence in views? In part it is due to the different mix of properties being considered – for example Halifax and Nationwide have a cap on the size of the mortgages they are willing to provide, which tends to mean they do not get exposure to the top-end of the market. In its property blog Rightmove report that ‘top of the ladder homes’ outside of Inner London have a lower annual rate of price growth than mid- and lower-priced properties – which could be one reason why Halifax is reporting a higher rate of growth than Rightmove and LSL Acadata, both of which include the full spectrum of property prices in their index calculations.

There are also different growth rates in prices for cash buyers and mortgage purchasers – for example the latest ONS report shows that in June, price growth for homes bought by cash purchases in England & Wales had increased by 2.5%, whereas the price growth for mortgage purchases was 3.0%. Cash purchases account for approximately 30% of total sales in England & Wales. Cash buyers are able to close transactions more quickly, and this gives them more bargaining power - hence the lower price growth. The fact that the mortgage indices don’t reflect cash purchases is a big factor in the differentials we have highlighted.

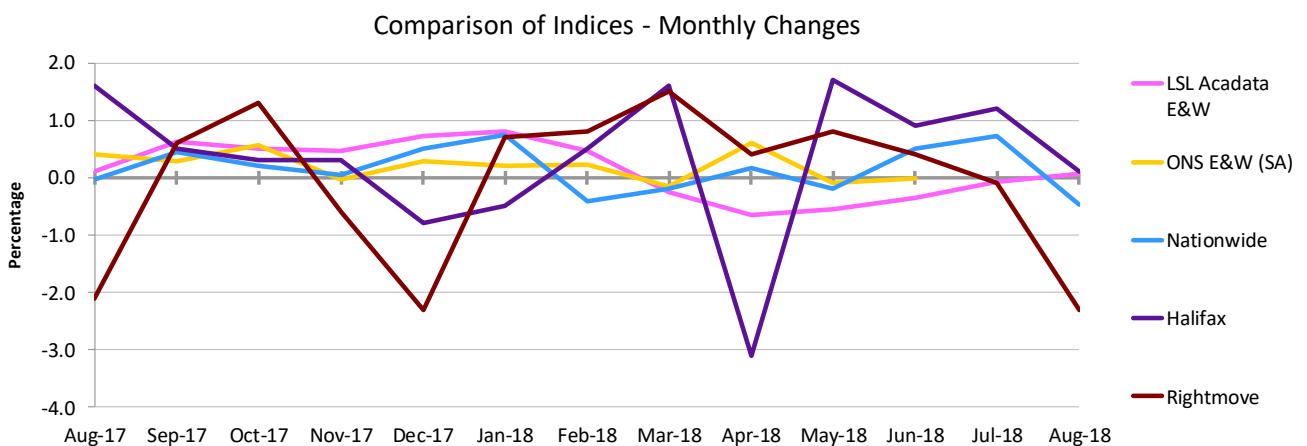


Figure 5. Monthly change in house prices

[link to source Excel](#)

On a monthly basis, three of the four indices that we monitor are showing a fall in the rate of price growth in August, with Nationwide and Rightmove both recording negative rates at -0.5% and -2.3% respectively. Meanwhile, Halifax and LSL Acadata are reporting a positive rate, but by the slenderest of margins, with both at +0.1%. Rightmove advise that a fall in prices in August is a seasonal trend (they reported a broadly similar fall of -2.1% in August 2017), commenting: “Sellers who come to market in the peak holiday month often have a pressing need to sell and price down accordingly, and are offering ‘summer sale’ prices to entice holiday-distracted buyers.”

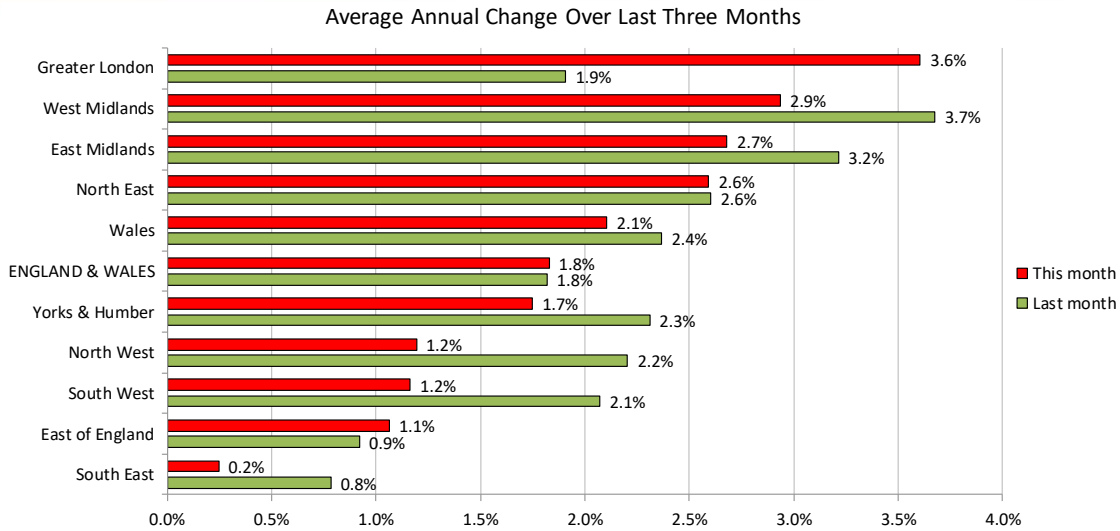
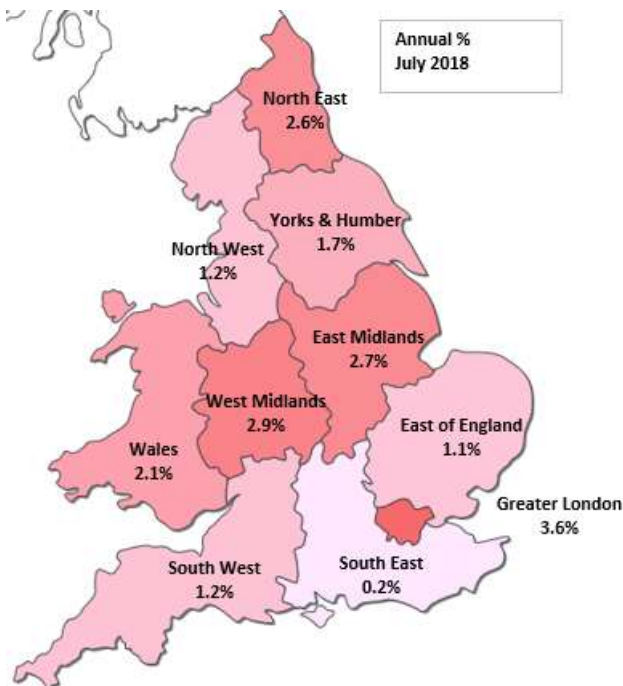


Figure 6. The annual change in the average house price for the three months centred on July 2018, analysed by GOR [link to source Excel](#)

Figure 6 shows the annual change in house prices, averaged over a three-month period centred on July 2018, and contrasts these movements with one month earlier. Greater London has displaced the West Midlands at the top of the table with price growth at 3.6%. This is the first time that London has been top for some 26 months. As we mentioned on page 4, London prices have been boosted this month by the sale of 61 properties in the City of London at an average price of £1.1 million, the highest yet recorded for the area.

This month there are two GOR areas with an increase in their annual growth rates, Greater London and the East of England; there is one non-mover, the North East and seven areas where prices have slowed. The highest rise was seen in Greater London, up by an additional 1.7% compared to last month. At the other end of the scale, the largest reduction in the rate of growth, for the second month running, occurred in the North West, down 1.0% from last month, with the largest fall in the region being seen in Blackburn with Darwen, where annual prices fell by 3.1%.

The South East remains at the bottom of the league table, having held this position for the last six months. There are five GOR areas in July that have recorded their lowest rates of annual house price growth for the last five years, being the North West, the East and West Midlands, the South East and the South West.



Heat Map

This month the heat map is coloured entirely in red, indicating that prices are continuing to rise in all regions of England and in Wales.

The 'hottest' area is Greater London, where prices on an annual basis are climbing by 3.6%.

The second grouping consists of the areas where prices are rising at rates between 2.0% and 2.9%, being the North East, the East and West Midlands and Wales.

The third grouping is where prices are rising between 1.0% and 1.9%, which consists of the North West, Yorks and Humber, the South West and the East of England.

Finally we have one region where prices are rising at a rate below 1.0%, being the South East at 0.2%.

Figure 7. Heat Map of the annual change in the average house price of English regions and Wales, July 2018

London boroughs, counties and unitary authorities



Table 3. The change in house prices, for the 33 London boroughs, comparing July 2017 and June 2018 with July 2018

[link to source Excel](#)

PRIOR YR RANK	RANK BY PRICE	LONDON BOROUGH	Jul-17	Jun-18	Jul-18	Month % Change	Annual % Change
1	1	KENSINGTON AND CHELSEA	1,705,944	1,752,470	1,834,640	4.7%	7.5%
2	2	CITY OF WESTMINSTER	1,488,605	1,453,540	1,313,072	-9.7%	-11.8%
5	3	CITY OF LONDON	966,721	998,581	1,089,519	9.1%	12.7%
3	4	CAMDEN	1,040,929	976,493	998,448	2.2%	-4.1%
4	5	HAMMERSMITH AND FULHAM	967,912	899,799	897,250	-0.3%	-7.3%
6	6	RICHMOND UPON THAMES	800,192	764,484	766,391	0.2%	-4.2%
8	7	ISLINGTON	744,477	740,123	738,983	-0.2%	-0.7%
7	8	WANDSWORTH	783,338	730,252	715,933	-2.0%	-8.6%
11	9	LAMBETH	625,004	648,204	660,895	2.0%	5.7%
13	10	MERTON	598,761	633,302	659,305	4.1%	10.1%
9	11	HARINGEY	657,733	641,475	633,838	-1.2%	-3.6%
12	12	SOUTHWARK	612,677	604,575	592,608	-2.0%	-3.3%
10	13	BARNET	645,503	585,315	592,058	1.2%	-8.3%
14	14	HACKNEY	584,709	587,761	574,079	-2.3%	-1.8%
16	15	BRENT	559,343	551,645	563,592	2.2%	0.8%
18	16	KINGSTON UPON THAMES	548,995	565,827	559,973	-1.0%	2.0%
17	17	TOWER HAMLETS	557,911	555,788	544,503	-2.0%	-2.4%
15	18	EALING	573,951	540,088	542,845	0.5%	-5.4%
21	19	HOUNSLOW	496,217	519,069	517,637	-0.3%	4.3%
19	20	HARROW	519,709	501,287	499,806	-0.3%	-3.8%
20	21	BROMLEY	501,291	492,406	493,149	0.2%	-1.6%
26	22	REDBRIDGE	447,955	476,315	477,196	0.2%	6.5%
27	23	WALTHAM FOREST	446,972	461,067	459,000	-0.4%	2.7%
24	24	ENFIELD	459,704	459,493	449,426	-2.2%	-2.2%
22	25	LEWISHAM	483,809	450,332	446,787	-0.8%	-7.7%
25	26	HILLINGDON	457,487	436,635	436,519	0.0%	-4.6%
23	27	GREENWICH	463,143	434,422	423,066	-2.6%	-8.7%
30	28	SUTTON	404,566	410,012	410,009	0.0%	1.3%
31	29	HAVERING	391,656	399,678	397,483	-0.5%	1.5%
28	30	NEWHAM	415,165	412,466	389,699	-5.5%	-6.1%
29	31	CROYDON	410,202	394,911	388,351	-1.7%	-5.3%
32	32	BEXLEY	362,959	357,316	358,525	0.3%	-1.2%
33	33	BARKING AND DAGENHAM	297,592	309,837	308,479	-0.4%	3.7%
		ALL LONDON	603,288	620,562	625,040	0.7%	3.6%

London

The analysis of Greater London house prices in Table 3 relates to July 2018, and compares these prices to one month and one year earlier. The annual rate of change in London has risen to 3.6% from the revised 1.9% seen in the previous month. Prices have risen by £21,750 over the last twelve months, taking the new average price to £625,040. On a monthly basis, average prices rose by some £4,500, or 0.7%, being the largest increase in a month since January 2018.

Highest and lowest London Boroughs

On an annual basis, prices in July fell in most boroughs, (21 out of 33, the same number as in the previous month), and a similar number of boroughs also saw prices fall in the month. The highest rise in the month - and also over the year - was in the City of London, up 9.1% and 12.7% respectively. As noted previously, low transaction numbers in the City, typically of the order of 17 per month, result in large changes to average prices, particularly when expressed in percentage terms. However, in June 2018 there were 61 transactions recorded at the Land Registry for the City of London to date, of which 17 sales relate to a [new] development with individual apartment prices ranging from £2 million to over £6 million. These sales are highly significant, indicating that confidence in properties in Prime Central London remains strong.

In second place on an annual basis is Merton, up 10.1% over the year. In Merton prices of both detached and semi-detached properties have increased by some £20k on a weight-adjusted basis, with terraces seeing an increase of £10k over the same period; however, flats in the borough have seen a reduction over the year of £7k.

London boroughs, counties and unitary authorities



Table 4. The annual percentage change in mix adjusted house prices, for the 108 Counties and Unitary Authorities in England & Wales, comparing July 2017 and June 2018 with July 2018

[link to source Excel](#)

PRIOR YR RANK	RANK BY PRICE	COUNTY / UNITARY AUTHORITY / REGION	Jul-17	Jun-18	Jul-18	Monthly change	Annual Change
101	101	COUNTY DURHAM	£133,890	£134,367	£133,256	-0.8%	-0.5%
92	89	DARLINGTON	£154,866	£162,337	£161,674	-0.4%	4.4%
99	99	HARTLEPOOL	£138,608	£136,866	£135,643	-0.9%	-2.1%
97	96	MIDDLESBROUGH	£140,310	£144,442	£144,243	-0.1%	2.8%
64	65	NORTHUMBERLAND	£195,111	£199,941	£198,945	-0.5%	2.0%
98	98	REDCAR AND CLEVELAND	£139,065	£140,851	£140,305	-0.4%	0.9%
88	92	STOCKTON-ON-TEES	£158,390	£162,828	£158,857	-2.4%	0.3%
87	80	TYNE AND WEAR	£162,043	£168,031	£169,849	1.1%	4.8%
		NORTH EAST TOTAL	£157,407	£161,523	£161,488	0.0%	2.6%
100	100	BLACKBURN WITH DARWEN	£137,757	£135,919	£133,513	-1.8%	-3.1%
106	105	BLACKPOOL	£122,347	£119,705	£122,132	2.0%	-0.2%
41	40	CHESHIRE	£249,604	£258,342	£257,666	-0.3%	3.2%
86	91	HALTON	£162,146	£157,873	£160,583	1.7%	-1.0%
58	56	WARRINGTON	£209,049	£212,036	£213,728	0.8%	2.2%
68	71	CUMBRIA	£186,495	£186,854	£187,302	0.2%	0.4%
67	70	GREATER MANCHESTER	£187,752	£190,971	£190,231	-0.4%	1.3%
79	81	LANCASHIRE	£170,598	£169,732	£169,268	-0.3%	-0.8%
82	79	MERSEYSIDE	£168,692	£170,472	£171,330	0.5%	1.6%
		NORTH WEST TOTAL	£187,172	£189,559	£189,405	-0.1%	1.2%
59	62	EAST RIDING OF YORKSHIRE	£200,640	£200,800	£199,416	-0.7%	-0.6%
107	106	KINGSTON UPON HULL, CITY OF	£118,555	£119,914	£120,337	0.4%	1.5%
96	97	NORTH EAST LINCOLNSHIRE	£143,763	£142,471	£142,313	-0.1%	-1.0%
91	90	NORTH LINCOLNSHIRE	£155,281	£161,733	£161,660	0.0%	4.1%
36	36	YORK	£261,305	£270,768	£268,051	-1.0%	2.6%
45	45	NORTH YORKSHIRE	£243,744	£247,647	£249,234	0.6%	2.3%
89	88	SOUTH YORKSHIRE	£158,201	£163,136	£162,041	-0.7%	2.4%
74	74	WEST YORKSHIRE	£177,036	£181,523	£179,835	-0.9%	1.6%
		YORKS & HUMBER TOTAL	£183,632	£187,788	£186,844	-0.5%	1.7%
80	78	DERBY	£170,175	£173,771	£172,593	-0.7%	1.4%
76	75	LEICESTER	£174,226	£181,053	£179,205	-1.0%	2.9%
94	94	NOTTINGHAM	£151,077	£154,836	£152,285	-1.6%	0.8%
20	18	RUTLAND	£318,533	£345,186	£328,921	-4.7%	3.3%
62	63	DERBYSHIRE	£196,439	£201,118	£199,326	-0.9%	1.5%
48	47	LEICESTERSHIRE	£237,743	£246,660	£246,502	-0.1%	3.7%
63	61	LINCOLNSHIRE	£195,147	£199,707	£200,075	0.2%	2.5%
47	44	NORTHAMPTONSHIRE	£243,233	£254,335	£251,804	-1.0%	3.5%
66	66	NOTTINGHAMSHIRE	£193,897	£199,578	£198,615	-0.5%	2.4%
		EAST MIDLANDS TOTAL	£207,351	£214,197	£212,911	-0.6%	2.7%
43	42	HEREFORDSHIRE	£246,047	£256,321	£253,589	-1.1%	3.1%
50	49	SHROPSHIRE	£234,800	£239,277	£239,319	0.0%	1.9%
105	107	STOKE-ON-TRENT	£122,810	£120,751	£120,264	-0.4%	-2.1%
73	73	TELFORD & WREKIN	£177,529	£181,674	£181,619	0.0%	2.3%
57	57	STAFFORDSHIRE	£210,617	£211,570	£213,014	0.7%	1.1%
33	32	WARWICKSHIRE	£275,516	£291,253	£283,069	-2.8%	2.7%
65	60	WEST MIDLANDS	£194,559	£204,696	£203,724	-0.5%	4.7%
37	39	WORCESTERSHIRE	£255,698	£262,616	£260,638	-0.8%	1.9%
		WEST MIDLANDS TOTAL	£215,237	£223,076	£221,553	-0.7%	2.9%
21	21	BEDFORDSHIRE	£317,001	£318,288	£316,167	-0.7%	-0.3%
39	43	LUTON	£255,354	£252,419	£253,153	0.3%	-0.9%
56	58	PETERBOROUGH	£212,493	£211,661	£212,380	0.3%	-0.1%
22	20	SOUTHEND-ON-SEA	£310,662	£313,717	£317,648	1.3%	2.2%
29	31	THURROCK	£280,825	£285,985	£287,295	0.5%	2.3%
16	16	CAMBRIDGESHIRE	£330,340	£331,340	£332,138	0.2%	0.5%
14	14	ESSEX	£348,248	£346,941	£348,699	0.5%	0.1%
5	5	HERTFORDSHIRE	£448,994	£461,772	£457,287	-1.0%	1.8%

London boroughs, counties and unitary authorities



46	46	NORFOLK	£243,740	£249,444	£248,147	-0.5%	1.8%
34	35	SUFFOLK	£267,631	£273,680	£273,547	0.0%	2.2%
		EAST OF ENGLAND TOTAL	£326,243	£330,198	£329,713	-0.1%	1.1%
		GREATER LONDON TOTAL	£603,288	£620,562	£625,040	0.7%	3.6%
9	11	BRACKNELL FOREST	£382,681	£380,295	£373,420	-1.8%	-2.4%
6	7	BRIGHTON AND HOVE	£399,897	£407,860	£403,947	-1.0%	1.0%
52	51	ISLE OF WIGHT	£229,554	£236,912	£236,207	-0.3%	2.9%
35	37	MEDWAY	£264,556	£264,284	£266,460	0.8%	0.7%
26	27	MILTON KEYNES	£296,877	£299,513	£295,861	-1.2%	-0.3%
51	50	PORTSMOUTH	£233,373	£239,076	£238,076	-0.4%	2.0%
15	15	READING	£330,896	£335,289	£334,378	-0.3%	1.1%
17	23	SLOUGH	£327,758	£313,956	£306,273	-2.4%	-6.6%
54	55	SOUTHAMPTON	£217,559	£217,534	£217,008	-0.2%	-0.3%
10	6	WEST BERKSHIRE	£380,659	£424,551	£429,181	1.1%	12.7%
1	1	WINDSOR AND MAIDENHEAD	£619,759	£581,824	£586,131	0.7%	-5.4%
4	4	WOKINGHAM	£456,052	£453,641	£459,373	1.3%	0.7%
3	3	BUCKINGHAMSHIRE	£486,622	£474,647	£473,910	-0.2%	-2.6%
24	22	EAST SUSSEX	£306,341	£320,483	£315,349	-1.6%	2.9%
13	13	HAMPSHIRE	£354,117	£357,730	£354,264	-1.0%	0.0%
18	17	KENT	£324,654	£330,444	£330,897	0.1%	1.9%
7	8	OXFORDSHIRE	£393,737	£401,664	£399,545	-0.5%	1.5%
2	2	SURREY	£520,088	£517,185	£512,450	-0.9%	-1.5%
12	12	WEST SUSSEX	£362,169	£364,609	£362,649	-0.5%	0.1%
		SOUTH EAST TOTAL	£372,642	£375,528	£373,568	-0.5%	0.2%
8	9	BATH AND NORTH EAST SOMERSET	£383,603	£386,763	£385,922	-0.2%	0.6%
31	26	BOURNEMOUTH	£278,523	£285,780	£296,223	3.7%	6.4%
25	24	BRISTOL, CITY OF	£298,237	£302,244	£303,650	0.5%	1.8%
40	38	CORNWALL	£252,111	£261,507	£261,245	-0.1%	3.6%
30	33	NORTH SOMERSET	£279,064	£282,244	£278,808	-1.2%	-0.1%
69	68	PLYMOUTH	£186,475	£192,940	£190,826	-1.1%	2.3%
11	10	POOLE	£362,557	£373,513	£373,640	0.0%	3.1%
28	30	SOUTH GLOUCESTERSHIRE	£282,007	£288,958	£287,445	-0.5%	1.9%
49	52	SWINDON	£235,186	£234,116	£234,903	0.3%	-0.1%
53	54	TORBAY	£222,288	£220,854	£217,520	-1.5%	-2.1%
23	25	WILTSHIRE	£306,859	£305,015	£301,391	-1.2%	-1.8%
32	34	DEVON	£275,755	£281,470	£277,998	-1.2%	0.8%
19	19	DORSET	£320,991	£317,344	£317,921	0.2%	-1.0%
27	28	GLOUCESTERSHIRE	£291,222	£293,914	£294,142	0.1%	1.0%
42	41	SOMERSET	£249,278	£256,213	£255,624	-0.2%	2.5%
		SOUTH WEST TOTAL	£279,946	£283,928	£283,207	-0.3%	1.2%
70	67	ISLE OF ANGLESEY	£184,724	£187,517	£193,309	3.1%	4.6%
78	83	GWYNEDD	£172,435	£169,512	£167,325	-1.3%	-3.0%
72	76	CONWY	£180,231	£178,339	£179,067	0.4%	-0.6%
85	82	DENBIGHSHIRE	£162,470	£167,948	£167,381	-0.3%	3.0%
77	77	FLINTSHIRE	£173,144	£174,832	£175,524	0.4%	1.4%
81	84	WREXHAM	£169,103	£166,954	£165,684	-0.8%	-2.0%
60	59	POWYS	£198,165	£205,195	£207,800	1.3%	4.9%
61	64	CEREDIGION	£196,497	£198,790	£198,953	0.1%	1.3%
71	72	PEMBROKESHIRE	£184,424	£185,906	£185,019	-0.5%	0.3%
90	93	CARMARTHENSHIRE	£156,822	£145,750	£158,081	8.5%	0.8%
83	85	SWANSEA	£165,199	£162,533	£165,448	1.8%	0.2%
103	103	NEATH PORT TALBOT	£126,199	£126,719	£124,030	-2.1%	-1.7%
84	86	BRIDGEND	£163,247	£164,421	£164,953	0.3%	1.0%
44	48	VALE OF GLAMORGAN	£244,313	£239,087	£243,222	1.7%	-0.4%
55	53	CARDIFF	£216,308	£219,834	£218,106	-0.8%	0.8%
102	102	RHONDDA CYNON TAF	£126,783	£128,726	£130,838	1.6%	3.2%
104	104	MERTHYR TYDFIL	£123,170	£121,153	£123,756	2.1%	0.5%



95	95	CAERPHILLY	£143,868	£149,489	£148,976	-0.3%	3.6%
108	108	BLAENAU GWENT	£101,514	£102,979	£103,160	0.2%	1.6%
93	87	TORFAEN	£154,163	£165,680	£163,391	-1.4%	6.0%
38	29	MONMOUTHSHIRE	£255,612	£286,367	£291,349	1.7%	14.0%
75	69	NEWPORT	£175,359	£188,006	£190,540	1.3%	8.7%
		WALES TOTAL	£175,541	£177,818	£179,237	0.8%	2.1%
		ENGLAND & WALES TOTAL	£297,573	£303,259	£303,013	-0.1%	1.8%

Table 4 shows the average property price for each of the 108 unitary authorities and counties in England & Wales, together with a regional summary based on the GOR, for July 2017 and June and July 2018. It also records the percentage change in these prices over the last month and year, highlighting the diversity that exists across housing markets in England & Wales. In this table, Regions, Counties and Unitary Authorities highlighted in turquoise are currently at a peak price.

Annual Trends

On an annual basis, prices in July 2018 have increased in England & Wales by some £5,440, or 1.8%, the same rate as experienced in the previous month. In July, 79 of the 108 unitary authority areas recorded price **rises** over the year (2 more than the previous month and 7 more than the month prior to that). Of the 29 areas where prices have fallen, 7 are located in the South East, 5 each are located in the South West and Wales, 4 are in the North West, with 3 in the East of England, 2 each in the North East and Yorkshire and the Humber, and 1 in the West Midlands. The East Midlands had no authorities with annual growth below zero.

We can note that in July 2018, 29 of the 108 unitary authorities in England & Wales outside of London were witnessing price falls on an annual basis, compared with the position in London, where 21 of the 33 boroughs saw prices decline over the same period. In general, we can conclude that the majority of unitary authorities in England & Wales continue to experience rising house prices, while in London only a minority of boroughs are doing so.

Peak Prices

In Table 4, those areas highlighted in turquoise have set a new peak price in July 2018; there are 5 such locations, compared with 6 seen in June. Of the 5 unitary authority areas that recorded a new peak, there are 1 each in the North West (Merseyside), the East of England (Southend-on-Sea), the South East (West Berkshire), the South West (Bournemouth) and Wales (Monmouthshire). This month, for the fourth month running, no GOR region established a new peak average price.

Monthly Trends

On a monthly basis, the average price of a home in England & Wales in July fell by £246, which equates to a -0.1% change. This is the fifth month in succession in which prices have fallen. In July 2018, prices fell in 66 of the 108 unitary authority areas, compared with 69 falls in June.

Highest and lowest unitary authorities

In July, looking at the unitary authority areas on an individual basis, Monmouthshire has the highest annual rate of change in prices at 14.0%. As we remarked last month, Monmouthshire is Wales' most expensive local authority area by average house price, and is ranked in 29th position out of the 108 unitary authority areas in England & Wales on the same basis, one place lower than neighbouring Gloucestershire. In Monmouthshire, the average price paid for a detached home has risen from £325k in July 2017 to £385k one year later.

On an annual basis, the authority with the largest reduction in prices is Slough, where prices over the year have fallen by 6.6%. All property types in Slough have seen a reduction in their respective average prices, with the exception of semi-detached homes, where prices have risen by £7.5k over the year. One of the main causes of the decline in sales values over the remaining property types is the lack of new build homes in the data: to-date only one new build sale has been recorded at the Land Registry for the period June 2018 – August 2018 compared to 43 new build sales for the same three months in 2017. We believe therefore that as further data relating to new builds emerge from Land Registry for the months under review, average prices in Slough will be seen to rise from their current low levels.



The Conurbations

Table 5. The annual percentage change in mix adjusted house prices, for 12 conurbations in England & Wales, comparing May – July 2018

Table 5 is based on three month averages centred on the named month

[link to source Excel](#)

THE CONURBATIONS	Annual rates of change %		
	May	June	July
Tyne & Wear	3.5	3.6	4.8
West Midlands	5.9	4.6	4.7
Greater London	1.1	1.9	3.6
Leicester	5.4	5.3	2.9
South Yorkshire	4.1	3.6	2.4
Bristol	2.6	1.6	1.8
West Yorkshire	2.2	2.5	1.6
Merseyside	2.5	2.7	1.6
Greater Manchester	3.1	3.2	1.3
Cardiff	1.1	1.4	0.8
Nottingham	1.5	-0.2	0.8
Southampton	-0.3	1.6	-0.3

Table 5 shows the relative movement in the rates of house price growth of 12 conurbation areas/cities in England & Wales.

Tyne & Wear tops the conurbation league table at 4.8%, coming up from second place last month - it is one of only two areas that have seen the rate of change in prices increase since May.

Greater London has seen the largest positive change in its annual rate of growth, up by 2.5% since May, no doubt assisted by the sale of the 17 upmarket apartments in the City of London, while Leicester has seen the largest fall over this period, down by -2.5%.

This month Southampton is bottom of the league, returning to this position, having climbed to tenth position in June. Southampton is the only conurbation with negative growth in July with the price of flats in the City having fallen from £163k in July 2017 to £158k in July 2018.

Transactions

As shown in Table 2 earlier, there was an overall fall of 2% in transactions in England & Wales between the three months May-to-July 2018 compared to the same three months in 2017. Analysing this fall by property type, there was a 3% decline in the sale of terraces, mostly associated with a 6% decline in sales volumes in the West Midlands and the East of England; similarly there was a 2% reduction in the sale of detached properties, particularly in Greater London and the East of England; with a 1% fall in the sale of semi-detached properties, also due to a decline in sales volumes in Greater London and the East of England; and finally a 0.4% fall in the sale of flats, with the largest reduction in sales being seen in the South East.

Analysing the change in transactions in England & Wales by unitary authority area, the five areas with the highest % increase in transactions are Slough (+25%), Gwynedd (+23%), Bracknell Forest (+13%), Neath Port Talbot (+13%) and Redcar and Cleveland (+12%).

The first three of the five areas mentioned above have a low monthly transaction count, which tends to result in high volatility of monthly sales when expressed in percentage terms. In Neath Port Talbot there has been a relatively large increase in the number of detached and semi-detached properties sold. The last of the five areas mentioned above is Redcar & Cleveland, where a relatively high number of new-build properties have already been sold in 2018, which helps to explain the observed increase in transaction numbers in this location.

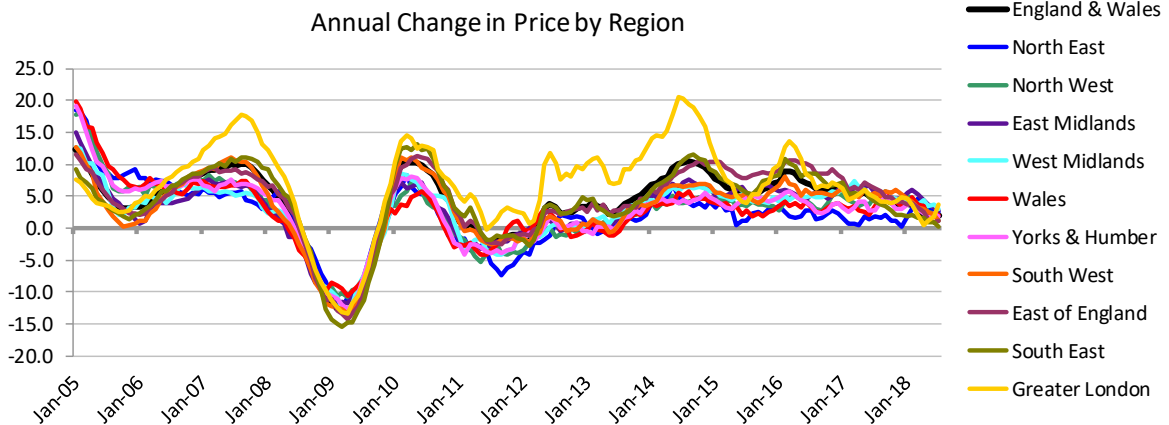


Figure 8. A comparison of the annual change in house prices, by region for the period January 2005 – July 2018 [link to source Excel](#)

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.

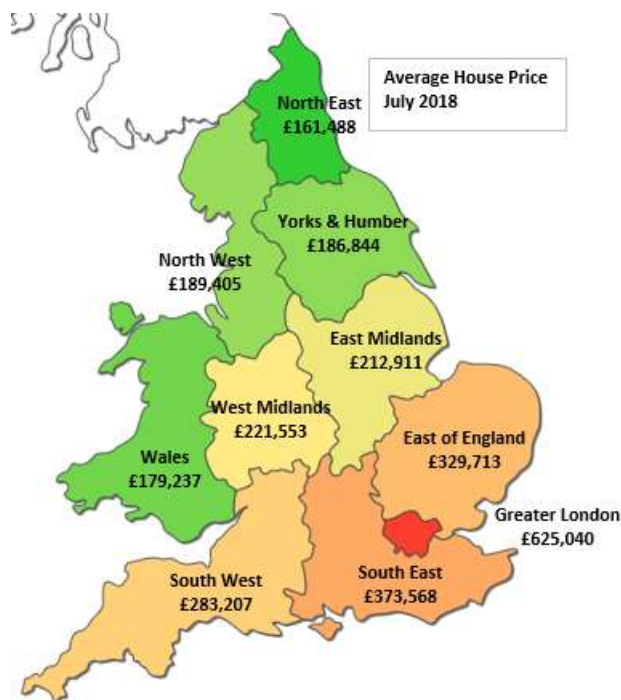


Figure 9. Heat Map of the average house price for England & Wales, analysed by region, July 2018

Regional data



Table 6. Average house prices by region, August 2017 – August 2018, 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
Aug-17	£156,533	-0.6	1.6	£188,546	0.7	5.2	£185,765	1.2	4.1	£208,369	0.5	5.6
Sep-17	£157,485	0.6	2.1	£189,331	0.4	5.6	£188,209	1.3	5.1	£208,735	0.2	5.0
Oct-17	£158,015	0.3	1.2	£190,058	0.4	4.3	£188,421	0.1	3.8	£209,485	0.4	4.7
Nov-17	£158,842	0.5	1.0	£190,661	0.3	4.3	£188,396	0.0	2.9	£210,264	0.4	4.6
Dec-17	£158,497	-0.2	0.2	£192,830	1.1	4.7	£188,970	0.3	2.9	£210,895	0.3	4.5
Jan-18	£161,798	2.1	1.8	£193,244	0.2	5.1	£190,399	0.8	3.6	£214,979	1.9	5.6
Feb-18	£164,274	1.5	3.0	£194,192	0.5	4.6	£190,636	0.1	3.9	£216,838	0.9	5.9
Mar-18	£166,005	1.1	4.5	£193,555	-0.3	3.9	£190,158	-0.3	2.9	£216,892	0.0	5.2
Apr-18	£163,470	-1.5	3.7	£192,566	-0.5	3.5	£189,521	-0.3	2.3	£215,283	-0.7	4.3
May-18	£162,188	-0.8	2.9	£190,476	-1.1	2.6	£188,316	-0.6	1.6	£213,859	-0.7	3.7
Jun-18	£161,523	-0.4	2.6	£189,559	-0.5	2.2	£187,788	-0.3	2.3	£214,197	0.2	3.2
Jul-18	£161,488	0.0	2.6	£189,405	-0.1	1.2	£186,844	-0.5	1.7	£212,911	-0.6	2.7

	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
Aug-17	£216,519	0.6	5.0	£326,476	0.1	5.7	£600,334	-0.5	4.0	£372,797	0.0	3.8
Sep-17	£217,907	0.6	5.5	£326,015	-0.1	4.8	£609,589	1.5	4.0	£372,575	-0.1	3.4
Oct-17	£218,840	0.4	4.8	£328,682	0.8	4.7	£617,159	1.2	4.0	£371,748	-0.2	2.7
Nov-17	£219,304	0.2	4.6	£328,198	-0.1	4.1	£626,244	1.5	4.2	£371,066	-0.2	2.1
Dec-17	£219,796	0.2	3.9	£329,060	0.3	4.2	£633,064	1.1	4.8	£374,113	0.8	1.9
Jan-18	£222,539	1.2	4.1	£330,671	0.5	3.7	£637,787	0.7	4.6	£378,189	1.1	1.8
Feb-18	£224,710	1.0	4.5	£333,680	0.9	3.9	£633,967	-0.6	3.6	£381,532	0.9	2.0
Mar-18	£224,330	-0.2	3.6	£334,993	0.4	3.2	£630,008	-0.6	2.1	£381,449	0.0	1.6
Apr-18	£224,360	0.0	4.3	£333,322	-0.5	2.6	£621,380	-1.4	0.4	£380,535	-0.2	1.6
May-18	£222,629	-0.8	3.5	£331,083	-0.7	1.3	£624,128	0.4	1.1	£377,179	-0.9	0.8
Jun-18	£223,076	0.2	3.7	£330,198	-0.3	0.9	£620,562	-0.6	1.9	£375,528	-0.4	0.8
Jul-18	£221,553	-0.7	2.9	£329,713	-0.1	1.1	£625,040	0.7	3.6	£373,568	-0.5	0.2

	South West			Wales			ENGLAND & WALES					
	Av HP	%monthly	%annual	Av HP	%monthly	%annual	Av HP	%monthly	%annual			
Aug-17	£280,061	0.0	5.1	£177,182	0.9	4.7				£297,899	0.1	4.5
Sep-17	£282,383	0.8	5.8	£179,629	1.4	5.2				£299,780	0.6	4.5
Oct-17	£283,560	0.4	5.4	£181,094	0.8	4.7				£301,318	0.5	4.0
Nov-17	£285,879	0.8	6.0	£181,584	0.3	4.2				£302,707	0.5	3.8
Dec-17	£289,043	1.1	5.4	£181,255	-0.2	3.3				£304,882	0.7	3.8
Jan-18	£289,175	0.0	4.5	£182,736	0.8	3.8				£307,338	0.8	3.8
Feb-18	£290,317	0.4	4.0	£186,585	2.1	4.9				£308,744	0.5	3.6
Mar-18	£288,103	-0.8	3.2	£184,213	-1.3	3.8				£307,972	-0.2	2.8
Apr-18	£287,377	-0.3	3.1	£181,265	-1.6	3.4				£305,967	-0.7	2.2
May-18	£285,534	-0.6	2.5	£176,547	-2.6	1.7				£304,305	-0.5	1.7
Jun-18	£283,928	-0.6	2.1	£177,818	0.7	2.4				£303,259	-0.3	1.8
Jul-18	£283,207	-0.3	1.2	£179,237	0.8	2.1				£303,013	-0.1	1.8
Aug-18										£303,199	0.1	1.8



NOTES

1. LSL Acadata E&W HPI:
 - uses the **actual** price at which every property in England & Wales was transacted, including prices for properties bought with cash, based upon the factual Land Registry data as opposed to mortgage-based prices, asking prices or prices based upon samples
 - is updated monthly so that prices of **all reported** relevant transactions are employed in our latest LSL Acadata E&W HPI release
 - provides the arithmetic average of prices paid for houses, different from the geometric average prices used in the ONS UK HPI
2. the initial LSL Acadata E&W HPI for each month employs an academic “index of indices” model, custom-built at Cambridge, pending release of further transacted prices from the Land Registry which are reflected in our monthly index updates.
3. all LSL Acadata E&W HPI numbers, published prior to receipt of all transaction data, are subject to change; we publish the precise numbers that result from our calculations but these numbers reflect our mix adjustment and seasonal adjustment methodologies and, initially, our index of indices model. Our indices also reflect our best endeavours and are issued in good faith without any claim as to precision, accuracy or fitness for any purpose. For more detail see www.acadata.co.uk.
4. the Acadata website enables comparisons of selected indices over selected timescales to be undertaken [here](#) with ease and provides historic results and other information.
5. Acadata is an independent privately owned consultancy specialising in house price data. Our associated company MIAC Acadametrics Limited is an independent asset valuation service provider, specialising in behavioural modelling, stress testing and collateral valuation for the financial services industry.
6. LSL Acadata E&W HPI may not be used for commercial purposes without written permission from Acadata. Specifically it may not be used to measure the performance of investments or to determine the price at which investments may be bought or sold or for collateral valuation concerning which enquiries should be directed to MIAC Acadametrics.

For further footnotes and a description of the methodology used in the LSL Acadata Index please click [here](#).



LSL PROPERTY SERVICES PLC

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

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

Surveying

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

Estate Agency

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

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

Corporate Services

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

Financial Services

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

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

For further information see www.lslps.co.uk