

House Price Index

England and Wales

Under embargo until 00:01
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JAN
2018

Average House Price
in England and Wales

£301,477

AVERAGE MONTHLY CHANGE:

0.2%

AVERAGE ANNUAL CHANGE:

-0.4%

House prices edge up in January

- Falls recorded in London, the South East and the North East
- Three quarters of authorities still see annual increases
- Average house prices now £301,477
- Blackburn tops the league with house price growth at 9.4%

Headline News

Despite average prices in England and Wales being lower than they were in January 2017 (and down annually for the first time since March 2012), average prices continue to remain above the £300,000 mark - as they have done throughout 2017.

On a monthly basis, prices actually edged up in January – the first time they have done so following several months of declines. They increased by 0.2% (£455) to leave the average house in England and Wales worth £301,477.

Key Insights

The move into negative territory in annual price growth reflects the continuing struggles of the capital, where prices have been falling for some time. This trend can now be seen in two other regions – the South East and the North East, with average annual prices down 0.2% and 0.7%, respectively.

Nevertheless, it is London, with a 4.3% annual fall, that weighs most heavily on the figures. Excluding London and the South East (but including the North East) prices are up 2.3% over the year. The gap between the annual rate when including and excluding London and the South East, at 2.7%, is now the widest since November 2014.

The South West (up 3.9%) and North West (3.8%) lead the table for growth, with other areas up between 2.3% and 2.6%, apart from Yorks & Humber where prices are up a more modest 1.4% annually.

Quick Quotes

Oliver Blake,
Managing Director of
Your Move and Reeds
Rains estate agents,
said:

"The slowdown in London can now also be seen in the South East and North East. Time will tell if the rest of England and Wales remains resilient, but the increase in January will be seen by many as positive news and an indication of continued demand. And, with the focus on supporting those entering the property market – including the abolishment of stamp duty for first time buyers - we may see more movement in the market which should bring benefits for all."

Regional update

Nearly three quarters of England and Wales' 108 unitary authorities outside London were still recording annual price rises in December, with 80 authority areas pushing the overall average up 0.2% over 12 months.

In the South East, Portsmouth is up 7.1% annually, and Brighton and Hove set a new peak price in December [one of 18 local authority areas to do so in the month]. And, despite falls in some authorities, including Wrexham, Wales continues to see growth of 2.6% over the year, with strong performance from the likes of Ceredigion [up 7%], Caerphilly [6.7%] and Carmarthenshire [5.9%], as well as Newport [5.1%], which like Cardiff [3.6%] set a new

peak price in the month.

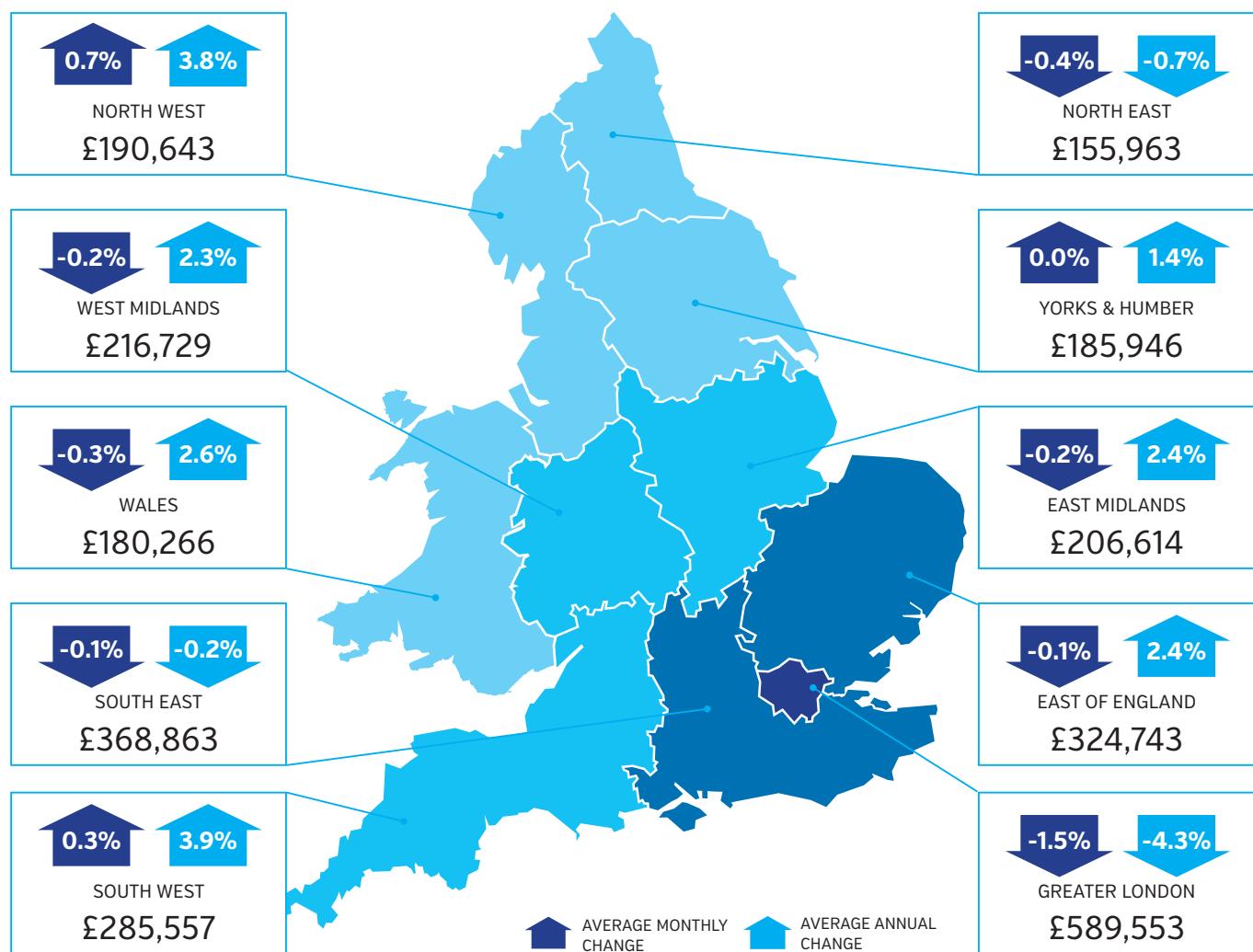
Growth in Wales is almost matched by the East of England [up 2.4%], East Midlands [also 2.4%] and West Midlands [2.3%]. It's the North West [3.8%] and, still, the South West [3.9%] that lead the table, though. In the former, Blackburn with Darwen, up by 9.4% on the back of sales of detached houses, has seen the strongest growth anywhere other than Rutland [up 12.1% but on slim transaction volumes], while the key population centres of Merseyside [up 8.2%] and Greater Manchester [2%] both recorded new peak average prices in the month.

In the South West, meanwhile, six out

of 15 local authorities recorded a new peak in the month, including Bristol and North Somerset, which have seen some of the strongest annual growth, up 9.1% and 6.7% respectively. Even after this growth, prices in the region remain below the England and Wales average, though, at £285,557.

When it comes to transactions, sales across local authorities in Q4 2017 were up 4% on the same period a year ago, with semi-detached sales up 5%, detached and terraced sales up 4%, and sales of flats down 1%, reflecting the significant decline in buy to let activity.

Average house prices by region December 2017 with monthly and annual % growth.



Average House Prices in England and Wales, January 2017 - January 2018

MONTH	YEAR	HOUSE PRICE	INDEX	MONTHLY CHANGE %	ANNUAL CHANGE %
January	2017	£302,721	293.7	0.8	6.2
February	2017	£304,513	295.5	0.6	4.7
March	2017	£306,184	297.1	0.5	5.0
April	2017	£306,013	296.9	-0.1	5.0
May	2017	£305,643	296.6	-0.1	5.7
June	2017	£304,123	295.1	-0.5	4.8
July	2017	£303,709	294.7	-0.1	4.5
August	2017	£303,702	294.7	0.0	4.2
September	2017	£304,357	295.3	0.2	3.7
October	2017	£303,368	294.3	-0.3	2.4
November	2017	£302,149	293.2	-0.4	1.4
December	2017	£301,022	292.1	-0.4	0.2
January	2018	£301,477	292.5	0.2	-0.4

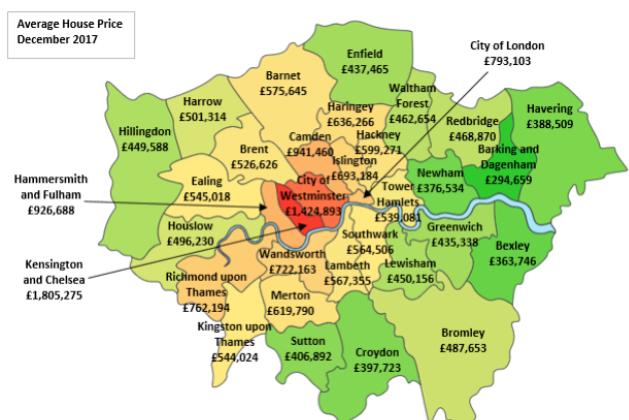
London

The fall in average prices of 4.3% annually in London is the biggest seen since August 2009. Prices in the capital are now, on average, £589,553 - £26,742 lower than in January 2017.

The falls are still concentrated in the most expensive boroughs. The top 11 boroughs (of 33) by price are down an average 7% annually. Kensington and Chelsea remains the most expensive borough, with an average price of £1,805,275 in December, but that's down 12.9%, or more than £200,000, on a year before. Camden (down 10.8%), the City of London (18.2%) and Wandsworth (12.7%) have also seen double-digit drops. Only Haringey (up 3.2%) and Merton (up 13%) in the top 11 have seen rises, but at £636,266 and £619,790, respectively, both have prices only a little above the capital's average.

The dip is less acute at the lower end of the housing market. The 11 cheapest boroughs have seen a modest fall of 1.3% over the year overall, but more than half (6) are recording house price inflation, led by Bexley (up 5.5%), which, at £363,746, has the second lowest average house prices in London after Barking and Dagenham, where prices are down 1.4% to £294,659.

Nevertheless, sales at the end of last year indicate momentum might be returning to the top of the market. Hammersmith and Fulham (up 19%), Camden (up 14%) and Haringey (up 13%) saw the biggest increase in transactions in the fourth quarter of 2017.



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For the full report, please see: <http://www.acadata.co.uk/acadataHousePrices.php>