

House Price Index

England and Wales

Under embargo until 00:01
Wednesday 20th September 2017

AUGUST 2017 | Average House Price
in England and Wales

£297,398

AVERAGE MONTHLY CHANGE: -0.2%

AVERAGE ANNUAL CHANGE: 2.1%

House price growth continues as regions redress the balance

- All regions in England & Wales continue to record annual growth
- East of England still leads the way, with 5.5% annual price growth
- London has lowest rate of regional house price growth at 0.7%
- Transactions in August were up 6% compared to July

Headline News

House price growth fell marginally in August (0.2%), which left the average England and Wales house price at £297,398. This is still 2.1% higher than this time last year, when the average price was £5,982 lower.

In terms of transactions, there were an estimated 80,500 sales completed - an increase of 5% compared to July's total, and up 6% on a seasonally adjusted basis.

Key Insights

Annual increases peaked in February 2016 at 9.1%, with both London and the South East boosting the national house price inflation figure by over 2%. With the rate of growth in the regions falling steadily over the year, by February 2017, the national figures were stronger without the two regions included. Today, at 0.7%, London has the lowest house price increases of any region, while other areas such as the East of England (up 5.5%) have continued to rise strongly.

Quick Quotes

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

"We're seeing a balanced market this year. Regions like the East of England are closing the gap on the traditionally stronger performers like the South East as first time buyers drive growth in search of more affordable housing.

"The rise in transactions in August and strong regional performance highlights a monthly slowdown of prices in the capital. However, on an annual basis, London's boroughs, particularly those in the south east, are continuing to show steady growth."

Regional update

All regions continued to record annual growth in July, but the East of England is particularly strong. With prices up 5.5% annually, and a 0.3% increase over the month, the region set a new peak average price of £325,616.

Prices in the East of England are still some way off the levels in London, but they're closing the gap with the South East, where the average price is £369,095 and growth in the last year has been less than half the rate in the East, at 2.5%. Since price growth began to slow in February, the gap between average prices in the two regions has fallen by a fifth from £54,786 to £43,479.

Elsewhere, the divide between high and low priced areas continues to be

reinforced, however. With the exception of London and the South East, higher priced areas – the East, South West (up 3.9% annually), East Midlands (up 3.5%) and North West (up 3.9%) – are all seeing stronger annual growth than the cheaper regions of the North East (up 1.2%), Yorks & Humber (up 1.0%) and Wales (up 1.8%).

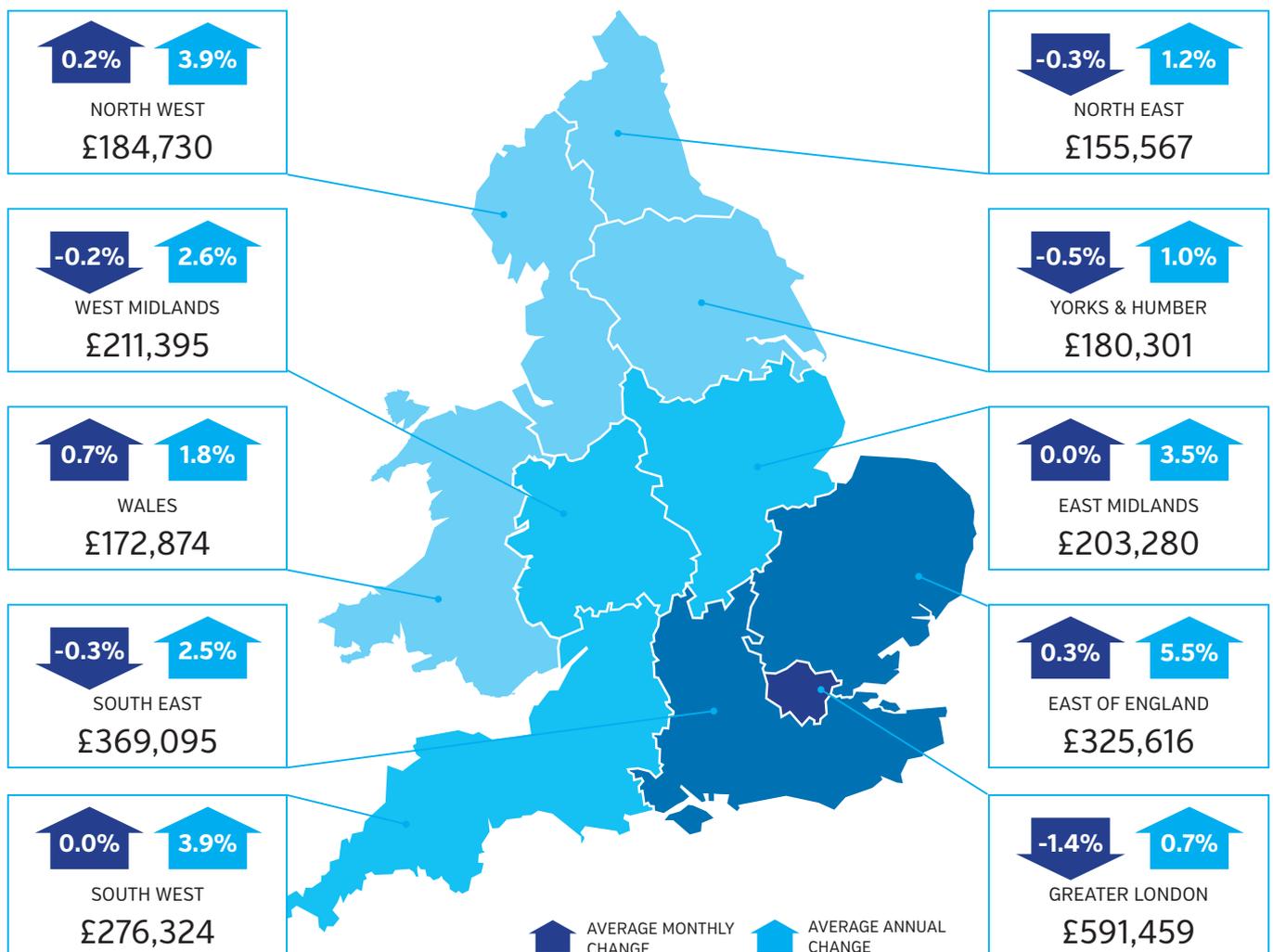
Overall, 86 unitary authority areas in England and Wales – 80% of the 108 total – have recorded price rises over the year. Those in the best performing region, the East of England, have been consistently strong. Southend-on-Sea (up 11%), Luton (up 9.2%), Bedfordshire (up 9.1%), Peterborough (up 8.6%) and others are growing fast and no

authority in the region has seen prices fall for eight months.

Elsewhere, Poole (up 12.9%), Blaenau Gwent (up 12.8%), Pembrokeshire (up 10.3%) and topping the table (albeit on low transaction volumes) Rutland, up 16.3%, have also all seen double-digit house price growth in the last year. The biggest fall on an annual basis is in Carmarthenshire, with prices down 7.2% over the year.

When it comes to transactions, Wales is leading the way: eight of the ten top spots in terms of the areas with the highest increase in property sales between the periods of May-July 2016 and May-July 2017 are all located in the country.

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



Average House Prices in England and Wales, August 2016 - August 2017

| MONTH | YEAR | HOUSE PRICE | INDEX | MONTHLY CHANGE % | ANNUAL CHANGE % |
|-----------|------|-------------|-------|------------------|-----------------|
| August | 2016 | £291,416 | 289.3 | 0.3 | 6.1 |
| September | 2016 | £293,368 | 289.7 | 0.7 | 6.0 |
| October | 2016 | £296,142 | 290.7 | 0.9 | 5.8 |
| November | 2016 | £297,875 | 290.5 | 0.6 | 6.2 |
| December | 2016 | £300,116 | 291.4 | 0.8 | 6.2 |
| January | 2017 | £302,505 | 293.7 | 0.8 | 6.2 |
| February | 2017 | £304,385 | 295.5 | 0.6 | 4.6 |
| March | 2017 | £305,358 | 296.5 | 0.3 | 4.8 |
| April | 2017 | £303,929 | 295.1 | -0.5 | 4.3 |
| May | 2017 | £301,790 | 293.0 | -0.7 | 4.3 |
| June | 2017 | £299,274 | 290.6 | -0.8 | 3.2 |
| July | 2017 | £298,063 | 289.4 | -0.4 | 2.6 |
| August | 2017 | £297,398 | 288.7 | -0.2 | 2.1 |

London

House prices in London fell by an average of 1.4% in July, leaving the average price in the capital at £591,459. Over the year, though, prices are still up by £4,134 or 0.7% compared to July 2016. In July, 21 of the 33 London boroughs saw price falls, however 20 boroughs have increased over the year.

Much of the fall in London's price in the last month is down to three of the most expensive boroughs: Kensington and Chelsea, the most expensive, where they fell 3.4% to £1,823,659; City of Westminster, second, with prices down 6.8% on the month [and 9.8% on the year, the biggest annual fall] to £1,347,536; and Wandsworth, relatively less expensive, but still in the top ten, with prices at £731,782 after a 3.8% fall.

Just two of the cheapest third of boroughs have seen prices fall in the last year: Greenwich, down 3.9% and Enfield, down 0.9%. By contrast Croydon [up 5.4% annually] and Lewisham

[up 6.7%] both saw new peak average prices in the month.

Looking at transactions, sales in the three months May-July 2017 are up 7% on the same period last year.

