

Statistical bulletin

House Price Index, UK: Feb 2017

Monthly house price inflation, calculated using data from Land Registry, Registers of Scotland and Land and Property Services Northern Ireland.

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1 . Introduction

This is a high-level summary of the UK House Price Index (HPI), which replaces the previous house price indices separately published by the HM Land Registry and the Office for National Statistics. For full details, including commentary, historical data tables and analytical tools please see the [main publication of the new House Price Index](#), published today (11 April 2017) on the GOV.UK website.

The UK HPI is a joint production by HM Land Registry, Land and Property Services Northern Ireland, Office for National Statistics and Registers of Scotland.

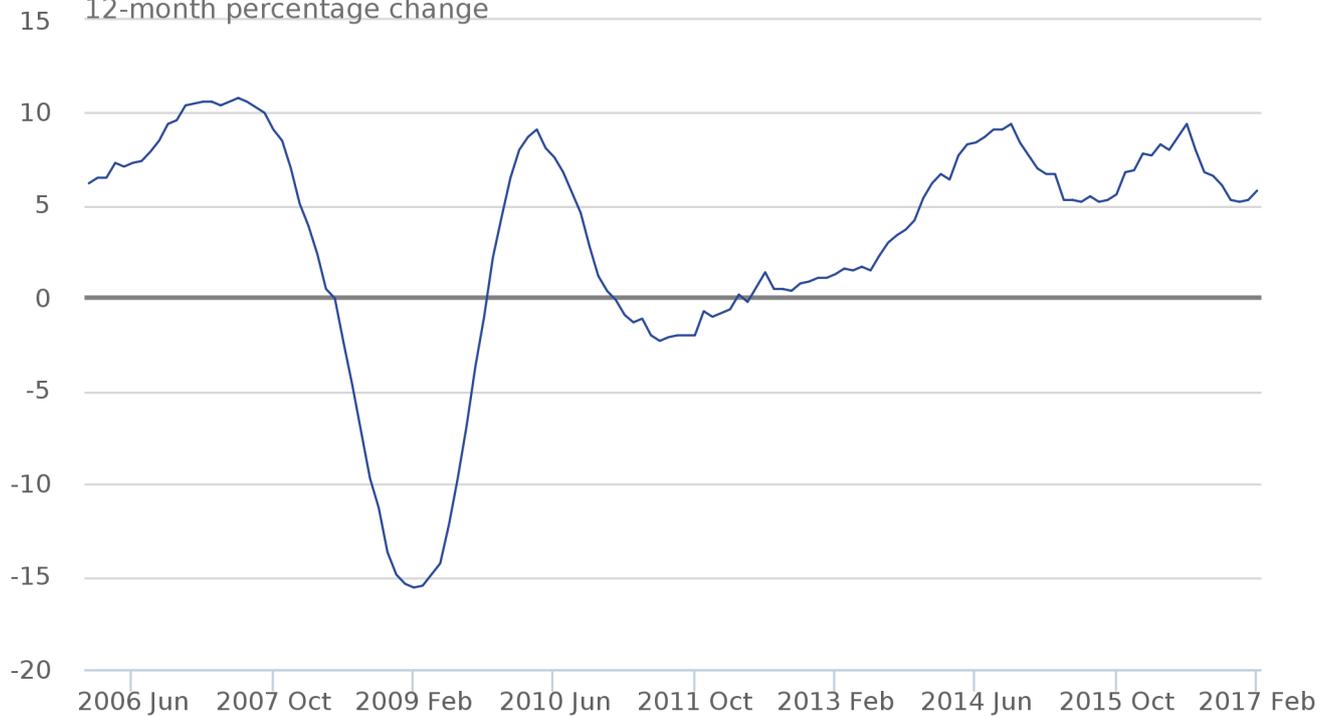
The UK House Price Index, introduced in 2016, includes all residential properties purchased for market value in the UK. However, as sales only appear in the UK HPI once the purchases have been registered, there can be a delay before transactions feed into the index. As such, caution is advised when interpreting price changes in the most recent periods as they are liable to be revised.

From 13 June 2017 we'll be extending our revision period to 12 months. Further information is provided in our [revision policy](#).

2 . UK all dwellings

Average house prices in the UK have increased by 5.8% in the year to February 2017 (up from 5.3% in the year to January 2017). However, this still remains below the average annual house price growth seen in 2016 of 7.3%.

Figure 1: Annual house price rates of change, UK all dwellings from January 2006 to February 2017
12-month percentage change



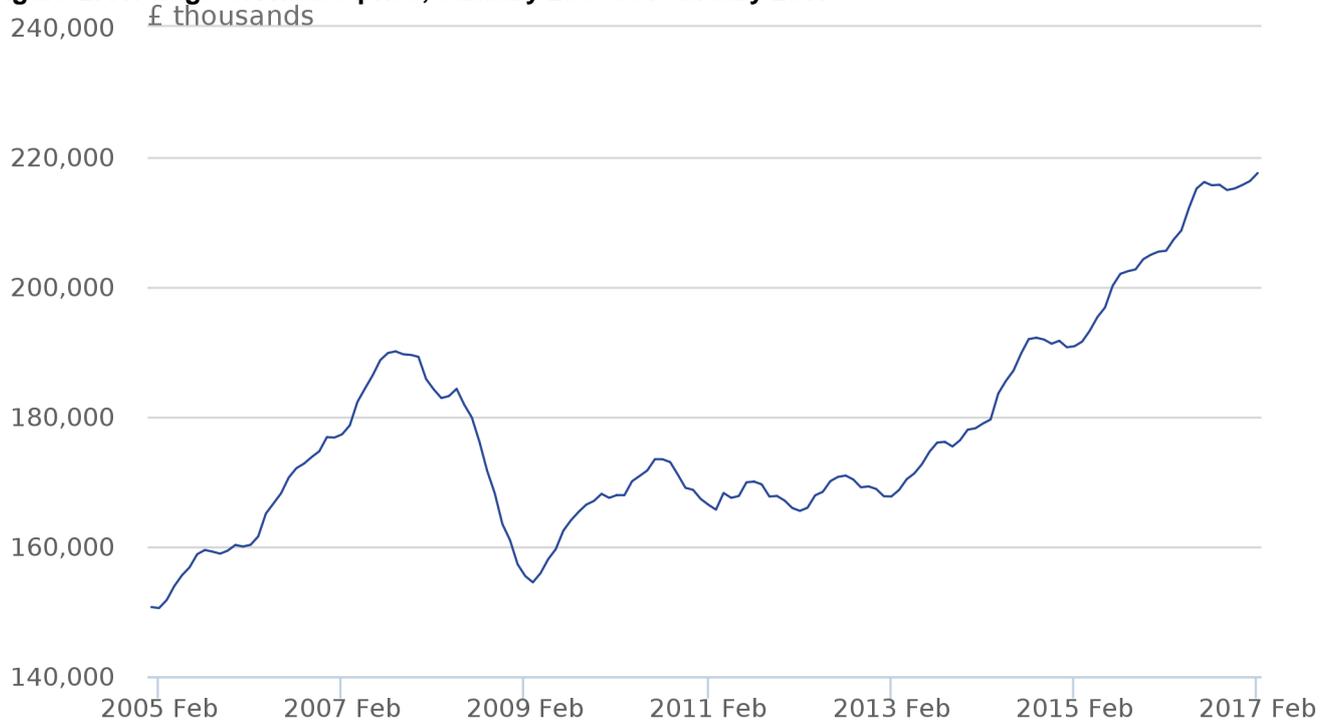
Source: HM Land Registry, Registers of Scotland, Land and Property Services Northern Ireland and Office for National Statistics

Notes:

1. Not seasonally adjusted.
2. The [full HPI release](#) is available to download from HM Land Registry at GOV.UK.

The average UK house price was £218,000 in February 2017. This is £12,000 higher than in February 2016 and £2,000 higher than last month.

Figure 2: Average UK house price, January 2005 to February 2017



Source: HM Land Registry, Registers of Scotland, Land and Property Services Northern Ireland and Office for National Statistics

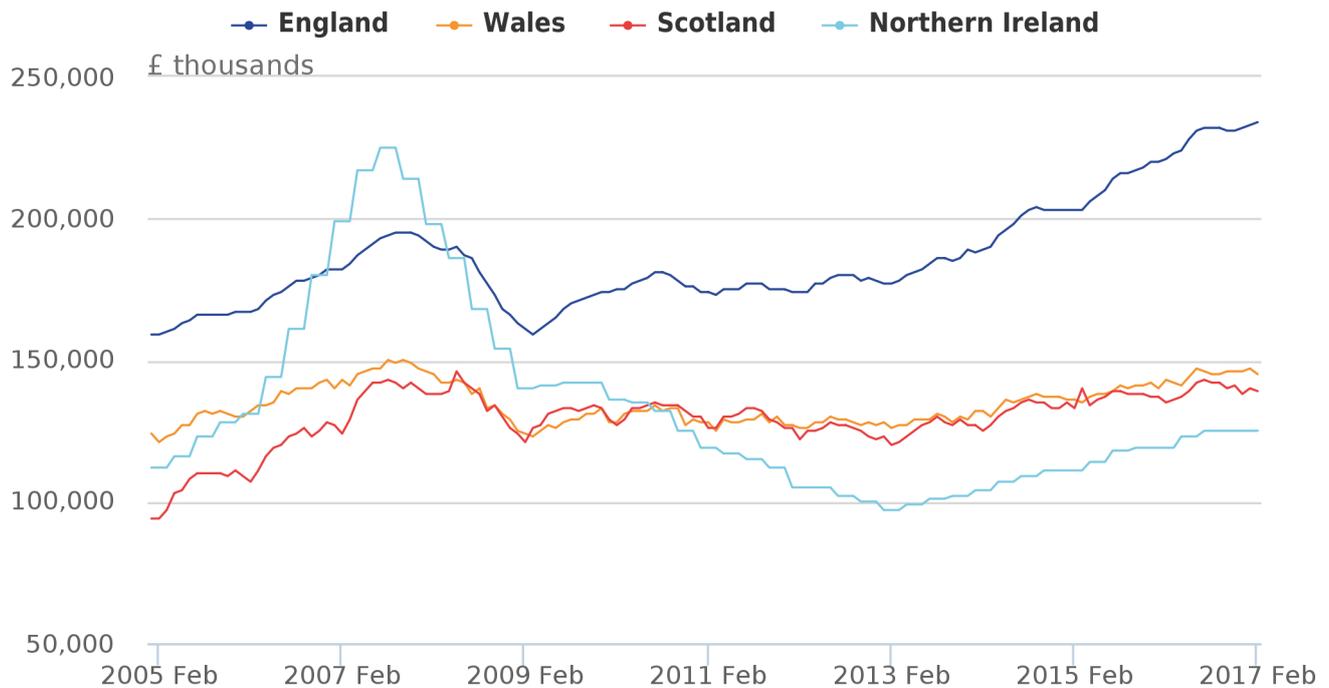
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3 . House price index, by UK country

The main contribution to the increase in UK house prices came from England, where house prices increased by 6.3% over the year to February 2017, with the average price in England now £234,000. Wales saw house prices increase by 1.8% over the last 12 months to stand at £145,000. In Scotland, the average price increased by 3.1% over the year to stand at £139,000. The average price in Northern Ireland currently stands at £125,000, an increase of 5.7% over the last 12 months.

Figure 3: Average house price, by UK country, January 2005 to February 2017



Source: HM Land Registry, Registers of Scotland, Land and Property Services Northern Ireland and Office for National Statistics

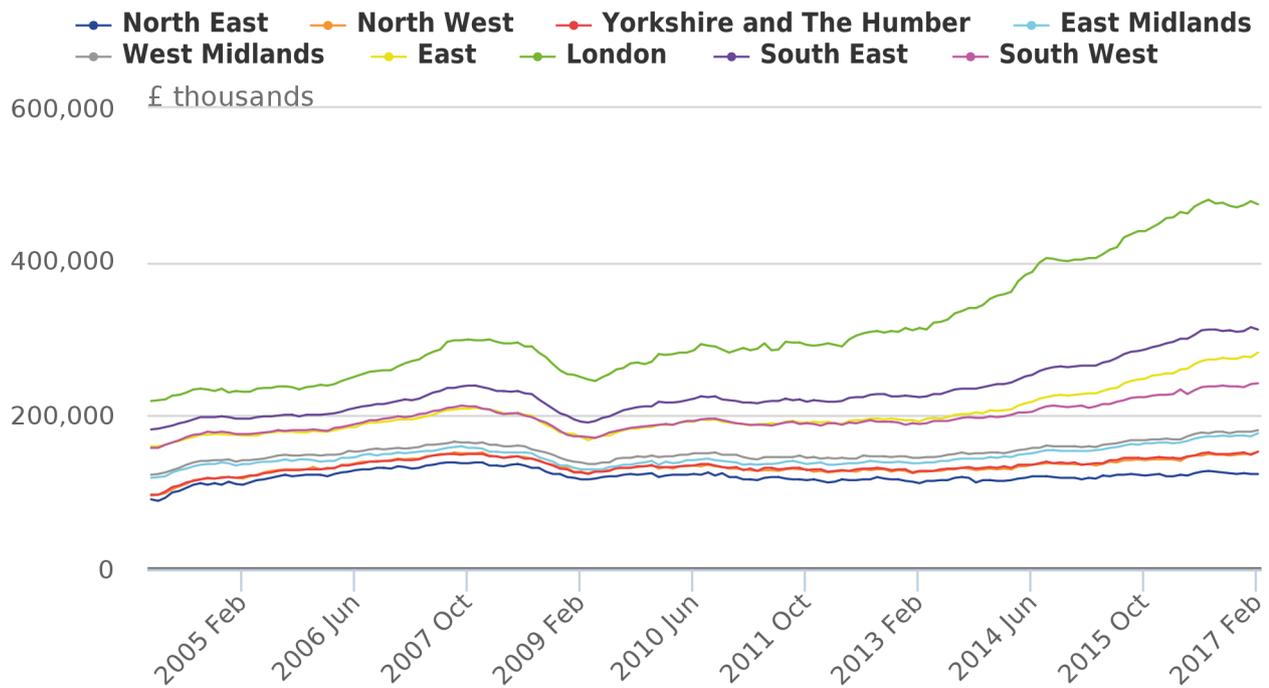
Notes:

1. Not seasonally adjusted.
2. The [full HPI release](#) is available to download from HM Land Registry at GOV.UK.

4 . House price index, by English region

On a regional basis, London continues to be the region with the highest average house price at £475,000, followed by the South East and the East of England, which stand at £312,000 and £282,000 respectively. The lowest average price continues to be in the North East at £124,000.

Figure 4: Average house price, by English region, January 2004 to February 2017



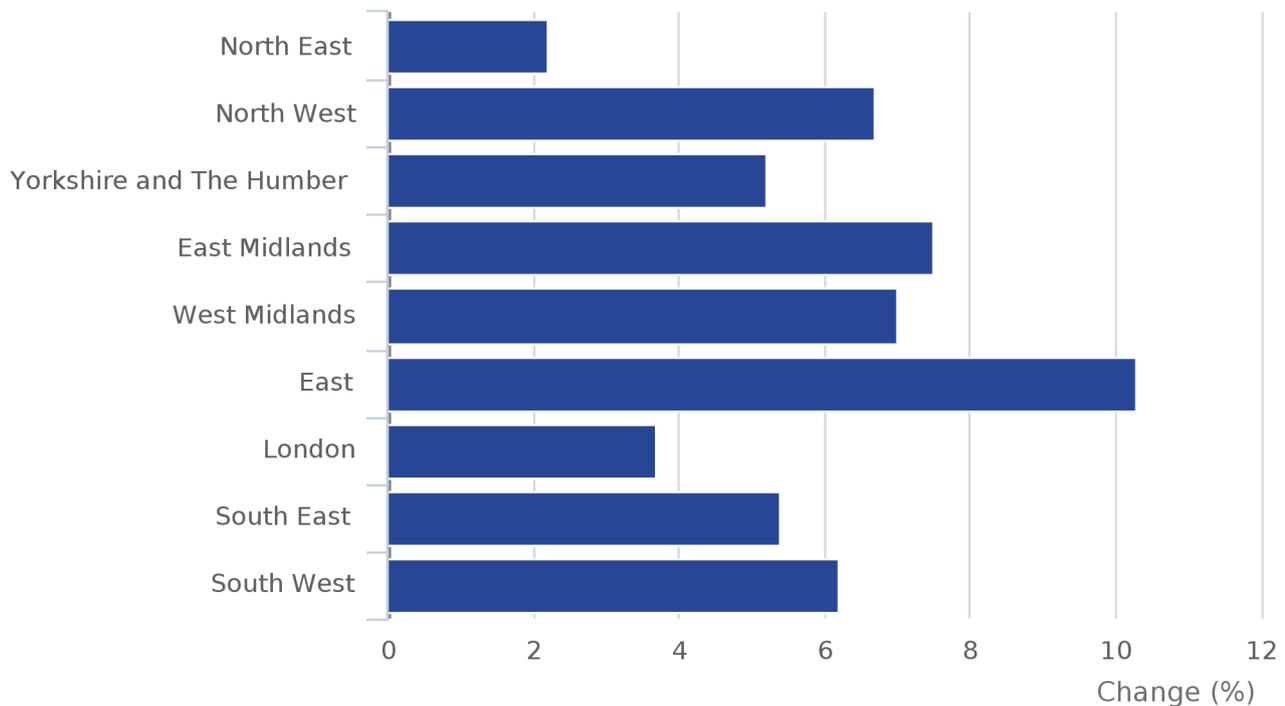
Source: HM Land Registry and Office for National Statistics

Notes:

1. Not seasonally adjusted.
2. The [full HPI release](#) is available to download from HM Land Registry at GOV.UK.

The East of England is the region which showed the highest annual growth, with prices increasing by 10.3% in the year to February 2017. Growth in the East Midlands was second highest at 7.5%, followed by the West Midlands at 7.0%. The lowest annual growth was in the North East, where prices increased by 2.2% over the year.

Figure 5: All dwellings annual house price rates of change, year to February 2017: by English region



Source: HM Land Registry and Office for National Statistics

Notes:

1. Not seasonally adjusted.
2. The [full HPI release](#) is available to download from HM Land Registry at GOV.UK.

5 . House price index, by UK local authority district

The local authority showing the largest annual growth in the year to February 2017 was the Shetland Islands, where prices increased by 25.9% to stand at £184,000. Low numbers of sales transactions in some local authorities, such as the Shetland Islands, Na h-Eileanan Siar and Orkney Islands can lead to volatility in the series. Whilst efforts are made to account for this volatility, the change in price in these local levels can be influenced by the type and number of properties sold in any given period. The lowest annual growth was recorded in the City of Aberdeen, where prices fell by 9.6% to stand at £161,000.

In February 2017, the most expensive borough to live in was Kensington and Chelsea, where the average price for a house was £1.4 million. In contrast, the cheapest area to purchase a property was Blaenau Gwent, where the average price for a house was £78,000.

Table 1: Top and bottom five UK Local Authorities, by annual growth in the year to February 2017

Top 5 Local Authorities	% change	Average price (£)
Shetland Islands	25.9	183,636
Na h-Eileanan Siar	22.4	107,096
Orkney Islands	21.6	135,811
Purbeck	17.2	335,950
South Bucks	16.3	642,070

Bottom 5 Local Authorities	% change	Average price (£)
City of Aberdeen	-9.6	161,199
Isle of Anglesey	-5.7	153,012
Inverclyde	-5.3	96,918
East Lothian	-4.4	186,275
Aberdeenshire	-3.6	188,481

Source: Land Registry, Registers of Scotland and Land and Property Services Northern Ireland.

6 . Quality and methodology

The [UK House Price Index \(HPI\) Quality and Methodology Information document](#) contains important information on:

- the strengths and limitations of the data
- uses and users of the data
- how the output was created
- the quality of the output including the accuracy of the data

7 . Things you need to know about this release

The UK House Price Index (HPI) has been published initially as an [experimental official statistic](#) to allow for users to acclimatise to the format of the new HPI, to evaluate user reaction to the new data, to continue evolution of data publication to meet user requirements and to further develop the data sources used in the production. While the methodology for the new UK HPI has been finalised, further work is taking place to secure additional property attributes data (such as from Scottish Assessors) that will supplement and provide additional assurance to the future production process.

From 13 June 2017 we'll be extending our revision period to 12 months. Further Information is provided in our [revision policy](#).

It is expected that we will seek to remove the experimental status once the above points have been implemented and then progress with the assessment of the new [UK HPI as a National Statistic](#).

Please note that the Northern Ireland Residential Property Price Index, used as a component source in the production of the new UK HPI, remains an official statistic (that is, it is not classified as experimental).

In September 2016, users of the index were invited to complete a questionnaire to aid evaluation of different aspects of the [main report](#). The responses have been used to plan [future improvements](#).

Further information on how the new UK HPI compares with the previous Office for National Statistics and HM Land Registry House Price Indices can be found in the article [Explaining the impact of the new UK HPI](#).