



IHS Markit™

# Halifax House Price Index Restatement Policy

December 2019

## Index Restatement Policy

IHS Markit Benchmark Administration Limited is the appointed Administrator of the Halifax House Price Index ("HHPI"). The Administrator is committed to conducting its business with integrity and to providing index information of the highest quality to its customers and index stakeholders.

However, the Administrator recognizes that in some situations inaccuracies can arise that may warrant a restatement of one or more indices. Such inaccuracies may be caused by a range of events including:

- Incorrect mortgage transaction data provided by the contributor;
- Unavailability of up-to-date mortgage transaction data at the time of index calculation;
- Failure of exclusion criteria; or
- Index model calculation error.

The Administrator has implemented a wide range of automated checks throughout the data collection and data calculation stages of index determination to capture and validate exceptions which could indicate an error or data problem. These include daily checks on large transaction volume movements and large index level movements. Additional comparative and consistency checks are also in place. Any exception or warning alert is reviewed and analysed for potential problems. In the event that the alert is caused by an error, the HHPI index analysts will correct the error before official publication.

In the instance an error is not caught and resolved before index calculation and publication or if input data received is revised retrospectively, the Administrator will review the impact on index values. In order to decide whether to restate an index, the Administrator takes multiple factors into consideration including:

- The size of the deviation between published and updated index levels;
- Dates of the restatement period, in particular:
  - How recent the restatement period is, and
  - The length of the period to be restated;
- Client impact; and
- Index usage.

If the analysis indicates that a revision of the Index could be warranted, the Administrator may consult with the specific Index Advisory Committee. If the Administrator decides to revise the HHPI values, the reason for the revision together with revised material will be provided to all users.

In addition, the Administrator will compile an incident report to summarize the incident, the root cause and set forth remedial actions to avoid such an error report in the future, where such remedial actions are applicable.

### Formal complaints

Formal complaints can be sent electronically to our dedicated e-mail address [complaints\\_indices@ihsmarkit.com](mailto:complaints_indices@ihsmarkit.com).

### Document Governance

Policy Name: HHPI Restatement Policy  
Policy Owner: Regulatory Compliance  
Applies to: HHPI Benchmark Family  
Approved by: Board of IHS Markit Benchmark Administration Limited  
Date of last review: 6 December 2019

### Disclaimer

The Index restatement policy (the "policy") is intended only for professionals in the financial markets and is not, and should not be construed as, financial, legal or other advice of any kind, nor should it be regarded as an offer or as a solicitation of an offer to buy, sell or otherwise deal in any investment. The policy is applicable to the indices IHS Markit administers and whose Index rules or documentation specifically references this policy. The policy should not be interpreted as the approval of any regulator. You may not use the policy to generate any advice, recommendations, guidance, publications or alerts and the policy is not a substitute for your own analysis.

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