

Statistical bulletin

UK House Price Index: August 2018

Monthly house price inflation in the UK, calculated using data from HM 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). For full details, including commentary, historical data tables and analytical tools, please see the [main publication of the House Price Index](#), published today (9:30am, 17 October 2018) by HM Land Registry on the GOV.UK website.

2 . Things you need to know about this release

The [Office for Statistics Regulation](#) has designated the UK House Price Index as a [National Statistic](#). A [letter from the Director General for Regulation](#) details the actions that were taken to meet the requirements as set out in the UK HPI [assessment report](#).

House price inflation is the rate at which the prices of residential properties purchased in the UK rise and fall. The UK House Price Index (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 HPI, introduced in June 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 can be revised. Further information is provided in our [revision policy](#).

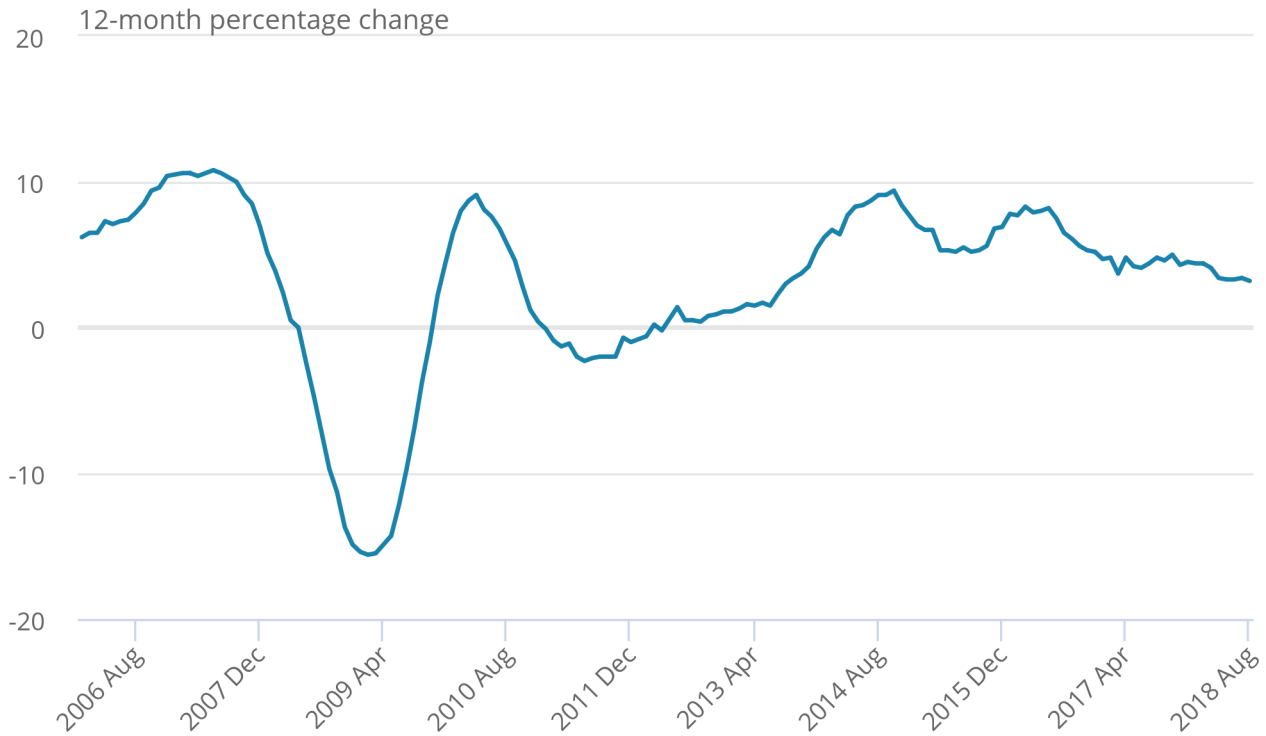
3 . UK annual growth rate remains stable

Average house prices in the UK have increased by 3.2% in the year to August 2018 (down from 3.4% in July 2018), remaining broadly stable at a national level since April 2018 (Figure 1).

Over the past two years, there has been a slowdown in UK house price growth, driven mainly by a slowdown in the south and east of England. The lowest annual growth was in London, where prices decreased by 0.2% over the year, down from being unchanged (0.0%) in the year to July 2018.

Figure 1: Annual house price rates of change, UK all dwellings from January 2006 to August 2018

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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 £233,000 in August 2018. This is £7,000 higher than in August 2017 and £1,000 higher than last month (Figure 2). On a non-seasonally adjusted basis, average house prices in the UK increased by 0.2% between July 2018 and August 2018, compared with an increase of 0.5% in average prices during the same period a year earlier (July 2017 and August 2017). On a seasonally adjusted basis, average house prices in the UK increased by 0.3% between July 2018 and August 2018 (series available in [data downloads](#)).

Figure 2: Average UK house price, January 2005 to August 2018

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

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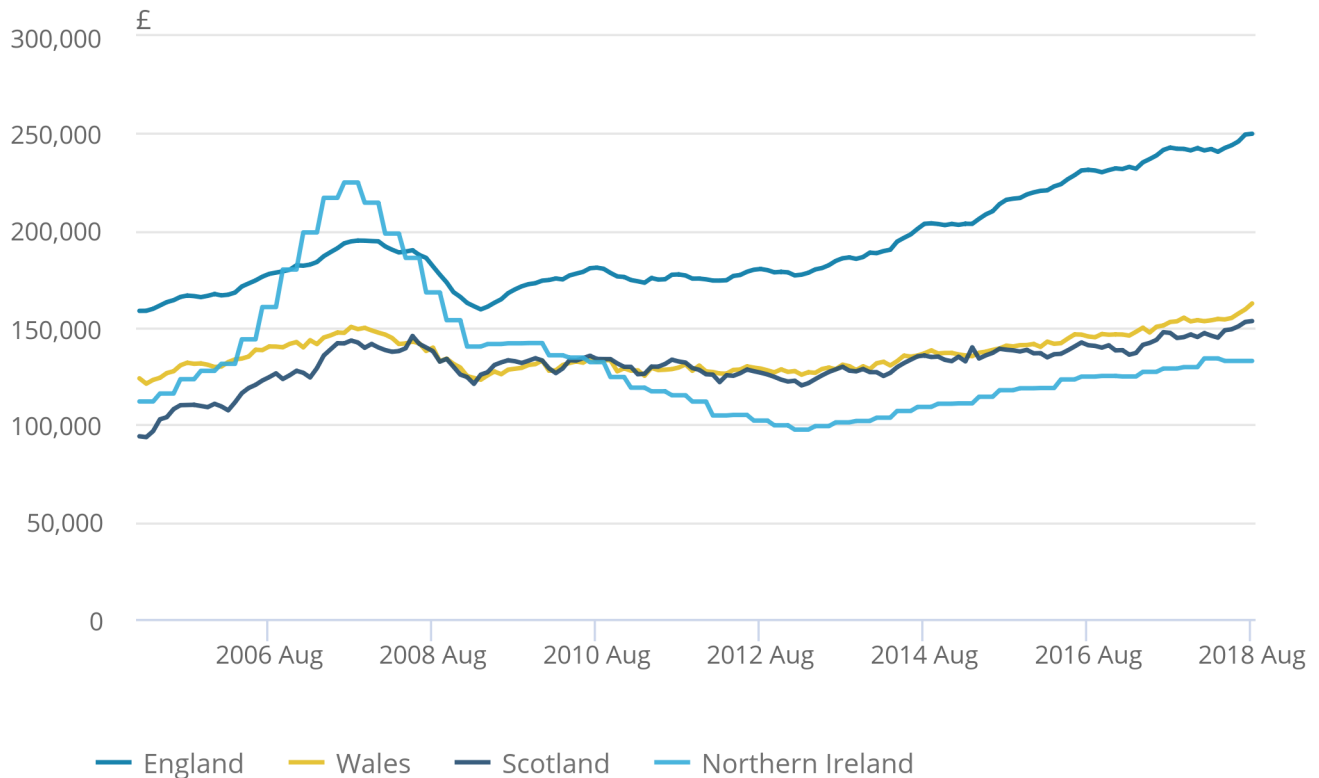
1. Not seasonally adjusted.
2. The [full HPI release](#) is available to download from HM Land Registry at GOV.UK.

4 . House price growth in England slows but stronger growth in other countries

House prices in England increased by 2.9% in the year to August 2018, down from 3.3% in the year to July 2018, with the average price in England now £250,000. House prices in Wales increased by 6.2% over the last 12 months to reach £162,000. In Scotland, the average price increased by 4.1% over the year to stand at £153,000. The average price in Northern Ireland currently stands at £133,000, an increase of 4.4% over the year to Quarter 2 (Apr to June) 2018.

Figure 3: Average house price, by UK country, January 2005 to August 2018

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

Notes:

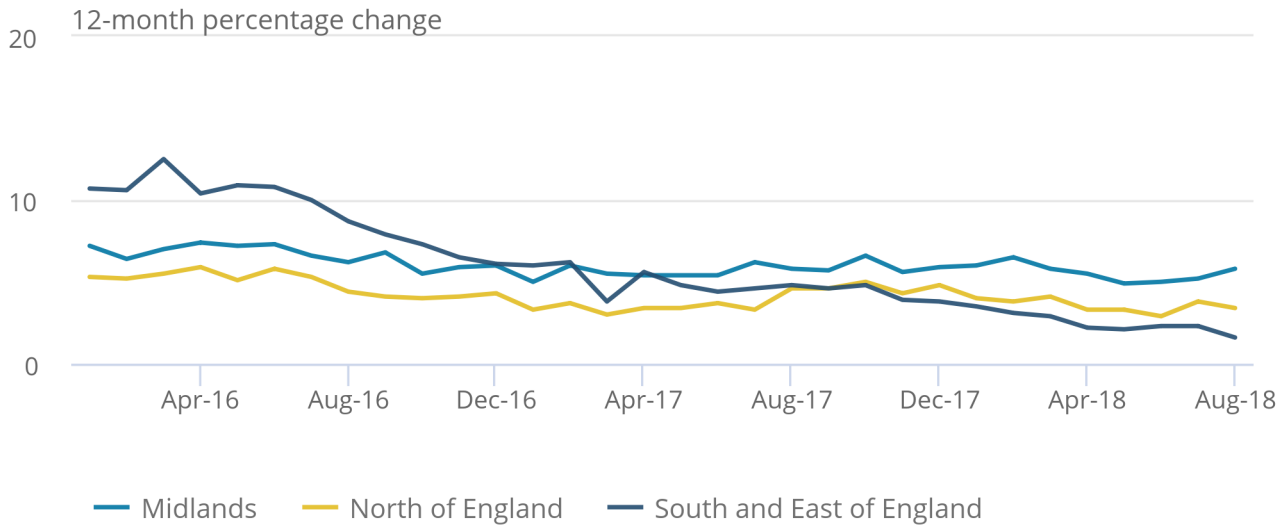
1. Not seasonally adjusted.
2. The [full HPI release](#) is available to download from HM Land Registry at GOV.UK.
3. Northern Ireland data are only available on a quarterly basis. Northern Ireland data are copied forward until the next quarter's data are available.

5 . England slowdown driven by the south and east of the country

House prices in the south and east of England increased by 1.6% in the year to August 2018, compared with growth of 5.8% in the midlands and 3.4% in the north of England. While the annual growth rates of the midlands and the north of England have remained broadly stable over the past two years, the south and east of England has witnessed a sustained slowdown.

Figure 4: Annual house price rates of change, midlands, north of England, south and east of England, from January 2016 to August 2018

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Source: HM Land Registry and Office for National Statistics

Notes:

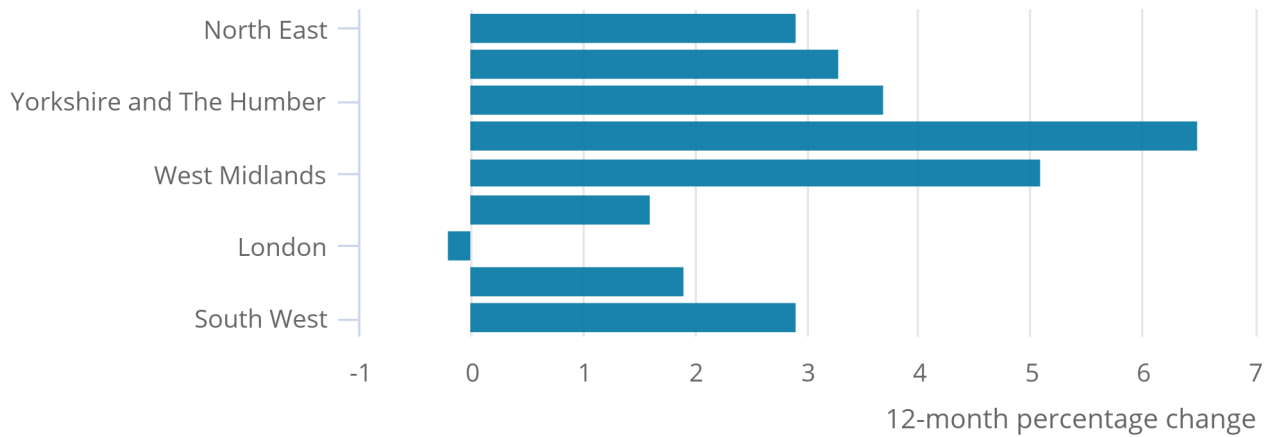
1. Not seasonally adjusted.
2. The [full HPI release](#) is available to download from HM Land Registry at GOV.UK.
3. North of England includes North East, North West and Yorkshire and The Humber.
4. Midlands includes East Midlands and West Midlands.
5. South and east of England includes South East, South West, East England and London.

At a regional level, the East Midlands showed the highest annual growth, with prices increasing by 6.5% in the year to August 2018. This was followed by the West Midlands (5.1%) and Yorkshire and The Humber (3.7%).

The English regions with the slowest annual growth were all in the south and east, with the lowest being in London, where prices decreased by 0.2% over the year.

Figure 5: All dwellings annual house price rates of change, year to August 2018, by English region

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Source: HM Land Registry and Office for National Statistics

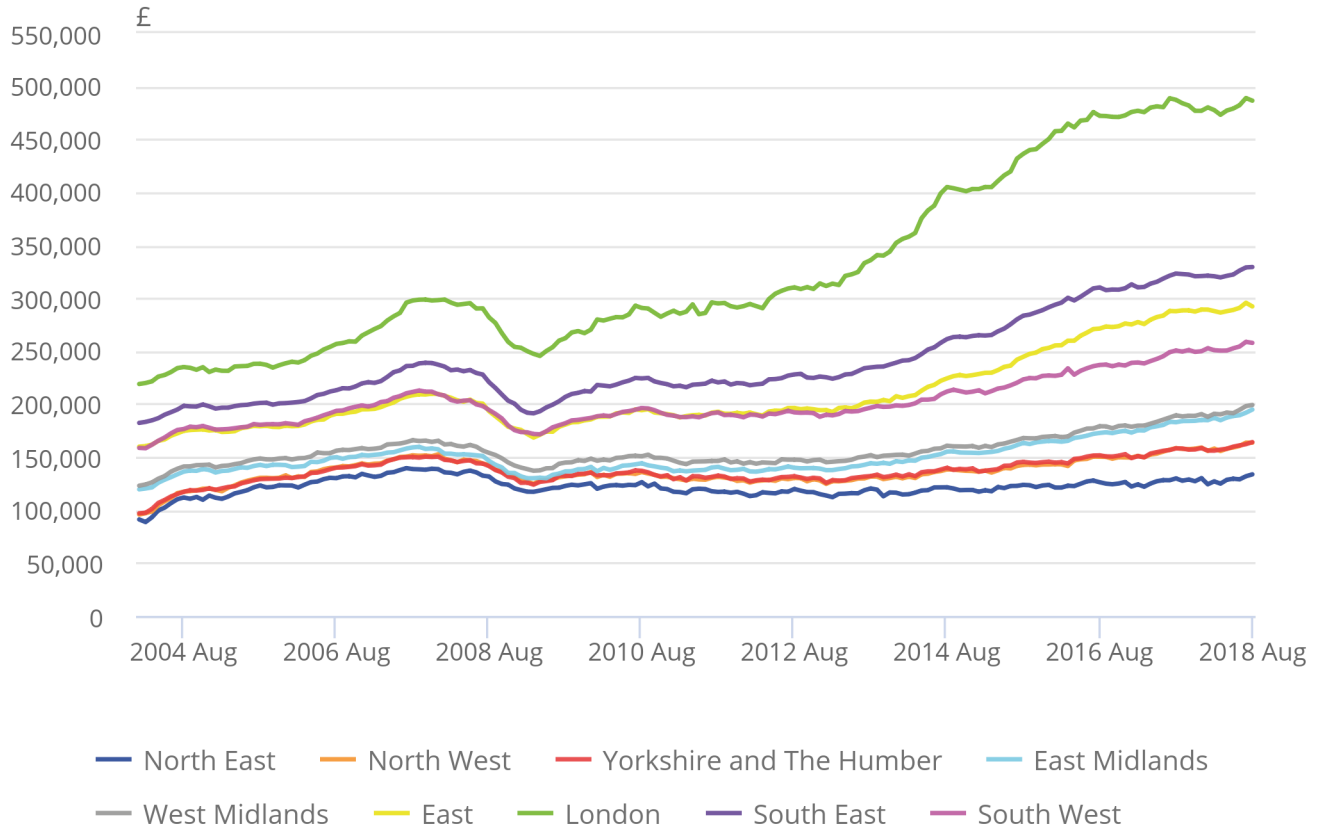
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While the annual house price growth in the south and east of England is slowing, they remain the most expensive areas to purchase a property. London is the region with the highest average house price at £486,000, followed by the South East and the East of England, at £329,000 and £292,000 respectively. The lowest average price continued to be in the North East at £134,000.

Figure 6: Average house price, by English region, January 2004 to August 2018

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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.

Data at the local authority level and other breakdowns can be found in the [main publication of the UK House Price Index](#) published by HM Land Registry on GOV.UK.

6 . Quality and methodology

Details of the methodology used to calculate the UK House Price Index (UK HPI) can be found on the [guidance page](#) of the main release published by HM Land Registry on GOV.UK.

Further information on how the 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 House Price Index](#).

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

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