

Statistical bulletin

# UK House Price Index: August 2021

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



Contact:  
Ceri Lewis  
[hpi@ons.gov.uk](mailto:hpi@ons.gov.uk)  
+44 1633 456400

Release date:  
20 October 2021

Next release:  
17 November 2021

## Table of contents

1. [Main points](#)
2. [UK house prices](#)
3. [House prices by country](#)
4. [House prices by region](#)
5. [House Price Index data](#)
6. [Glossary](#)
7. [Measuring the data](#)
8. [Related links](#)

## 1 . Main points

- UK average house prices increased by 10.6% over the year to August 2021, up from 8.5% in July.
- The average UK house price was £264,000 in August 2021, which is £25,000 higher than this time last year.
- Average house prices increased over the year in England to £281,000 (9.8%), in Wales to £195,000 (12.5%), in Scotland to £181,000 (16.9%) and in Northern Ireland to £153,000 (9.0%).
- London continues to be the region with the lowest annual growth (7.5%) for the ninth consecutive month.

## 2 . UK house prices

## UK average house prices increased by 10.6% over the year to August 2021

The [latest house price data published on GOV.UK by HM Land Registry for August 2021](#) show that average house prices in the UK increased by 10.6% in the year to August 2021, up from 8.5% in the year to July 2021 (Figure 1).

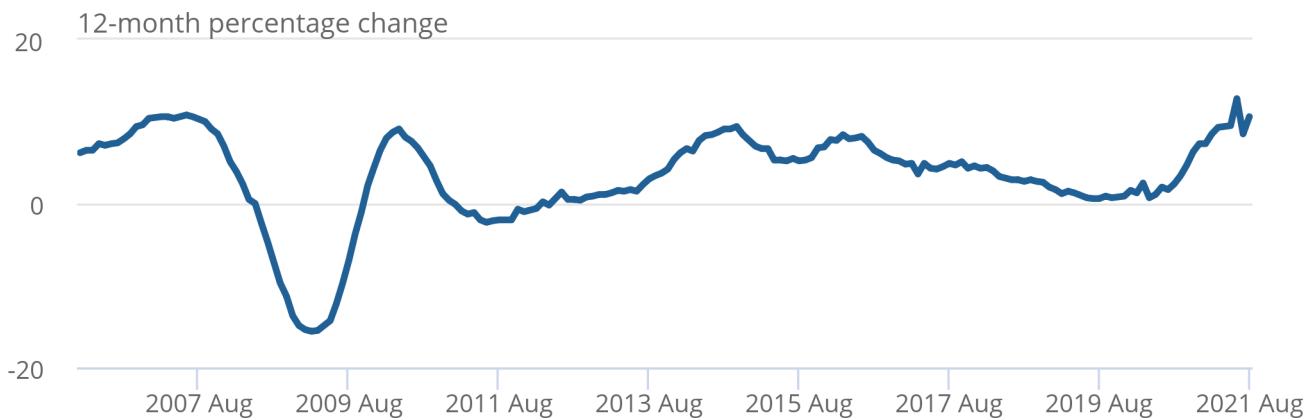
Because of the impact of the coronavirus (COVID-19) pandemic on both the number and supply of housing transactions, we might see larger revisions to the published House Price Index (HPI) estimates than usual. Fewer transactions are available than expected for the August 2021 estimate. As a result, there may be increased volatility in this month's estimates, particularly at the lower geographical levels where transaction volumes are smaller. We are looking at options to improve this, including working with data suppliers. Further information on this can be found in [Section 7: Measuring the data](#).

### Figure 1: August 2021 saw UK house price growth increase to 10.6%

Annual house price rates of change for all dwellings, UK, January 2006 to August 2021

## Figure 1: August 2021 saw UK house price growth increase to 10.6%

Annual house price rates of change for all dwellings, UK, January 2006 to August 2021



Source: HM Land Registry, Registers of Scotland, Land and Property Services Northern Ireland, Office for National Statistics – UK House Price Index

#### Notes:

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

The latter half of 2020 saw the UK's average house price growth accelerating. This trend continued into 2021 as the UK average house price for August 2021 was £264,000, up from £257,000 in July 2021, which followed the record level seen in June 2021 (£265,000).

On 8 July 2020, changes to the tax paid on property purchases were announced with immediate effect in England and Northern Ireland. Similar changes came into effect slightly later in Scotland and Wales (15 July and 27 July respectively). In England and Northern Ireland, properties up to the value of £500,000 would incur no tax, while the thresholds for Scotland and Wales were £250,000. These changes in the tax paid on housing transactions may have allowed sellers to request higher prices as the buyers' overall costs are reduced.

On 3 March 2021, an extension to the Stamp Duty holiday in England and Northern Ireland was announced. This meant that the tax holiday was extended until 30 June 2021 after which the threshold decreased to £250,000 until 30 September 2021. From 1 October 2021, the Stamp Duty thresholds have reverted to what they were before 8 July 2020. The tax holiday for Scotland ended on 31 March 2021. The tax holiday in Wales ended on 30 June 2021.

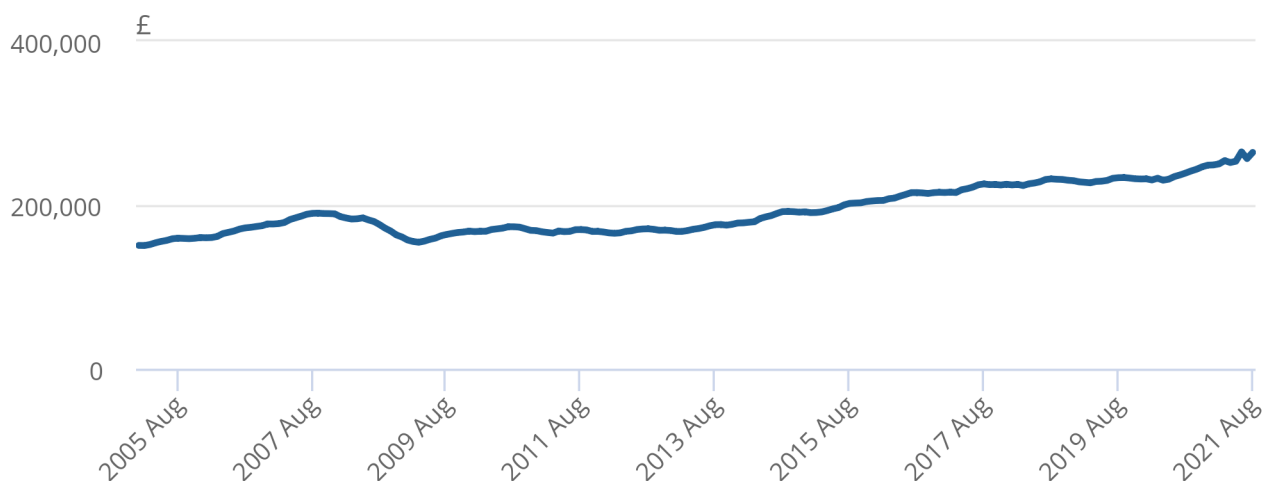
As the tax breaks were originally due to conclude at the end of March 2021, it is likely that March's average house prices were slightly inflated as buyers rushed to ensure their house purchases were scheduled to complete ahead of this deadline. This effect was then further exaggerated in June 2021, in line with the extension to the holiday on taxes paid on property purchases in England, Wales and Northern Ireland. Following the decrease in July, average house prices in August 2021 were close to the peak seen in June. [Monthly property transaction statistics](#) published by HM Revenue and Customs (HMRC) show that the seasonally adjusted number of transactions in August 2021 increased to 98,300. This is a similar level of monthly transactions seen prior to the start of the pandemic (following the record number of 198,900 transactions in June 2021, and the subsequent fall back to 74,470 transactions in July 2021).

**Figure 2: Average UK house prices rose to £264,000 in August 2021**

Average house price, UK, January 2005 to August 2021

Figure 2: Average UK house prices rose to £264,000 in August 2021

Average house price, UK, January 2005 to August 2021



Source: Source: HM Land Registry, Registers of Scotland, Land and Property Services Northern Ireland, Office for National Statistics – UK House Price Index

**Notes:**

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

The average UK house price was £264,000 in August 2021; this is £25,000 higher than in August 2020 (Figure 2).

On a non-seasonally adjusted basis, average house prices in the UK increased by 2.9% between July and August 2021, compared with an increase of 1.0% in the same period a year ago.

On a seasonally adjusted basis, average house prices in the UK increased by 2.8% between July and August 2021, following a decrease of 4.0% in the previous month.

### **More about the economy, business and jobs**

- All ONS analysis, summarised in our [economy, business and jobs roundup](#).
- Explore the latest trends in employment, prices and trade in our [economic dashboard](#).
- View [all economic data](#).

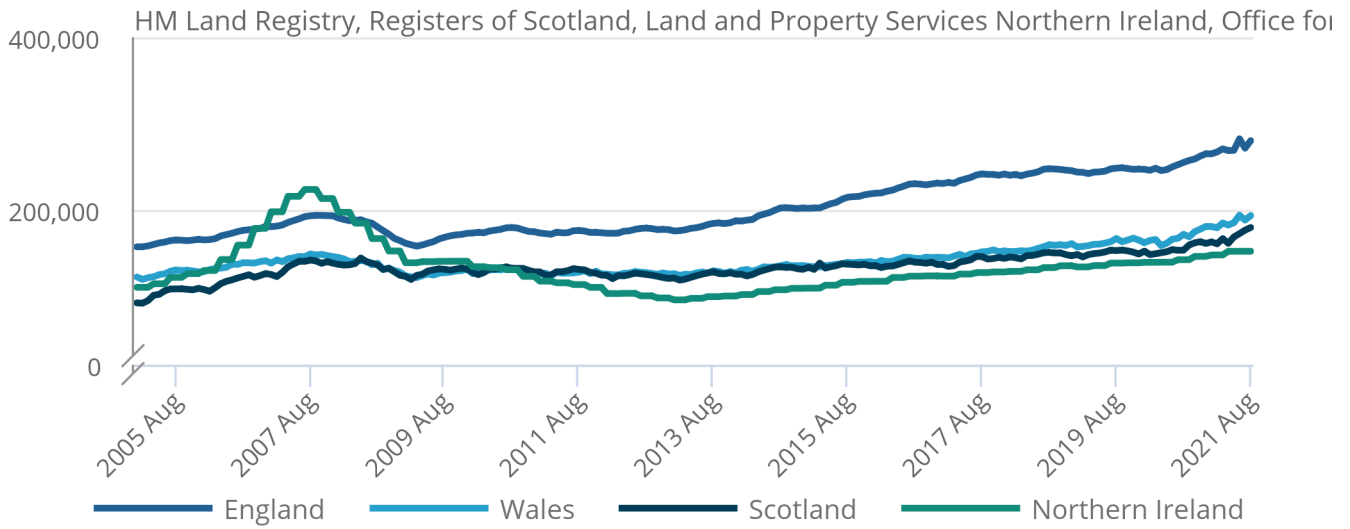
### 3 . House prices by country

Figure 3: England house prices remain the highest in the UK

Average house price by country, UK, January 2005 to August 2021

Figure 3: England house prices remain the highest in the UK

Average house price by country, UK, January 2005 to August 2021



Source: HM Land Registry, Registers of Scotland, Land and Property Services Northern Ireland, Office for National Statistics – UK House Price Index

Notes:

1. Not seasonally adjusted. The [full UK House Price Index \(HPI\) release](#) is available to download from HM Land Registry at GOV.UK.
2. Northern Ireland data are only available on a quarterly basis. Northern Ireland data are copied forward until the next quarter's data are available, which will be in the September 2021 bulletin released on 17 November 2021.

The average house price in Scotland increased by 16.9% over the year to August 2021, up from an increase of 15.0% in the year to July 2021, with the average house price in Scotland now at a record level of £181,000.

The average house price growth in Wales increased by 12.5% over the year to August 2021, up from an increase of 12.4% in July 2021, with the average house price in Wales now at £195,000.

The average house price in England increased by 9.8% over the year to August 2021, up from an increase of 7.5% in the year to July 2021, with the average house price in England now at £281,000.

The average house price in Northern Ireland increased by 9.0% over the year to Quarter 2 (Apr to June) 2021. Northern Ireland remains the cheapest UK country to purchase a property in, with the average house price at £153,000 (Figure 3).



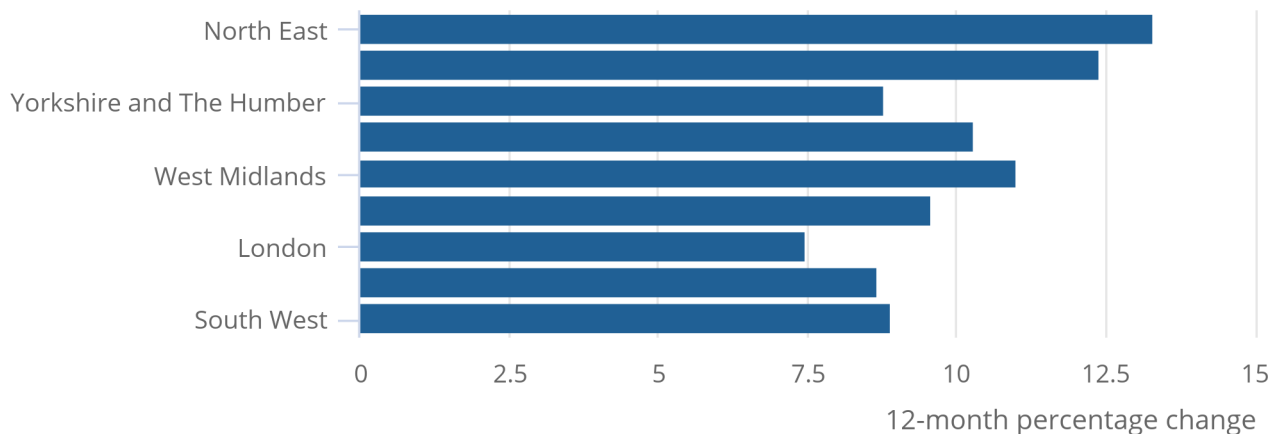
## 4 . House prices by region

**Figure 4: London remains the region with the lowest annual house price growth**

All dwellings annual house price rates of change, by English region, year to August 2021

### Figure 4: London remains the region with the lowest annual house price growth

All dwellings annual house price rates of change, by English region, year to August 2021



**Source: HM Land Registry, Office for National Statistics – UK House Price Index**

**Notes:**

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

The North East was the region with the highest annual house price growth, with average prices increasing by 13.3% in the year to August 2021. This was up from 11.3% in July 2021 (Figure 4).

The lowest annual growth was in London, where average prices increased by 7.5% over the year to August 2021, up from 2.9% in July 2021, which represents the strongest annual growth in London since August 2016.

Despite being the region with the lowest annual growth, London's average house price remains the most expensive of any region in the UK at an average of £526,000 in August 2021, the highest on record.

The North East continued to have the lowest average house price, at £149,000, having surpassed its pre-economic downturn peak of July 2007 in December 2020 (Figure 5).

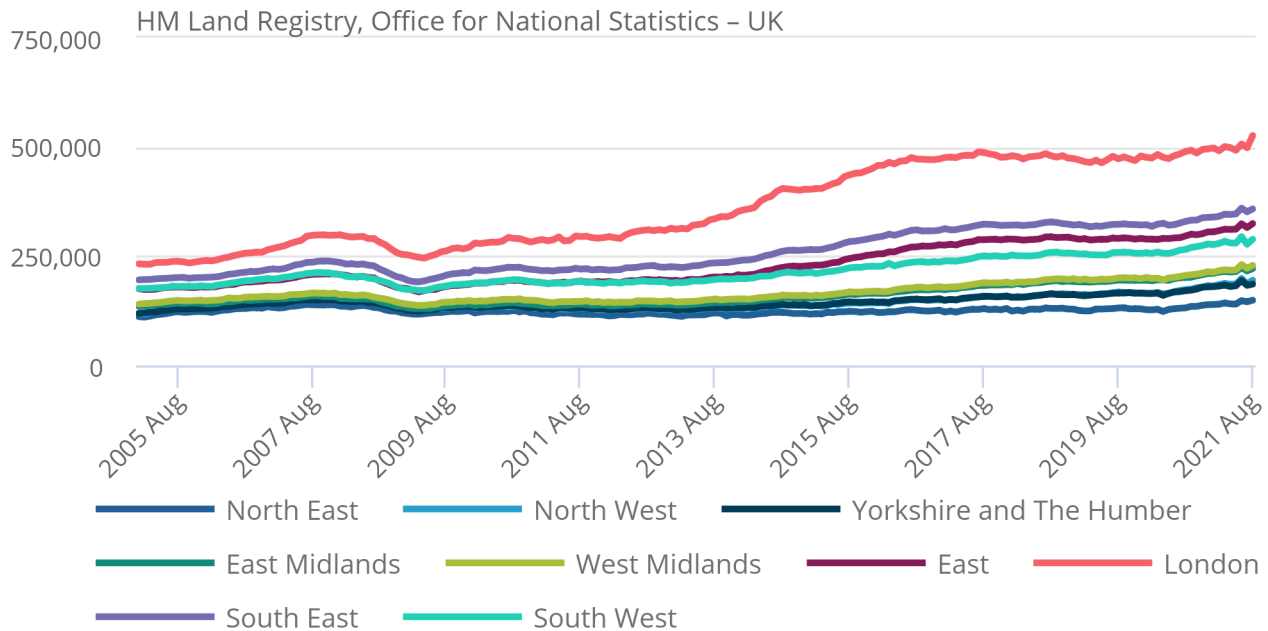


## Figure 5: London continues to have the highest average house price in England

Average house price, by English region, January 2005 to August 2021

### Figure 5: London continues to have the highest average house price in England

Average house price, by English region, January 2005 to August 2021



Source: HM Land Registry, Office for National Statistics – UK

#### Notes:

1. Data at the local authority level and other breakdowns can be found in the [full House Price Index \(HPI\) release](#), available to download from HM Land Registry at GOV.UK.
2. Because of the impact of the coronavirus (COVID-19) pandemic on both the number and supply of housing transactions, we might see larger revisions to the published House Price Index (HPI) estimates than usual, particularly at the lower geographical levels where transaction volumes are smaller.

## 5 . House Price Index data

### [UK House Price Index](#)

Dataset | Released 20 October 2021

Monthly house price movements, including average price by property type, sales and cash mortgage sales, as well as information on first-time buyers, new builds and former owner occupiers. Data are collected by HM Land Registry and published on GOV.UK.

### [House price data: quarterly tables](#)

Dataset | Released 18 August 2021

Quarterly house price data based on a sub-sample of the Regulated Mortgage Survey and an unrevised arithmetic mean version of the mix adjusted House Price Index (HPI) for Great Britain.

### [House price data: annual tables 20 to 39](#)

Dataset | Released 14 July 2021

Annual house price data based on a sub-sample of the Regulated Mortgage Survey.

## 6 . Glossary

### House Price Index (HPI)

The House Price Index (HPI) measures the price changes of residential housing as a percentage change from a specific time period (12 months prior or a base period, where the HPI in 2015 equals 100).

### House price inflation

House price inflation in the UK is the rate at which the prices of residential properties purchased in the UK rise and fall.

### Non-seasonally adjusted

A non-seasonally adjusted series is one that includes seasonal or calendar effects.

### Seasonally adjusted

A seasonally adjusted series is one that has been subject to a widely used technique for removing seasonal or calendar effects from time series data.

## 7 . Measuring the data

The UK House Price Index (HPI) is a joint production by HM Land Registry (HMLR), Registers of Scotland, Land and Property Services Northern Ireland, and the Office for National Statistics (ONS). HMLR publishes the [main publication of the UK HPI](#) on the GOV.UK website (9:30am, 20 October 2021). It includes full details, including commentary, historical data tables and analytical tools.

### Consultation on the Code of Practice for Statistics – proposed change to 9.30 am release practice

On behalf of the UK Statistics Authority, the Office for Statistics Regulation (OSR) is conducting a [consultation on the Code of Practice for Statistics, proposing changes to the 9.30am release practise](#). Please send comments by 21 December 2021 to: [regulation@statistics.gov.uk](mailto:regulation@statistics.gov.uk).

## Coronavirus

HPI may be subject to increased revisions because of the impact of the coronavirus (COVID-19) pandemic. More information is available in the [previous edition](#) of this bulletin.

The processing of new build properties has been more affected than the processing of "old build" properties. So, to address this, we have pooled new build transactions for certain months in England and Wales:

- January 2021 includes new build transactions from December 2020 and January 2021 for England and Wales
- February 2021 includes new build transactions from January and February 2021 for England and Wales
- March 2021 includes new build transactions from February and March 2021 for England and Wales
- April 2021 includes new build transactions from March and April 2021 for England and Wales
- May 2021 includes new build transactions from April and May 2021
- June 2021 includes new build transactions from May and June 2021
- July 2021 includes new build transactions from June and July 2021
- because of the nature of the processing of the new builds, these are never included in the model for the first estimate, so August 2021 has not been affected

These changes might lead to larger revisions to published estimates than usual as we reduce the reliance on pooling. Further information on how we usually process the new build properties can be found in the [Quality and methodology guidance](#).

## Sales volumes

As sales only appear in the UK HPI once the purchases have been registered or submitted for registration in the case of sales in Scotland (based on completed sales rather than advertised or approved prices), there can be a delay before transactions feed into the index. Estimates for the most recent months are provisional and likely to be updated as more data are incorporated into the index.

The latest estimates for August 2021 are based on approximately 13,000 records for England, which currently represent roughly 15% of monthly property transactions (as published by HM Revenue and Customs), approximately 7,500 records for Scotland (72% of transactions) and approximately 800 records for Wales (16% of transactions). This represents the number of records that are available at the time of calculating the UK HPI and not the number of transactions that have taken place. As time progresses, more records will become available for August, in line with our published revision policy.

However, it should be noted that there are some coverage differences between the sales volumes used in the UK HPI dataset and the monthly property transactions statistics data, meaning that the two are not directly comparable. More information on this can be found in the [previous release](#).

## Local Authority changes

A change to the geography of some local authorities has been made in this release. The changes are in line with the updates given by ONS Geography. These include:

- Corby (E07000150), East Northamptonshire (E07000152), Kettering (E07000153) and Wellingborough (E07000156) have been merged to create a new local authority "North Northamptonshire" (E06000061)
- Daventry (E07000151), Northampton (E07000154) and South Northamptonshire (E07000155) have been merged to create a new local authority "West Northamptonshire" (E06000062)

## Data sources

The main sources of data used in the UK are HMLR for England and Wales, Registers of Scotland, and HM Revenue and Customs' (HMRC's) Stamp Duty Land Tax data for the Northern Ireland HPI.

## Methods

The method for calculating the UK House Price Index can be found in our [Quality and Methodology guidance](#) as can further information on the strengths and limitations of the data, appropriate uses and how the data were created.

## 8 . Related links

### [UK House Price Index: report](#)

Report | Released 20 October 2021

Complete report for the UK House Price Index (HPI) for England, Scotland, Wales and Northern Ireland, including in CSV format. Includes commentary, historical data tables and analytical tools.

### [Land Registry interactive tool](#)

Search tool | Released 20 October 2021

Find access to background information on the UK HPI, help and support, and other index-linked data.

### [Index of Private Housing Rental Prices](#)

Bulletin | Released 20 October 2021

An experimental price index tracking the prices paid for renting property from private landlords in the UK.

### [House price statistics for small areas](#)

Bulletin | Released 21 June 2021

House prices and number of transactions for property sales in England and Wales, on an annual basis, updated quarterly.

### [Consumer price inflation](#)

Bulletin | Released 20 October 2021

Price indices, percentage changes and weights for the different measures of consumer price inflation.