

Statistical bulletin

Household Costs Indices for UK household groups: October to December 2025

Household Costs Indices, 12-month growth rates, expenditure shares, and contributions for UK household groups and all households.

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1 . Main points

- Overall UK household costs, as measured by the Household Costs Index (HCI), rose by 3.6% in the year to December 2025; this is a decrease from 4.0% in the year to September 2025.
- Costs for both low-income (Decile 2) and high-income households (Decile 9) increased by 3.7%, in the year to December 2025.
- Private renter households and social renter households each saw an annual inflation rate of 3.8%; both households saw a decrease in the annual inflation rate since September 2025, from 4.5% and 4.1%, respectively.
- Outright owner occupiers had the lowest annual inflation rate of all tenure types, at 3.4% in the year to December 2025; mortgagor households had the next lowest, at 3.7%.
- Non-retired households continued to experience a higher annual rate of inflation (3.7%) in December 2025 than retired households (3.5%); both households saw a decrease in the annual inflation rate by 0.4 percentage points, compared with September 2025.
- Costs for households with children grew by 3.7% in the year to December 2025, while costs for households without children increased by 3.6%; both households saw a decrease in the annual inflation rate by 0.4 percentage points, compared with September 2025.

These are [official statistics in development](#). We advise caution when using these data, as estimates may be revised because of methodological improvements. Priorities for development are discussed with our Advisory Panels. Read more in [Section 7: Data sources and quality](#).

2 . Overview of the Household Costs Indices inflation rate

The Household Costs Indices (HCIs) complement the Consumer Prices Index including owner occupiers' housing costs (CPIH) and the Consumer Prices Index (CPI). The HCIs show how the prices of goods and services consumed by households in the UK change over time. They do this by offering insight into the inflationary experience of different household groups.

Consumer price statistics measure the change in price of a "fixed basket" of goods and services, as described in our [2017 guide to CPI](#). For the HCIs, the weight of each component in a household group's "fixed basket" is based on the average household's share of expenditure ("democratic" weights). By contrast, the CPIH and CPI baskets reflect the total share of expenditure across all households in the UK ("plutocratic" weights).

The HCIs also include changes in mortgage interest rates, stamp duty and other costs related to the purchase of a dwelling. These are omitted from CPI and estimated using equivalent rental prices in CPIH, reflecting its different use case (see our [Measuring changing prices and costs for consumers and households article](#)). Further differences are described in our [Household Costs Indices for UK household groups quality and methodology information \(QMI\)](#).

HCIs annual inflation rates for December 2024 and the most recent four months are presented in Table 1.

Table 1: Household Costs Indices annual inflation rates (%), UK, December 2024 and September to December 2025

| Category | Dec 2024 | Sept 2025 | Oct 2025 | Nov 2025 | Dec 2025 |
|---|----------|-----------|----------|----------|----------|
| All Households | 2.9 | 4.0 | 3.8 | 3.5 | 3.6 |
| Income Decile 2 | 2.6 | 4.1 | 3.8 | 3.6 | 3.7 |
| Income Decile 3 | 2.7 | 4.0 | 3.8 | 3.4 | 3.6 |
| Income Decile 4 | 2.9 | 4.1 | 3.8 | 3.5 | 3.6 |
| Income Decile 5 | 2.8 | 4.0 | 3.8 | 3.4 | 3.6 |
| Income Decile 6 | 2.8 | 3.9 | 3.7 | 3.3 | 3.5 |
| Income Decile 7 | 2.9 | 3.9 | 3.7 | 3.4 | 3.5 |
| Income Decile 8 | 3.0 | 3.9 | 3.7 | 3.4 | 3.5 |
| Income Decile 9 | 3.0 | 3.9 | 3.8 | 3.5 | 3.7 |
| Mortgagor and other owner occupier | 3.4 | 4.1 | 3.9 | 3.6 | 3.7 |
| Outright owner occupier | 2.1 | 3.7 | 3.5 | 3.2 | 3.4 |
| Private renter | 3.9 | 4.5 | 4.1 | 3.8 | 3.8 |
| Social and other renter | 3.0 | 4.1 | 3.9 | 3.6 | 3.8 |
| Non-Retired | 3.2 | 4.1 | 3.9 | 3.5 | 3.7 |
| Retired | 2.3 | 3.9 | 3.6 | 3.3 | 3.5 |
| With children | 3.1 | 4.1 | 3.9 | 3.5 | 3.7 |
| Without children | 2.8 | 4.0 | 3.8 | 3.4 | 3.6 |

Source: Household Costs Indices from the Office for National Statistics

Notes

1. The first- and tenth-income deciles are not included in this table. This is because the composition of these groups can be unusual and may therefore be influenced by unrepresentative expenditures.

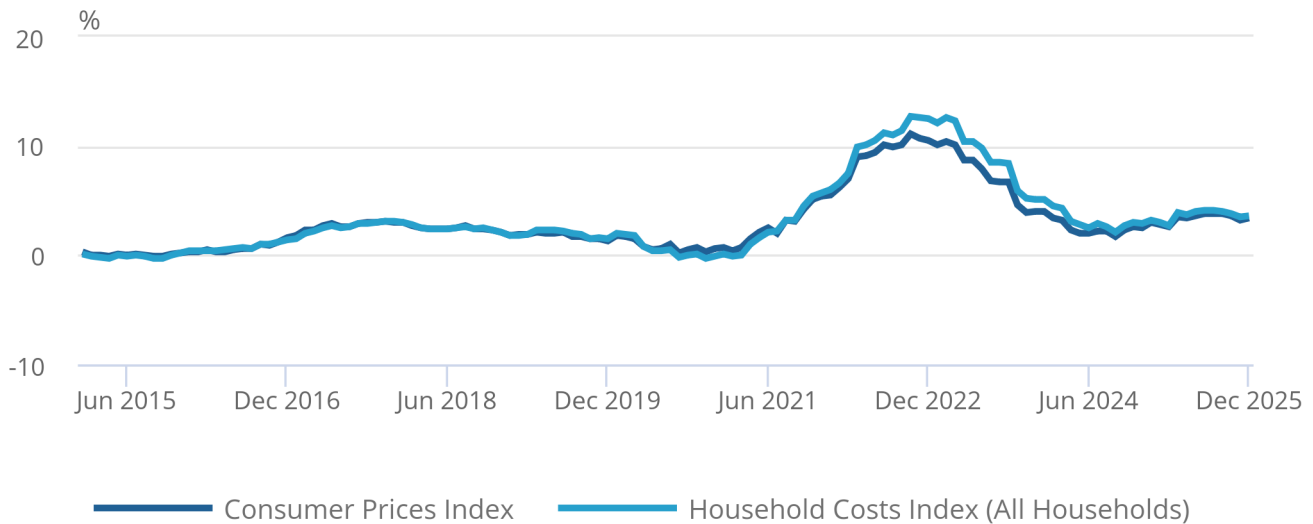
The all-household HCI annual rate was 3.6% in December 2025, compared with 2.9% in December 2024. The annual inflation rate in CPI in the year to December 2025 was 3.4% (Figure 1).

Figure 1: Household costs rose by 3.6% in the 12 months to December 2025

Household Costs Index and Consumer Prices Index annual inflation rates for all households, UK, January 2015 to December 2025

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Household Costs Index and Consumer Prices Index annual inflation rates for all households, UK, January 2015 to December 2025



Source: Household Costs Indices and Consumer Prices Index from the Office for National Statistics

Contributions to the annual HCI inflation rate from costs in electricity, gas and other fuels decreased from 0.39 to 0.13 percentage points, between September and December 2025. Decreases were also seen in contributions for private rental costs, which decreased from 0.28 to 0.20 percentage points, and mortgage interest payments, which decreased from 0.21 to 0.17 percentage points, over the same period.

This fall was partially offset by increased contributions from insurance and motor fuels, which increased by 0.07 and 0.06 percentage points, respectively, between September and December 2025.

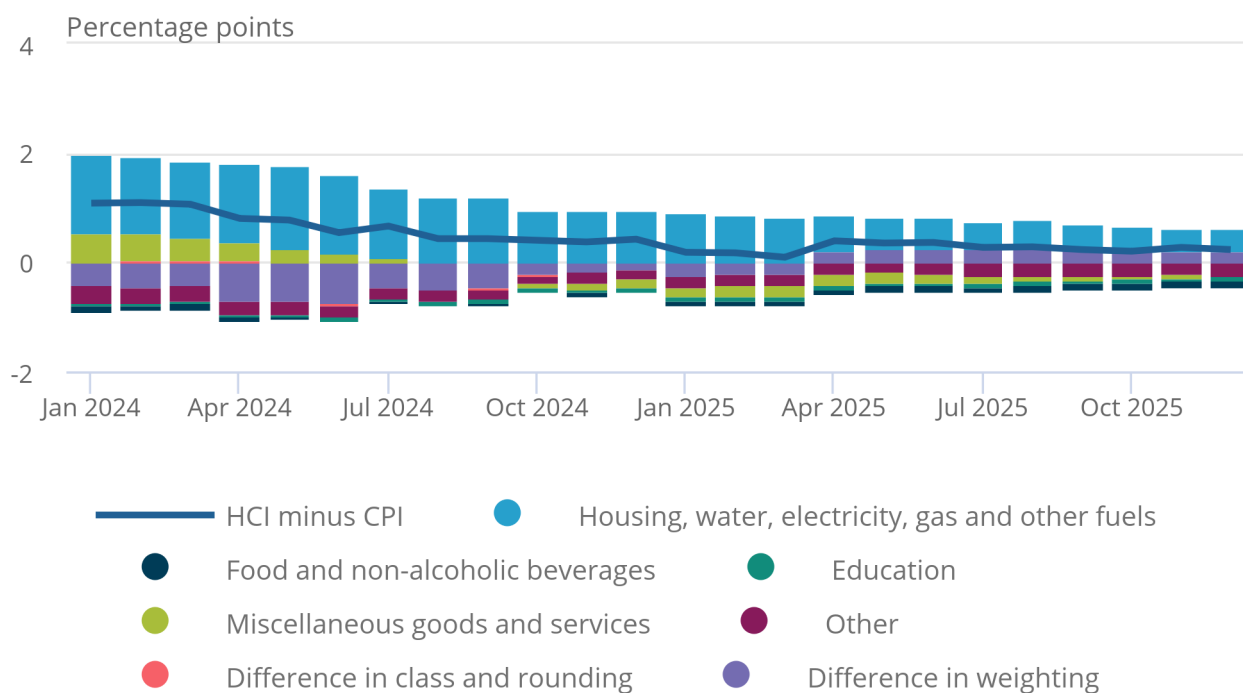
Figure 2 shows contributions to differences in annual inflation rates between the all-households HCI and CPI from January 2024 to December 2025. Housing and household services contributed 0.43 percentage points more to the HCI annual rate than to CPI in December 2025. This was mainly because HCIs include owner occupiers' housing costs, which have been growing faster than costs for most other goods and services.

Figure 2: Housing and household services was the largest difference between growth in the Household Costs Index and the Consumer Prices Index in December 2025

Contributions to the difference in annual inflation rates, all-households Household Costs Index (HCI) less Consumer Prices Index (CPI), UK, January 2024 to December 2025

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Contributions to the difference in annual inflation rates, all-households Household Costs Index (HCI) less Consumer Prices Index (CPI), UK, January 2024 to December 2025



Source: Household Costs Indices and Consumer Prices Index from the Office for National Statistics

Notes:

1. The sum of individual contributions may not exactly equal the difference between the CPI and all-households HCI annual inflation rates because of rounding.
2. Differences because of classification and rounding arise from the use of unrounded weights for HCIs, compared with rounded weights for CPI, and price uprating at the class level for HCIs, compared with subclass for CPI.
3. Differences because of weighting refers to the use of democratic weights, compared with plutocratic weights for CPI.
4. Differences because of classification and rounding from January 2025 to December 2025 are not currently available because of data availability. For more information, see [Section 7: Data sources and quality](#).

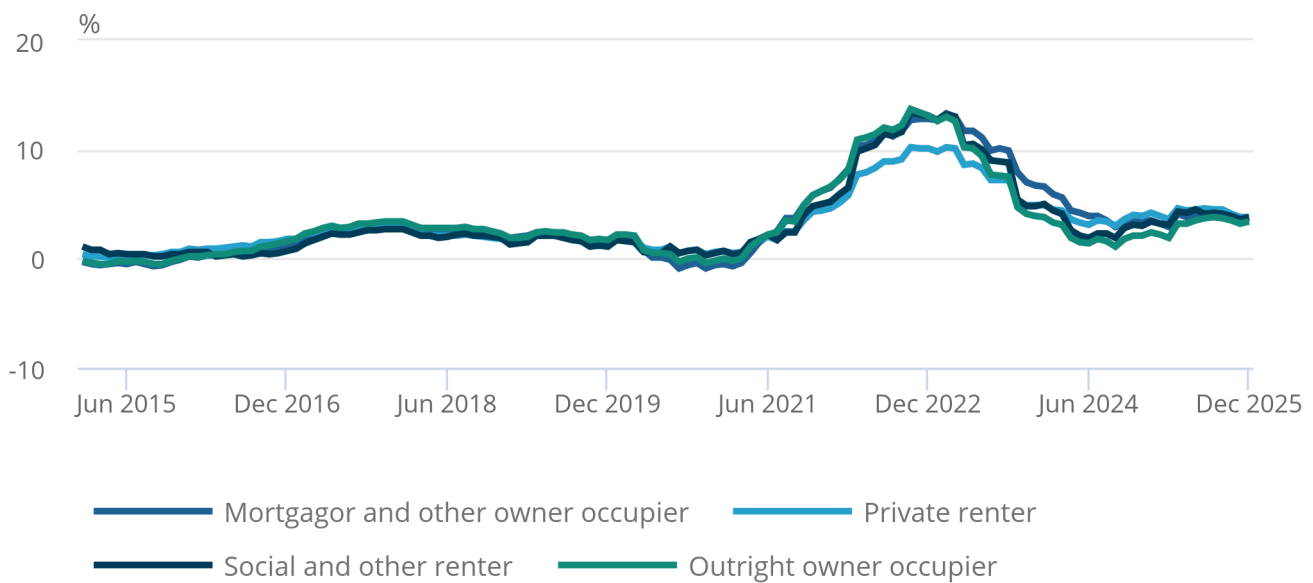
3 . Household Costs Indices by tenure type

Figure 3: Both private renter and social renter households saw an annual inflation rate of 3.8%, in the 12 months to December 2025

Household Costs Indices (HCIs) annual inflation rates by tenure type, UK, January 2015 to December 2025

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Household Costs Indices (HCIs) annual inflation rates by tenure type, UK, January 2015 to December 2025



Source: Household Costs Indices from the Office for National Statistics

Figure 3 shows the annual inflation rates for the different housing tenure groups between January 2015 and December 2025. Outright owner-occupier households have experienced the lowest inflation rate in the most recent three months, with an annual rate of 3.4% in the year to December 2025. This was followed by mortgage households, with an annual rate of 3.7%.

Private renters and social renters saw the highest annual inflation rates in the year to December 2025, with both households seeing an annual inflation rate of 3.8%. However, for both households, the annual inflation rate decreased from the levels seen in September 2025. The annual inflation rate for private renters decreased by 0.7 percentage points, while social renters saw a decrease of 0.3 percentage points.

This was primarily a result of housing costs. Private rental costs contributed 1.14 percentage points to the annual rate for private renter households, which is a fall from 1.59 percentage points in September 2025. Contributions for costs in electricity, gas and other fuels also saw a substantial decrease, from 0.32 to 0.11 percentage points.

Similarly, contributions from electricity, gas and other fuels fell from 0.30 to 0.10 percentage points for mortgage households, between September and December 2025. Mortgage interest payments also decreased over this period, from 0.64 to 0.54 percentage points. These decreases were partly offset by insurance and motor fuels, which both increased by 0.07 percentage points, between September and December 2025.

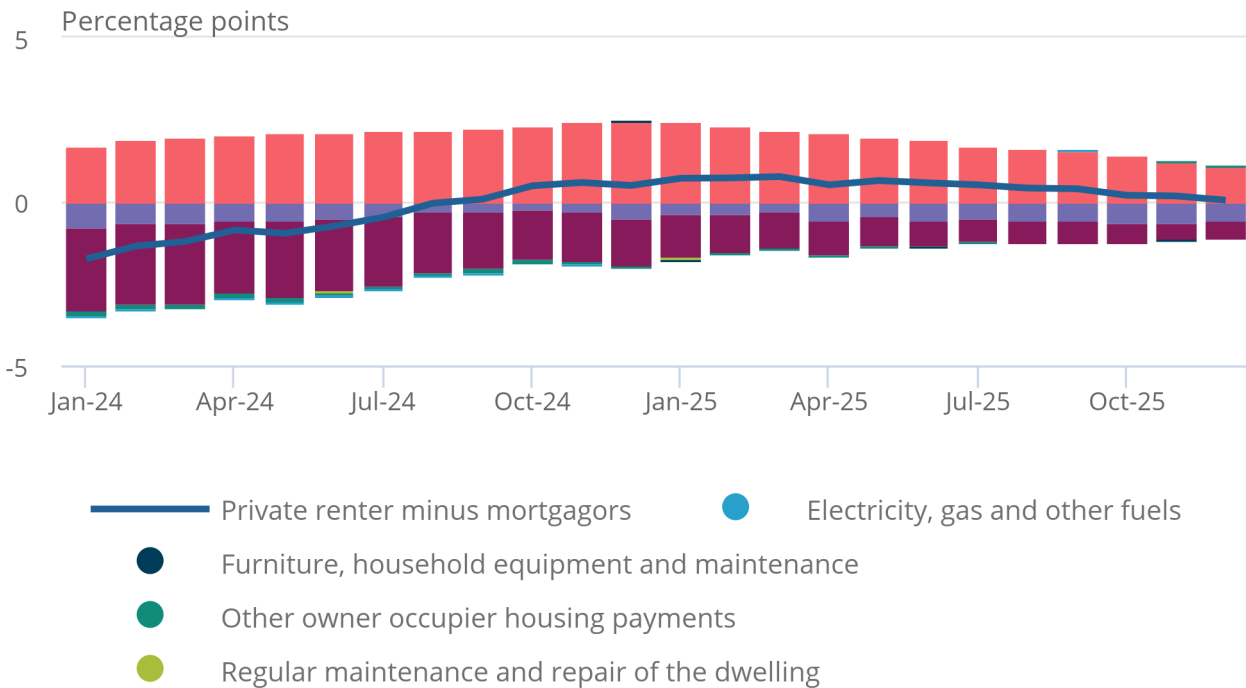
However, different outcomes are seen when looking at household costs over a longer period. Over the past five years, private renters faced the lowest cumulative HCI inflation rate, at 30.0%. This was followed by outright owner occupiers at 31.7%, social and other renters at 33.0%, and mortgage households at 37.1%.

Figure 4: Rental payments contributed to higher inflation for private renter households in December 2025

Contributions to the difference between the Household Costs Indices annual rate, private renter households minus mortgagor households, UK, January 2024 to December 2025

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Contributions to the difference between the Household Costs Indices annual rate, private renter households minus mortgagor households, UK, January 2024 to December 2025



Source: Household Costs Indices from the Office for National Statistics

Notes:

1. Contributions to the difference between subgroups may not sum to the overall difference because of rounding.
2. The “Other” category contains all the remaining divisions measured in the HCI that are not explicitly listed as a category in this chart.
3. Positive contributions are contributing to higher inflation for private renter households, or lower inflation for mortgagor households.
4. Negative contributions are contributing to higher inflation for mortgagor households, or lower inflation for private renter households.

Differences between groups are influenced by the interaction between price movements and expenditure weights. Differences in spending patterns mean that if a particular group of households spends more on a product with a relatively high inflation rate, they will experience a greater increase in costs relative to other households. Figure 4 shows that private rents and mortgage interest payments contributed the most to the difference in inflation rates in the year to December 2025.

4 . Household Costs Indices across the household groups

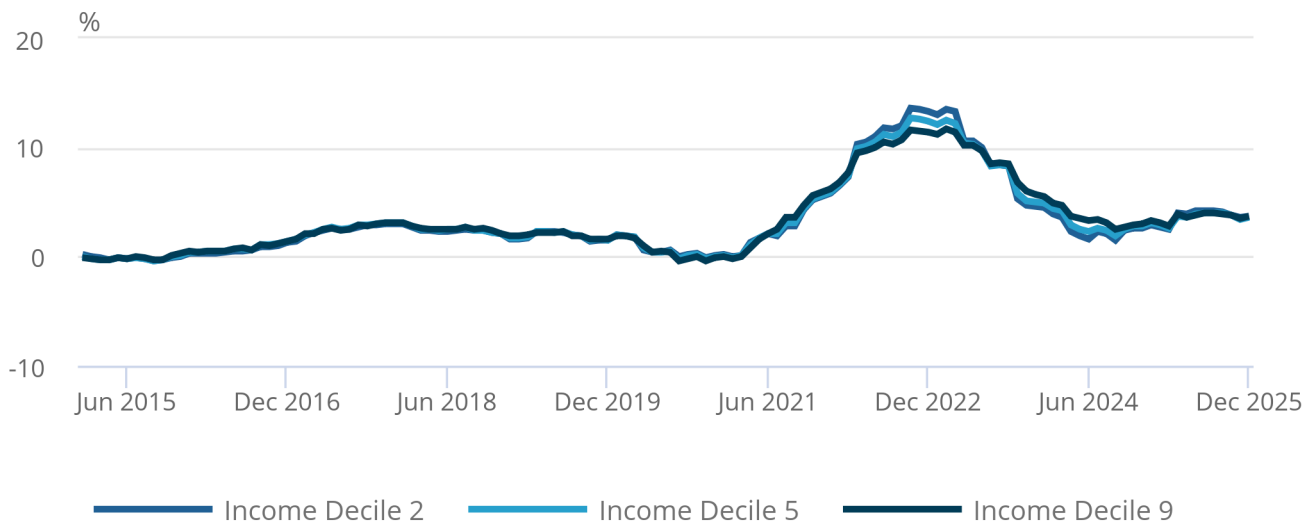
The factors influencing Household Costs Indices (HCI) inflation rates by tenure type also affected other household groups. Within each subgroup, households spending a larger share on housing costs also experienced higher annual inflation. Non-retired households and households with children both experienced higher annual inflation rates of 3.7% in December 2025, compared with 3.5% for retired households and 3.6% for households without children (Table 1).

Figure 5: Both high-income and low-income households saw an annual inflation rate of 3.7%, in December 2025

Household Costs Indices (HCI) annual inflation rates (%) by income decile, UK, January 2015 to December 2025

Figure 5: Both high-income and low-income households saw an annual inflation rate of 3.7%, in December 2025

Household Costs Indices (HCI) annual inflation rates (%) by income decile, UK, January 2015 to December 2025



Source: Household Costs Indices from the Office for National Statistics

Notes:

1. The second and ninth deciles are used to represent low- and high-income households rather than the first- and tenth-income deciles, as the composition of these groups can be unusual and may therefore be influenced by unrepresentative expenditures.

Annual inflation was the same for both low-income and high-income households in the year to December 2025, at 3.7% (Figure 5). The inflation rate for both households has been broadly similar since October 2025, following a period of higher inflation for low-income households between April and October 2025. Between September and December 2025, contributions for electricity, gas and other fuels fell by 0.35 and 0.18 percentage points for low-income and high-income households, respectively. Low-income households saw a greater decrease because of the higher weight that the “electricity, gas, and other fuels” category has for these households. Contributions for private rental costs also decreased, by 0.08 and 0.07 percentage points for low-income and high-income households, respectively (Table 2).

These falls were partially offset by increases in contributions in insurance. Both households saw an increase in insurance contributions by 0.07 percentage points, to a negative contribution of 0.04 and 0.03 percentage points for low-income and high-income households, respectively. Contributions from motor fuels also increased for both households, increasing by 0.05 percentage points for low-income households and 0.07 percentage points for high-income households.

Cumulative inflation has also been similar for both groups over the past five years, at 33.2% for high-income households and 33.1% for low-income households.

Table 2: Household Costs Indices contributions (percentage points) to the annual inflation rate (%) for low-income and high-income households, September and December 2025

| | Income Decile 2 | | Income Decile 9 | | Differences (Income Decile 2 less Income Decile 9) | |
|---|-----------------|----------|-----------------|----------|--|----------|
| | Sept 2025 | Dec 2025 | Sept 2025 | Dec 2025 | Sept 2025 | Dec 2025 |
| Overall growth rate | 4.1 | 3.7 | 3.9 | 3.7 | 0.2 | 0.1 |
| Food and non-alcoholic beverages | 0.69 | 0.70 | 0.42 | 0.42 | 0.27 | 0.28 |
| Private rentals | 0.26 | 0.18 | 0.27 | 0.20 | -0.02 | -0.01 |
| Social and other rentals | 0.24 | 0.26 | 0.01 | 0.01 | 0.23 | 0.25 |
| Mortgage interest payments | 0.08 | 0.07 | 0.30 | 0.25 | -0.22 | -0.18 |
| Electricity, gas and other fuels | 0.53 | 0.18 | 0.26 | 0.08 | 0.27 | 0.09 |
| Transport costs | 0.36 | 0.40 | 0.57 | 0.63 | -0.22 | -0.24 |
| Motor fuels (of which) | -0.03 | 0.02 | -0.04 | 0.03 | 0.01 | 0.00 |
| Restaurants and hotels | 0.28 | 0.29 | 0.58 | 0.57 | -0.29 | -0.28 |
| Insurance | -0.11 | -0.04 | -0.10 | -0.03 | -0.01 | -0.01 |
| Other | 1.77 | 1.66 | 1.59 | 1.57 | 0.19 | 0.10 |

Source: Household Costs Indices from the Office for National Statistics

Notes

1. Contributions to the difference between income deciles may not sum to the difference because of rounding.
2. The full breakdown of contributions by category and subgroup can be found in our accompanying dataset.
3. The "Other" category contains all the remaining divisions measured in the HCI that are not explicitly listed as a category in this table.

5 . Data on Household Costs Indices

[Household Costs Indices \(HCI\) for UK household groups](#)

Dataset | Released 26 February 2026

Household Costs Indices inflation rates, indices, weights and contributions for income deciles, tenure types, retirement status and households with and without children, monthly data.

6 . Glossary

Disposable income

Disposable income is money available for spending after taxes. It includes earnings from work, self-employment, pensions, investments, and benefits.

Households are grouped into ten groups (deciles) based on their disposable income, with Decile 10 being the highest and Decile 1 the lowest. Deciles 2 and 9 are more stable and useful for analysis.

Equivalised

Equivalisation is the process of accounting for the fact that households with many members are more likely to need a higher income to achieve the same standard of living as households with fewer members. It considers the number of people living in the household and their ages, recognising that a two-person household is unlikely to need double the income of a single-person household. This analysis uses the [modified Organisation for Economic Co-operation and Development \(OECD\) equivalisation scale \(PDF, 165KB\)](#).

Expenditure deciles

Households are grouped into deciles (or tenths) based on equivalised expenditure. The highest expenditure decile (Decile 10) is the 10% of households with the highest equivalised expenditure. Similarly, the lowest expenditure decile (Decile 1) is the 10% of households with the lowest equivalised expenditure. Deciles 2 and 9 are more stable and useful for analysis.

Households with children

A child is defined as any person aged under 16 years. People who are aged under 18 years and unmarried are also classed as children for the purposes of the family spending report, as described in our [Living Costs and Food Survey methodology](#). A household is classified as a household with children if at least one member is a child.

Owner-occupier households

Outright owner-occupier households are defined as any household in which the residents own the property outright and use it as their primary or non-primary residence.

Mortgagor and other owner-occupier households are defined as any household that is buying their primary or non-primary residence property with a mortgage, or owning part of the property (for example, paying both rent and mortgage).

Renter households

Private renter households are defined as any household that rents their property from a private sector landlord. This excludes households who live in their property rent-free.

Social and other renter households are defined as any household that rents their property from a council or a registered social landlord or lives in their property rent-free.

Retired persons and households

A retired person is defined as anyone who describes themselves in the Living Costs and Food Survey (LCF) as "retired", or anyone over minimum National Insurance Pension age describing themselves as "unoccupied" or "sick or injured but not intending to seek work." A retired household is defined as one where the combined income of retired members contributes at least half the total gross income of the household.

7 . Data sources and quality

2025 Weights update

It has not been possible to update the weights for 2025 because of delays processing the underlying survey data and the need for further ongoing quality assurance. Instead, the most recent estimates have been compiled using the weights for February to December 2024. We will update the weights as soon as the data are available to use.

Inclusion of groceries scanner data

We will introduce "scanner data" for approximately 50% of the grocery market with the February 2026 index, which will be published in May 2026. Instead of collecting 25,000 prices per month directly from shops by price collectors, we will use approximately 300 million price points derived from sales of over a billion units of products per month, collected directly from supermarket scanners at the checkouts or online. For the remaining 50% of the groceries market, we will continue to manually collect prices in store and online. For more information, please refer to our [Overview of how we use scanner data in consumer price inflation statistics article](#).

Correction to Household Costs Indices - Education and Stamp Duty components

We have identified two errors in the Household Costs Indices (HCI), relating to Education and Stamp Duty for Quarter 1 (Jan to Mar), Quarter 2 (Apr to June) and Quarter 3 (July to Sept) 2025. As a result, the headline HCI rate was affected.

Specifically, the annual growth rate for "All households" in May and September 2025 was overstated by 0.1 percentage points. All item annual rates for subgroup series were similarly affected by 0.1 percentage points in various months. The April 2025 figure for Income Decile 10 was overstated by 0.2 percentage points.

Within Education, an incorrect UK-level value was used in place of an England-only figure when calculating the item weight for tuition fees paid upfront. This affects the published HCI annual growth rates for the Education category, in January to September 2025, which were overstated by 0.1 percentage points.

An incorrect chain-linking methodology was used when compiling the January 2025 index value for Stamp Duty. The errors affect the published HCIs annual growth rates for the Stamp Duty category, in January to September 2025. The largest effect was in June 2025 where the index level was overstated by 16.9 index points and the annual growth rate in April 2025 was overstated by 12.7 percentage points.

Class-level indices and rates are the same for all subgroups, so the class-level impacts are also the same.

In addition to these corrections, we have carried forward the percentage of tuition fees from Non-UK Domiciled Students that were from the EU, from the latest available year. This is because of a lack of data availability for tuition fees paid upfront for EU-Domiciled Students. 2025 data have been revised to incorporate this change.

Personal Inflation and Price Comparison Tool

To help people understand how the rise in inflation affects their expenditure, we have produced a [Personal inflation calculator](#). The calculator allows users to enter the amount they spend to produce an estimate of their personal inflation based on those spending patterns.

Our [Shopping prices comparison tool](#) shows how the average prices of items have changed over time.

Quality

More quality and methodology information (QMI) on strengths, limitations, appropriate uses, and how the data were created is available in our [Household Costs Indices for UK household groups QMI](#).

Household-specific prices

Data constraints make the estimation of inflation rates for different household groups challenging in practice. An analysis of household group-specific inflation rates would ideally use price indices specific to each household group, as we do for expenditure weights. This would reflect the fact that different households will purchase goods and services from different outlets and therefore face different prices.

However, such data are not available, and we have used national price indices as a proxy. There are also challenges that arise from the data sources that we have available for us to calculate the expenditure shares. These limitations do not affect the validity of the chosen methodology, or its reliability. For more information, please see our [Methodology to calculate CPIH-consistent inflation rates for UK household groups](#).

Feedback

Please share your feedback by completing this short [questionnaire](#).

8 . Related links

[Consumer price inflation, UK: January 2026](#)

Bulletin | Released 18 February 2026

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

[Private rents and house prices, UK: February 2026](#)

Bulletin | Released 18 February 2026

Price Index of Private Rents (PIPR) measures private rent inflation for new and existing tenancies. UK House Price Index measures house price inflation.

[Role of owner occupiers' housing costs in the Household Cost Indices, UK: 2023](#)

Article | Released 26 February 2024

The impact of higher mortgage interest rates on household costs, on average and by different household subgroup.

[Average household income, UK: financial year ending 2024](#)

Bulletin | Released 2 May 2025

Final estimates of average household income in the UK, with analysis of how these measures have changed over time, accounting for inflation and household composition.

[Shopping prices comparison tool](#)

Interactive tool | Updated 18 February 2026

Search the tool to see how the average prices of hundreds of shopping items are changing.

[Personal inflation calculator](#)

Interactive tool | Updated 18 February 2026

Use our inflation calculator to see how increases in the cost of living have affected you in the past year.

9 . Cite this statistical bulletin

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