

Statistical bulletin

# UK House Price Index: June 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



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Release date:  
18 August 2021

Next release:  
15 September 2021

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# 1 . Main points

- UK average house prices increased by 13.2% over the year to June 2021, up from 9.8% in May 2021; this is the highest annual growth rate the UK has seen since November 2004.
- UK average house prices reached a record high of £266,000 in June 2021, which is £31,000 higher than this time last year.
- Average house prices increased over the year in England to £284,000 (13.3%), in Wales to £195,000 (16.7%), in Scotland to £174,000 (12.0%) and in Northern Ireland to £153,000 (9.0%).
- London continues to be the region with the lowest annual growth (6.3%) for the seventh consecutive month.

## 2 . UK house prices

### UK average house prices increased by 13.2% over the year to June 2021

The [latest house price data published on GOV.UK by HM Land Registry for](#) June 2021 show that average house prices in the UK increased by 13.2% in the year to June 2021, up from 9.8% in the year to May 2021 (Figure 1), which is the strongest annual growth since November 2004.

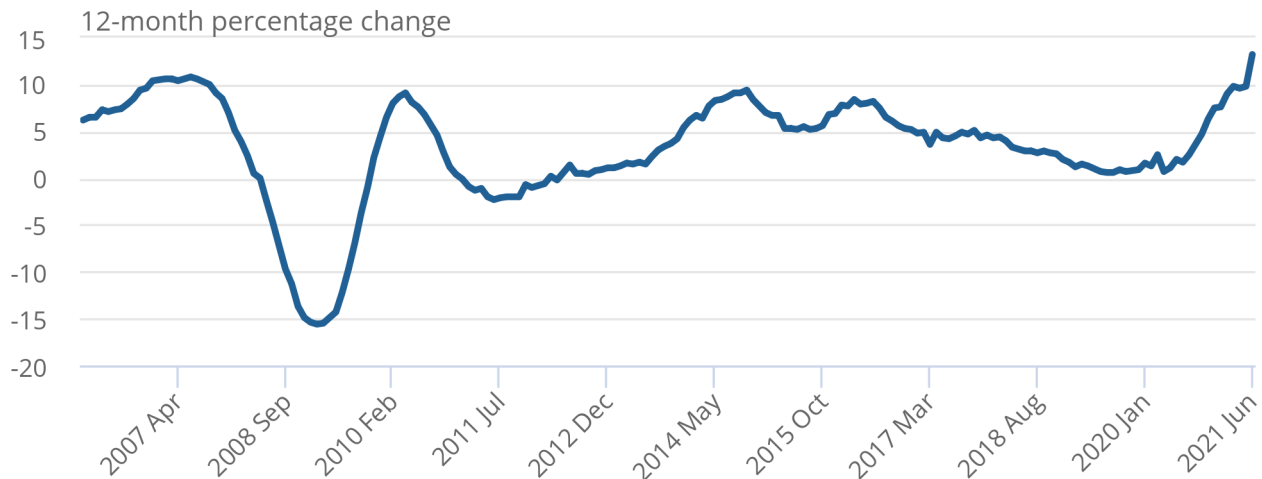
Because of the impact of the coronavirus (COVID-19) pandemic on both the number and supply of housing transactions, we might see larger revisions to the published House Price Index (HPI) estimates than usual. Although the number of processed transactions feeding into the UK HPI has improved over recent months, the [monthly property transactions statistics](#) published by HM Revenue and Customs show that the number of transactions in June 2021 was the highest on record, resulting in a reduction in the proportion of transactions available for the June 2021 estimate compared with previous months. As a result, there may be increased volatility in this month's estimates, particularly at the lower geographical levels where transaction volumes are smaller. Further information on the impact of the coronavirus pandemic when measuring the UK HPI can be found in [Section 7: Measuring the data](#).

## Figure 1: June 2021 saw UK house price growth rise to 13.2%

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

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



Source: HM Land Registry, Registers of Scotland, Land and Property Services Northern Ireland, and 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 and the UK average house price for June 2021 (£266,000) has now surpassed the previous record seen in March 2021 (£256,000).

On 8 July 2020, the Chancellor of the Exchequer announced a suspension of the tax paid on property purchases with immediate effect in England and Northern Ireland. The suspension came into effect slightly later, on 15 July in Scotland and 27 July in Wales. 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, the Chancellor of the Exchequer announced an extension to the Stamp Duty holiday in England and Northern Ireland. 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 will revert 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.

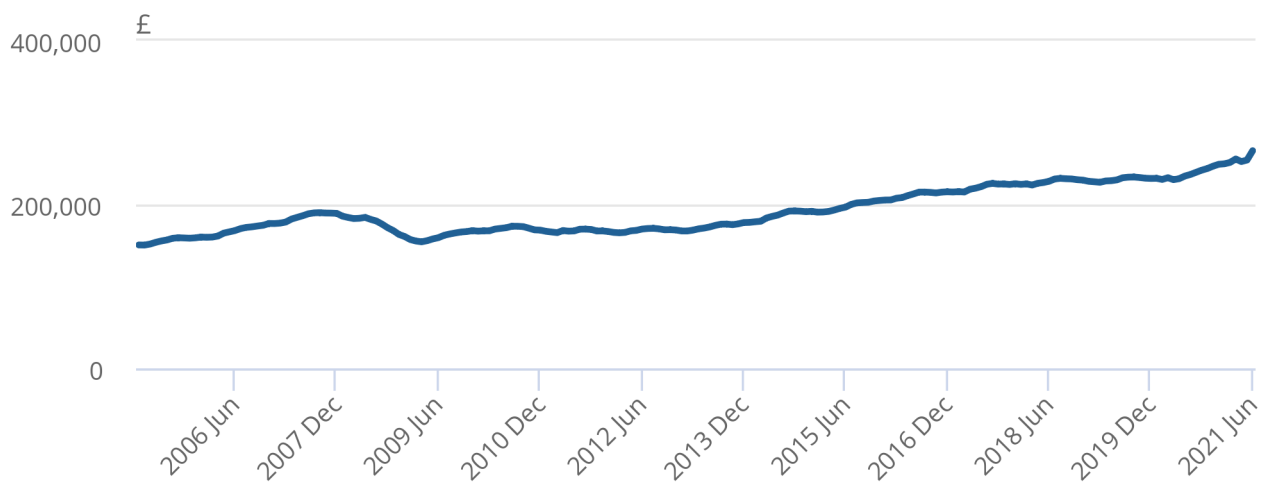
As the tax breaks were originally due to conclude at the end of March 2021, it is likely that March's average house prices were slightly inflated as buyers rushed to ensure their house purchases were scheduled to complete ahead of this deadline. This effect has been further exaggerated in June 2021, in line with the extension to the holiday on taxes paid on property purchases in England, Wales and Northern Ireland. [Monthly property transactions statistics](#) published by HM Revenue and Customs show that the seasonally adjusted number of transactions in June 2021 was estimated to be 198,240. This is higher than the previous record of 183,830 transactions completed in March 2021.

**Figure 2: Average UK house prices peaked at £266,000 in June 2021**

Average house price, UK: January 2005 to June 2021

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Average house price, UK: January 2005 to June 2021



**Source: HM Land Registry, Registers of Scotland, Land and Property Services Northern Ireland, and 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 £266,000 in June 2021; this is £31,000 higher than in June 2020 (Figure 2).

On a non-seasonally adjusted basis, average house prices in the UK increased by 4.5% between May and June 2021, compared with an increase of 1.4% in the same period a year ago.

On a seasonally adjusted basis, average house prices in the UK increased by 4.2% between May and June 2021, following an increase of 0.5% in the previous month.

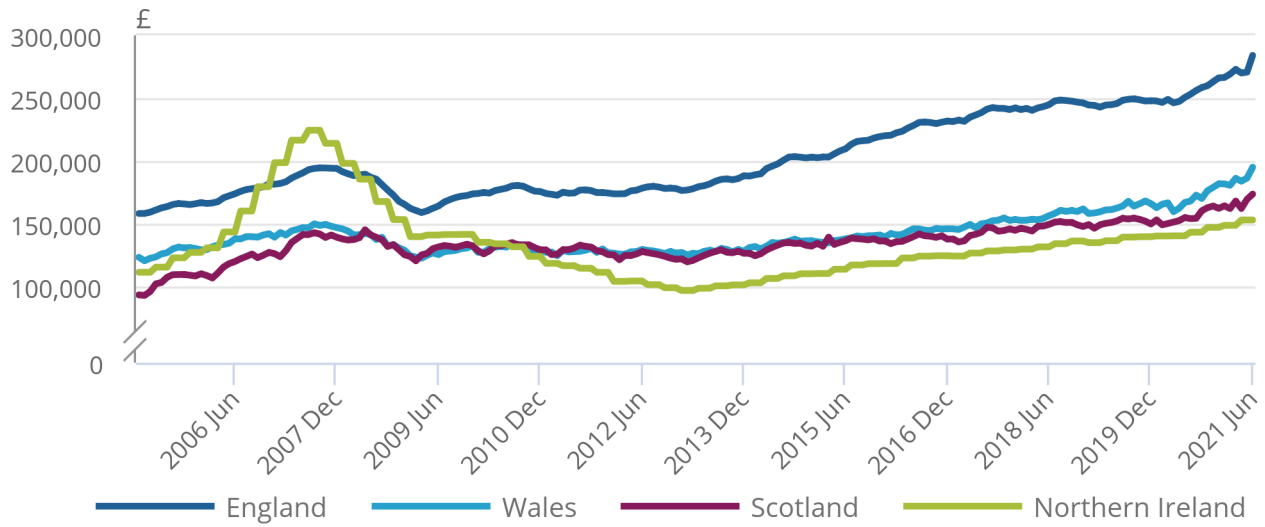
### 3 . House prices by country

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

Average house price by country, UK: January 2005 to June 2021

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Average house price by country, UK: January 2005 to June 2021



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

Notes:

1. Not seasonally adjusted.
2. The [full House Price Index \(HPI\) 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, which will be in the September 2021 bulletin released on 17 November 2021.

The average house price in Wales increased by 16.7% over the year to June 2021, up from an increase of 14.7% in May 2021, with the average house price in Wales now at a record level of £195,000.

The average house price in England increased by 13.3% over the year to June 2021, up from an increase of 9.4% in the year to May 2021, with the average house price in England now at a record level of £284,000.

The average house price in Scotland increased by 12.0% over the year to June 2021, up from an increase of 11.1% in the year to May 2021, with the average house price in Scotland now at a record level of £174,000.

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).

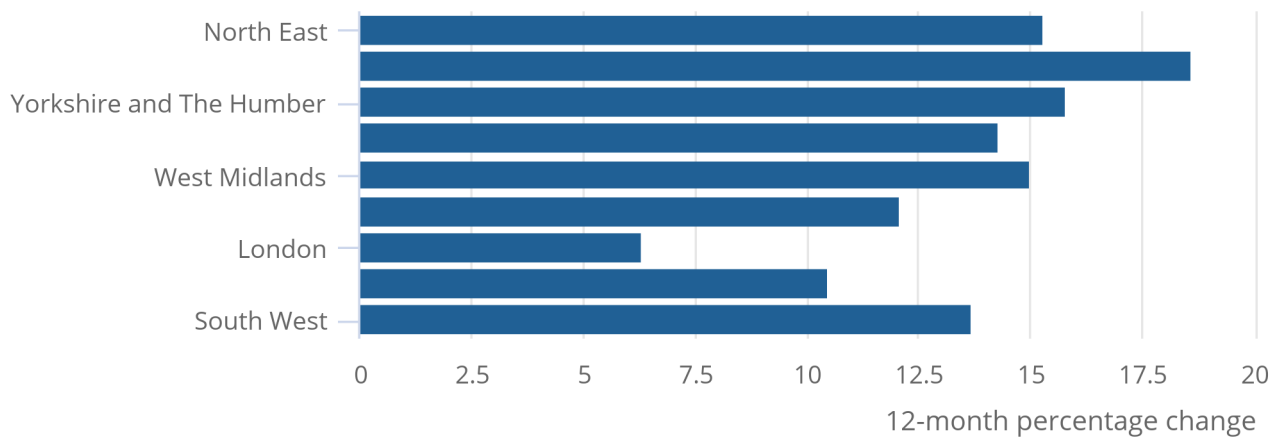
## 4 . House prices by region

**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 June 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 June 2021



**Source: HM Land Registry and 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 West was the region with the highest annual house price growth, with average prices increasing by 18.6% in the year to June 2021. This was up from 14.2% in May 2021 (Figure 4).

The lowest annual growth was in London, where average prices increased by 6.3% over the year to June 2021, up from 5.2% in May 2021.

London's average house prices remain the most expensive of any region in the UK at an average of £510,000 in June 2021.

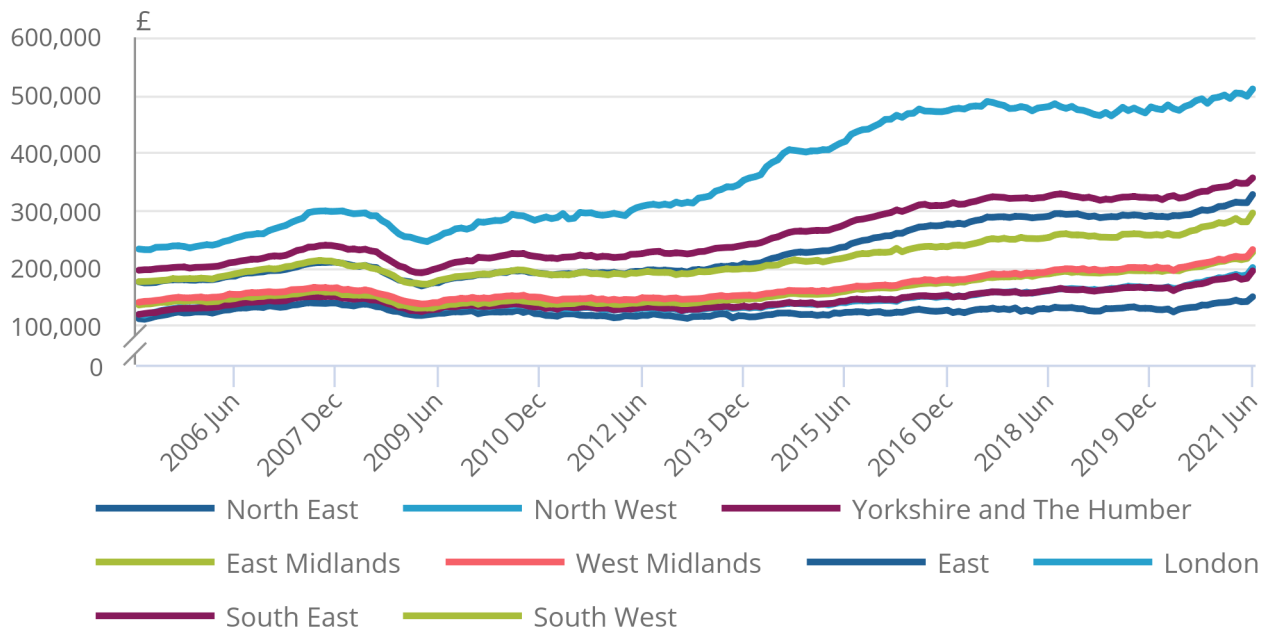
The North East continued to have the lowest average house price at £150,000 (Figure 5).

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

Average house price, by English region: January 2005 to June 2021

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

Average house price, by English region: January 2005 to June 2021



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

#### 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 18 August 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, Registers of Scotland, Land and Property Services Northern Ireland, and the Office for National Statistics (ONS). HM Land Registry publishes the [main publication of the UK HPI](#) on the GOV.UK website (9:30am, 18 August 2021). It includes full details, including commentary, historical data tables and analytical tools.



## Coronavirus

The ONS is working to ensure that the UK has the vital information needed to respond to the impact of the coronavirus (COVID-19) pandemic on our economy and society, this includes how we measure the UK HPI.

Further information can be found in our [previous release](#).

We have temporarily changed the date we receive the transaction data from HM Land Registry. Because of this, we receive more transactions than those immediately seen in the published [Price Paid Data](#).

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 January, February and March 2021 for England and Wales
- April 2021 includes new build transactions from February, March and April 2021 for England and Wales
- May 2021 includes new build transactions from March, April and May 2021
- because of the nature of the processing of the new builds, these are never included in the model for the first estimate, so June 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](#).

## Upcoming changes

A change to the geography of some local authorities will be made in the July 2021 release (release date 15 September 2021). The changes are in line with the updates given by ONS Geography. These include:

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

## Data sources

The main sources of data used in the UK are HM Land Registry 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](#).

## Future developments

Information on the future developments of the HPI can be found in [Section 8 of our February 2021 bulletin](#).

## Quality

More quality and methodology information on strengths, limitations, appropriate uses, and how the data were created is available in the [guidance page](#) of the main release published by HM Land Registry on GOV.UK.

## 8 . Strengths and limitations

Further information on strengths and limitations of the data can be found in [Section 1.4 of the Quality and methodology guidance](#)

## 9 . Related links

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

Report | Released 18 August 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 18 August 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 18 August 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 18 August 2021

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