

Statistical bulletin

House Price Index, UK: August 2017

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

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Table of contents

1. [Introduction](#)
2. [Things you need to know about this release](#)
3. [UK all dwellings](#)
4. [House price index, by UK country](#)
5. [House price index, by English region](#)
6. [House price index, by UK local authority district](#)
7. [Quality and methodology](#)

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 (17 October 2017) by HM Land Registry on the GOV.UK website.

2 . Things you need to know about this release

On 15 June 2017, the [National Statistician announced](#) that pre-release access to ONS statistics will stop with effect from 1 July 2017.

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. These departments will continue to work together to produce the release but ministers and those officials not directly involved in the production and release of statistics will not have access to them in advance of publication.

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 are liable to be revised. Since 13 June 2017, we have extended our revision period to 12 months. Further information is provided in our [revision policy](#).

The UK HPI has been published initially as an [experimental official statistic](#) to:

- allow for users to acclimatise to the format of the new HPI
- evaluate user reaction to the new data
- continue evolution of data publication to meet user requirements
- further develop the data sources used in the production

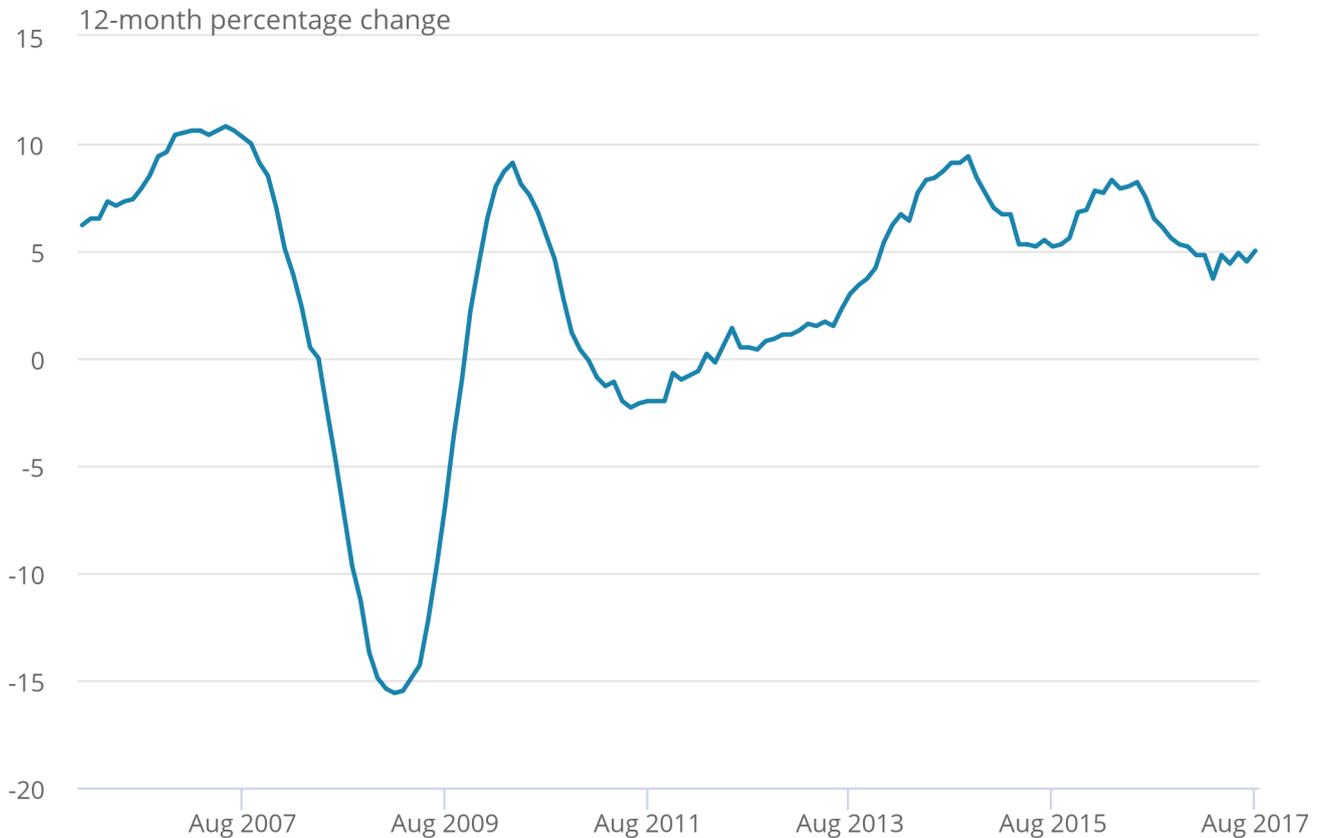
Further information on the process we're following to remove the Experimental Statistics status can be found in [About the UK House Price Index](#).

3 . UK all dwellings

Average house prices in the UK have increased by 5.0% in the year to August 2017 (up from 4.5% in July 2017). The annual growth rate has slowed since mid-2016 but has remained broadly under 5% during 2017.

Figure 1: Annual house price rates of change, UK all dwellings from January 2006 to August 2017

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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 £226,000 in August 2017. This is £11,000 higher than in August 2016 and £1,000 higher than last month.

Figure 2: Average UK house price, January 2005 to August 2017

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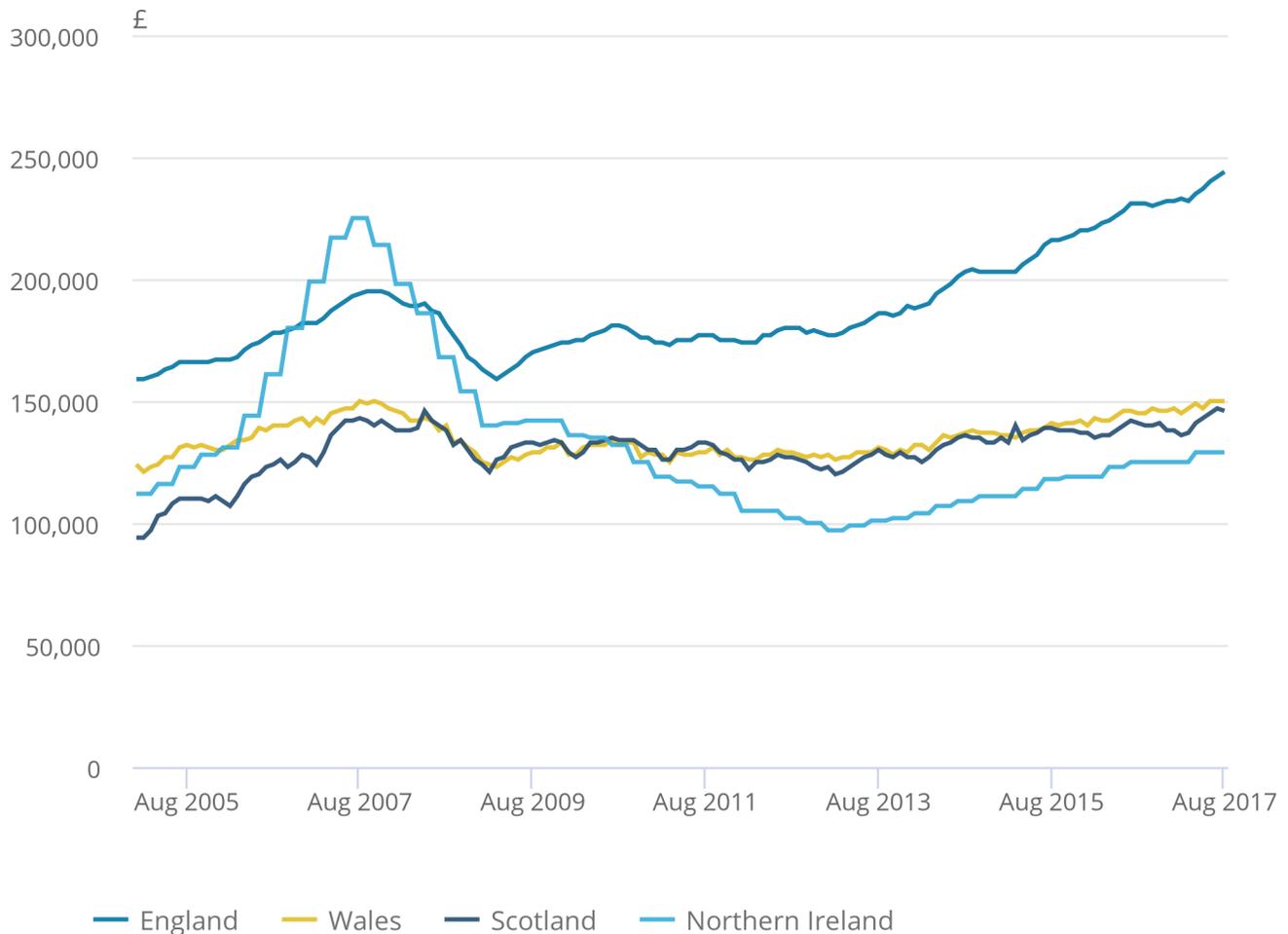
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4 . House price index, by UK country

The main contribution to the increase in UK house prices came from England, where house prices increased by 5.3% over the year to August 2017, with the average price in England now £244,000. Wales saw house prices increase by 3.4% over the last 12 months to stand at £150,000. In Scotland, the average price increased by 3.9% over the year to stand at £146,000. The average price in Northern Ireland currently stands at £129,000, an increase of 4.4% over the year to Quarter 2 (Apr to June) 2017.

Figure 3: Average house price, by UK country, January 2005 to August 2017

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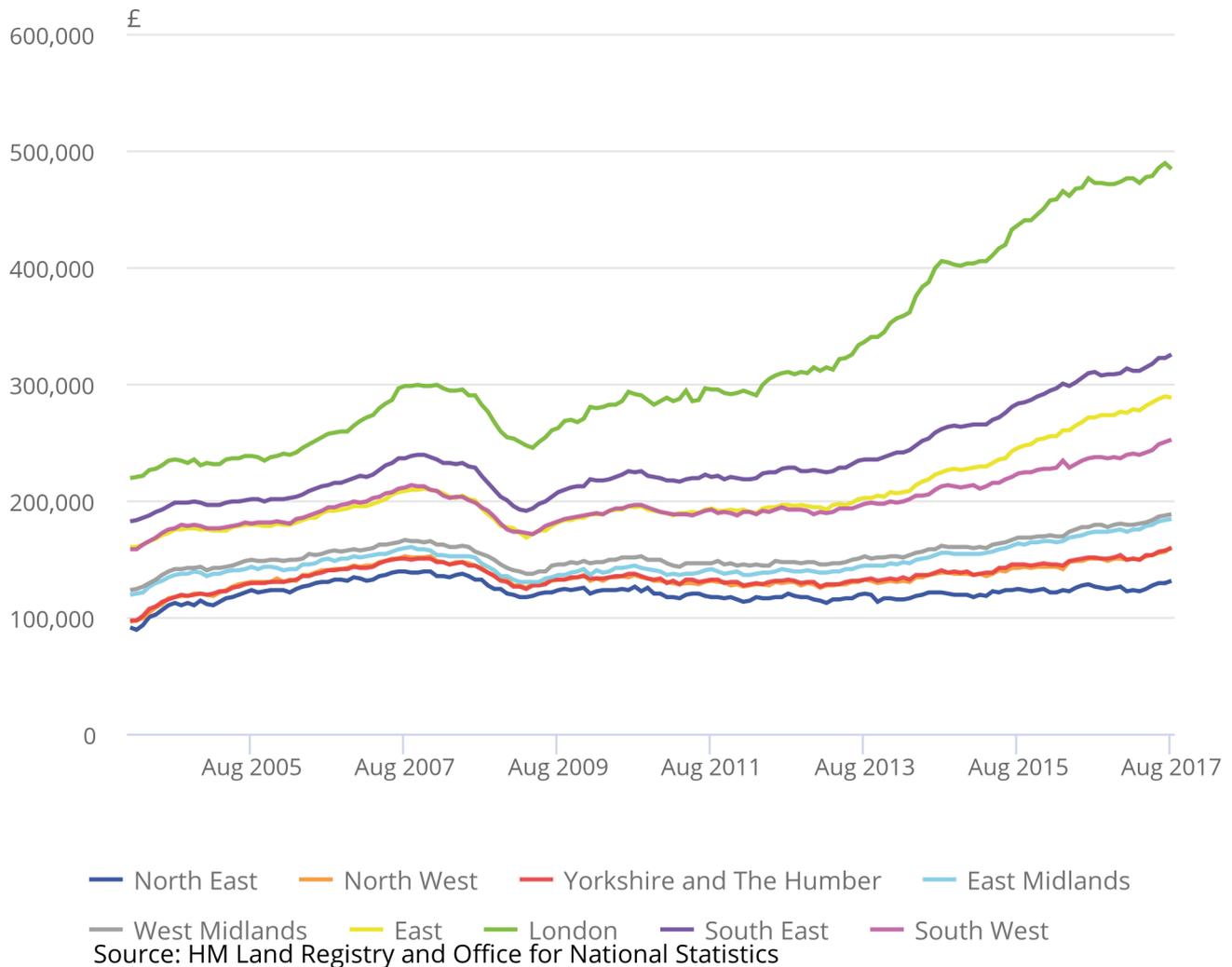
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5 . House price index, by English region

On a regional basis, London continues to be the region with the highest average house price at £484,000, followed by the South East and the East of England, which stand at £325,000 and £288,000 respectively. The lowest average price continues to be in the North East at £131,000.

Figure 4: Average house price, by English region, January 2004 to August 2017

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Source: HM Land Registry and Office for National Statistics

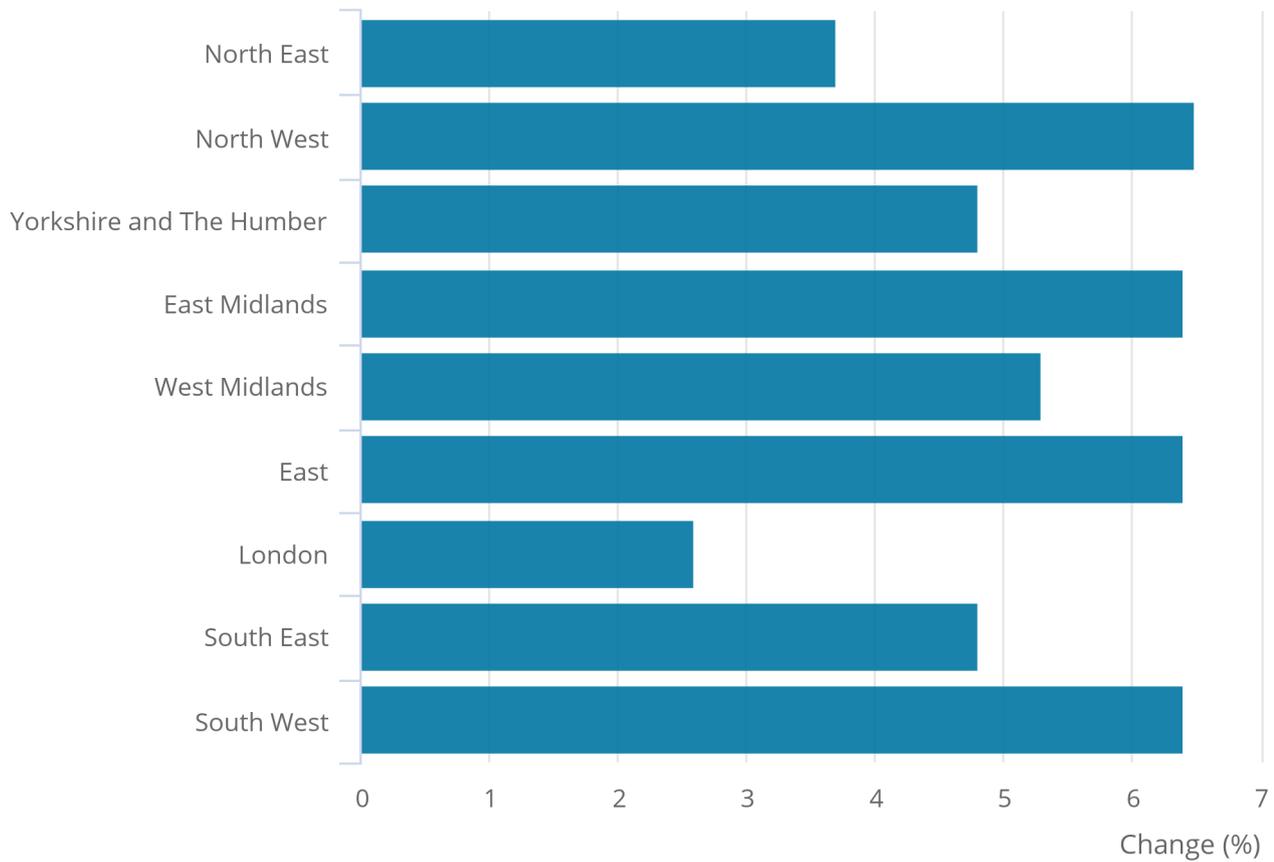
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The North West showed the highest annual growth, with prices increasing by 6.5% in the year to August 2017. This was followed by the East of England, East Midlands and South West, where prices increased by 6.4% in each. The lowest annual growth was in London, where prices increased by 2.6% over the year, followed by the North East at 3.7%.

Figure 5: All dwellings annual house price rates of change, year to August 2017: by English region

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6 . House price index, by UK local authority district

The local authority showing the largest annual growth in the year to August 2017 was Wellingborough, where prices increased by 15.3% to stand at £215,000. Low numbers of sales transactions in some local authorities and London boroughs, such as the Shetland Islands and City of London can lead to volatility in the series. Whilst efforts are made to account for this volatility, the change in price in these local levels can be influenced by the type and number of properties sold in any given period. The lowest annual growth was recorded in Aberdeenshire, where prices fell by 5.7% to stand at £189,000.

In August 2017, the most expensive borough to live in was Kensington and Chelsea, where the cost of an average house was £1.2 million. In contrast, the cheapest area to purchase a property was Blaenau Gwent, where an average house cost £82,000.

Table 1: Top and bottom five UK local authorities, by annual growth in the year to August 2017

Top five Local Authorities	% change	Average price (£)
Wellingborough	15.3	214,986
Hinckley and Bosworth	15.2	213,284
Shetland Islands	13.7	162,836
Camden	13.0	869,621
Fylde	12.9	204,969
Bottom five Local Authorities	% change	Average price (£)
Aberdeenshire	-5.7	188,876
City of London	-5.6	800,802
Hartlepool	-5.4	100,957
City of Aberdeen	-4.8	167,903
Halton	-4.6	127,003

Source: HM Land Registry, Registers of Scotland and Land and Property Services Northern Ireland

Full details on data at the local authority level can be found in the [main publication of the House Price Index](#).

7 . Quality and methodology

Details of the methodology used to calculate the UK House Price Index (HPI) can be found in the article [Development of a single Official House Price Index](#).

Further information on how the new 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