Statistical bulletin

Household Costs Indices for UK household groups: April to June 2026

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 2.8% in the year to June 2026; this is a decrease from 3.6% in the year to March 2026.

- Costs for low-income households (decile 2) and high-income households (decile 9) increased by 2.7% and 2.8%, respectively, in the year to June 2026.

- By tenure type, private renters had the highest annual inflation rate, of 3.0%, in June 2026; this was followed by mortgagor and other owner-occupier households, which had a 2.8% inflation rate in the year to June 2026.

- Outright owner-occupier households experienced the lowest annual inflation rate of all tenure types, at 2.6% in the year to June 2026; this was followed by social and other renters, which saw an annual inflation rate of 2.7% in the same period.

- Annual inflation fell for both retired and non-retired households between March and June 2026, but the difference between the two groups increased by 0.4 percentage points over this period; non-retired households had a higher annual inflation rate in June 2026, at 2.9%, compared with 2.5% for retired households.

- Annual inflation rates for households with children and households without children were both at 2.8% in the year to June 2026; this is down from 3.5% and 3.7%, respectively, in March 2026.

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. For more information, see Section 7: Data sources and quality.

2 . Overview of the Household Costs Indices inflation rate

The Household Costs Indices (HCIs) show how changing prices and costs affect different subgroups of the population. They are different from the Consumer Prices Index including owner occupiers' housing costs (CPIH) and the Consumer Prices Index (CPI), which show how the prices of goods and services consumed by all households in the UK change over time. The HCIs are intended to complement our lead measures of inflation, CPIH and CPI, by providing insight into the inflationary experience of different household subgroups.

Consumer price statistics measure the change in price of a "fixed basket" of goods and services, as described in our Consumer prices indices technical guide. For the HCIs, the weight of each component in a household subgroup'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 Calculating the Household Cost Indices supporting methodology article.

HCIs annual inflation rates for June 2025 and the most recent four months are presented in Table 1.

Table 1: Household Costs Indices annual inflation rates, per cent, UK, June 2025 and March 2026 to June 2026

Category	June 2025	March 2026	April 2026	May 2026	June 2026
All households	3.9	3.6	3.0	3.0	2.8
Income decile 2	4.1	3.7	3.0	3.0	2.7
Income decile 3	4.0	3.6	2.9	2.9	2.7
Income decile 4	4.0	3.7	3.1	3.1	2.8
Income decile 5	3.9	3.6	3.1	3.0	2.8
Income decile 6	3.9	3.7	2.9	2.9	2.8
Income decile 7	3.7	3.6	3.0	3.0	2.8
Income decile 8	3.8	3.7	3.1	3.1	2.9
Income decile 9	3.7	3.5	3.0	3.0	2.8
Mortgagor and other owner occupier	3.9	3.6	3.0	3.1	2.8
Outright owner occupier	3.4	3.6	2.9	2.8	2.6
Private renter	4.5	3.7	3.1	3.2	3.0
Social and other renter	4.6	3.7	2.9	2.9	2.7
Non-retired	4.0	3.7	3.1	3.1	2.9
Retired	3.8	3.6	2.8	2.7	2.5
With children	3.8	3.5	3.1	3.1	2.8
Without children	4.0	3.7	3.0	3.0	2.8

Source: Household Costs Indices from the Office for National Statistics

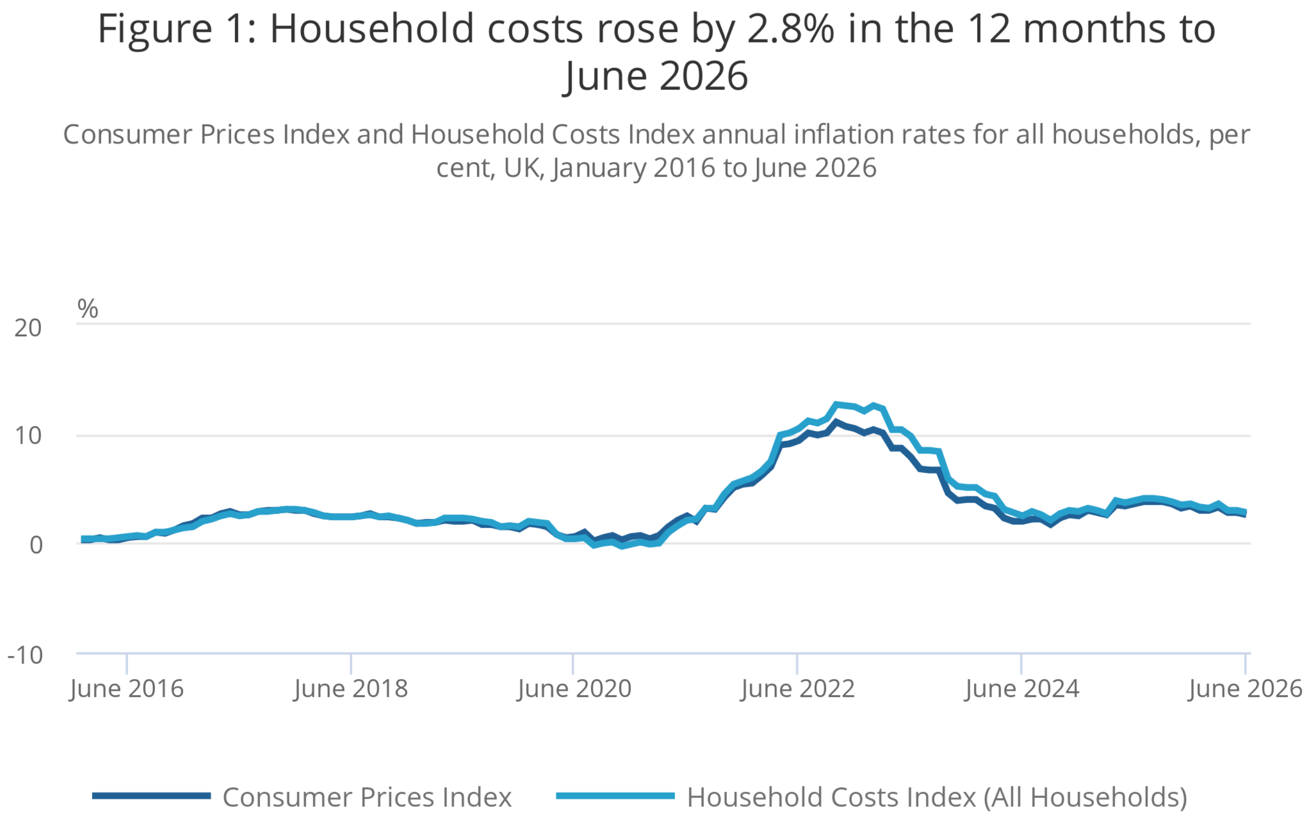
Notes

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 2.8% in June 2026, compared with 3.6% in March 2026. The annual inflation rate in CPI in the year to June 2026 was 2.6% (Figure 1).

Figure 1: Household costs rose by 2.8% in the 12 months to June 2026

Consumer Prices Index and Household Costs Index annual inflation rates for all households, per cent, UK, January 2016 to June 2026



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

Contributions to the annual HCI inflation rate from costs in housing and household services fell from 1.22 to 0.45 percentage points between March and June 2026. Decreases were also seen in contributions from food and non-alcoholic beverages, which fell from 0.45 to 0.20 percentage points over the same period.

This decrease was partially offset by increased contributions from transport, which rose from 0.58 to 0.79 percentage points between March and June 2026. This was because of higher contributions from fuels and lubricants, which increased from 0.14 to 0.56 percentage points over the same period.

Figure 2 shows contributions to differences in annual inflation rates between the all-households HCI and CPI from January 2024 to June 2026.

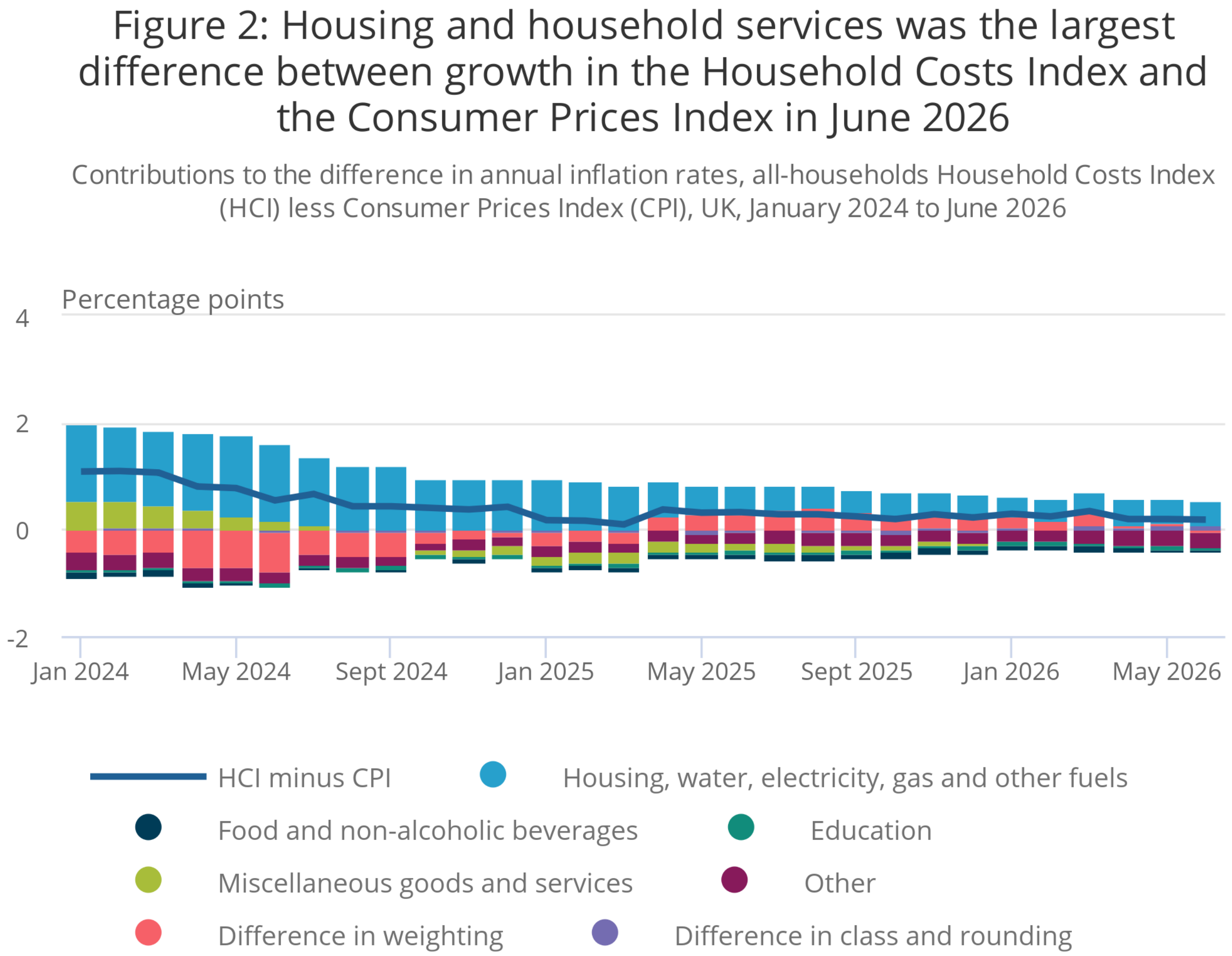
The gap between the HCI and CPI annual inflation rates was 0.2 percentage points in June 2026, unchanged from the difference seen in March 2026.

The difference in contributions between HCI and CPI for housing and household services has gradually increased since March 2026, from 0.36 percentage points in March 2026 to 0.45 percentage points in June 2026.

Council Tax is not included in CPI but contributed 0.21 percentage points to the HCI annual rate. Owner occupiers' housing costs also contributed 0.09 percentage points to the difference between the HCI and CPI annual inflation rates in June 2026, down from 0.17 percentage points in March 2026.

Figure 2: Housing and household services was the largest difference between growth in the Household Costs Index and the Consumer Prices Index in June 2026

Contributions to the difference in annual inflation rates, all-households Household Costs Index (HCI) less Consumer Prices Index (CPI), UK, January 2024 to June 2026



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

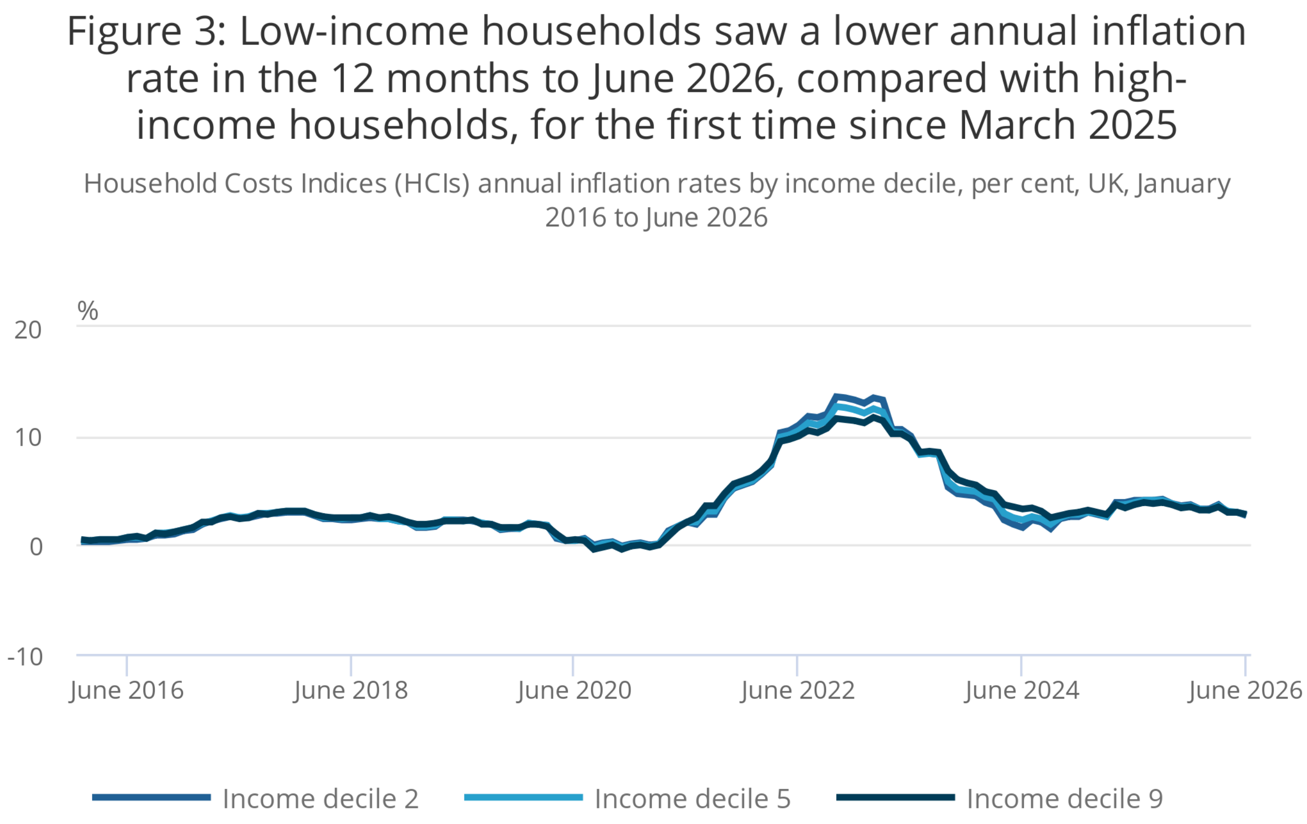
Notes:

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 in classification arise from the use of unrounded weights and price uprating at the class level for HCIs, compared with subclasses for CPI.
3. Differences in weighting arise from the use of democratic weights, compared with plutocratic weights for CPI.
4. Differences in classification and rounding from January 2026 to June 2026 are not currently available because of a lack of data availability. For more information, see Section 7: Data sources and quality.
5. Positive contributions are contributing to higher inflation for HCIs, or lower inflation for CPI.
6. Negative contributions are contributing to higher inflation for CPI, or lower inflation for HCIs.

3 . Household Costs Indices by income decile

Figure 3: Low-income households saw a lower annual inflation rate in the 12 months to June 2026, compared with high-income households, for the first time since March 2025

Household Costs Indices (HCIs) annual inflation rates by income decile, per cent, UK, January 2016 to June 2026



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.

Figure 3 shows the annual inflation rates for different household income groups between January 2016 and June 2026. The annual inflation for low-income households (income decile 2) was slightly lower, at 2.7%, than for high-income households (income decile 9), at 2.8%, in the year to June 2026.

This is the first month that lower-income households have experienced a lower annual inflation rate compared to high-income households since March 2025. The annual inflation rate for low-income households was 2.6% in March 2025, compared with the rate for high-income households, at 2.8% (Figure 3).

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.

The narrowing in the gap between the inflation rate for low-income and high-income households was mainly caused by housing and household services. In June 2026, housing and household services contributed only 0.02 percentage points more to inflation for low-income households than for high-income households, compared with the 0.37 more percentage points it contributed in March 2026.

This narrowing was largely caused by electricity and gas and other fuels, for which the difference in contributions between the two groups fell over the period, from 0.13 to negative 0.19 percentage points, respectively. As electricity and gas and other fuels account for a larger share of expenditure among low-income households than high-income households, rising energy prices up to March 2026 had a greater effect on the inflation experienced by low-income households.

For this reason, from April 2026 onwards annual inflation rates for gas and electricity fell, reflecting lower domestic energy prices. This decrease in energy prices was because of a reduction in the Office of Gas and Electricity Markets' (Ofgem's) energy price cap (see our Consumer price inflation, UK: July 2026 bulletin for more details). This led to larger negative contributions to the annual rate for low-income households than for high-income households. The difference in contributions from water supply and miscellaneous services for the dwelling also narrowed, from 0.23 percentage points in March 2026 to 0.06 percentage points in June 2026.

Food and non-alcoholic beverages also contributed to the narrowing of the inflation gap. In June 2026, this division contributed 0.09 percentage points more to inflation for low-income households than for high-income households, compared with the 0.22 percentage points more it contributed in March 2026. This was mainly caused by food, for which the difference in contributions narrowed from 0.19 in March 2026 to 0.08 percentage points in June 2026.

The inflation gap for restaurants and hotels also increased by 0.07 percentage points, from a contribution of 0.26 percentage points for high-income households in March 2026, to one of 0.33 percentage points in June 2026.

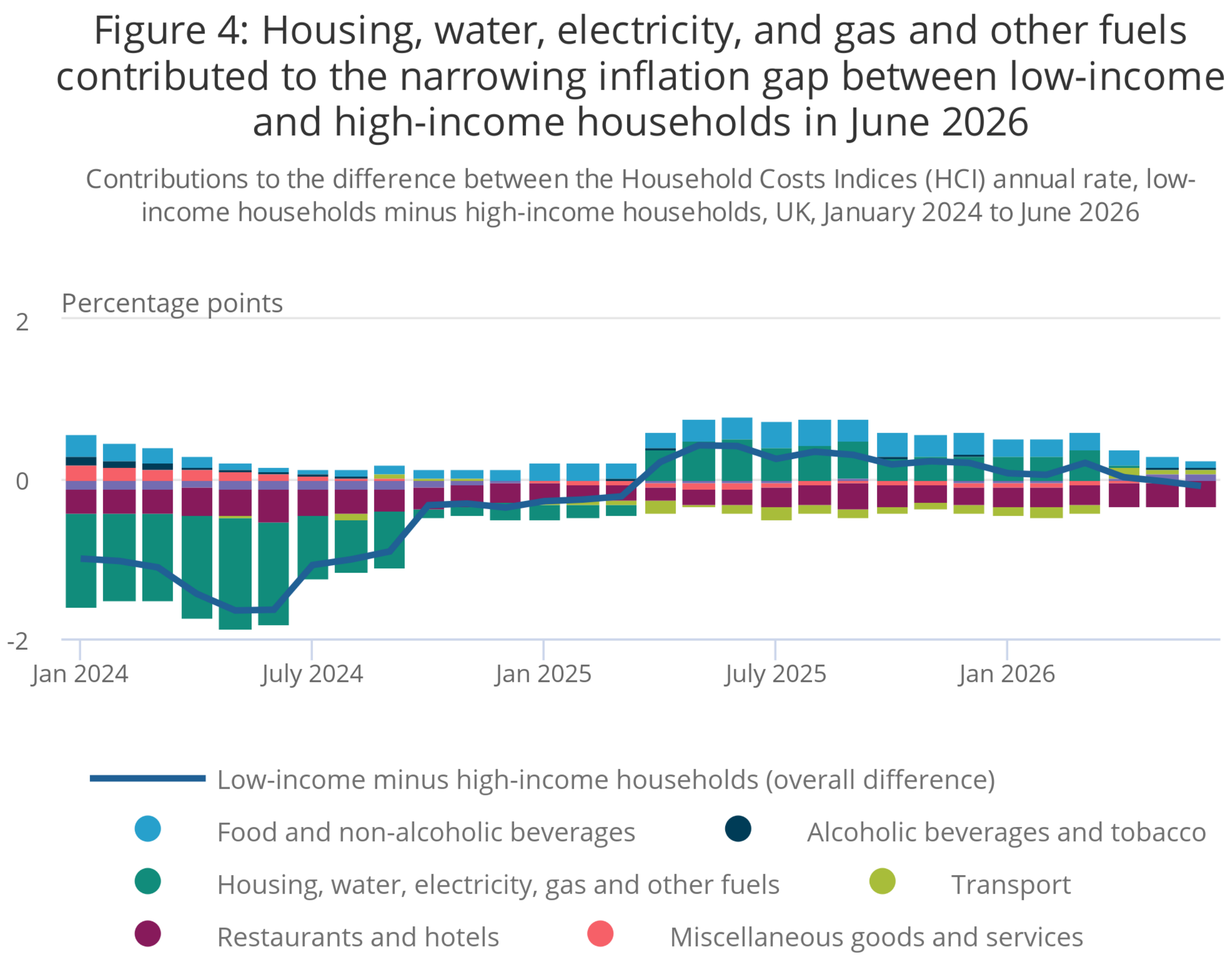
In March 2026, transport contributed 0.09 percentage points less to inflation for low-income households than for high-income households. In June 2026, transport contributed 0.05 percentage points more to the inflation rate for low-income households. This change was largely caused by motor fuels, for which the contribution difference increased from 0.02 to 0.09 percentage points over the same period.

Social and other rents also made a larger contribution to inflation for low-income households, increasing from 0.17 percentage points in March 2026 to 0.22 percentage points in June 2026.

Cumulative inflation has also been similar for both groups over the past five years, at 32.8% for high-income households, and at 32.7% for low-income households.

Figure 4: Housing, water, electricity, and gas and other fuels contributed to the narrowing inflation gap between low-income and high-income households in June 2026

Contributions to the difference between the Household Costs Indices (HCI) annual rate, low-income households minus high-income households, UK, January 2024 to June 2026



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 low-income households (decile 2).
4. Negative contributions are contributing to lower inflation for high-income households (decile 9).

4 . Household Costs Indices across the household groups

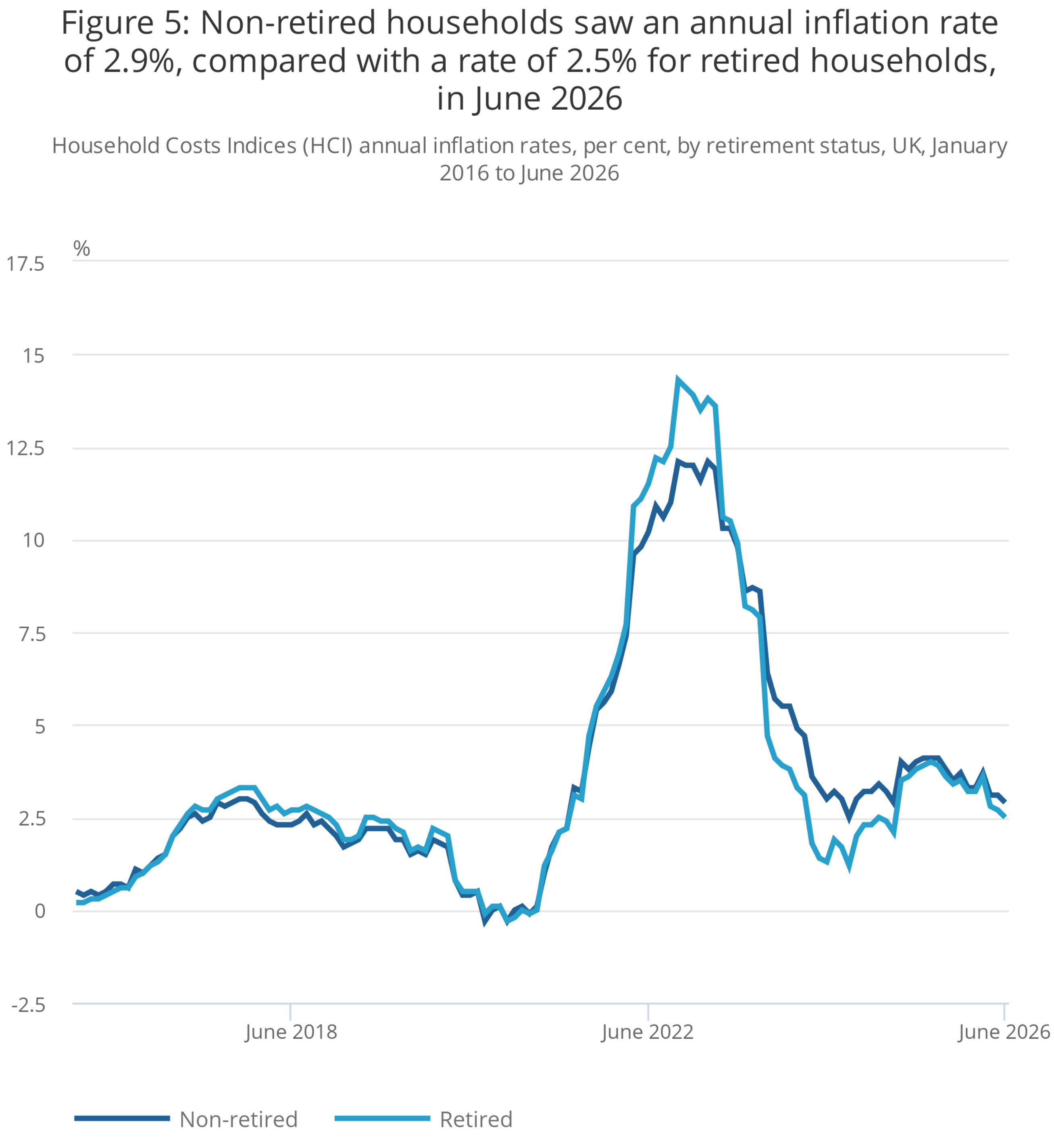
The factors influencing Household Costs Indices (HCI) inflation rates by income decile also affected other household groups. Within each subgroup, households spending a larger share on housing costs also experienced higher annual inflation.

By tenure type, private renters and mortgagor households experienced higher inflation rates, of 3.0% and 2.8%, respectively, in the year to June 2026. This is compared with 2.7% for social and other renters, and with 2.6% for outright owner households (Table 1). Households with and without children both experienced an inflation rate of 2.8% in the year to June 2026.

Over the past five years, both non-retired households and households with children saw a higher cumulative HCI inflation rate, at 33.2%, than retired households. Over the same period, retired households and households without children saw cumulative inflation rate of 31.9% and 32.9%, respectively.

Figure 5: Non-retired households saw an annual inflation rate of 2.9%, compared with a rate of 2.5% for retired households, in June 2026

Household Costs Indices (HCI) annual inflation rates, per cent, by retirement status, UK, January 2016 to June 2026



Source: Household Costs Indices from the Office for National Statistics

Annual inflation for non-retired households was higher than for retired households in the year to June 2026, at 2.9% and 2.5%, respectively. This is the largest gap since April 2025 (Figure 5).

Non-retired households experienced higher inflation mainly because of private rentals. In June 2026, non-retired households saw a greater inflationary contribution than retired households from private rentals, of 0.18 percentage points. This is in contrast with March 2026, when retired households saw a higher contribution, of 0.19 percentage points.

Mortgage interest payments were also a significant cause of the higher inflation seen by non-retired households in this period. In June 2026, mortgage interest payments contributed 0.14 percentage points more to inflation for non-retired households than for retired households, slightly narrowing the gap from 0.15 percentage points in March 2026 (Table 2).

In June 2026, food and non-alcoholic beverages contributed 0.04 percentage points more to inflation for retired households than for non-retired households, narrowing the gap from 0.10 percentage points in March 2026 (Table 2).

Table 2: Household Costs Indices contributions (percentage points) to the annual inflation rate (per cent) for retired and non-retired households, March and June 2026

	Retired		**Non-retired**		**Differences (retired less non-retired)**	
	March 2026	**June 2026**	**March 2026**	**June 2026**	**March 2026**	**June 2026**
Overall growth rate	3.6	2.5	3.7	2.9	0.0	-0.4
Food and non-alcoholic beverages	0.53	0.23	0.43	0.19	0.10	0.04
Private rentals	0.04	0.03	0.23	0.22	-0.19	-0.18
Social and other rentals	0.10	0.12	0.14	0.17	-0.04	-0.05
Mortgage interest payments	0.01	0.01	0.16	0.15	-0.15	-0.14
Electricity, gas and other fuels	0.30	-0.34	0.17	-0.26	0.13	-0.08
Transport costs	0.46	0.68	0.62	0.83	-0.15	-0.14
Motor fuels (of which)	0.12	0.50	0.14	0.58	-0.02	-0.08
Restaurants and hotels	0.41	0.44	0.44	0.48	-0.04	-0.04
Insurance	0.00	0.02	0.03	0.05	-0.03	-0.04
Other	1.75	1.31	1.48	1.07	0.37	0.23

Source: Household Costs Indices from the Office for National Statistics

Notes

1. Contributions to the difference between retirement statuses may not sum to the overall 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 Household Costs Index 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 28 August 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 being the lowest. Deciles 2 and 9 are more stable and, therefore, more 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).

Income deciles

Households are grouped into deciles (or tenths) based on equivalised income. The highest income decile (decile 10) is the 10% of households with the highest equivalised income. Similarly, the lowest income decile (decile 1) is the 10% of households with the lowest equivalised income. Deciles 2 and 9 are more stable and, therefore, more 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 of the household 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 people 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

Further data improvements

2026 weights update

It has not been possible to update the weights for 2026 because of delays processing the underlying survey data and the need for further quality assurance. Instead, the most recent estimates have been compiled using the weights for February to December 2025. We will update the weights as soon as the data are available to use.

Inclusion of groceries and scanner data

We have introduced scanner data for approximately 50% of the grocery market from the February 2026 index, published on 25 March 2026. Instead of collecting 25,000 prices per month directly from shops by price collectors, we use approximately 300 million price points derived from sales of over a billion units of products per month, collected directly from supermarket scanners at checkouts or online. For the remaining 50% of the groceries market, we continue to manually collect prices in-store and online.

You can find more about this change and how it affects our headline measures of inflation in our Impact analysis on transformation of UK consumer price statistics: January 2026 article.

Our Overview of how we use scanner data in consumer price inflation statistics: January 2026 article and our How multilateral index methods help us understand grocery scanner data article also provide more information on how we use these data.

Personal inflation and price comparison tools

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. Please note that the tool will not have data before 2025 for the newly introduced consumption segments for food, drink and. However, the historical average prices for food, drink and tobacco items, which were in the tool before the update in 2025, can be found in our Shopping prices comparison tool data download before the 2025 update.

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 purchase goods and services from different outlets and therefore face different prices.

However, such data are not available, so we have used national price indices as a proxy. There are also challenges that arise from the data sources we use to calculate the expenditure shares. These limitations do not affect the validity of the chosen methodology or its robustness. 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: July 2026
Bulletin | Released 19 August 2026
Price indices, percentage changes, and weights for the different measures of consumer price inflation.

Private rent and house prices, UK: August 2026
Bulletin | Released 19 August 2026
The Price Index of Private Rents (PIPR) measures private rent inflation for new and existing tenancies. The UK House Price Index (HPI) 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 19 August 2026
Search the tool to see how the average prices of hundreds of shopping items are changing.

Personal inflation calculator
Interactive tool | Updated 19 August 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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