

November
2023

HomeLet rental index report

The HomeLet Rental Index represents the largest, most insightful, and up-to-date view on the UK's private rented sector. With data qualified through high-quality tenant referencing, conducted on behalf of over 4,500 UK letting agents, the trends reported within the Index are based on brand new tenancies and agreed rents, giving the most relevant insight into changes in the Private Rented Sector.

In conjunction with Dataloft, a PriceHubble company

HomeLetTM
THE RENTAL INDEX

Industry insight

“
Rent prices across the UK have increased by nearly 10% in a year and are up more than 20% in two years.



Andy Halstead
Group CEO
HomeLet and Let Alliance

“

An exponential and wholly unsustainable increase

Though the Autumn Statement laid out by the government indicated more support for renters, in areas such as London, which has seen rent increase by £417 since 2021, this money will barely scratch the surface when it comes to managing increasing costs. The problem is not just rising rent payments, but also the increasing cost of food and other household bills.

Landlords must protect their rental income

I hope this is a sign of more positive movement in the market on the horizon, as spiralling costs are beneficial for neither landlord nor tenant; and we strive to support both. Especially for landlords with mortgages, the outlook is bleak for some time to come. The worst outcome possible for landlords is tenants failing to pay rent, everyone loses. There has never been a more important time for landlords to protect their rental income.

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Average rents and change in rents



**Average
rent**

£1,279

A small fall in rents in November is not uncommon after a busy summer period. However, this could also suggest the beginning of a slowdown in the UK rental market.



**Change
monthly**

-0.3%

Outside of London, average rents fell by 0.2% taking the average monthly rent to £1,066.



**Change
annual**

+8.9%

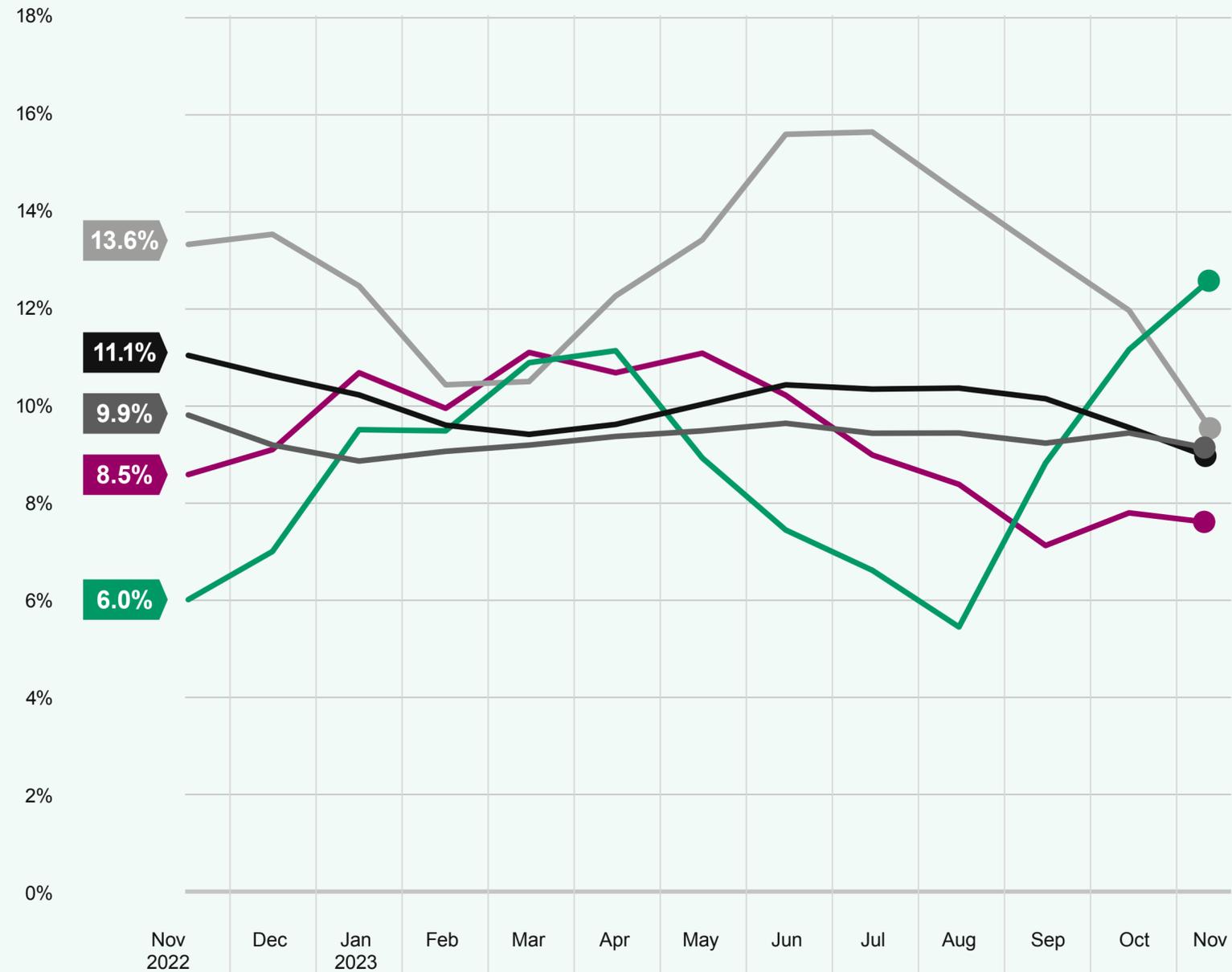
Average rents fell slightly in the month in all regions, with the exception of the East of England, Midlands, South West and Wales.

UK and home nations



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Annual change November 2022 to November 2023



- 12.5%** Northern Ireland
- 9.6%** Scotland
- 9.1%** UK excluding London
- 8.9%** UK
- 7.7%** Wales

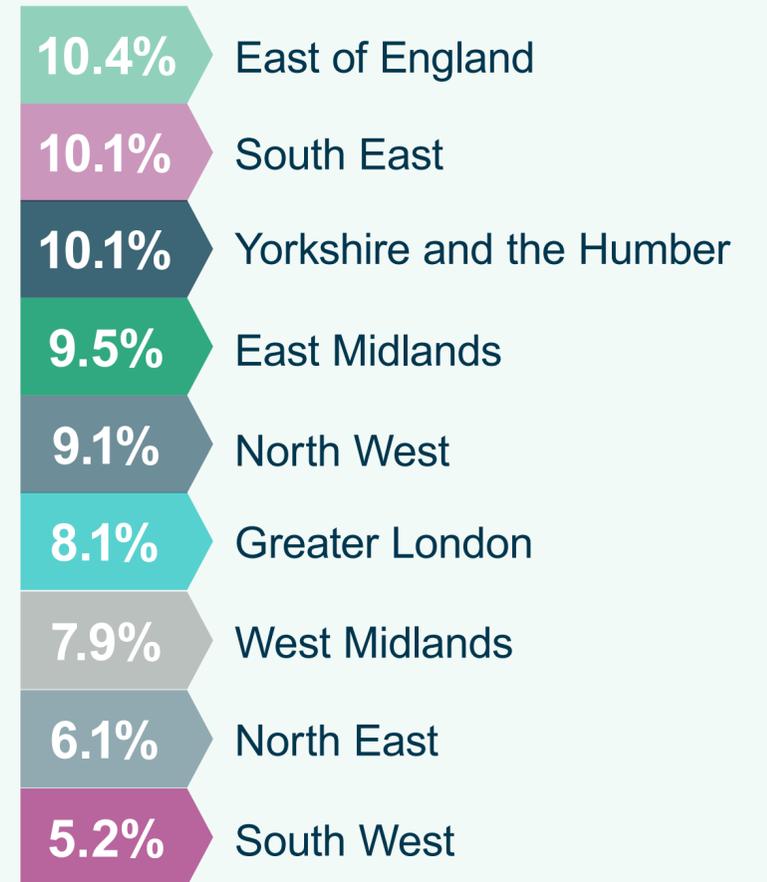
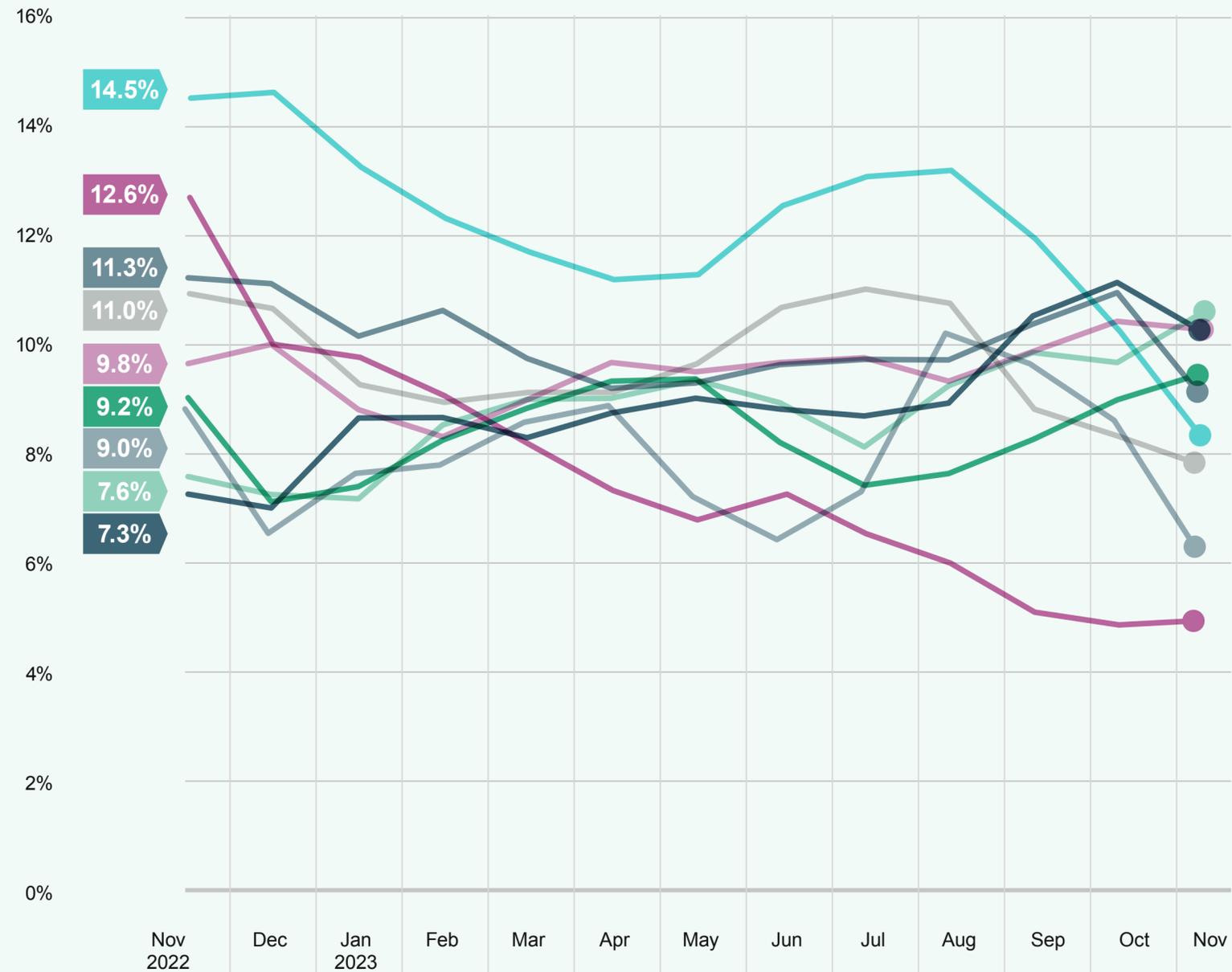
Showing annual change in rents, November 2023 vs November 2022. Average rents are based on agreed rents for tenancies started in each month.

England by region



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Annual change November 2022 to November 2023

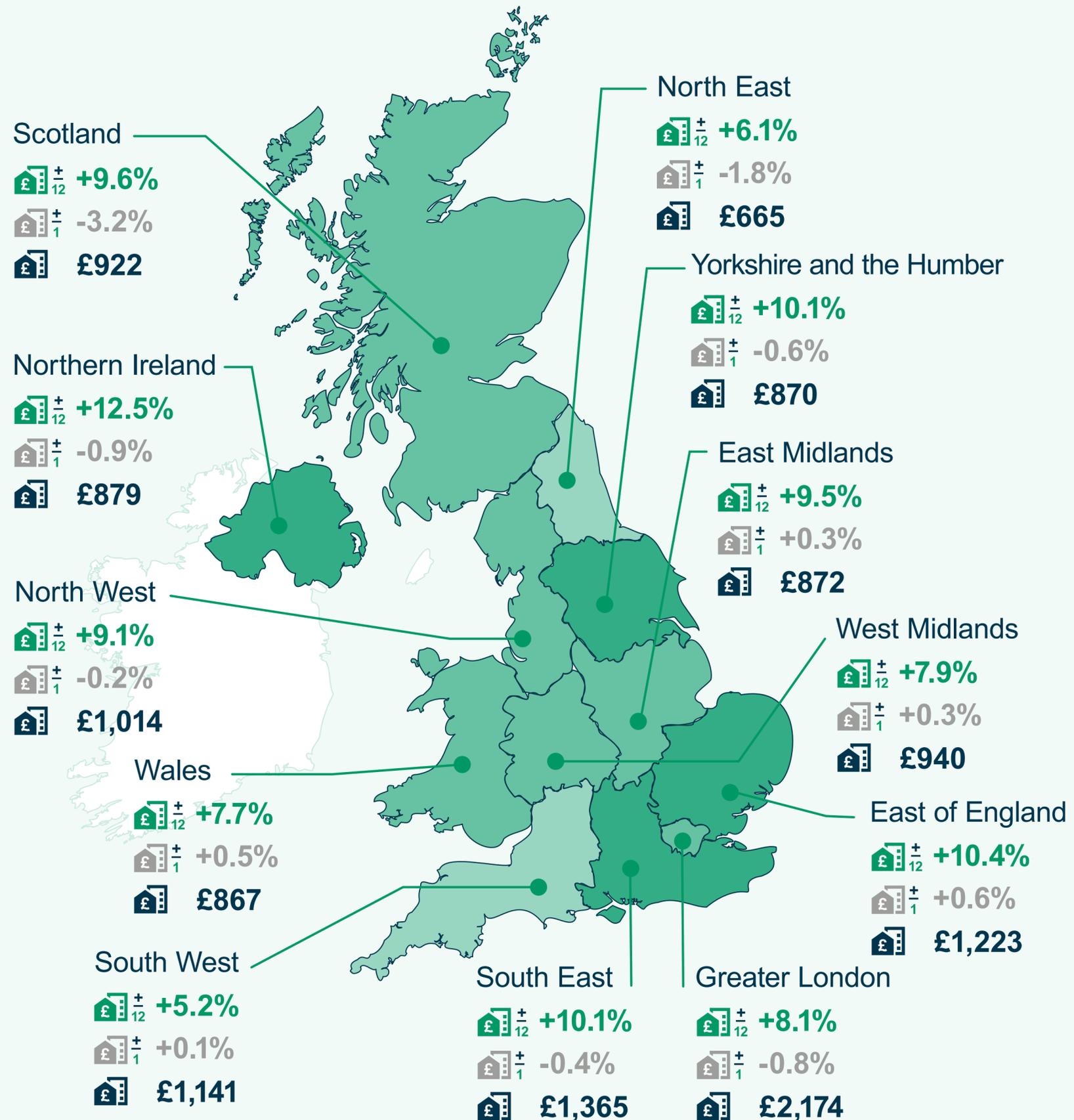


Showing annual change in rents, November 2023 vs November 2022. Average rents are based on agreed rents for tenancies started in each month.

Regional snapshot

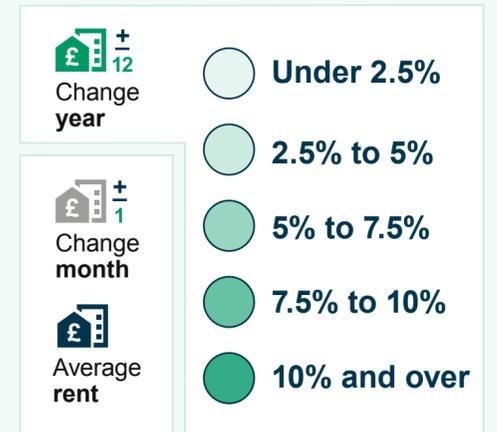


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Annual change

November 2022 to November 2023



October 2022 to 2023



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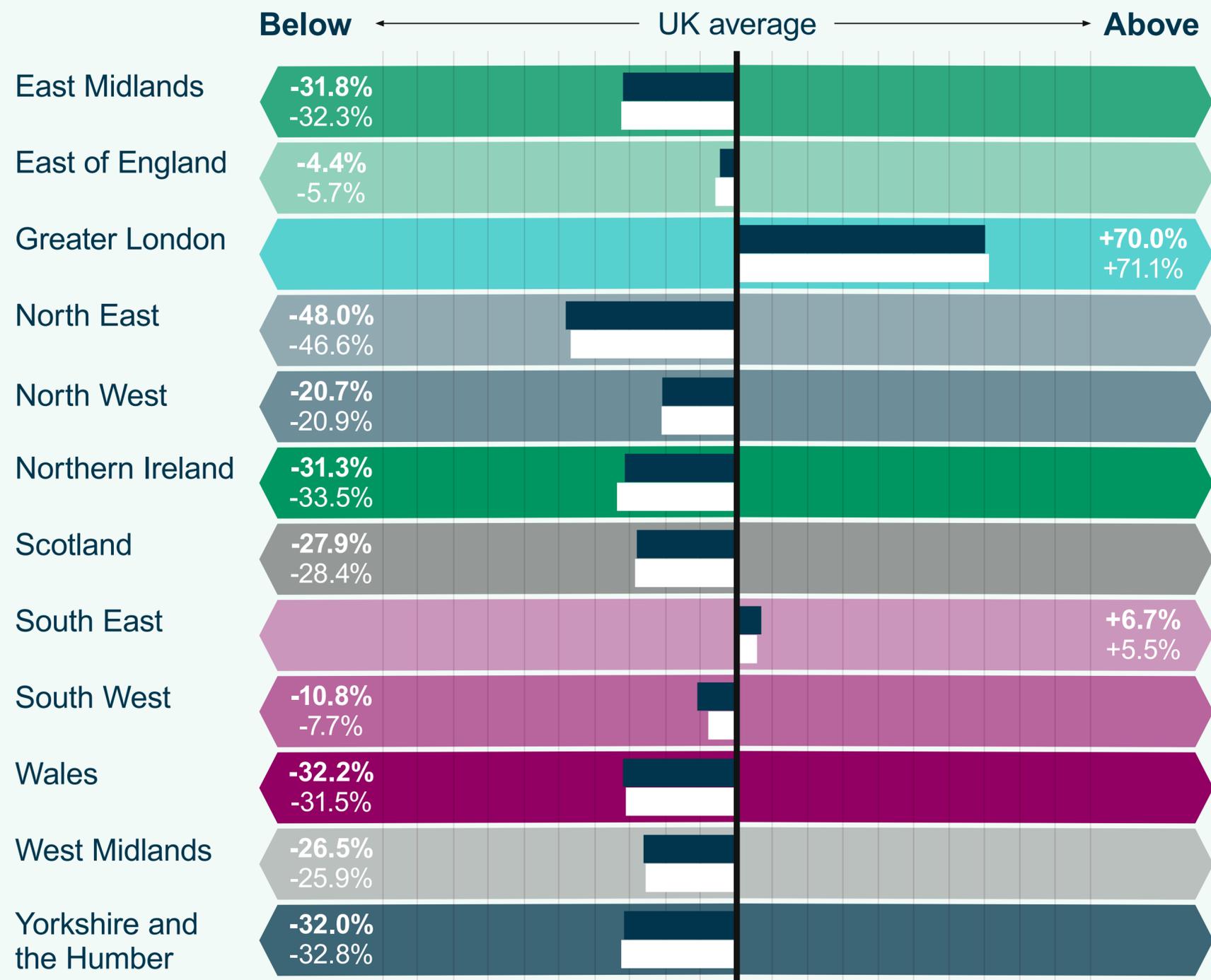
Next » Regional discount / premium

Regional discount / premium to UK average



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Comparison with UK average November 2022 to November 2023



Showing how regional rents compared to the UK average in November 2023 and a year earlier, i.e., average rents in the East Midlands in November 2023 were 31.8% below the national average. However, in November 2022 they were 32.3% below the national average.

London focus



Average rent

£2,174

Similar to many other regions of the UK, average rents in London fell slightly in November by 0.8%.



Change annual

+8.1%

This caused the annual rate of growth to dip below 10% for the first time since October 2021.



Strongest performer

+17.1%

Barking, Dagenham and Havering

There is much variance across London boroughs, with the annual rate of growth varying from 3.6% to 17.1%.



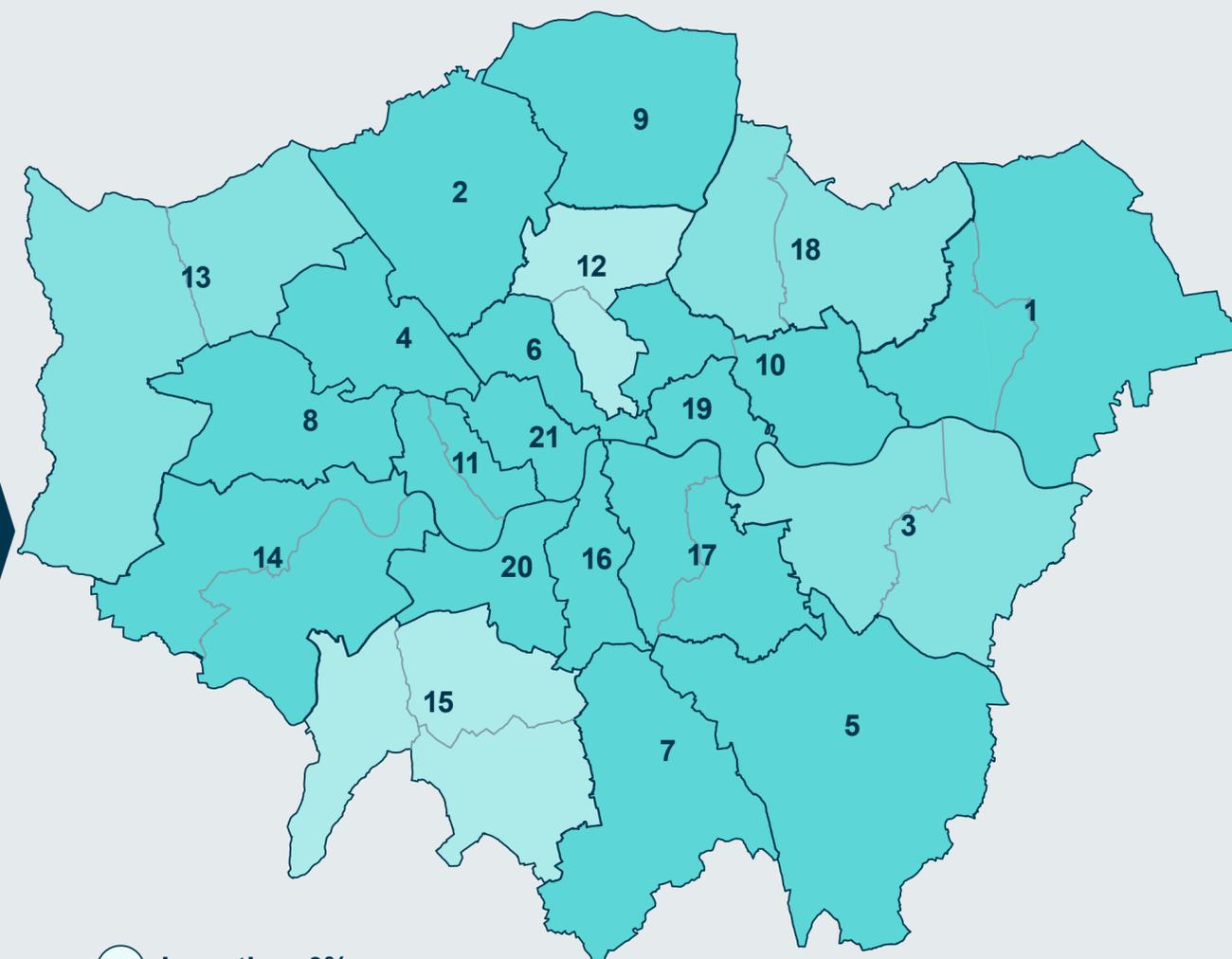
Annual change November 2022 to November 2023



Annual change



Average rent



- Less than 0%
- 0% to 2%
- 2% to 4%
- 4% to 6%
- 6% and over

Aggregations of London Boroughs are based on the NUTS2 statistical classification model.

		Annual change	Average rent
1	Barking, Dagenham and Havering	+17.1%	£1,724
2	Barnet	+12.6%	£2,068
3	Bexley and Greenwich	+4.5%	£1,771
4	Brent	+9.9%	£2,063
5	Bromley	+8.4%	£1,833
6	Camden, City of London	+9.9%	£2,589
7	Croydon	+7.6%	£1,419
8	Ealing	+8.3%	£1,989
9	Enfield	+6.9%	£1,868
10	Hackney and Newham	+6.7%	£2,025
11	Hammersmith, Fulham, Kensington and Chelsea	+13.1%	£2,739
12	Haringey and Islington	+3.6%	£2,158
13	Harrow and Hillingdon	+4.2%	£1,661
14	Hounslow and Richmond	+12.3%	£1,867
15	Merton, Kingston upon Thames and Sutton	+3.8%	£1,823
16	Lambeth	+15.7%	£2,942
17	Lewisham and Southwark	+9.0%	£2,199
18	Redbridge and Waltham Forest	+4.2%	£1,668
19	Tower Hamlets	+11.8%	£2,347
20	Wandsworth	+10.7%	£2,519
21	Westminster	+7.7%	£3,719

By borough



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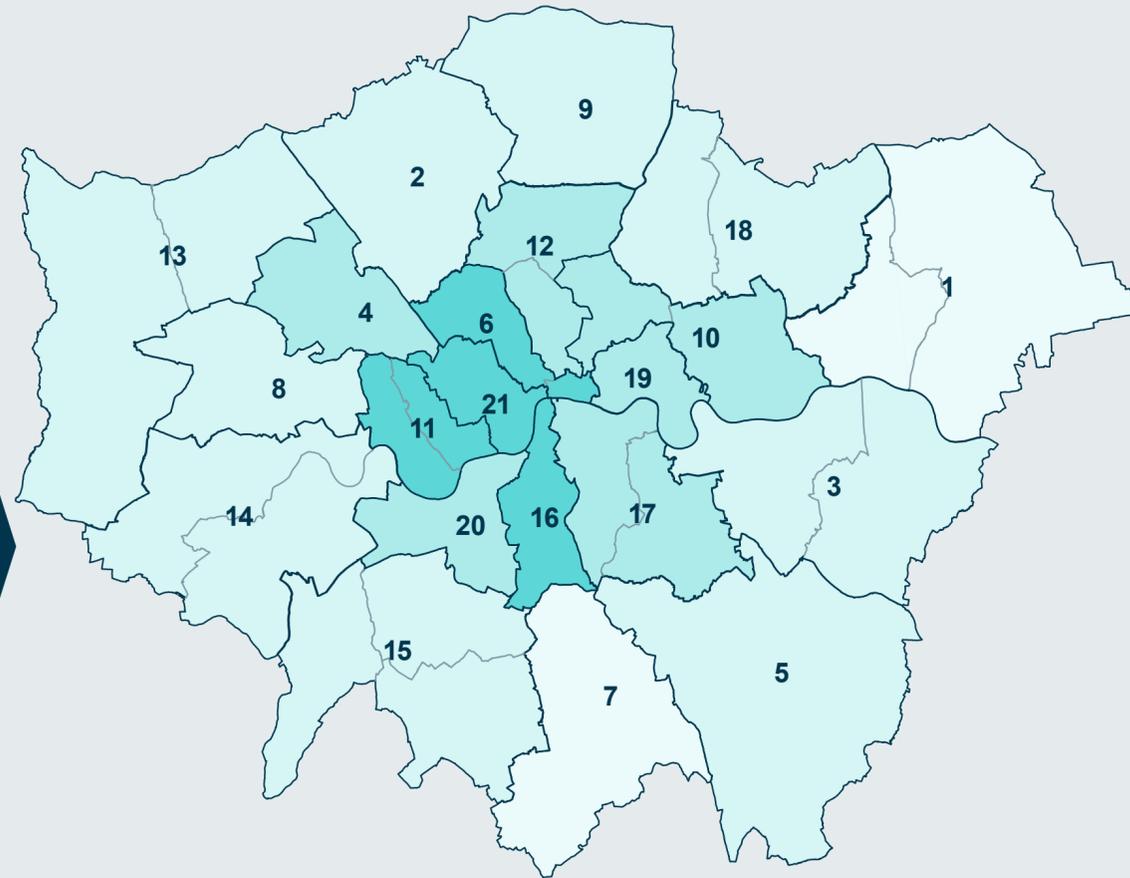


Next Five-year snapshot

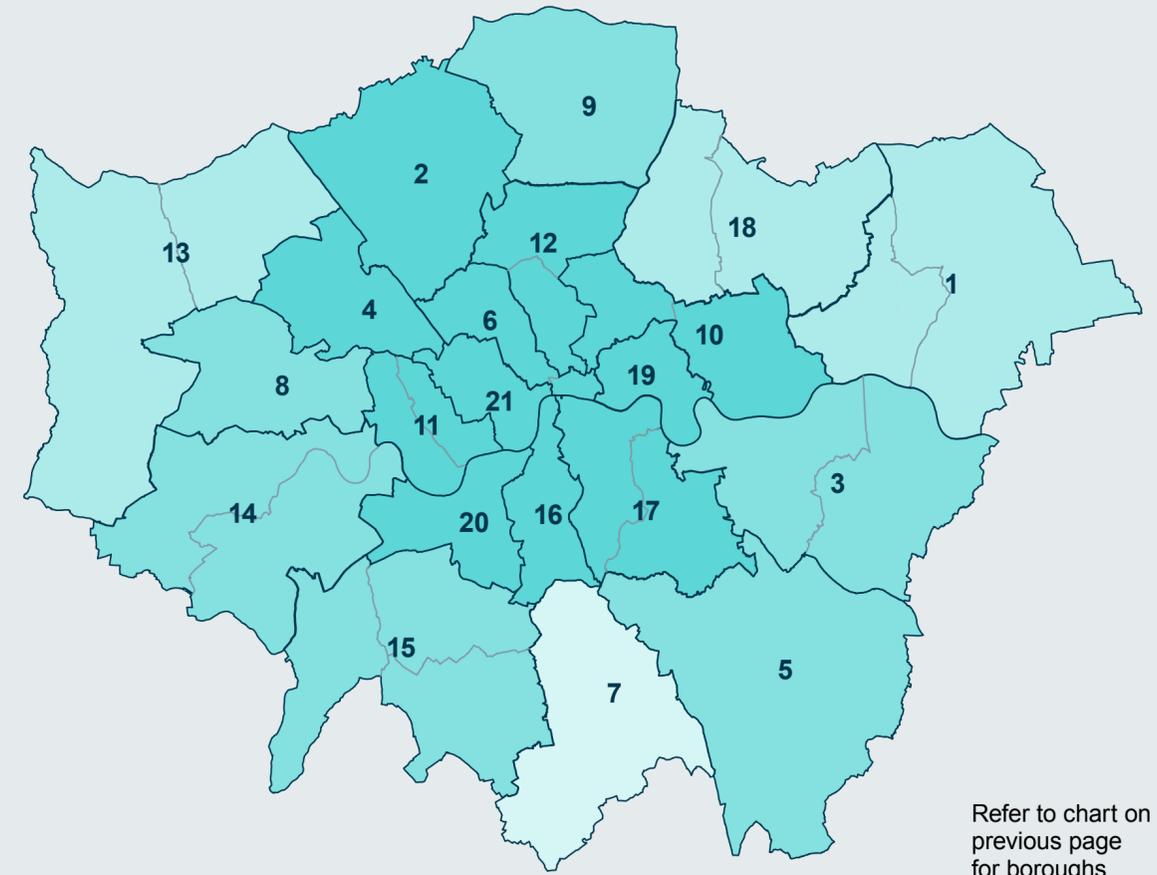




Average rent November 2018



Average rent November 2023



Refer to chart on previous page for boroughs

Five-year snapshot



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- Less than £1,250
- £1,250 to £1,500
- £1,500 to £1,750
- £1,750 to £2,000
- Over £2,000

↑

5

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YR

Greatest change over five years

+58.1%

Westminster

Strongest and weakest performers



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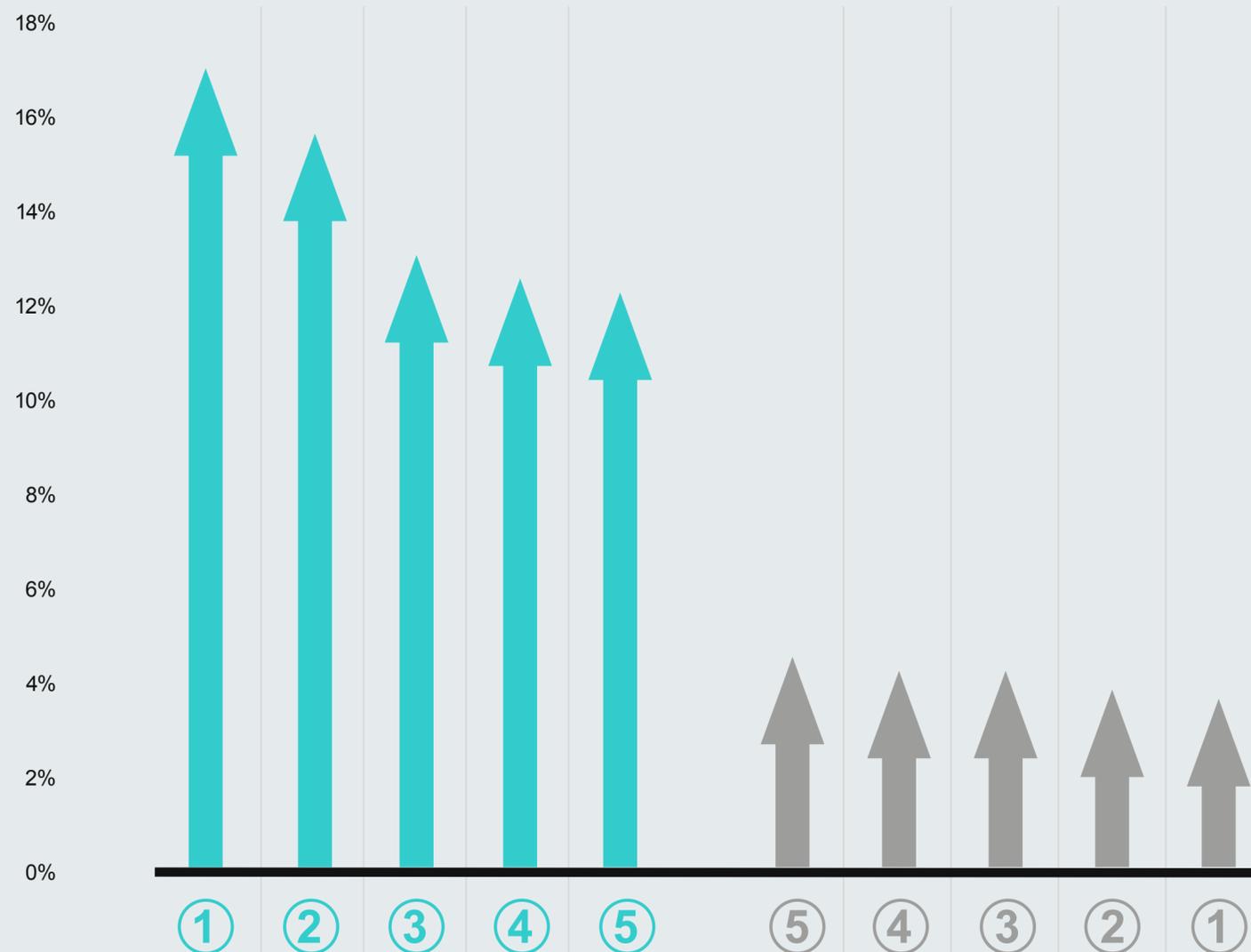
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Strongest November 2023



Weakest November 2023



Based on annual change to November 2023

- 1** +17.1% Barking, Dagenham and Havering
- 2** +15.7% Lambeth
- 3** +13.1% Hammersmith, Fulham, Kensington and Chelsea
- 4** +12.6% Barnet
- 5** +12.3% Hounslow and Richmond upon Thames
- 5** +4.5% Bexley and Greenwich
- 4** +4.2% Harrow and Hillingdon
- 3** +4.2% Redbridge and Waltham Forest
- 2** +3.8% Merton, Kingston upon Thames and Sutton
- 1** +3.6% Haringey and Islington

Next Affordability »

Affordability



% income
spent on rent

33.2%

Despite the small falls in rents this month, renters are still paying more of their income on rent than they did a year ago.

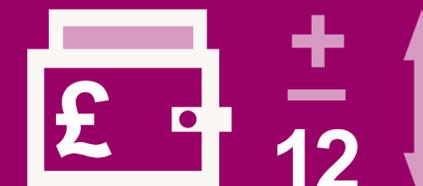


Change
annual*

-2.1%

Across the UK, on average 33.2% of income is spent on rent, up from 31.1% in November 2022.

* Calculated by subtracting the November 2023 figure from November 2022.



Greatest
change

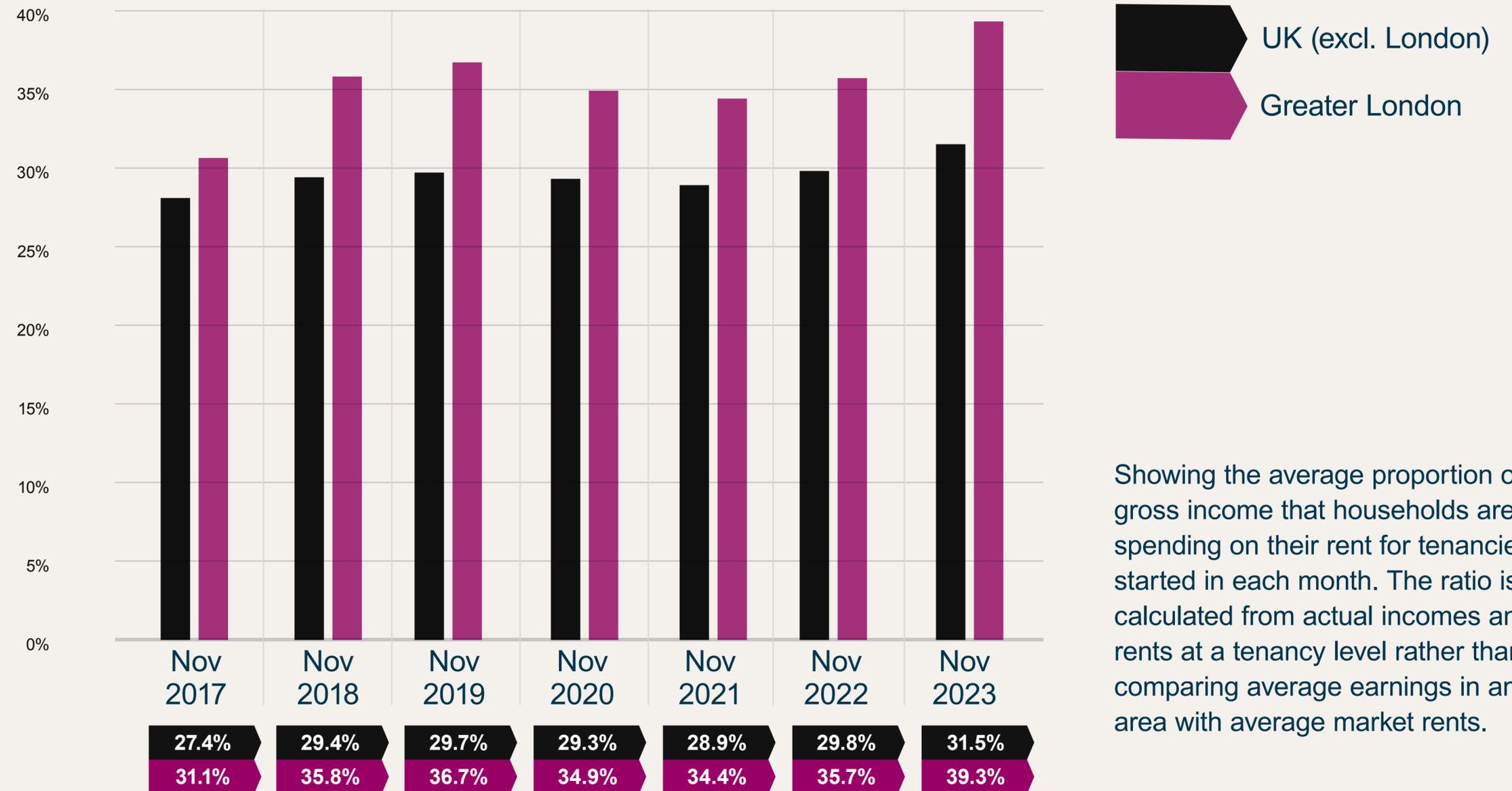
-3.7%

Scotland

Affordability has improved in the last year in just the North East and the East Midlands. Should rents continue to moderate, the affordability picture may improve in other areas in coming months.



Affordability over time November 2017 to November 2023



Showing the average proportion of gross income that households are spending on their rent for tenancies started in each month. The ratio is calculated from actual incomes and rents at a tenancy level rather than comparing average earnings in an area with average market rents.

UK and London

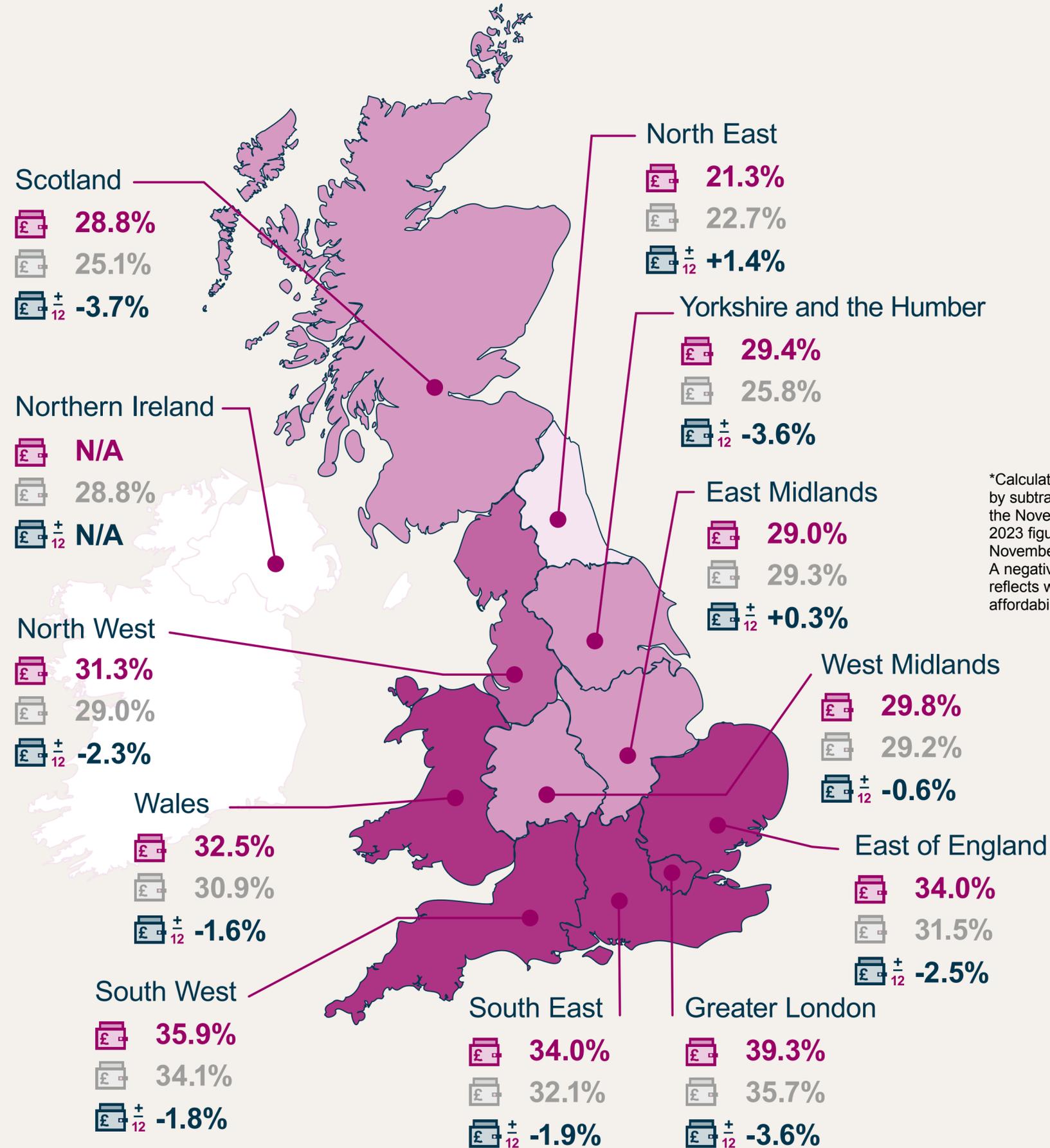


Regional snapshot



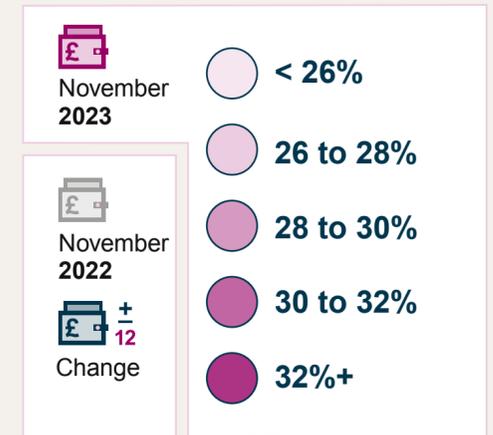
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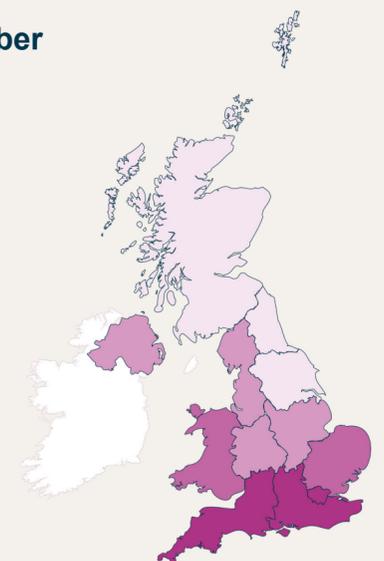


*Calculated by subtracting the November 2023 figure from November 2022. A negative figure reflects worsening affordability.

% income spent on rent November 2023



November 2022



Next Regional focus »

Greater London



Median tenant gross income*

£40,000

£30,562



Predominant age group

20–29

20–29



Average % tenant income spent on rent

39.3%

33.2%



Predominant rental band

£1,500–£1,750

£750–£1,000 per month

Key
Shows regional average
Shows UK average

Delving deeper into the data we are able to provide tenant demographic and market profiling at a local level. Each month, we provide a snapshot of the profile of tenants across different UK regions based on data for the last 12 months. This month's focus is on Greater London.

*Excludes below £10k and over £500k



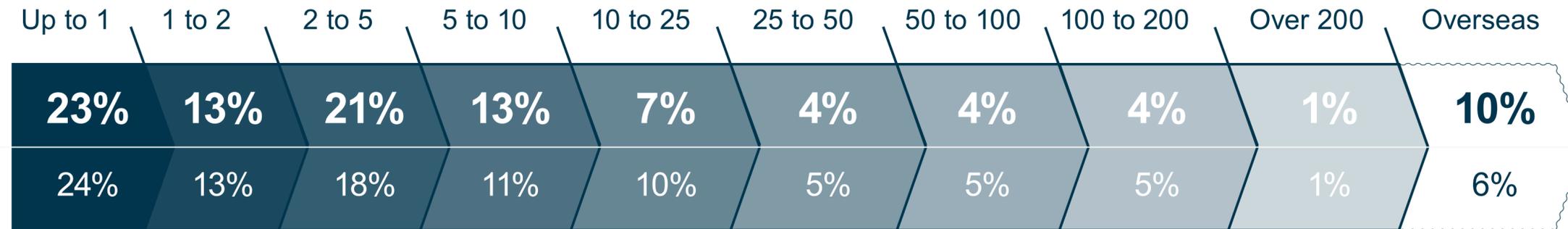
Greater London



Distance moved last 12 months

Key
 Shows regional average
 Shows UK average

Miles

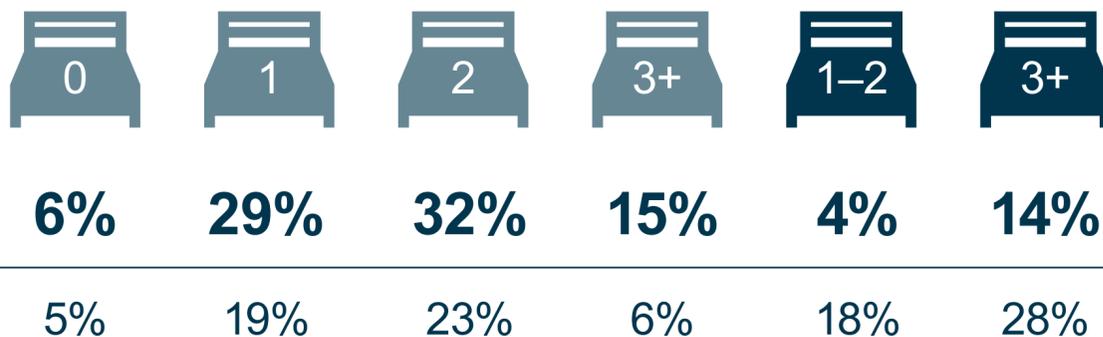


Profile of properties let Last 12 months

Number of bedrooms

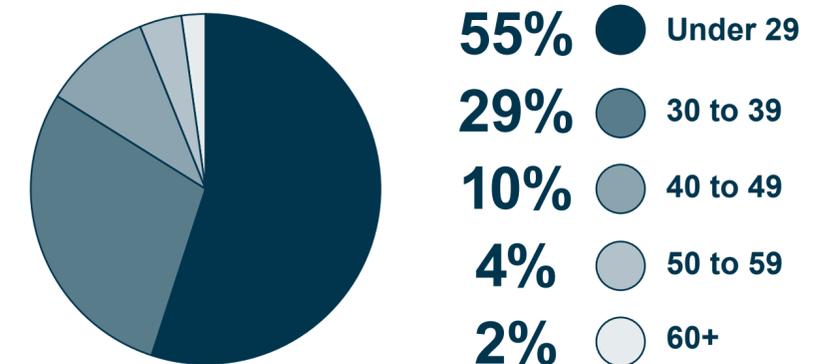
Flats

Houses



Age breakdown Last 12 months

Tenants age





With over 30 years of experience, we're the UK's leading tenant referencing and specialist protection supplier for the private rented sector. We've got a team of over 300 co-workers dedicated to providing market-leading support to our letting agents, helping them to grow and develop their business.

We always strive to exceed our customers' expectations. Our expertise combined with our innovative approach drives a continual development of our proposition – and the value that we provide for our customers.

In conjunction with Dataloft

dataloft

A PriceHubble company

About the HomeLet rental index report

The index and average prices are produced using HomeLet's mix adjusted rental index methodology. This helps to track the representative rental values over time, which factor in changes in the mix of property types and locations of rented properties. Data is gathered from our tenant referencing service, and our rental amounts are based on actual achieved rental prices with accurate tenancy start dates in a reported month, rather than advertised costs. The data used in the HomeLet Rental Index is aggregated to regional, county and city level only. This ensures that all property or individual records remain strictly anonymous.

The HomeLet Rental Index is prepared from information that we consider is collated with careful attention, but we do not make any statement as to its accuracy or completeness. We reserve the right to vary our methodology and to edit or discontinue this report. The HomeLet Rental Index may not be used for commercial purposes; we shall not be liable for any decisions made or action taken in reliance upon the published data.

About Dataloft

Dataloft provides data-driven analytics and insights on housing markets as part of PriceHubble, a global data and technology business. Dataloft aggregates data from Barbon and other companies to create Dataloft Rental Market Analytics (DRMA), the largest and most comprehensive single source of achieved rents and renter demographics for the UK. Their team of analysts and data scientists produce the evidence needed by clients for marketing strategies, investment decisions and planning submissions.

[dataloft.co.uk](https://www.dataloft.co.uk)

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