

HomeLet Rental Index

Key headlines

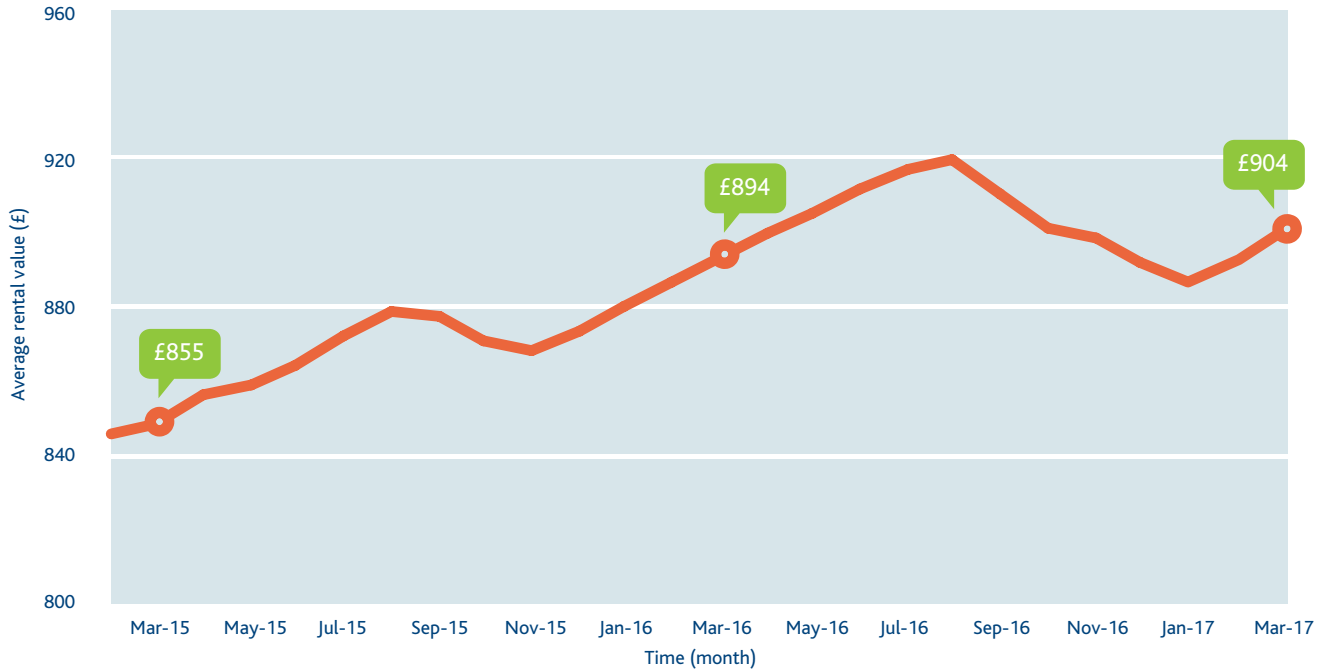
- Average rents in the UK continue to see a slower rate of rental growth compared to last year
- The average UK rental value was £904pcm - this is 1.1% higher than the same period last year (£894pcm)
- Since July 2016, rents in Greater London have seen a slower pace of annual growth compared to last year
- The average rental value in Greater London is £1,546pcm - this is 1.2% higher than the same period last year
- In March 2016, the annual growth rate for average rental values in Greater London was 6.8%



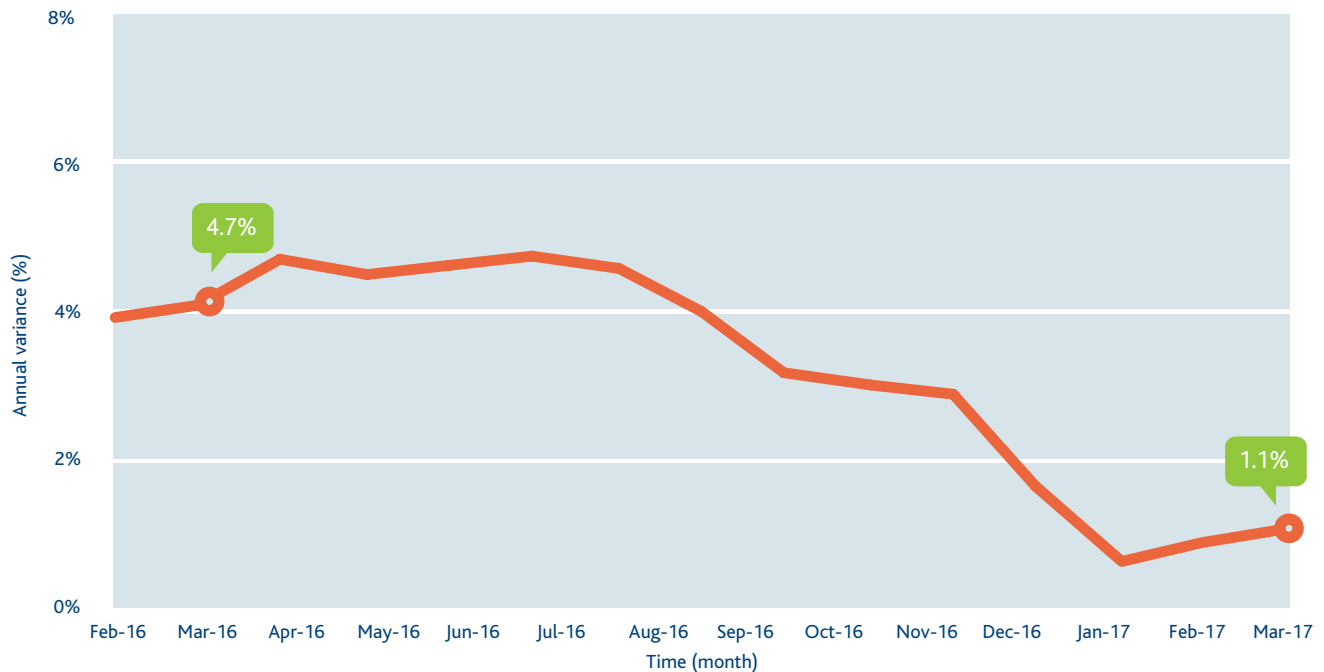
March 2017 edition

Average rental values in the UK

Average rental values



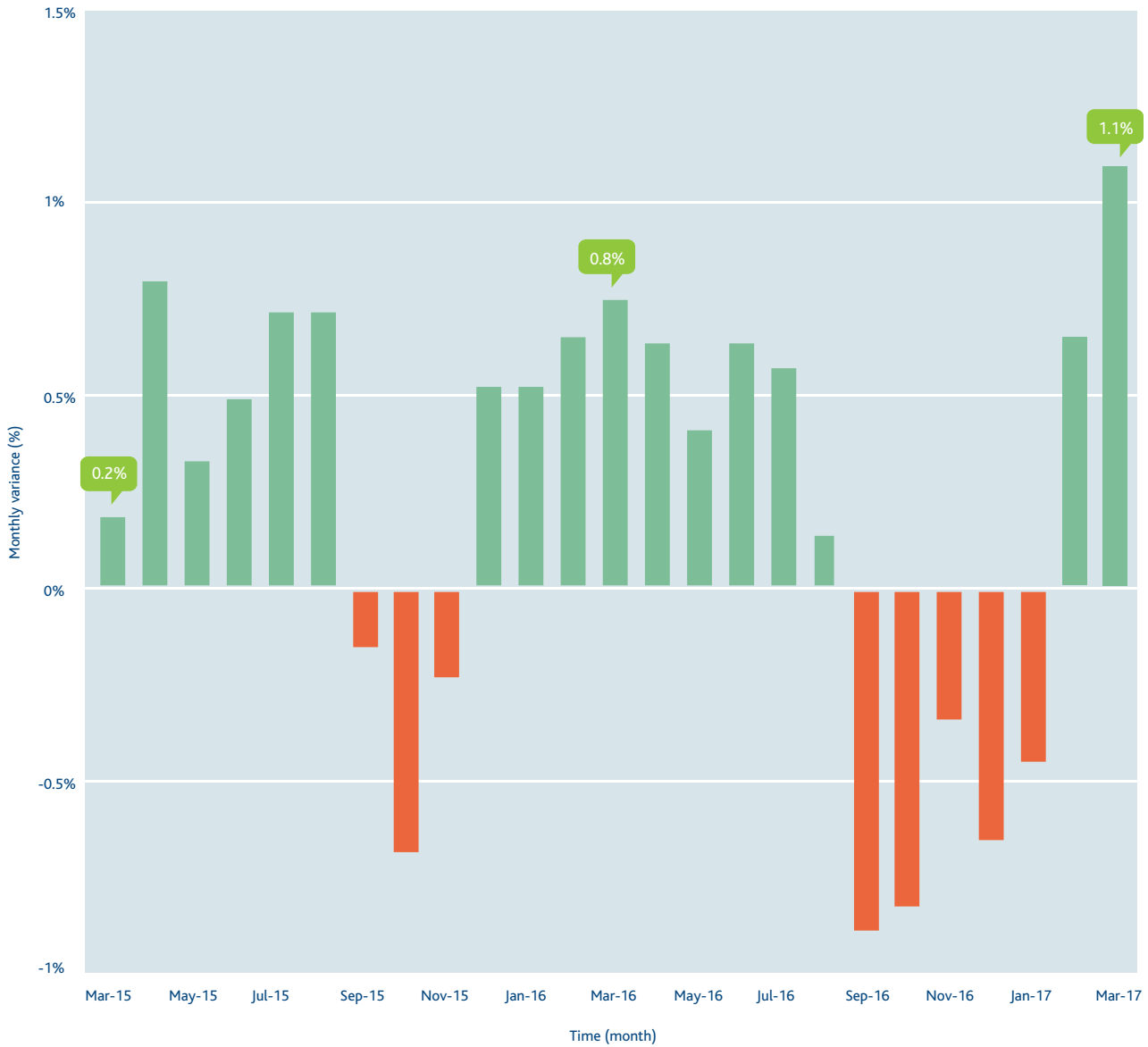
Annual variance in rental values



It's interesting to note...

- The average UK rental value was £904pcm - this is 1.1% higher than the same period last year (£894pcm) and a reduction in the rate of increase seen in March 2016 (4.7%)

Monthly variance in average rent in the UK



It's interesting to note...

- The UK average rental value has increased by 1.1% since February 2017 - this is more than the monthly variance in March 2016 (0.8%) and March 2015 (0.2%)



In detail...

The full regional breakdown can be seen on the next page



UK regional breakdown

% Annual variance in average rent



North East		UK	
Average rent March 2017	£522	Average rent March 2017	£904
Average rent February 2017	£522	Average rent February 2017	£895
Monthly variance	0.0%	Monthly variance	1.1%
Average rent March 2016	£512	Average rent March 2016	£894
Annual variance	1.9%	Annual variance	1.1%

Scotland	
Average rent March 2017	£610
Average rent February 2017	£597
Monthly variance	2.1%
Average rent March 2016	£602
Annual variance	1.2%

Yorkshire and Humber	
Average rent March 2017	£619
Average rent February 2017	£621
Monthly variance	-0.3%
Average rent March 2016	£607
Annual variance	2.1%

North West	
Average rent March 2017	£675
Average rent February 2017	£680
Monthly variance	-0.7%
Average rent March 2016	£664
Annual variance	1.7%

East Midlands	
Average rent March 2017	£602
Average rent February 2017	£595
Monthly variance	1.1%
Average rent March 2016	£593
Annual variance	1.6%

West Midlands	
Average rent March 2017	£663
Average rent February 2017	£659
Monthly variance	0.6%
Average rent March 2016	£654
Annual variance	1.4%

East of England	
Average rent March 2017	£902
Average rent February 2017	£896
Monthly variance	0.7%
Average rent March 2016	£892
Annual variance	1.1%

Wales	
Average rent March 2017	£616
Average rent February 2017	£602
Monthly variance	2.3%
Average rent March 2016	£598
Annual variance	3.1%

Greater London	
Average rent March 2017	£1,546
Average rent February 2017	£1,520
Monthly variance	1.7%
Average rent March 2016	£1,527
Annual variance	1.2%

Northern Ireland	
Average rent March 2017	£614
Average rent February 2017	£604
Monthly variance	1.6%
Average rent March 2016	£605
Annual variance	1.5%

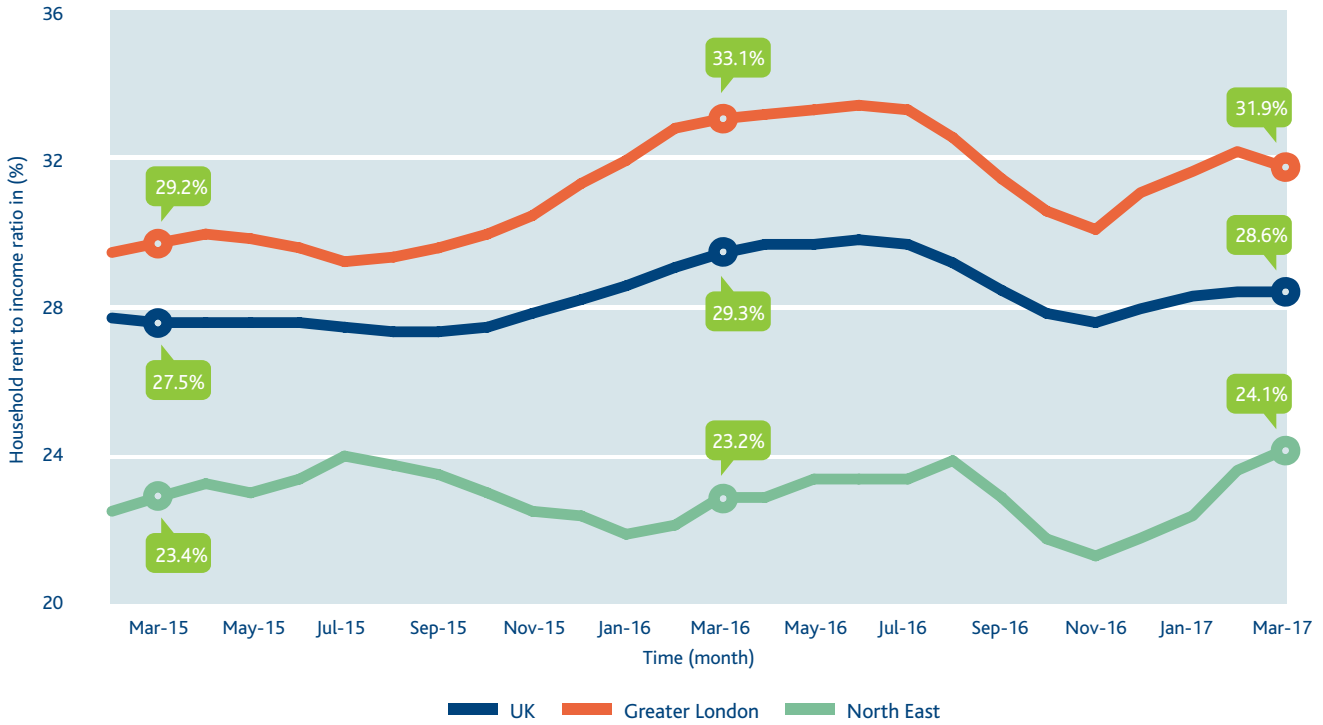
South West	
Average rent March 2017	£798
Average rent February 2017	£791
Monthly variance	0.9%
Average rent March 2016	£791
Annual variance	0.9%

South East	
Average rent March 2017	£997
Average rent February 2017	£992
Monthly variance	0.5%
Average rent March 2016	£1,000
Annual variance	-0.3%

Household rent to income ratio in the UK

The data displayed below looks at the average gross household income per property against the average total rental value per property.

Household rent to income ratio in the UK, London and the North East

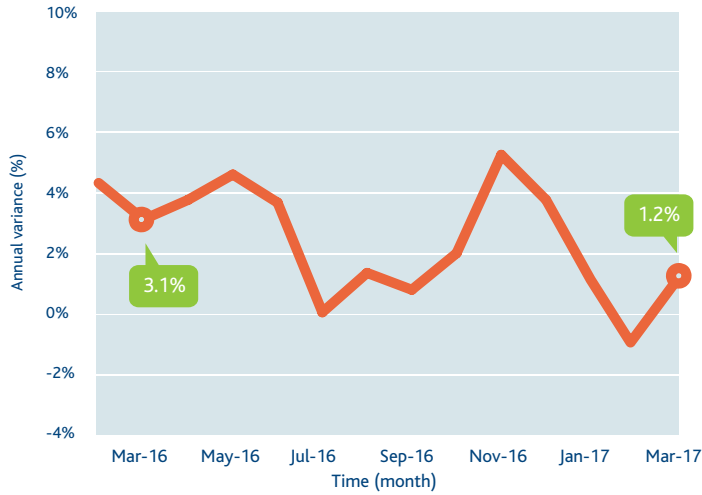


Household rent to income ratio by region

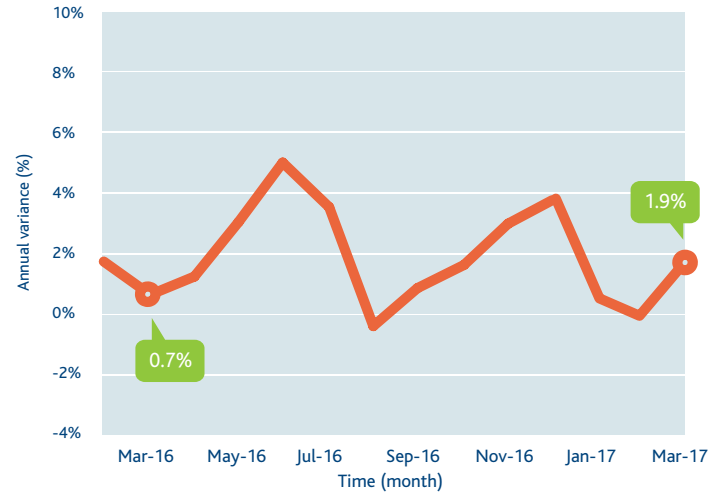
Region	March 2017	March 2016	Variance (percentage points)
Greater London	31.9%	33.1%	-1.2%
South West	29.7%	30.9%	-1.1%
South East	29.5%	30.3%	-0.9%
East of England	28.6%	29.0%	-0.4%
Wales	27.6%	29.1%	-1.5%
West Midlands	26.7%	27.5%	-0.8%
East Midlands	27.4%	27.4%	-0.0%
Scotland	26.6%	26.1%	0%
North West	26.0%	26.7%	-0.6%
Northern Ireland	26.6%	27.9%	-1.2%
Yorkshire and The Humber	25.0%	25.5%	-0.4%
North East	24.1%	23.2%	+0.9%
UK	28.6%	29.3%	-0.7%
UK excluding Greater London	27.7%	28.3%	-0.6%

Annual variance in average rental values by region

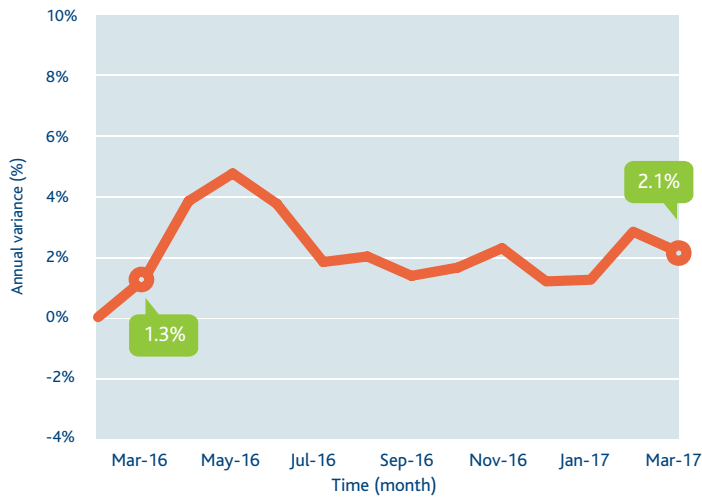
Scotland



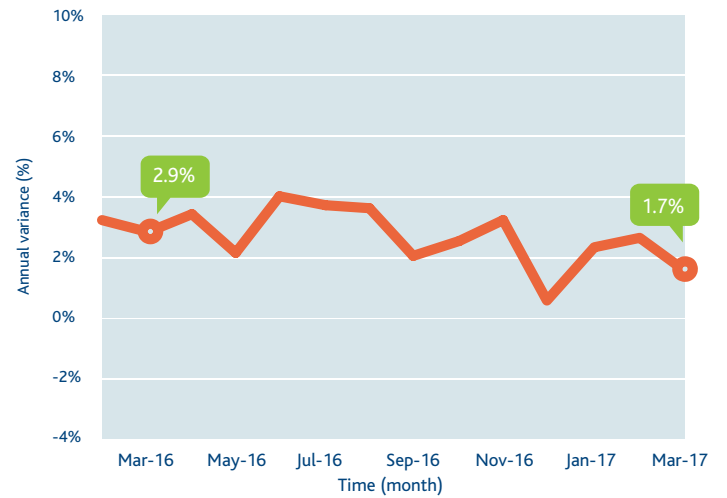
North East



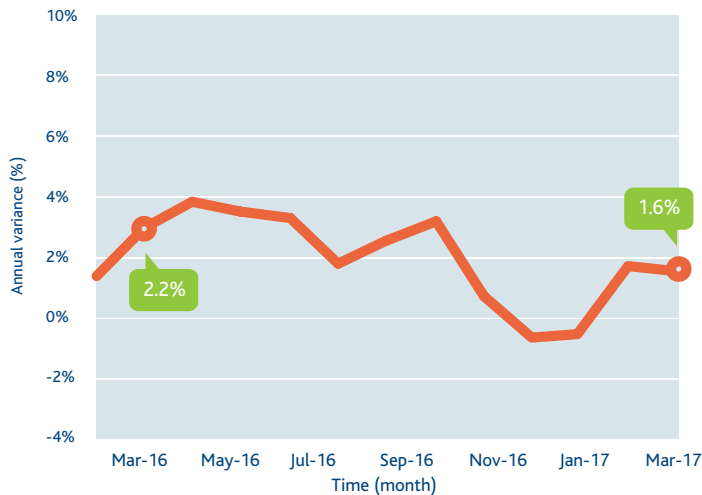
Yorkshire and the Humber



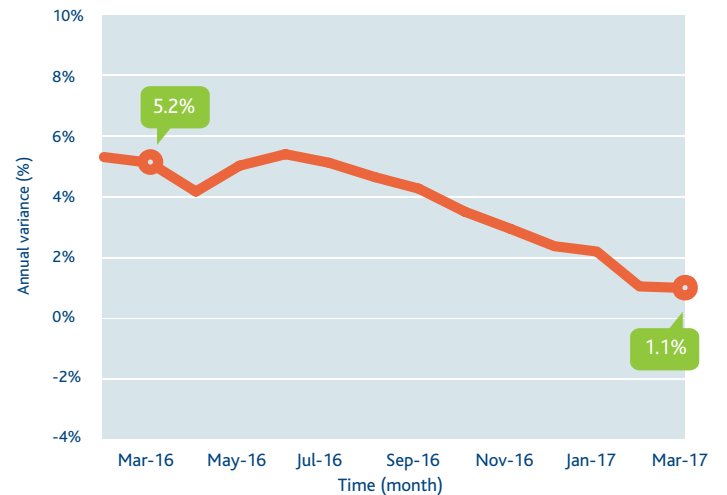
North West



East Midlands

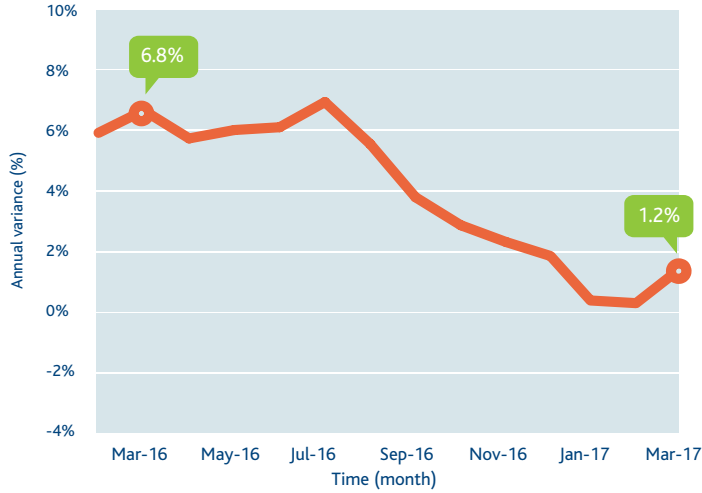


East of England

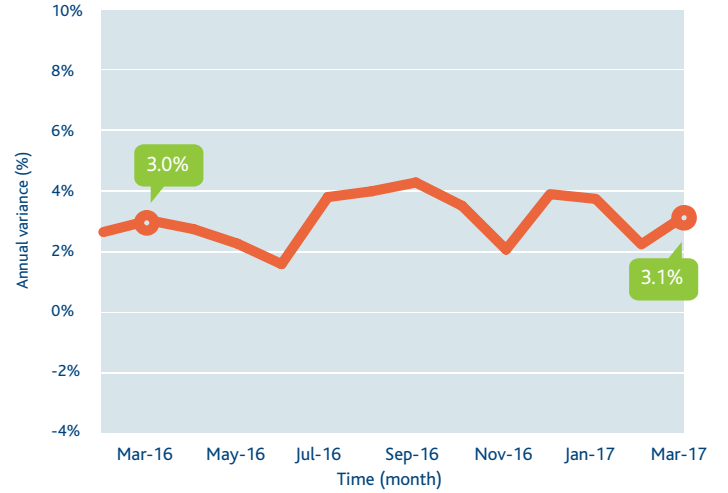


Annual variance in average rental values by region

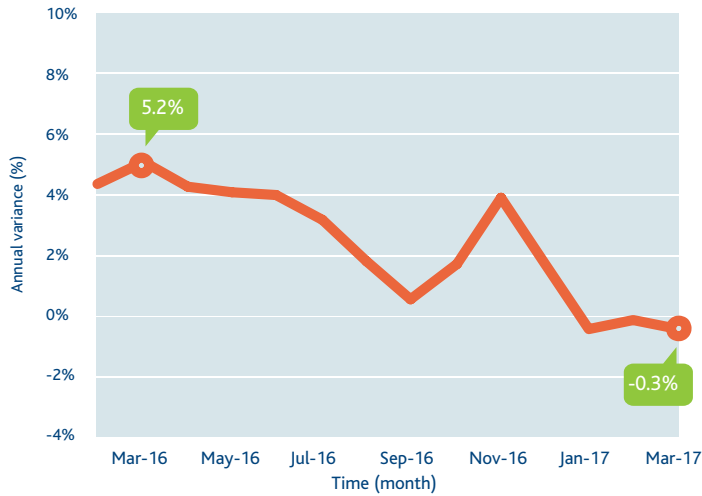
Greater London



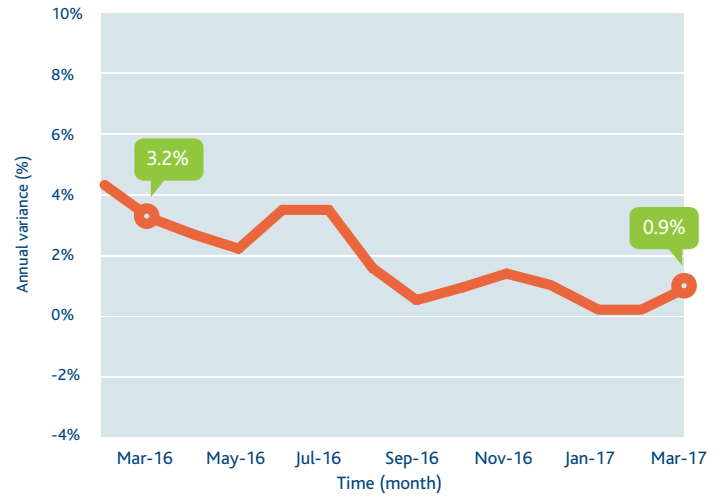
Wales



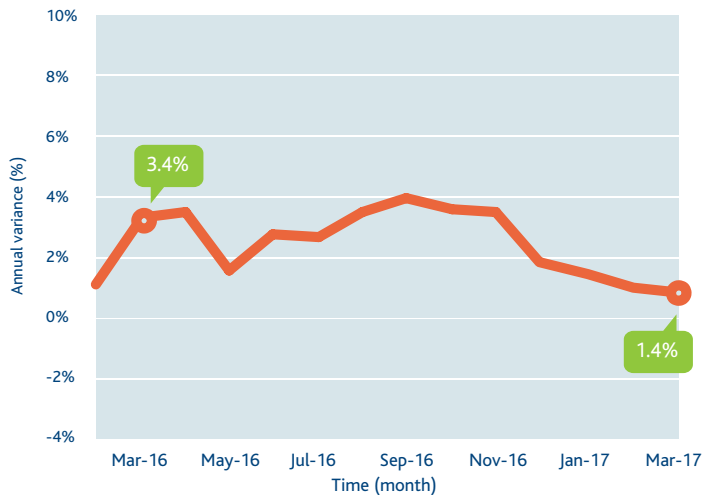
South East



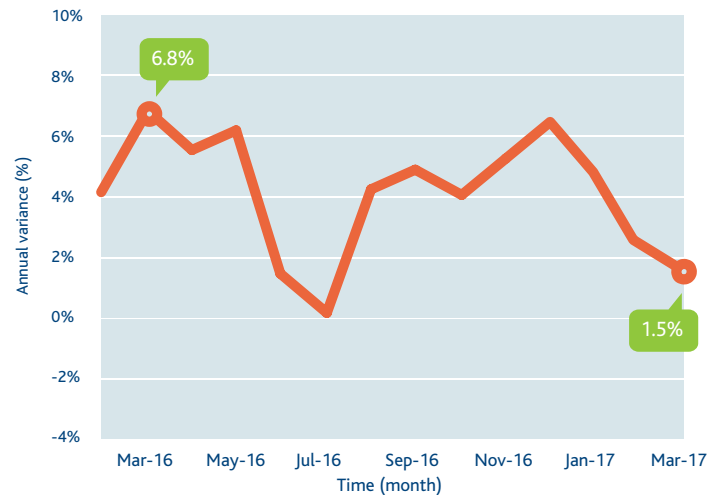
South West



West Midlands

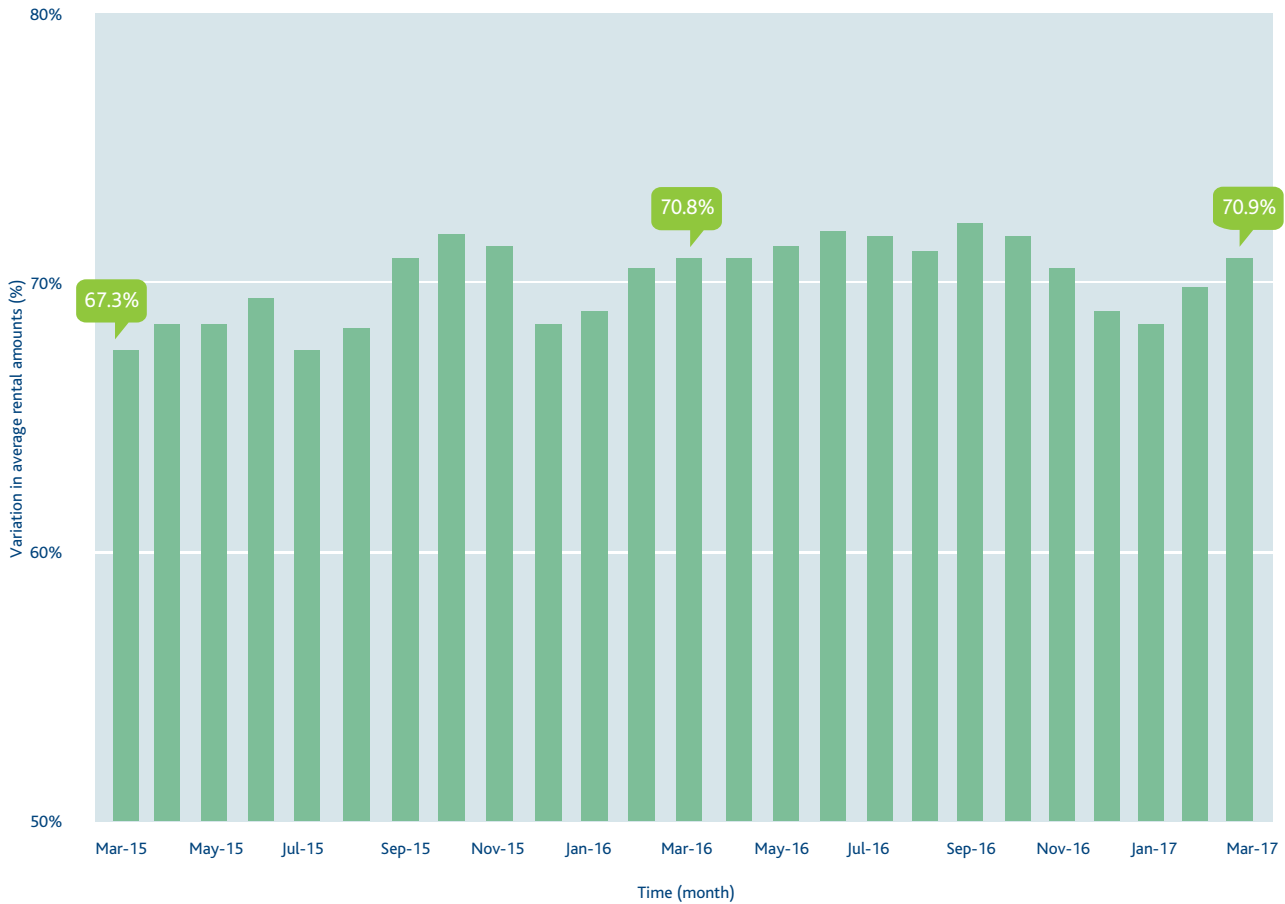


Northern Ireland



Greater London vs. the UK

Monthly variation between Greater London rental prices and the UK average

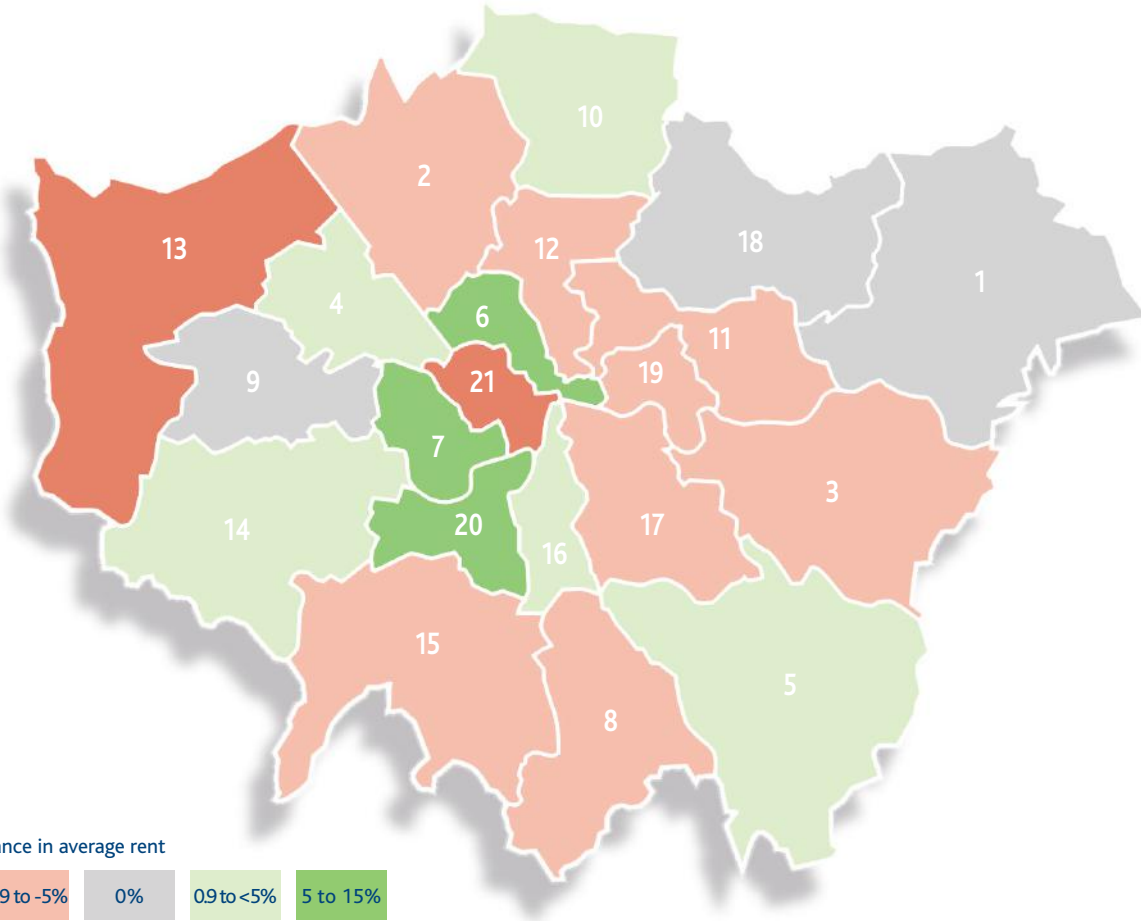


The figures also show...

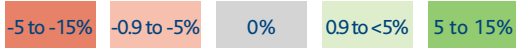
- In March 2017, average rental values in London (£1,546) were 70.9% higher than the UK (£904)
- The gap between London and the rest of the UK was comparable to March 2016 (70.8%) and higher than March 2015 (67.3%)

Greater London by borough

This section looks at the average rental values for new tenancies for the boroughs of London. The annual variance compares March 2016 with March 2017.



% Annual variance in average rent



1 Barking, Dagenham & Havering	2 Barnet	3 Bexley & Greenwich	4 Brent	5 Bromley					
Avg rent March 17	£1,162	Avg rent March 17	£1,505	Avg rent March 17	£1,223	Avg rent March 17	£1,560	Avg rent March 17	£1,356
Annual variance	0.0%	Annual variance	-1.5%	Annual variance	-3.2%	Annual variance	4.3%	Annual variance	4.8%
6 Camden & City of London	7 Chelsea, Fulham, Hammersmith & Kensington	8 Croydon	9 Ealing	10 Enfield					
Avg rent March 17	£2,186	Avg rent March 17	£1,823	Avg rent March 17	£1,101	Avg rent March 17	£1,456	Avg rent March 17	£1,363
Annual variance	11.4%	Annual variance	5.0%	Annual variance	-3.9%	Annual variance	-0.5%	Annual variance	3.0%
11 Hackney & Newham	12 Haringey & Islington	13 Harrow & Hillingdon	14 Hounslow & Richmond upon Thames	15 Kingston upon Thames, Merton & Sutton					
Avg rent March 17	£1,414	Avg rent March 17	£1,568	Avg rent March 17	£1,339	Avg rent March 17	£1,431	Avg rent March 17	£1,350
Annual variance	-3.8%	Annual variance	-2.5%	Annual variance	-6.8%	Annual variance	1.9%	Annual variance	-1.3%
16 Lambeth	17 Lewisham & Southwark	18 Redbridge & Waltham Forest	19 Tower Hamlets	20 Wandsworth					
Avg rent March 17	£1,937	Avg rent March 17	£1,572	Avg rent March 17	£1,253	Avg rent March 17	£1,709	Avg rent March 17	£1,678
Annual variance	4.4%	Annual variance	-4.6%	Annual variance	0.0%	Annual variance	-1.2%	Annual variance	5.2%
21 Westminster									
Avg rent March 17	£2,041								
Annual variance	-5.9%								

Greater London ranked by borough

Five London boroughs with the highest average rent

London borough	Average rent Mar 2017
Camden, City of London	£2,186
Westminster	£2,041
Lambeth	£1,937
Hammersmith, Fulham, Kensington and Chelsea	£1,823
Tower Hamlets	£1,709

Five London boroughs with the lowest average rent

London borough	Average rent Mar 2017
Croydon	£1,101
Barking, Dagenham and Havering	£1,162
Bexley and Greenwich	£1,223
Redbridge and Waltham Forest	£1,253
Harrow and Hillingdon	£1,339

Five London boroughs with the highest annual variance in average rent

London borough	Annual variance
Camden, City of London	11.4%
Wandsworth	5.2%
Hammersmith, Fulham, Kensington and Chelsea	5.0%
Bromley	4.8%
Lambeth	4.4%

Five London boroughs with the lowest annual variance in average rent

London borough	Annual variance
Harrow and Hillingdon	-6.8%
Westminster	-5.9%
Lewisham and Southwark	-4.6%
Croydon	-3.9%
Hackney and Newham	-3.8%

About HomeLet

With 25 years supporting the industry, HomeLet is one of the leading sources of support for the UK's vibrant private rented sector. Part of the Barbon Insurance Group, we're based in Lincoln, with more than 300 members of staff working hard every day to support letting agents, landlords and tenants.

About the HomeLet Rental Index

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.

For more information on the HomeLet Rental Index please visit

homelet.co.uk/homelet-rental-index