

# HomeLet Rental Index

## Key headlines

- When London is excluded, the average UK rental value was £771pcm - this is 4.4% higher than the same period last year (£738pcm)
- Average rental values have increased in eleven out of twelve regions in the UK, compared to the same period last year
- Rents in Greater London are up by 6.2% year on year – a slight drop on last month's annual growth rate (7.7%)

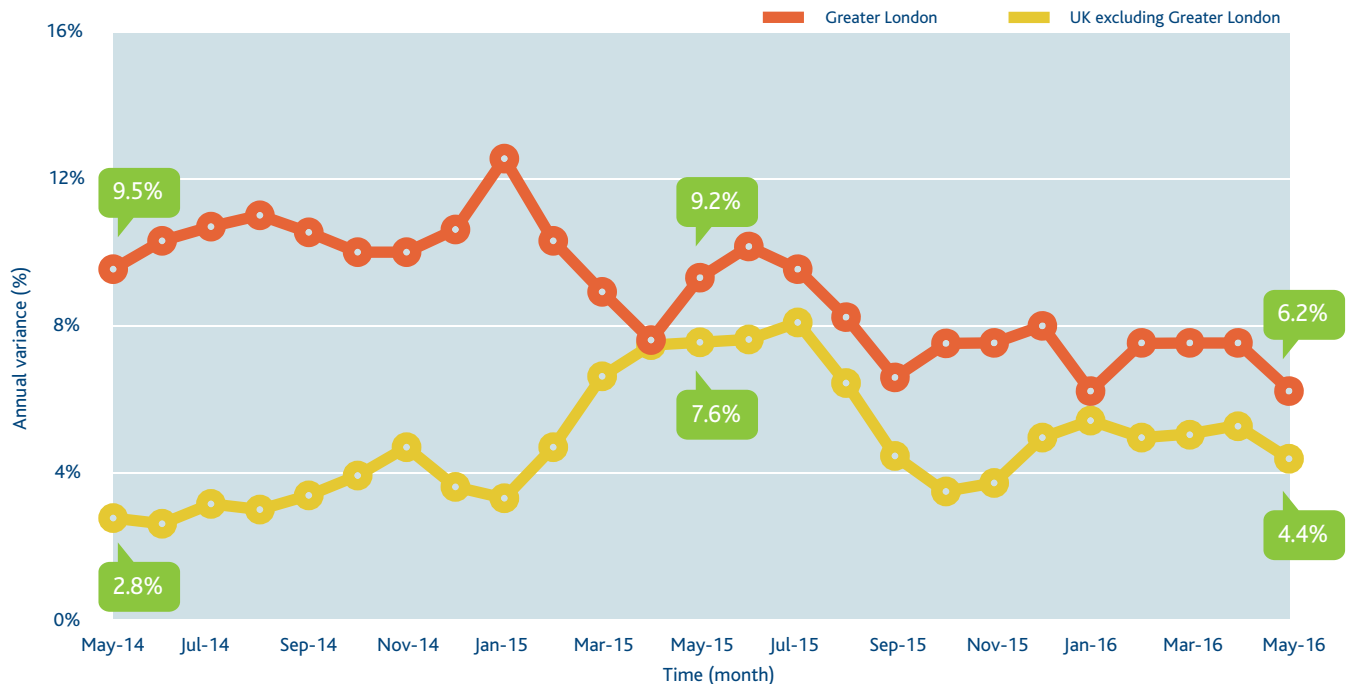


## May 2016 edition

HomeLet Rental Index provides comprehensive and up to date data on new tenancies in the UK. As part of the referencing process for around 350,000 prospective tenants each year, HomeLet processes information including the rental amounts agreed, the number of tenants moving into the property together with the employment status, income and age of all tenants. The trends reported within the HomeLet Rental Index are brand new tenancies which were arranged in the most recent period, giving the most relevant insight into changes in the Private Rented Sector. All rental and income amounts are an average taken over the three months preceding May. The annual change is calculated as an average for the latest three months compared with the same period a year earlier.

## Average rental values

### Annual variance in average rent for Greater London and the UK (excluding Greater London)



### It's interesting to note...

- The average UK rental value excluding London was £771pcm - this is 4.4% higher than last year (£738pcm)
- Greater London is up by 6.2% against last year, which is reduction on the rate of increase seen in May 2015 (9.2%)
- The rest of the UK is up by 4.4% against last year, which is a reduction on the rate of increase seen in May 2015 (7.6%)
- Outside London, the highest levels of annual increase have been seen in Scotland (10.6%), the East Midlands (8.3%), Yorkshire & Humberside (7.3%) and East Anglia (7%)



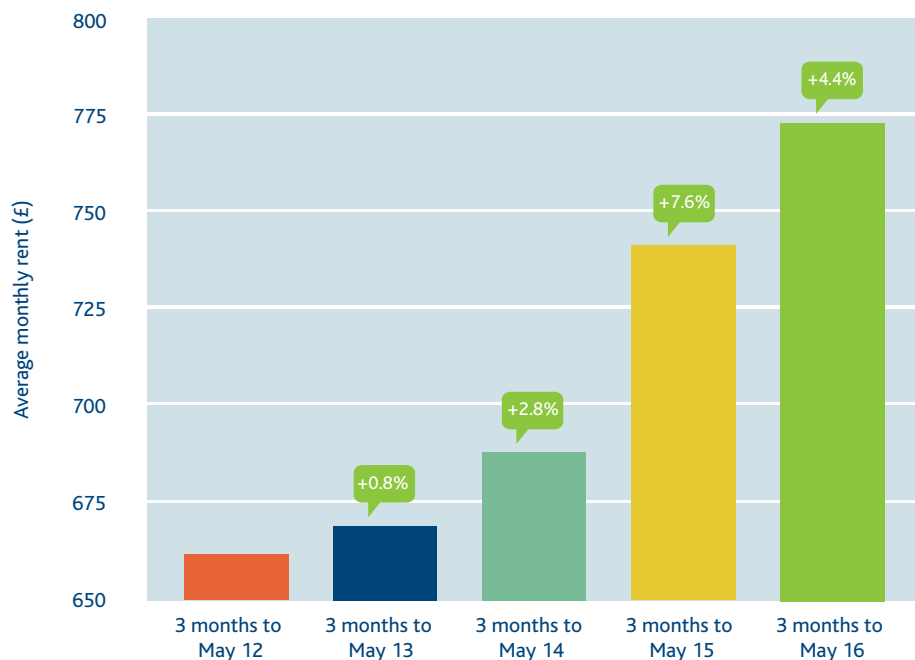
In detail...

The full regional breakdown  
can be seen on page four

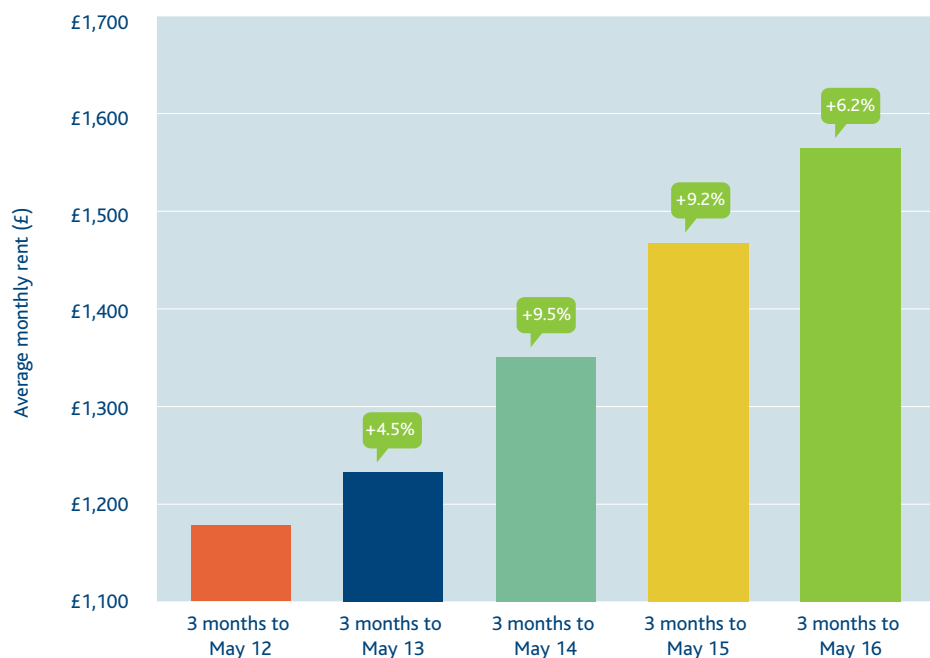


# Average rental values with annual comparison

## UK excluding Greater London

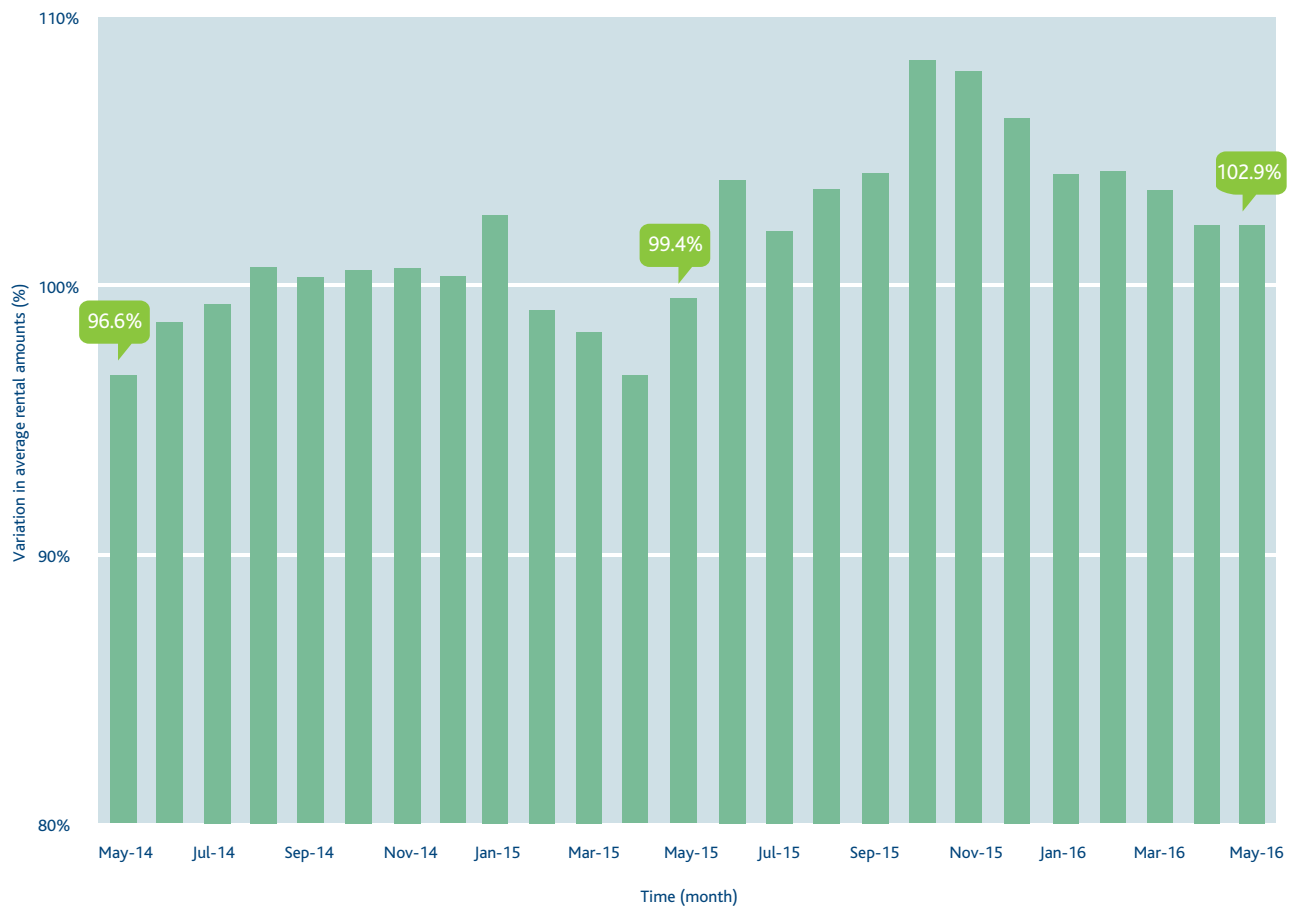


## Greater London



## Greater London v. the rest of the UK

Monthly variation between Greater London rental prices and the UK average (excluding Greater London)



The figures also show...

- In May 2016 average rental values in London (£1,563) were 103% higher than the rest of the UK (£771)
- The gap between London and the rest of the UK was lower than May 2015 (99.4%) and May 2014 (96.6%)
- The variation between London and the rest of the UK has reduced since a peak in September 2015

## UK regional breakdown

All rental amounts are an average taken over the three months preceding the date shown.

■ Average rent decreased from previous year ■ Average rent increased on previous year

### North East

Average rent to May 2016	£542
Average rent to Apr 2016	£532
Monthly variance	1.8%
Average rent to May 2015	£537
Annual variance	0.9%

### UK excluding London average

Average rent to May 2016	£771
Average rent to Apr 2016	£764
Monthly variance	0.8%
Average rent to May 2015	£738
Annual variance	4.4%

### Scotland

Average rent to May 2016	£721
Average rent to Apr 2016	£704
Monthly variance	2.4%
Average rent to May 2015	£652
Annual variance	10.6%

### Yorkshire and Humber

Average rent to May 2016	£634
Average rent to Apr 2016	£627
Monthly variance	1.2%
Average rent to May 2015	£591
Annual variance	7.3%

### North West

Average rent to May 2016	£653
Average rent to Apr 2016	£659
Monthly variance	-0.8%
Average rent to May 2015	£666
Annual variance	-1.9%

### East Midlands

Average rent to May 2016	£648
Average rent to Apr 2016	£646
Monthly variance	0.3%
Average rent to May 2015	£599
Annual variance	8.3%

### West Midlands

Average rent to May 2016	£671
Average rent to Apr 2016	£659
Monthly variance	1.8%
Average rent to May 2015	£648
Annual variance	3.5%

### East Anglia

Average rent to May 2016	£830
Average rent to Apr 2016	£809
Monthly variance	2.6%
Average rent to May 2015	£776
Annual variance	7.0%

### Wales

Average rent to May 2016	£609
Average rent to Apr 2016	£597
Monthly variance	2.0%
Average rent to May 2015	£582
Annual variance	4.8%

### Greater London

Average rent to May 2016	£1,563
Average rent to Apr 2016	£1,543
Monthly variance	1.3%
Average rent to May 2015	£1,472
Annual variance	6.2%

### Northern Ireland

Average rent to May 2016	£629
Average rent to Apr 2016	£608
Monthly variance	3.4%
Average rent to May 2015	£598
Annual variance	5.2%

### South West

Average rent to May 2016	£896
Average rent to Apr 2016	£891
Monthly variance	0.6%
Average rent to May 2015	£878
Annual variance	2.1%

### South East

Average rent to May 2016	£969
Average rent to Apr 2016	£963
Monthly variance	0.6%
Average rent to May 2015	£940
Annual variance	3.1%

## About the HomeLet Rental Index

As well as information on rental amounts, the HomeLet Rental Index also provides information on tenant demographics, such as their average age, income, previous residential status and the property type they're applying to live in.

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. We reference up to 1,700 applicants every day – so information in the report is comprehensive, accurate and up to date.

The data used in the HomeLet Rental Index is aggregated to local authority, county, city and regional level only. This ensures that all property or individual records remain strictly anonymous.

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/withdraw this, or any other report.

## About HomeLet

With more than 20 years in 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.

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Visit:

**[homelet.co.uk/homelet-rental-index](https://homelet.co.uk/homelet-rental-index)**

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