

February
2024

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

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Average rents and change in rents



Average
rent

£1,262

Renters across the UK are paying £87 per month more in their rent than they did a year ago. Outside of London, renters are paying £80 more per month.



Change
monthly

+0.2%

The market is slowing, and despite a small monthly increase in rents in February, average rents fell in 4 out of 12 regions.



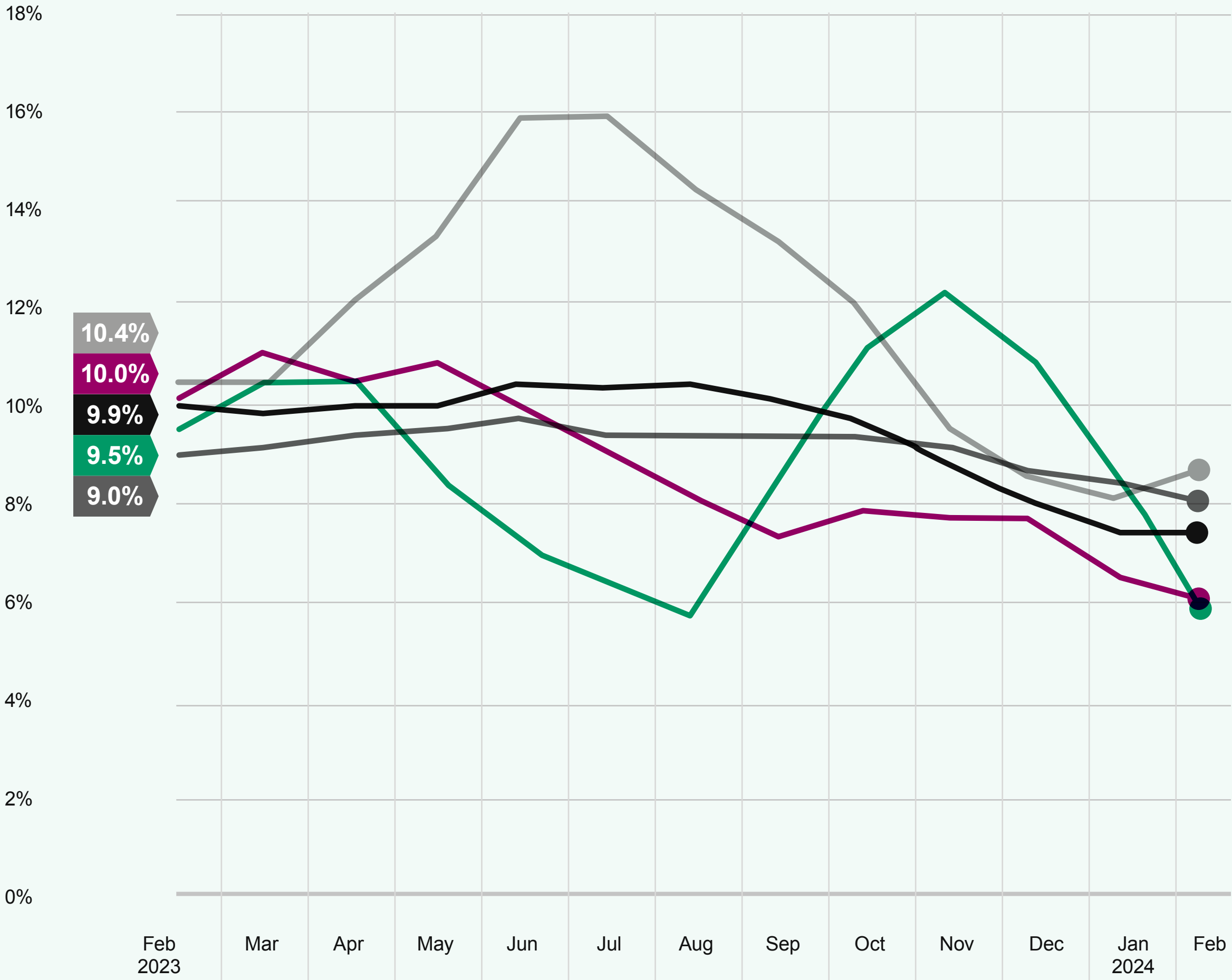
Change
annual

+7.4%

The annual rate of growth of 7.4% is the lowest it's been since August 2021.



Annual change February 2023 to February 2024



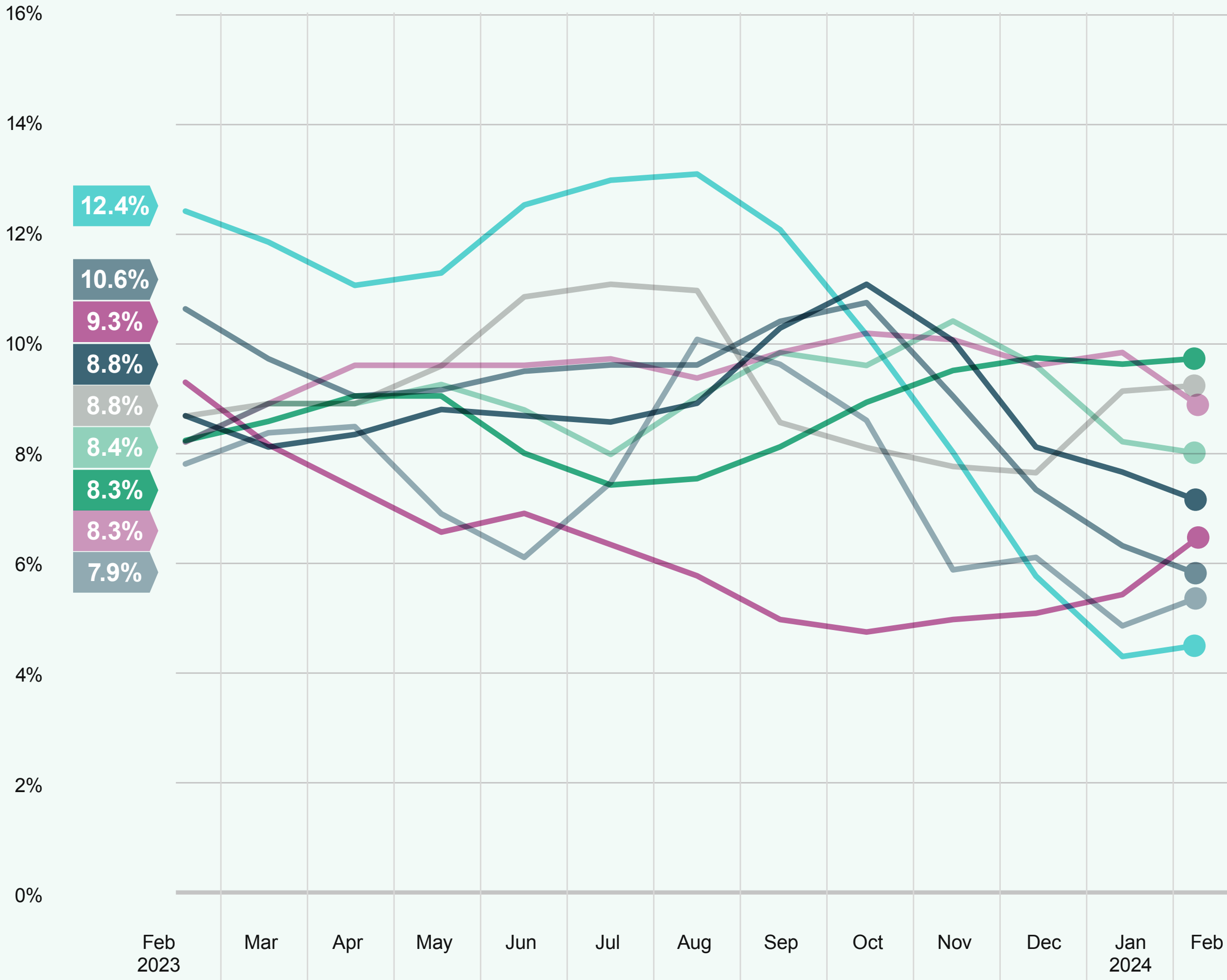
- 8.8% Scotland
- 8.1% UK excluding London
- 7.4% UK
- 6.0% Wales
- 5.9% Northern Ireland

Showing annual change in rents,
February 2024 vs February 2023.
Average rents are based on
tenancies started in each month.

UK and
home
nations



Annual change February 2023 to February 2024



- 9.8% East Midlands
- 9.3% West Midlands
- 8.9% South East
- 8.1% East of England
- 7.3% Yorkshire and the Humber
- 6.7% South West
- 6.0% North West
- 5.7% North East
- 4.8% Greater London

Showing annual change in rents, February 2024 vs February 2023. Average rents are based on agreed rents for tenancies started in each month.

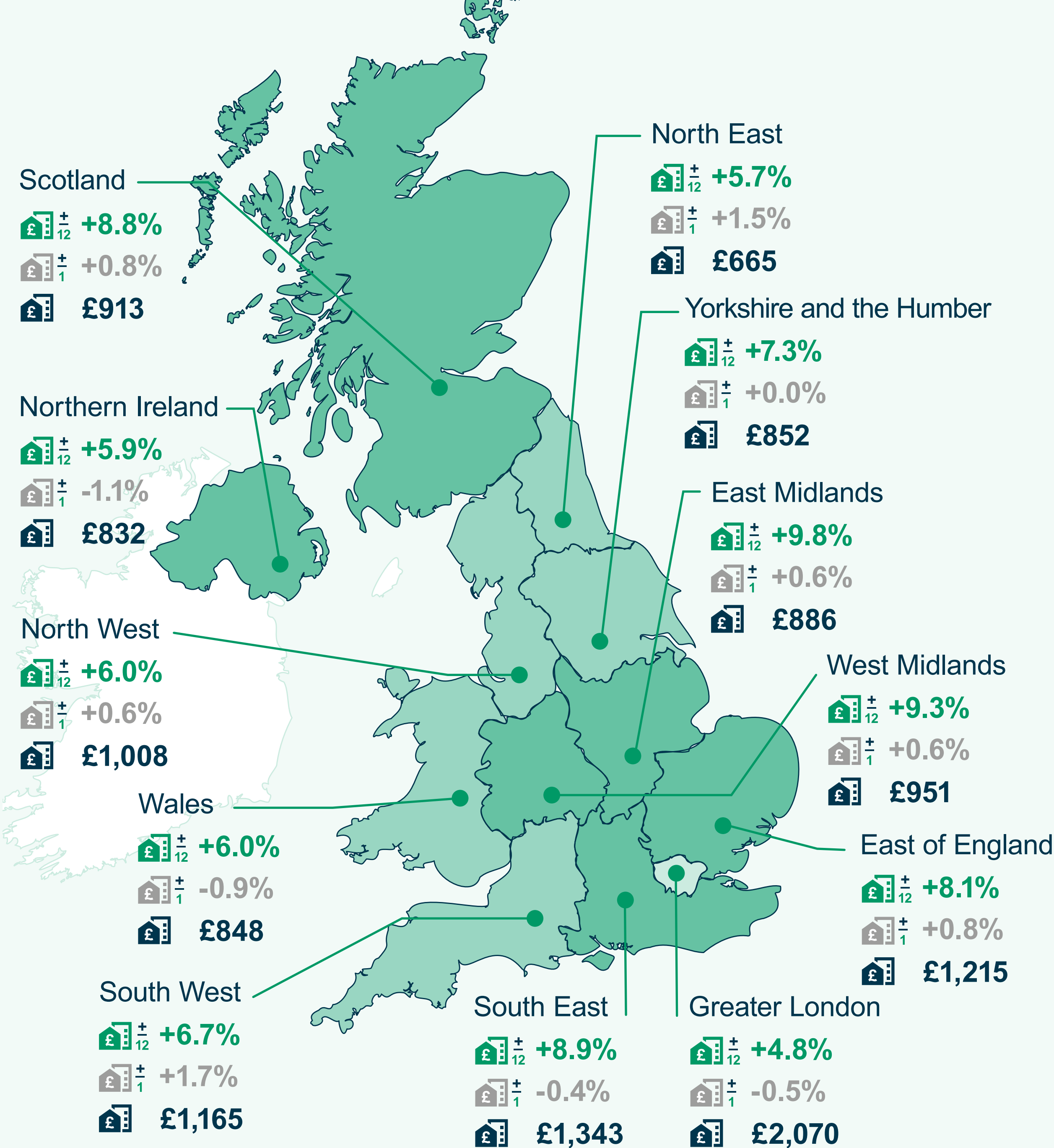


Regional
snapshot



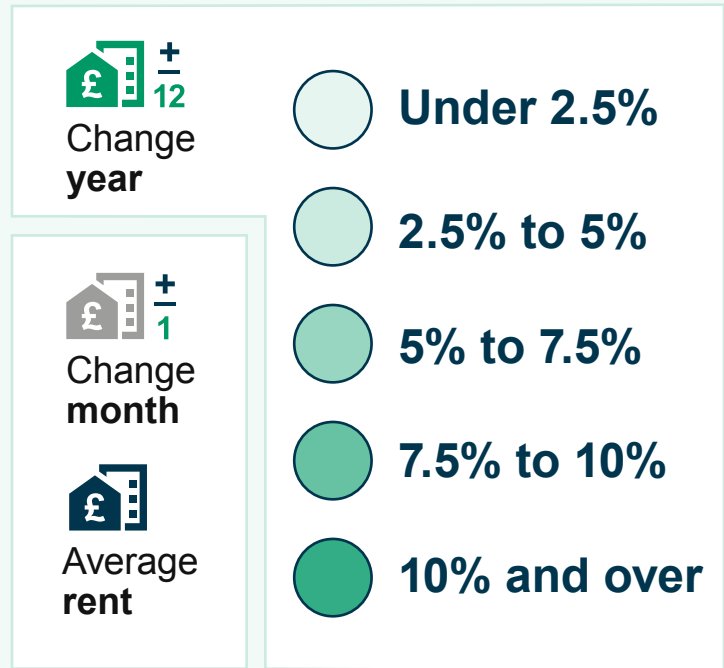
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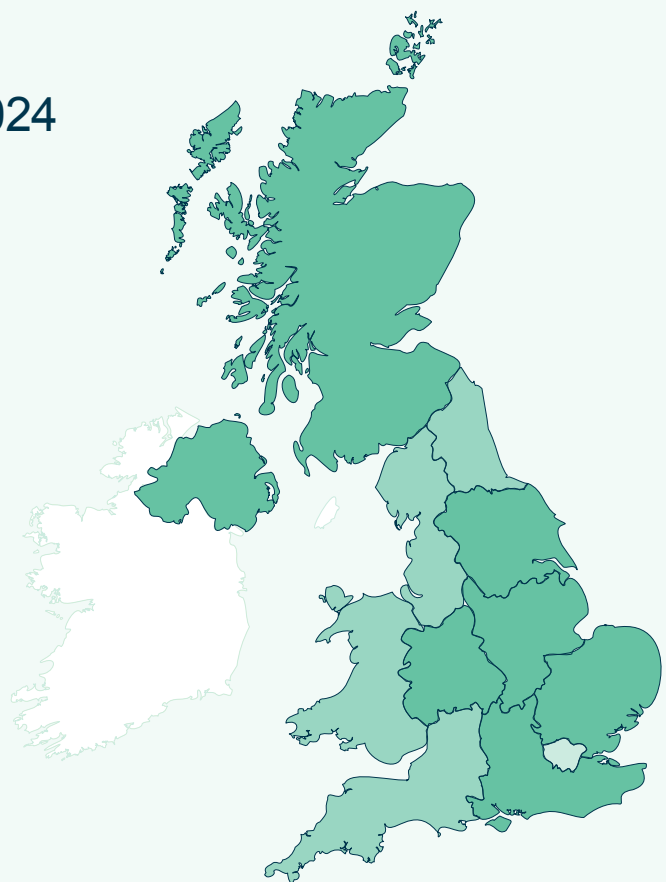


Annual change

February 2023 to
February 2024



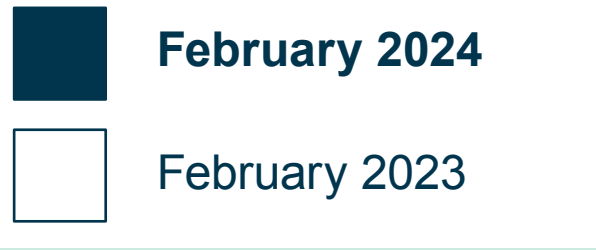
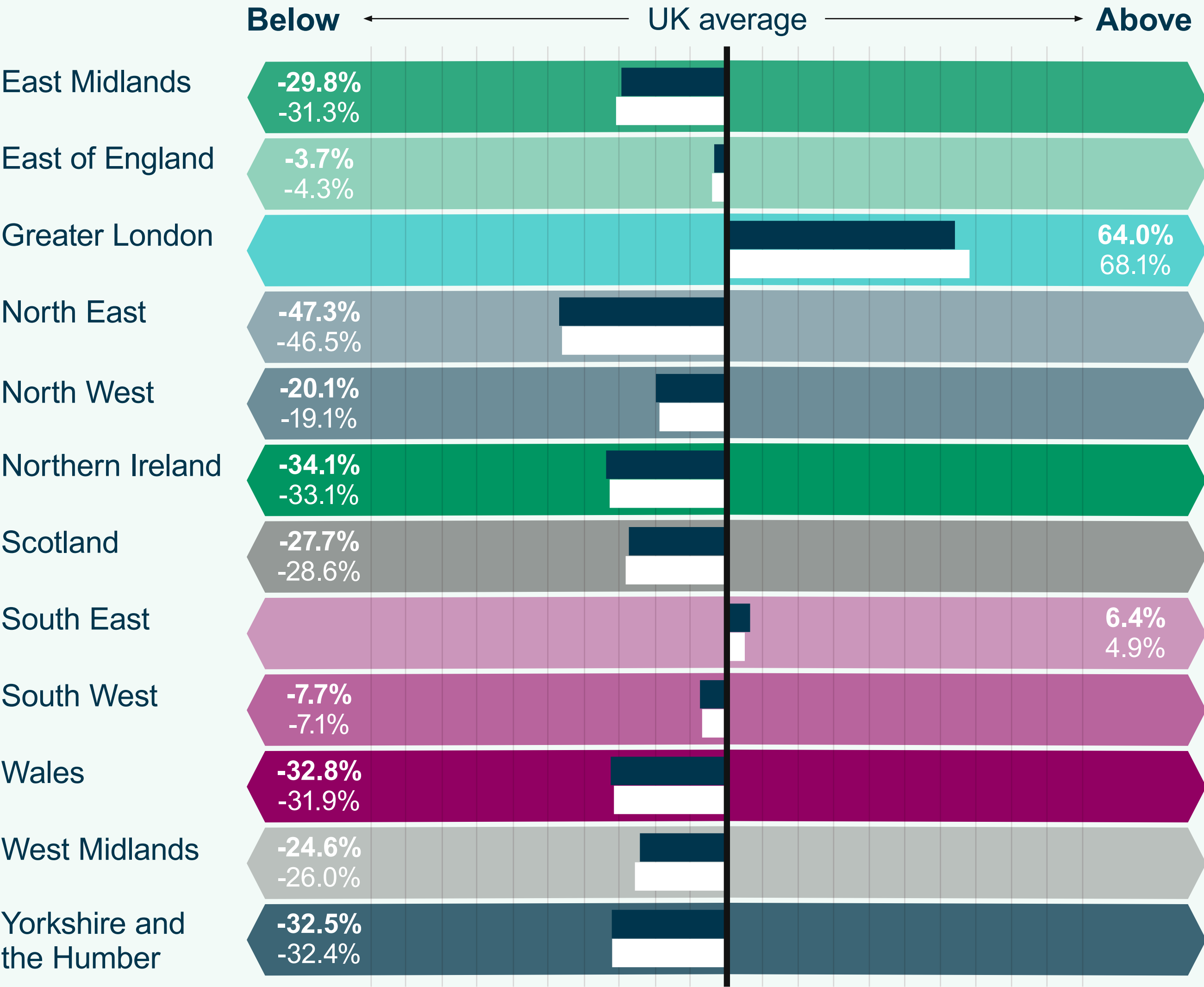
January
2023 to 2024



Next Regional discount / premium

»

Comparison with UK average February 2023 to February 2024



Showing how regional rents compared to the UK average in February 2024 and a year earlier, i.e., average rents in the East Midlands in February 2024 were 29.8% below the national average. However, in February 2023 they were 31.3% below the national average.

Regional
discount /
premium
to UK
average



London focus



**Average
rent**

£2,070

The slowdown in London's rental market continues, with February seeing a 0.5% fall in average rents.



**Change
annual**

+4.8%

The annual rate of growth in London has now slowed to 4.8%, which is the lowest of all UK regions.



**Strongest
performer**

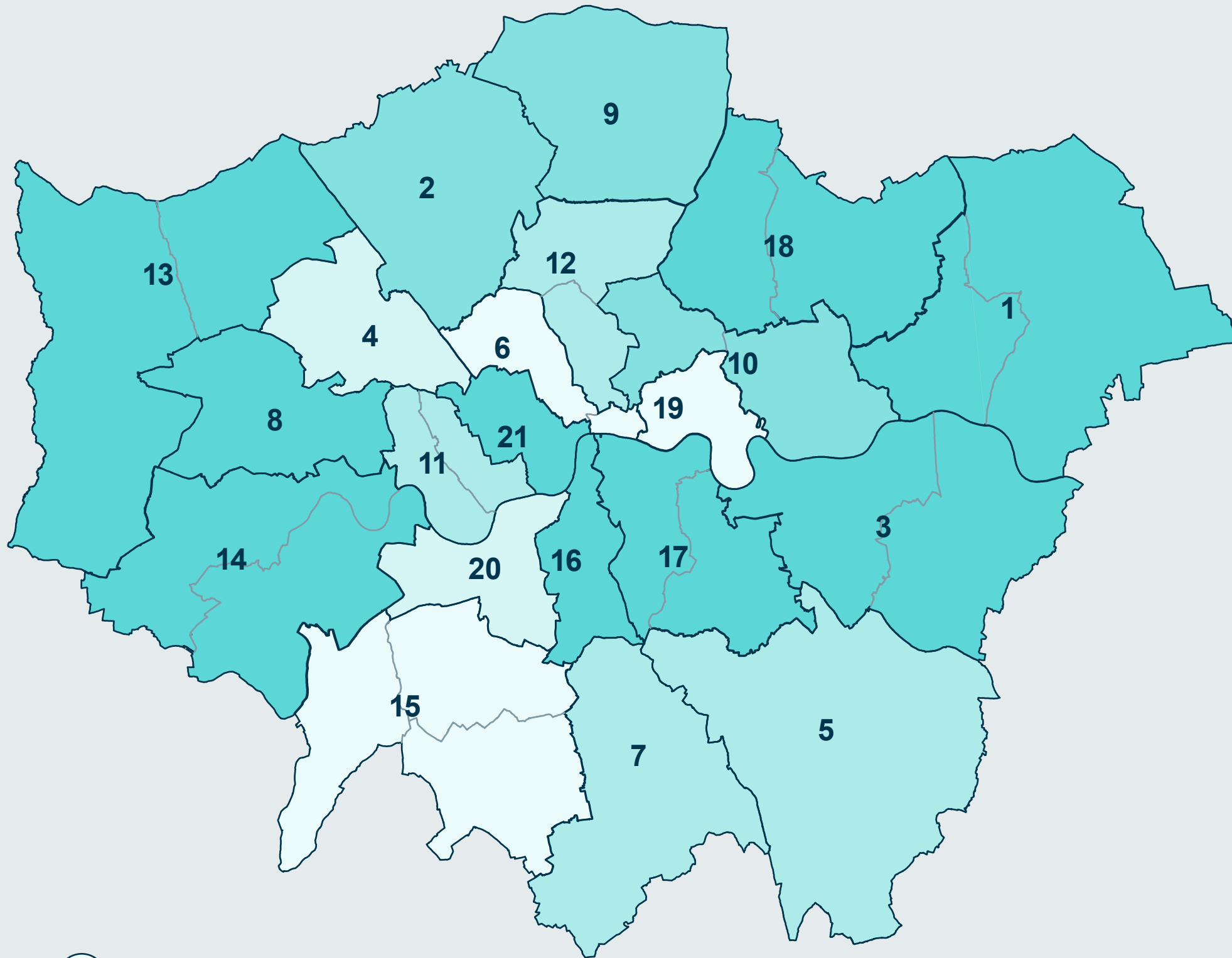
+12.2%

Lambeth

There are noticeable differences across the capital, with 3 areas seeing double-digit annual growth and 3 areas reporting falls over the past year.



Annual change February 2023 to February 2024



- 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	11.8%	£1,750
2	Barnet	5.9%	£2,000
3	Bexley and Greenwich	7.8%	£1,768
4	Brent	0.3%	£1,993
5	Bromley	2.7%	£1,806
6	Camden, City of London	-3.6%	£2,241
7	Croydon	3.4%	£1,441
8	Ealing	8.4%	£1,959
9	Enfield	5.1%	£1,829
10	Hackney and Newham	5.9%	£1,942
11	Hammersmith, Fulham, Kensington and Chelsea	3.2%	£2,646
12	Haringey and Islington	2.3%	£1,980
13	Harrow and Hillingdon	7.3%	£1,709
14	Hounslow and Richmond	6.2%	£1,890
15	Merton, Kingston upon Thames and Sutton	-2.3%	£1,721
16	Lambeth	12.2%	£2,597
17	Lewisham and Southwark	8.0%	£2,084
18	Redbridge and Waltham Forest	10.3%	£1,657
19	Tower Hamlets	-1.8%	£2,077
20	Wandsworth	1.9%	£2,282
21	Westminster	8.5%	£3,492



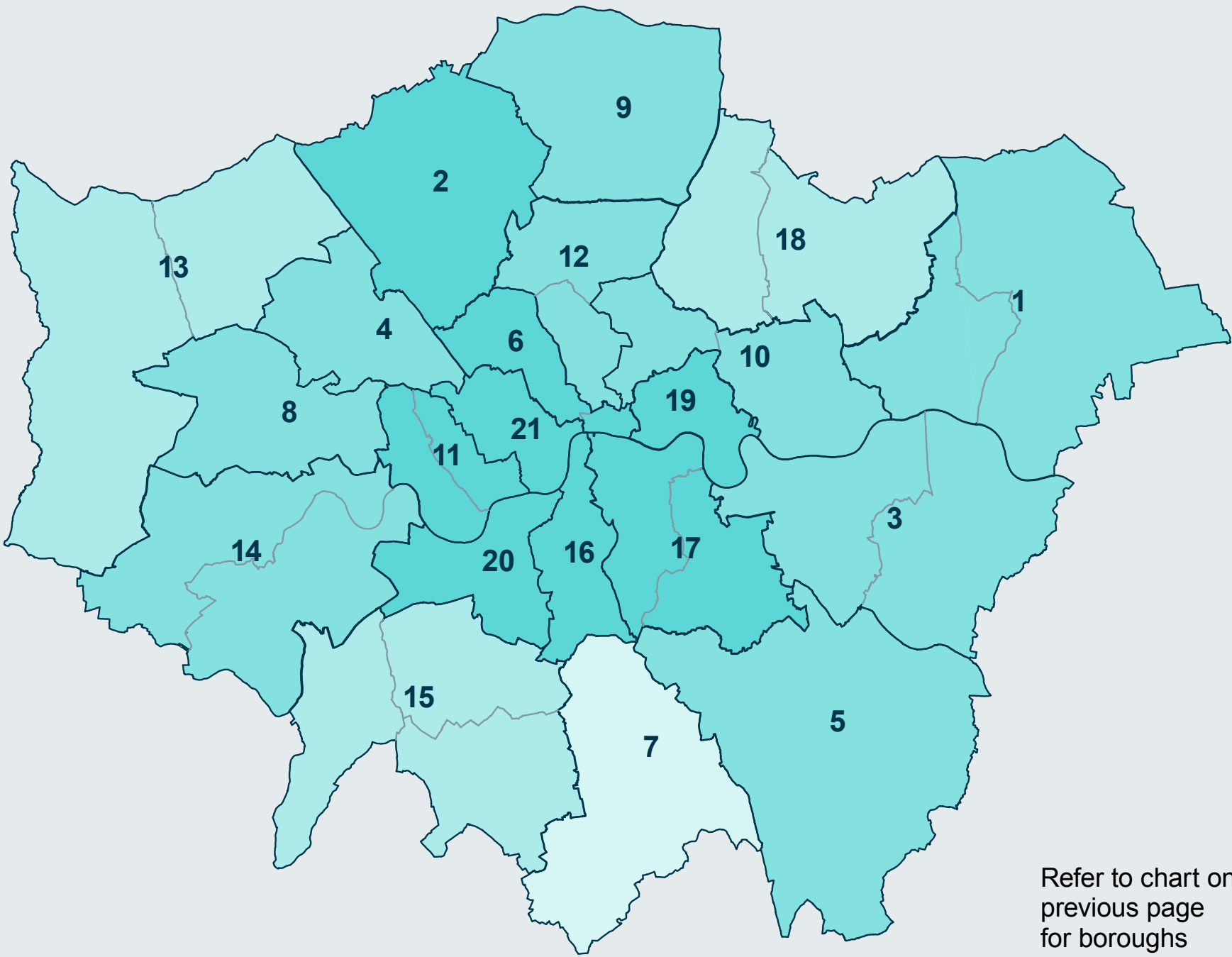
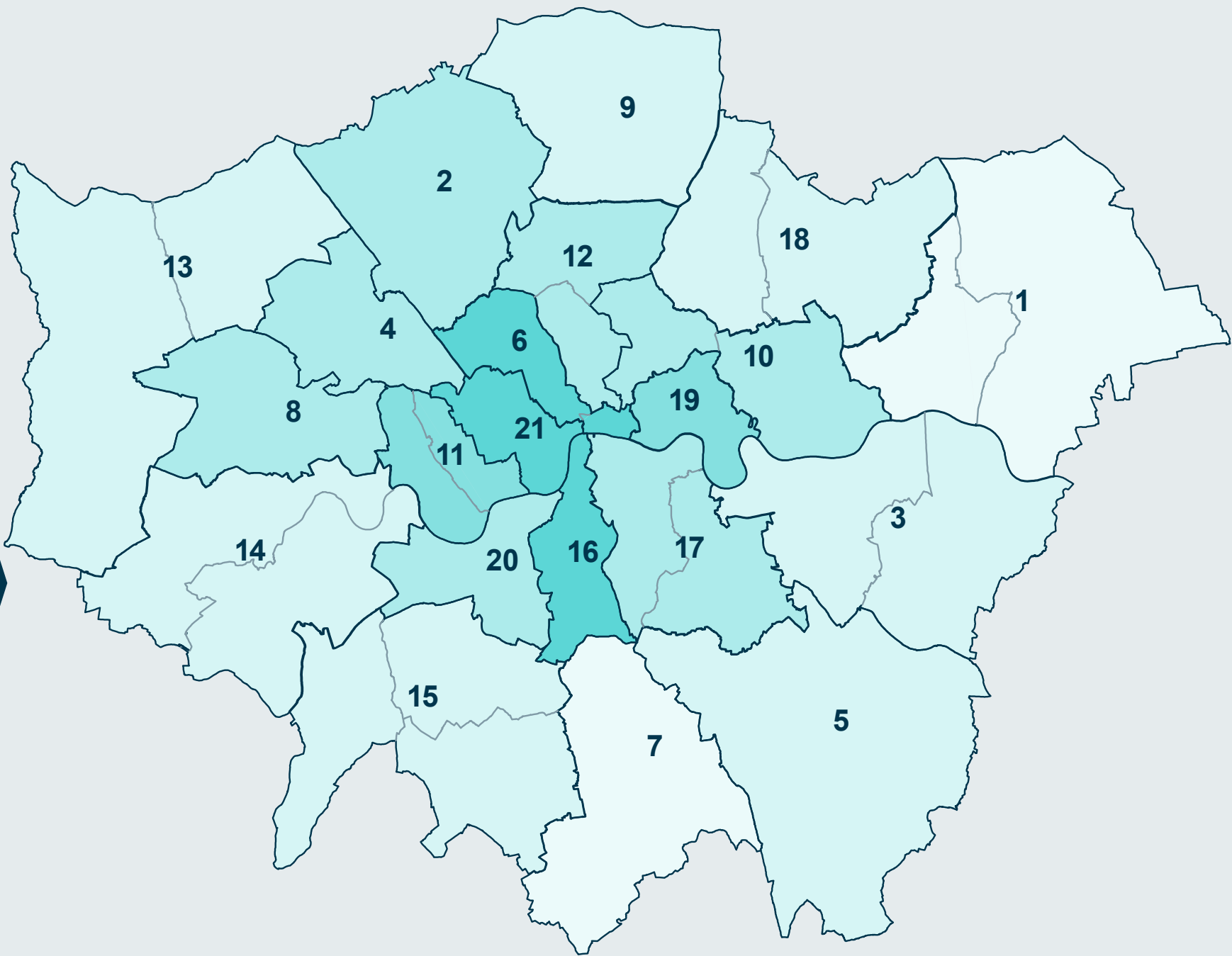


Average rent February 2019



Average rent February 2024

Five-year
snapshot



Refer to chart on
previous page
for boroughs



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

5

YR

Greatest
change over
five years

+53.1%

Westminster

Strongest
and weakest
performers



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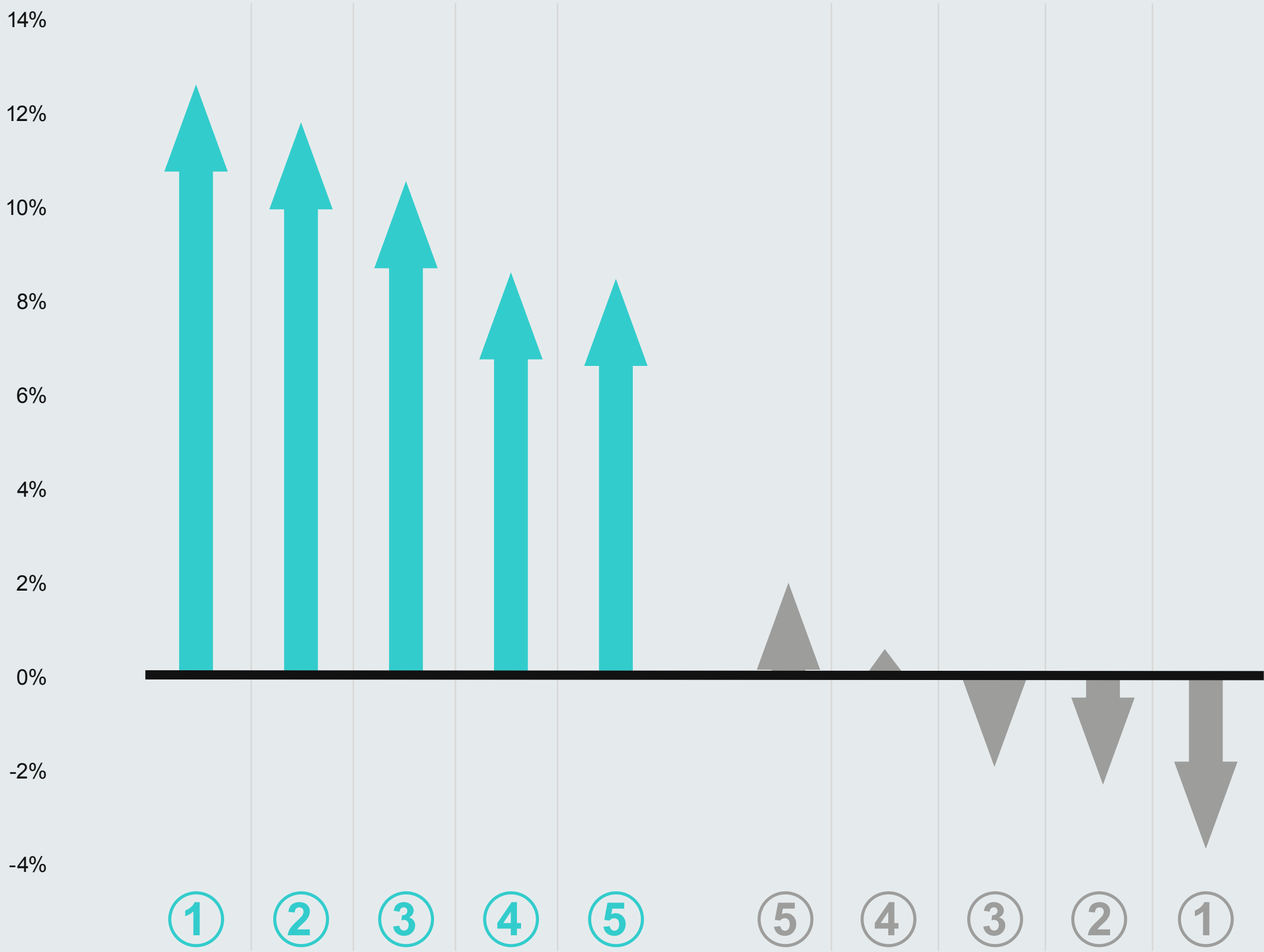
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Strongest February 2024



Weakest February 2024



Based on annual change to February 2024

- 1 +12.2% Lambeth
- 2 +11.8% Barking, Dagenham and Havering
- 3 +10.3% Redbridge and Waltham Forest
- 4 +8.5% Westminster
- 5 +8.4% Ealing
- 5 +1.9% Wandsworth
- 4 +0.3% Brent
- 3 -1.8% Tower Hamlets
- 2 -2.3% Merton, Kingston upon Thames and Sutton
- 1 -3.6% Camden, City of London

Next Affordability »

Affordability



% income
spent on rent

33.3%

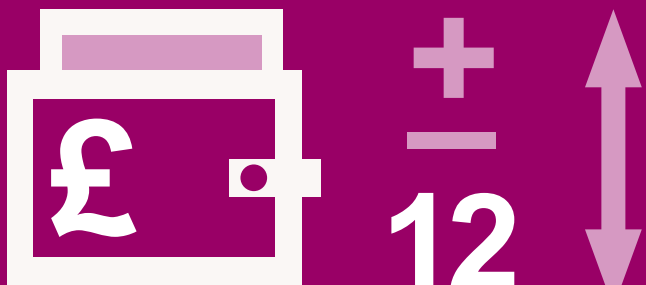
On average, renters paid 33.3% of their income on rent in February. This was just below January's level, although still higher than a year ago.



Change
annual*

-2.3%

Renter affordability is weaker in all regions compared to a year ago, most noticeably in London and the South East.



Greatest
change

-4.0%

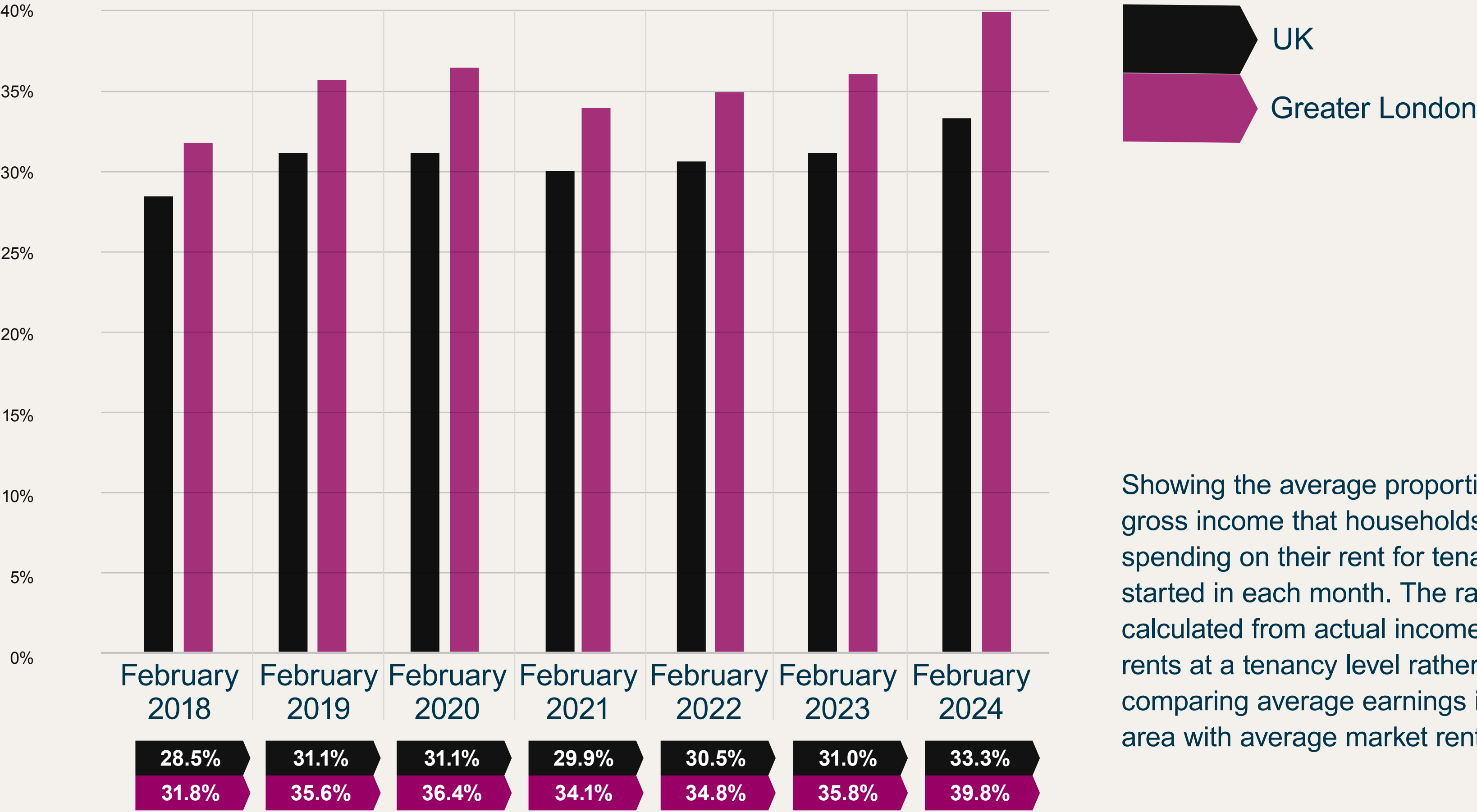
London

Only in the North East, Yorkshire and the Humber, and Scotland are renters paying, on average, less than 30% of their income on rent.

* calculated by subtracting the February 2024 figure from February 2023. A negative figure reflects worsening affordability.



Affordability over time February 2018 to February 2024

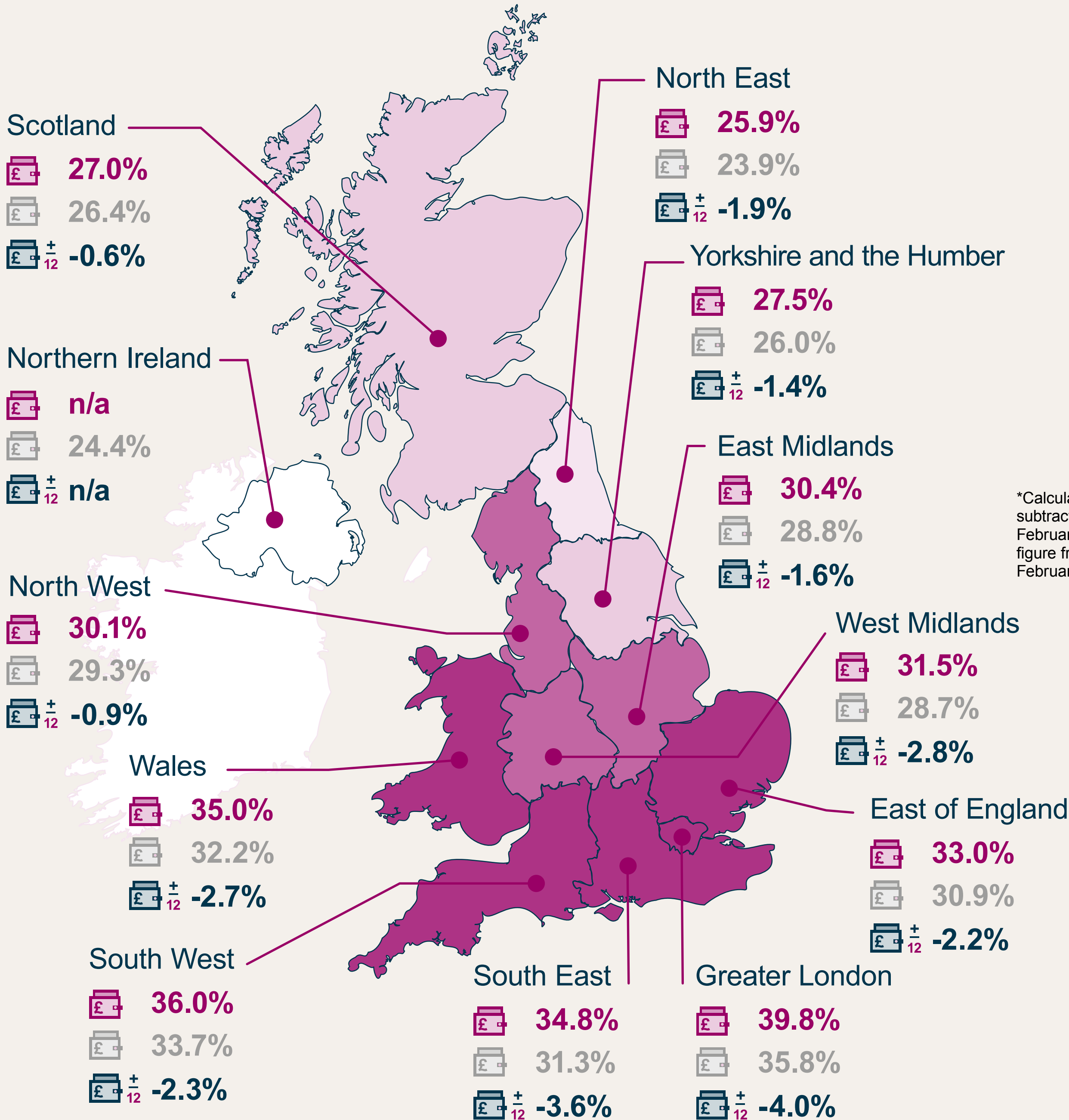


Regional
snapshot



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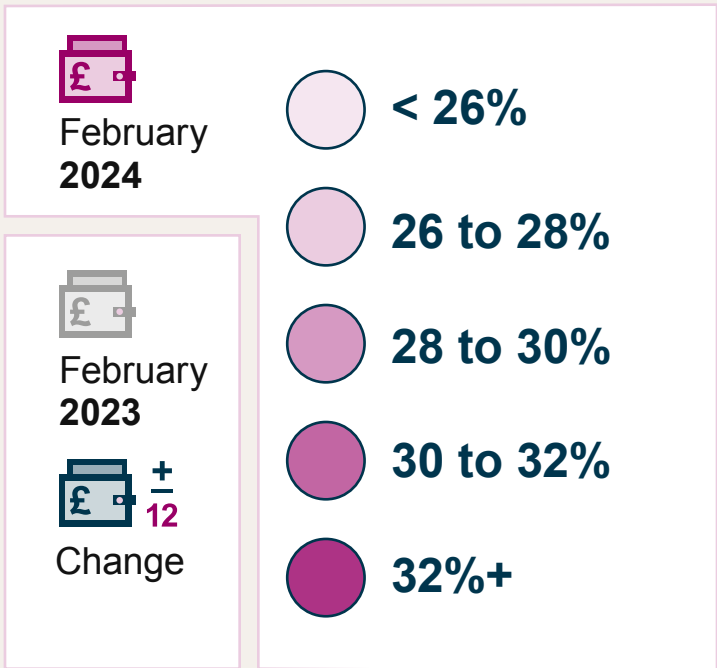
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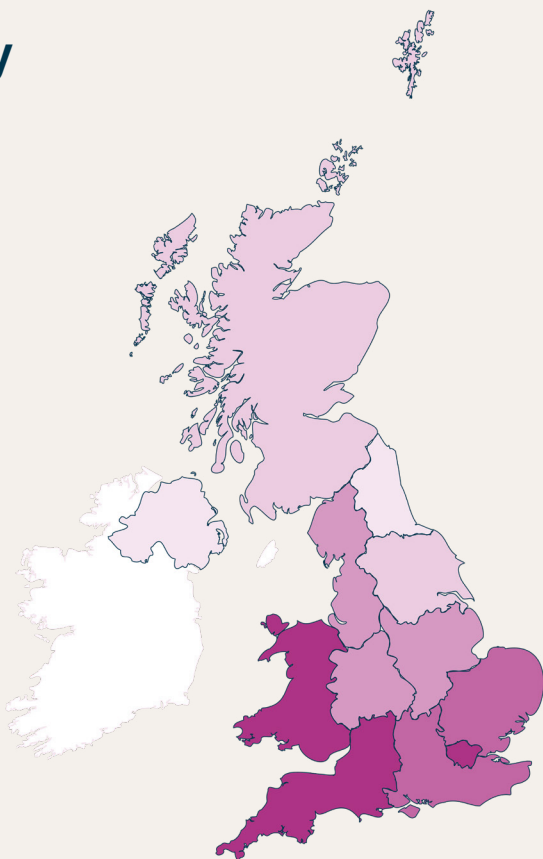
*Calculated by
subtracting the
February 2023
figure from
February 2024.



% income
spent on rent
February 2024



February
2023



Next Regional focus »

South East



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Median tenant
gross income*

£30,769

£30,278



Average % tenant
income spent on rent

34.8%

33.3%



Predominant
age group

20–29

20–29



Predominant
rental band

£1,250–£1,500

£750–£1,000 per month

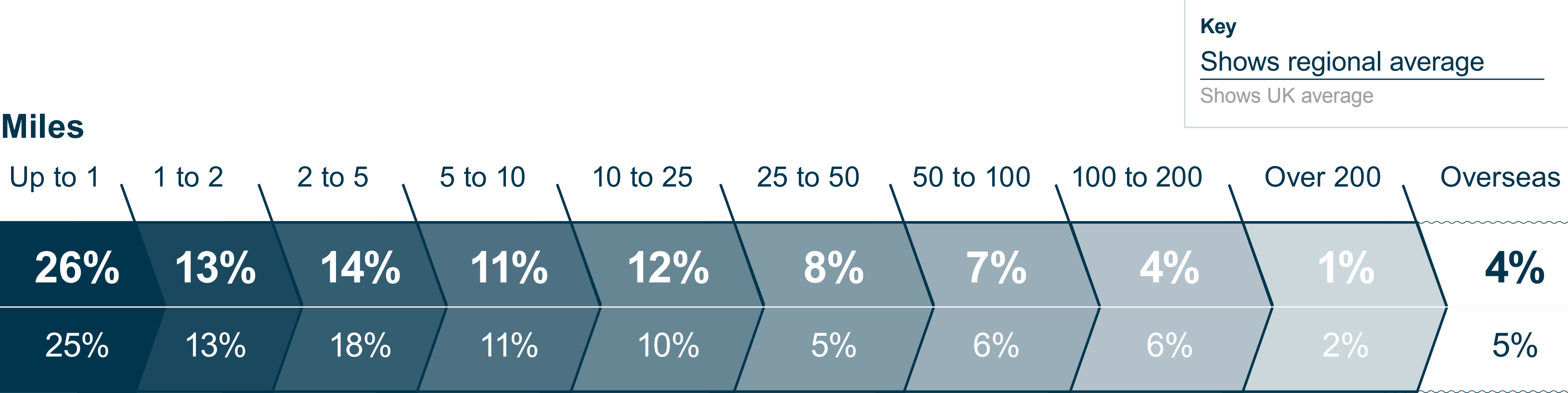
Key
Shows regional average
Shows UK average

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 the South East.

*Excludes below £10k and over £500k

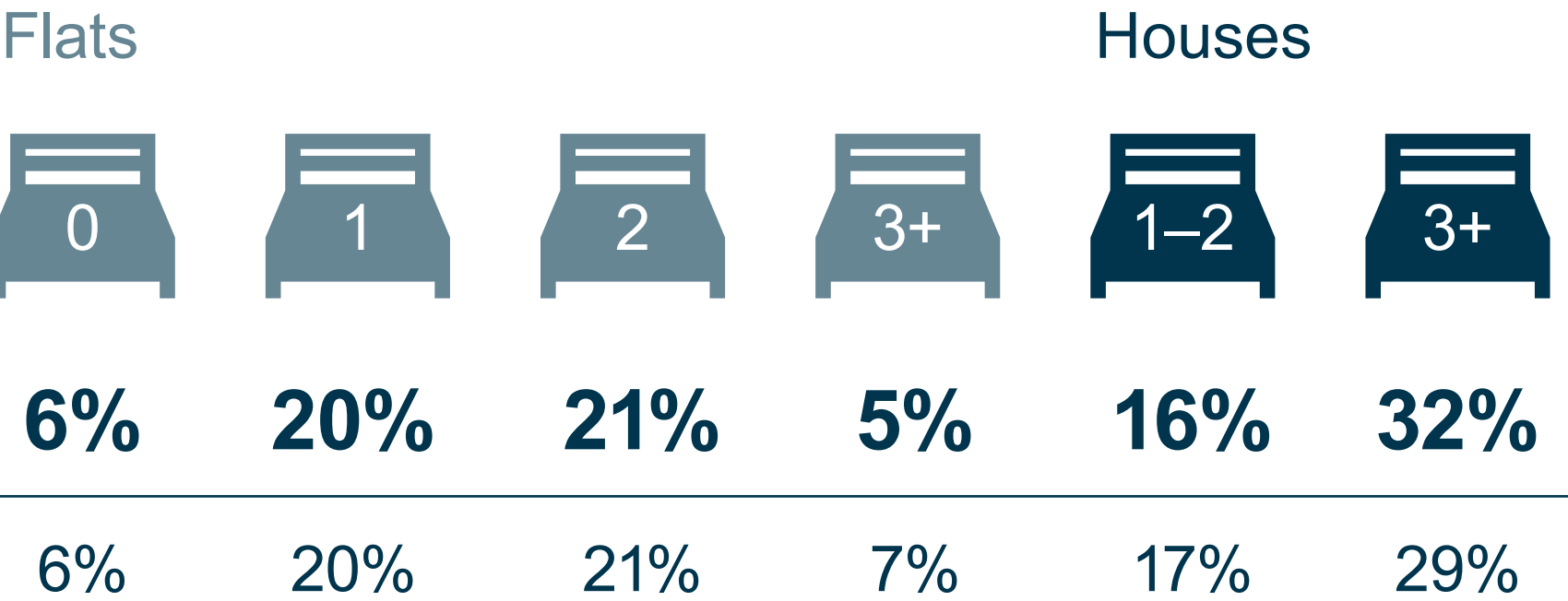
South East

Distance moved last 12 months

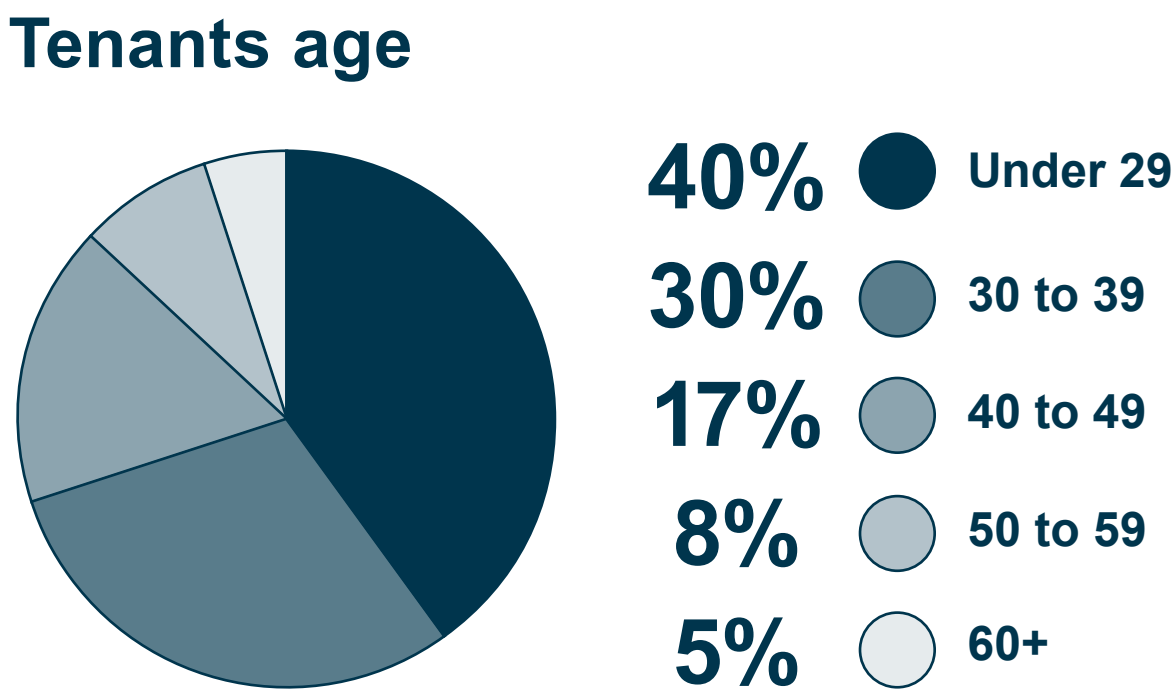


Profile of properties let Last 12 months

Number of bedrooms



Age breakdown Last 12 months



February
2024



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 creates data-driven insight on UK housing markets as part of PriceHubble, the leading provider of residential data, valuations and insights across Europe. 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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