

Statistical bulletin

# Index of Private Housing Rental Prices, UK: November 2023

An experimental price index tracking the prices paid for renting property from private landlords in the UK.

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## Notice

### 20 December 2023

We currently produce the [Index of Private Housing Rental Prices \(IPHRP\)](#) and the [Private Rental Market Summary statistics in England \(PRMS\)](#); we aim to replace these with the Price Index of Private Rents (PIPR) in March 2024 to produce a single monthly publication that provides more detailed insight into the UK rental market.

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# 1 . Main points

- Private rental prices paid by tenants in the UK rose by 6.2% in the 12 months to November 2023, up from 6.1% in the 12 months to October 2023.
- Annual private rental prices increased by 6.1% in England, 7.3% in Wales, and 6.2% in Scotland in the 12 months to November 2023.
- Within England, London had the highest annual percentage change in private rental prices in the 12 months to November 2023 at 6.9%, while the North East saw the lowest at 4.7%.
- London's annual percentage change in private rental prices was at its highest annual rate since the London data series began in January 2006.

UK estimates for the latest two months are provisional and subject to revision. All statistics are non-seasonally adjusted estimates, unless explicitly stated otherwise.

## 2 . UK private rental prices

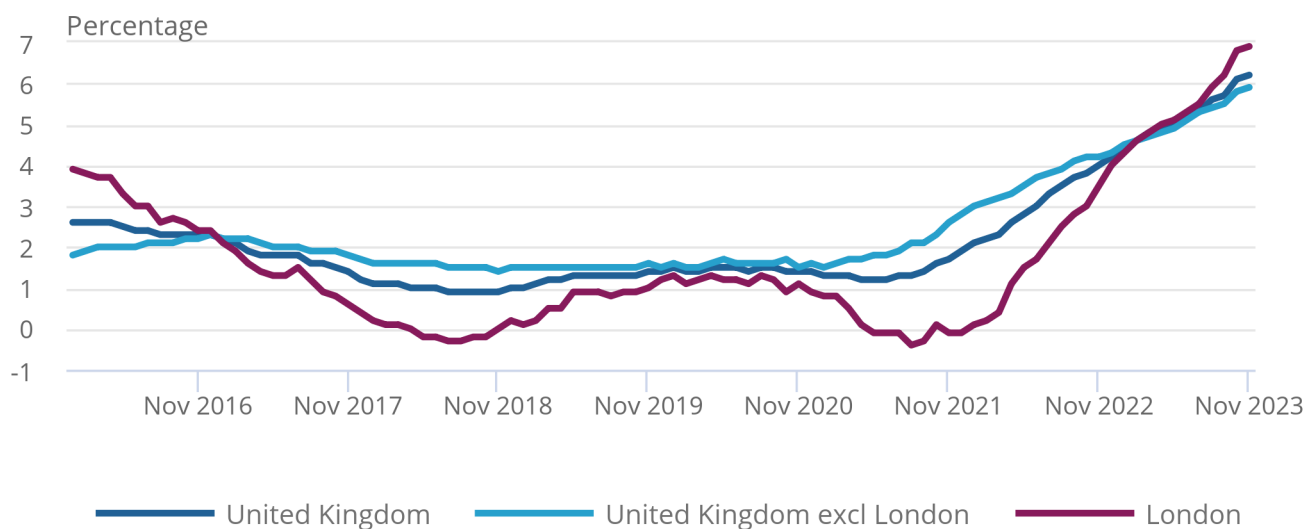
Private rental prices paid by tenants in the UK increased by 6.2% in the 12 months to November 2023 (provisional estimate). This represents the largest annual percentage change since this UK data series began in January 2016, and is up from 6.1% in the 12 months to October 2023.

**Figure 1: The UK annual private rental prices rose by 6.2% in the 12 months to November 2023**

Private rental price percentage change over 12 months, UK and London, January 2016 to November 2023

### Figure 1: The UK annual private rental prices rose by 6.2% in the 12 months to November 2023

Private rental price percentage change over 12 months, UK and London, January 2016 to November 2023



Source: Index of Private Housing Rental Prices from the Office for National Statistics

#### Notes:

1. Data presented are classified as [official statistics in development](#). Estimates are not seasonally adjusted. More information is available in [Section 8: Strengths and Limitations](#).
2. Northern Ireland data are currently available up to September 2023. To estimate UK figures up to November 2023, Northern Ireland's September 2023 index has been carried forward. Updated Northern Ireland data will be available for publication on 17 January 2024 and will be used to revise UK estimates for October 2023 and November 2023.

The annual inflation rate of private rental prices in the UK began to increase in the second half of 2021 (Figure 1). Annual growth was seen across all regions except London, where prices decreased. The annual percentage change in rents increased across all regions in 2022, including in London, and this has generally continued during 2023.

In the 12 months to November 2023, rental prices for the UK (excluding London) increased by 5.9% (provisional estimate). This is up from an increase of 5.8% (revised estimate) in the 12 months to October 2023 and the highest rate since this series began in January 2016. Private rental prices in London account for almost a third of UK rental expenditure, as shown in our [Index of Private Housing Rental Prices, UK: annual weights analysis dataset](#).

Private rental prices in London increased by 6.9% in the 12 months to November 2023, up from an increase of 6.8% in the 12 months to October 2023. This is the highest annual percentage change since the London data series began in January 2006.

The Royal Institution of Chartered Surveyors (RICS) reported in their [November 2023 UK Residential Market Survey](#) that tenant demand continued to rise, while landlord instructions continued to fall. With rising demand and dwindling supply, RICS noted that rental prices are expected to rise over the next 12 months.

Supply and demand pressures can take time to be reflected in the Index of Private Housing Rental Prices (IPHRP). This is because the index reflects price changes for all private rental properties, rather than only newly advertised rental properties. We explain how we measure price change in the IPHRP in our [Measuring rents: stock versus flow blog post](#).

## 3 . Annual UK private rental price percentage change by country

### England

In England, private rental prices increased by 6.1% in the 12 months to November 2023, up from 6.0% in the 12 months to October 2023. When London is excluded from England, private rental prices increased by 5.7% in the 12 months to November 2023. The figures are the highest annual percentage changes since these data series began in January 2006.

### Wales

Private rental prices in Wales increased by 7.3% in the 12 months to November 2023. This was the highest of all the countries in Great Britain and up from 6.9% in the 12 months to October 2023.

Private sector measures of annual inflation for new tenancies tends to be higher than the Index of Private Housing Rental Prices' (IPHRP's) stock measure during periods of rising annual price inflation. For example, [HomeLet's annual inflation for new tenancies in Wales](#) recently rose to 11.0% in the 12 months to March 2023, whereas IPHRP's stock measure reported a substantially lower annual inflation rate of 4.4% for the same period. The recent rise in the IPHRP's annual inflation for Wales likely reflects the high annual inflation for new lets during the past year.

However, HomeLet's annual inflation for new tenancies in Wales has generally slowed since its peak in the 12 months to March 2023, with new let annual inflation slowing to 7.7% in the 12 months to November 2023. Meanwhile, IPHRP reports that annual inflation of the stock in Wales was a record high of 7.3% in the 12 months to November 2023, up from 6.9% in the 12 months to October 2023. Since IPHRP measures rental price changes of the entire privately rented stock, changes in annual inflation of newly let rental prices take time to be reflected in IPHRP's measure. Our [Measuring the UK housing market blog post](#) provides more detail on the differences between stock and flow measures of rental prices.

### Scotland

Private rental prices in Scotland increased by 6.2% in the 12 months to November 2023, unchanged from the price increase in the 12 months to October 2023. This is the joint highest annual rate since the Scotland data series began in January 2012. The [Cost of Living \(Tenant Protection\) Scotland Act](#) has capped in-tenancy rental price increases in Scotland since late 2022 (see [Section 7: Measuring the data](#)).

The IPHRP's stock measure remains substantially below [HomeLet's annual inflation of 9.6% for new tenancies in Scotland](#) in the 12 months to November 2023. The continued rise in the IPHRP's annual inflation for Scotland since this Act was passed is likely to reflect the high annual inflation for new lets (that are not subject to the price cap) over the past year as it continues to feed into IPHRP's stock measure.

Scotland rents data (underlying the IPHRP's stock measure) are mainly for advertised new lets, which are not subject to the price cap. We advise users to bear this in mind when interpreting estimates for Scotland and comparing with other UK countries.

## Northern Ireland

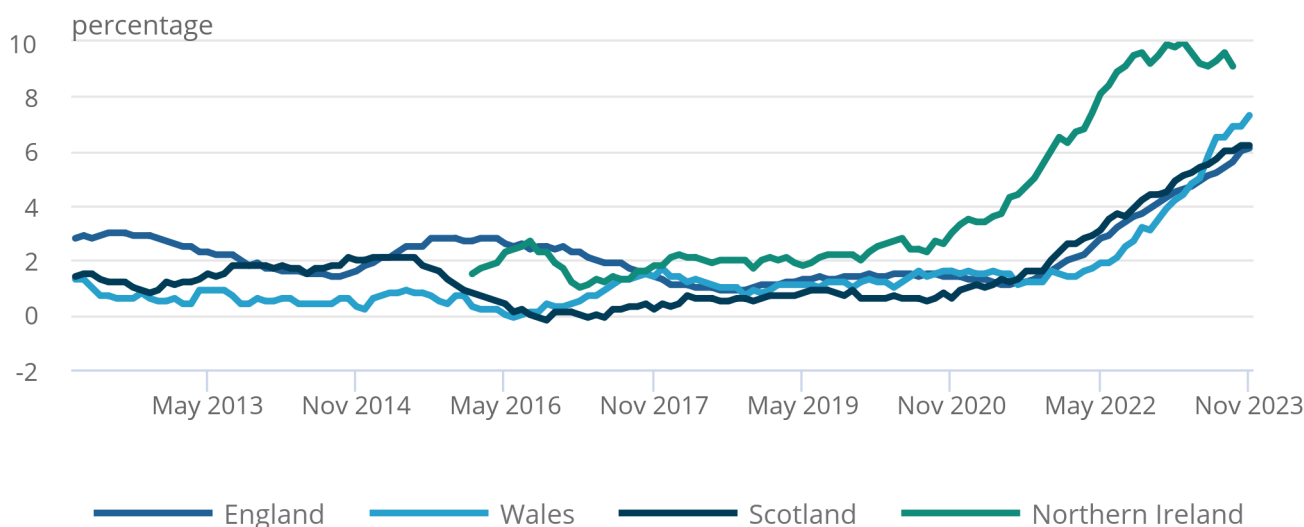
Private rental prices in Northern Ireland increased by 9.1% in the 12 months to September 2023. The annual rate for Northern Ireland has generally slowed since the recent peak of 10.0% in the 12 months to March 2023, but remains higher than for other UK countries. Northern Ireland data lag behind the rest of the UK and will be updated in our next [Index of Private Housing Rental Prices, UK bulletin](#), to be published on 17 January 2024.

### Figure 2: Annual rental price inflation was higher in Wales than in England and Scotland

Private rental price percentage change over 12 months for countries of the UK, January 2012 to November 2023

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Private rental price percentage change over 12 months for countries of the UK, January 2012 to November 2023



Source: Index of Private Housing Rental Prices from the Office for National Statistics

#### Notes:

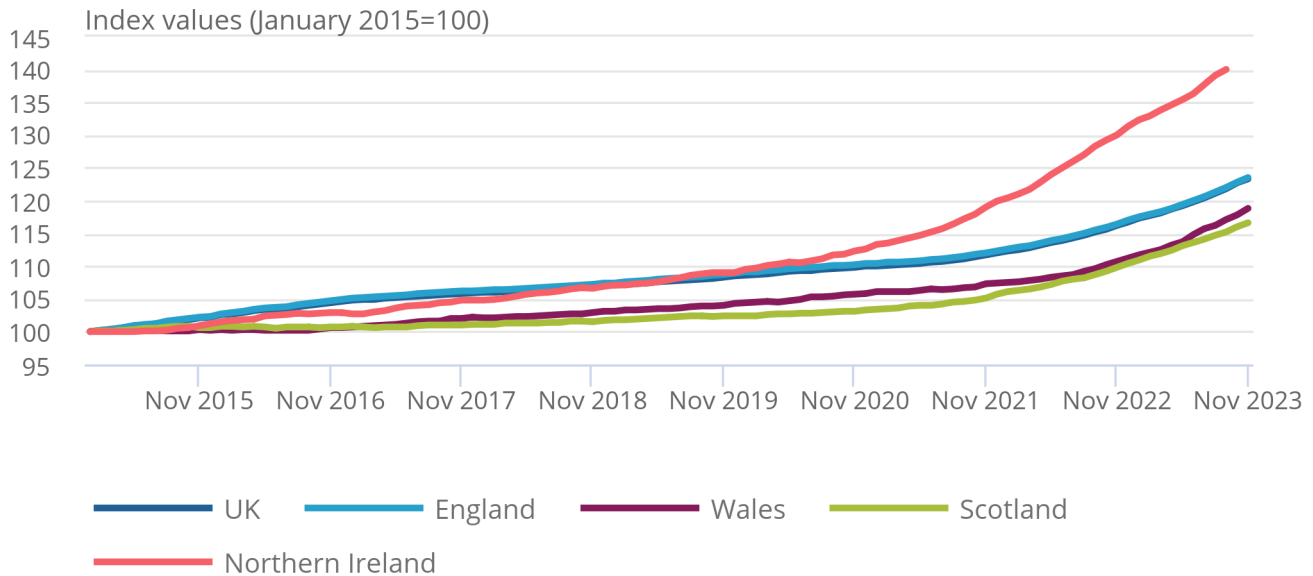
1. Data presented are classified as [official statistics in development](#). Estimates are not seasonally adjusted. More information is available in [Section 8: Strengths and limitations](#).
2. Northern Ireland data are currently available up to September 2023. Updated data will be available for publication on 17 January 2024.
3. The [Cost of Living \(Tenant Protection\) Scotland Act](#) passed on 6 October 2022, introducing a temporary rent cap in the private rented sector in Scotland. This cap, which applies to in-tenancy rent increases, was initially set at 0% for rent-increase notices served from 6 September 2022 until 31 March 2023. Private landlords could alternatively apply for a rent increase of up to 3% to help cover certain increases in costs in defined and limited circumstances. The Act has since been extended to 31 March 2024, with a mid-tenancy rent-increase cap of 3% from 1 April 2023. Private landlords are able to apply for a rent increase of up to 6% to help cover certain increases in costs in defined and limited circumstances.

### Figure 3: Rental prices have increased more in England and Northern Ireland than in Wales and Scotland since 2015

Private rental price indices for countries of the UK, January 2015 to November 2023

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Private rental price indices for countries of the UK, January 2015 to November 2023



Source: Index of Private Housing Rental Prices from the Office for National Statistics

#### Notes:

1. Data presented are classified as [official statistics in development](#). Estimates are not seasonally adjusted. More information is available in [Section 8: Strengths and limitations](#).
2. Northern Ireland data are currently available up to September 2023. Updated data will be available for publication on 17 January 2024.
3. See footnote 3 below Figure 2.

## 4 . Annual UK private rental price percentage change by English region

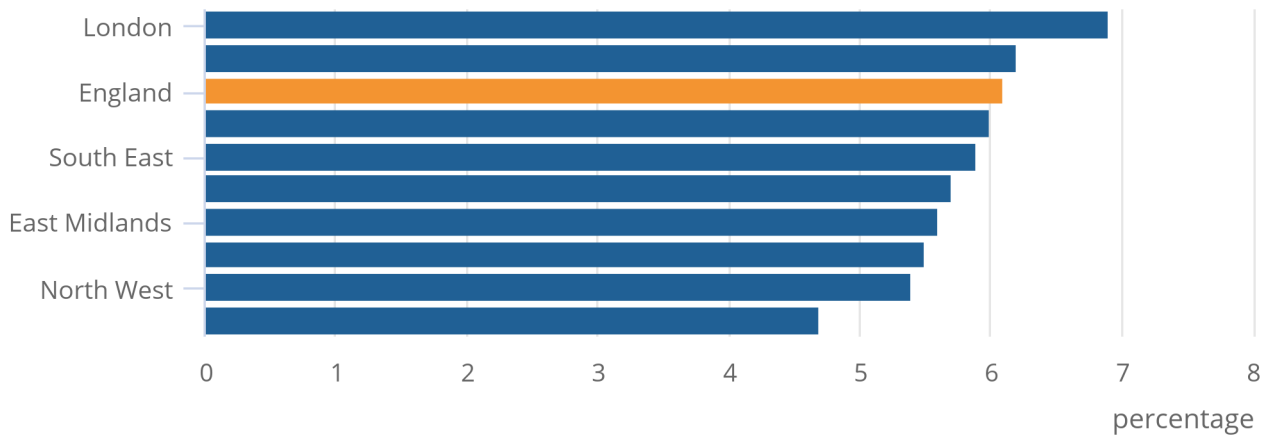
London's annual rents inflation was 6.9% in the 12 months to November 2023. This was the highest out of all the English regions. The lowest was in the North East, at 4.7% in the 12 months to November 2023.

**Figure 4: Highest annual rents inflation was in London**

Private rental price percentage change over the 12 months to November 2023, by English region

### Figure 4: Highest annual rents inflation was in London

Private rental price percentage change over the 12 months to November 2023, by English region



Source: Index of Private Housing Rental Prices from the Office for National Statistics

**Notes:**

1. Data presented are classified as [official statistics in development](#). Estimates are not seasonally adjusted. More information is available in [Section 8: Strengths and Limitations](#).



## 5 . Private rental data

[Index of Private Housing Rental Prices, UK: monthly estimates](#)

Dataset | Released 20 December 2023

Rental price statistics historical data time series (indices and annual percentage change).

[Index of Private Housing Rental Prices, UK: annual weights analysis](#) Dataset | Released 22 March 2023

Aggregate weights information used in the experimental Index of Private Housing Rental Prices (IPHRP).

See our [Guide to official statistics in development webpage](#) for more information.

## 6 . Glossary

### Index of Private Housing Rental Prices (IPHRP)

The IPHRP measures the change in the price that tenants face when renting residential property from private landlords.

### Administrative data

Administrative data are data that people have already provided to the government through day-to-day activities. Examples include health records, social security payments, and educational attainment information.

## 7 . Measuring the data

### Sources

The Index of Private Housing Rental Prices (IPHRP) is created using administrative data. This means that the index makes use of data that are already collected for other purposes to estimate rental prices. The sources of private rental prices are the Valuation Office Agency (VOA), Scottish Government, Welsh Government and Northern Ireland Housing Executive (NIHE). Data for Northern Ireland also include data provided by the [Propertynews.com](#).

The sources of the annually updated [Index of Private Housing Rental Prices, UK: annual weights analysis dataset](#) are the Department for Levelling Up, Housing and Communities (DLUHC), Scottish Government, Welsh Government, NIHE and VOA.

The IPHRP's indices are updated on a monthly basis with the new monthly estimate. Data are indexed with January 2015 as a base year. Data are provided for:

- England from January 2005
- Wales from January 2009
- Scotland from January 2011
- the UK from January 2015

## Revision Policy

Northern Ireland rental data are not available for the latest two months. To produce provisional estimates of the IPHRP and annual percentage change for the latest two months, Northern Ireland's index has been carried forward. For example, rental price inflation has been assumed to be 0% for the latest two months.

Each subsequent month, updated Northern Ireland data are used to revise estimates for the UK. This means that there is a two-month revision period for the UK series and UK (excluding London) series in the IPHRP.

## Data collection

In England and Wales, data for achieved rents are collected for both new tenancies and existing tenancies. When 12 months have passed following a property's last update, rent officers receive a notification, which supports rent officer aims to revisit previous properties.

In Northern Ireland, rents data are for advertised new lets.

In Scotland, rents data are predominantly for advertised new lets. Data collection procedures do not involve actively seeking to re-collect data for previously collected properties.

In the IPHRP, assumptions on average periods between rent price increases are used to measure price inflation for the stock of rents. IPHRP methodology assumes that rental price remains constant for up to 14 months if updated rental data for that property are not available, and replaces records more than 14 months old.

Since Scotland data are predominantly new lets data, only a small proportion of Scotland data collected are based on existing lets data. This means that replacement data will be predominantly based on newly advertised rents, which are not subject to the price cap. Therefore, price changes for existing tenancies are largely estimated for Scotland.

## Cost of Living (Tenant Protection) Scotland Act

The [Cost of Living \(Tenant Protection\) Scotland Act](#) capped in-tenancy rental price increases at 0% (and up to 3% in certain circumstances) until 31 March 2023. On 1 April 2023, this [rental price increase cap was increased to 3%](#) (and up to 6% in certain circumstances), as reported on the Scottish Government website. On 20 September 2023, [Scottish Government confirmed](#) that this rental price cap would remain in place for up to six months from October 2023. This rental price cap only applies to in-tenancy rent increases, with no restriction on rent increases for new lets.

## Quality

More information on strengths, limitations, appropriate uses, and how the data were created is available in our [Index of Private Housing Rental Prices Quality and Methodology Information \(QMI\)](#).

## Future developments

Following the [Digital Economy Act 2017](#), the Office for National Statistics (ONS) gained access to Valuation Office Agency (VOA) private rental microdata. We aim to redevelop the IPHRP and private rental market summary statistics (PRMS) to produce mix-adjusted average rental prices that are comparable over time. We also plan to refine geography to lower geographic levels, to better meet user needs.

Preliminary outputs of the new rents system, the Price Index of Private Rents (PIPR), were published on 1 December 2023 as a [rents impact analysis](#) and within a wider [impact analysis on transformation of UK consumer price statistics](#). We hosted a webinar on 1 December 2023 to accompany the impact analysis publication, and are hosting further engagement sessions in January 2024. You can sign up to these events on [Eventbrite](#).

The PIPR methodology overview is available in our [Redevelopment of private rental prices statistics, intended methodology article](#). More information and a timetable for these developments (updated 6 July 2023) are available in our [Private rental prices development plan: updated February 2022](#).

If you have any queries or feedback on these developments, please email us at [hpi@ons.gov.uk](mailto:hpi@ons.gov.uk).

## 8 . Strengths and limitations

### Strengths

The Index of Private Housing Rental Prices (IPHRP) is constructed using large administrative sources, specified in [Section 7: Measuring the data](#). Annually, over 450,000 private rental prices are collected in England, 30,000 in Wales, 25,000 in Scotland, and 15,000 in Northern Ireland. The index not only measures the change in newly advertised rental prices, but reflects price changes for all private rental properties, including for existing tenancies.

### Limitations

Where collected rents data are predominantly for new lets, compositional differences between rents data and the rental sector will be larger.

The IPHRP is published as price indices, rather than average prices. It is also only published down to a country and regional level. Average rental price levels cannot currently be published in IPHRP because of data access constraints. Our [redevelopment of private rental prices statistics](#) work aims to address this.

The IPHRP is released as [official statistics in development](#), and is subject to revisions if improvements in the methodology are identified. Users should interpret results with this in mind.

## 9 . Related links

### [Redevelopment of private rental prices statistics, impact analysis, UK: December 2023](#)

Article | Released 1 December 2023

We are redeveloping our private rental price statistics, intending to use them in our measurement of consumer prices from 2024. This article provides research indices using these data.

### [Consumer Price inflation, UK: November 2023](#)

Bulletin | Released 20 December 2023

Price indices, percentage changes and weights for the different measures of consumer price inflation.

### [Cost of living insights: Housing](#)

Interactive tool | Last updated 4 December 2023

The latest data and trends about the cost of living. Explore changes in housing costs and how this is affecting people.

### [Changes in private rental sector behaviour, England and Wales: February 2022 to September 2023](#)

Article | Released 3 November 2023

Experimental longitudinal analysis of observed recent changes in the abundance and magnitude of private rental price changes in England and Wales.

### [Private rental growth measures, a UK comparison: January to December 2022](#)

Article | Released 25 January 2023

Compares growth in the Index of Private Housing Rental Prices (IPHRP) with other measures of private rental growth.

### [Private rental prices development plan, UK: updated February 2022](#)

Article | Released 8 February 2022

Overview of our plans for the statistical development of rental prices statistics, including a timeline for development.

### [Private rental market summary statistics in England: October 2022 to September 2023](#)

Bulletin | Released 20 December 2023

Median monthly rental prices for the private rental market in England, calculated using data from the Valuation Office Agency.

## 10 . Cite this statistical bulletin

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