

An aerial photograph of a residential neighborhood, likely in the UK, showing a mix of brick and white houses, green spaces, and a river with a bridge in the background. The image is split into two halves by a diagonal white line. The left half is in color, showing the houses and greenery in detail. The right half is a dark, semi-transparent overlay containing the report title and description.

November  
2021

# 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

**HomeLet**<sup>TM</sup>  
THE RENTAL INDEX



# Industry insight

“

**The private rented sector has remained exceptionally resilient, and demand for property has remained high, something we expect to continue seeing as we shortly say goodbye to 2021 and look forwards to the opportunities 2022 will bring.**



**Andy Halstead**  
Group CEO  
HomeLet and Let Alliance

“

2021 has been a strange year, with the effects of the pandemic still being seen across the housing market. Despite the disruption and uncertainty we've all seen this year, we have referenced almost a million tenants. This highlights the considerable level of demand there has been, and which is expected to continue into 2022. People still need and want to move home, and the lettings industry's role, including letting agents, has been invaluable in making this happen.

## Robust demand

The UK needs landlords; if demand continues to outstrip supply, then prices can only go up. Typically, we might see a rise in rental prices for desirable or emerging areas, but high demand has been seen for some time now, and that applies to practically every area of the UK. With fewer new properties coming up to rent when compared to pre-pandemic levels, we can expect the trends we see continuing throughout 2022.

# Overview

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in rents

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# Average rents and change in rents



**Average  
rent**

**£1,058**

Rental growth continued to slow in November with rents in the month just under those seen in October. Excluding London, the average rent was £889.



**Change  
monthly**

**-0.1%**

While average rents in November were 0.1% lower than in October, at a regional level, Northern Ireland saw the strongest rise in rents, increasing by 1.1% on the month.



**Change  
annual**

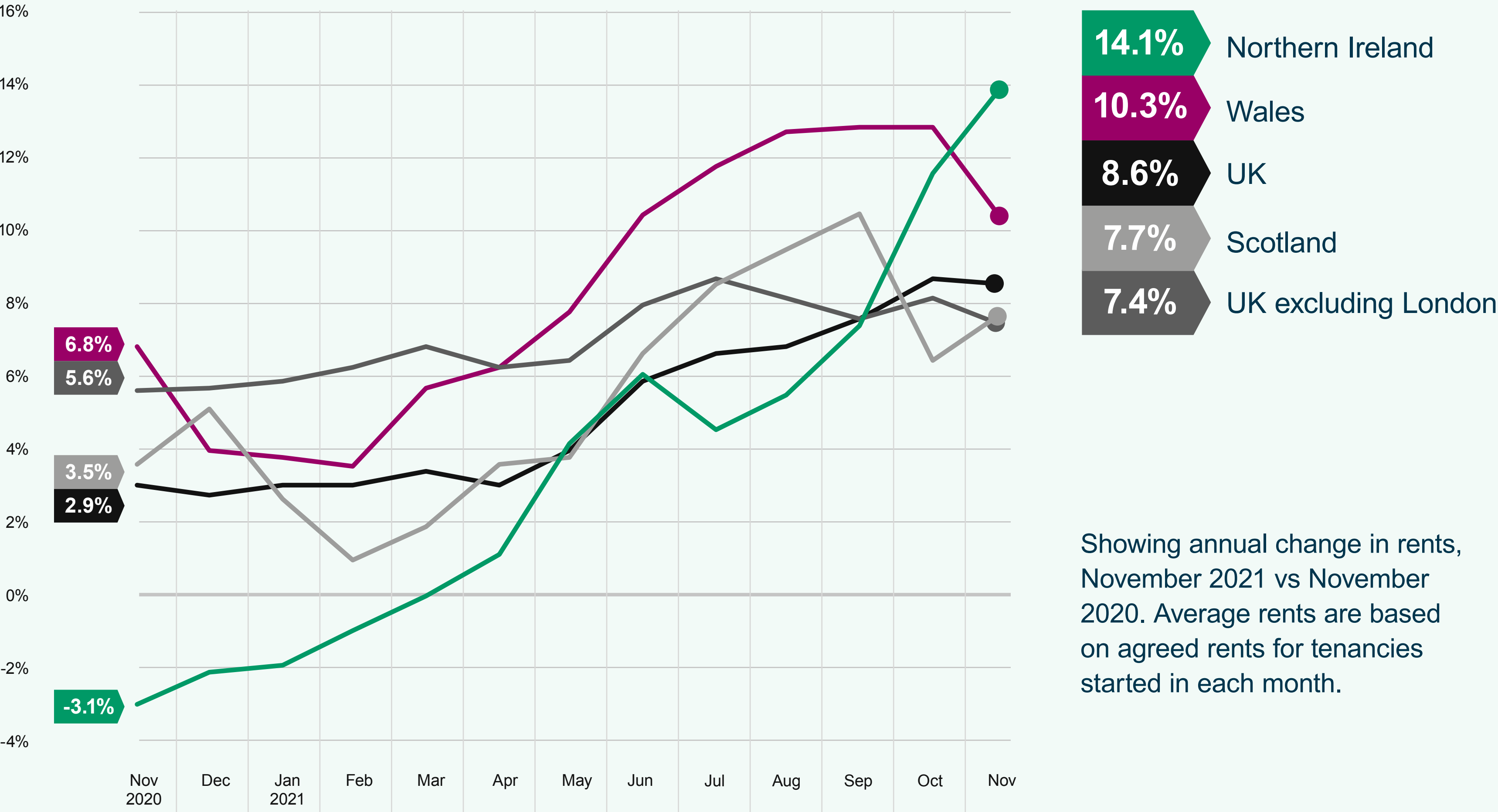
**+8.6%**

With rental rises earlier in the year, average UK rents are now 8.6% higher than a year ago. Northern Ireland and Greater London are currently experiencing the strongest annual change in rents.



UK and  
home  
nations

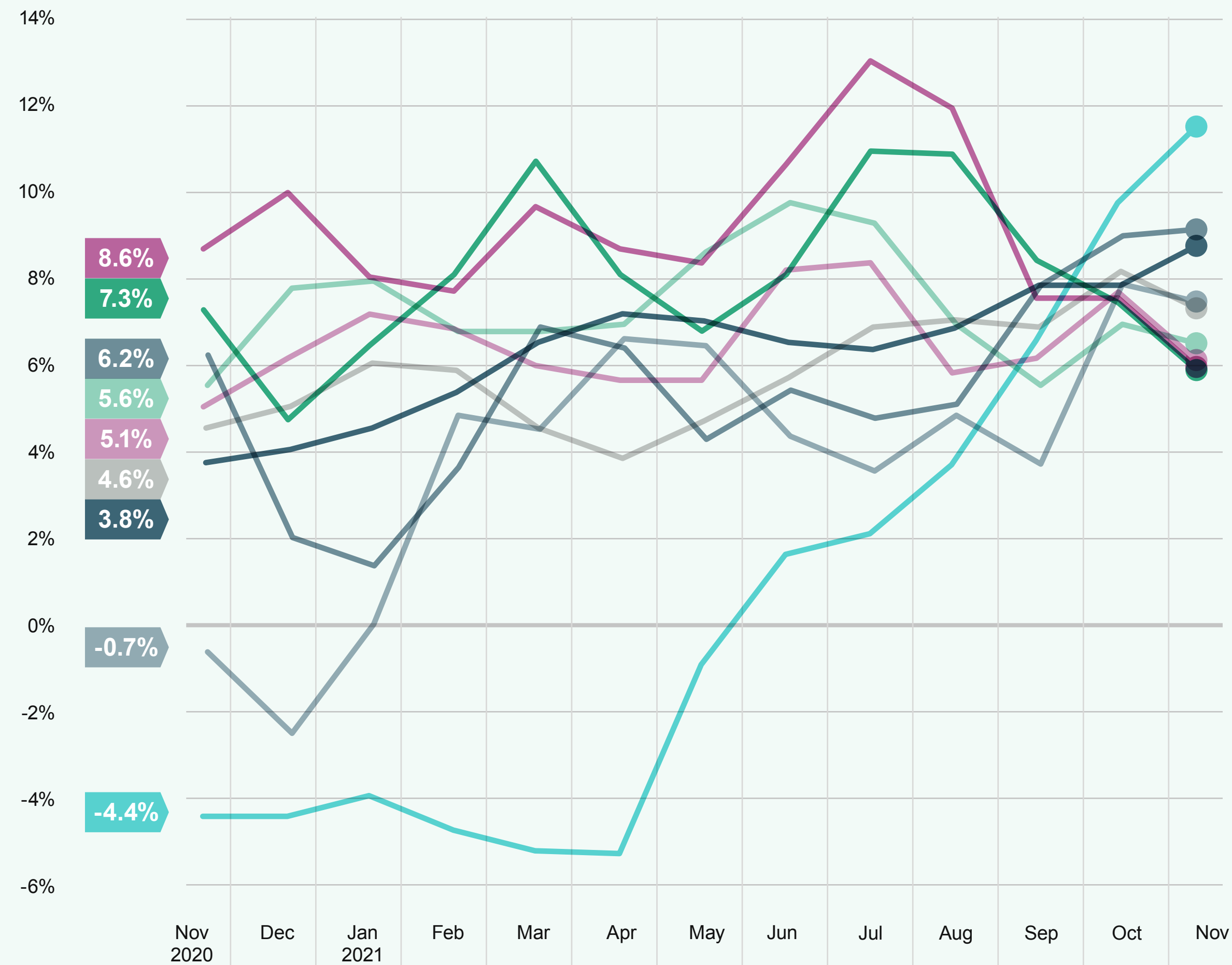
Annual change November 2020 to November 2021



Showing annual change in rents,  
November 2021 vs November  
2020. Average rents are based  
on agreed rents for tenancies  
started in each month.



## Annual change November 2020 to November 2021



- 11.5% Greater London
- 9.0% North West
- 8.7% Yorkshire and the Humber
- 7.3% North East
- 7.1% West Midlands
- 6.4% East of England
- 6.0% South East
- 5.9% South West
- 5.8% East Midlands

Showing annual change in rents, November 2021 vs November 2020. Average rents are based on agreed rents for tenancies started in each month.

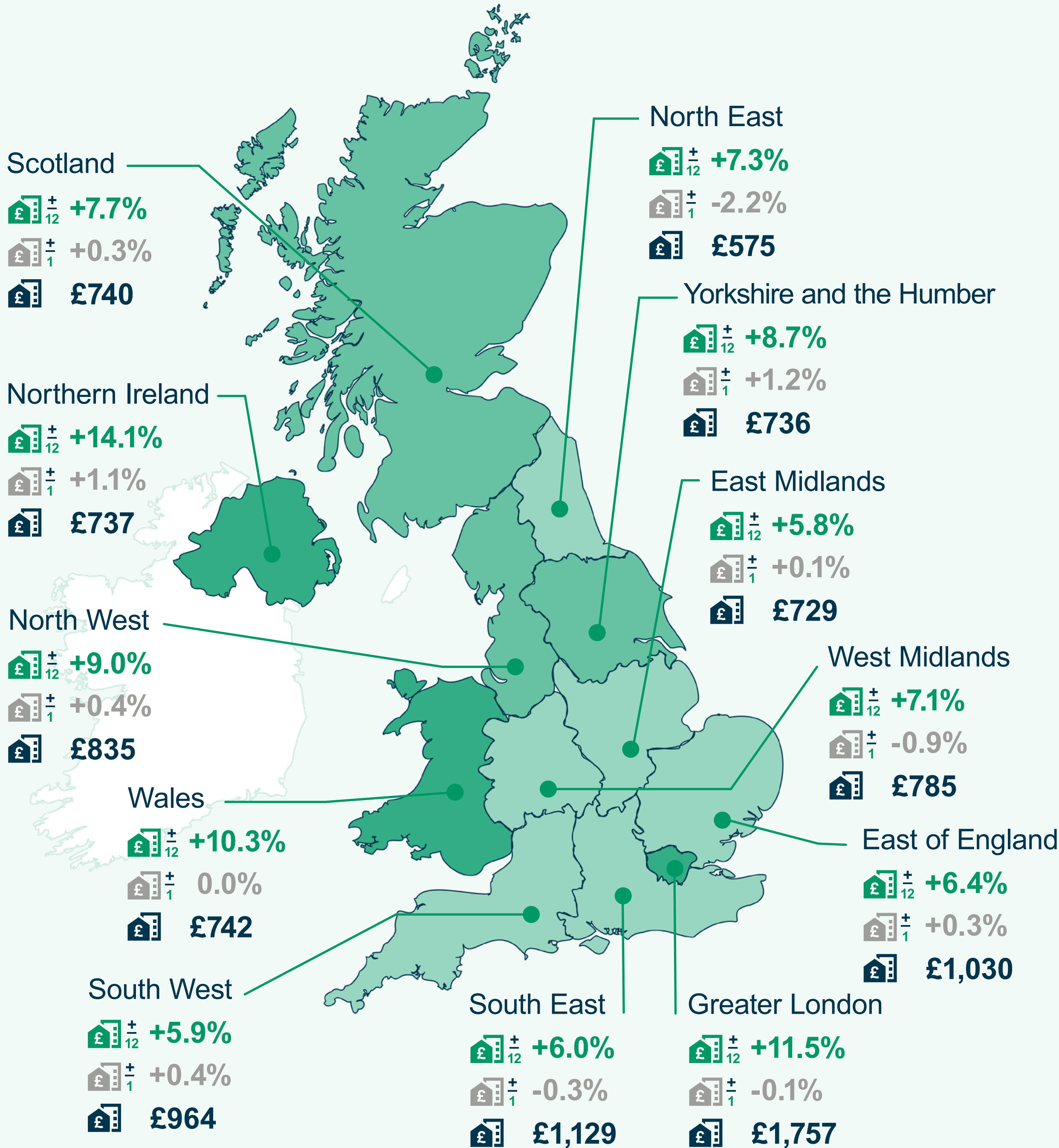


Regional  
snapshot



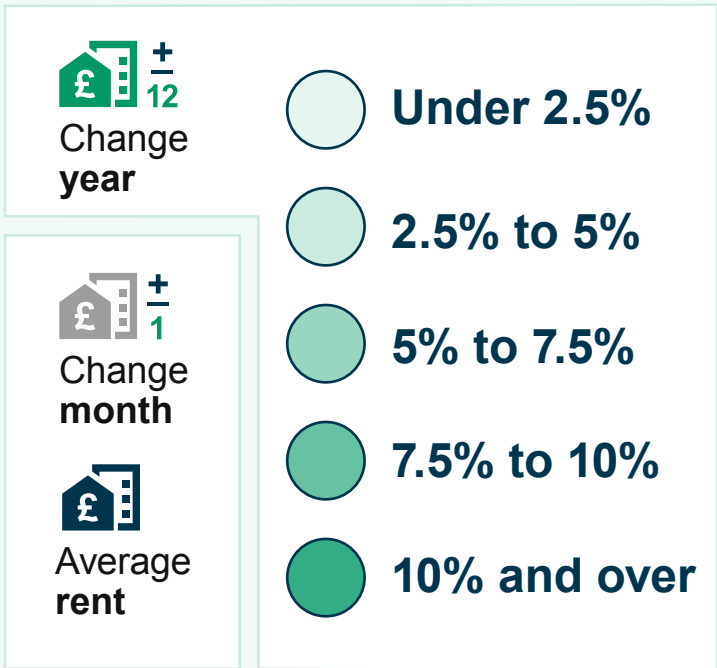
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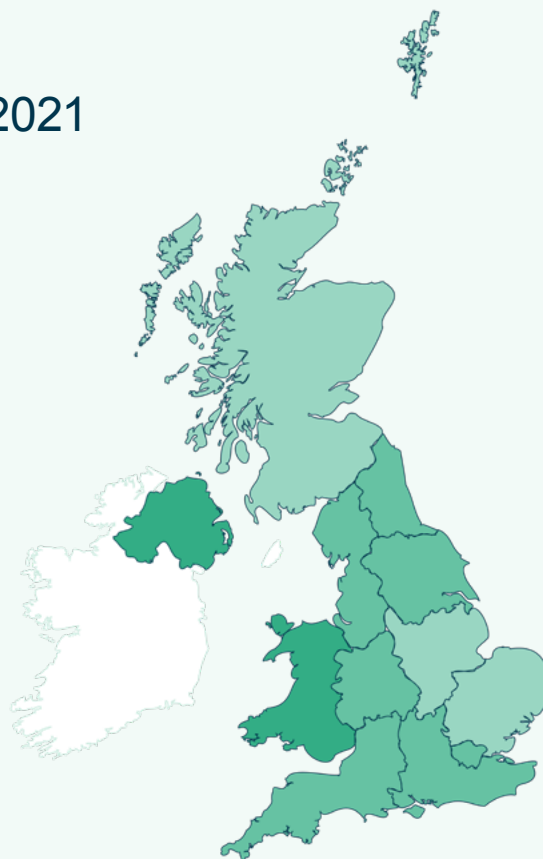


Annual change

November 2020 to  
November 2021



October  
2020 to 2021



Next Regional discount / premium

»

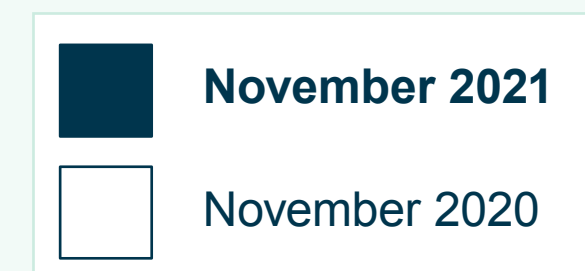
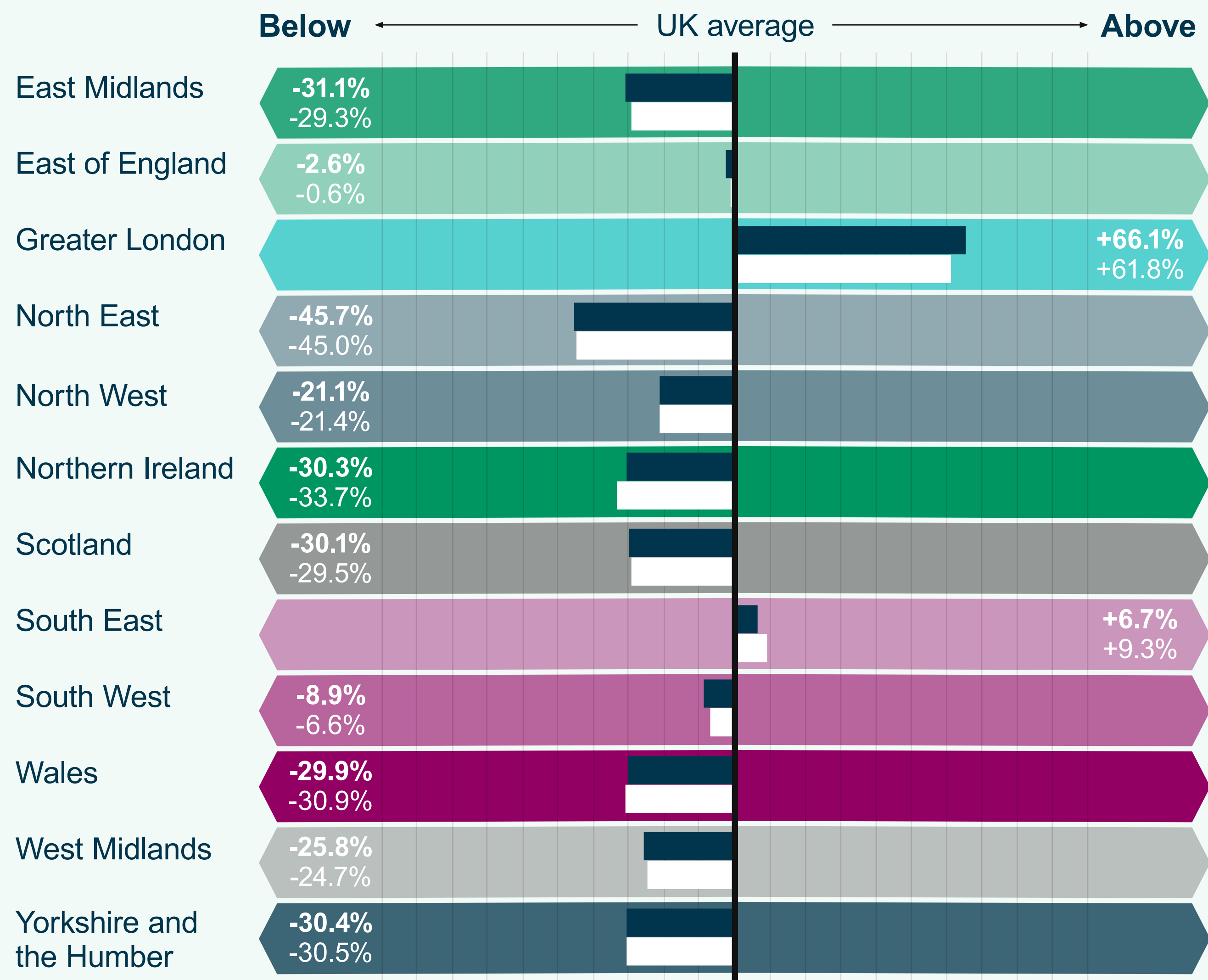


# Regional discount / premium to UK average



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with Dataloft

## Comparison with UK average November 2020 to November 2021



Showing how regional rents compared to the UK average in November 2021 and a year earlier, i.e., average rents in the East Midlands in November 2021 were 31.3% below the national average. However, in November 2020 they were 29.3% below the national average.



## London focus



### Average rent

£1,757

Average rents in London stabilised in November, falling marginally from their October high to £1,757 pcm.



### Change annual

+11.5%

Despite this slight fall, the annual growth rate is now 11.5%, the highest level reported in this index.



### Strongest performer

+30.3%

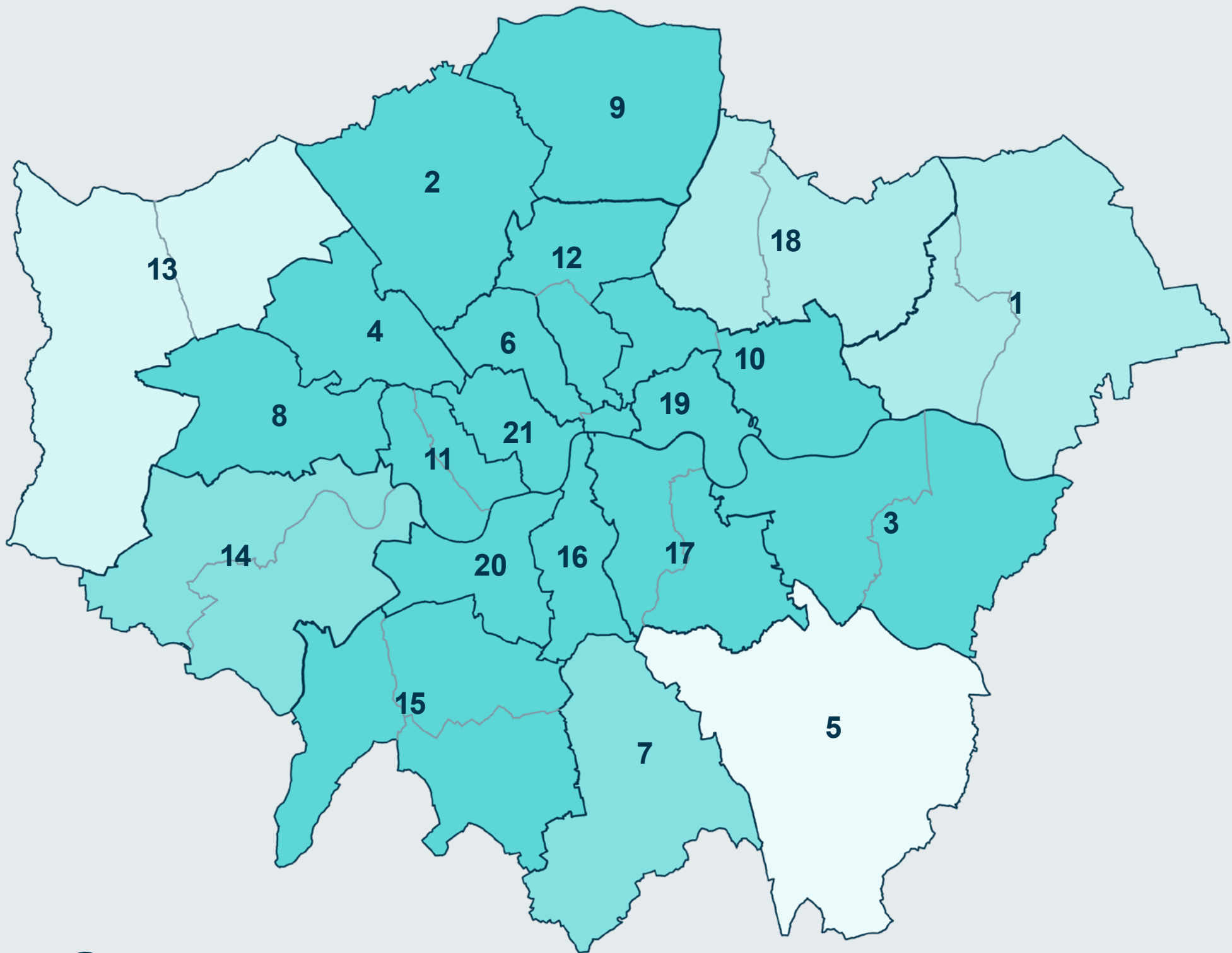
#### Westminster

Rents in Westminster have continued their rebound from their dip during the Pandemic, increasing by 30% over the last 12 months to £2,884, the strongest performing borough.





Annual change November 2020 to November 2021



- 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

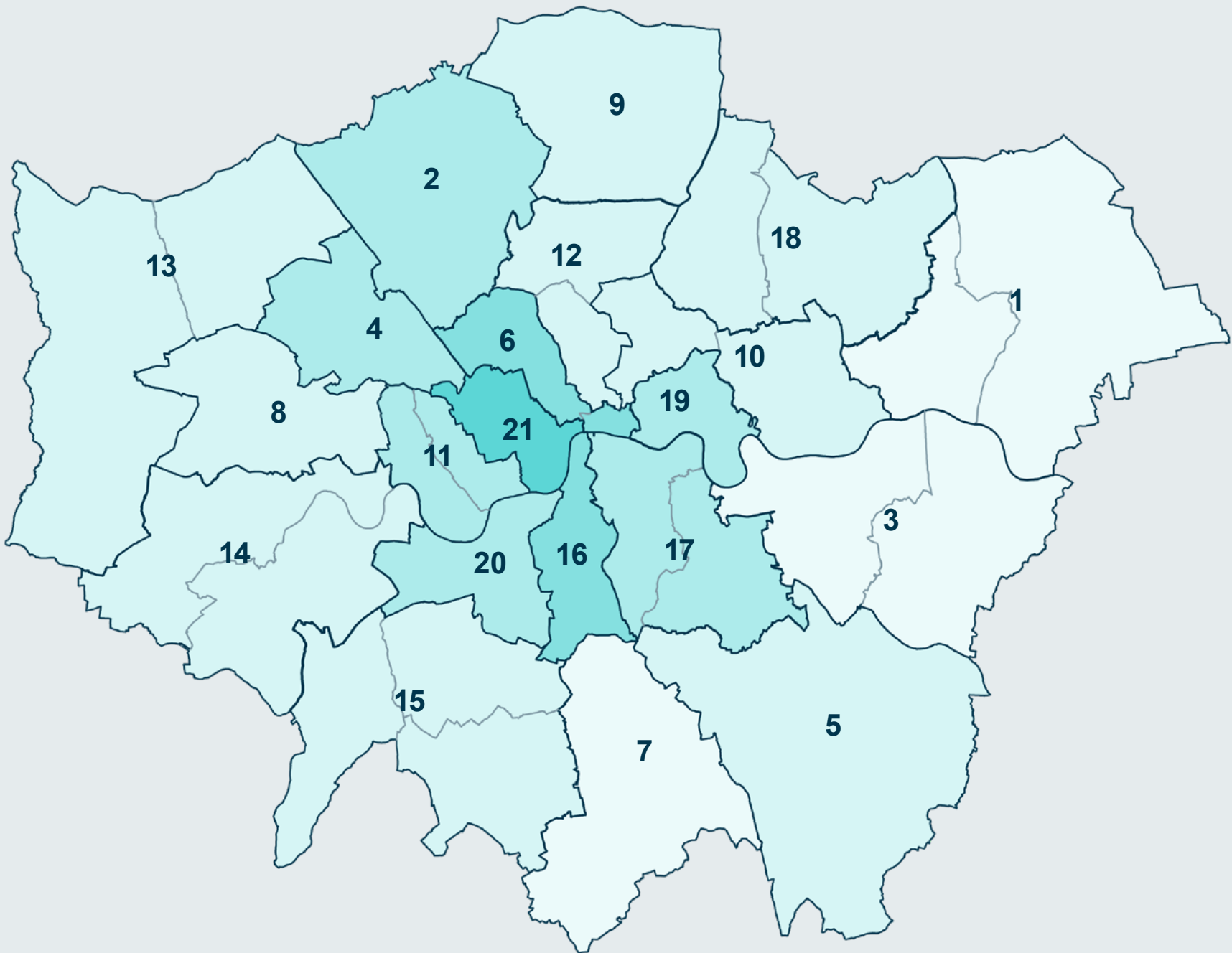
1	Barking, Dagenham and Havering	+3.4%	£1,348
2	Barnet	+7.8%	£1,609
3	Bexley and Greenwich	+6.8%	£1,419
4	Brent	+8.7%	£1,683
5	Bromley	-1.6%	£1,468
6	Camden, City of London	+22.8%	£2,168
7	Croydon	+5.2%	£1,177
8	Ealing	+8.3%	£1,606
9	Enfield	+6.6%	£1,584
10	Hackney and Newham	+8.7%	£1,572
11	Hammersmith, Fulham, Kensington and Chelsea	+18.5%	£2,254
12	Haringey and Islington	+7.3%	£1,743
13	Harrow and Hillingdon	+0.9%	£1,398
14	Hounslow and Richmond	+4.7%	£1,577
15	Merton, Kingston upon Thames and Sutton	+13.8%	£1,543
16	Lambeth	+14.3%	£2,372
17	Lewisham and Southwark	+10.3%	£1,723
18	Redbridge and Waltham Forest	+2.3%	£1,328
19	Tower Hamlets	+16.6%	£1,873
20	Wandsworth	+14.4%	£2,036
21	Westminster	+30.3%	£2,884



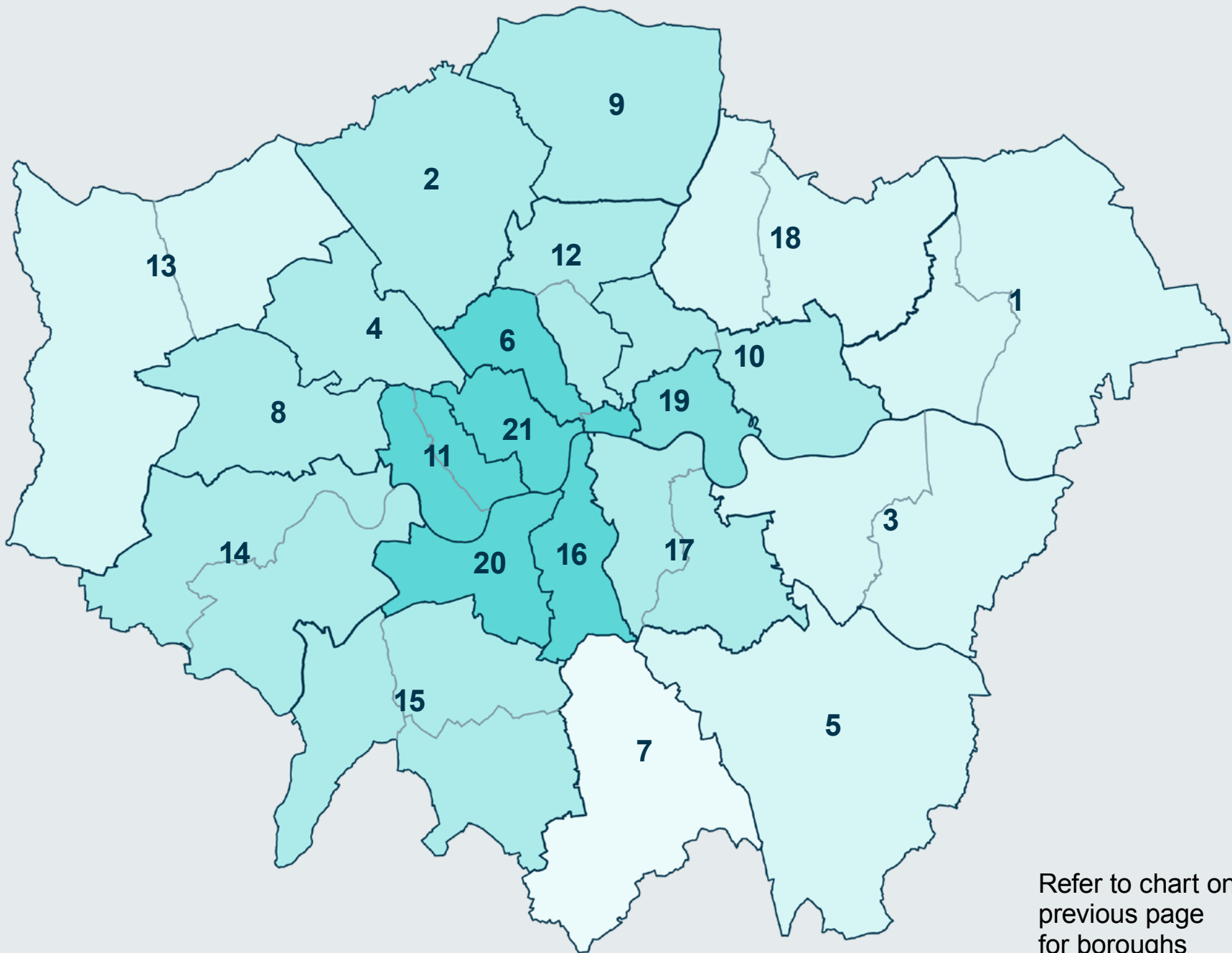




Average rent November 2016



Average rent November 2021



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

**+37.3%** **Westminster**



# Strongest and weakest performers

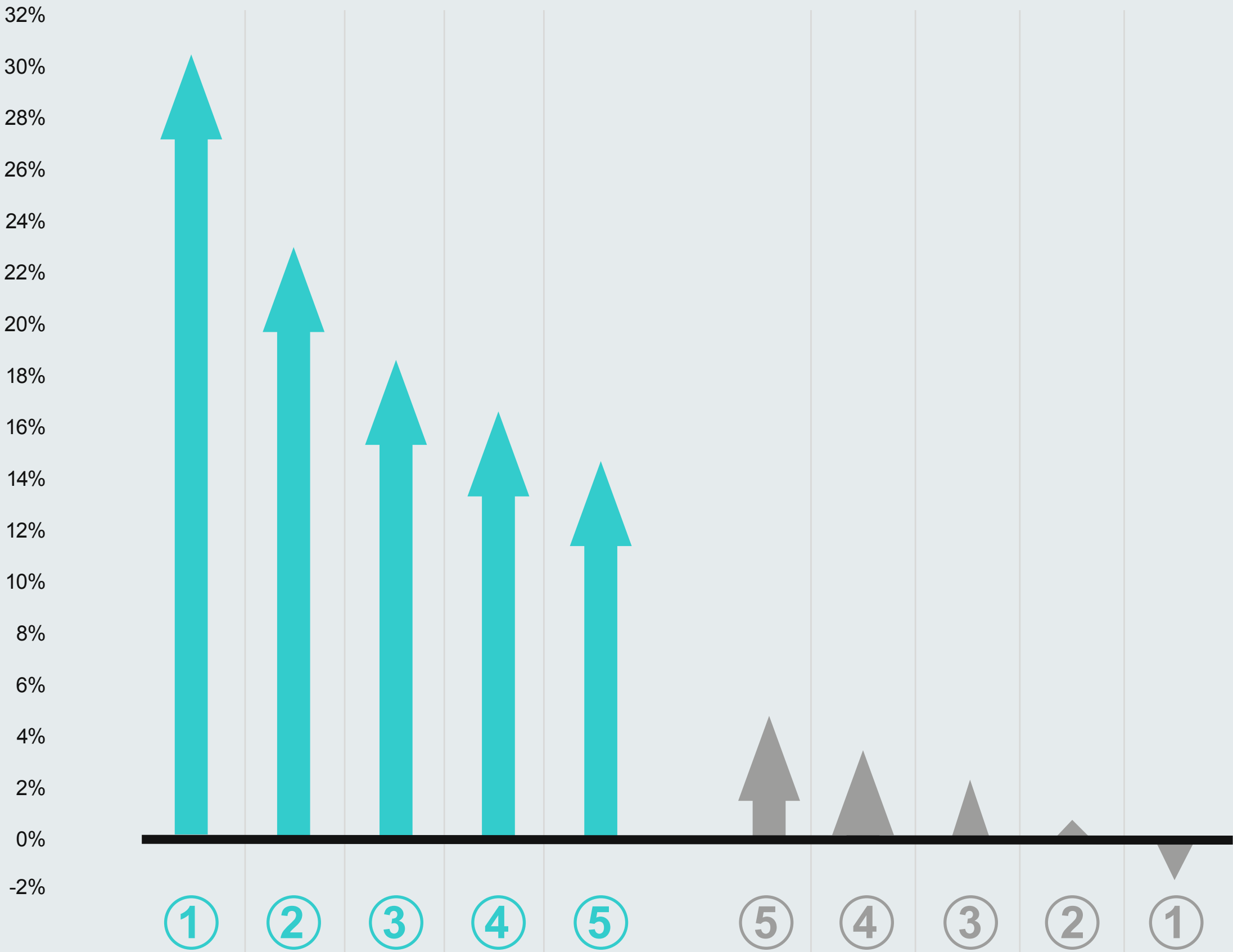


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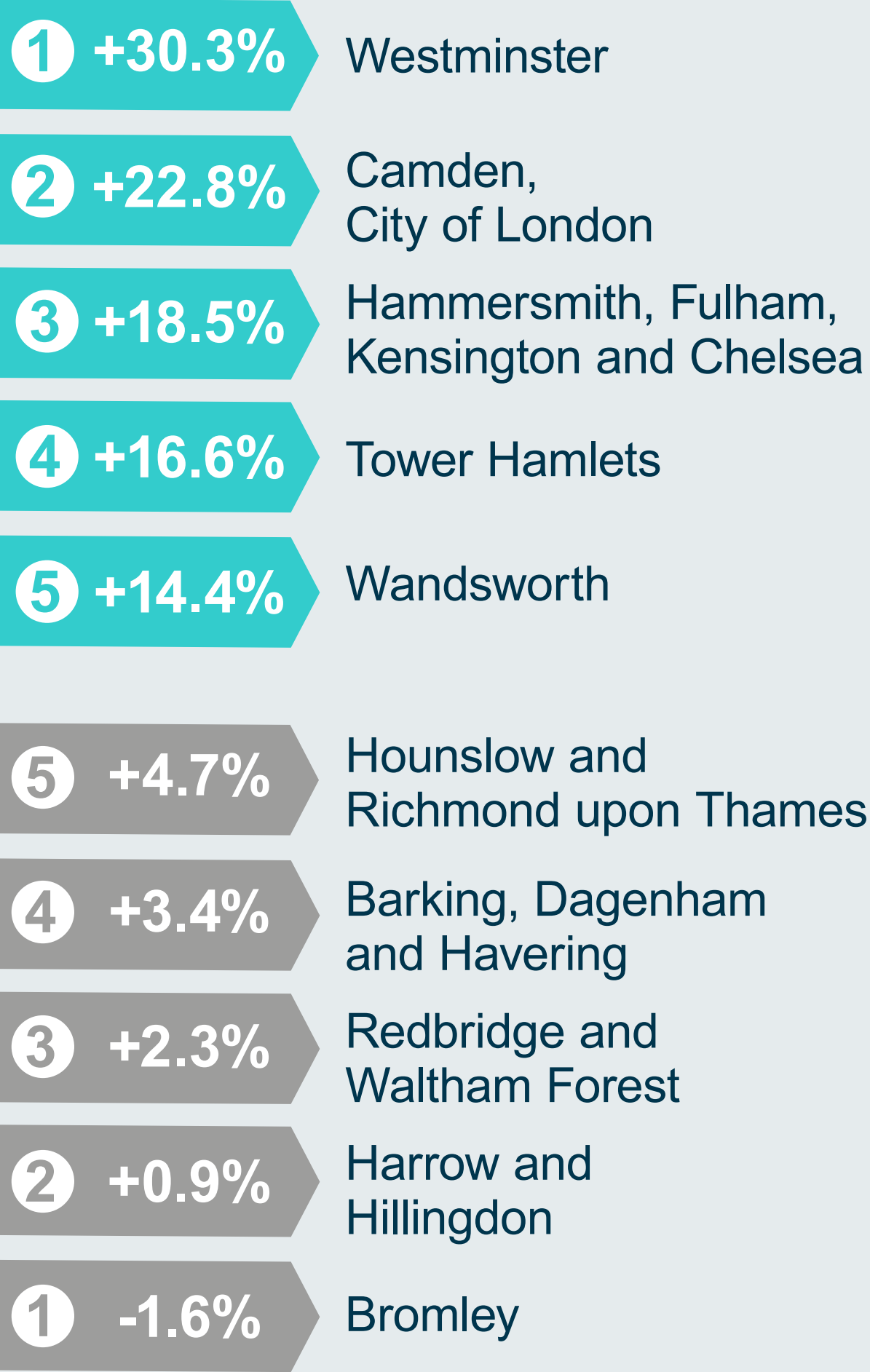
## Strongest November 2021



Based on annual change to November 2021



## Weakest November 2021



Next Affordability »



# Affordability



% income  
spent on rent

30.1%

In November, renters spent 30.1% of their gross income on rent which is a slight rise on the level seen in October. Excluding London, the affordability measure is lower at 28.9%.

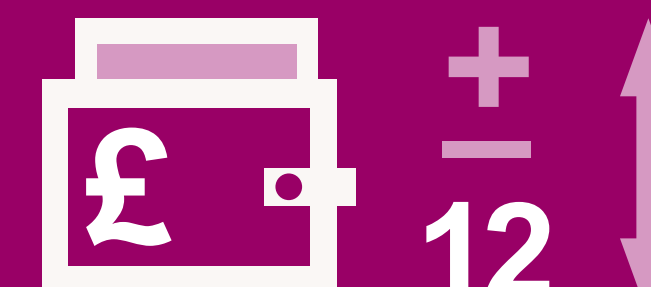


Change  
annual\*

+0.5%

Despite this increase, renters continue to spend less on their rent than 12 months ago when the affordability measure stood at 30.6% of income.

\*Calculated by subtracting the November 2021 figure from November 2020.



Greatest  
change

+2.6%

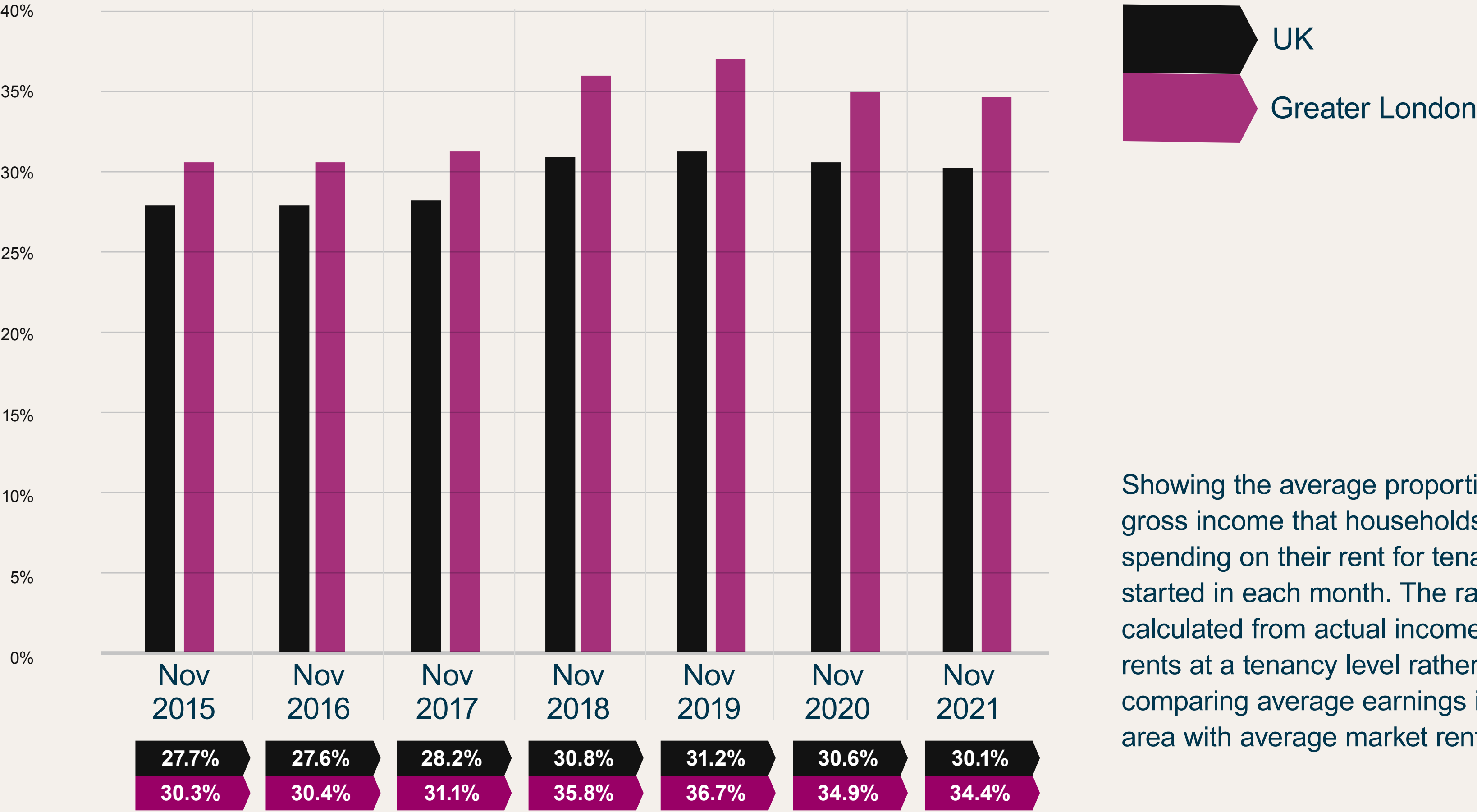
## Scotland

Affordability in Scotland has improved the most in the last year. Renters are now spending, on average, 24.6% of their income on rent, compared to 27.2% 12 months ago.





Affordability over time November 2015 to November 2021



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



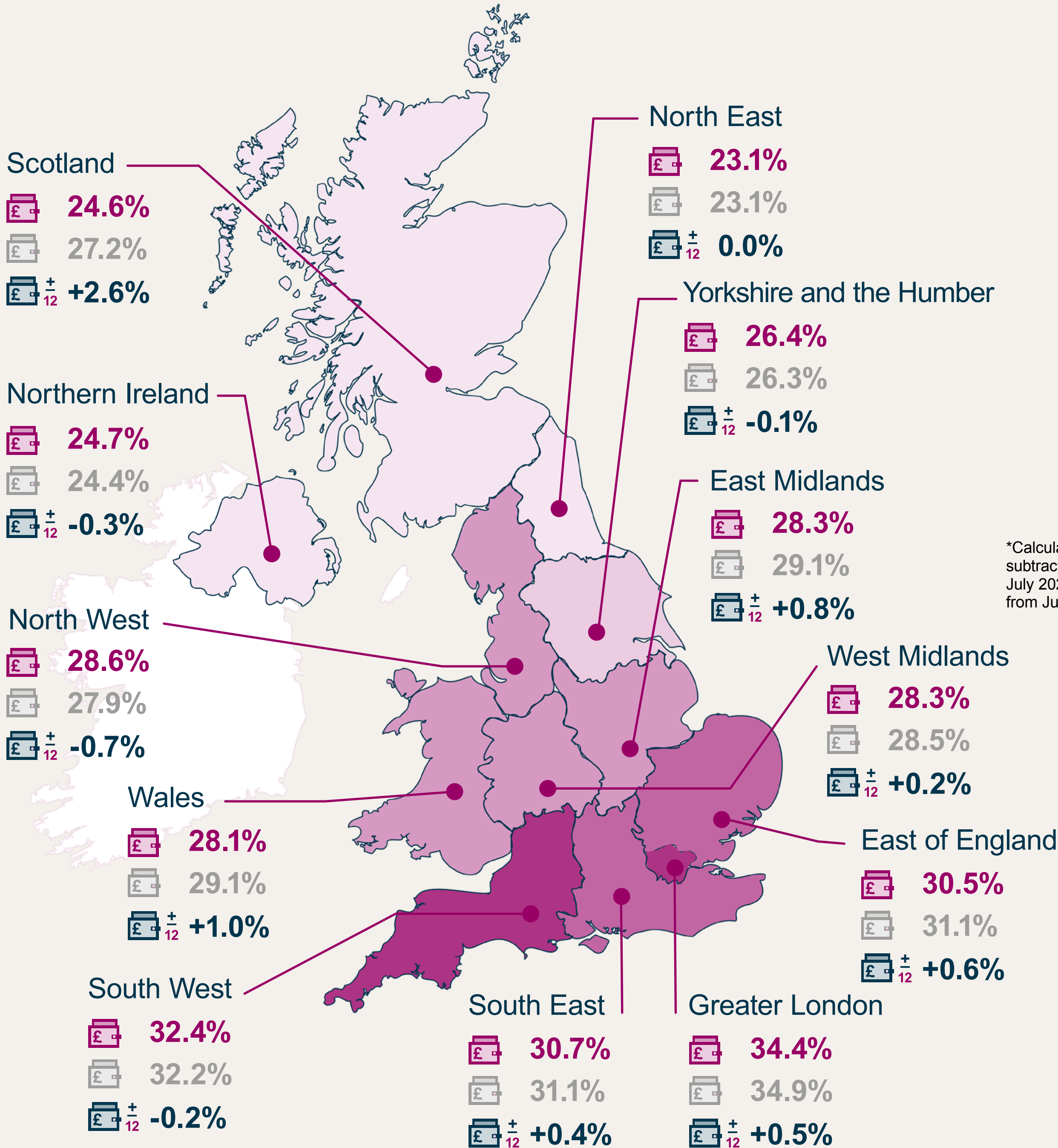


Regional  
snapshot



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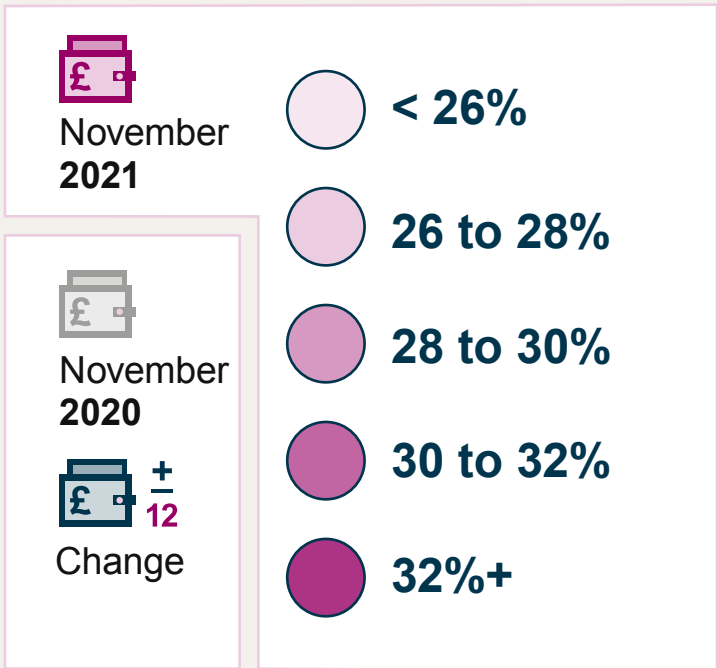
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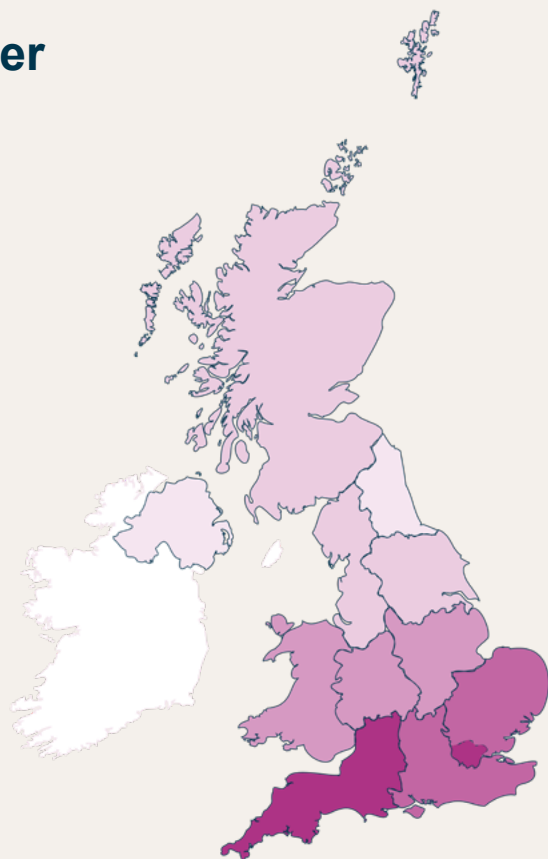
\*Calculated by  
subtracting the  
July 2020 figure  
from July 2021.



% income  
spent on rent  
November 2021



November  
2020



Next Regional focus »



# North East



Median tenant  
**gross income\***

**£23,800**

£28,000



Predominant  
**age group**

**20–29**

20–29



Average % tenant  
**income spent on rent**

**23.1%**

30.1%



Predominant  
**rental band**

**£500–£750**

£500–£750 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 North East.

\*Excludes below £10k and over £500k

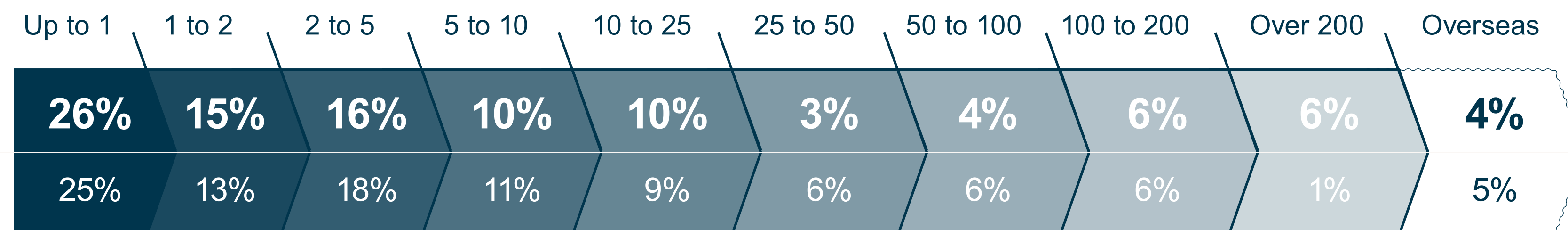


# North East

## Distance moved last 12 months

Key  
Shows regional average  
Shows UK average

### Miles



## Profile of properties let Last 12 months

### Number of bedrooms

#### Flats



3%

5%



10%

21%



23%

25%



3%

6%

#### Houses



27%

17%

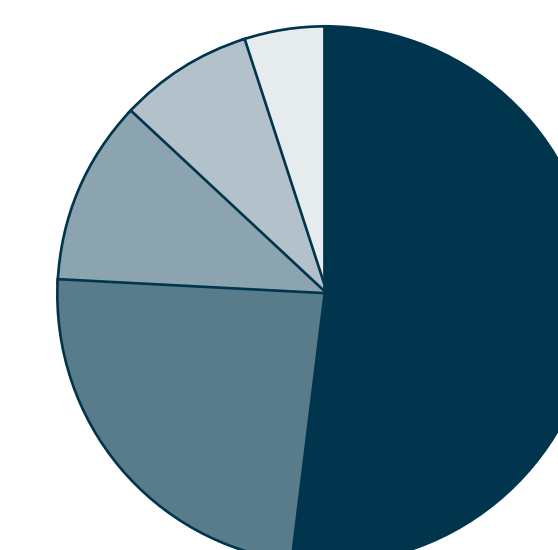


36%

25%

## Age breakdown Last 12 months

### Tenants age



52% Under 29  
24% 30 to 39  
11% 40 to 49  
8% 50 to 59  
5% 60+





**With over 25 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**

## 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 is an established property market intelligence company with a long track record of analysing and reporting on local housing markets. Working alongside Barbon and other companies, Dataloft have compiled Dataloft Rental Market Analytics (DRMA), the largest and most comprehensive single source of achieved rents and tenant 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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