

Statistical bulletin

Index of Private Housing Rental Prices, UK: March 2022

An experimental price index tracking the prices paid for renting property from private landlords in the UK. Includes measures of owner occupiers' housing costs.

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1 . Main points

- Private rental prices paid by tenants in the UK rose by 2.4% in the 12 months to March 2022, up from 2.3% in the 12 months to February 2022.
- Private rental prices grew by 2.2% in England, 1.6% in Wales and 2.8% in Scotland in the 12 months to March 2022.
- The East Midlands saw the highest annual growth in private rental prices (3.8%), while London saw the lowest (0.4%).

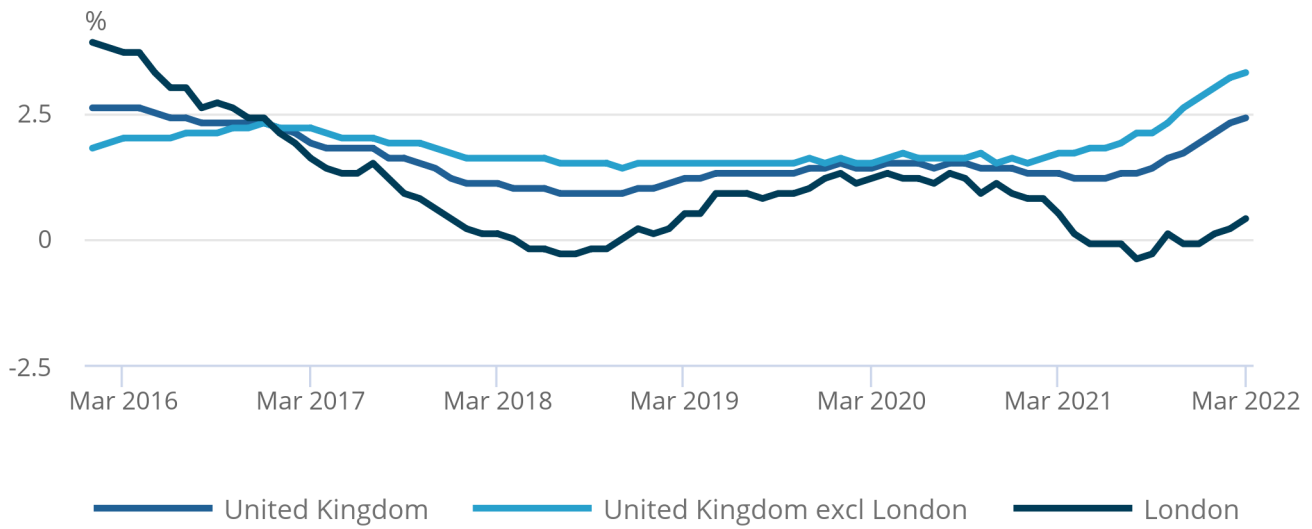
2 . UK private rental prices

Figure 1: The UK annual private rental price growth rose to 2.4% in the 12 months to March 2022

Index of Private Housing Rental Prices percentage change over 12 months, UK and London, January 2016 to March 2022

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Index of Private Housing Rental Prices percentage change over 12 months, UK and London, January 2016 to March 2022



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

Notes:

1. Data presented are classified as Experimental Statistics. More information can be found in [Section 9: Strengths and limitations](#).

Private rental prices paid by tenants in the UK increased by 2.4% in the 12 months to March 2022, representing the largest annual growth rate since July 2016.

Growth in private rental prices paid by tenants in the UK remained broadly flat between November 2019 and the end of 2020. The beginning of 2021 saw a slowdown in rental price growth, which was driven by prices in London. Growth in private rental prices has increased since the latter part of 2021, with widespread annual growth across all regions, with the exception of London.

In the 12 months to March 2022, rental prices for the UK, excluding London, increased by 3.3%, up from an increase of 3.2% in February 2022. London private rental prices increased by 0.4% in the 12 months to March 2022, up from an increase of 0.2% in February 2022.

London's rental price growth in March 2022 (0.4%) remains the lowest of any of the English regions. This reflects a decrease in demand, with remote working shifting housing preferences as workers no longer need to be close to offices. It also reflects an increase in supply, such as an excess supply of rental properties as short-term lets change to long-term lets. Further commentary on these movements can be found in Section 4 of [our Index of Private Housing Rental Prices, UK: March 2021 bulletin](#).

The Association of Residential Letting Agents (ARLA) reported in their [Private Rented Sector Report, February 2022](#) that the number of new properties being rented out by agents has fallen for the third month in a row.

The [Royal Institution of Chartered Surveyors' \(RICS\) February 2022 Residential Market Survey](#) reported that tenant demand is still growing at a solid pace, while the supply of rental properties remains challenging. Consequently, near term rental growth expectations continue to be driven higher.

These supply and demand pressures can take time to feed through to the Index of Private Housing Rental Prices (IPHRP), which reflects price changes for all private rental properties rather than only newly advertised rental properties.

Figure 2: UK rental prices have increased by 12.9% since January 2015

Index of Private Housing Rental Prices indices, UK, January 2015 to March 2022

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

Notes:

1. Data presented are classified as Experimental Statistics. More information is available in [Section 9: Strengths and limitations](#).

3 . UK private rental growth by country

In England, private rental prices grew by 2.2% in the 12 months to March 2022, representing the highest 12-month growth rate since February 2017. When London is excluded from England, private rental prices increased by 3.2% in the 12 months to March 2022, up from an increase of 3.1% in February 2022, and the highest 12-month growth rate since this series began in 2006.

Private rental prices in Wales grew by 1.6% in the 12 months to March 2022, up from an increase of 1.4% in February 2022.

Private rental prices in Scotland grew by 2.8% in the 12 months to March 2022, up from 2.6% in February 2022, and the highest annual growth rate since records began in 2012.

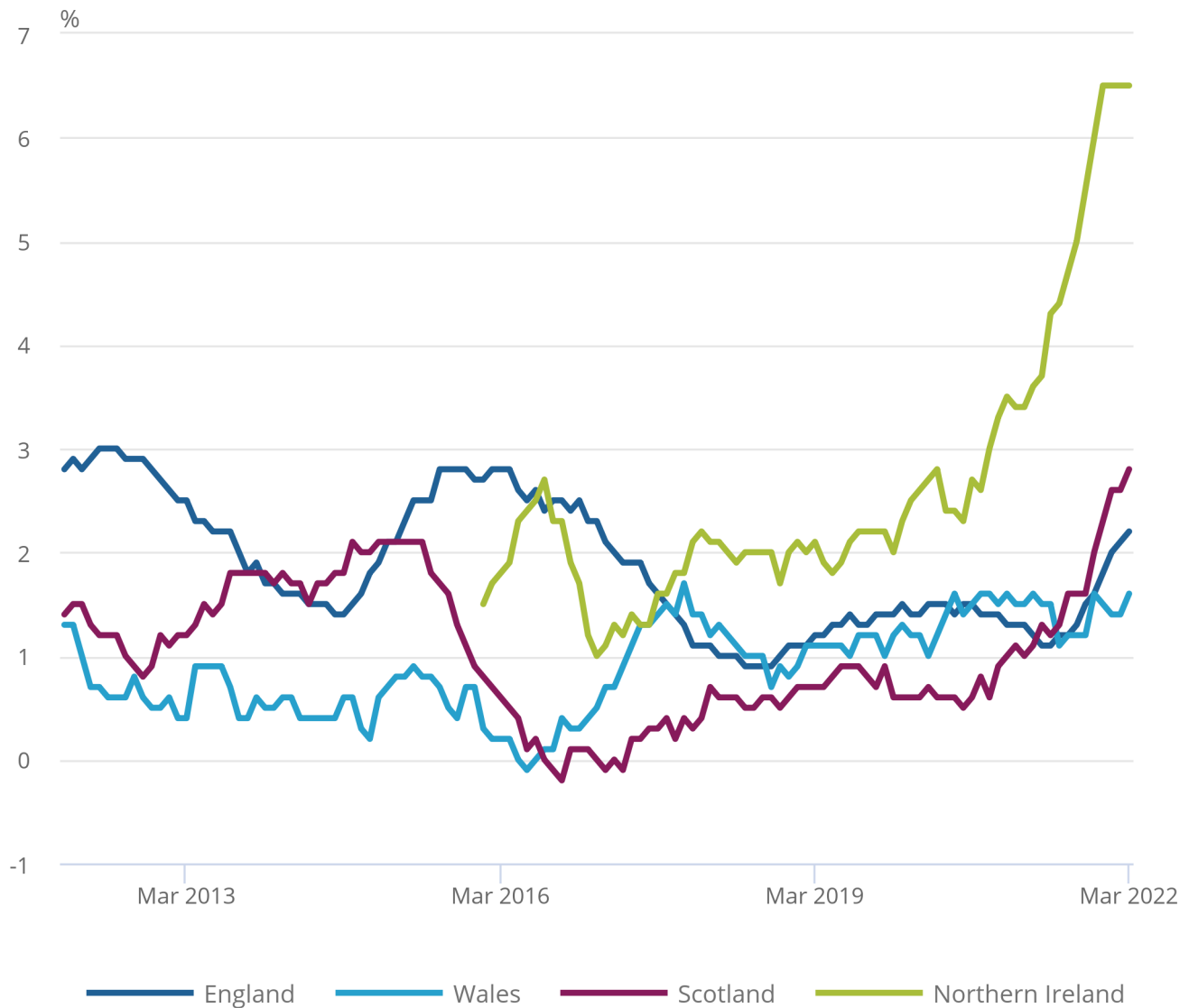
The annual rate of change for Northern Ireland in March 2022 (6.5%) was higher than the other countries of the UK. Northern Ireland data have been copied forward since December 2021; the next update to Northern Ireland data will be in the release published on 22 June 2022.

Figure 3: The annual rental growth in Scotland continues to surpass England and Wales

Index of Private Housing Rental Prices percentage change over 12 months for countries of the UK, January 2012 to March 2022

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Index of Private Housing Rental Prices percentage change over 12 months for countries of the UK, January 2012 to March 2022



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

Notes:

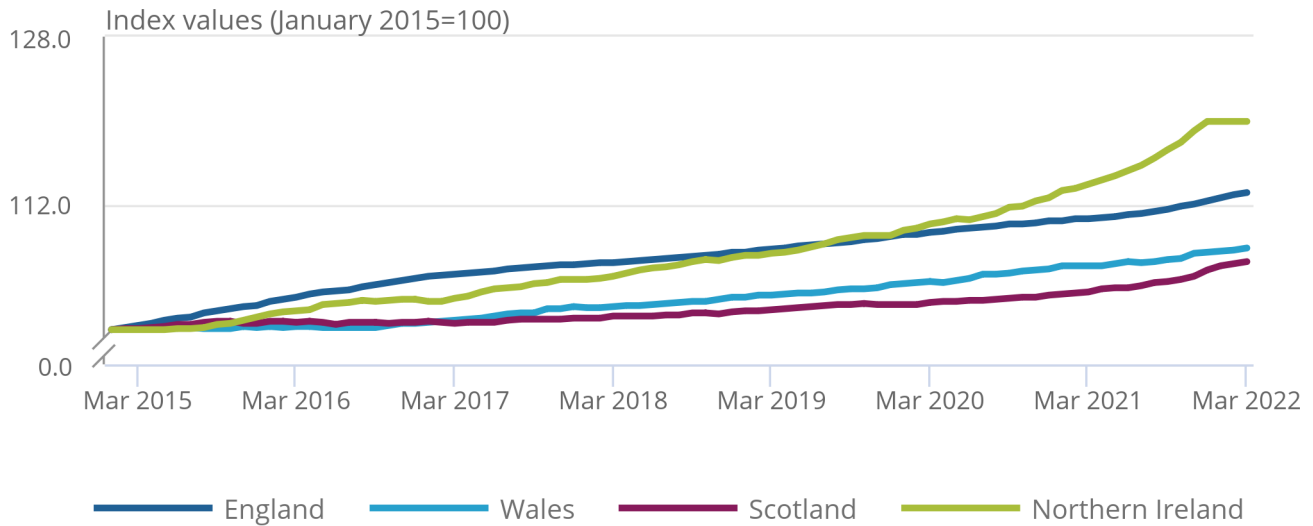
1. Data presented are classified as Experimental Statistics. More information is available in [Section 9: Strengths and limitations](#).
2. Northern Ireland data are only available every three months. Northern Ireland data are copied forward until the next data are obtainable, which will be released on 22 June 2022.

Figure 4: Rental prices have increased more in England and Northern Ireland than in Wales and Scotland since 2015

Index of Private Housing Rental Prices indices for countries of the UK, January 2015 to March 2022

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Index of Private Housing Rental Prices indices for countries of the UK, January 2015 to March 2022



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

Notes:

1. Data presented are classified as Experimental Statistics. More information can be found in [Section 9: Strengths and Limitations](#)
2. Northern Ireland data are only available every three months. Northern Ireland data are copied forward until the next data are obtainable, which will be released on 22 June 2022.

4 . UK private rental growth by English region

Focusing on the English regions, the largest annual rental price increase in the 12 months to March 2022 was in the East Midlands at 3.8%.

The lowest annual rental price growth was in London, where rental prices increased by 0.4% in the 12 months to March 2022.

Figure 5: The weakest annual rental price growth is in London

Index of Private Housing Rental Prices percentage change over the 12 months to March 2022, by English region

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Index of Private Housing Rental Prices percentage change over the 12 months to March 2022, by English region

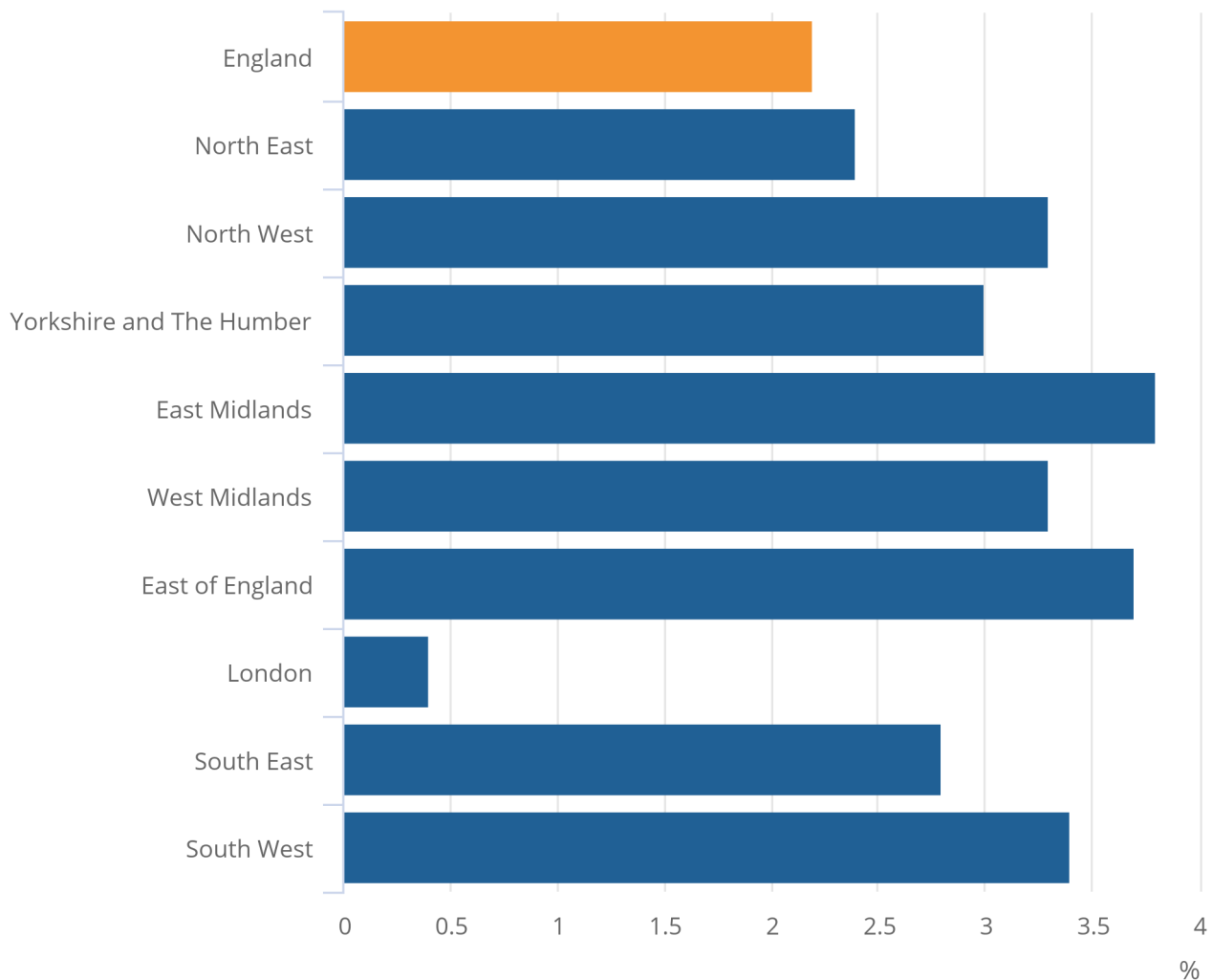


Figure 6: London rental prices experienced larger peaks and troughs than other regions

Index of Private Housing Rental Prices, percentage change over 12 months, by English region, January 2007 to March 2022

Notes:

1. The light blue line shows England's 12-month average private rental price growth.

Download the data

[.xlsx](#)

5 . Comparisons to private sector rental growth measures

Many private sector organisations, including estate agents and property companies, produce estimates of changes in rental prices. These include Zoopla, Rightmove and HomeLet. These sources provide an extensive range of rental data, with rental measures that show a diverse picture. In particular, latest data for Rightmove and HomeLet show annual increases in March 2022 of 11.7% and 8.7% respectively, while data from Zoopla indicate an annual growth of 10.2% in February 2022 (the latest month currently available). These growth rates are comparably much higher than the most recent estimate of annual growth for March 2022 published in the Index of Private Housing Rental Prices for the UK (2.4%).

Figure 7: Index of Private Housing Rental Prices more stable, but lags behind private sector measures of rental price changes

Index of Private Housing Rental Prices and private sector measures of rents, percentage change over 12 months, January 2013 to March 2022, UK

Source: Zoopla, HomeLet, Rightmove and Office for National Statistics – Index of Private Housing Rental Prices

Historically, the rental price changes measured by the private sector organisations have differed to those shown in the Index of Private Housing Rental Prices (IPHRP) and some tend to be more volatile (Figure 7). This is because the private sector measures primarily focus on newly let properties (a flow measure), while the IPHRP includes a mixture of newly let properties and existing lets (a stock measure).

The Valuation Office Agency (VOA) rental officers suggest that the greatest price rises occur when properties are newly let, compared with existing tenants, who tend to see smaller price increases. Therefore, we can expect the IPHRP to be less volatile, but also to lag behind the private sector measures, as supply and demand pressures can take time to feed through to the IPHRP. Our [Measuring the UK housing market blog](#) provides more detail on the differences between stock and flow measures of rental prices.

During 2021, all three private sector measures have shown considerable increases in private rental price growth, with this trend continuing into the start of 2022. These changes do not appear to have fed through into the IPHRP to the same extent. However, in recent months the IPHRP UK growth rates have been showing a sustained increase, despite London's slow growth compared with the rest of the UK.

Further information on Zoopla, Rightmove, HomeLet and Index of Private Housing Rental data sources and their differences is available in [our Private Rental Growth Measures, a UK comparison: January to December 2021 article](#).

6 . Private rental data

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

Dataset | Released 13 April 2022

Rental price index historical data time series (index values and annual percentage change).

[Index of Private Housing Rental Prices, UK: annual weights analysis](#)

Dataset | Released 23 March 2022

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

[Measures of owner occupiers' housing costs](#)

Dataset | Released 24 March 2021

Monthly historical time series for all three approaches to measuring owner occupiers' housing costs – payments, rental equivalence and net acquisitions – including contributions to growth from the different approaches, UK.

[Measures of owner occupiers' housing costs: weights analysis](#)

Dataset | Released 24 March 2021

Aggregate inflation measure for owner occupiers' housing costs (OOH). Includes monthly time series and weights for all three approaches of measuring OOH – payments, rental equivalence and net acquisitions – aggregated with the Consumer Price Index (CPI), UK.

7 . Glossary

Index of Private Housing Rental Prices (IPHRP)

IPHRP measures the change in the price 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, for example, health records, social security payments or educational attainment information.

8 . Measuring the data

Coronavirus

We are working to ensure that the UK has the vital information needed to respond to the impact of the coronavirus (COVID-19) pandemic on our economy and society. This includes how we measure the Index of Private Housing Rental Prices (IPHRP). The price collection for this publication has not been affected.

Economic statistics governance after EU exit

Following the UK's exit from the EU, new governance arrangements are being put in place that will support the adoption and implementation of high-quality standards for UK economic statistics. These governance arrangements will promote international comparability and add to the credibility and independence of the UK's statistical system.

At the centre of this new governance framework will be the new National Statistician's Committee for Advice on Standards for Economic Statistics (NSCASE). NSCASE will support the UK by ensuring its processes for influencing and adopting international statistical standards are world leading. The advice NSCASE provides to the National Statistician will span the full range of domains in economic statistics, including the National Accounts, fiscal statistics, prices, trade and the balance of payments and labour market statistics.

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 aim to refine geography to lower geographic levels, to better meet user needs.

An overview of the methodology that we intend to use is available in [The redevelopment of private rental prices statistics, intended methodology](#). We will now need to spend more time ensuring the production system is developed on a strategic platform and is sustainable. This has resulted in our initial timetable being out of date. More information and an updated timetable for these developments is available in our [Private rental prices development plan: February 2022 article](#). If you have any queries or feedback on these developments, please email hpi@ons.gov.uk.

Sources

The IPHRP is constructed 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 VOA, Scottish Government, Welsh Government and Northern Ireland Housing Executive (NIHE). Data for Northern Ireland also include data provided by Propertynews.com.

The sources of the annually updated [Index of Private Housing Rental Prices, UK: annual weights analysis dataset](#) are the Ministry of Housing, Communities and Local Government (MHCLG), 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 for England are provided from January 2005, data for Wales from January 2009 and data for Scotland from January 2011. UK data are from January 2015.

Quality

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

9 . Strengths and limitations

Strengths

The Index of Private Housing Rental Prices (IPHRP) is constructed using large administrative sources, specified in [Section 8: 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 measure the change in newly advertised rental prices but reflects price changes for all private rental properties.

Limitations

The IPHRP is published as price indices, rather than average prices. It is also only published down to a country and regional level. While actual rental prices cannot currently be published in the IPHRP because of data access constraints, we are actively working to acquire the necessary data.

The IPHRP is released as an [Experimental Statistic](#), and is subject to revisions if improvements in the methodology are identified. Results should be interpreted with this in mind.

10 . Related links

[UK House Price Index: February 2022](#)

Bulletin | Released 13 April 2022

Monthly house price inflation in the UK, calculated using data from HM Land Registry, Registers of Scotland, and Land and Property Services Northern Ireland.

[Consumer Price Inflation, UK: March 2022](#)

Bulletin | Released 13 April 2022

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

[Private rental growth measures, a UK comparison: January to December 2021](#)

Article | Released 20 January 2022

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 2020 to September 2021](#)

Bulletin | Released 15 December 2021

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

[Measures of owner occupiers' housing costs, UK: January to March 2020](#)

Article | Released 17 June 2020

The different approaches of measuring owner occupiers' housing costs (OOH) associated with owning, maintaining and living in one's own home.