

Statistical bulletin

Index of Private Housing Rental Prices, UK: September 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.

Contact:
Aimee North
hpi@ons.gov.uk
+44 1633 456400

Release date:
19 October 2022

Next release:
16 November 2022

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1 . Main points

- Private rental prices paid by tenants in the UK rose by 3.6% in the 12 months to September 2022, up from 3.4% in the 12 months to August 2022.
- Private rental prices grew by 3.6% in England, 2.7% in Wales and 3.9% in Scotland in the 12 months to September 2022.
- The East Midlands saw the highest annual growth in private rental prices (4.7%), while London saw the lowest (2.8%).

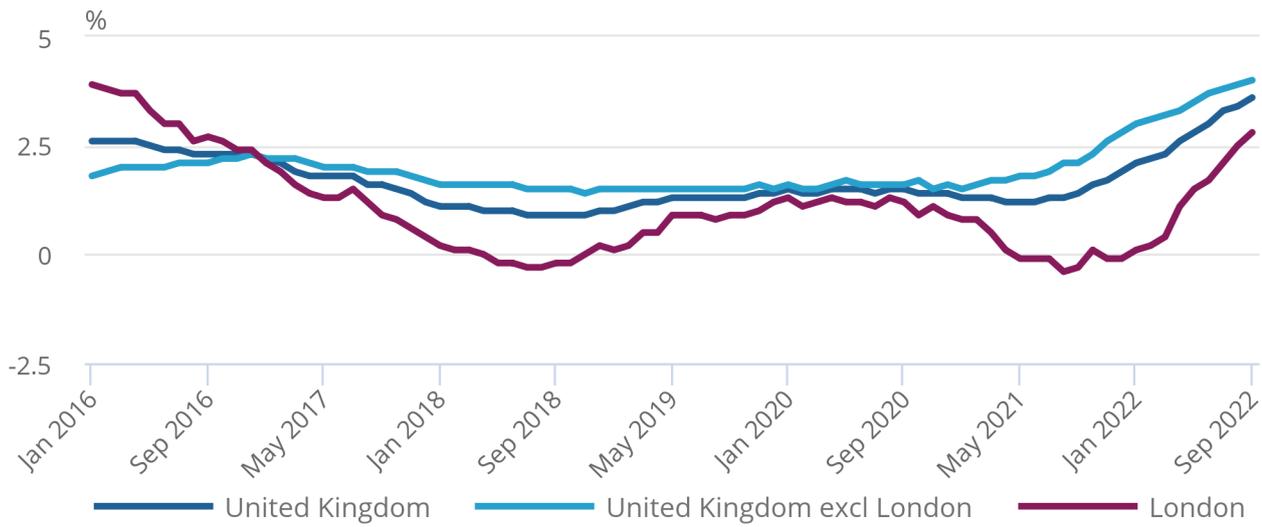
2 . UK private rental prices

Figure 1: The UK annual private rental price growth rose to 3.6% in the 12 months to September 2022

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

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Index of Private Housing Rental Prices percentage change over 12 months, UK and London, January 2016 to September 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](#).

Private rental prices paid by tenants in the UK increased by 3.6% in the 12 months to September 2022, representing the largest annual growth rate since this series began in January 2016.

Growth in private rental prices paid by tenants in the UK remained steady between November 2019 and the end of 2020. Rental price growth slowed in early 2021, which was driven by the slowdown, and later reduction, of London rental prices. This may have reflected lower demand in London because of the coronavirus (COVID-19) pandemic. For example, remote working meant workers no longer needed to live close to offices and housing preferences changed. Private rental price growth in the UK increased in late 2021, with widespread annual growth across all regions, except London where prices decreased. Private rental price annual growth has increased across all regions in 2022, including in London, where annual growth has accelerated.

In the 12 months to September 2022, rental prices for the UK excluding London increased by 4.0%, up from an increase of 3.9% in August 2022. Private rental prices in London increased by 2.8% in the 12 months to September 2022, up from an increase of 2.5% in August 2022. This is the strongest annual growth in London since July 2016. Despite this, London's rental price growth in September 2022 remains the lowest of all English regions.

The Association of Residential Letting Agents (ARLA) reported in their [Private rented sector report, July 2022](#) that the demand for properties continues to increase, as do rental prices. The number of tenants renewing their tenancies is also increasing, as many prefer to stay put rather than move.

The Royal Institution of Chartered Surveyors (RICS) [UK Residential Market Survey – August 2022 \(PDF, 4.80MB\)](#) reported an increase in tenant demand in August. Given the excess of demand over supply, rental prices are expected to rise further.

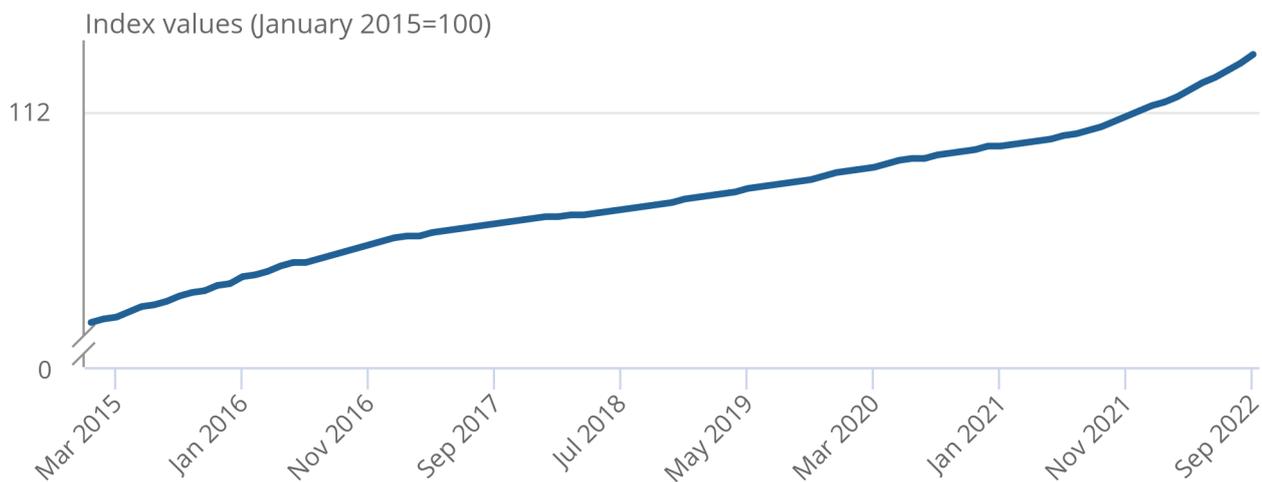
These supply and demand pressures can take time to feed through to the Index of Private Housing Rental Prices (IPHRP), which reflects price changes for all private rental properties rather than only newly advertised rental properties. Our recent [Measuring rents: stock vs flow blog post](#) explains how we measure price change in IPHRP.

Figure 2: UK rental prices have increased by 15.2% since January 2015

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

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Index of Private Housing Rental Prices indices, UK, January 2015 to September 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 rates by country

In England, private rental prices grew by 3.6% in the 12 months to September 2022, representing the highest annual growth rate since June 2008. When London is excluded from England, private rental prices increased by 4.0% in the 12 months to September 2022. This is up from an increase of 3.9% in August 2022, and the highest annual growth rate since this series began in 2006.

Private rental prices in Wales grew by 2.7% in the 12 months to September 2022. This is up from an increase of 2.5% in August 2022, and is the highest annual growth rate since this series began in 2010.

Private rental prices in Scotland grew by 3.9% in the 12 months to September 2022. This is up from an increase of 3.6% in August 2022, and is the highest annual growth rate since this series began in 2012.

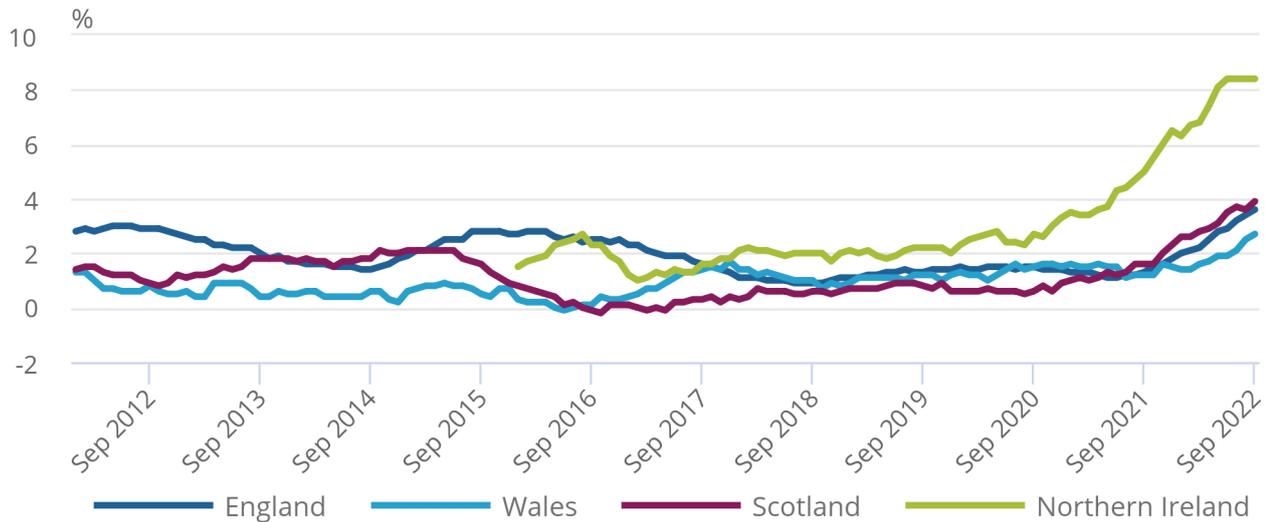
The annual growth rate for Northern Ireland in September 2022 (8.4%) was higher than the other countries of the UK. The Northern Ireland data have been carried forward since June 2022. The Northern Ireland data will be updated in our Index of Private Housing Rental Prices, UK bulletin published on 16 November 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 September 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 September 2022



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

Notes:

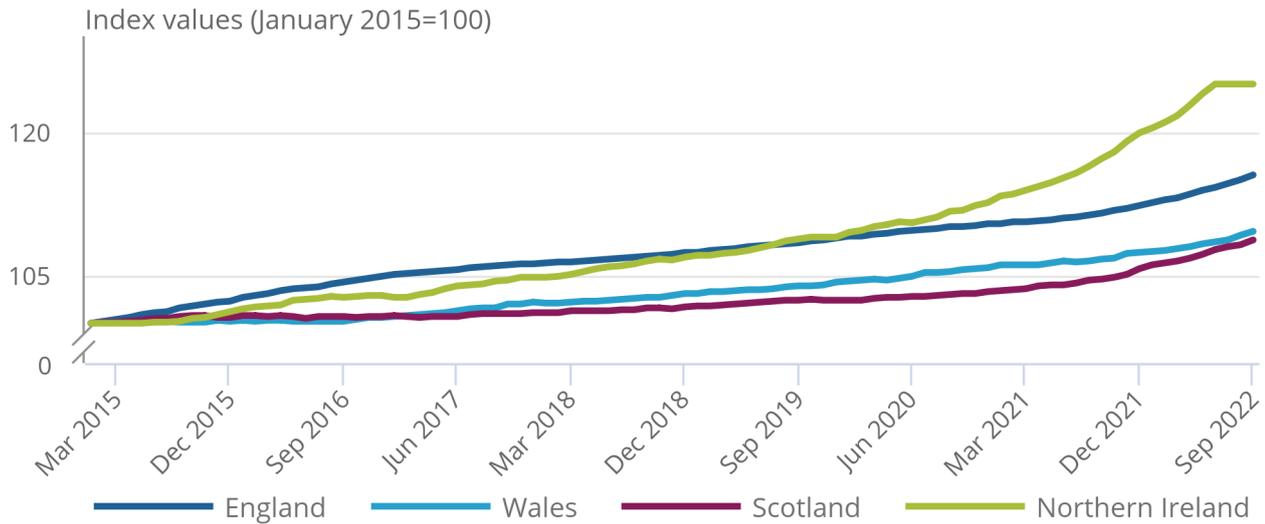
1. Data presented are classified as Experimental Statistics. More information is available in [Section 9: Strengths and limitations](#).
2. Northern Ireland data are carried forward until updated data are available to publish on 16 November 2022.
3. The [Cost of Living \(Tenant Protection\) Scotland Bill](#) passed on 6 October 2022, temporarily restricting landlords from increasing rental prices for existing residential tenancies in Scotland until at least 31 March 2023. Ministers may change the rent cap while it is in force.

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 September 2022

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

Notes:

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4 . UK private rental growth by English region

Focusing on the English regions, the largest annual rental price growth in the 12 months to September 2022 was in the East Midlands at 4.7%.

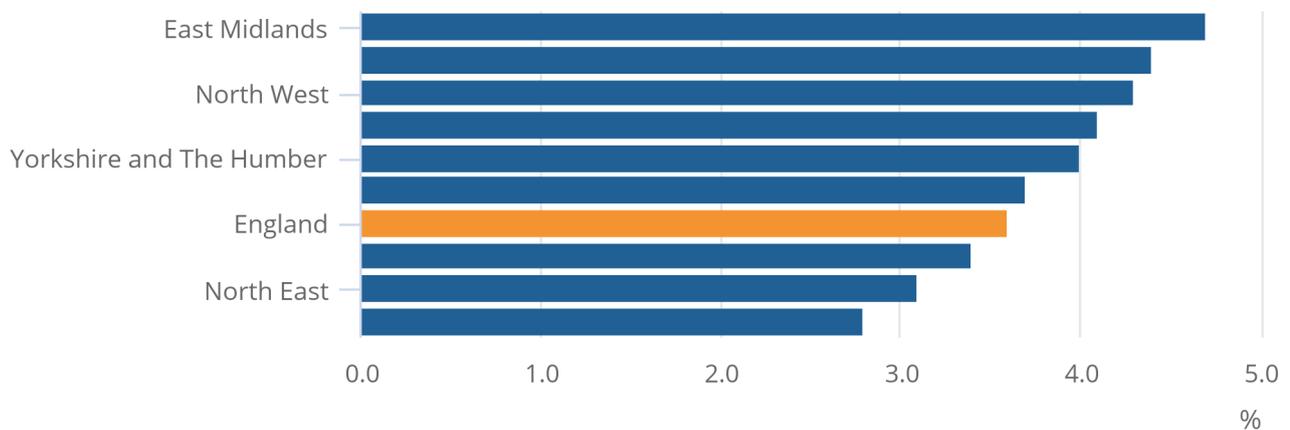
The lowest annual rental price growth in the 12 months to September 2022 was in London at 2.8%.

Figure 5: Weakest annual rental price growth is in London

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

Figure 5: Weakest annual rental price growth is in London

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



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

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 September 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

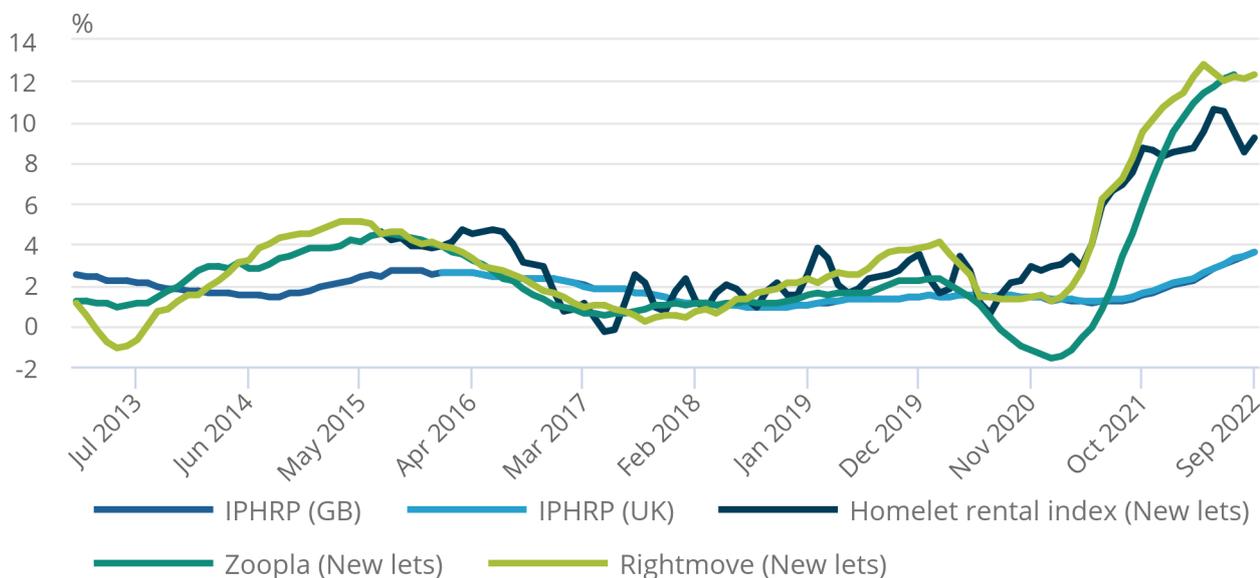
Many private sector organisations, including estate agents and property companies, produce estimates of changes in rental prices. This includes Zoopla, Rightmove and HomeLet. These sources provide an extensive range of rental data, with measures that show a diverse picture. Rightmove and HomeLet reported annual rental price increases in September 2022 of 12.3% and 9.2%, respectively, while Zoopla reported annual growth at 12.3% in July 2022 (this is the latest available data). These growth rates are much higher than the annual growth estimate for September 2022 published in the Index of Private Housing Rental Prices for the UK (3.6%).

Figure 7: Index of Private Housing Rental Prices is 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 September 2022, UK

Figure 7: Index of Private Housing Rental Prices is 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 September 2022, UK



Source: 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 tenancies which 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 post](#) 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 are 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 19 October 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)

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, for example, health records, social security payments or educational attainment information.

8 . Measuring the data

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 Index of Private Housing Rental Prices (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: updated February 2022](#). 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 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 \(QMI\)](#).

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 measures 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 [Experimental Statistics](#), 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: August 2022](#)

Bulletin | Released 19 October 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: September 2022](#)

Bulletin | Released 19 October 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: April 2021 to March 2022](#)

Bulletin | Released 22 June 2022

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.

11 . Cite this statistical bulletin

Office for National Statistics (ONS), released 19 October 2022, ONS website, statistical bulletin, [Index of Private Housing Rental Prices, UK: September 2022](#)