

Statistical bulletin

Index of Private Housing Rental Prices, UK: February 2023

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 4.7% in the 12 months to February 2023, up from 4.4% in the 12 months to January 2023.
- Annual private rental prices increased by 4.5% in England, 4.2% in Wales and 4.9% in Scotland in the 12 months to February 2023.
- Within England, the East Midlands saw the highest annual percentage change in private rental prices in the 12 months to February 2023 (4.9%), while the West Midlands saw the lowest (4.0%).
- London's annual percentage change in private rental prices was 4.6% in the 12 months to February 2023.

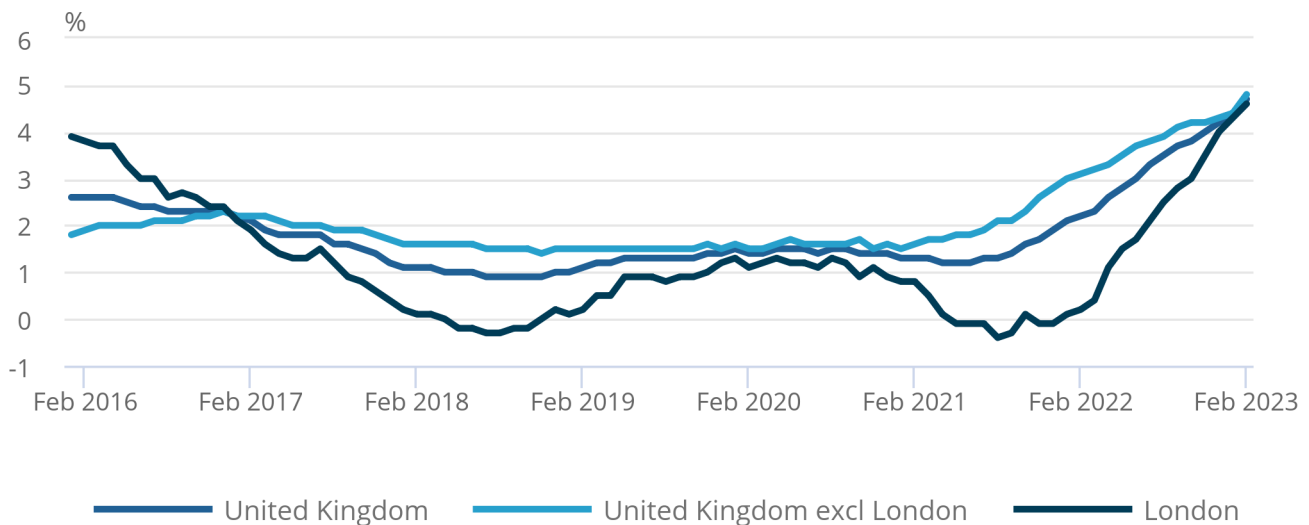
2 . UK private rental prices

Figure 1: The UK annual private rental price percentage change rose to 4.7% in the 12 months to February 2023

Index of Private Housing Rental Prices percentage change over 12 months, UK and London, January 2016 to February 2023

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Index of Private Housing Rental Prices percentage change over 12 months, UK and London, January 2016 to February 2023



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

Notes:

1. Data presented are classified as Experimental Statistics. More information is available in [Section 8: Strengths and limitations](#).

Private rental prices paid by tenants in the UK increased by 4.7% in the 12 months to February 2023, representing the largest annual percentage change since this UK series began in January 2016.

The annual percentage change in UK private rental prices paid by tenants remained steady between November 2019 and the end of 2020. The annual percentage change in rents 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 that workers no longer needed to live close to offices, and housing preferences changed.

Private rental prices in the UK began to increase in the second half of 2021, with annual growth 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 continued in early 2023.

In the 12 months to February 2023, rental prices for the UK (excluding London) increased by 4.8%, up from an increase of 4.4% in the 12 months to January 2023. Private rental prices in London increased by 4.6% in the 12 months to February 2023, up from an increase of 4.3% in the 12 months to January 2023. This is the strongest annual percentage change in London since January 2013.

The Association of Residential Letting Agents (ARLA) state in their [February 2023 Housing Insight Report](#) that the market remains very much out of balance with demand continuing to outweigh supply. Pressure on rents has eased slightly since the peaks of last summer but it has by no means gone away.

The Royal Institution of Chartered Surveyors (RICS) reported in their [February 2023 UK Residential Market Survey](#) that tenant demand continues to increase. Meanwhile, landlord instructions continue to decline, but at a slower pace than in the recent past.

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. Our [Measuring rents: stock vs flow blog post](#) explains how we measure price change in the IPHRP.

3 . Annual UK private rental price percentage change by country

In England, private rental prices increased by 4.5% in the 12 months to February 2023. When London is excluded from England, private rental prices increased by 4.4% in the 12 months to February 2023. Both of these figures reflect the highest annual percentage change since the England series began in January 2006.

Private rental prices in Wales increased by 4.2% in the 12 months to February 2023. This is up from an increase of 3.9% in January 2023, and is the highest annual percentage change since the Wales series began in January 2010.

Private rental prices in Scotland increased by 4.9% in the 12 months to February 2023. This is up from an increase of 4.5% in January 2023, and is the highest annual percentage change since the Scotland series began in January 2012.

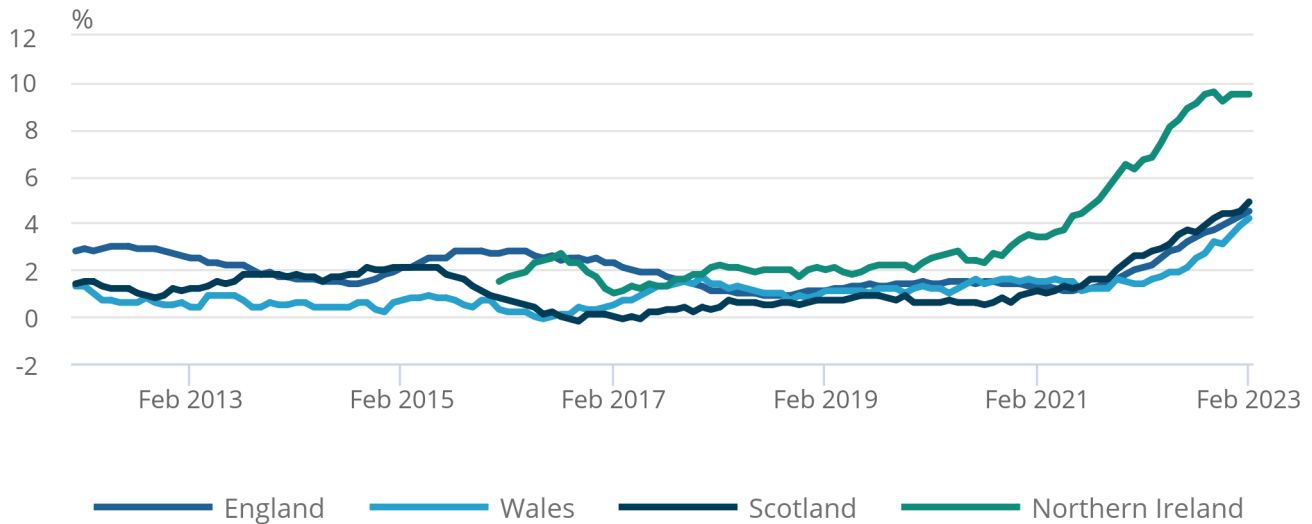
The annual percentage change for Northern Ireland in February 2023 was 9.5%. This was higher than the other countries of the UK. Northern Ireland data have been carried forward since December 2022. Northern Ireland data will be updated in our Index of Private Housing Rental Prices, UK bulletin, to be published on 19 April 2023.

Figure 2: Annual rental percentage change 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 February 2023

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Index of Private Housing Rental Prices percentage change over 12 months for countries of the UK, January 2012 to February 2023



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

Notes:

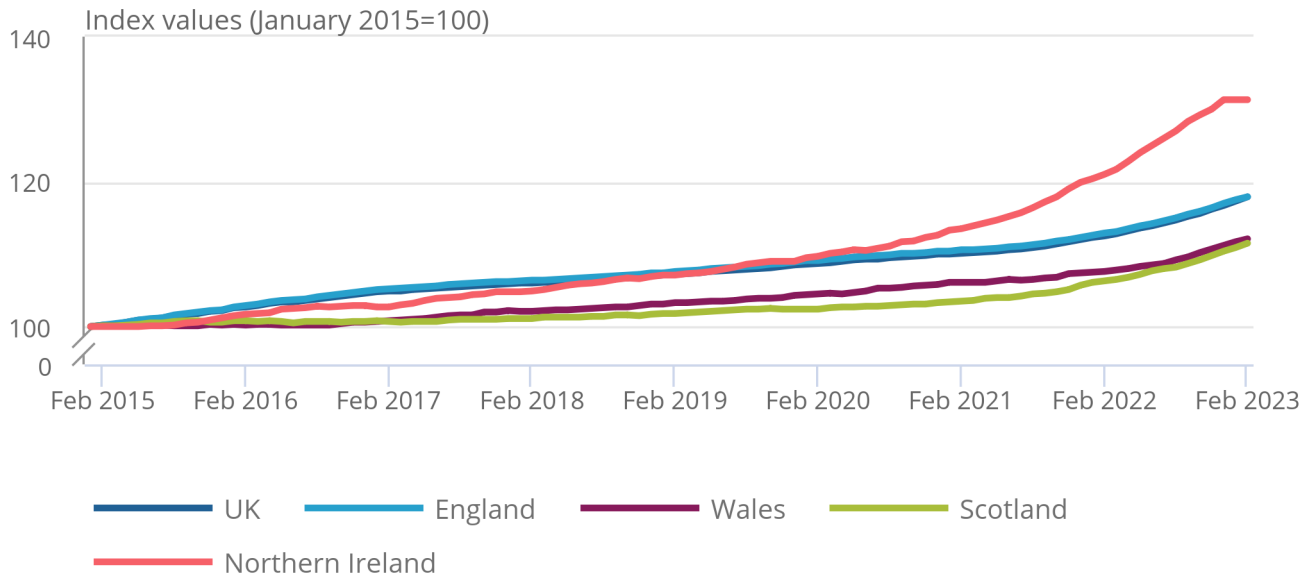
1. Data presented are classified as Experimental Statistics. More information is available in [Section 8: Strengths and limitations](#).
2. Northern Ireland data are carried forward until updated data are available to publish on 19 April 2023.
3. The [Cost of Living \(Tenant Protection\) Scotland Bill](#) 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 3: 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 February 2023

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

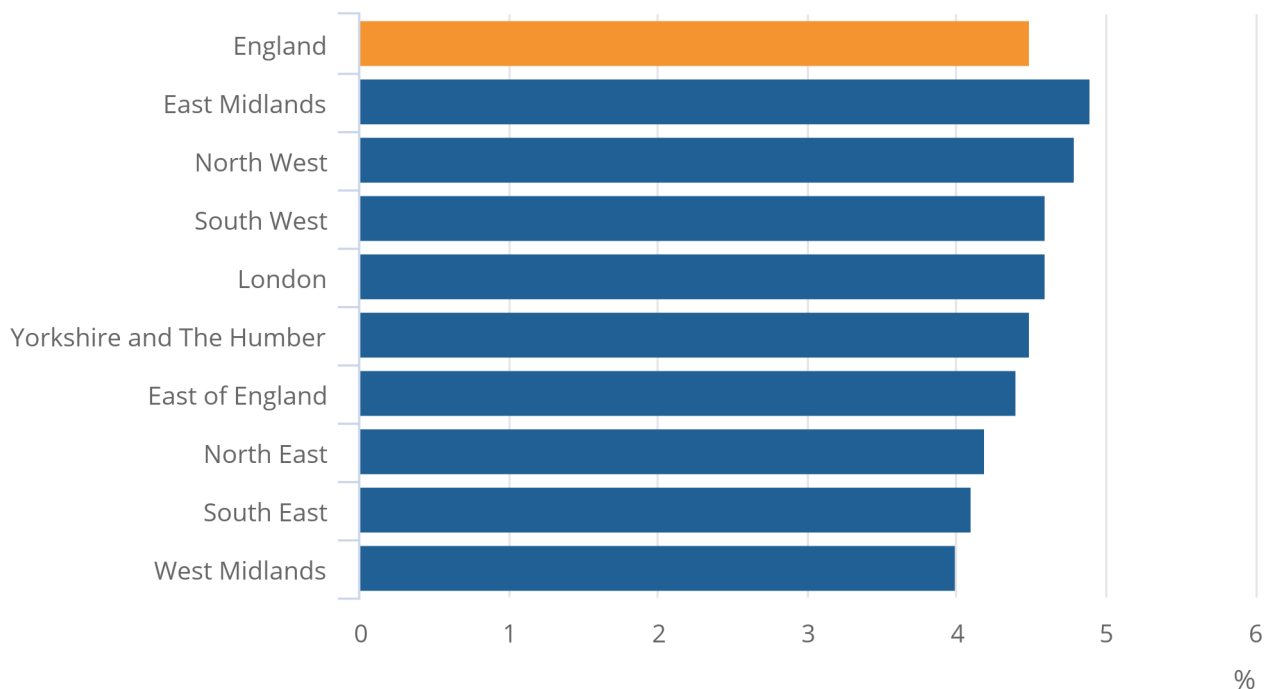
The largest annual rental price percentage change in the 12 months to February 2023 in the English regions was in the East Midlands, at 4.9%. The East Midlands was also the region where private rental prices were rising at the fastest annual rate throughout 2022 and the beginning of 2023. Of the English regions, the lowest annual rental price percentage change in the 12 months to February 2023 was in the West Midlands, at 4.0%. However, this is still the highest annual percentage change since the West Midlands series began in January 2006.

Figure 4: Weakest annual rental price percentage change is in the West Midlands

Index of Private Housing Rental Prices percentage change over the 12 months to February 2023, by English region

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Index of Private Housing Rental Prices percentage change over the 12 months to February 2023, by English region



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

Figure 5: 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 2006 to February 2023

Notes:

1. The grey line shows England's 12-month average rental price percentage change.

Download the data

[.xlsx](#)

5 . Private rental data

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

Dataset | Released 22 March 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 23 March 2022

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

See our [Guide to experimental statistics article](#) for more information.

[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.

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 such as health records, social security payments or educational attainment information.

7 . Measuring the data

Economic statistics governance after EU Exit

More information regarding the new governance following UK's exit from the EU (Brexit) is available in our [previous release](#).

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 our article, [The redevelopment of private rental prices statistics, intended methodology](#). We will now need to spend more time ensuring that 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](#) article. If you have any queries or feedback on these developments, please email hpi@ons.gov.uk.

Sources

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

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

Weights update

As part of this release, the underlying index weights used in the IPHRP production process to aggregate the index have been updated. This is a standard annual update; methodology information can be found in our [Index of Private Housing Rental Prices Quality and Methodology Information \(QMI\)](#).

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 \(QMI\)](#).

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.

Limitations

The IPHRP is published as price indices, rather than average prices. It is also only published by country and regional level instead of reflecting data at lower geographic levels. 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.

9 . Related links

[UK House Price Index: January 2023](#)

Bulletin | Released 22 March 2023

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: February 2023](#)

Bulletin | Released 22 March 2023

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

[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 2021 to September 2022](#)

Bulletin | Released 14 December 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.

10 . Cite this statistical bulletin

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