Issue 7 / Apr 2023



## Update from VOA Rent Officers

Welcome to our seventh VOA Rent Officers eUpdate, which covers the latest analysis carried out by the Office for National Statistics (ONS) on private rental price changes, national inflation measures, access to the <u>"How to rent" guide</u>, a guide to Local Housing Allowance (LHA), and where you can see us face to face.

We hope you find something of interest, and would love to hear your comments and feedback. We would also like to thank the thousands of letting agents and landlords that share rental information with us for your continued support; it makes a real difference.

#### In this update

ONS experimental analysis on recent private rental price changes in England

Rental price change statistics and national inflation indices

"How to rent" guide

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## ONS publish experimental analysis on recent private rental price changes in England (Feb 2022 to Feb 2023)

On 24 March 2023 ONS published their 'Changes in private rental sector behaviour, England: February 2022 to February 2023' report. We've summarised the main takeaways:

- Collecting price data from privately rented properties every 12 months, on average, ("revisiting") enables rental price changes to be tracked over time.
- The proportion of privately rented properties in England revisited in February 2023 that had experienced a price increase was 50.6%, up from 36.0% of those revisited in February 2022.
- The proportion of privately rented properties revisited in February 2023 that had experienced a price increase was highest in London (66.8%) and lowest in the North West (27.9%).
- The average price percentage increase for privately rented properties in England revisited in February

2023 that had experienced a price increase since the last visit was 9.7%, up from 7.0% in February 2022.

- Tenants privately renting in London may have faced larger rental price rises compared with other English regions, with London privately rented properties revisited in February 2023 experiencing a larger average price increase (12.0%) than the England average (9.7%).
- The proportion of privately rented properties revisited in February 2023 that had experienced a price increase of 10% or more was 33.3% in London; this was just under double the proportion for England (18.2%).
- Since early 2022, revisited flats and maisonettes have consistently experienced the highest average percentage rental price change of all property types in London.



# You can read the whole report here:

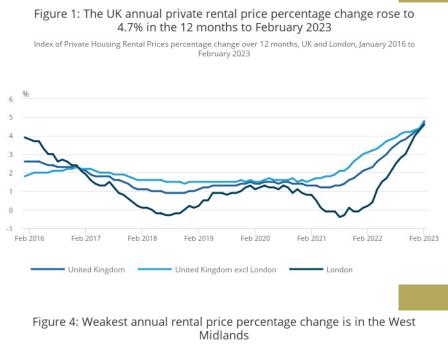
https://www.ons.gov.uk/ peoplepopulationandcommunity/ housing/articles/changesinprivate rentalsectorbehaviourengland/ february2022tofebruary2023

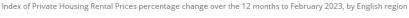
# Rental price change statistics and national inflation indices

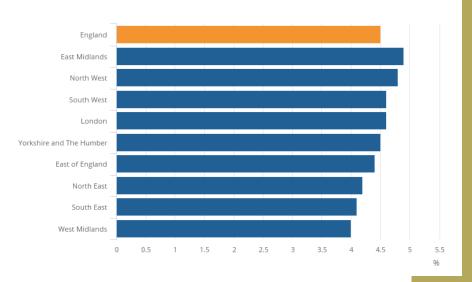
The latest monthly Index of Private Housing Rental Prices (IPHRP), UK, based on VOA rental data for England, has also been released by ONS.

The IPHRP is an experimental price index, tracking the prices paid for renting property from private landlords in the UK, and includes measures of owner occupiers' housing costs.

In England, private rental price changes rose to 4.7% in the 12 months to February 2023. East Midlands had the highest increase, with West Midlands having the lowest.







#### How to guide

A new <u>"How to rent"</u> (https://www.gov.uk/ government/publications/how-to-rent guide) was published on Friday 24 March on GOV.UK.

Landlords in England must serve this latest version both at the start of any new tenancy and on renewal.

This guide is for tenants and landlords in the private rented sector to help them understand their rights and responsibilities. It provides a checklist and more detailed information on each stage of the process, including:

- what to look out for before renting
- living in a rented home
- what happens at the end of a tenancy
- what to do if things go wrong



#### Local Housing Allowance

The **Department for Work and Pensions (DWP)** use <u>Local Housing Allowance (LHA)</u> rates to calculate Housing Benefit for tenants renting from private landlords. LHA rates relate to an area in which a claim is made these areas are called Broad Rental Market Areas (BRMA).

A BRMA is where a person could reasonably be expected to live taking into account access to certain facilities and services.

#### How Local Housing Allowance rates are calculated

VOA Rent Officers collect rental information from letting agents, landlords, tenants and other sources. LHA rates are based on private market rents being paid in the BRMA which can differ from advertised rents.

The data does not include all rents that might exist in each BRMA. In accordance with DWP legislation, Rent Officers must collect a sufficient sample from the 12-month period ending 30 September. This is prior to DWP publishing LHA rates on 1 April. The published data includes both new and renewal rents in payment, as negotiated between landlord and tenant. These rents do not include any value attributed to services which are ineligible for housing benefit (effectively net rents). Housing benefit supported rents are also removed where possible.

The LHA comprises a set of rates for a number of categories - Categories A to E which are:

a) 'Shared Accommodation':

Exclusive use of one bedroom and sharing the use of one or more of a:

- kitchen
- bathroom
- toilet
- room suitable for living in

b) 1 bedroom dwellings: those with one bedroom and exclusive use of a kitchen, a bathroom, a toilet and a room suitable for living in

c) 2 bedroom dwellings

- d) 3 bedroom dwellings
- e) 4 bedroom dwellings

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The LHA rates from 1st April 2023 have been determined in accordance with The Rent Officers (Housing Benefit and Universal Credit Functions) (Modification) Order 2023 (SI6/2023) and are the same rates that came into force on 1st April 2020. Any policy enquiries should be directed to the Department for Work and Pensions.



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## Come and see us

We will be appearing at the following events, come and see us to talk about how you can contribute.

When?	What?	Where?
Wednesday 17/05/2023 09.00 – 15.30	National Landlords Investment Show	Holte Suite, Aston Villa Football Club, Villa Park, Witten Lane, Birmingham, B6 6HE
Thursday 08/06/2023 09:30 – 15:00	Newcastle Landlords Conference	Newcastle Falcons Conference Centre, Kingston Park, Newcastle, NE13 8AF
Tuesday 27/06/2023	Propertymark One	Ovo Arena, Wembley
Tuesday 04/07/2023 09:30 – 17:00	National Landlords Investment Show	1 Old Billingsgate, Lower Thames Street London, EC3R 6DX

### Thank you

A brief personal thank you for continued help.

The rental data you share helps tenants to meet their rental liability through Housing Benefit and Universal Credit system , as well as feeding into national inflation measures and rental statistics.

To be of real value the data you share with VOA Rent Officers crucially needs to include the full address, type of tenancy etc. We would appreciate feedback on the ways you find simplest and easiest to provide this level of information. Please speak to your local Rent Officer to explore the best option for you.

#### How to contact us

The best way to get in touch with VOA Rent Officers is through our online <u>contact form</u>, which also has links to useful self-help guidance. Using this channel will help ensure your query is managed by the appropriate team as quickly as possible.

To support customers, our telephone service also operates from 9:00am – 4:30pm from Monday to Friday.

Please make use of our self-serve and online channels, and wherever you can, please use our electronic communication tools to contact us.

If you have any comments or feedback about this publication, please <u>contact us by email.</u>



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Sharing your rental data makes a difference

