Private Sector Rent Statistics, Scotland, 2010 to 2023

Key Points

Note that figures are based predominantly on advertised rents.

Main findings for average rent changes in the latest year (2022 to 2023):

- Average rents for 2 bedroom properties, the most common size of property in the private rented sector, increased at a Scotland level by 14.3% in the year to end September 2023, to reach an average of £841 per month, up £105 per month compared with the previous year.
- Average 2 bedroom rents increased in all 18 Broad Rental Market Areas of Scotland compared with the previous year. Increases in 11 of these areas were above the average 12 month UK CPI inflation rate of 9.0%, ranging from 9.6% (or £59 per month) for South Lanarkshire up to 22.3% (or £191 per month) in Greater Glasgow. Whilst the lowest increases were seen in Dumfries and Galloway (1.5% or £7 per month), West Lothian (2.3% or £16 per month), Perth and Kinross (2.8% or £18 per month) and Highland and Islands (3.0% or £19 per month).
- In the latest year to end September 2023, Lothian had the highest average monthly 2 bedroom rent (£1,192), with Dumfries and Galloway having the lowest (£487).
- Average rents increased at a Scotland level in the latest year across all property size categories, with increases of:
    - 11.7% or £68 per month for 1-bedroom properties, reaching £648 per month.
    - 14.3% or £105 per month for 2-bedroom properties, reaching £841 per month.
    - 13.3% or £121 per month for 3-bedroom properties, reaching £1,026 per month.
    - 13.4% or £196 per month for 4-bedroom properties, reaching £1,656 per month.
    - 15.1% or £64 per month for 1 bedroom shared properties, reaching £490 per month.

Main findings for cumulative average rent changes between 2010 and 2023:

- Lothian and Greater Glasgow have seen increases in average rents above the rate of inflation between 2010 and 2023 across all property sizes.

- Dundee and Angus, East Dunbartonshire, Fife and Forth Valley have seen increases in average rents above the rate of inflation for all property sizes except 1 bedroom properties.
- Argyll and Bute, the Ayrshires and Dumfries and Galloway have seen increases in average rents of less than the rate of inflation across all property sizes between 2010 and 2023.

Note that these statistics are based predominantly on advertised rents, and so reflect rents that landlords are charging when their properties become available for rent at the point of tenant turnover or when properties are new to the rental market. As such these rents will not reflect the Cost of Living (Tenants Protection) (Scotland) Act 2022 rent cap restrictions from September 2022, which only apply to existing tenants.

Introduction

This publication presents statistics on average private sector rent levels in Scotland by Broad Rental Market Area and size of property, for the years 2010 to 2023. Note that figures are based predominantly on advertised rents, and so do not represent rent changes for existing tenants.

The publication uses data from the Rent Service Scotland 'Market Evidence Database'. This database is used to meet the needs of determining annual Local Housing Allowance levels and Local Reference Rent, and data from it is also published in the form of LHA 30th percentile rental prices at Broad Rental Market Area level.

The market evidence data on private rents is sourced through a variety of means, including advertised rental information as well as private landlord and letting agent returns. In the latest year to end September 2023, an estimated 85% of Rent Service Scotland Market Evidence records were based on advertised rents, with the remainder being based on transactional data received from letting agents or landlords. Note that it is likely that a proportion of the transactional data received will also relate to recently advertised rents, where the records received relate to tenancies which have only been recently advertised or let.

The rental values in this publication are based on data collected on around 25,000 to 40,000 individual rents each year, representing about 8% to 12% of all private rented dwellings.

The latest year CPI inflation figure of 9.0% is based on the average UK CPI value across the latest 12 month period October 2022 to September 2023 compared with the average value in the previous year October 2021 to September 2022. The increase in CPI inflation of 45.7% between 2010 and 2023 is based on the average CPI value across the latest 12 month period October 2022 to September 2023 compared with the average value in the year October 2009 to September 2010.

An Official Statistics Publication for Scotland

These statistics are official statistics. Official statistics are statistics that are produced by crown bodies, those acting on behalf of crown bodies, or those specified in statutory orders, as defined in the Statistics and Registration Service Act 2007.

Scottish Government statistics are regulated by the Office for Statistics Regulation (OSR). OSR sets the standards of trustworthiness, quality and value in the Code of Practice for Statistics that all producers of official statistics should adhere to.

Key findings, based on 2 bedroom properties

The most common type of property in the private rented sector is a 2 bedroom property, with around half (49 per cent) of all private rented properties in Scotland estimated to be this size (See Table 3.6d 'Housing characteristics by tenure - Number of bedrooms (Scotland, 2019)' in the SHS Data Explorer). Findings relating to other sizes of properties can differ to this, and are provided later in this publication.

In the year to end September 2023, average 2 bedroom rents increased in all 18 areas of Scotland. Increases in 11 of these areas were above the average 12 month UK CPI inflation rate of 9.0%, ranging from 9.6% (or £59 per month) in South Lanarkshire up to 22.3% (or £191 per month) in Greater Glasgow. The lowest increases were seen in Dumfries and Galloway (1.5% or £7 per month), West Lothian (2.3% or £16 per month), Perth and Kinross (2.8% or £18 per month) and Highland and Islands (3.0% or £19 per month).

These regional trends combine to show an estimated 14.3% (or £105 per month) increase in average 2 bedroom monthly rents at a Scotland level, which compares to an average increase in UK CPI of 9.0% across the year to September 2023.

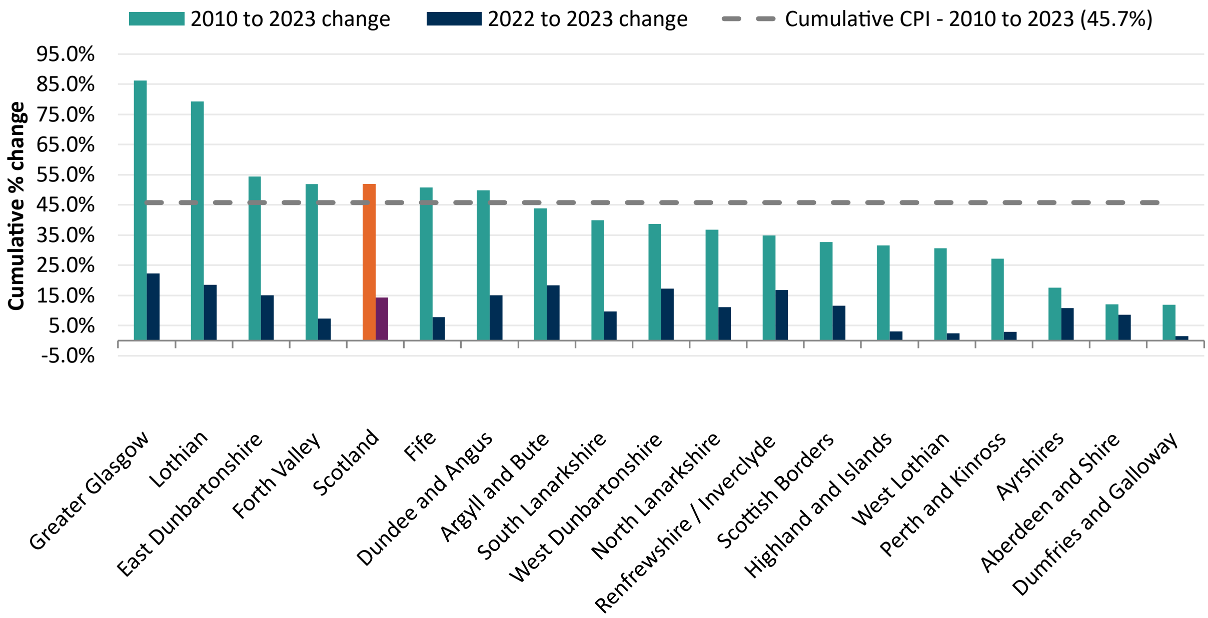
In the year to end September 2023, Lothian had the highest average monthly rents for 2 bedroom properties across Scotland (£1,192). Other areas with high rents included Greater Glasgow (£1,050) and East Dunbartonshire (£897). Areas with the lowest average rents for 2 bedroom properties included the Ayrshires (£546) and Dumfries and Galloway (£487).

Figures on changes to rents over the period from 2010 to 2023 should be considered in the context of the cumulative increase in the UK Consumer Price Index of 45.7% from the year to end September 2010 to the year to end September 2023.

Over the 13 year cumulative period from 2010 to 2023, six areas (Greater Glasgow, Lothian, East Dunbartonshire, Forth Valley, Fife and Dundee and Angus) have seen rent increases above the level of CPI inflation, for 2 bedroom properties. See Chart 1 below.

Chart 1: Greater Glasgow and Lothian have seen the largest cumulative % rises in average 2 bedroom rents between 2010 and 2023.

2 bedroom properties: % change in average (mean) rents for years to end-Sept, by Broad Rental Market Area.



Over the same period, 12 areas have seen increases below the level of CPI inflation, with the average 2 bedroom rent in Dumfries and Galloway 11.8% higher in 2023 than in 2010, and the average 2 bedroom rent in Aberdeen and Shire 12.0% higher compared to 2010, representing the lowest increases.

These regional trends combine to show an estimated 51.9% cumulative increase for average 2 bedroom properties in Scotland between 2010 and 2023, reaching £841 in 2023.

The changes in average rents for 2 bedroom properties between 2022 to 2023, and 2010 to 2023, are illustrated in the maps in Figure A and Figure B below.

Figure A shows that when looking at the 2 bedroom property size category between 2022 and 2023, that average rents have increased above CPI inflation of 9.0% in Greater Glasgow (22.3%), Lothian (18.4%), Argyll and Bute (18.2%), West Dunbartonshire (17.2%), Renfrewshire / Inverclyde (16.7%), East Dunbartonshire (15.0%), Dundee and Angus (15.0%), Scottish Borders (11.5%), North Lanarkshire (11.0%), the Ayrshires (10.7%) and South Lanarkshire (9.6%).

Average rents have increased by more than 3.0% but less than CPI of 9.0% in Aberdeen and Shire (8.6%), Fife (7.8%), Forth Valley (7.3%), Highland and Islands (3.0%), whilst average rents have increased by less than 3.0% in Perth and Kinross (2.8%), West Lothian (2.3%) and Dumfries and Galloway (1.5%).

Figure B shows that when looking at the 2 bedroom property size category between 2010 and 2023, that average rents have increased above CPI inflation of 45.7% in

Greater Glasgow (86.2%), Lothian (79.3%), East Dunbartonshire (54.4%), Forth Valley (51.9%), Fife (50.8%) and Dundee and Angus (49.9%).

Average rents have increased by more than 30% but below CPI inflation of 45.7% in Argyll and Bute (43.8%), South Lanarkshire (39.9%), West Dunbartonshire (38.6%), North Lanarkshire (36.7%), Renfrewshire / Inverclyde (34.9%), Scottish Borders (32.6%), Highland and Islands (31.5%) and West Lothian (30.5%), whilst average rents have increased by less than 30% in Perth and Kinross (27.1%), the Ayrshires (17.5%), Aberdeen and Shire (12.0%) and Dumfries and Galloway (11.8%).

Figure A: Change in average (mean) rents for 2 bedroom properties between 2022 and 2023

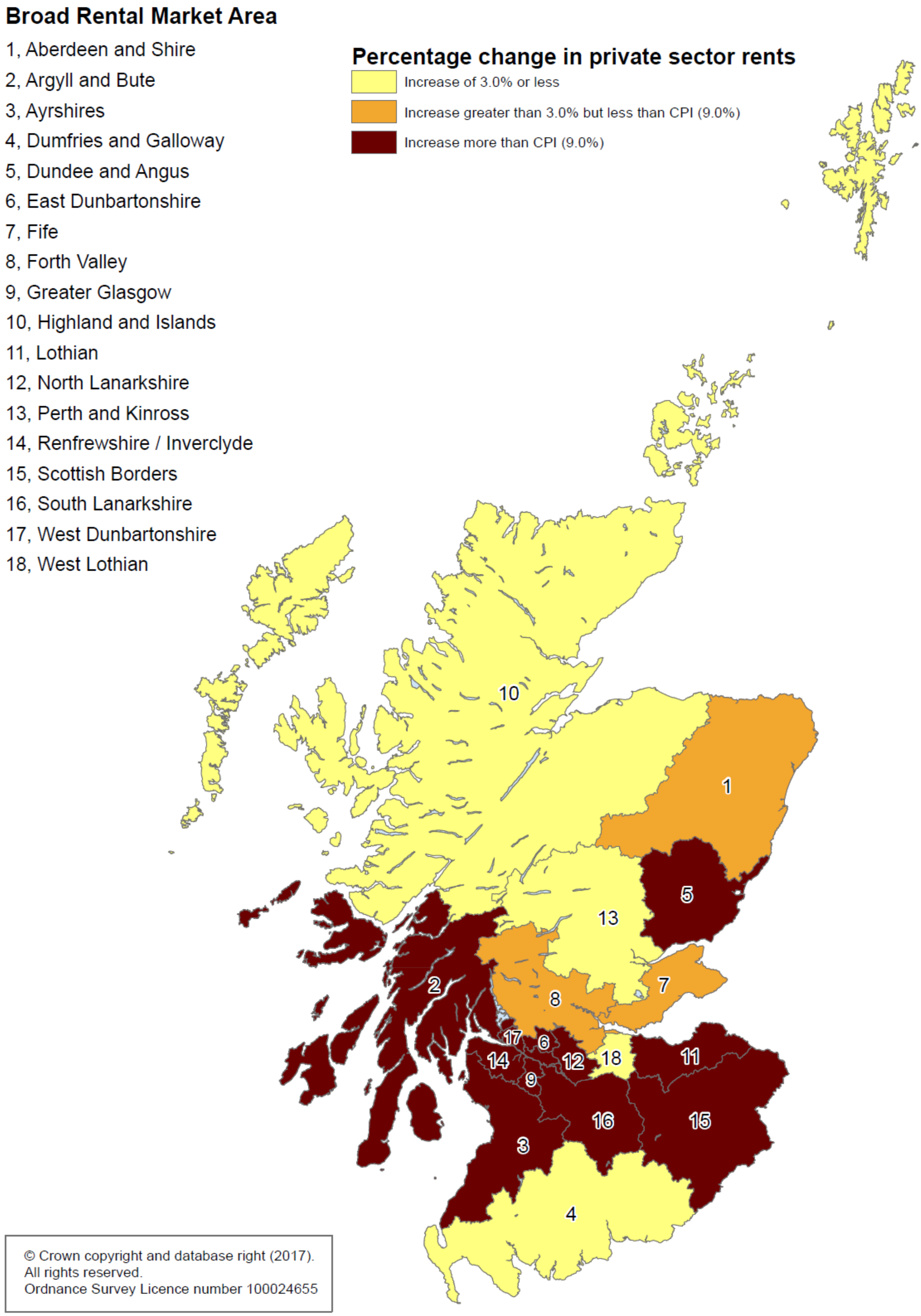
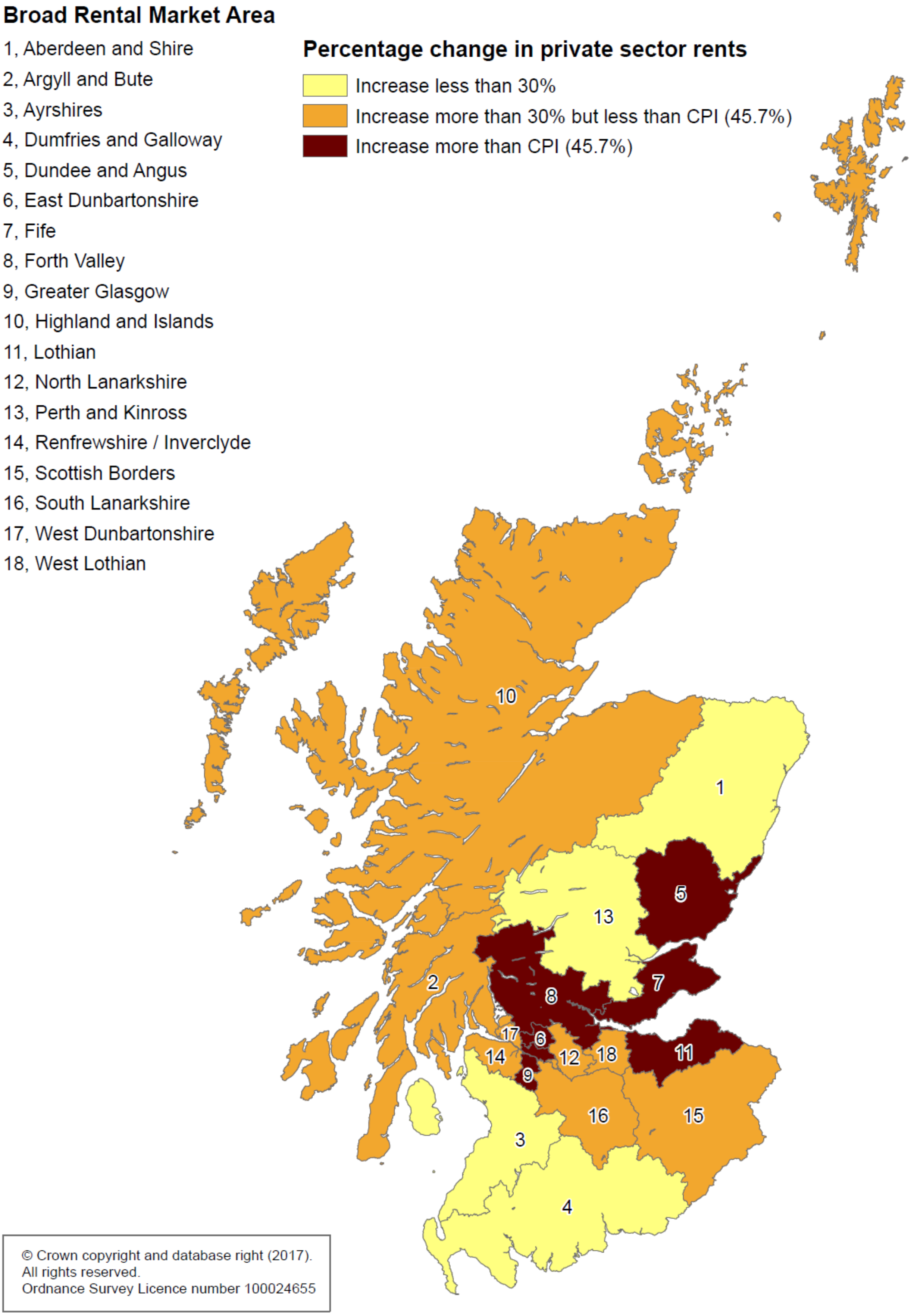


Figure B: Change in average (mean) rents for 2 bedroom properties between 2010 and 2023



1 Bedroom Properties

In the year to end September 2023, average 1 bedroom rents increased above the average 12 month UK CPI inflation rate of 9.0% in 8 out of 18 areas of Scotland, ranging from 9.1% (or £39 per month) in Renfrewshire / Inverclyde up to 22.2% (or £144 per month) in Greater Glasgow. A further ten areas saw increases but below the level of CPI inflation, ranging from 1.7% (or £9 per month) in Highland and Islands to 8.0% (or £32 per month) in the Scottish Borders.

Average rents for 1 bedroom properties at the Scotland level increased by an estimated 11.7% (or £68 per month) between 2022 and 2023, to reach £648 in 2023, which compares to an average increase in UK CPI of 9.0% across the year to September 2023.

Figures on longer term changes to rents for 1 bedroom properties over the period from 2010 to 2023 should be considered in the context of the cumulative increase in UK CPI of 45.7% from the year to end September 2010 to the year to end September 2023.

Over the 13 year period from 2010 to 2023, two areas have seen cumulative rent increases above the level of CPI inflation. Greater Glasgow has seen the highest increase in private rents for 1 bedroom properties, with average rents rising by 81.2%, and average rents in the Lothian area having risen by 70.2%.

These cumulative increases equate to annualised growth rates of 4.7% for Greater Glasgow and 4.2% for Lothian, when calculated on a compound annual increase basis between 2010 and 2023.

For the remaining areas of Scotland, cumulative changes have been below CPI inflation. Aberdeen and Shire has seen a fall of 1.9% in average rents, which is likely to reflect decreased demand for rental properties over recent years following the downturn in the oil industry.

These regional trends combine to show an estimated 46.6% cumulative increase for 1 bedroom properties between 2010 and 2023 (equating to an annualised growth rate of 3.0%), to reach £648 in 2023. See Table 1, Chart 2 and Chart 3 below.

Table 1: 1 Bedroom Properties - Average (mean) monthly rents (£): Cumulative changes 2010 to 2023, by Broad Rental Market Area

Broad Rental Market Area	2010	2022	2023	2010 to 2023 change	2022 to 2023 change
Greater Glasgow	437	648	792	81.2%	22.2%
Lothian	520	807	885	70.2%	9.7%

Scotland	**442**	**580**	**648**	**46.6%**	**11.7%**
East Dunbartonshire	450	580	645	43.4%	11.1%
Argyll and Bute	382	454	532	39.1%	17.1%
Fife	379	492	523	38.1%	6.4%
Forth Valley	387	511	533	37.9%	4.5%
Dundee and Angus	351	439	473	34.9%	7.9%
West Lothian	428	539	559	30.6%	3.8%
Highland and Islands	415	524	533	28.5%	1.7%
South Lanarkshire	382	448	490	28.2%	9.3%
West Dunbartonshire	397	445	508	27.9%	14.1%
North Lanarkshire	373	447	477	27.9%	6.8%
Scottish Borders	336	397	429	27.5%	8.0%
Perth and Kinross	377	457	472	25.1%	3.2%
Renfrewshire / Inverclyde	374	425	463	23.8%	9.1%
Dumfries and Galloway	359	398	424	18.2%	6.5%
Ayrshires	375	405	426	13.5%	5.3%
Aberdeen and Shire	529	469	518	-1.9%	10.6%

Note: See the Supporting Documents Excel Workbook Table 7 for a more detailed breakdown of quartile and average rents for each year. Also note that the Scotland average figures have been calculated using a weighted stock approach, with further information on this available in the Data and Methodology Section.

Chart 2: Lothian and Greater Glasgow have seen the largest cumulative % rises in average 1 bedroom rents between 2010 and 2023, whilst Aberdeen and Shire average rents have dropped over the thirteen years.

1 bedroom properties: % change in average (mean) rents for years to end-Sept, by Broad Rental Market Area

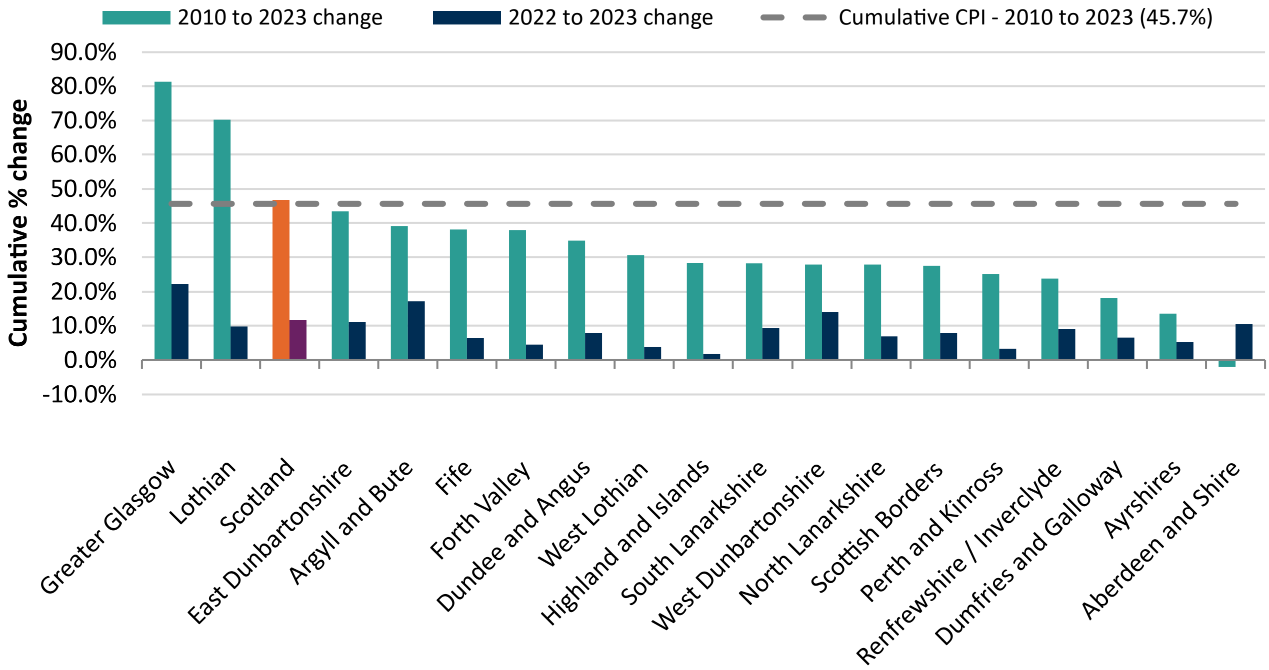
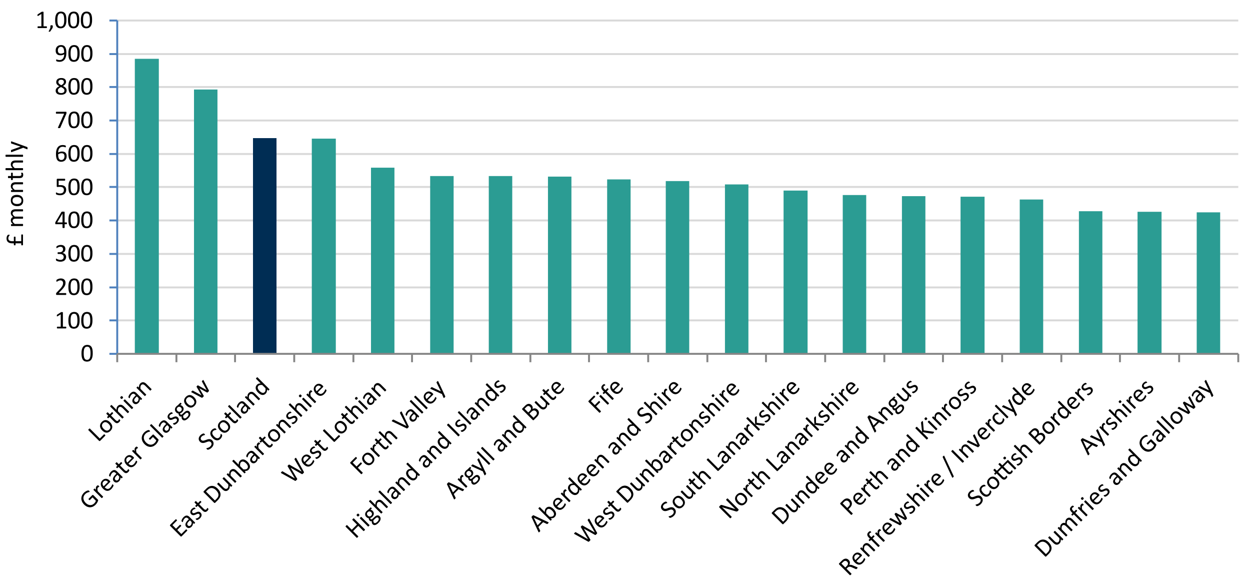


Chart 3: In 2023, Lothian had the highest average monthly 1 bedroom rent (£885), with Dumfries and Galloway having the lowest (£424)

1 bedroom properties: average (mean) monthly rents in 2023 (year to end-Sept), by Broad Rental Market Area



2 Bedroom Properties

In the year to end September 2023, average 2 bedroom rents increased above the average 12 month UK CPI inflation rate of 9.0% in 11 out of 18 areas of Scotland, ranging from 9.6% (or £59 per month) in South Lanarkshire up to 22.3% in Greater Glasgow (or £191 per month). A further seven areas saw increases but below the level of CPI inflation, ranging from 1.5% (or £7 per month) in Dumfries and Galloway to 8.6% (or £57 per month) in Aberdeen and Shire.

Average rents for 2 bedroom properties at the Scotland level increased by an estimated 14.3% (or £105 per month) between 2022 and 2023, to reach £841 in 2023, which compares to an average increase in UK CPI of 9.0% across the year to September 2023.

Figures on longer term changes to rents for 2 bedroom properties over the period from 2010 to 2023 should be considered in the context of the cumulative increase in UK CPI of 45.7% from the year to end September 2010 to the year to end September 2023.

Over the 13 year cumulative period from 2010 to 2023, six areas (Greater Glasgow, Lothian, East Dunbartonshire, Forth Valley, Fife and Dundee and Angus) have seen rent increases above the level of CPI inflation. Greater Glasgow and Lothian have seen the highest cumulative increase in private rents for 2 bedroom properties, with average rents rising by 86.2% and 79.3% respectively, equating to annualised growth rates of 4.9% and 4.6% when calculated on a compound annual increase basis between 2010 and 2023.

For the remaining areas of Scotland, cumulative increases have been below CPI inflation and have ranged from 11.8% in Dumfries and Galloway to 43.8% in Argyll and Bute.

These regional trends combine to show an estimated 51.9% cumulative increase for 2 bedroom properties between 2010 and 2023 (equating to an annualised growth rate of 3.3%), to reach £841 in 2022. See Table 2, Chart 4 and Chart 5 below.

Table 2: 2 Bedroom Properties - Average (mean) monthly rents (£): Cumulative changes 2010 to 2023, by Broad Rental Market Area

Broad Rental Market Area	2010	2022	2023	2010 to 2023 change	2022 to 2023 change
Greater Glasgow	564	858	1,050	86.2%	22.3%
Lothian	665	1,006	1,192	79.3%	18.4%
East Dunbartonshire	581	780	897	54.4%	15.0%
Forth Valley	492	697	748	51.9%	7.3%
Scotland	**554**	**736**	**841**	**51.9%**	**14.3%**
Fife	464	649	700	50.8%	7.8%
Dundee and Angus	497	648	745	49.9%	15.0%
Argyll and Bute	503	612	723	43.8%	18.2%
South Lanarkshire	481	613	672	39.9%	9.6%
West Dunbartonshire	492	582	682	38.6%	17.2%
North Lanarkshire	455	560	621	36.7%	11.0%
Renfrewshire / Inverclyde	473	547	638	34.9%	16.7%
Scottish Borders	442	525	586	32.6%	11.5%
Highland and Islands	503	643	662	31.5%	3.0%
West Lothian	527	673	688	30.5%	2.3%
Perth and Kinross	506	626	644	27.1%	2.8%
Ayrshires	464	493	546	17.5%	10.7%
Aberdeen and Shire	643	663	720	12.0%	8.6%
Dumfries and Galloway	435	480	487	11.8%	1.5%

Note: See the Supporting Documents Excel Workbook Table 7 for a more detailed breakdown of quartile and average rents for each year. Also note that the Scotland average figures have been calculated using a weighted stock approach, with further information on this available in the Data and Methodology Section.

Chart 4: Greater Glasgow and Lothian have seen the largest cumulative % rises in average 2 bedroom rents between 2010 and 2023

2 bedroom properties: % change in average (mean) rents for years to end-Sept, by Broad Rental Market Area

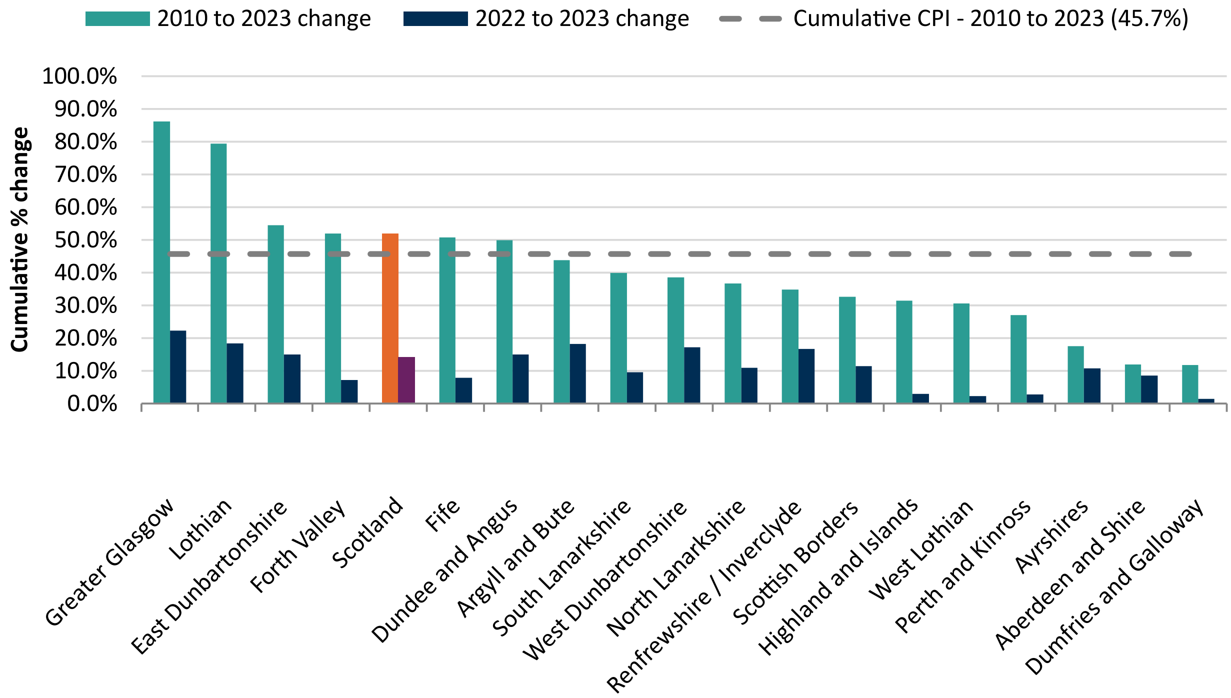
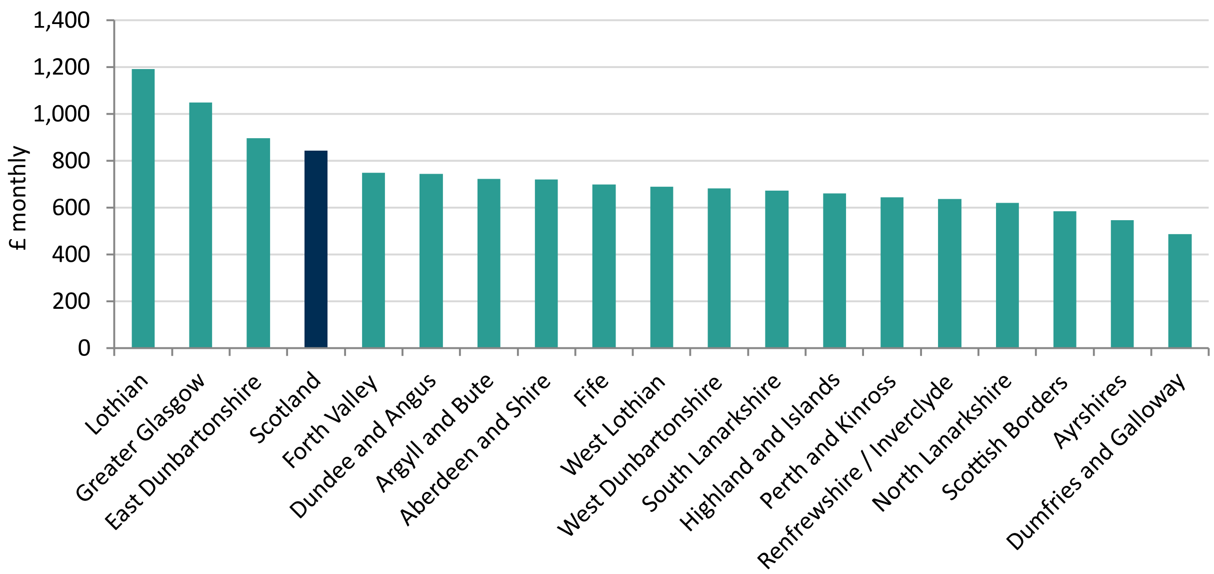


Chart 5: In 2023, Lothian had the highest average monthly 2 bedroom rent (£1,192), with Dumfries and Galloway having the lowest (£487)

2 bedroom properties: average (mean) monthly rents in 2023 (year to end-Sept), by Broad Rental Market Area



3 Bedroom Properties

In the year to end September 2023, average 3 bedroom rents increased above the average 12 month UK CPI inflation rate of 9.0% in 10 out of 18 areas, ranging from an increase of 9.1% (or £76 per month) in Fife up to 25.7% (or £281 per month) in Greater Glasgow. One area (Argyll and Bute) saw an increase at the rate of inflation of 9.0% (or £75 per month). A further seven areas saw an increase in average rents but below CPI, ranging from 2.1% (or £11 per month) in Dumfries and Galloway up to 8.3% (or £67 per month) in South Lanarkshire.

Average rents for 3 bedroom properties at the Scotland level increased by an estimated 13.3% (or £121 per month) between 2022 and 2023, to reach £1,026 in 2023, which compares to an average increase in UK CPI of 9.0% across the year to September 2022.

Figures on longer term changes to rents for 3 bedroom properties over the period from 2010 to 2023 should be considered in the context of the cumulative increase in UK CPI of 45.7% from the year to end September 2010 to the year to end September 2023.

Over the 13 year period from 2010 to 2023, eight areas have seen rent increases for 3 bedroom properties above the level of CPI inflation, ranging from an increase of 46.0% in West Lothian up to 88.7% in Greater Glasgow, equating to a range of annualised growth rates between 3.0% in West Lothian to 5.0% in Greater Glasgow, when calculated on a compound annual increase basis between 2010 and 2023.

For the remaining ten areas of Scotland, cumulative increases have been below CPI inflation, and have ranged from 12.1% in Dumfries and Galloway up to 44.9% in North Lanarkshire.

These regional trends combine to show an estimated 52.4% cumulative increase for 3 bedroom properties between 2010 and 2023 (equating to an annualised growth rate of 3.3%), to £1,026 in 2023. See Table 3, Chart 6 and Chart 7 below.

Table 3: 3 Bedroom Properties - Average (mean) monthly rents (£): Cumulative changes 2010 to 2023, by Broad Rental Market Area

Broad Rental Market Area	2010	2022	2023	2010 to 2023 change	2022 to 2023 change
Greater Glasgow	728	1,093	1,374	88.7%	25.7%
Lothian	918	1,382	1,626	77.2%	17.7%
East Dunbartonshire	750	1,138	1,230	64.0%	8.1%
Forth Valley	643	979	1,046	62.8%	6.9%
Fife	563	839	915	62.6%	9.1%
Dundee and Angus	633	884	1,021	61.4%	15.5%
Scotland	**674**	**906**	**1,026**	**52.4%**	**13.3%**
Scottish Borders	515	670	772	49.9%	15.3%
West Lothian	616	876	899	46.0%	2.7%
North Lanarkshire	549	668	795	44.9%	18.9%
Argyll and Bute	638	834	909	42.6%	9.0%
South Lanarkshire	627	813	880	40.4%	8.3%
Perth and Kinross	647	857	908	40.3%	5.9%
West Dunbartonshire	591	728	826	39.7%	13.4%
Highland and Islands	595	770	817	37.4%	6.1%
Aberdeen and Shire	744	931	1,020	37.1%	9.5%
Renfrewshire / Inverclyde	612	693	756	23.7%	9.1%
Ayrshires	556	606	687	23.5%	13.3%
Dumfries and Galloway	500	549	560	12.1%	2.1%

Note: See the Supporting Documents Excel Workbook Table 7 for a more detailed breakdown of quartile and average rents for each year. Also note that the Scotland average figures have been calculated using a weighted stock approach, with further information on this available in the Data and Methodology Section.

Chart 6: Greater Glasgow and Lothian have seen the largest cumulative % rises in average 3 bedroom rents between 2010 and 2023

3 bedroom properties: % change in average (mean) rents for years to end-Sept, by Broad Rental Market Area

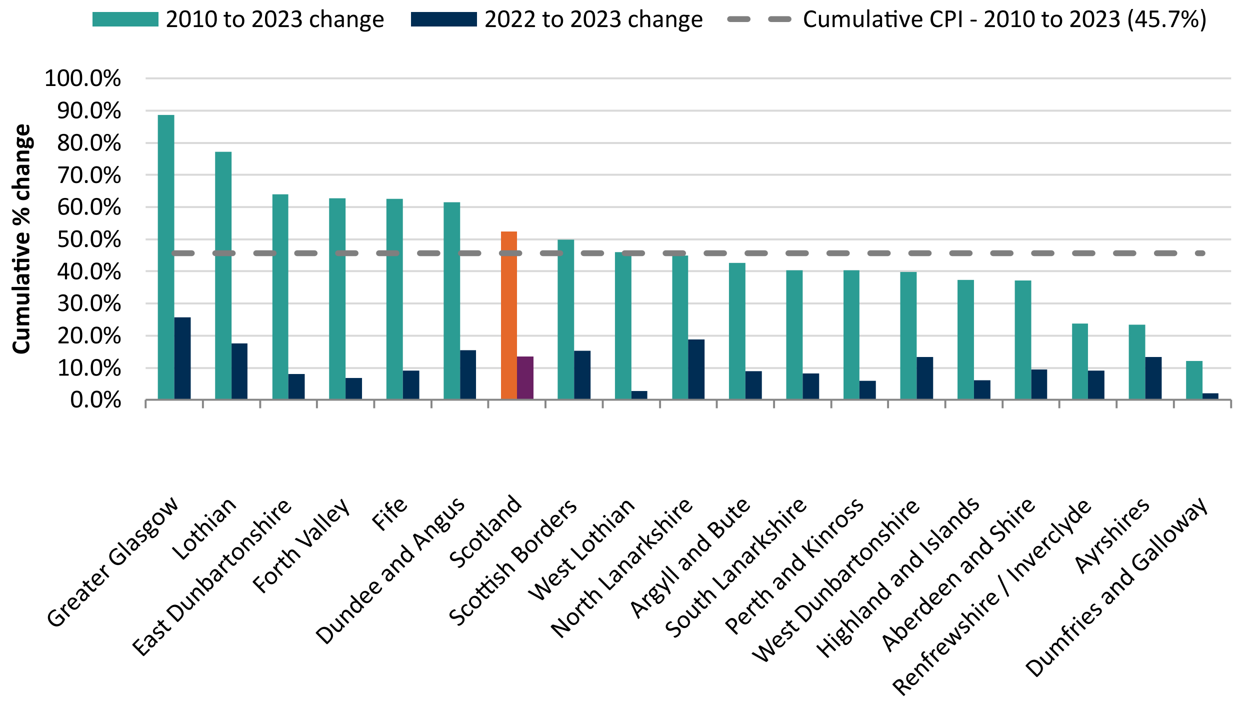
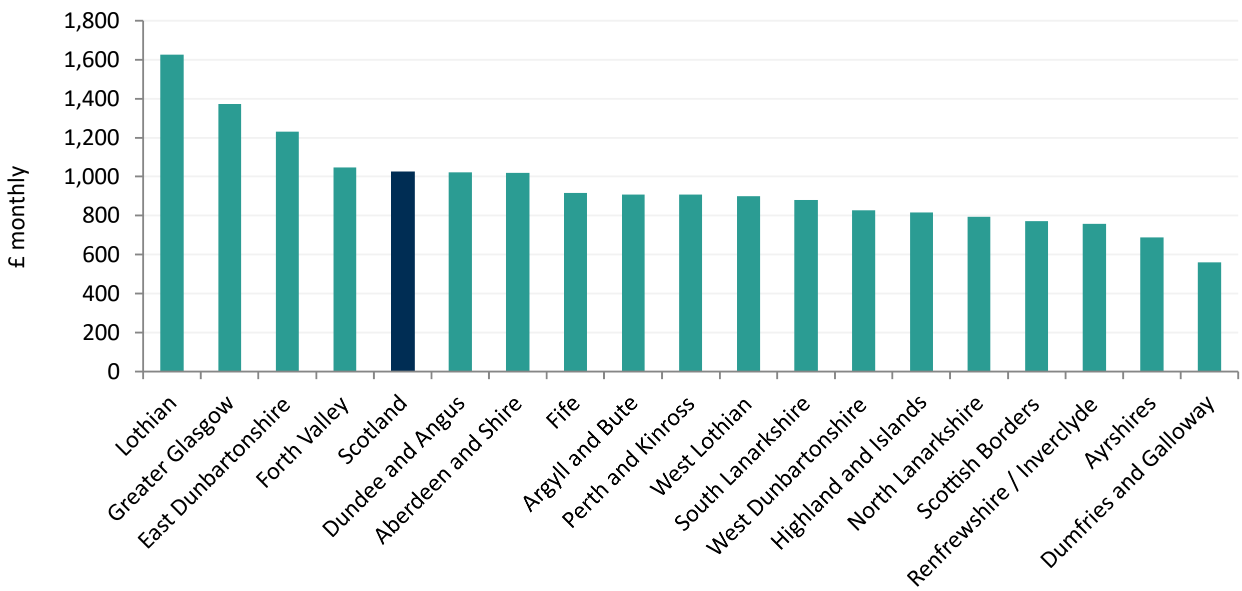


Chart 7: In 2023, Lothian had the highest average monthly 3 bedroom rent (£1,626), with Dumfries and Galloway having the lowest (£560)

3 bedroom properties: average (mean) monthly rents in 2023 (year to end-Sept), by Broad Rental Market Area



4 Bedroom Properties

Note that some areas have a relatively low number of 4 bedroom property records recorded, and therefore some caution is needed when interpreting the findings given that the averages presented can be based on a small number of underlying records.

In the year to end September 2023, average 4 bedroom rents increased above the average 12 month UK CPI inflation rate of 9.0% in 8 out of 18 areas, ranging from an increase of 9.8% (or £131 per month) in Fife up to 23.6% (£418 per month) in Greater Glasgow. One area (Renfrewshire / Inverclyde) saw an increase at the rate of inflation of 9.0% (or £117 per month). A further eight areas saw an increase in average rents but below CPI, ranging from 2.1% (or £29 per month) in South Lanarkshire up to 8.9% (£122 per month) in Aberdeen and Shire. One area (Argyll and Bute) saw a decrease in average rents of 3.8% (or £52 per month).

Average rents for 4 bedroom properties at the Scotland level were estimated to increase by 13.4% (or £196 per month) between 2022 and 2023, to reach £1,656 in 2023, which compares to an average increase in UK CPI of 9.0% across the year to September 2023.

Figures on longer term changes to rents for 4 bedroom properties over the period from 2010 to 2023 should be considered in the context of the cumulative increase in UK CPI of 45.7% from the year to end September 2010 to the year to end September 2023.

Over the 13 year period from 2010 to 2023, 13 out of 18 areas have seen rent increases above the level of CPI inflation for 4 bedroom properties, ranging from an increase of 50.3% in North Lanarkshire up to 105.4% in Greater Glasgow.

These cumulative increases equate to a range of annualised growth rates between 3.2% in North Lanarkshire to 5.7% in Greater Glasgow, when calculated on a compound annual increase basis between 2010 and 2023.

For the remaining five areas of Scotland, cumulative increases have been below CPI inflation, ranging from a 32.5% increase in West Dunbartonshire up to a 44.3% increase in the Ayrshires.

These regional trends combine to show an estimated 76.5% cumulative increase for 4 bedroom properties between 2010 and 2023 (equating to an annualised growth rate of 4.5%), to reach £1,656 in 2023. See Table 4, Chart 8 and Chart 9 below.

Table 4: 4 Bedroom Properties - Average (mean) monthly rents (£): Cumulative changes 2010 to 2023, by Broad Rental Market Area

Broad Rental Market Area	2010	2022	2023	2010 to 2023 change	2022 to 2023 change
Greater Glasgow	1,067	1,773	2,192	105.4%	23.6%
Scottish Borders	690	1,132	1,343	94.7%	18.6%
Fife	773	1,345	1,476	90.9%	9.8%
Lothian	1,291	2,044	2,447	89.6%	19.7%
Forth Valley	857	1,469	1,564	82.4%	6.4%
Scotland	**939**	**1,460**	**1,656**	**76.5%**	**13.4%**
Renfrewshire / Inverclyde	834	1,306	1,424	70.8%	9.0%
Perth and Kinross	858	1,210	1,438	67.7%	18.8%
East Dunbartonshire	1,135	1,638	1,885	66.1%	15.1%
Dundee and Angus	811	1,317	1,346	65.9%	2.2%
Aberdeen and Shire	944	1,371	1,493	58.2%	8.9%
West Lothian	834	1,258	1,294	55.1%	2.8%
South Lanarkshire	924	1,390	1,419	53.5%	2.1%
North Lanarkshire	776	1,033	1,167	50.3%	12.9%
Ayrshires	758	903	1,094	44.3%	21.1%
Argyll and Bute	924	1,357	1,305	41.3%	-3.8%
Highland and Islands	751	1,015	1,055	40.6%	4.0%
Dumfries and Galloway	620	824	844	36.2%	2.4%
West Dunbartonshire	821	1,024	1,088	32.5%	6.3%

Note: See the Supporting Documents Excel Workbook Table 7 for a more detailed breakdown of quartile and average rents for each year. Also note that the Scotland average figures have been calculated using a weighted stock approach, with further information on this available in the Data and Methodology Section.

Chart 8: Greater Glasgow, Scottish Borders, Fife and Lothian have seen the largest cumulative percentage rises in average 4 bedroom rents between 2010 and 2023

4 bedroom properties: % change in average (mean) rents for years to end-Sept, by Broad Rental Market Area

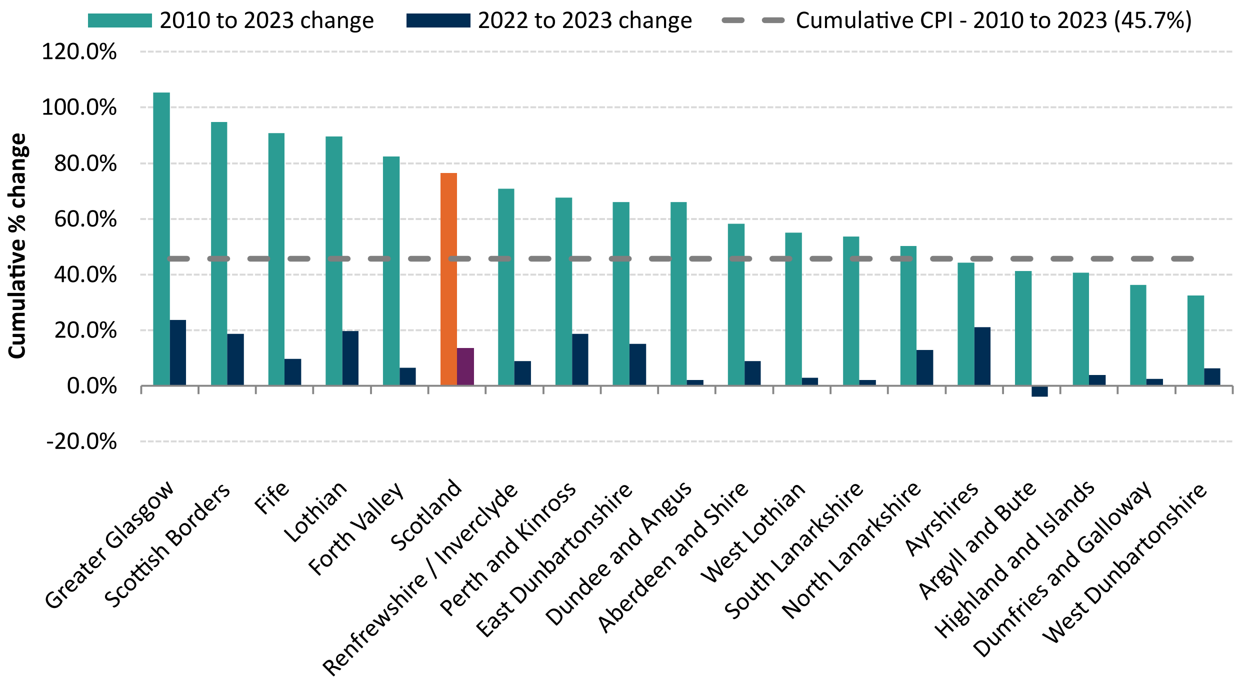
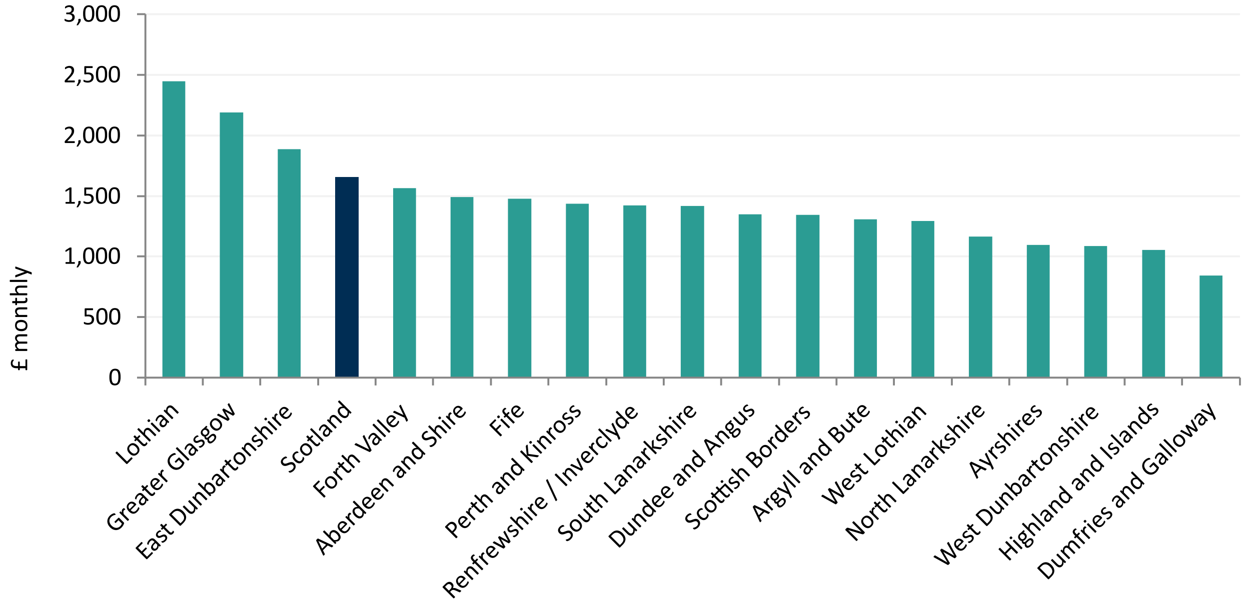


Chart 9: In 2023, Lothian had the highest average monthly 4 bedroom rent (£2,447), with Dumfries and Galloway having the lowest (£844)

4 bedroom properties: average (mean) monthly rents in 2023 (year to end-Sept), by Broad Rental Market Area



1 Bedroom Shared Properties

Note that some areas have a relatively low number of 1 bedroom shared property records recorded, and therefore some caution is needed when interpreting the findings given that the averages presented can be based on a small number of underlying records.

In the year to end September 2023, average 1 bedroom shared rents increased above the average 12 month UK CPI inflation rate of 9.0% in 11 out of 18 areas, ranging from an increase of 11.8% (or £49 per month) in South Lanarkshire to 27.1% (or £116 per month) in Greater Glasgow. A further seven areas saw average 1 bedroom shared rents increase by less than CPI, ranging from 5.9% (or £24 per month) in the Ayrshires to 7.7% (or £30 per month) in Perth and Kinross.

Average rents for 1 bedroom shared properties at the Scotland level increased by an estimated 15.1% (or £64 per month) between 2022 and 2023, to reach £490 in 2023, which compares to an average increase in UK CPI of 9.0% across the year to September 2023.

Figures on longer term changes to rents for 1 bedroom shared properties over the period from 2010 to 2023 should be considered in the context of the cumulative increase in UK CPI of 45.7% from the year to end September 2010 to the year to end September 2023.

Over the 13 year period from 2010 to 2023, twelve areas have seen rent increases for 1 bedroom shared properties above the level of CPI inflation, ranging from an increase of 49.3% in South Lanarkshire up to 81.8% in Forth Valley.

These cumulative increases equate to a range of annualised growth rates between 3.1% in South Lanarkshire up to 4.7% in Forth Valley, when calculated on a compound annual increase basis between 2010 and 2023.

For the remaining six areas of Scotland, cumulative increases have been below CPI inflation, and have ranged from 17.2% in Aberdeen and Shire to 43.3% in Dumfries and Galloway.

These regional trends combine to show an estimated 60.5% cumulative increase for 1 bedroom shared properties between 2010 and 2023 (equating to an annualised growth rate of 3.7%), to reach £490 in 2023. See Table 5, Chart 10 and Chart 11 below.

Table 5: 1 Bedroom Shared Properties - Average (mean) monthly rents (£): Cumulative changes 2010 to 2023, by Broad Rental Market Area

Broad Rental Market Area	2010	2022	2023	2010 to 2023 change	2022 to 2023 change
Forth Valley	276	427	501	81.8%	17.3%
Fife	271	392	472	74.3%	20.3%
Greater Glasgow	313	428	544	73.8%	27.1%
West Lothian	279	387	480	72.1%	24.1%
Lothian	320	493	529	65.4%	7.2%
Scotland	**305**	**426**	**490**	**60.5%**	**15.1%**
Perth and Kinross	262	385	415	58.4%	7.7%
East Dunbartonshire	300	420	474	57.7%	12.8%
Highland and Islands	287	417	448	56.0%	7.6%
Dundee and Angus	263	359	407	55.0%	13.5%
West Dunbartonshire	289	383	437	51.1%	14.1%
Scottish Borders	256	357	382	49.6%	7.0%
South Lanarkshire	309	413	462	49.3%	11.8%
Dumfries and Galloway	278	334	398	43.3%	19.1%
North Lanarkshire	297	377	421	41.9%	11.9%
Ayrshires	302	400	423	40.3%	5.9%
Renfrewshire / Inverclyde	296	370	416	40.3%	12.2%
Argyll and Bute	316	389	419	32.7%	7.6%
Aberdeen and Shire	328	361	385	17.2%	6.6%

Note: See the Supporting Documents Excel Workbook Table 7 for a more detailed breakdown of quartile and average rents for each year. Also note that the Scotland average figures have been calculated using a weighted stock approach, with further information on this available in the Data and Methodology Section.

Chart 10: Forth Valley, Fife, Greater Glasgow, West Lothian and Lothian have seen the largest cumulative percentage rises in average 1 bedroom shared rents between 2010 and 2023

1 bedroom shared properties: % change in average (mean) rents for years to end-Sept, by Broad Rental Market Area

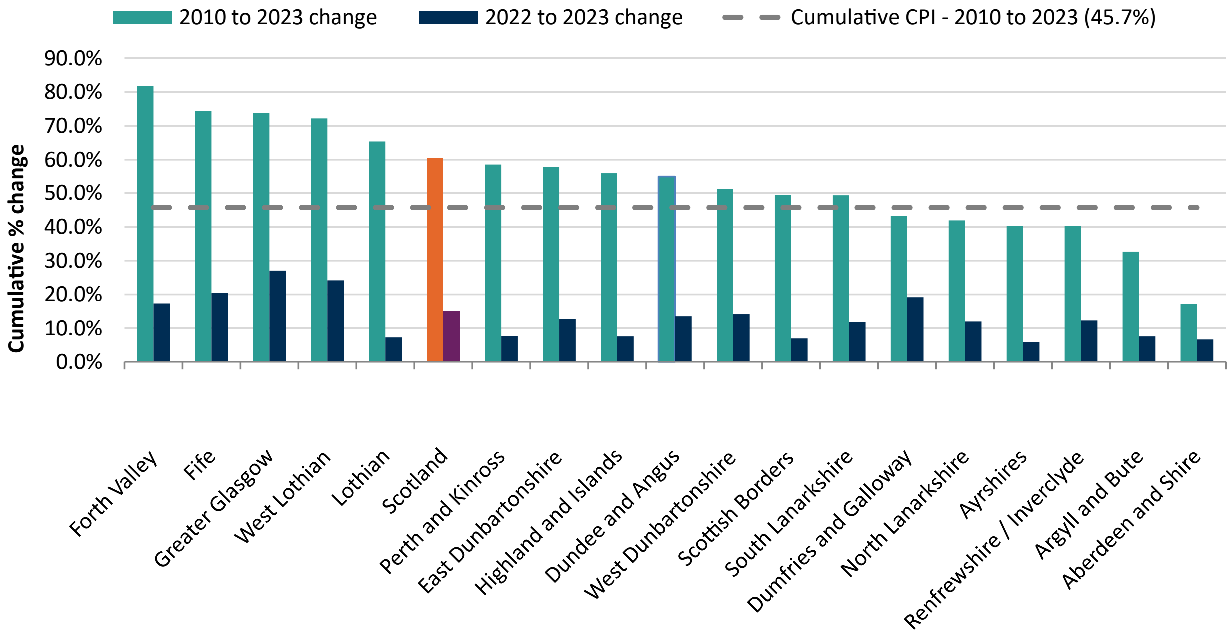
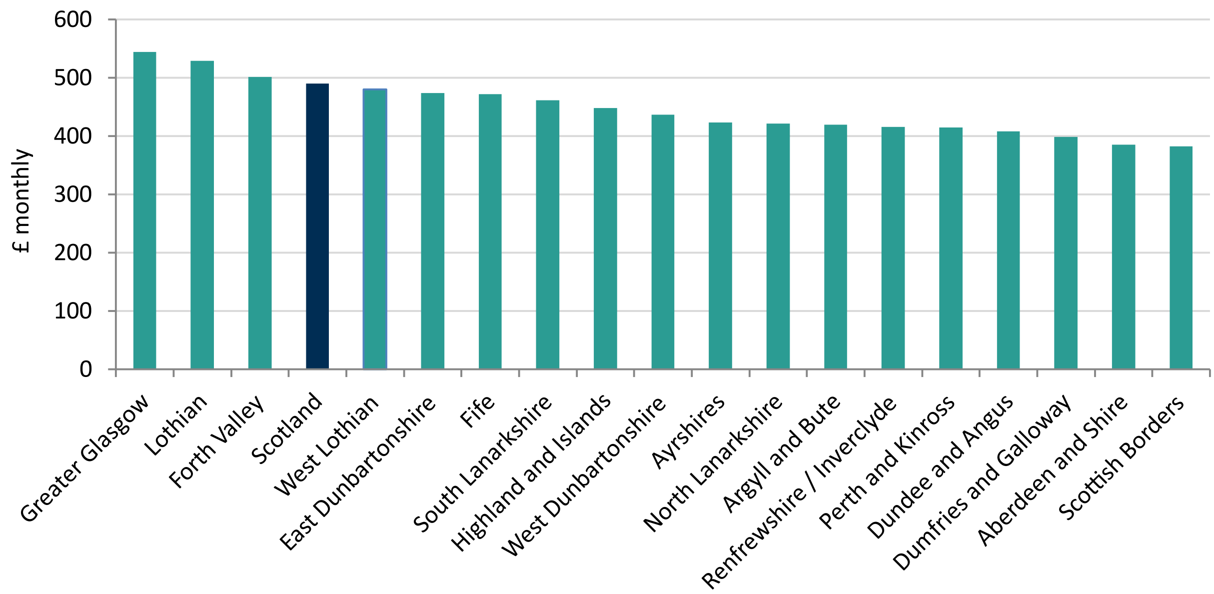


Chart 11: In 2023, Greater Glasgow had the highest average monthly 1 bedroom shared rent (£544), with Scottish Borders having the lowest (£382)

1 bedroom shared properties: average (mean) monthly rents in 2023 (year to end-Sept), by Broad Rental Market Area



Scotland-level Average Rents

Note that as with the previous publication, Scotland figures have been calculated using a weighted stock approach based on separate Scottish Household Survey data on the profile of stock by area and property size over time, although for this publication the weights used for the rental year 2020 have been rolled forward for the rental years 2021 to 2023 due to impacts from the Covid period on the comparability and availability of the survey results.

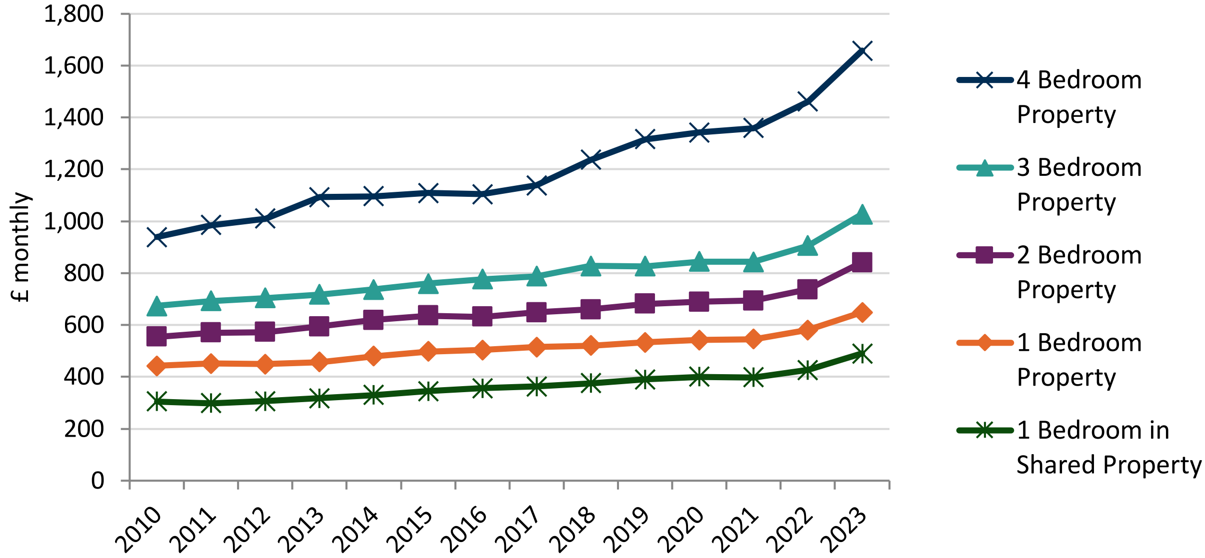
The use of a weighted stock approach aims to help ensure that the national average figures presented reflect the underlying composition of private rental properties over time, and to minimise any effects of changes to sample numbers achieved for particular property sizes or areas in any given years. Further information on this available in the Data and Methodology Section.

Table 6: Summary of average (mean) private rents (£ monthly): Scotland, 2010, 2022 and 2023 (years to end Sept)

Property Size Category	2010	2022	2023	2010 to 2023 change	2022 to 2023 change
1 Bedroom Property	442	580	648	46.6%	11.7%
2 Bedroom Property	554	736	841	51.9%	14.3%
3 Bedroom Property	674	906	1,026	52.4%	13.3%
4 Bedroom Property	939	1,460	1,656	76.5%	13.4%
1 Bedroom in Shared Property	305	426	490	60.5%	15.1%

Chart 12: When looking at average rents across Scotland as a whole, each property size category has seen a cumulative increase between 2010 and 2023, with 4 bedroom properties seeing the largest overall % increase

Scotland average (mean) monthly rents (£): 2010 to 2023 (years to end-Sept)



The greatest cumulative increase over the 13 years from 2010 to 2023 has been for 4 bedroom properties (estimated 76.5% increase). Average rents for 1 bedroom shared properties have seen a cumulative estimated increase of 60.5%, whilst average rents for 3 bedroom properties have increased by 52.4%, average rents for 2 bedroom properties have increased by 51.9%, and average rents for 1 bedroom properties have increased by 46.6%.

These cumulative increases equate to annualised growth rates of 3.0%, 3.3%, 3.3%, 4.5% and 3.7% for 1 to 4 bedroom and 1 bedroom shared properties respectively, when calculated on a compound annual increase basis between 2010 and 2023.

Average rents increased at a Scotland level in the latest year across all property size categories, with increases of:

- 11.7% or £68 per month for 1-bedroom properties, reaching £648 per month
- 14.3% or £105 per month for 2-bedroom properties, reaching £841 per month ,
- 13.3% or £121 per month for 3-bedroom properties, reaching £1,026 per month,
- 13.4% or £196 per month for 4-bedroom properties, reaching £1,656 per month and
- 15.1% or £64 per month for 1 bedroom shared properties reaching £490 per month.

Broad Rental Market Area Profiles

This section provides profiles for private rents in each of the 18 Broad Rental Market Areas. A Broad Rental Market Area for Local Housing Allowance purposes is defined as an area in which a person could reasonably be expected to live having regard to facilities and services for the purposes of health, education, recreation, personal banking and shopping, taking account of the distance of travel, by public and private transport, to and from those facilities and services.

The commentary focusses on annual changes and 13 year cumulative changes for average (mean) rents by property sizes, as well as changes over time to the bottom end (lower quartile) and top end (upper quartile) of the rental markets.

The commentary doesn't cover changes to median rents given that these often show similar trends to mean rents, however users may also wish to look at the median figures and trends in the Supporting Documents Excel Tables and Charts.

The map below illustrates the different geographical areas covered by each Broad Rental Market Area. It is also possible to search for the Broad Rental Market Area associated with a particular postcode including the provision of detailed PDF maps of each area – see Search for Local Housing Allowance rates by postcode or local authority : DirectGov - LHA Rates (voa.gov.uk).

Excel versions of each of the Broad Rental Market Area Profiles charts are available from Supporting Documents Excel workbooks.

Note in the following text and charts that average rents that have changed within +/- 0.5% could be considered as being fairly similar to previous periods.

Broad Rental Market Area Profile – Aberdeen and Shire

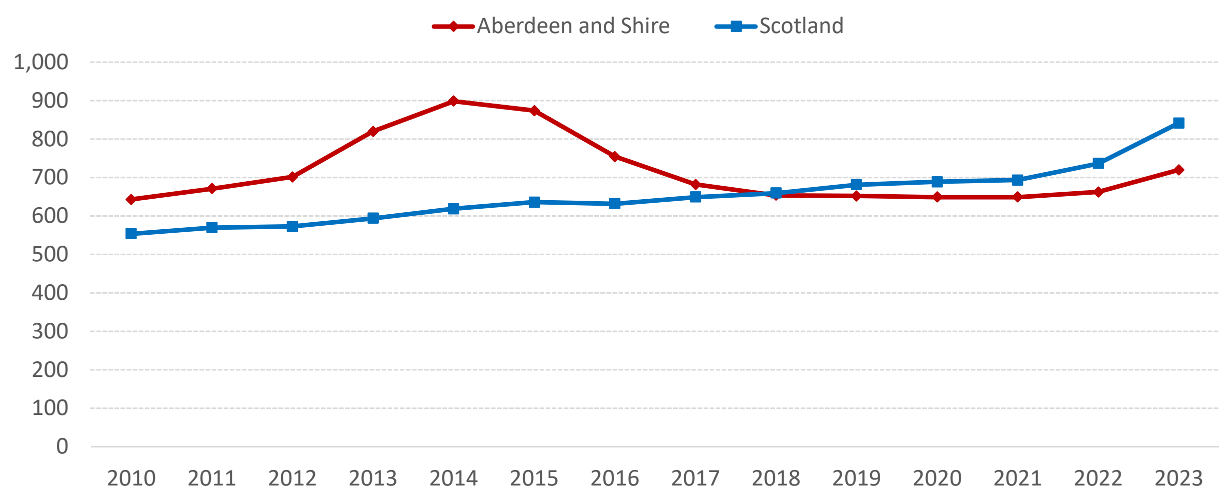
The average (mean) 2 bedroom rent in Aberdeen and Shire in 2023 was £720 per month, lower than the Scotland average of £841, and which is a reflection of rents in Aberdeen and Shire falling between 2014 and 2018 due to the downturn in the oil industry, while the Scotland average has increased each year since 2016.

Between 2022 and 2023, average rents have increased across all property sizes, with increases for 1 bedroom (10.6%), 2 bedroom (8.6%), 3 bedroom (9.5%), 4 bedroom (8.9%) and 1 bedroom shared properties (6.6%), which compares to CPI inflation of 9.0% across this time period

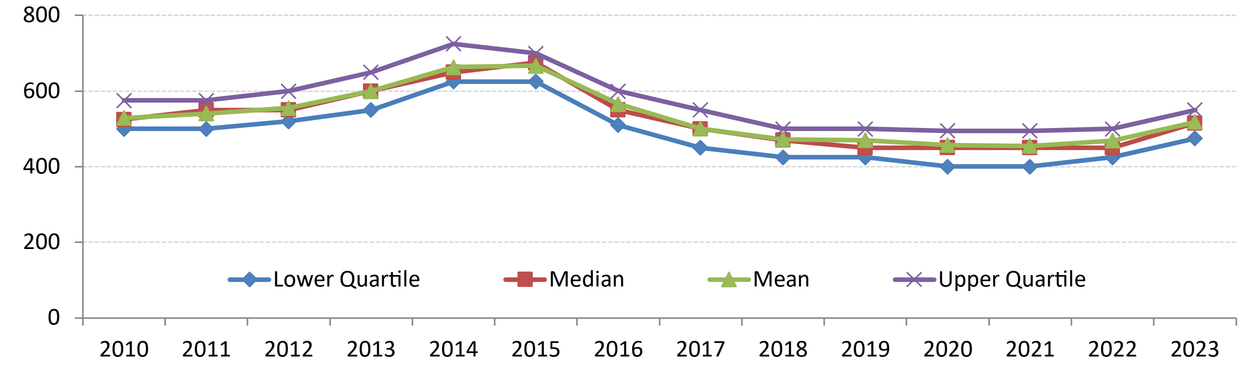
This follows decreases between 2015 and 2017 in average rents across all property size categories, likely to be due to decreased demand for rental properties following the downturn in the oil industry. Average rents in 2023 are still higher than in 2010 except for 1 bedroom properties, for which rents are now 1.9% lower than in 2010. For 4 bedroom properties, rents in 2023 are 58.2% higher than in 2010, which is higher than CPI inflation (45.7%) over this period.

For 3 and 4 bedroom properties in particular, greater increases at the top end (upper quartile) than the bottom end (lower quartile) between 2012 and 2014 caused the gap between the top and bottom ends to widen. This gap since narrowed, although it has increased slightly over more recent years for 3 bedroom properties.

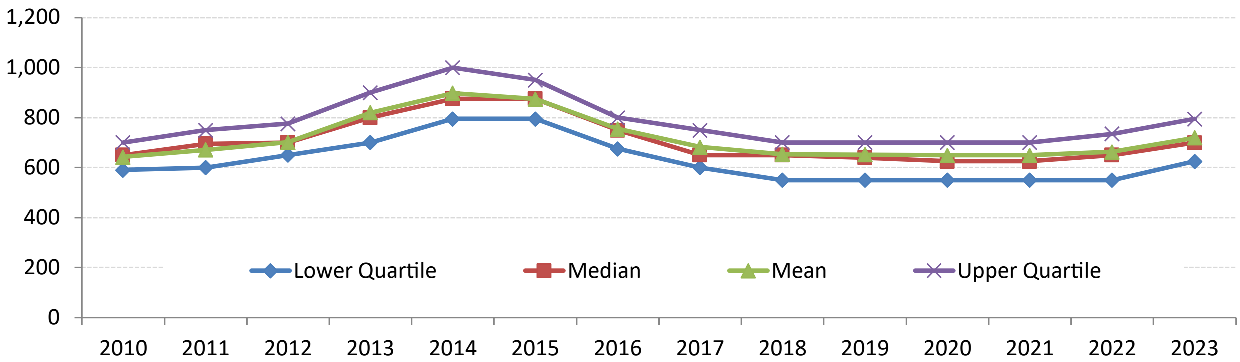
Profile Chart A – average 2 bedroom rents compared to the Scotland average: Aberdeen and Shire



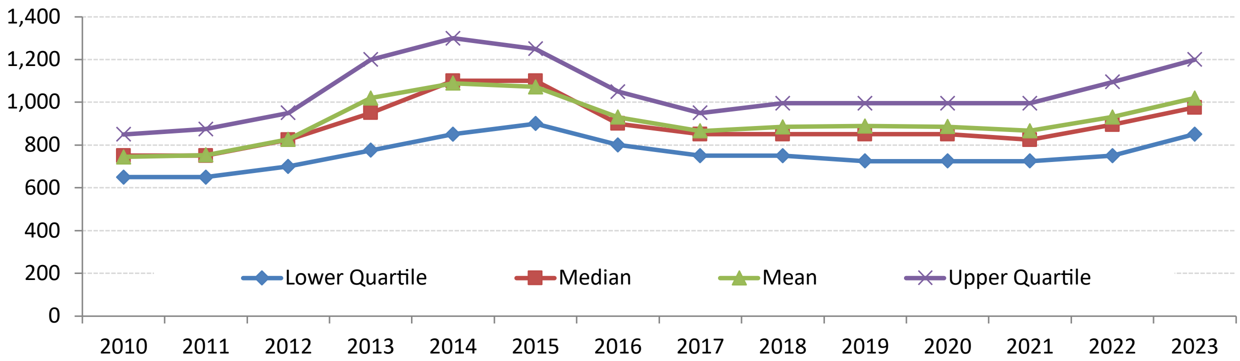
Profile Chart B – 1 bedroom properties: Quartile measures (years to end Sept): Aberdeen and Shire



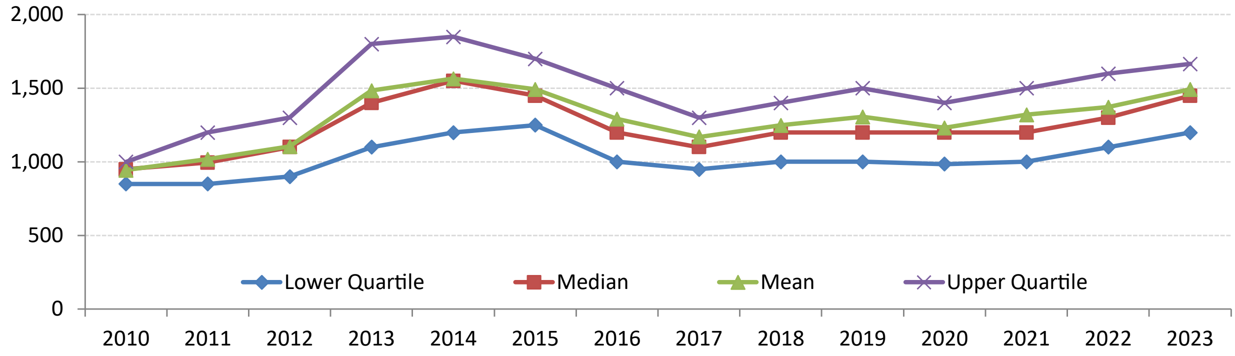
Profile Chart C – 2 bedroom properties: Quartile measures (years to end Sept): Aberdeen and Shire



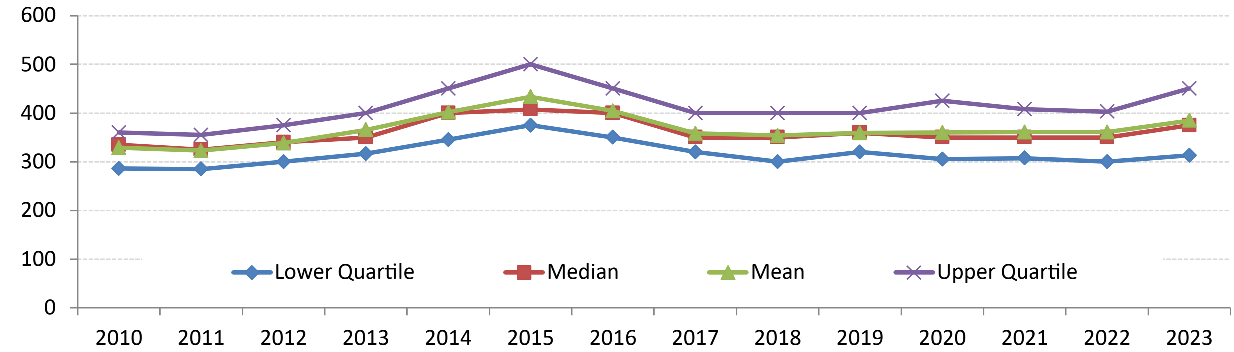
Profile Chart D – 3 bedroom properties: Quartile measures (years to end Sept): Aberdeen and Shire



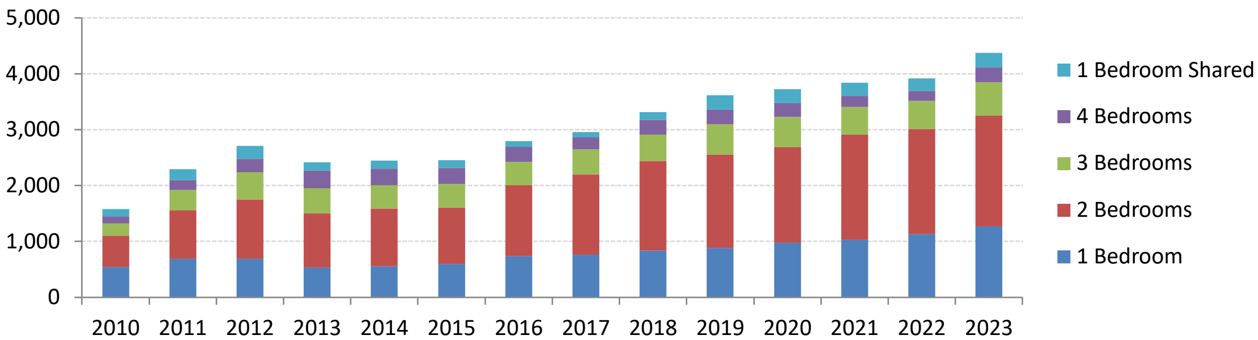
Profile Chart E – 4 bedroom properties: Quartile measures (years to end Sept): Aberdeen and Shire



Profile Chart F – 1 bedroom shared properties: Quartile measures (years to end Sept): Aberdeen and Shire



Profile Chart G – Sample Sizes (years to end Sept): Aberdeen and Shire



Broad Rental Market Area Profile – Argyll and Bute

Average (mean) 2 bedroom rents in Argyll and Bute have been lower than the Scotland average in each year since 2010. The gap grew in the years following 2010, although has since narrowed slightly, with the average rent in 2023 being £723 per month, compared to the Scotland average of £841.

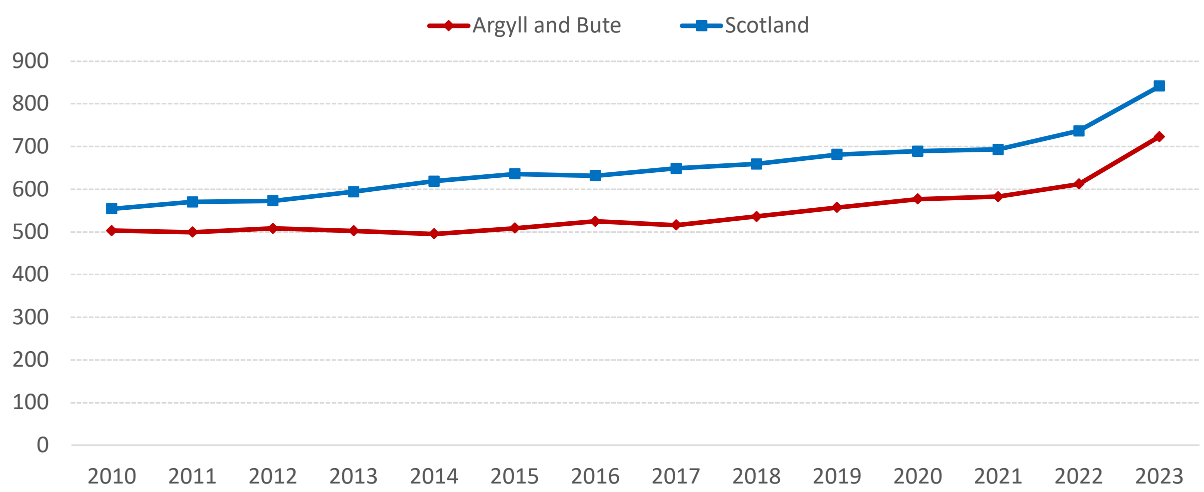
Between 2022 and 2023, average rents have increased across all property sizes except 4 bedroom properties, with increases for 1 bedroom (17.1%), 2 bedroom (18.2%), 3 bedroom (9.0%), and 1 bedroom shared properties (7.6%), whilst 4 bedroom rents decreased by 3.8%. This compares to CPI inflation of 9.0% across this time period.

Note that some caution is needed when interpreting the changes over time for 3 bedroom, 4 bedroom and 1 bedroom shared properties given the smaller sample numbers for these categories, which can lead to greater volatility in the results presented, particularly for year on year trends.

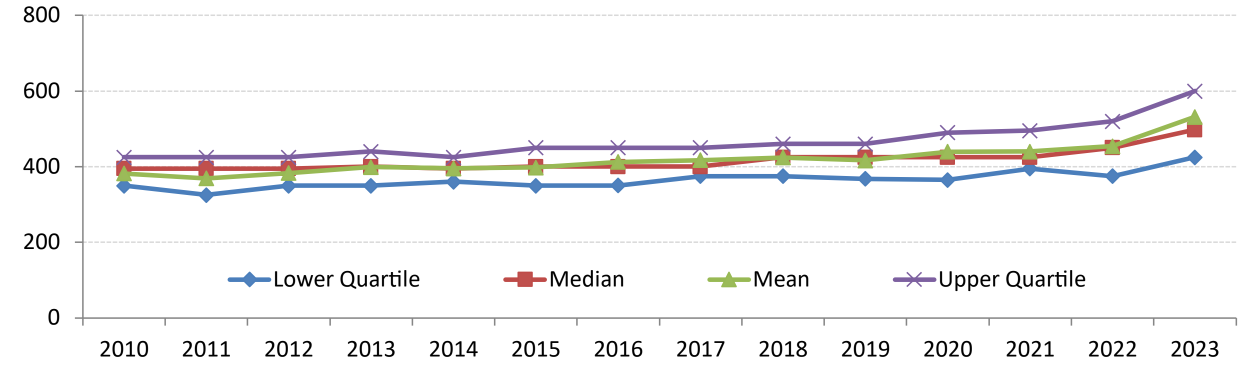
Between 2010 and 2023, average rents have increased below the rate of CPI inflation of 45.7% for 1 bedroom (39.1%), 2 bedroom (43.8%), 3 bedroom (42.6%), 4 bedroom (41.3%) and 1 bedroom shared properties (32.7%).

For 1 and 2 bedroom properties, a greater increase at the top end (upper quartile) than the bottom end (lower quartile) in the latest year has caused the gap between the top and bottom ends to widen. For 3, 4 and 1 bedroom shared properties, there has been some variation each year since 2010 in the gap between the higher end (upper quartile) and lower end (lower quartile) of the market, particularly for 3 bedrooms properties over the last two years, although some of this is likely to be due to the smaller sample numbers for these categories.

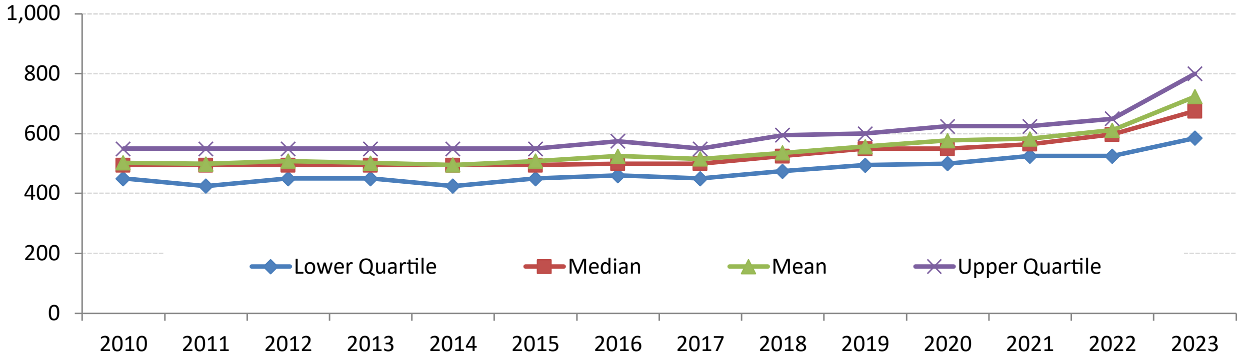
Profile Chart A – average 2 bedroom rents compared to the Scotland average: Argyll and Bute



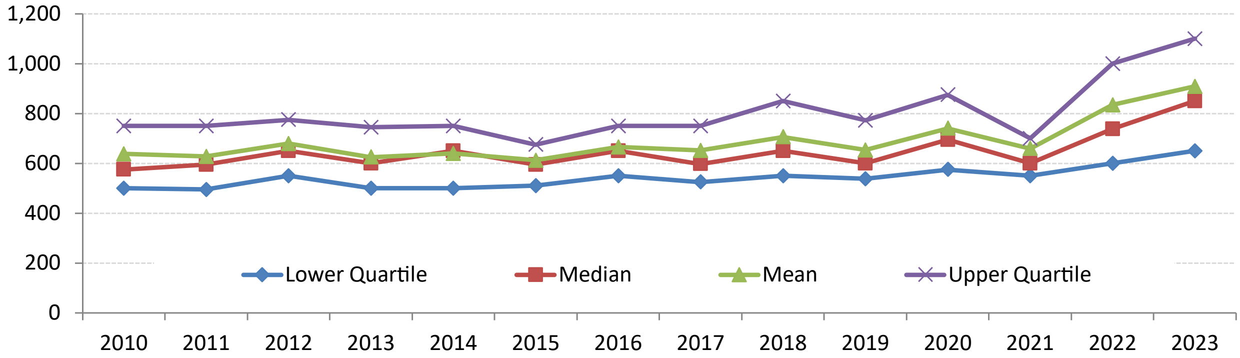
Profile Chart B – 1 bedroom properties: Quartile measures (years to end Sept): Argyll and Bute



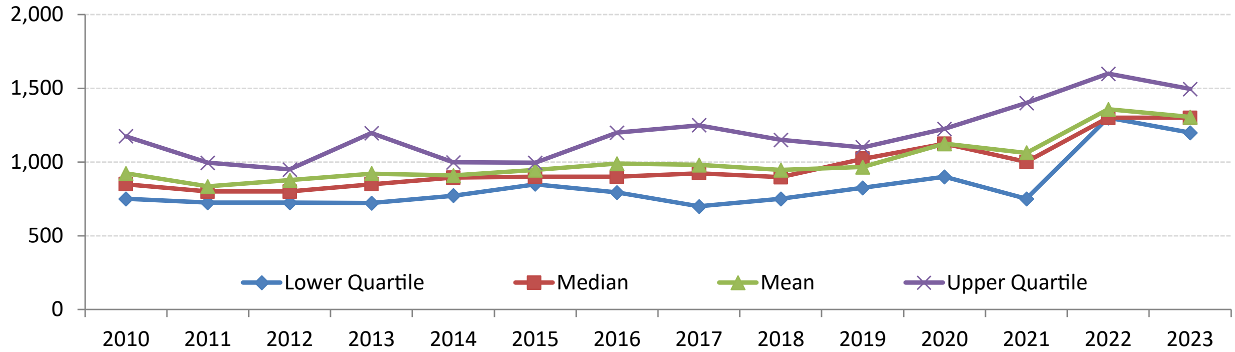
Profile Chart C – 2 bedroom properties: Quartile measures (years to end Sept): Argyll and Bute



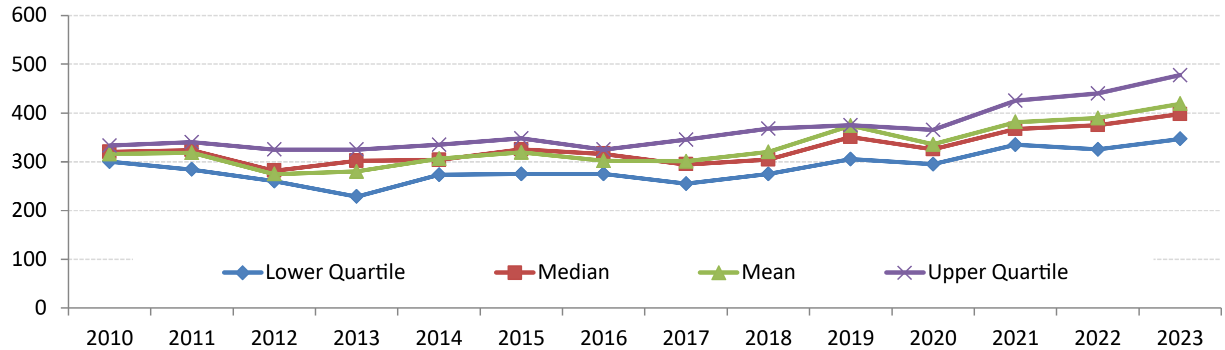
Profile Chart D – 3 bedroom properties: Quartile measures (years to end Sept): Argyll and Bute



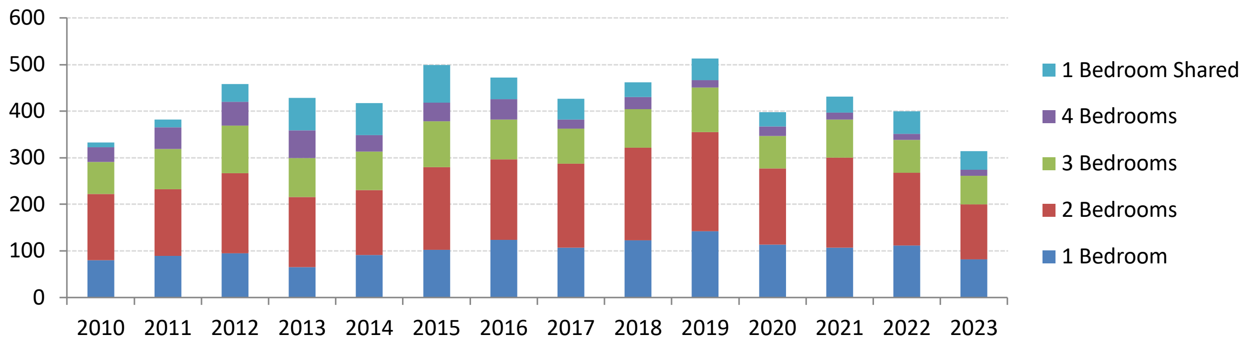
Profile Chart E – 4 bedroom properties: Quartile measures (years to end Sept): Argyll and Bute



Profile Chart F – 1 bedroom shared properties: Quartile measures (years to end Sept): Argyll and Bute



Profile Chart G – Sample Sizes (years to end Sept): Argyll and Bute



Broad Rental Market Area Profile – Ayrshires

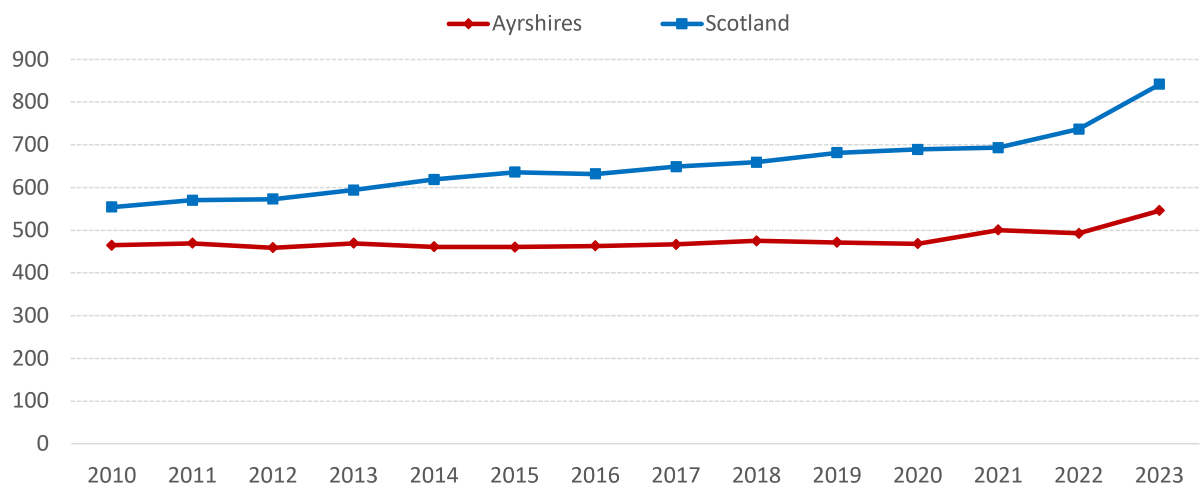
Average (mean) 2 bedroom rents in the Ayrshires have been lower than the Scotland average in each year since 2010, with the gap generally growing over the years, with the average rent in 2023 being £546 per month, compared to the Scotland average of £841.

Between 2022 and 2023, average rents have increased across all property sizes, with increases for 1 bedroom (5.3%), 2 bedroom (10.7%), 3 bedroom (13.3%), 4 bedroom (21.1%) and 1 bedroom shared properties (5.9%), which compares to CPI inflation of 9.0% across this time period.

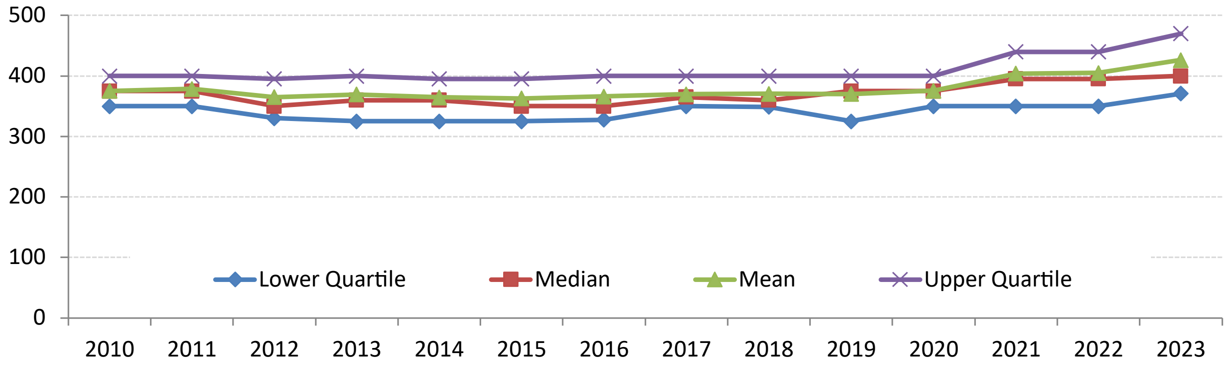
Between 2010 and 2023, average rents have increased below the rate of CPI inflation of 45.7% for 1 bedroom (13.5%), 2 bedroom (17.5%), 3 bedroom (23.5%), 4 bedroom properties (44.3%) and 1 bedroom shared properties (40.3%), although the increase for 4 bedroom properties has been only marginally below the rate of inflation.

For 2, 3 and 4 bedroom properties in particular, a greater increase at the top end (upper quartile) than the bottom end (lower quartile) in the latest year has caused the gap between the top and bottom ends to widen.

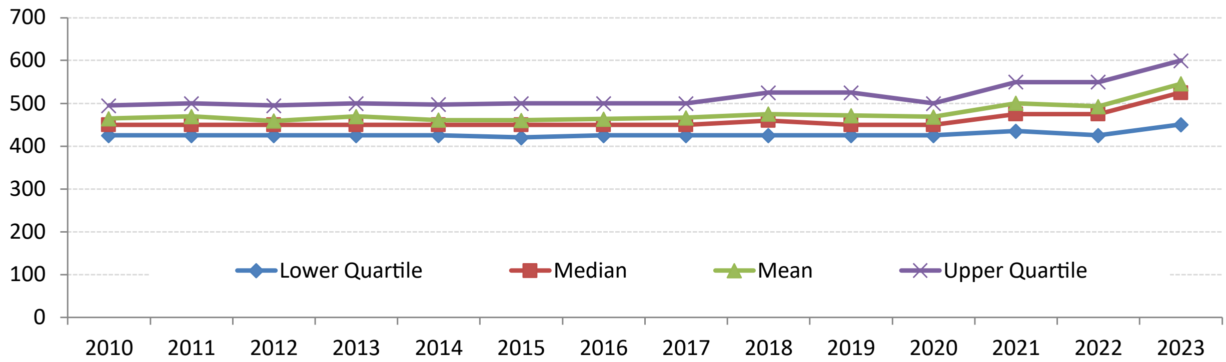
Profile Chart A – average 2 bedroom rents compared to the Scotland average: Ayrshires



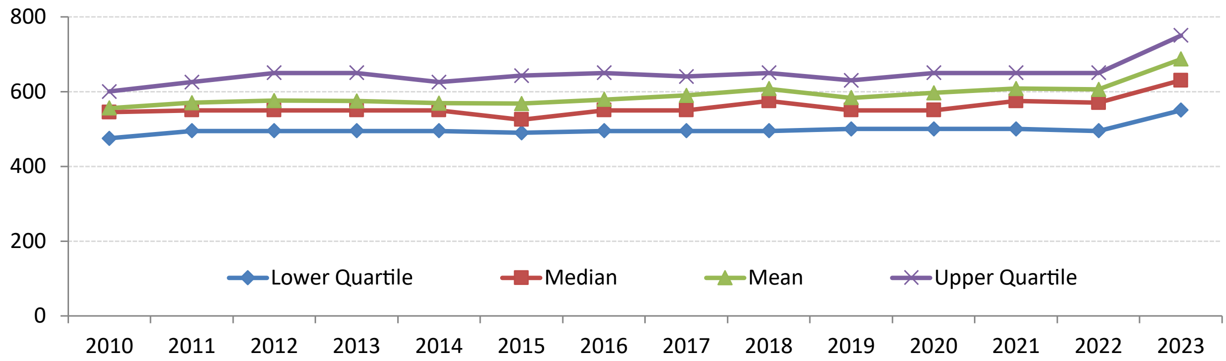
Profile Chart B – 1 bedroom properties: Quartile measures (years to end Sept): Ayrshires



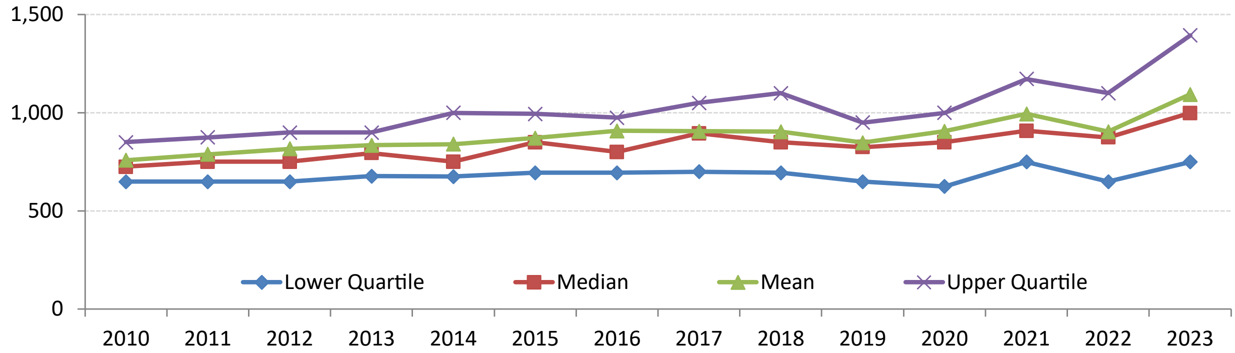
Profile Chart C – 2 bedroom properties: Quartile measures (years to end Sept): Ayrshires



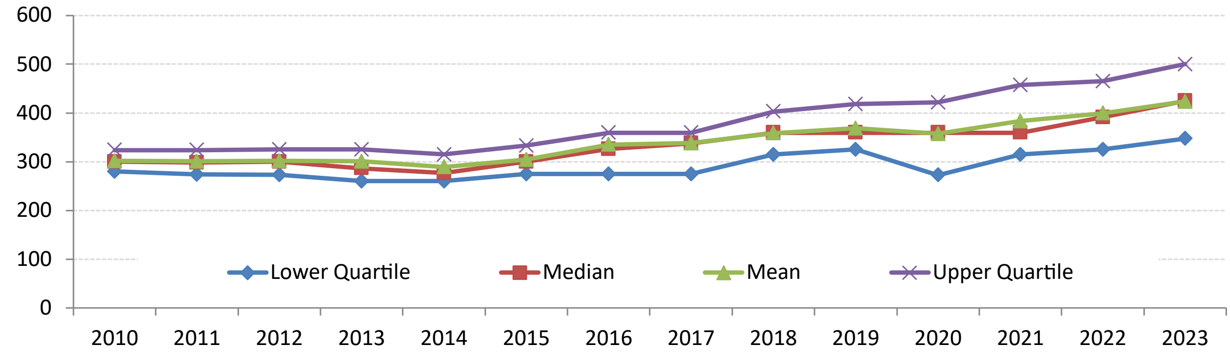
Profile Chart D – 3 bedroom properties: Quartile measures (years to end Sept): Ayrshires



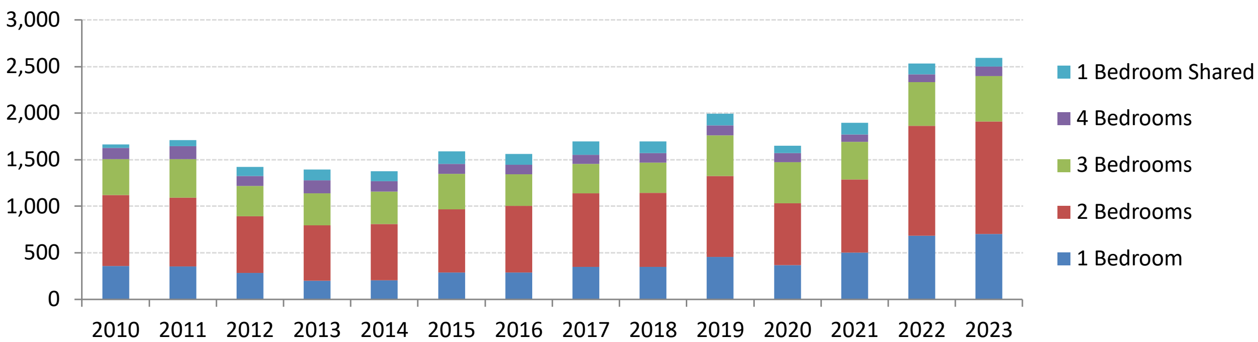
Profile Chart E – 4 bedroom properties: Quartile measures (years to end Sept): Ayrshires



Profile Chart F – 1 bedroom shared properties: Quartile measures (years to end Sept): Ayrshires



Profile Chart G – Sample Sizes (years to end Sept): Ayrshires



Broad Rental Market Area Profile – Dumfries and Galloway

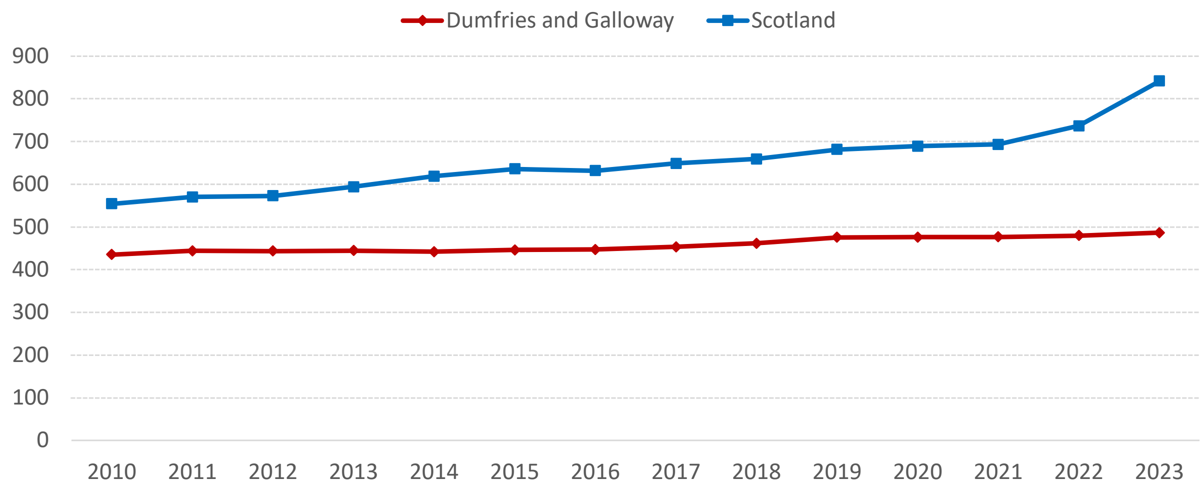
Average (mean) 2 bedroom rents in Dumfries and Galloway have been lower than the Scotland average in each year since 2010, and the gap has grown over the years, with the average rent in 2023 being £487 per month, compared to the Scotland average of £841.

Between 2022 and 2023, average rents have increased across all property sizes, with increases for 1 bedroom (6.5%), 2 bedroom (1.5%), 3 bedroom (2.1%), 4 bedroom (2.4%) and 1 bedroom shared properties (19.1%), which compares to CPI inflation of 9.0% across this time period.

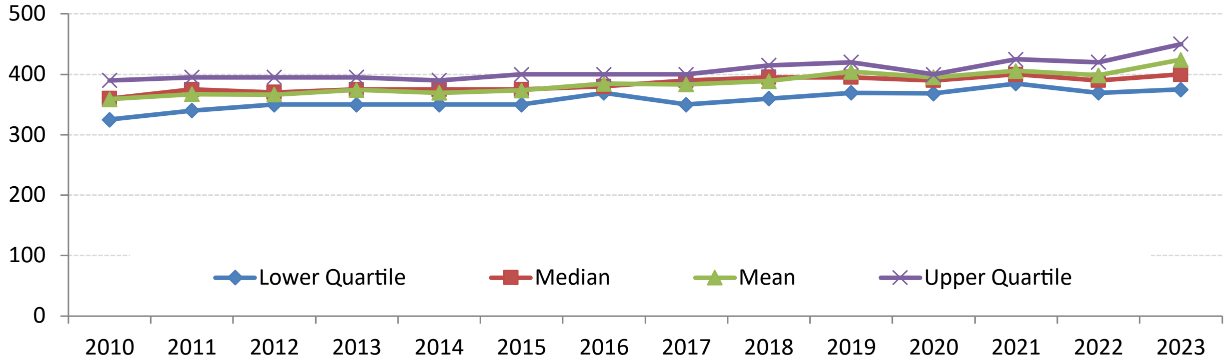
Between 2010 and 2023, average rents have increased below the rate of CPI inflation of 45.7% for 1 bedroom (18.2%), 2 bedroom (11.8%), 3 bedroom (12.1%), 4 bedroom properties (36.2%) and 1 bedroom shared properties (43.3%), although the increase for 1 bedroom shared properties has been only marginally below the rate of inflation.

For 1, 2, 4 and 1 bedroom shared properties, a greater increase at the top end (upper quartile) than the bottom end (lower quartile) in the latest year has caused the gap between the top and bottom ends to widen. The gap increased quite markedly for 1 bedroom shared properties, although some of this may be due to the smaller sample numbers for this category

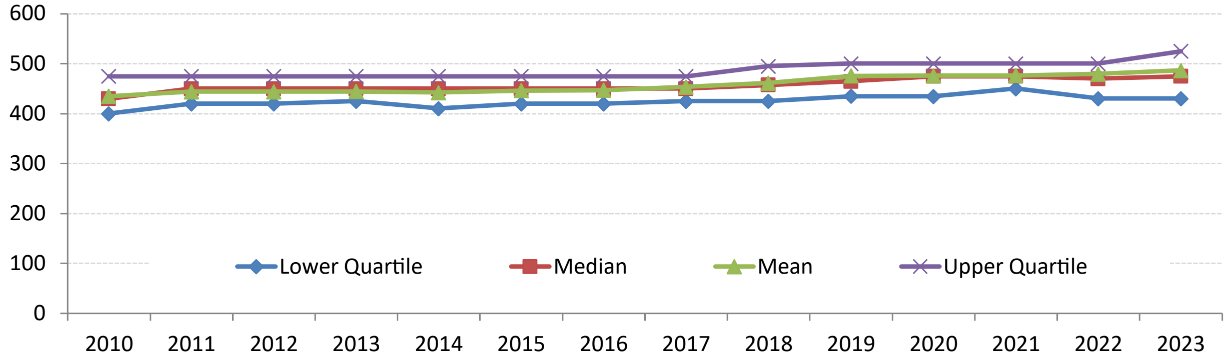
Profile Chart A – average 2 bedroom rents compared to the Scotland average: Dumfries and Galloway



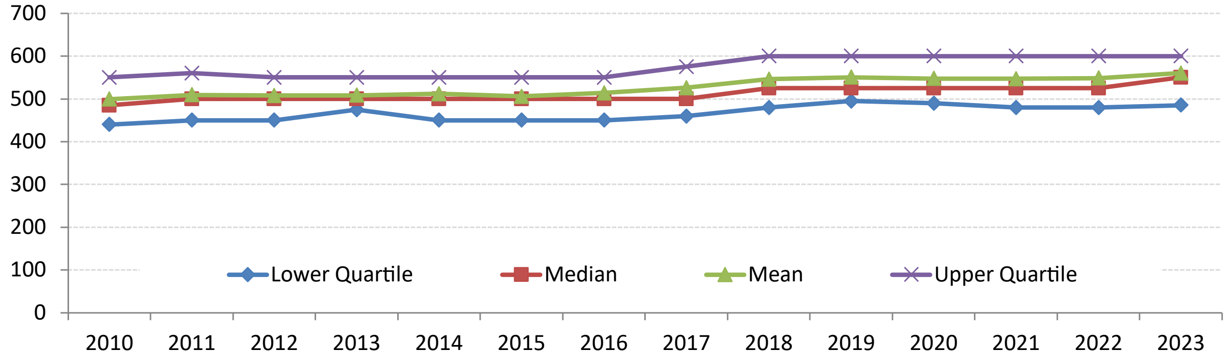
Profile Chart B – 1 bedroom properties: Quartile measures (years to end Sept): Dumfries and Galloway



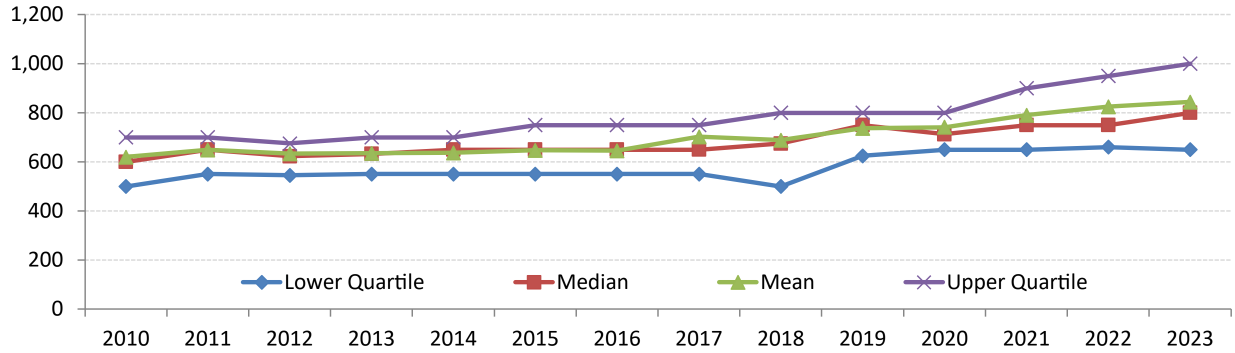
Profile Chart C – 2 bedroom properties: Quartile measures (years to end Sept): Dumfries and Galloway



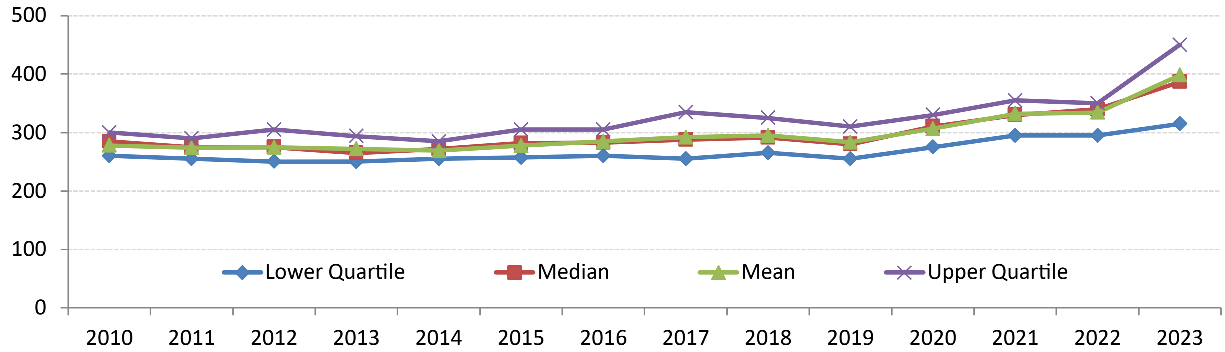
Profile Chart D – 3 bedroom properties: Quartile measures (years to end Sept): Dumfries and Galloway



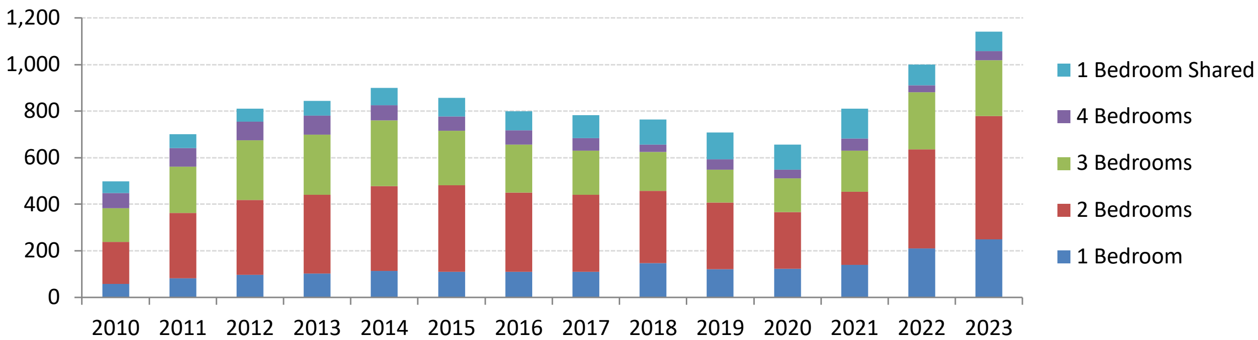
Profile Chart E – 4 bedroom properties: Quartile measures (years to end Sept): Dumfries and Galloway



Profile Chart F – 1 bedroom shared properties: Quartile measures (years to end Sept): Dumfries and Galloway



Profile Chart G – Sample Sizes (years to end Sept): Dumfries and Galloway



Broad Rental Market Area Profile – Dundee and Angus

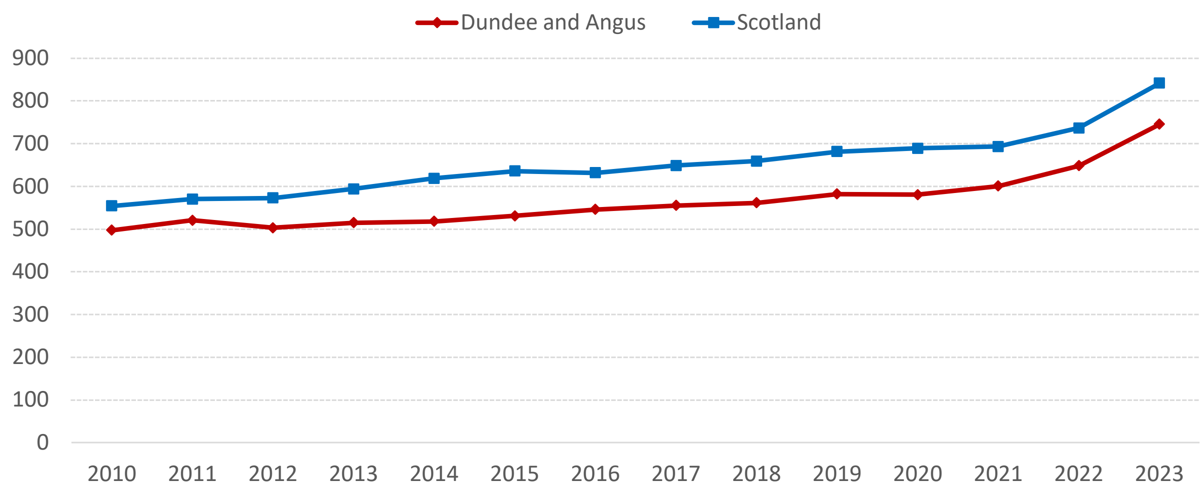
Average (mean) 2 bedroom rents in Dundee and Angus have been lower than the Scotland average in each year since 2010, although the difference has narrowed slightly in the last couple of years, with the average rent in 2023 being £745 per month, compared to the Scotland average of £841.

Between 2022 and 2023, average rents have increased across all property sizes, with increases for 1 bedroom (7.9%), 2 bedroom (15.0%), 3 bedroom (15.5%), 4 bedroom (2.2%), and 1 bedroom shared properties (13.5%), which compares to CPI inflation of 9.0% across this time period.

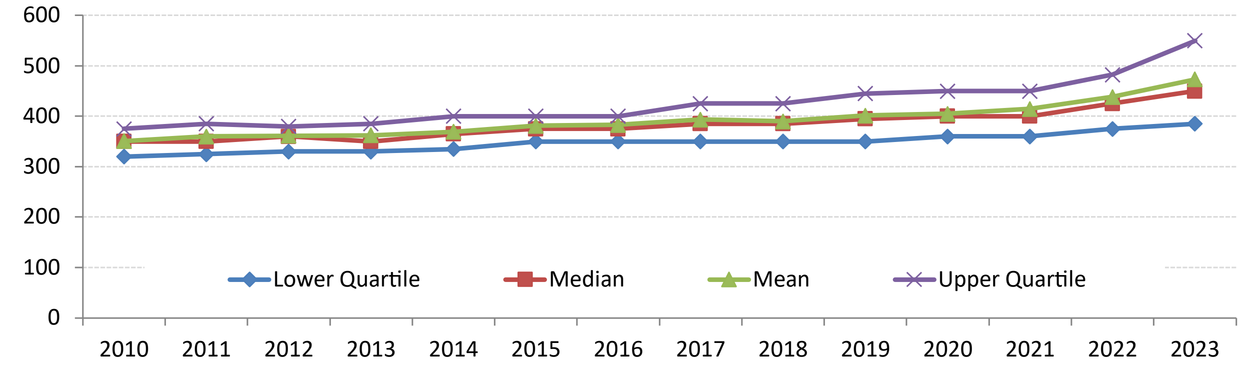
Between 2010 and 2023, average rents have increased below the rate of CPI inflation of 45.7% for 1 bedroom (34.9%), whilst the average rents for 2 bedroom (49.9%), 3 bedroom (61.4%), 4 bedroom (65.9%) and 1 bedroom shared properties (55.0%) have increased above inflation.

For 1, 2, and 3 bedroom properties, a greater increase at the top end (upper quartile) than the bottom end (lower quartile) in the latest year has caused the gap between the top and bottom ends to widen. The gap has also widened for 4 bedroom properties, but due to a decrease at the bottom end (lower quartile) over the latest year.

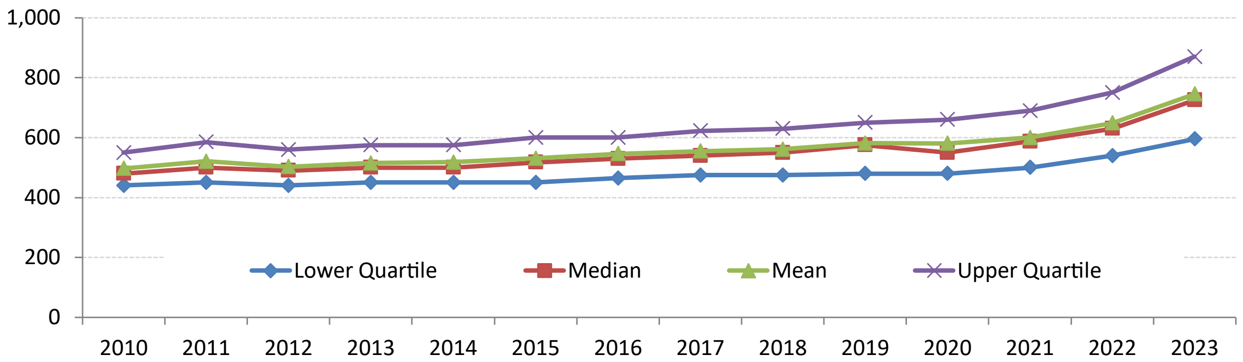
Profile Chart A – average 2 bedroom rents compared to the Scotland average: Dundee and Angus



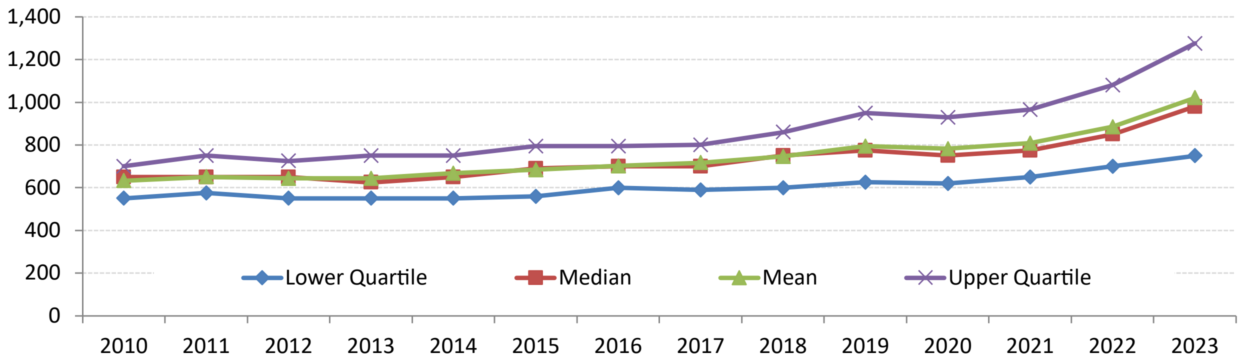
Profile Chart B – 1 bedroom properties: Quartile measures (years to end Sept): Dundee and Angus



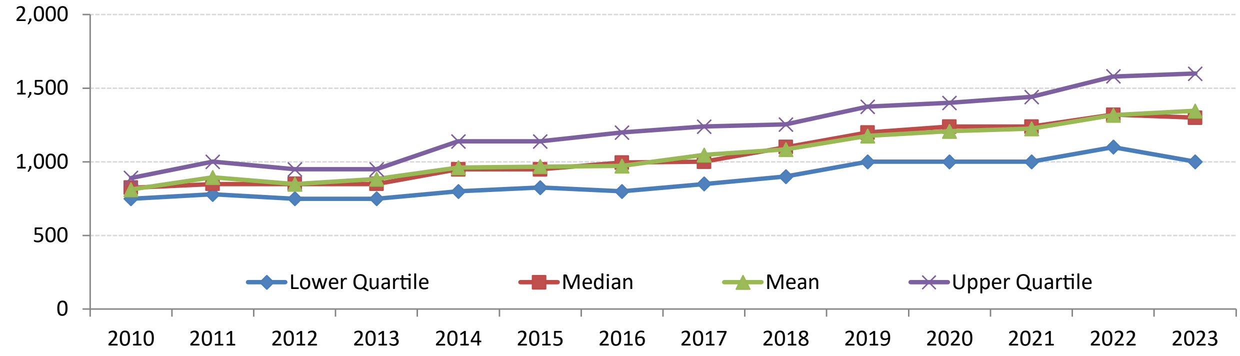
Profile Chart C – 2 bedroom properties: Quartile measures (years to end Sept): Dundee and Angus



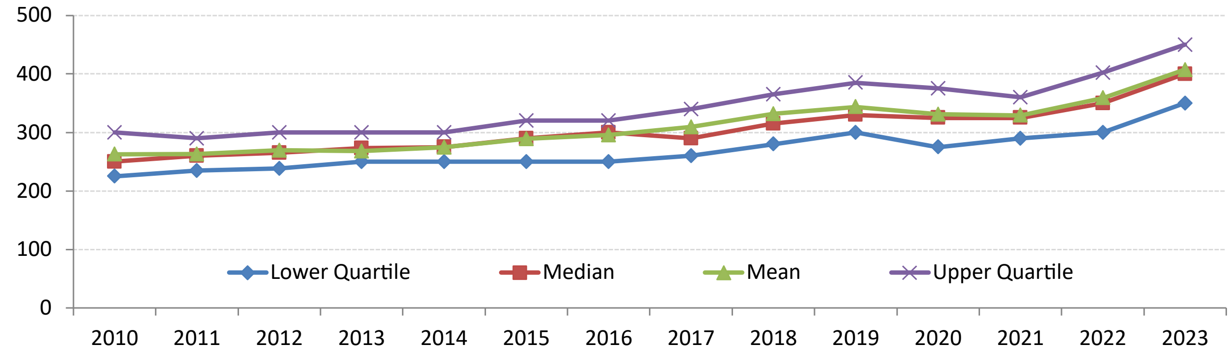
Profile Chart D – 3 bedroom properties: Quartile measures (years to end Sept): Dundee and Angus



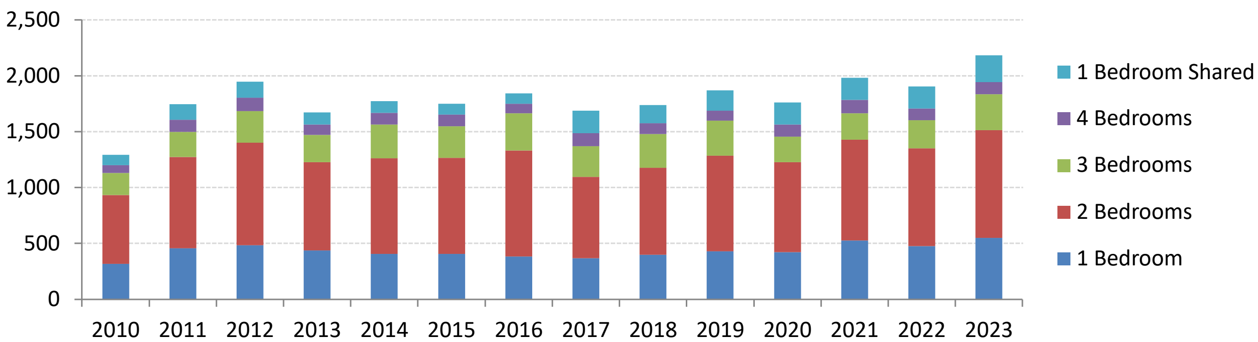
Profile Chart E – 4 bedroom properties: Quartile measures (years to end Sept): Dundee and Angus



Profile Chart F – 1 bedroom shared properties: Quartile measures (years to end Sept): Dundee and Angus



Profile Chart G – Sample Sizes (years to end Sept): Dundee and Angus



Broad Rental Market Area Profile – East Dunbartonshire

Average (mean) 2 bedroom rents in East Dunbartonshire have been broadly similar to the Scotland average in each year since 2010, although the gap has grown slightly over the last two years, with the average rent in 2023 being £897 per month, compared to the Scotland average of £841.

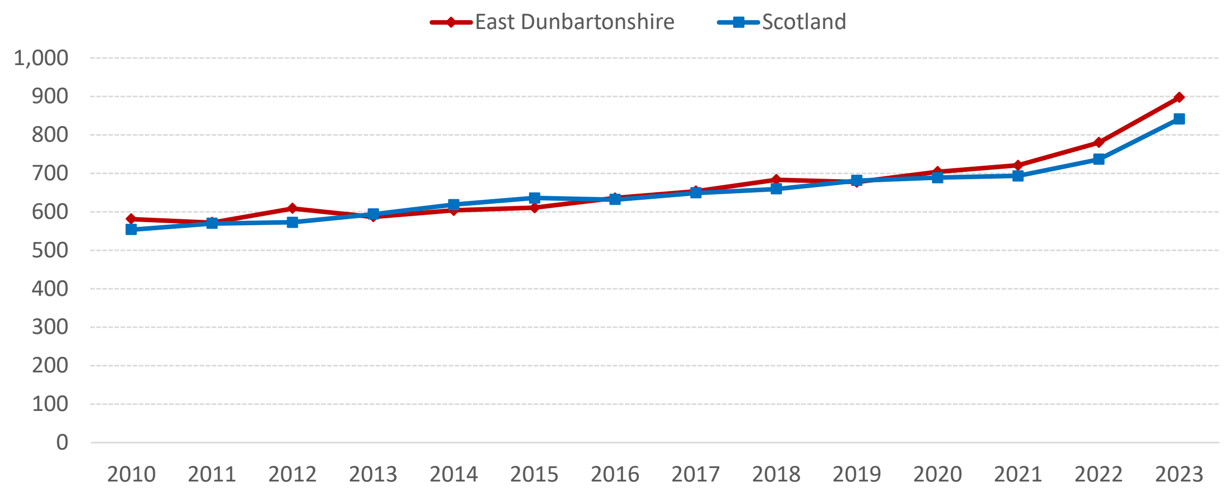
Between 2022 and 2023, average rents have increased across all property sizes, with increases for 1 bedroom (11.1%), 2 bedroom (15.0%), 3 bedroom (8.1%), 4 bedroom (15.1%), and 1 bedroom shared properties (12.8%), which compares to CPI inflation of 9.0% across this time period.

Note that some caution is needed when interpreting the changes over time for all property size categories except 2 bedroom properties, given the smaller sample numbers for most categories, which can lead to greater volatility in the results presented, particularly for year on year trends.

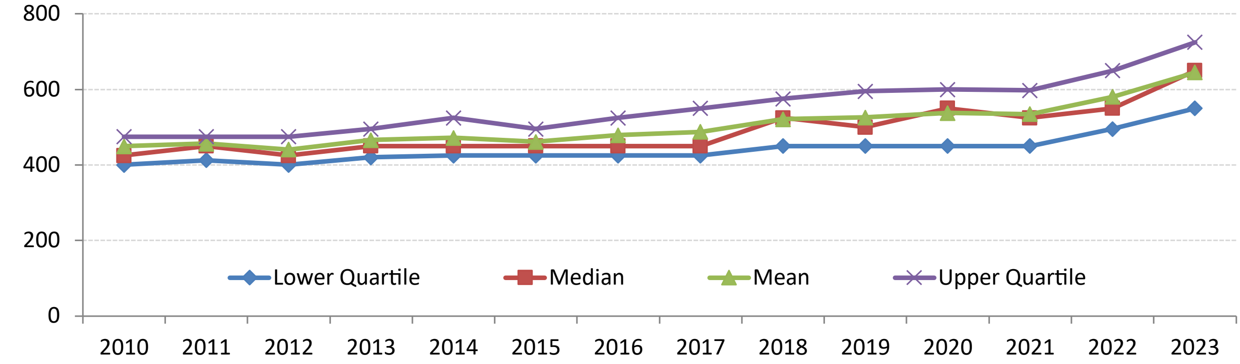
Between 2010 and 2023, average rents have increased slightly below the rate of CPI inflation of 45.7% for 1 bedroom properties (43.4%), and have increased above the rate of inflation for 2 bedroom (54.4%), 3 bedroom (64.0%), 4 bedroom (66.1%) and 1 bedroom shared properties (57.7%).

For 3 and 4 bedroom properties in particular, a greater increase at the top end (upper quartile) than the bottom end (lower quartile) in the latest year has caused the gap between the top and bottom ends to widen.

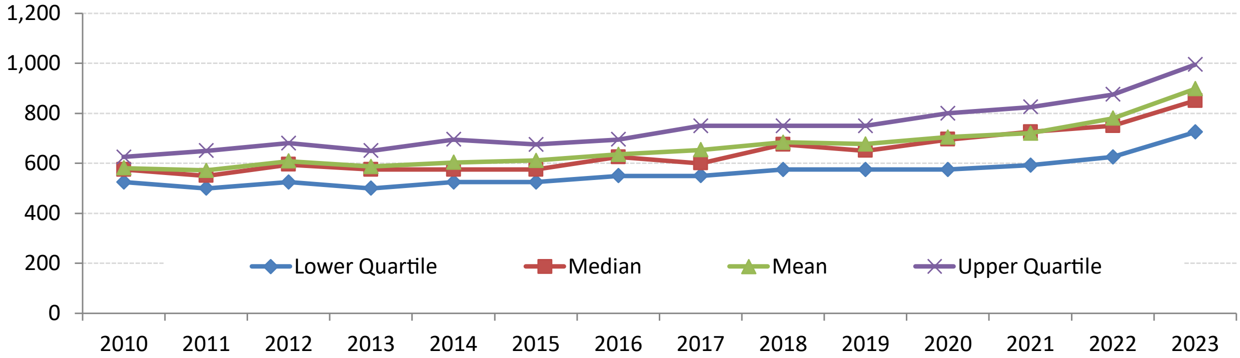
Profile Chart A – average 2 bedroom rents compared to the Scotland average: East Dunbartonshire



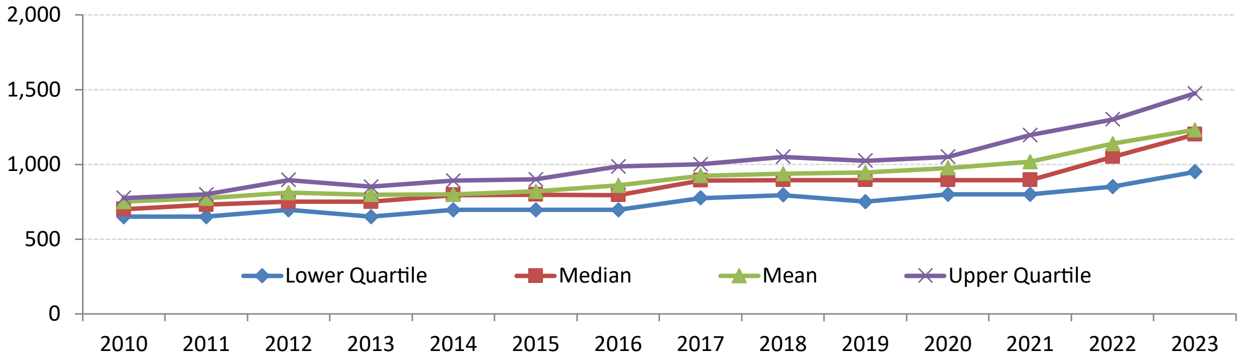
Profile Chart B – 1 bedroom properties: Quartile measures (years to end Sept): East Dunbartonshire



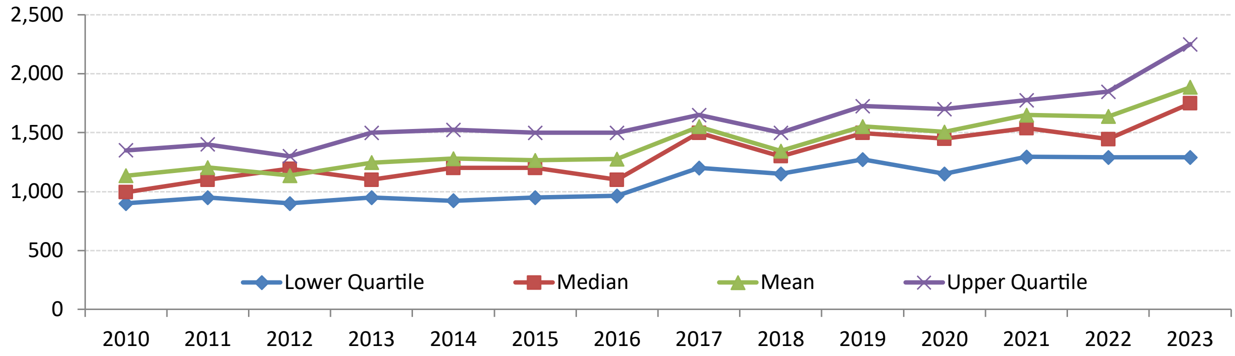
Profile Chart C – 2 bedroom properties: Quartile measures (years to end Sept): East Dunbartonshire



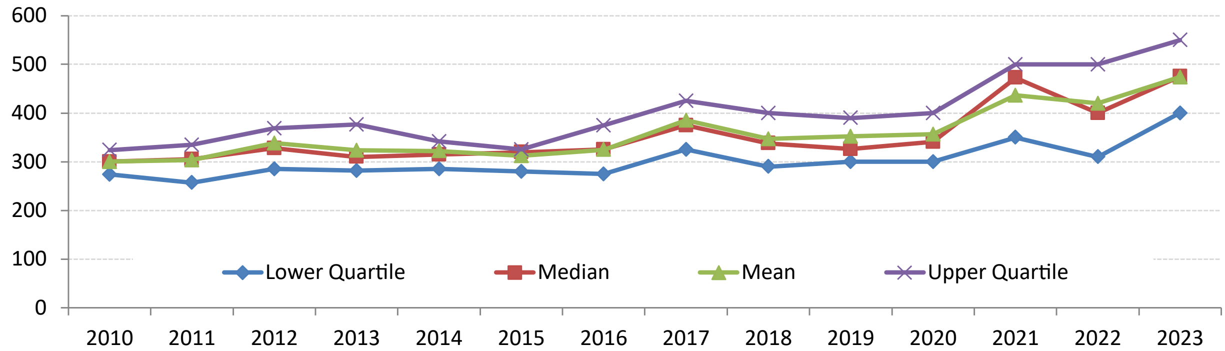
Profile Chart D – 3 bedroom properties: Quartile measures (years to end Sept): East Dunbartonshire



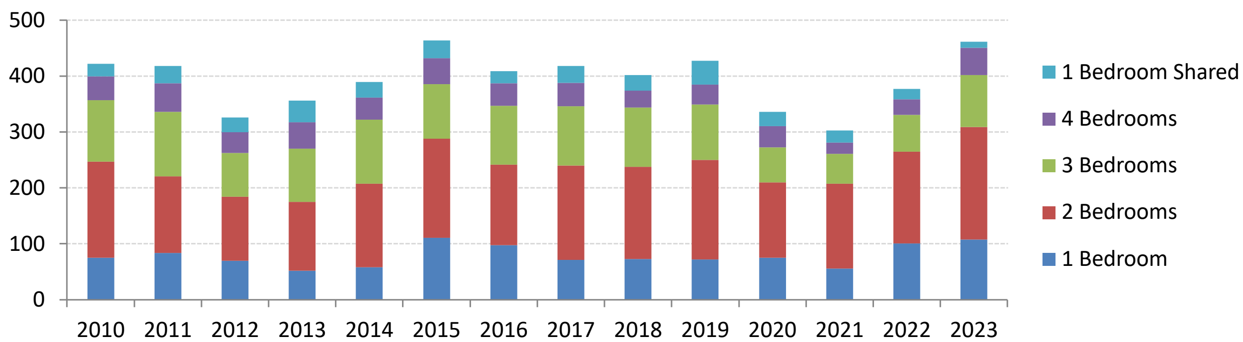
Profile Chart E – 4 bedroom properties: Quartile measures (years to end Sept): East Dunbartonshire



Profile Chart F – 1 bedroom shared properties: Quartile measures (years to end Sept): East Dunbartonshire



Profile Chart G – Sample Sizes (years to end Sept): East Dunbartonshire



Broad Rental Market Area Profile – Fife

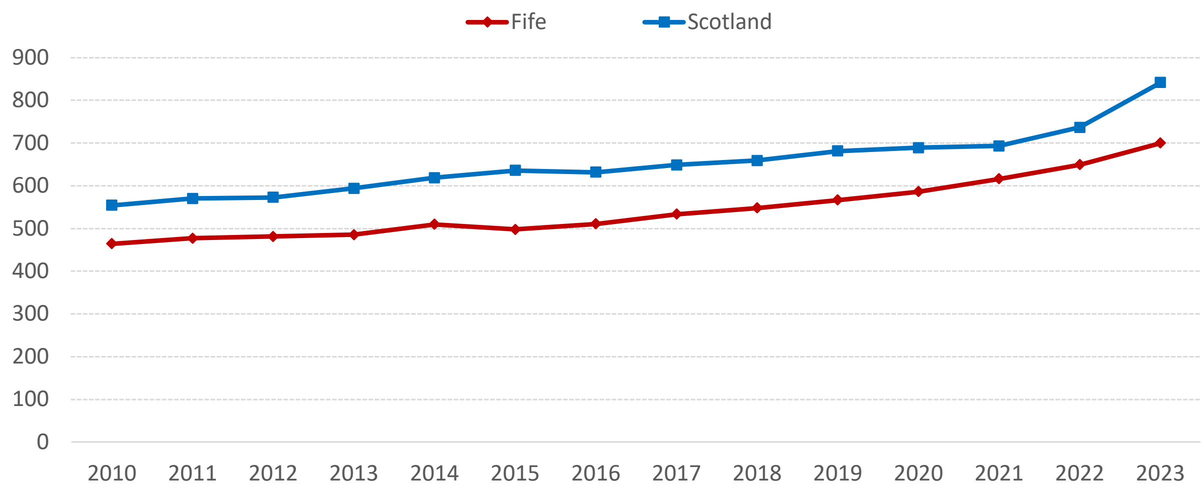
Average (mean) 2 bedroom rents in Fife have been lower than the Scotland average in each year since 2010, with the average rent in 2023 being £700 per month, compared to the Scotland average of £841.

Between 2022 and 2023, average rents have increased across all property sizes, with increases for 1 bedroom (6.4%), 2 bedroom (7.8%), 3 bedroom (9.1%), 4 bedroom (9.8%) and 1 bedroom shared properties (20.3%), which compares to CPI inflation of 9.0% across this time period.

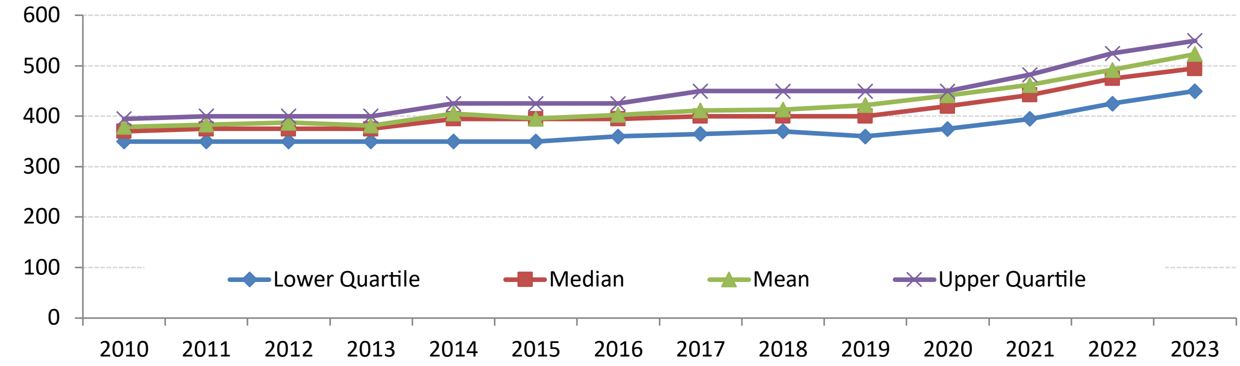
Between 2010 and 2023, average rents have increased below the rate of CPI inflation of 45.7% for 1 bedroom properties (38.1%), and have increased above the rate of inflation for 2 bedroom (50.8%), 3 bedroom (62.6%), 4 bedroom (90.9%) and 1 bedroom shared properties (74.3%).

For 3 bedroom and 1 bedroom shared properties in particular, a greater increase at the top end (upper quartile) than the bottom end (lower quartile) in the latest year has caused the gap between the top and bottom ends to widen.

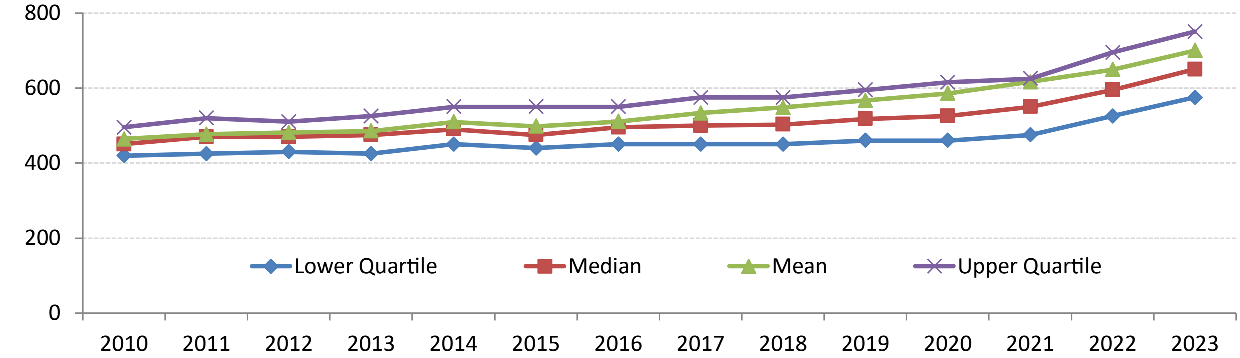
Profile Chart A – average 2 bedroom rents compared to the Scotland average: Fife



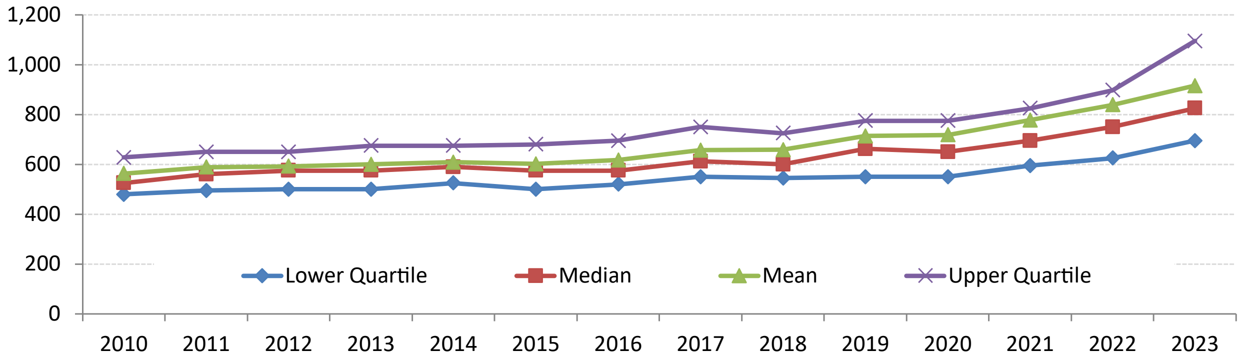
Profile Chart B – 1 bedroom properties: Quartile measures (years to end Sept): Fife



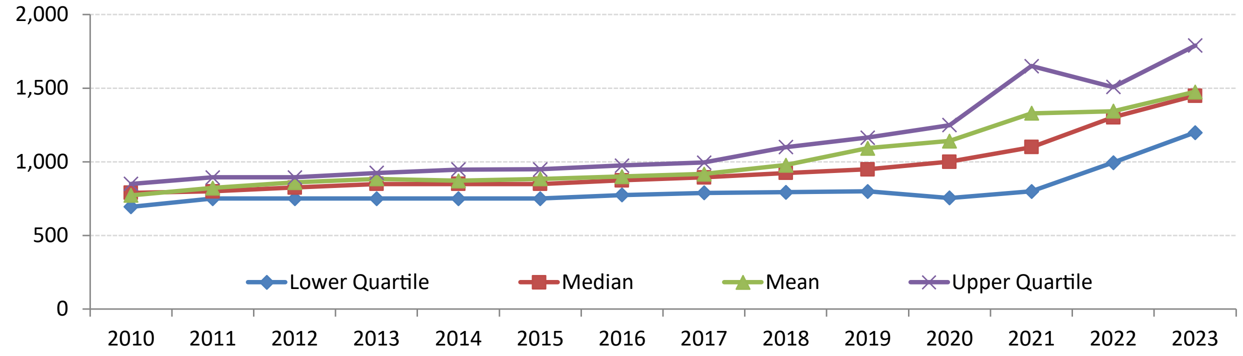
Profile Chart C – 2 bedroom properties: Quartile measures (years to end Sept): Fife



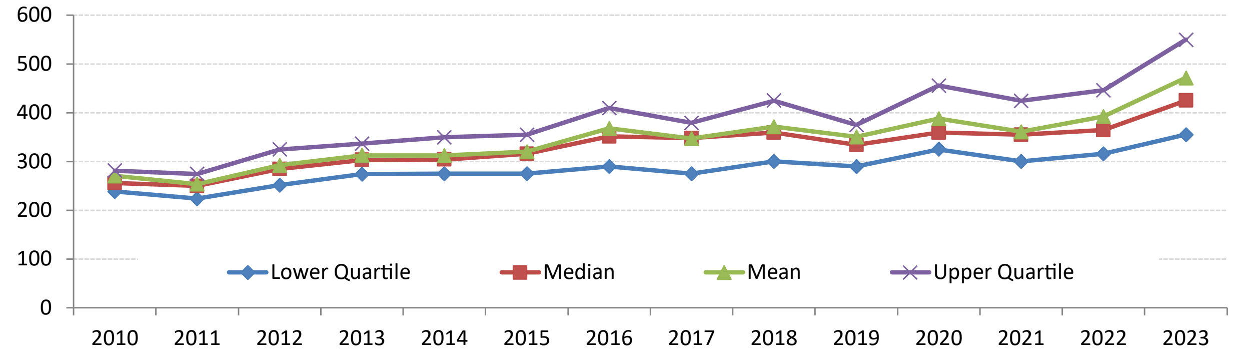
Profile Chart D – 3 bedroom properties: Quartile measures (years to end Sept): Fife



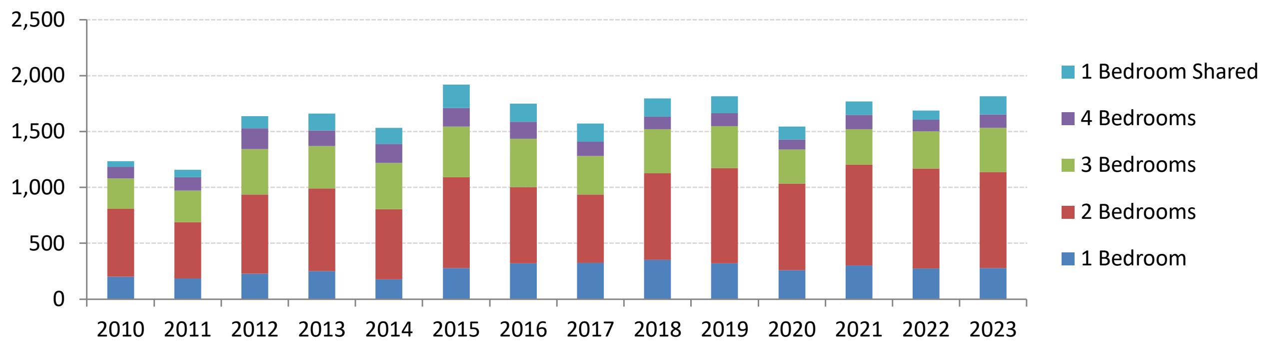
Profile Chart E – 4 bedroom properties: Quartile measures (years to end Sept): Fife



Profile Chart F – 1 bedroom shared properties: Quartile measures (years to end Sept): Fife



Profile Chart G – Sample Sizes (years to end Sept): Fife



Broad Rental Market Area Profile – Forth Valley

Average 2 (mean) bedroom rents in Forth Valley have been lower than the Scotland average in each year since 2010, with the average rent in 2023 being £748 per month, compared to the Scotland average of £841.

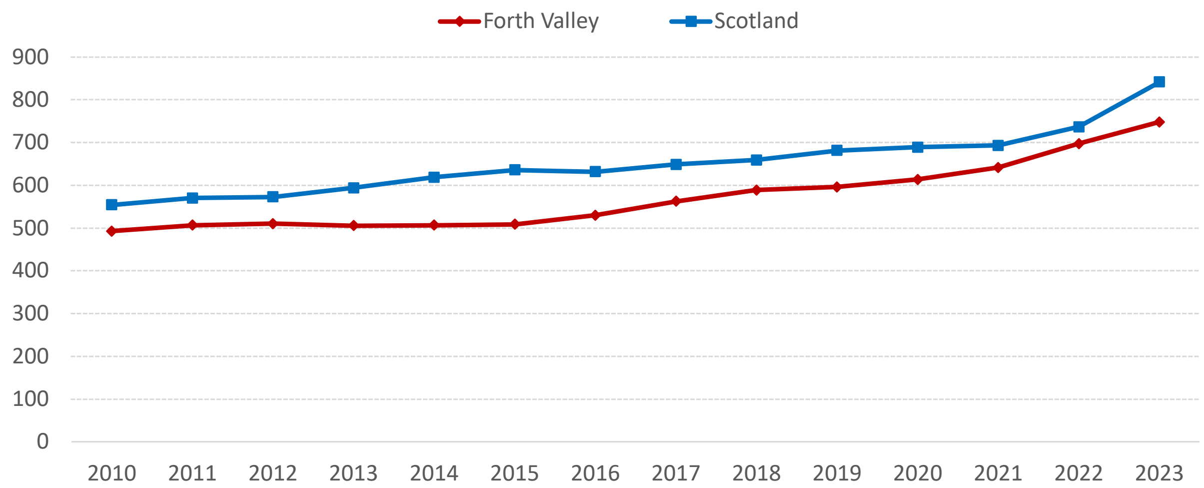
Between 2022 and 2023, average rents have increased across all property sizes, with increases for 1 bedroom (4.5%), 2 bedroom (7.3%), 3 bedroom (6.9%), 4 bedroom (6.4%), and 1 bedroom shared properties (17.3%), which compares to CPI inflation of 9.0% across this time period.

Note that some caution is needed when interpreting the changes over time for 4 bedroom and 1 bedroom shared property size categories, given the smaller sample numbers for these categories, which can lead to greater volatility in the results presented, particularly for year on year trends.

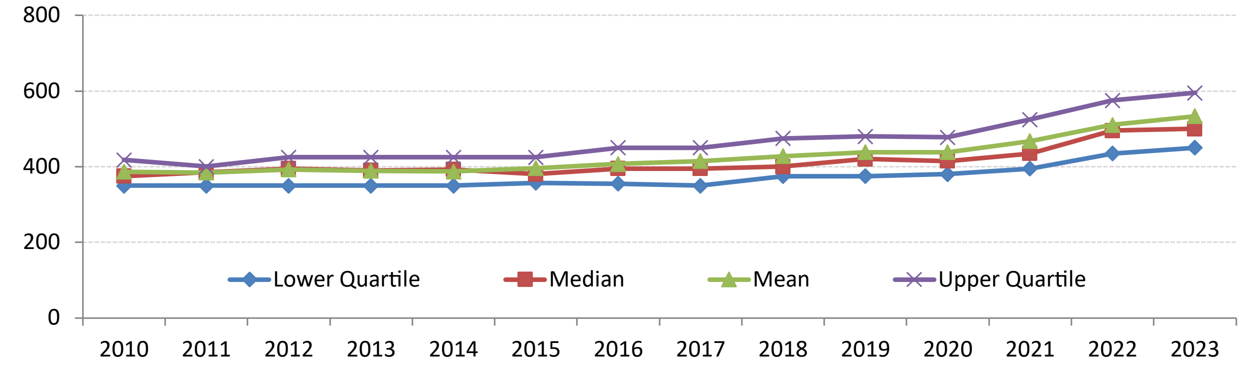
Between 2010 and 2023, average rents have increased below the rate of CPI inflation of 45.7% for 1 bedroom properties (37.9%), and have increased above the rate of inflation for 2 bedroom (51.9%), 3 bedroom (62.8%), 4 bedroom (82.4%) and 1 bedroom shared properties (81.8%).

Across all property size categories, since 2010 there have generally been greater increases in the top end rents (upper quartile) than the bottom end (lower quartile), resulting in the gap between top and bottom ends of the market widening.

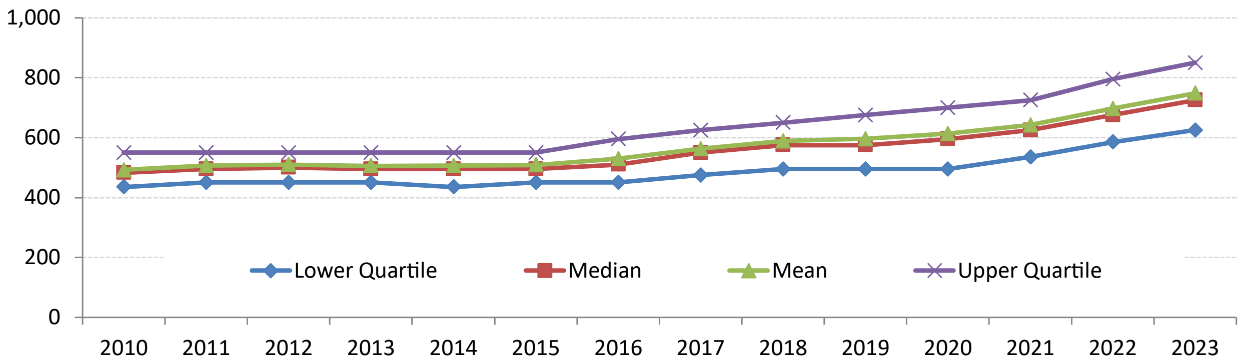
Profile Chart A – average 2 bedroom rents compared to the Scotland average: Forth Valley



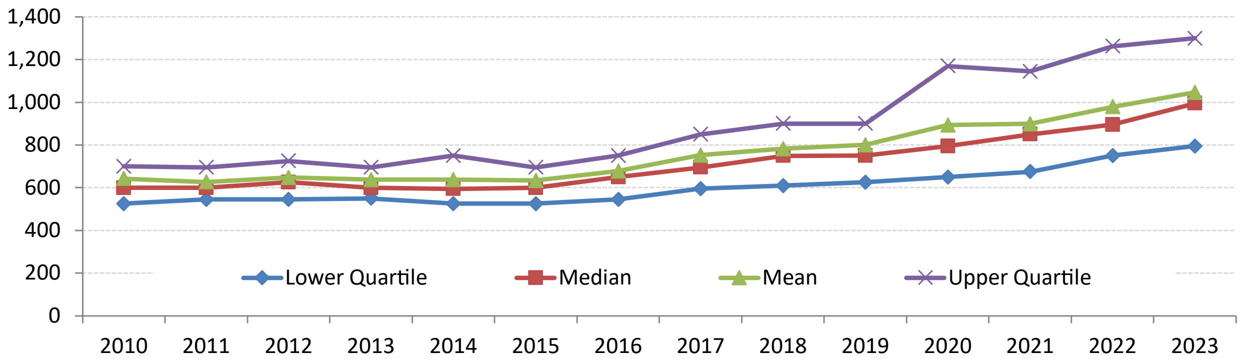
Profile Chart B – 1 bedroom properties: Quartile measures (years to end Sept): Forth Valley



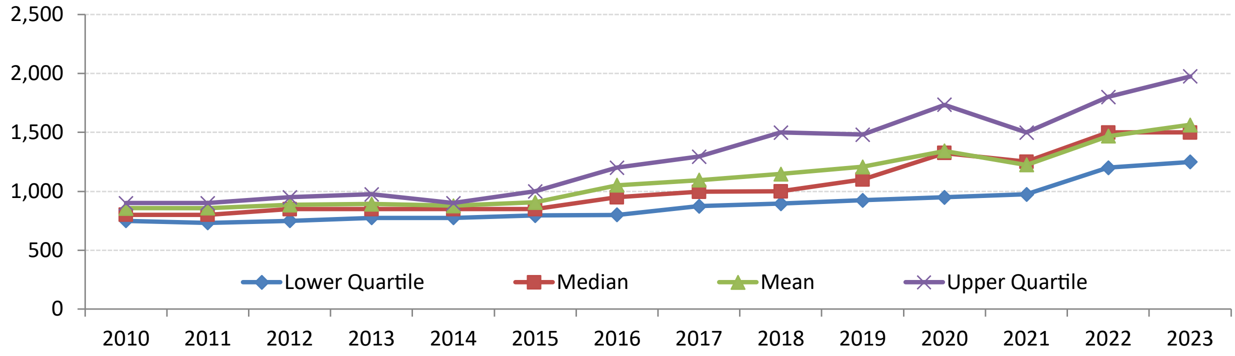
Profile Chart C – 2 bedroom properties: Quartile measures (years to end Sept): Forth Valley



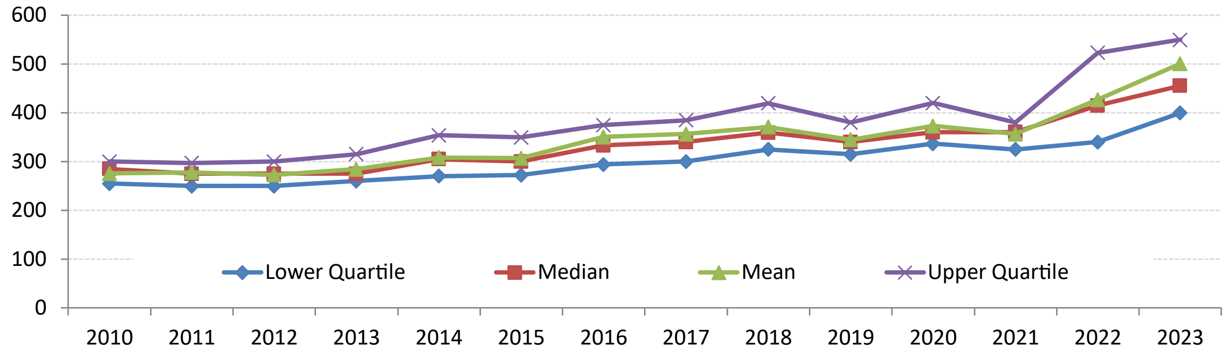
Profile Chart D – 3 bedroom properties: Quartile measures (years to end Sept): Forth Valley



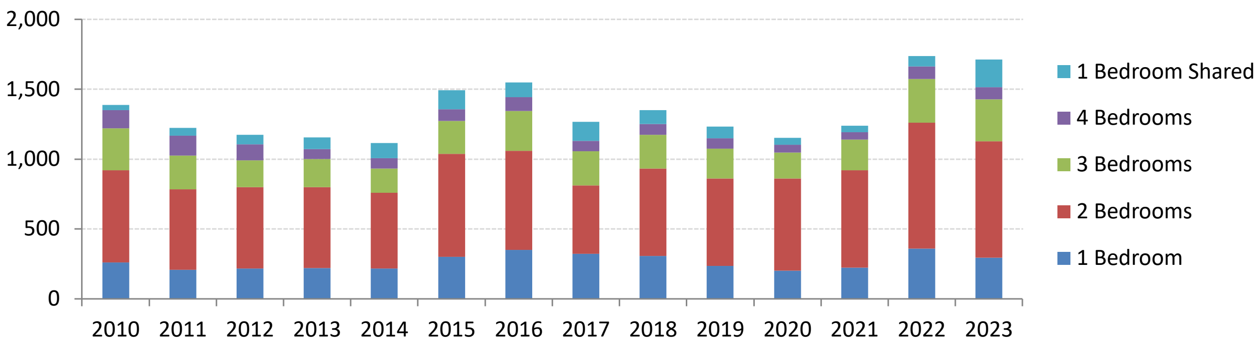
Profile Chart E – 4 bedroom properties: Quartile measures (years to end Sept): Forth Valley



Profile Chart F – 1 bedroom shared properties: Quartile measures (years to end Sept): Forth Valley



Profile Chart G – Sample Sizes (years to end Sept): Forth Valley



Broad Rental Market Area Profile – Greater Glasgow

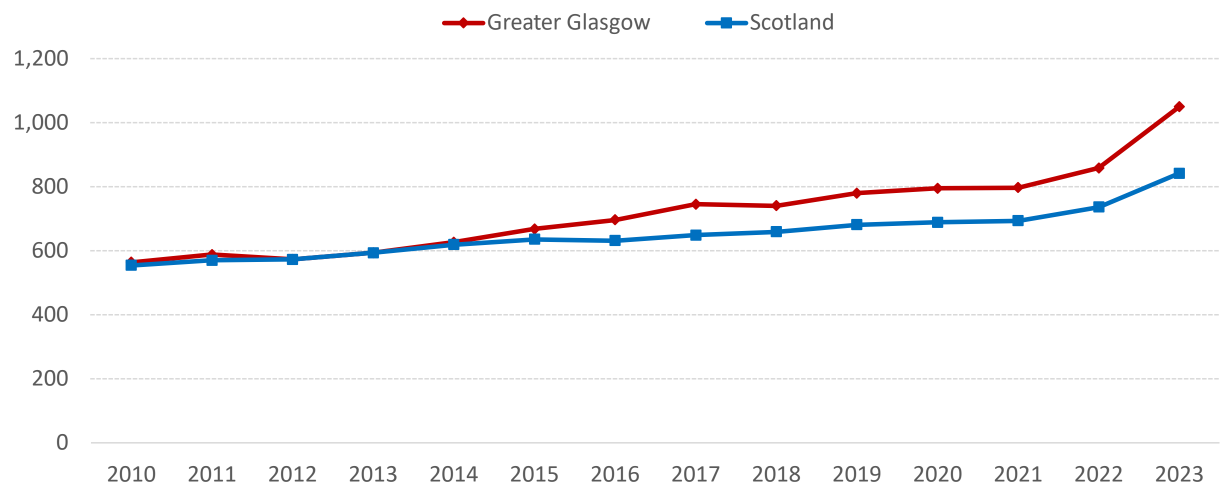
Average (mean) 2 bedroom rents in Greater Glasgow have been higher than the Scotland average since 2014, with the gap generally increasing over this time period, particularly in the latest year. The average rent in 2023 was £1,050 per month, compared to the Scotland average of £841.

Between 2022 and 2023, average rents have increased across all property sizes, with increases for 1 bedroom (22.2%), 2 bedroom (22.3%), 3 bedroom (25.7%), 4 bedroom (23.6%) and 1 bedroom shared properties (27.1%), which compares to CPI inflation of 9.0% across this time period.

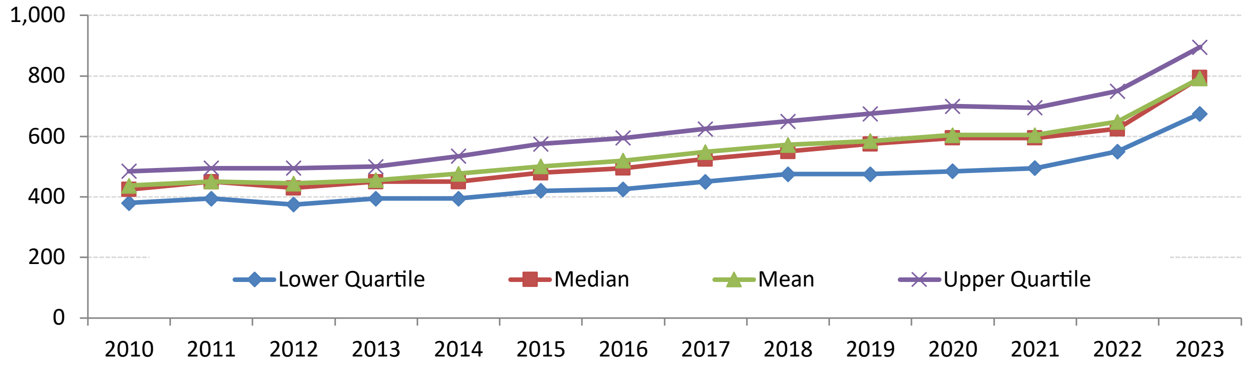
Between 2010 and 2023, average rents have increased well above the rate of CPI inflation of 45.7% for 1 bedroom (81.2%), 2 bedroom (86.2%), 3 bedroom (88.7%), 4 bedroom (105.4%) and 1 bedroom shared properties (73.8%).

For most property sizes there have generally been greater increases in the top end (upper quartile) of rents between 2010 and 2022, which has widened the gap in rents compared to the bottom end of the market (lower quartile), particularly in the latest year.

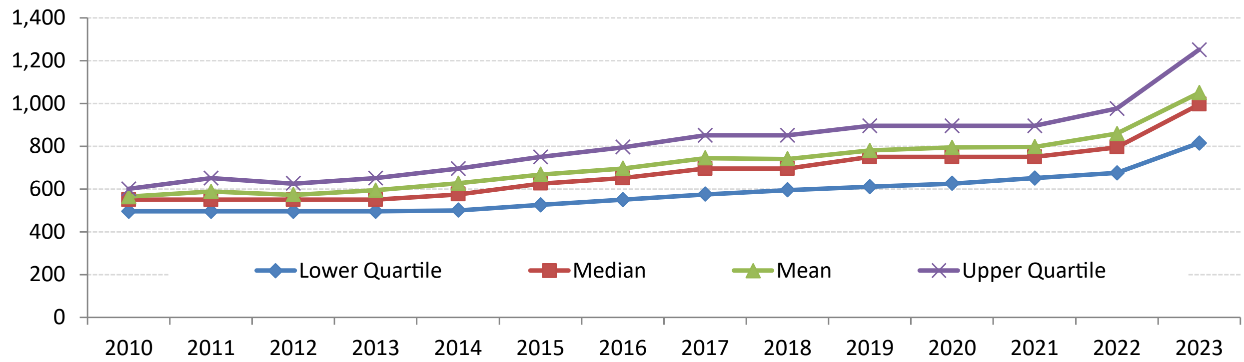
Profile Chart A – average 2 bedroom rents compared to the Scotland average: Greater Glasgow



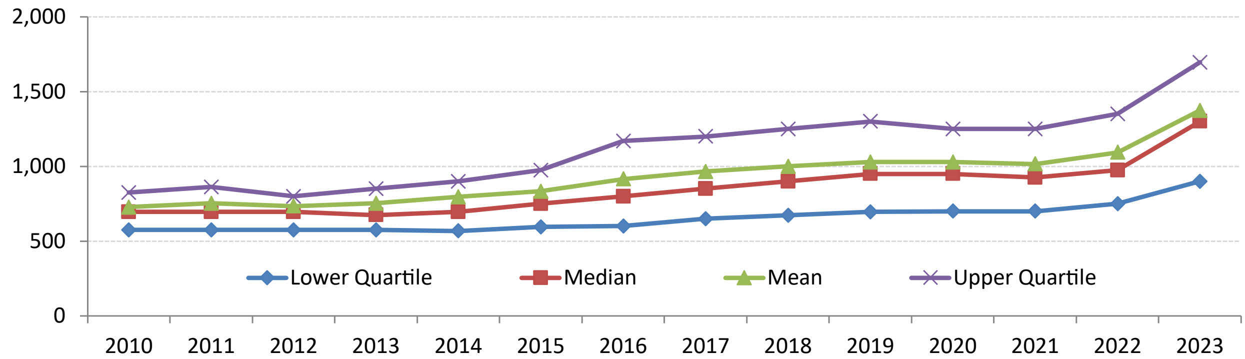
Profile Chart B – 1 bedroom properties: Quartile measures (years to end Sept): Greater Glasgow



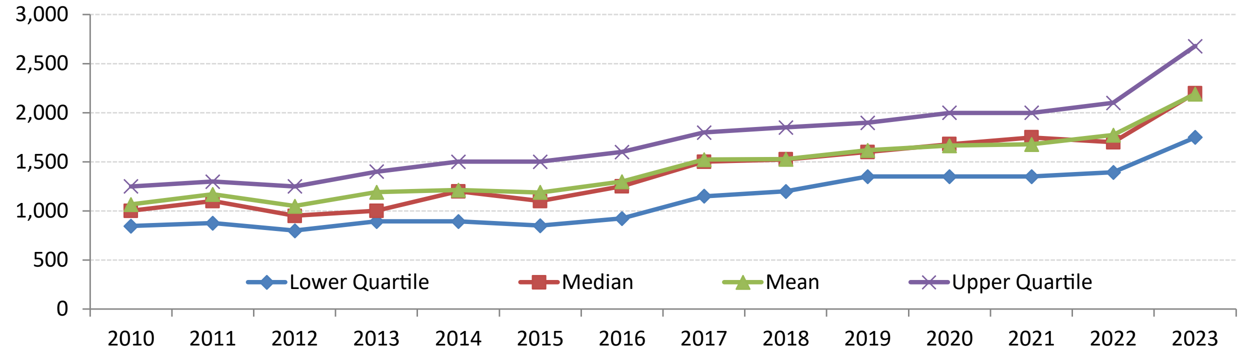
Profile Chart C – 2 bedroom properties: Quartile measures (years to end Sept): Greater Glasgow



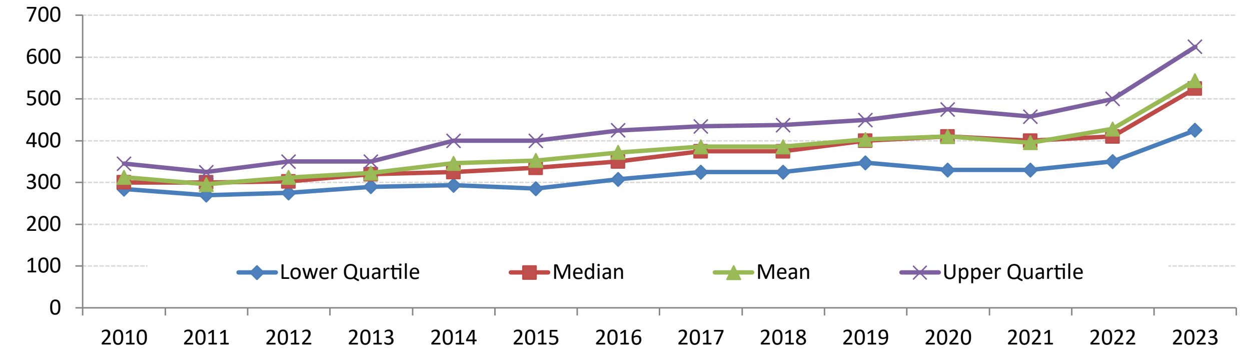
Profile Chart D – 3 bedroom properties: Quartile measures (years to end Sept): Greater Glasgow



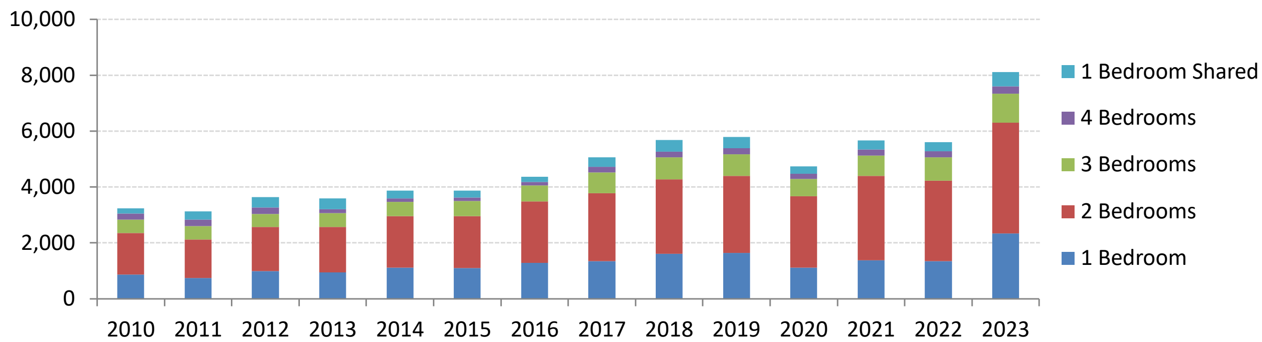
Profile Chart E – 4 bedroom properties: Quartile measures (years to end Sept): Greater Glasgow



Profile Chart F – 1 bedroom shared properties: Quartile measures (years to end Sept): Greater Glasgow



Profile Chart G – Sample Sizes (years to end Sept): Greater Glasgow



Broad Rental Market Area Profile – Highland and Islands

Average (mean) 2 bedroom rents in Highland and Islands have been lower than the Scotland average in each year since 2010, and with this gap growing in the latest year, with the average rent in 2023 being £662 per month, compared to the Scotland average of £841.

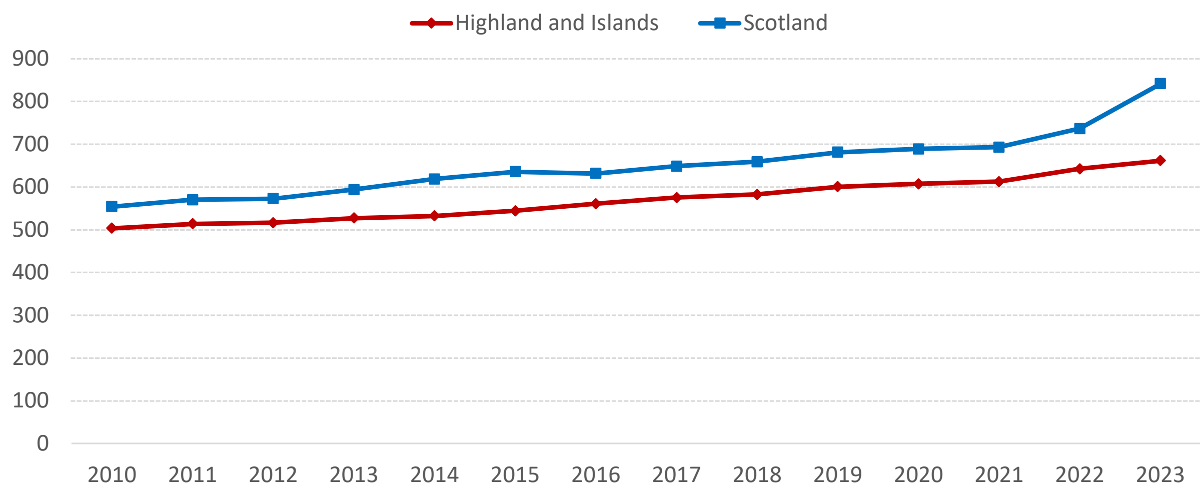
Between 2023 and 2023, average rents have increased across all property sizes, with increases for 1 bedroom (1.7%), 2 bedroom (3.0%), 3 bedroom (6.1%), 4 bedroom (4.0%) and 1 bedroom shared properties (7.6%), which compares to CPI inflation of 9.0% across this time period.

Note that some caution is needed when interpreting the changes over time for the 4 bedroom property size category, given the smaller sample numbers for this category, which can lead to greater volatility in the results presented, particularly for year on year trends.

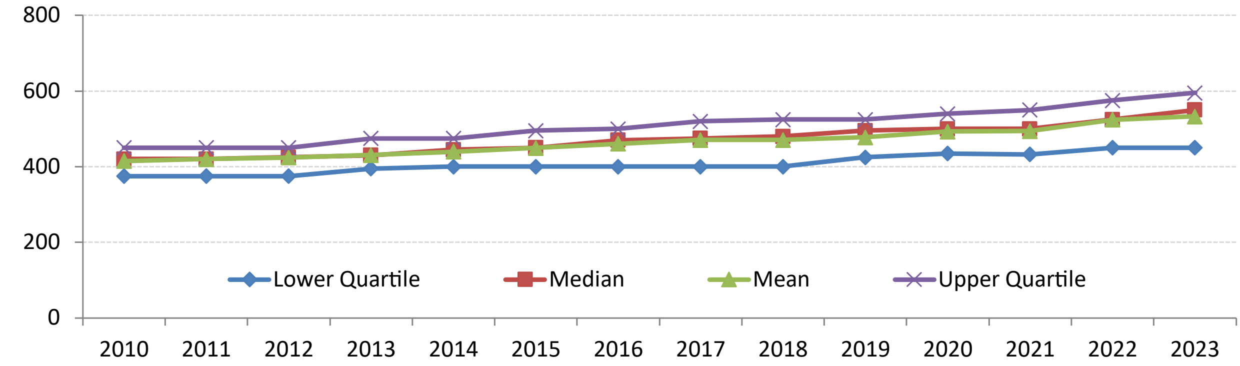
Between 2010 and 2023, average rents have increased below the rate of CPI inflation of 45.7% for 1 bedroom (28.5%), 2 bedroom (31.5%), 3 bedroom (37.4%) and 4 bedroom properties (40.6%), and have increased above the rate of inflation for 1 bedroom shared properties (56.0%).

For all property sizes there have generally been slightly greater increases at the top end (upper quartile) than the bottom end (lower quartile) of the market between 2010 and 2023, which has resulted in a widening gap between top and bottom ends of the market.

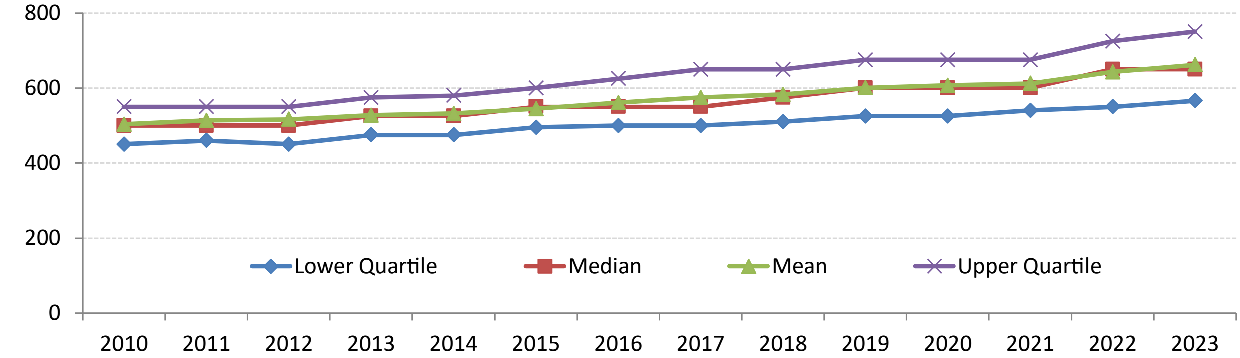
Profile Chart A – average 2 bedroom rents compared to the Scotland average: Highland and Islands



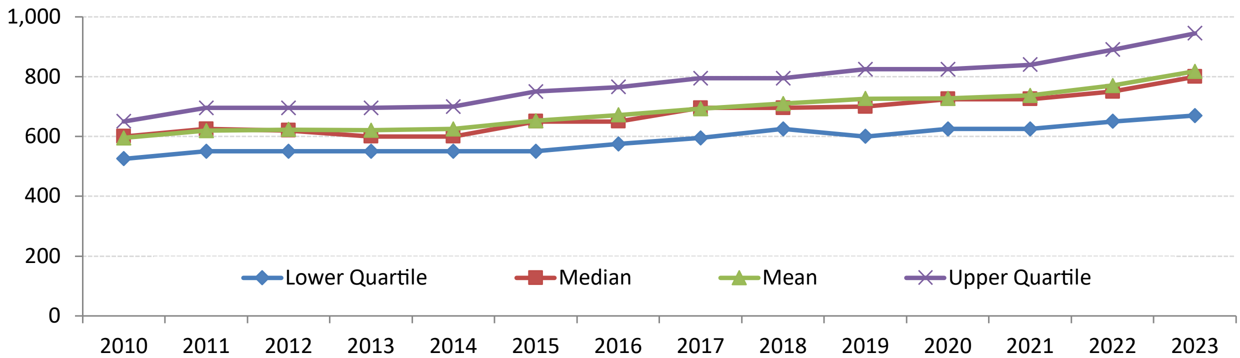
Profile Chart B – 1 bedroom properties: Quartile measures (years to end Sept): Highland and Islands



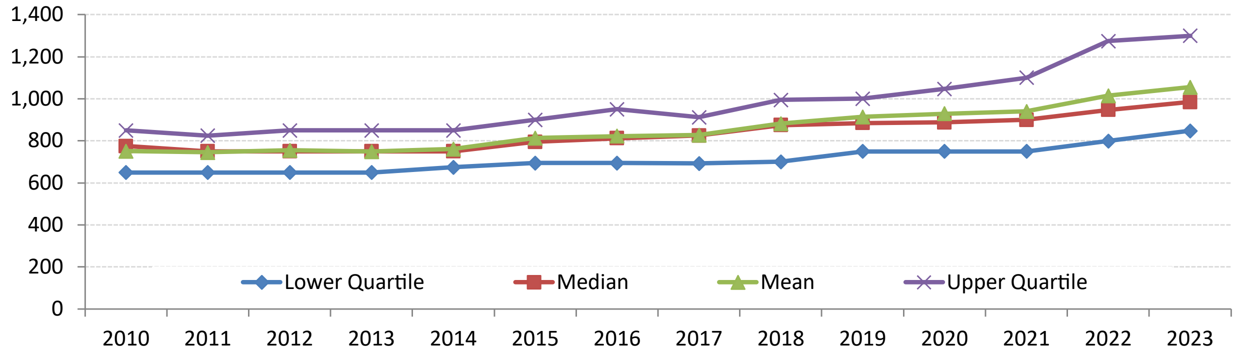
Profile Chart C – 2 bedroom properties: Quartile measures (years to end Sept): Highland and Islands



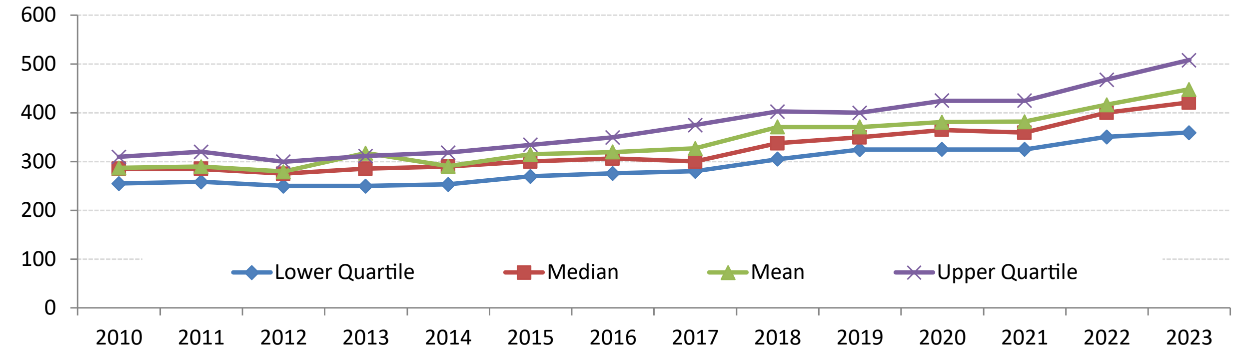
Profile Chart D – 3 bedroom properties: Quartile measures (years to end Sept): Highland and Islands



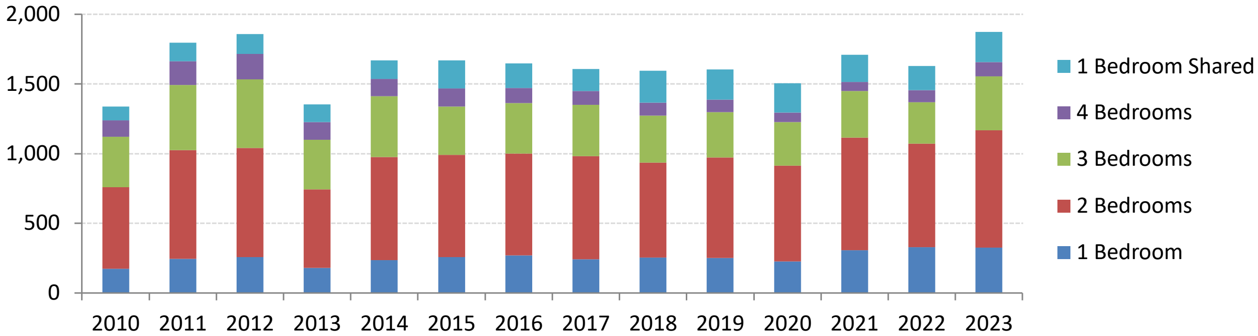
Profile Chart E – 4 bedroom properties: Quartile measures (years to end Sept): Highland and Islands



Profile Chart F – 1 bedroom shared properties: Quartile measures (years to end Sept): Highland and Islands



Profile Chart G – Sample Sizes (years to end Sept): Highland and Islands



Broad Rental Market Area Profile – Lothian

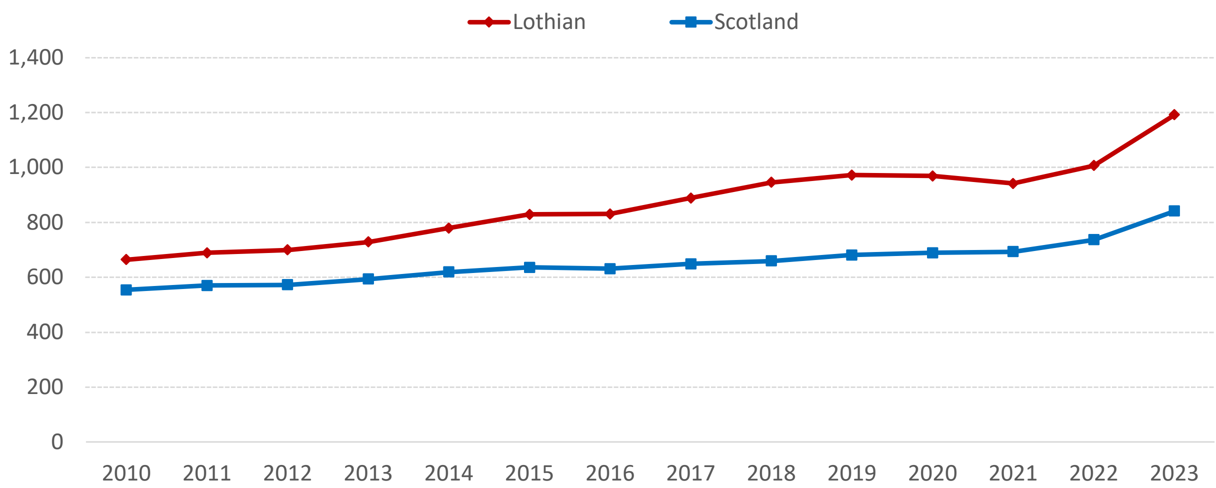
Average (mean) 2 bedroom rents in the Lothian area have been higher than the Scotland average in each year since 2010, with the average rent in 2023 being £1,192 per month, compared to the Scotland average of £841.

Between 2022 and 2023, average rents have increased across all property sizes, with increases for 1 bedroom (9.7%), 2 bedroom (18.4%), 3 bedroom (17.7%), 4 bedroom (19.7%) and 1 bedroom shared properties (7.2%), which compares to CPI inflation of 9.0% across this time period.

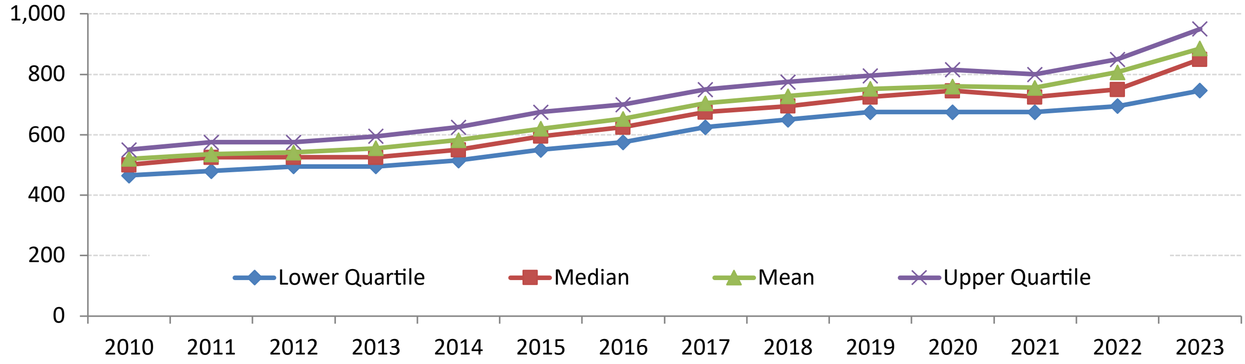
Between 2010 and 2023, average rents have increased well above the rate of CPI inflation of 45.7% across all property sizes, with average rents increasing for 1 bedroom (70.2%), 2 bedroom (79.3%), 3 bedroom (77.2%), 4 bedroom (89.6%), and 1 bedroom shared properties (65.4%).

For 1, 2 and 3 bedroom properties, a greater increase at the top end (upper quartile) than the bottom end (lower quartile) in the latest year has caused the gap between the top and bottom ends to widen.

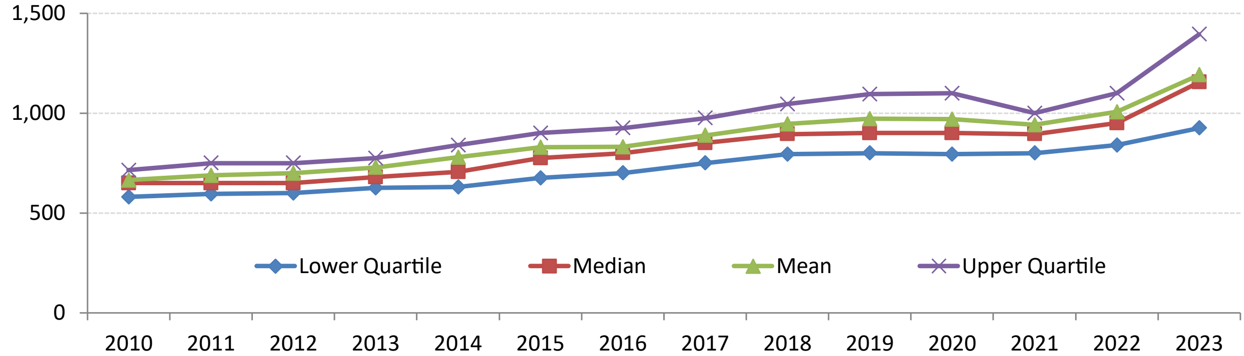
Profile Chart A – average 2 bedroom rents compared to the Scotland average: Lothian



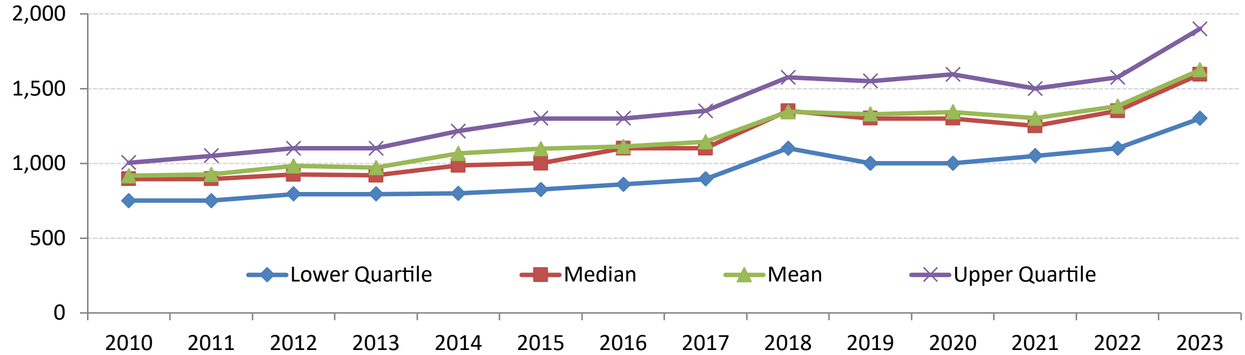
Profile Chart B – 1 bedroom properties: Quartile measures (years to end Sept): Lothian



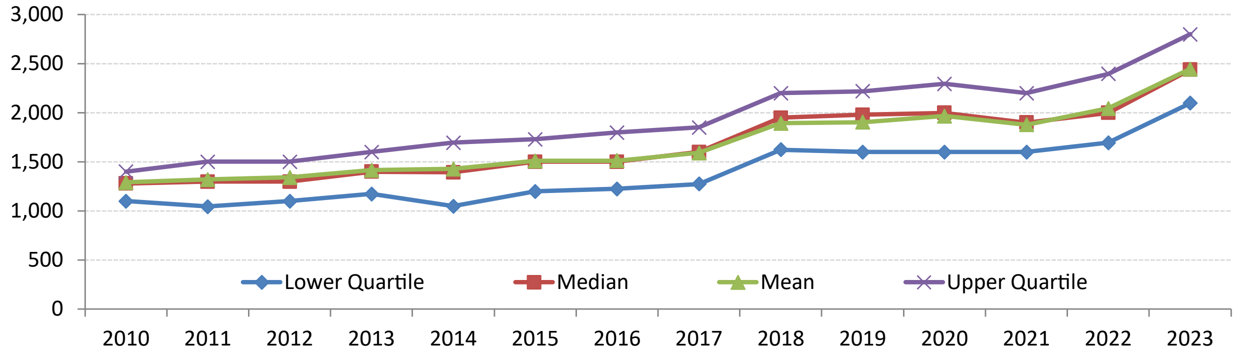
Profile Chart C – 2 bedroom properties: Quartile measures (years to end Sept): Lothian



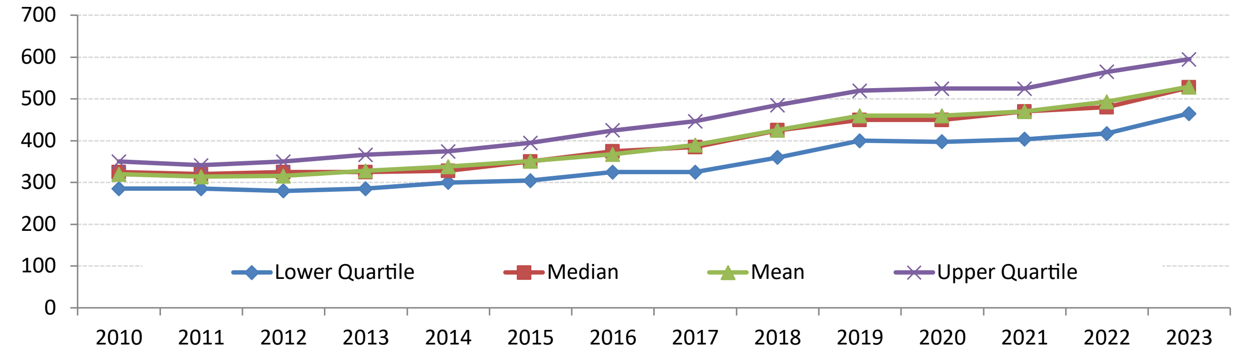
Profile Chart D – 3 bedroom properties: Quartile measures (years to end Sept): Lothian



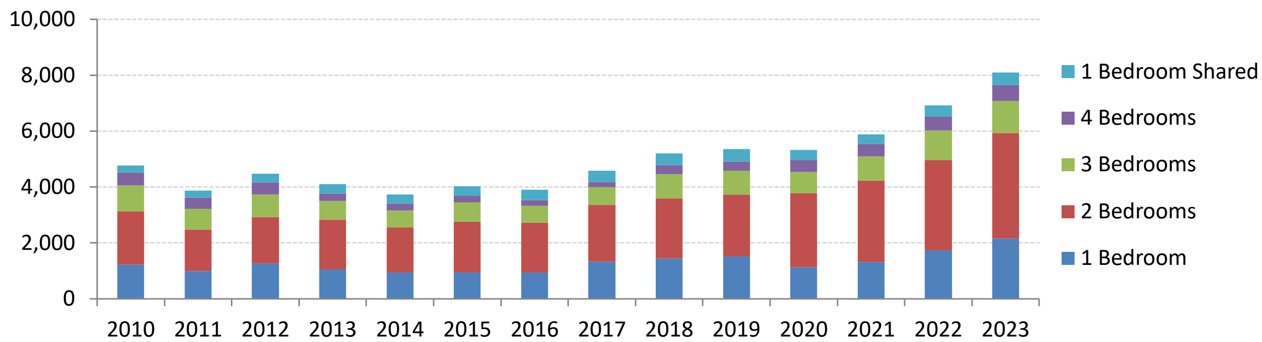
Profile Chart E – 4 bedroom properties: Quartile measures (years to end Sept): Lothian



Profile Chart F – 1 bedroom shared properties: Quartile measures (years to end Sept): Lothian



Profile Chart G – Sample Sizes (years to end Sept): Lothian



Broad Rental Market Area Profile – North Lanarkshire

Average (mean) 2 bedroom rents in North Lanarkshire have been lower than the Scotland average in each year since 2010, with the average rent in 2023 being £621 per month, compared to the Scotland average of £841.

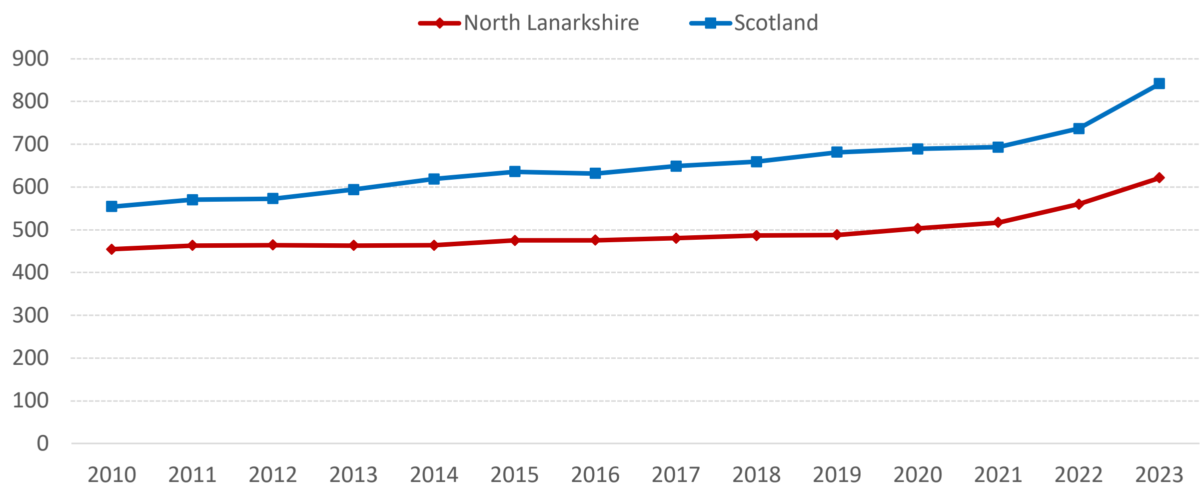
Between 2022 and 2023, average rents have increased for all property sizes, with increases seen for 1 bedroom (6.8%), 2 bedroom (11.0%), 3 bedroom (18.9%), 4 bedroom (12.9%) and 1 bedroom shared (11.9%) properties, which compares to CPI inflation of 9.0% across this time period.

Note that some caution is needed when interpreting the changes over time for 4 bedroom and 1 bedroom shared property size categories, given the smaller sample numbers for these categories, which can lead to greater volatility in the results presented, particularly for year on year trends.

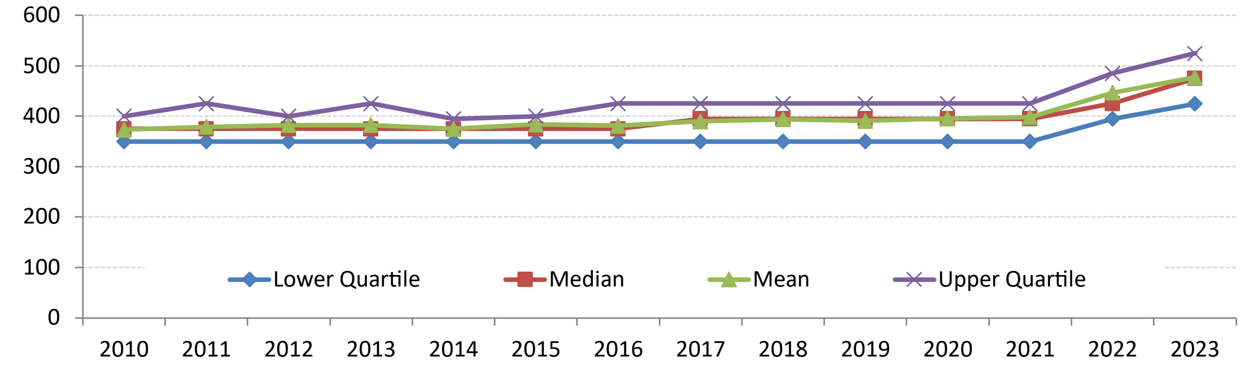
Between 2010 and 2023, average rents have increased below the rate of CPI inflation of 45.7% for 1 bedroom (27.9%), 2 bedroom (36.7%), 3 bedroom (44.9%) and 1 bedroom shared properties (41.9%), and have increased above the rate of inflation for 4 bedroom properties (50.3%).

Across all property sizes over the last two years, increases in the top end (upper quartile) of rents have generally been greater than increases in the bottom end (lower quartile), which has widened the gap in rents, although some caution is needed in interpreting this trend for 4 bedroom and 1 bedroom shared properties given the smaller sample numbers for these categories.

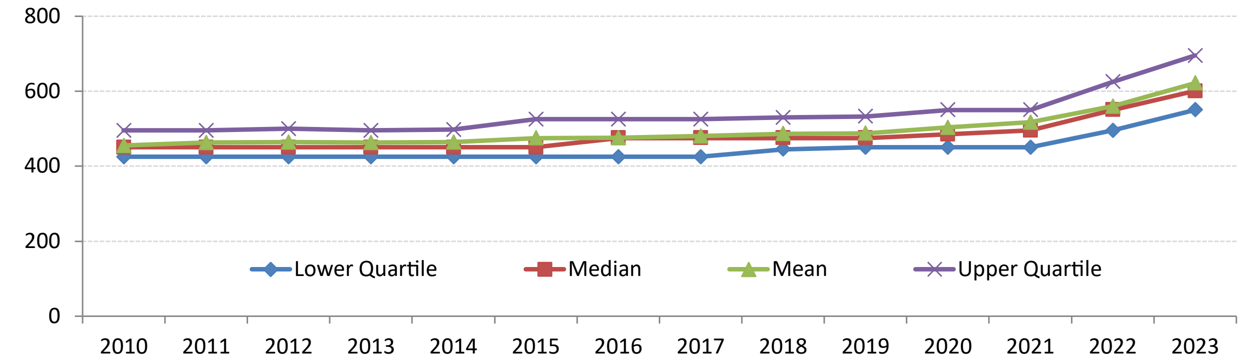
Profile Chart A – average 2 bedroom rents compared to the Scotland average: North Lanarkshire



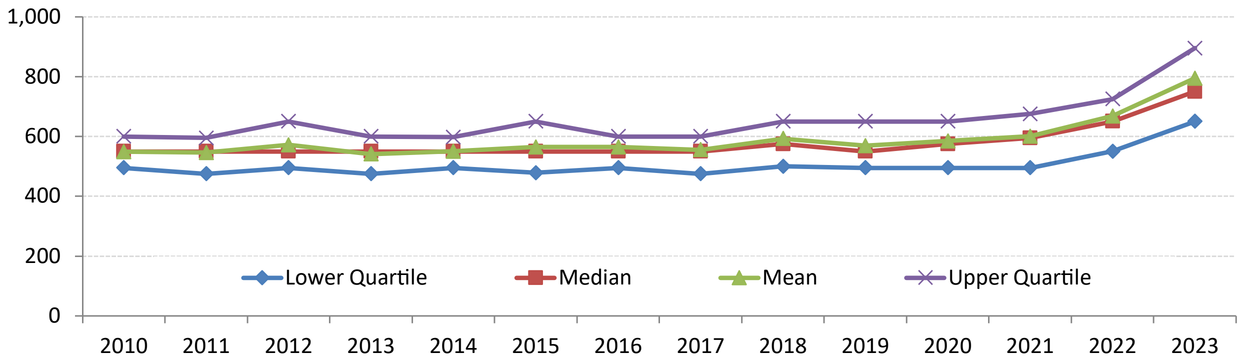
Profile Chart B – 1 bedroom properties: Quartile measures (years to end Sept): North Lanarkshire



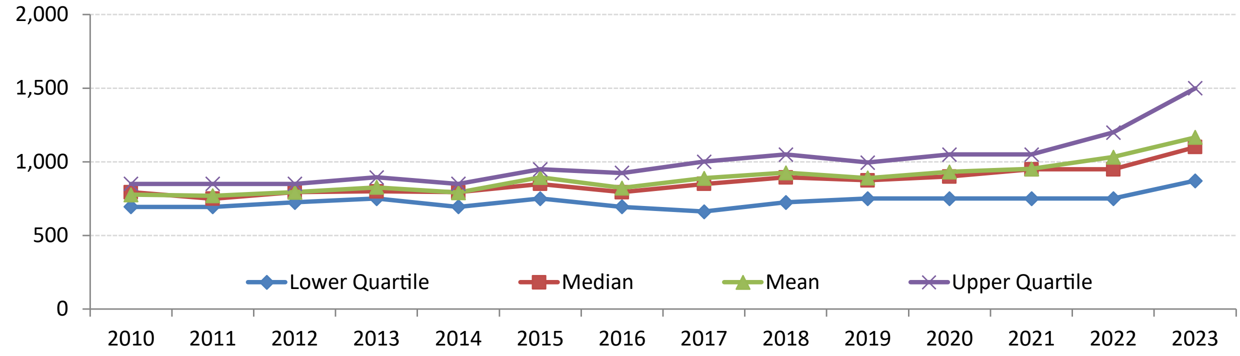
Profile Chart C – 2 bedroom properties: Quartile measures (years to end Sept): North Lanarkshire



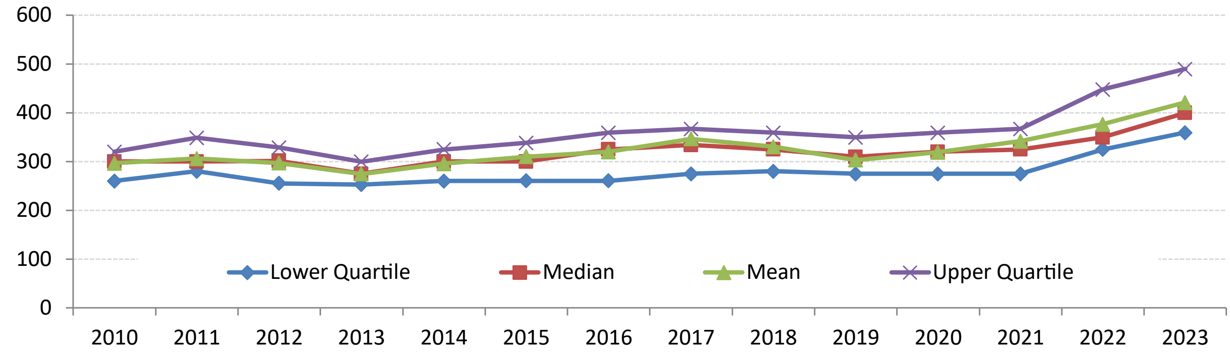
Profile Chart D – 3 bedroom properties: Quartile measures (years to end Sept): North Lanarkshire



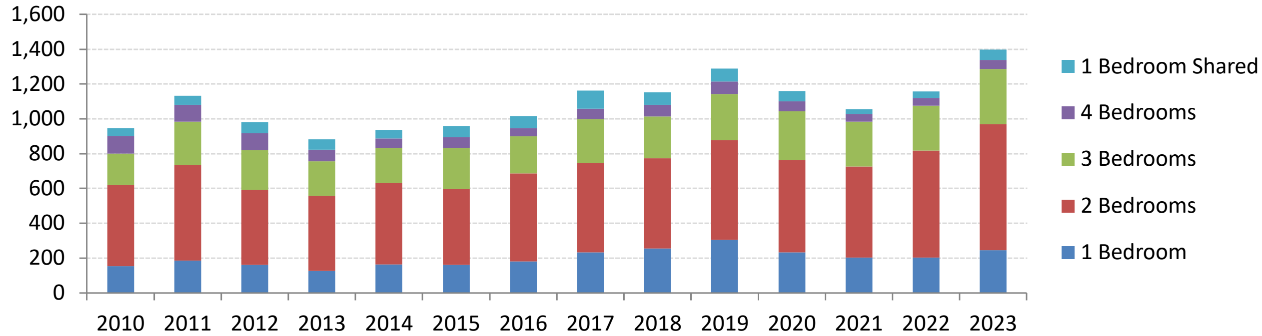
Profile Chart E – 4 bedroom properties: Quartile measures (years to end Sept): North Lanarkshire



Profile Chart F – 1 bedroom shared properties: Quartile measures (years to end Sept): North Lanarkshire



Profile Chart G – Sample Sizes (years to end Sept): North Lanarkshire



Broad Rental Market Area Profile – Perth and Kinross

Average (mean) 2 bedroom rents in Perth and Kinross have been lower than the Scotland average in each year since 2010. The gap has widened in the latest year, with the average rent in 2023 being £644 per month, compared to the Scotland average of £841.

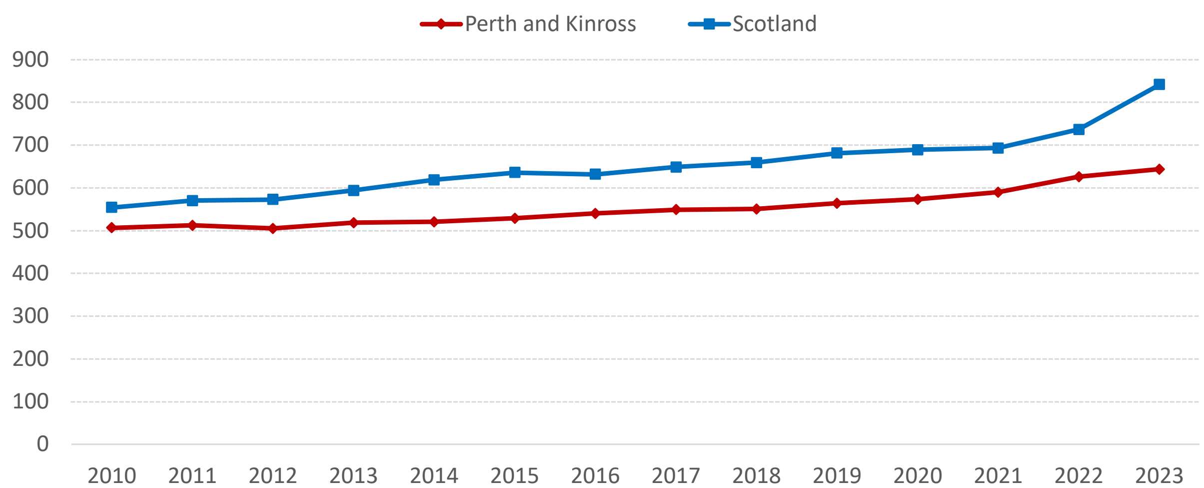
Between 2022 and 2023, average rents have increased across all property sizes, with increases for 1 bedroom (3.2%), 2 bedroom (2.8%), 3 bedroom (5.9%), 4 bedroom (18.8%) and 1 bedroom shared properties (7.7%), which compares to CPI inflation of 9.0% across this time period.

Note that some caution is needed when interpreting the changes over time for 4 bedroom and 1 bedroom shared property size categories, given the smaller sample numbers for these categories, which can lead to greater volatility in the results presented, particularly for year on year trends.

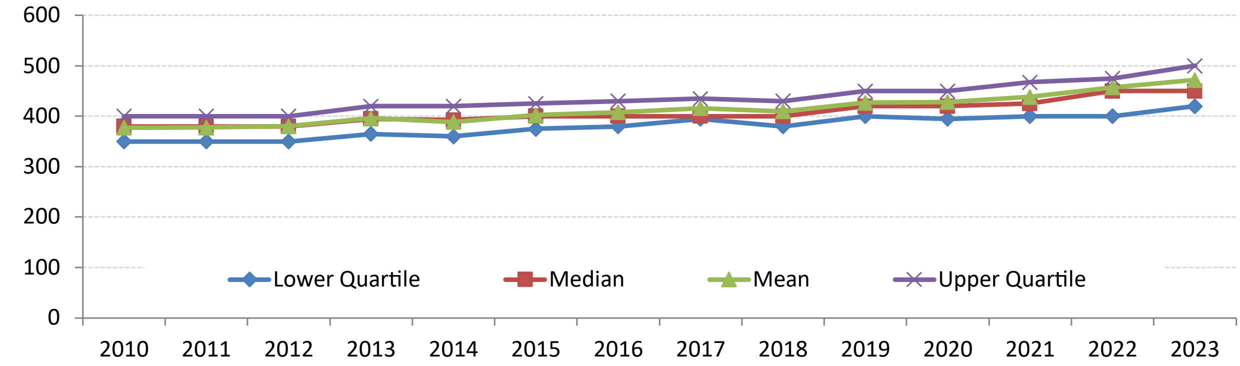
Between 2010 and 2023, average rents have increased below the rate of CPI inflation of 45.7% for 1 bedroom (25.1%), 2 bedroom (27.1%) and 3 bedroom properties (40.3%), and have increased above the rate of inflation for 4 bedroom (67.7%) and 1 bedroom shared properties (58.4%).

For 1, 2, 3 and 4 bedroom properties, since 2019 there has been a greater increase in the top end (upper quartile) rents compared to the bottom end (lower quartile), which has caused a slight increase in the gap between the top and the bottom of the market, with the gap also increasing for 1 bedroom shared properties in the latest year.

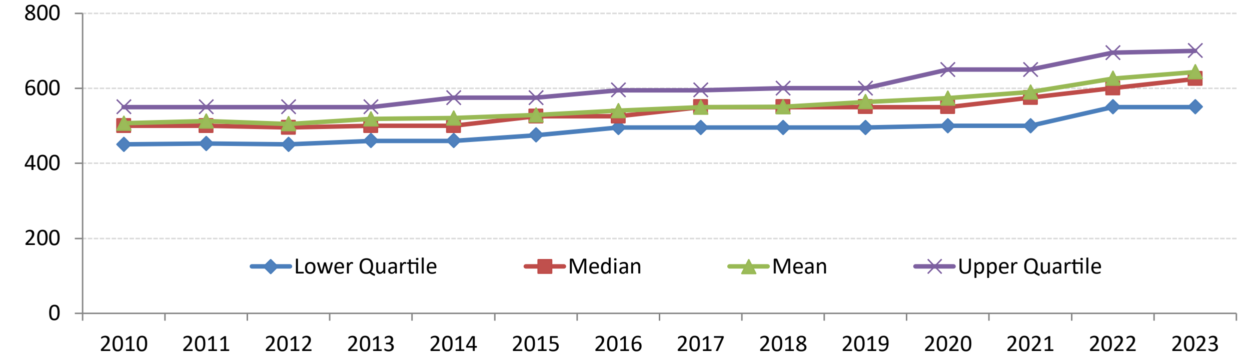
Profile Chart A – average 2 bedroom rents compared to the Scotland average: Perth and Kinross



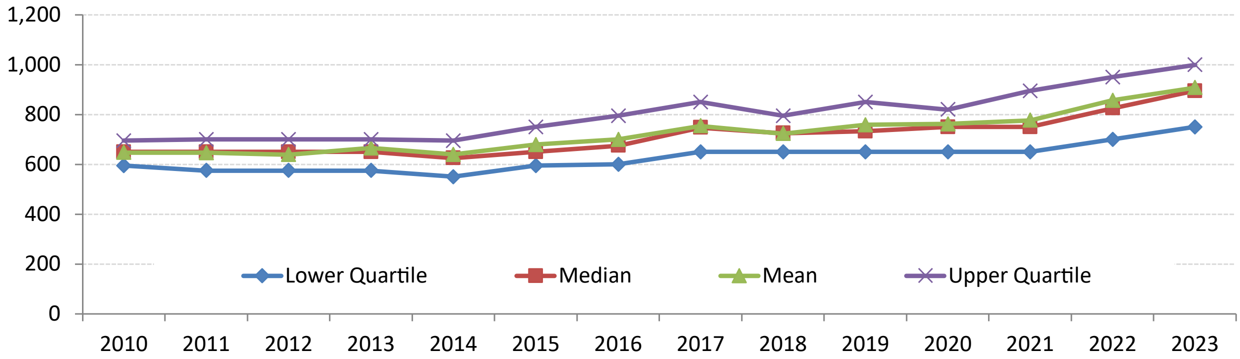
Profile Chart B – 1 bedroom properties: Quartile measures (years to end Sept): Perth and Kinross



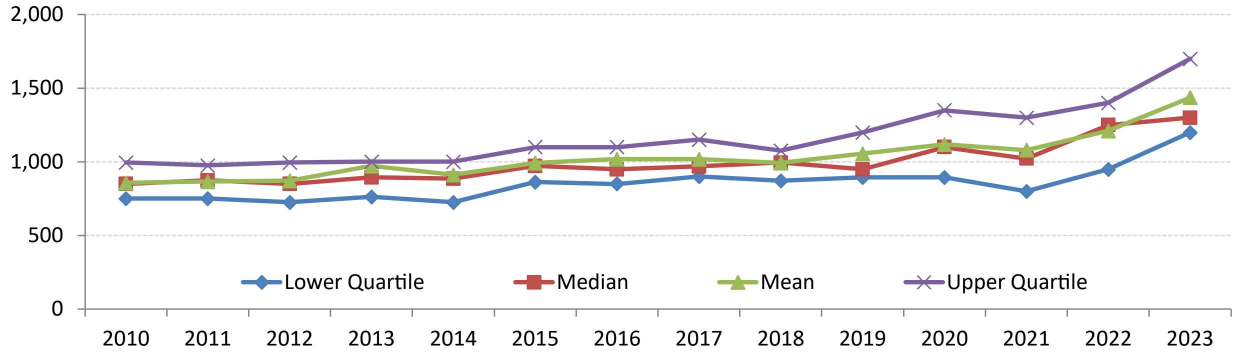
Profile Chart C – 2 bedroom properties: Quartile measures (years to end Sept): Perth and Kinross



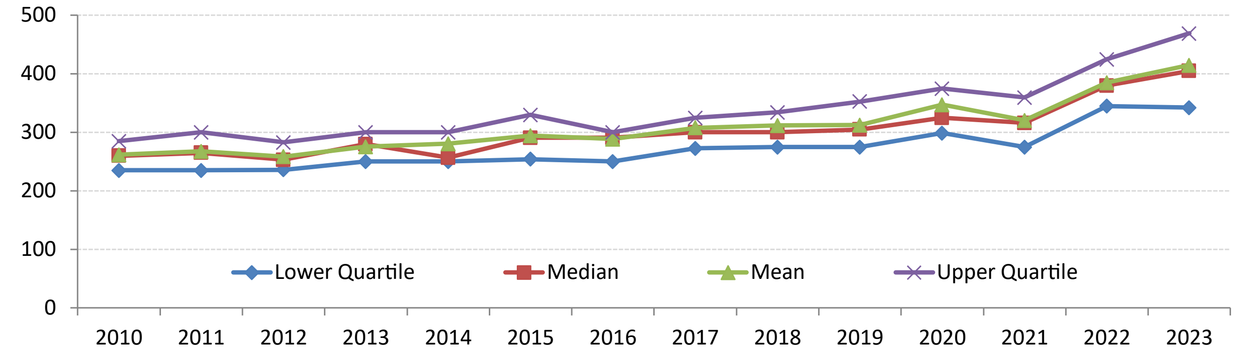
Profile Chart D – 3 bedroom properties: Quartile measures (years to end Sept): Perth and Kinross



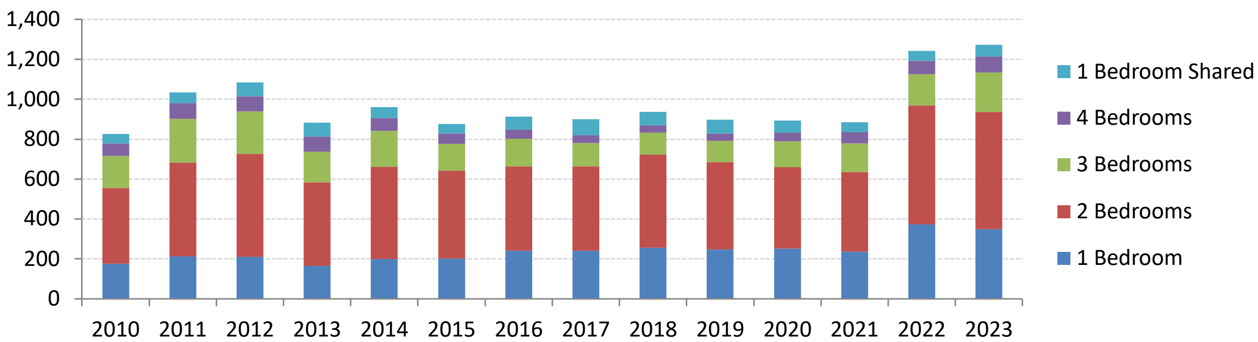
Profile Chart E – 4 bedroom properties: Quartile measures (years to end Sept): Perth and Kinross



Profile Chart F – 1 bedroom shared properties: Quartile measures (years to end Sept): Perth and Kinross



Profile Chart G – Sample Sizes (years to end Sept): Perth and Kinross



Broad Rental Market Area Profile – Renfrewshire / Inverclyde

Average (mean) 2 bedroom rents in Renfrewshire / Inverclyde have been lower than the Scotland average in each year since 2010, and the gap has widened since 2012, with the average rent in 2023 being £638 per month, compared to the Scotland average of £841.

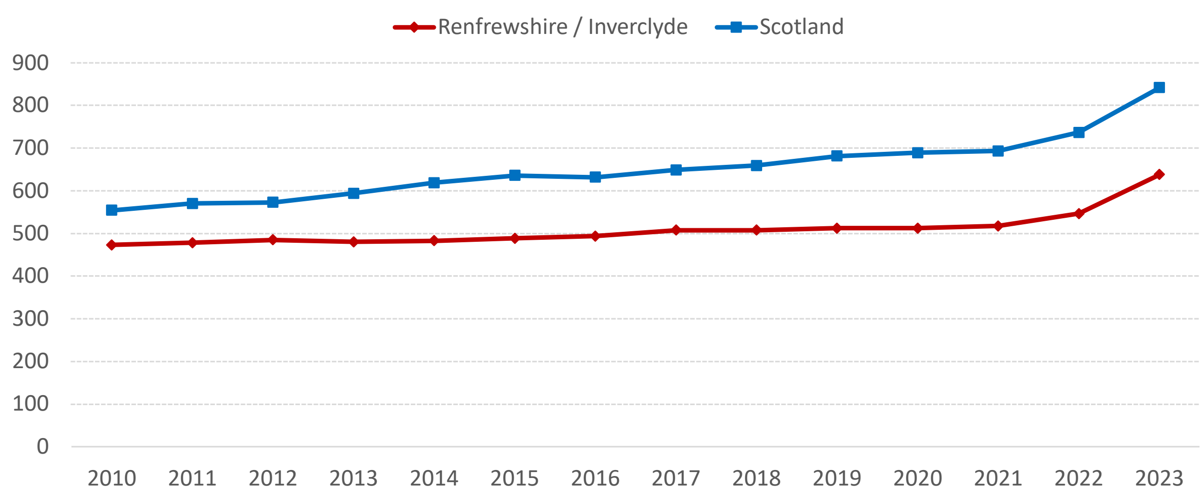
Between 2022 and 2023, average rents have increased across all property sizes, with increases for 1 bedroom (9.1%), 2 bedroom (16.7%), 3 bedroom (9.1%), 4 bedroom (9.0%) and 1 bedroom shared properties (12.2%), which compares to CPI inflation of 9.0% across this time period.

Note that some caution is needed when interpreting the changes over time for 4 bedroom and 1 bedroom shared property size categories, given the smaller sample numbers for these categories, which can lead to greater volatility in the results presented, particularly for year on year trends.

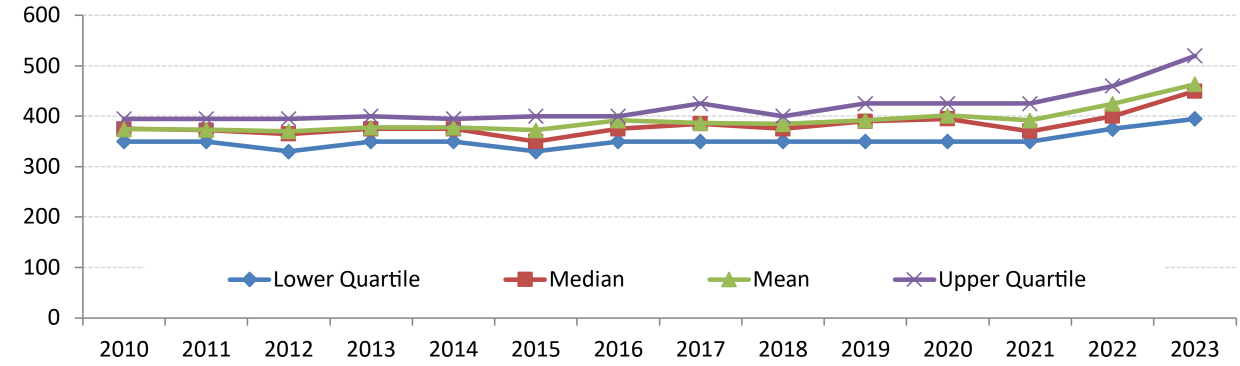
Between 2010 and 2023, average rents have increased below the rate of CPI inflation of 45.7% for 1 bedroom (23.8%), 2 bedroom (34.9%), 3 bedroom (23.7%) and 1 bedroom shared properties (40.3%), and have increased above the rate of inflation for 4 bedroom properties (70.8%).

Across 1 to 4 bedroom properties, a greater increase at the top end (upper quartile) than the bottom end (lower quartile) in the latest year has caused the gap between the top and bottom ends to widen.

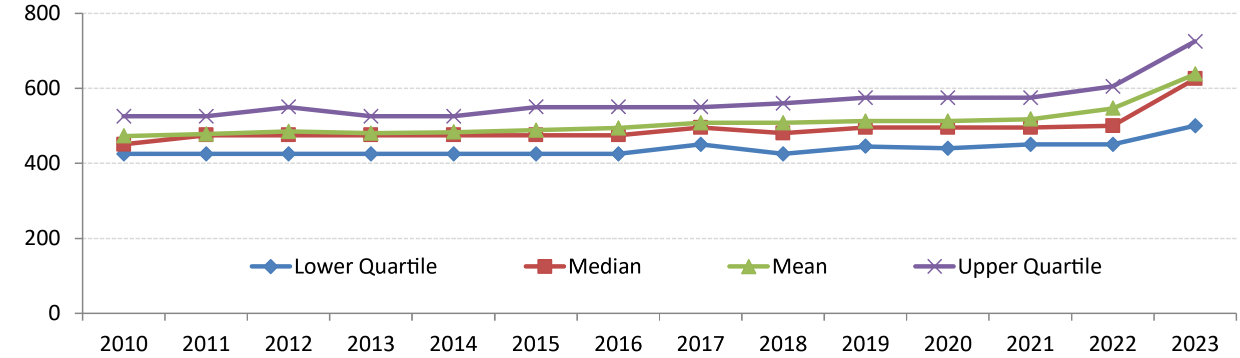
Profile Chart A – average 2 bedroom rents compared to the Scotland average: Renfrewshire / Inverclyde



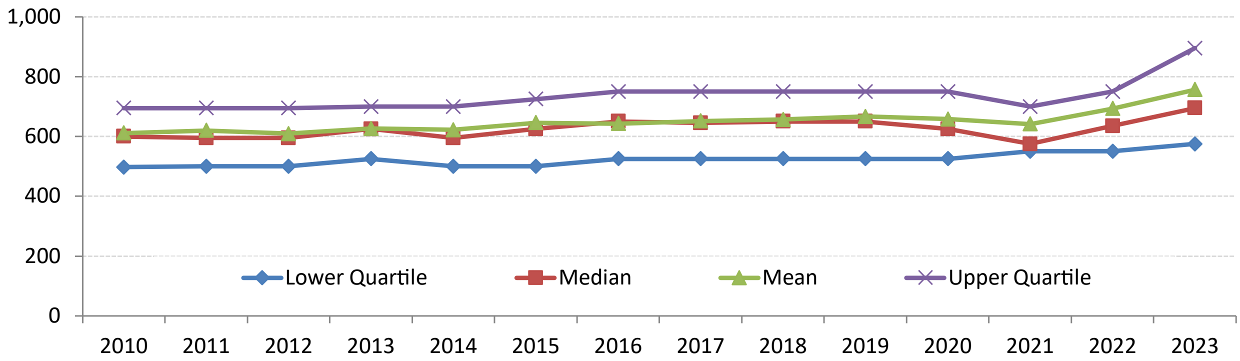
Profile Chart B – 1 bedroom properties: Quartile measures (years to end Sept): Renfrewshire / Inverclyde



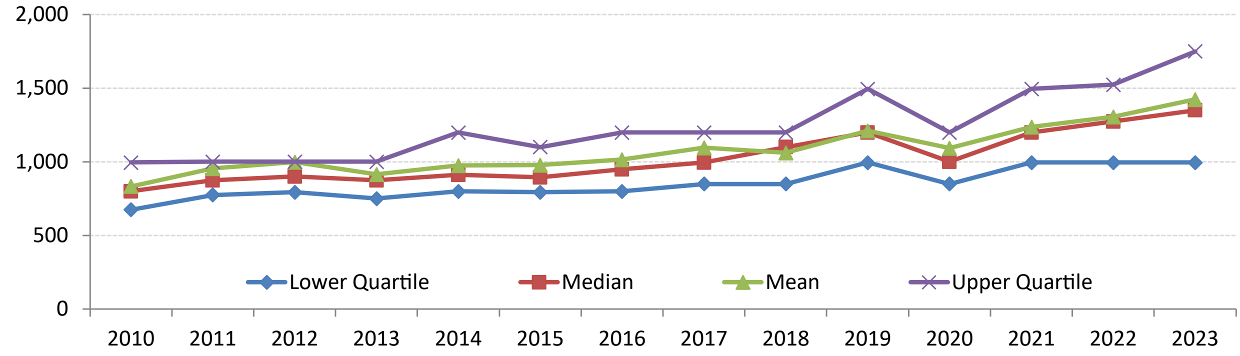
Profile Chart C – 2 bedroom properties: Quartile measures (years to end Sept): Renfrewshire / Inverclyde



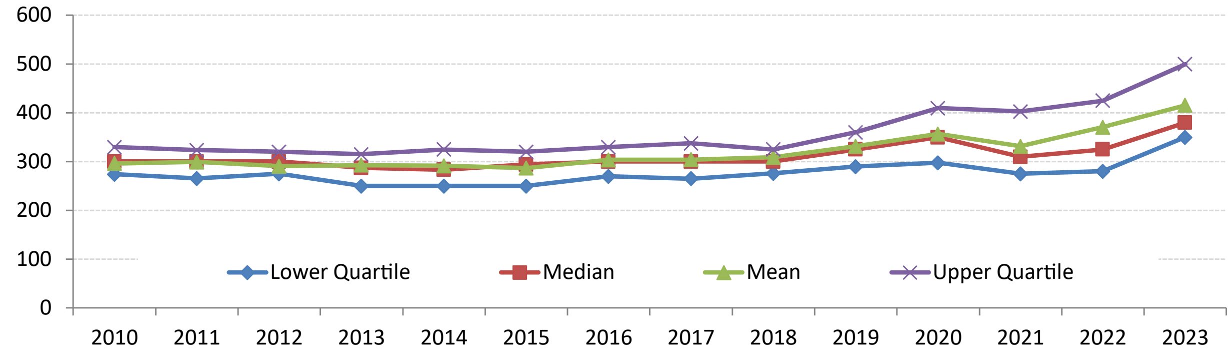
Profile Chart D – 3 bedroom properties: Quartile measures (years to end Sept): Renfrewshire / Inverclyde



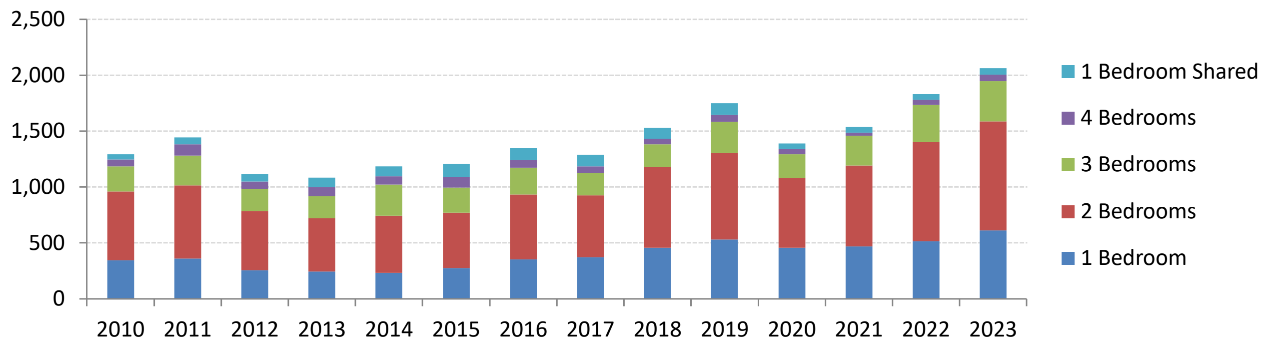
Profile Chart E – 4 bedroom properties: Quartile measures (years to end Sept): Renfrewshire / Inverclyde



Profile Chart F – 1 bedroom shared properties: Quartile measures (years to end Sept): Renfrewshire / Inverclyde



Profile Chart G – Sample Sizes (years to end Sept): Renfrewshire / Inverclyde



Broad Rental Market Area Profile – Scottish Borders

Average (mean) 2 bedroom rents in the Scottish Borders have been lower than the Scotland average in each year since 2010, with the average rent in 2023 being £586 per month, compared to the Scotland average of £841.

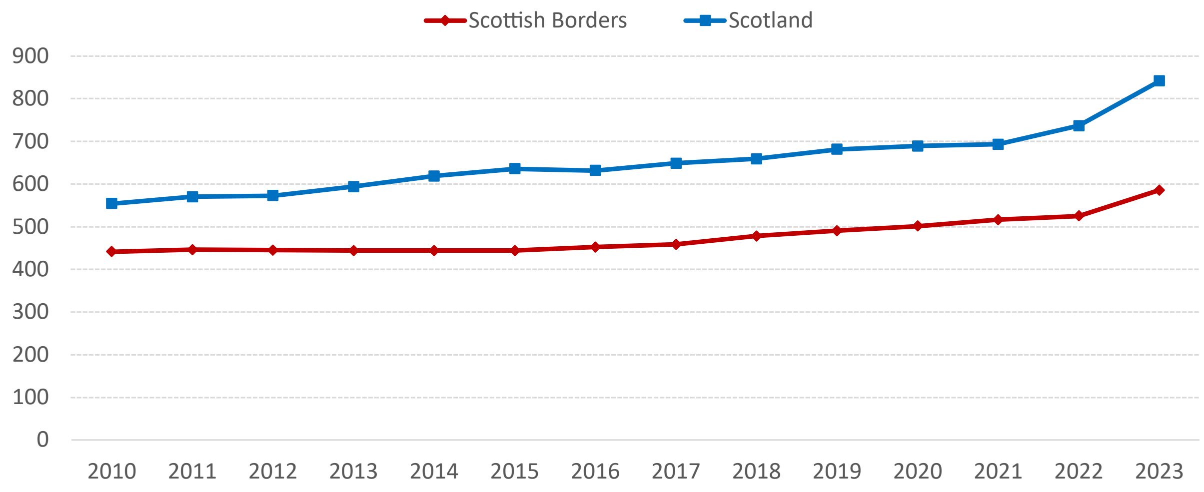
Between 2022 and 2023, average rents have increased across all property sizes, with increases for 1 bedroom (8.0%), 2 bedroom (11.5%), 3 bedroom (15.3%), 4 bedroom (18.6%) and 1 bedroom shared properties (7.0%), which compares to CPI inflation of 9.0% across this time period.

Note that some caution is needed when interpreting the changes over time for 4 bedroom and 1 bedroom shared property size categories, given the smaller sample numbers for these categories, which can lead to greater volatility in the results presented, particularly for year on year trends.

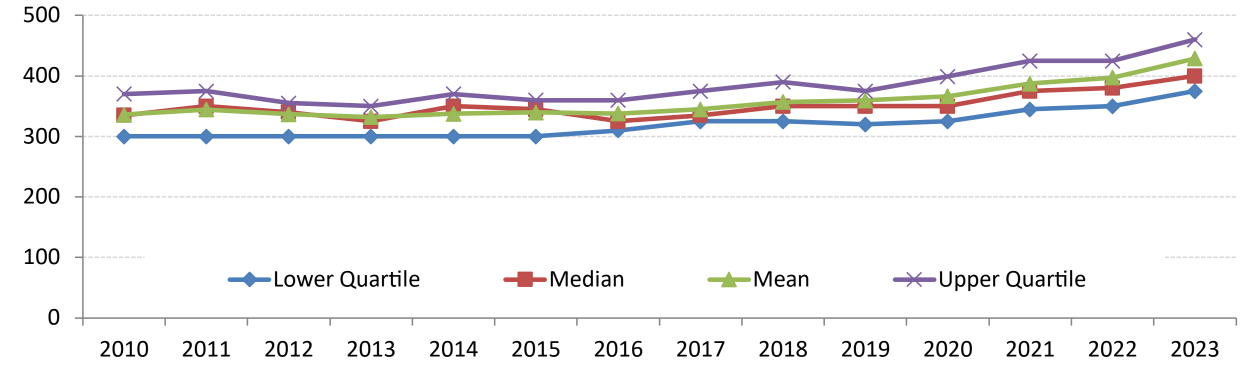
Between 2010 and 2023, average rents have increased below the rate of CPI inflation of 45.7% for 1 bedroom (27.5%) and 2 bedroom (32.6%) properties, and have increased above the rate of inflation for 3 bedroom (49.9%), 4 bedroom (94.7%) and 1 bedroom shared properties (49.6%).

Since 2019, the gap between the top end rents (upper quartile) and the bottom end (lower quartile) has increased most for 3 bedroom and 4 bedroom properties.

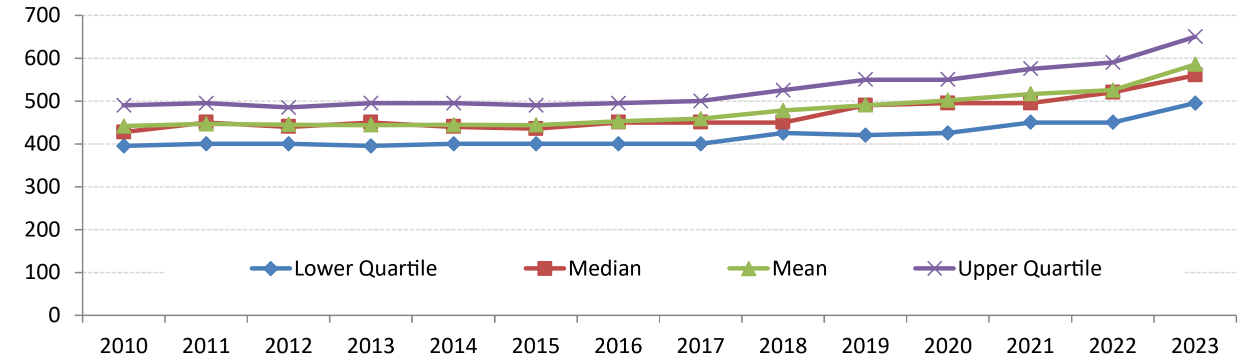
Profile Chart A – average 2 bedroom rents compared to the Scotland average: Scottish Borders



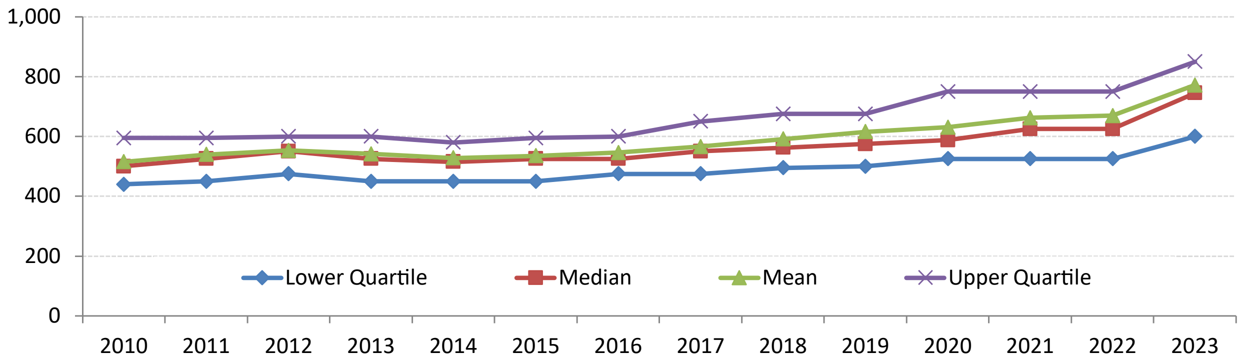
Profile Chart B – 1 bedroom properties: Quartile measures (years to end Sept): Scottish Borders



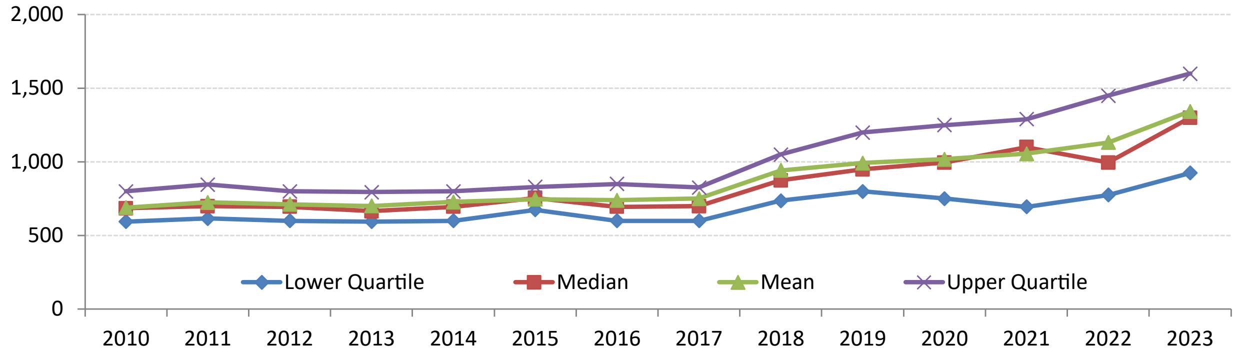
Profile Chart C – 2 bedroom properties: Quartile measures (years to end Sept): Scottish Borders



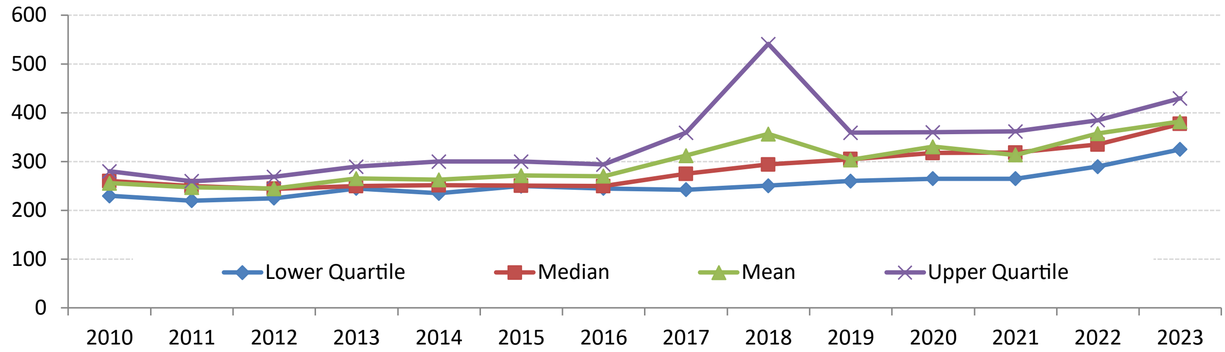
Profile Chart D – 3 bedroom properties: Quartile measures (years to end Sept): Scottish Borders



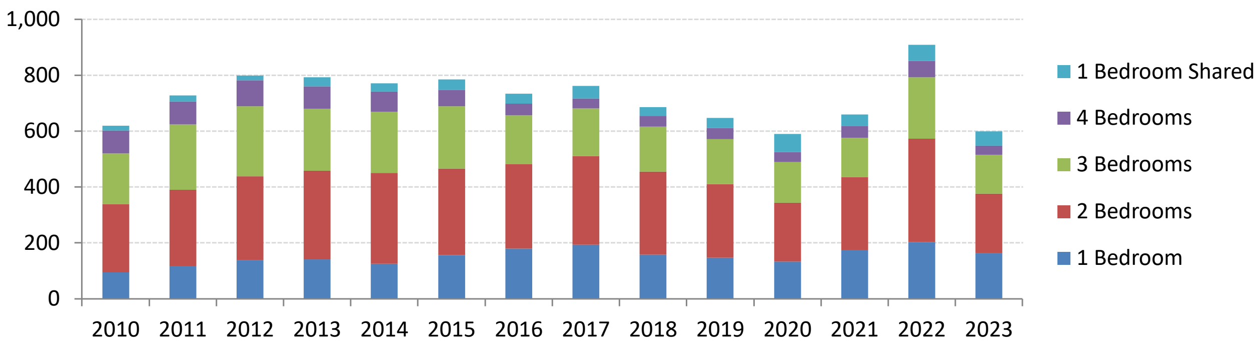
Profile Chart E – 4 bedroom properties: Quartile measures (years to end Sept): Scottish Borders



Profile Chart F – 1 bedroom shared properties: Quartile measures (years to end Sept): Scottish Borders



Profile Chart G – Sample Sizes (years to end Sept): Scottish Borders



Broad Rental Market Area Profile – South Lanarkshire

Average (mean) 2 bedroom rents in South Lanarkshire have been lower than the Scotland average in each year since 2010, with the average rent in 2023 being £672 per month, compared to the Scotland average of £841.

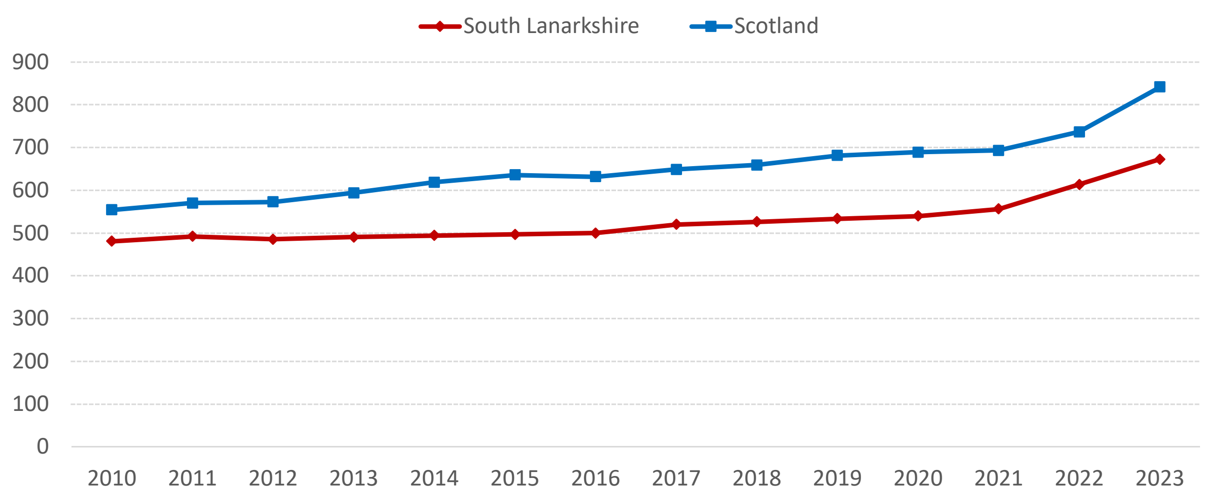
Between 2022 and 2023, average rents have increased across all property sizes, with increases for 1 bedroom (9.3%), 2 bedroom (9.6%), 3 bedroom (8.3%), 4 bedroom (2.1%) and 1 bedroom shared properties (11.8%), which compares to CPI inflation of 9.0% across this time period.

Note that some caution is needed when interpreting the changes over time for 4 bedroom and 1 bedroom shared property size categories, given the smaller sample numbers for these categories, which can lead to greater volatility in the results presented, particularly for year on year trends.

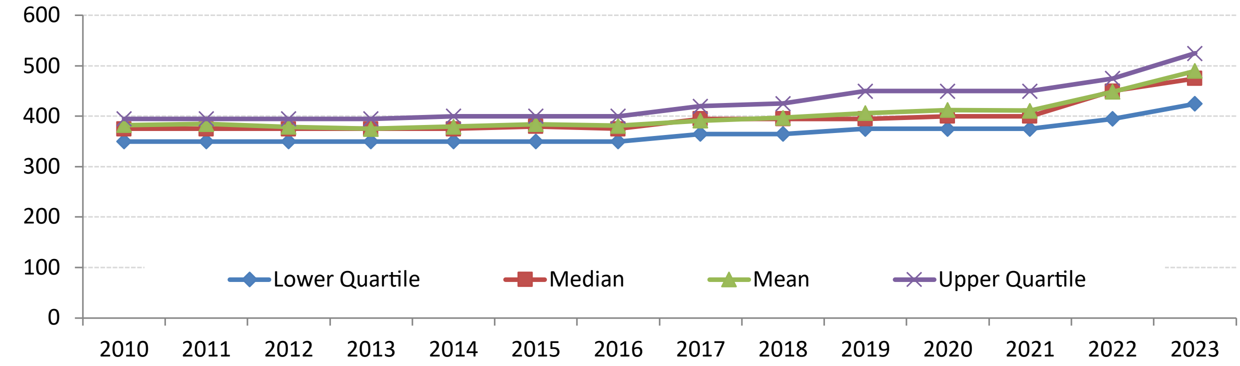
Between 2010 and 2023, average rents have increased below the rate of CPI inflation of 45.7% for 1 bedroom (28.2%), 2 bedroom (39.9%) and 3 bedroom (40.4%) properties, and have increased above the rate of inflation for 4 bedroom properties (53.5%) and 1 bedroom shared properties (49.3%).

For all property sizes, since 2010 increases in the top end (upper quartile) of rents have generally been slightly greater than increases in the bottom end (lower quartile), which has widened the gap in rents.

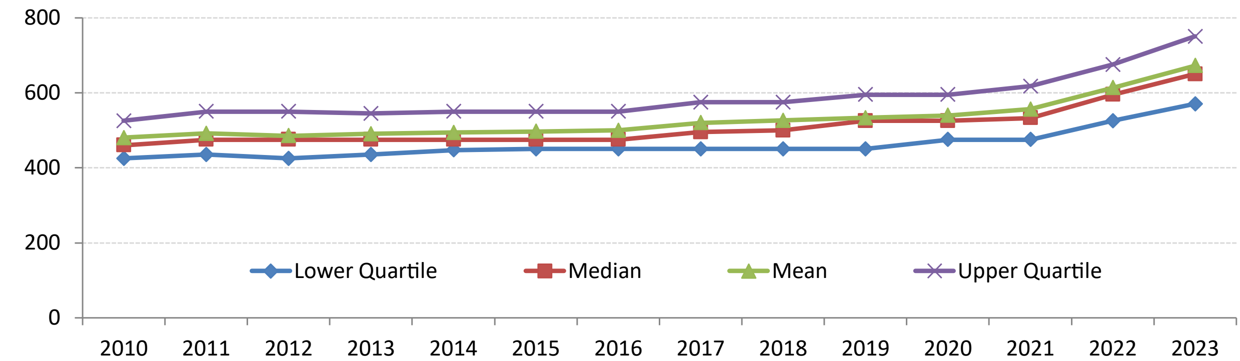
Profile Chart A – average 2 bedroom rents compared to the Scotland average: South Lanarkshire



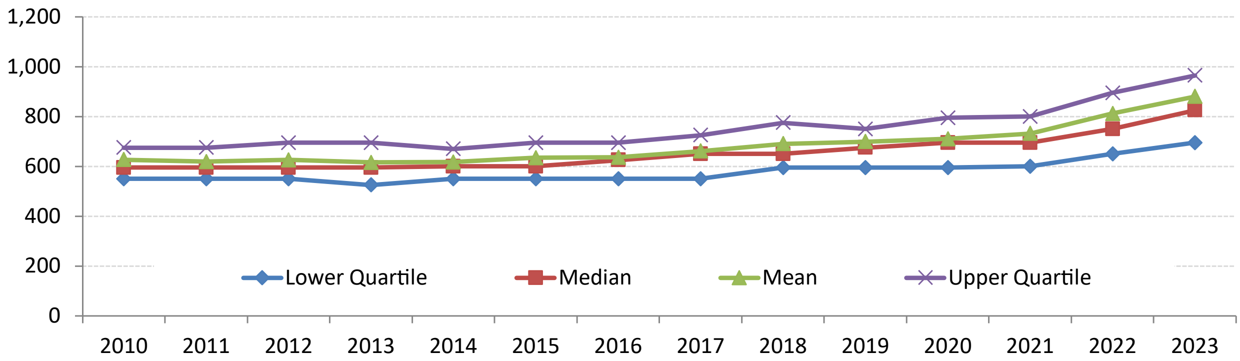
Profile Chart B – 1 bedroom properties: Quartile measures (years to end Sept): South Lanarkshire



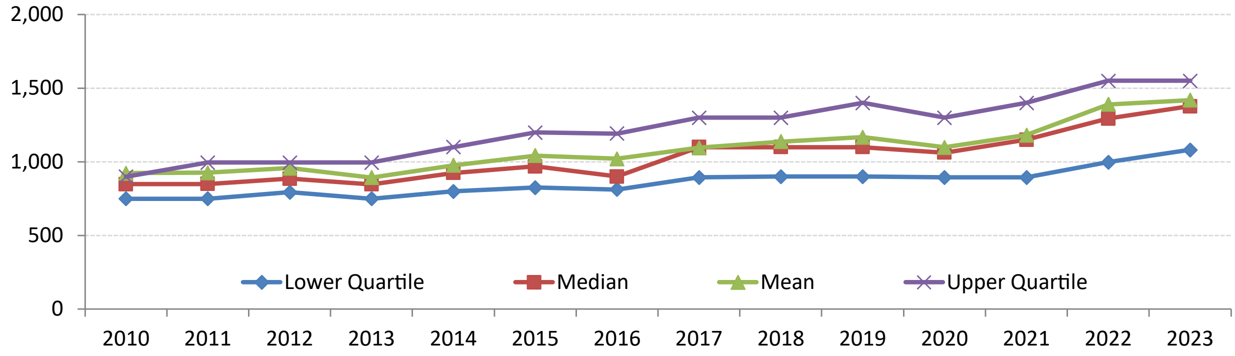
Profile Chart C – 2 bedroom properties: Quartile measures (years to end Sept): South Lanarkshire



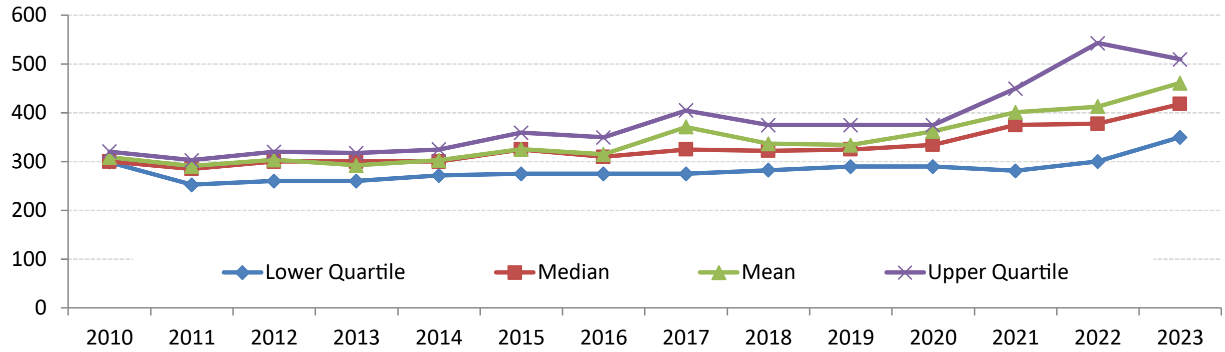
Profile Chart D – 3 bedroom properties: Quartile measures (years to end Sept): South Lanarkshire



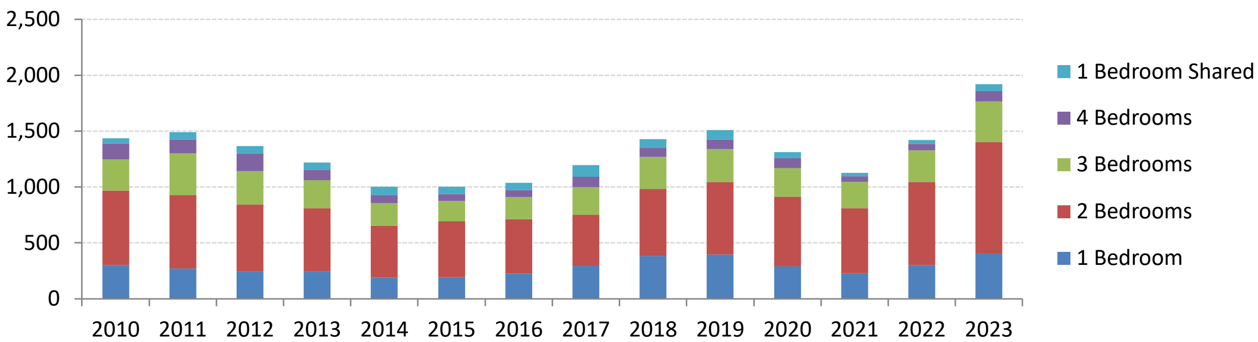
Profile Chart E – 4 bedroom properties: Quartile measures (years to end Sept): South Lanarkshire



Profile Chart F – 1 bedroom shared properties: Quartile measures (years to end Sept): South Lanarkshire



Profile Chart G – Sample Sizes (years to end Sept): South Lanarkshire



Broad Rental Market Area Profile – West Dunbartonshire

Average (mean) 2 bedroom rents in West Dunbartonshire have been lower than the Scotland average in each year since 2010, with the average rent in 2023 being £682 per month, compared to the Scotland average of £841.

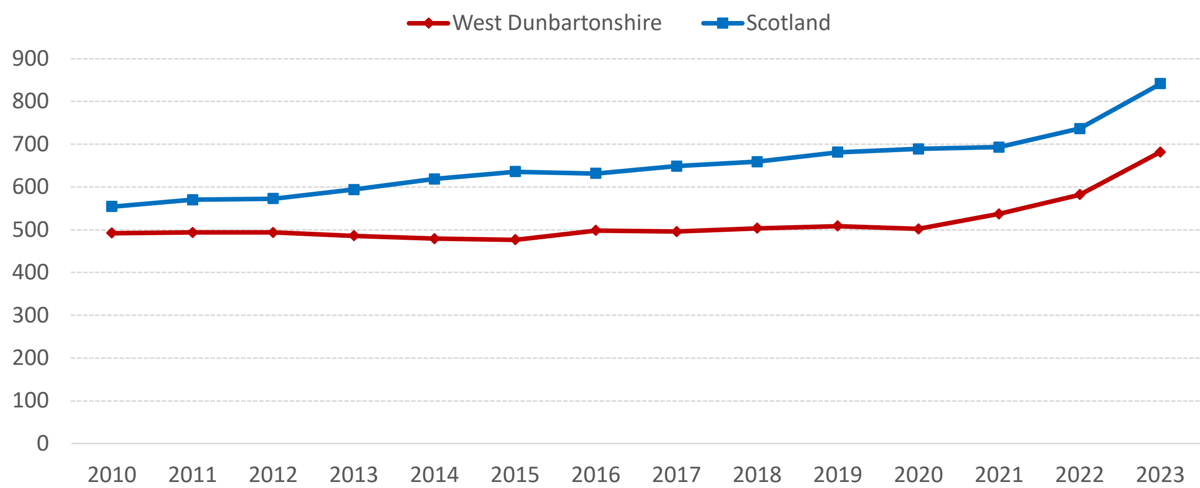
Between 2022 and 2023, average rents have increased across all property sizes, with increases for 1 bedroom (14.1%), 2 bedroom (17.2%), 3 bedroom (13.4%), 4 bedroom (6.3%) and 1 bedroom shared properties (14.1%), which compares to CPI inflation of 9.0% across this time period.

Note that some caution is needed when interpreting the changes over time for 3 and 4 bedroom and 1 bedroom shared property size categories, given the smaller sample numbers for these categories, particularly the 4 bedroom category which has seen some very small sample sizes in recent years. This can lead to greater volatility in the results presented, particularly for year on year trends.

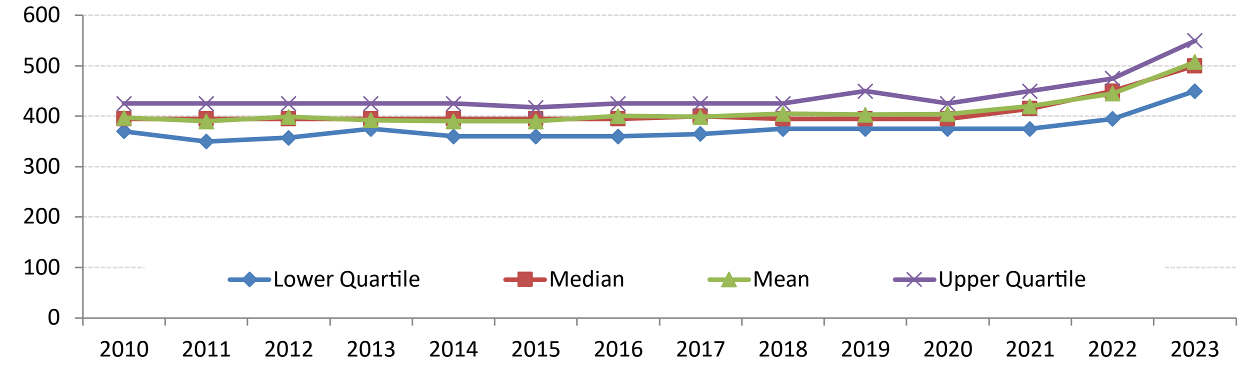
Between 2010 and 2023, average rents have increased below the rate of CPI inflation of 45.7% for 1 bedroom (27.9%), 2 bedroom (38.6%), 3 bedroom (39.7%) and 4 bedroom (32.5%) properties, and have increased above the rate of inflation for 1 bedroom shared properties (51.1%).

Since 2019 the gaps between rents at the top end (upper quartile) and the bottom end (lower quartile) has widened the most for 3 bedroom and 1 bedroom shared properties. Whilst the gap for 4 bedroom properties has decreased quite markedly since 2019.

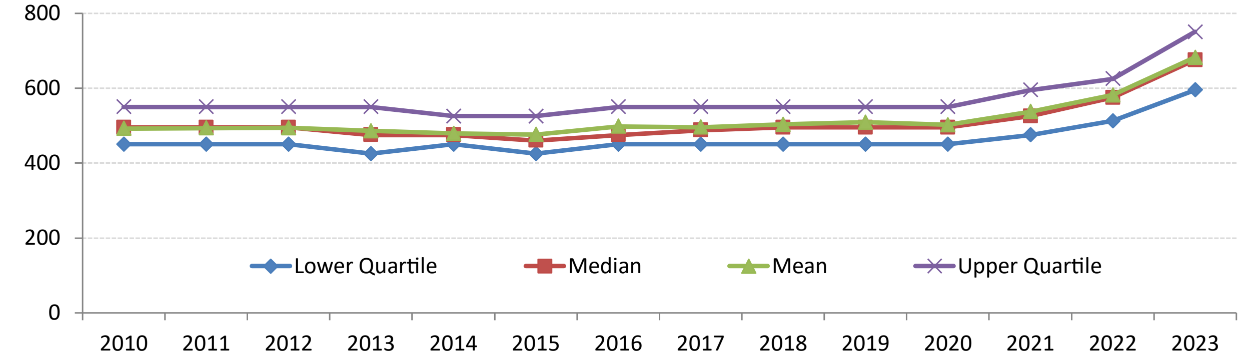
Profile Chart A – average 2 bedroom rents compared to the Scotland average: West Dunbartonshire



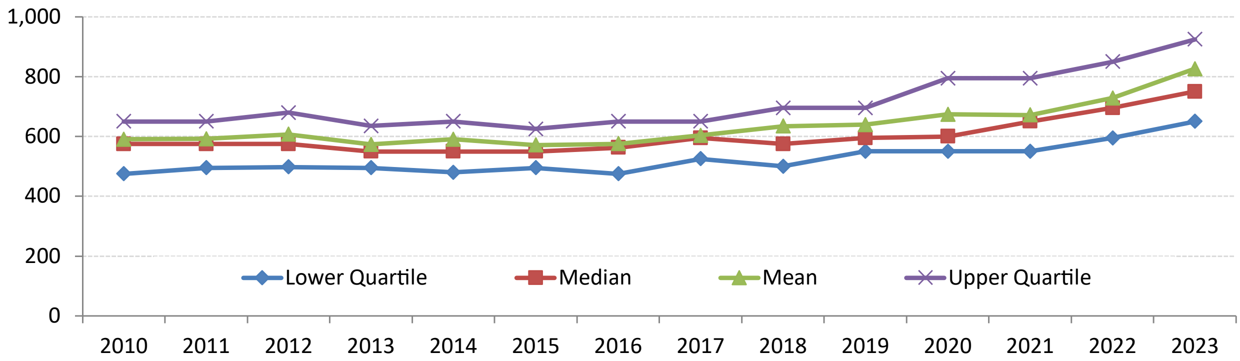
Profile Chart B – 1 bedroom properties: Quartile measures (years to end Sept): West Dunbartonshire



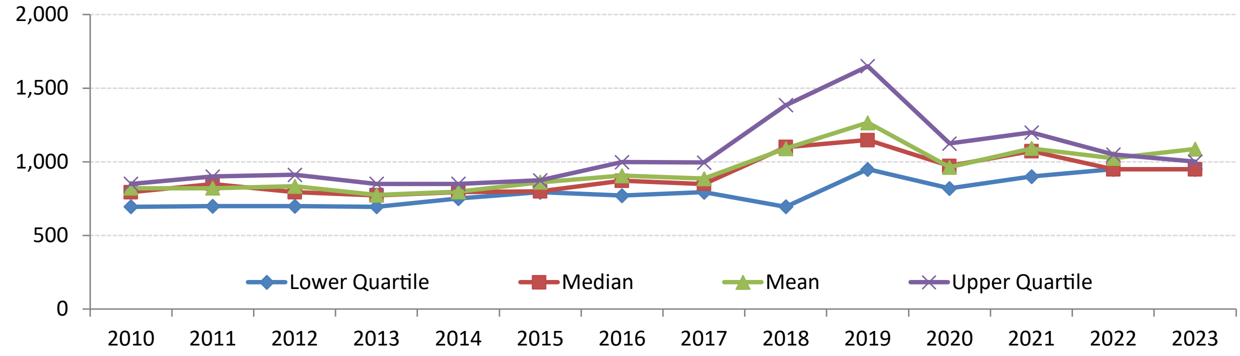
Profile Chart C – 2 bedroom properties: Quartile measures (years to end Sept): West Dunbartonshire



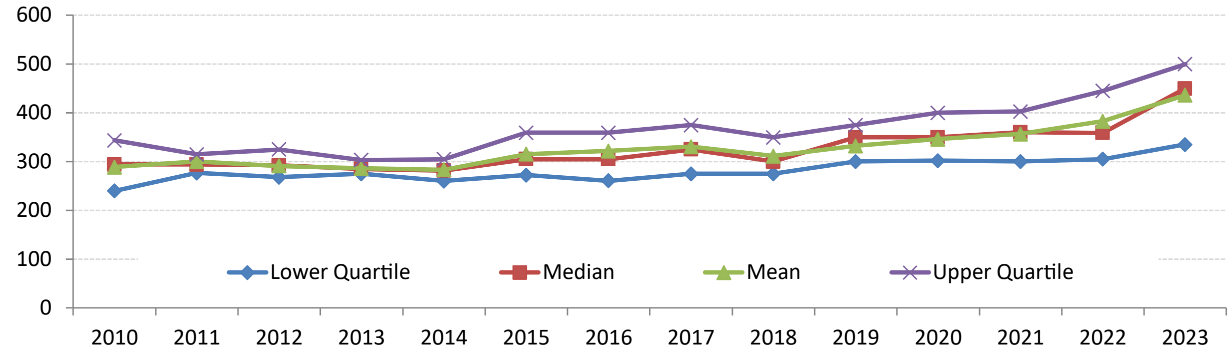
Profile Chart D – 3 bedroom properties: Quartile measures (years to end Sept): West Dunbartonshire



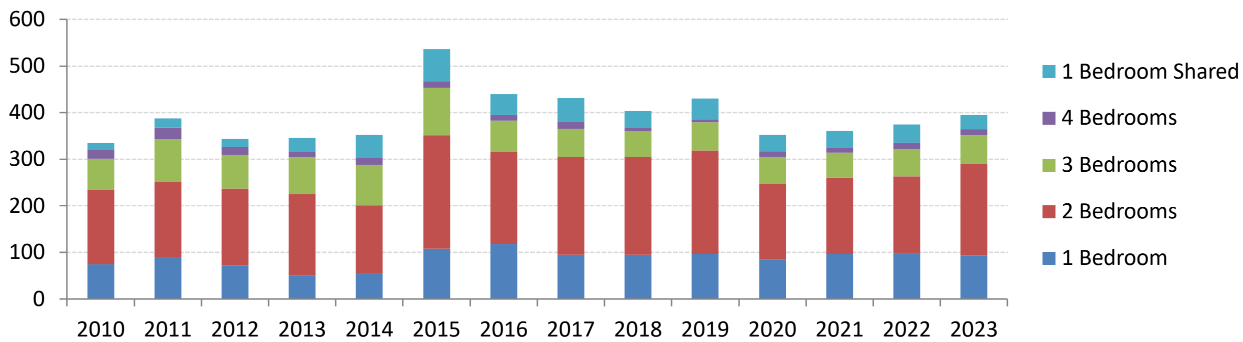
Profile Chart E – 4 bedroom properties: Quartile measures (years to end Sept): West Dunbartonshire



Profile Chart F – 1 bedroom shared properties: Quartile measures (years to end Sept): West Dunbartonshire



Profile Chart G – Sample Sizes (years to end Sept): West Dunbartonshire



Broad Rental Market Area Profile – West Lothian

Average (mean) 2 bedroom rents in West Lothian have been lower than the Scotland average in each year since 2010 with the gap increasing in the latest year, with the average rent in 2023 being £688 per month, compared to the Scotland average of £841.

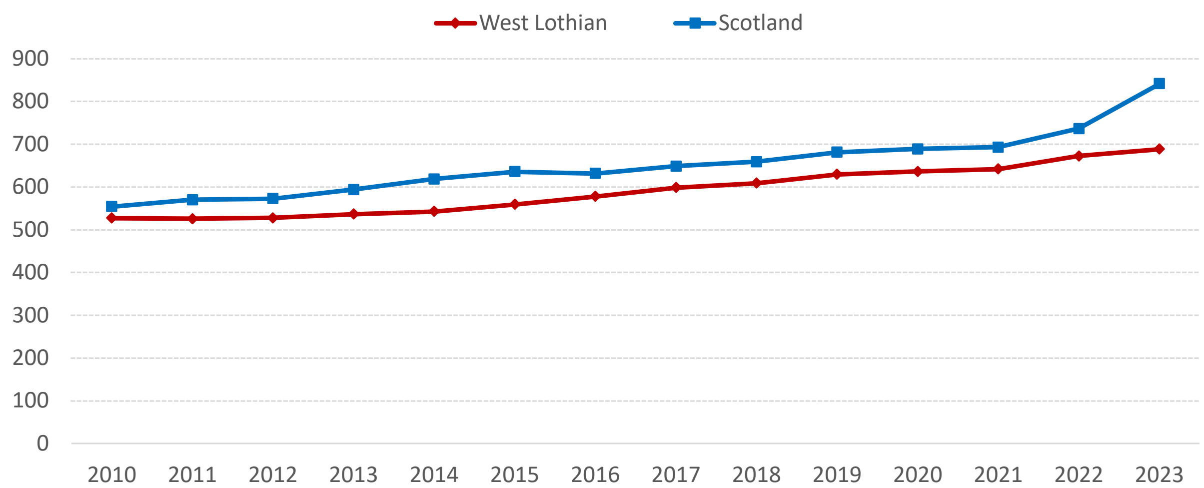
Between 2022 and 2023, average rents have increased across all property sizes, with increases for 1 bedroom (3.8%), 2 bedroom (2.3%), 3 bedroom (2.7%), 4 bedroom (2.8%) and 1 bedroom shared properties (24.1%), which compares to CPI inflation of 9.0% across this time period.

Note that some caution is needed when interpreting the changes over time for 4 bedroom and 1 bedroom shared property size categories, given the smaller sample numbers for these categories, which can lead to greater volatility in the results presented, particularly for year on year trends.

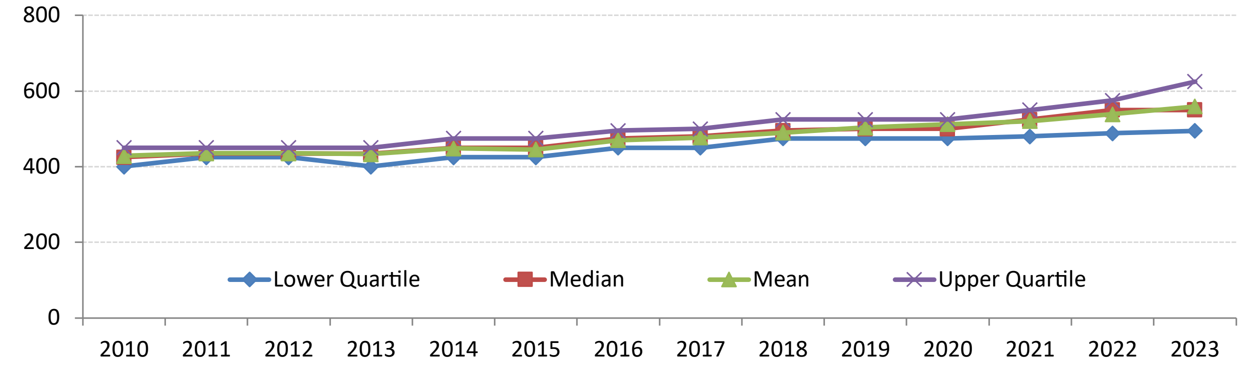
Between 2010 and 2023, average rents have increased below the rate of CPI inflation of 45.7% for 1 bedroom (30.6%) and 2 bedroom (30.5%) properties, and have increased above the rate of inflation for 3 bedroom (46.0%), 4 bedroom (55.1%) and 1 bedroom shared properties (72.1%).

Across all property size categories, increases at the top end of the market (upper quartile) between 2010 and 2023 have generally been higher than increases in the bottom end (lower quartile) increasing the gap in rents between the top and bottom of the market slightly.

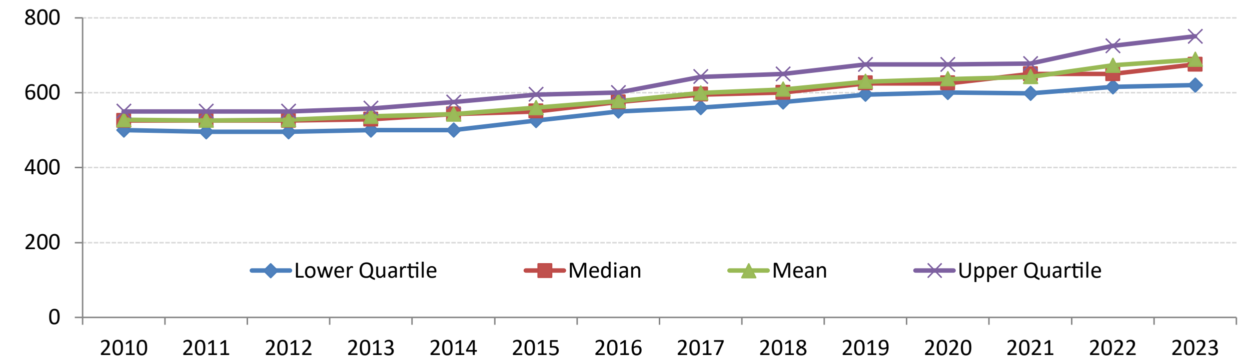
Profile Chart A – average 2 bedroom rents compared to the Scotland average: West Lothian



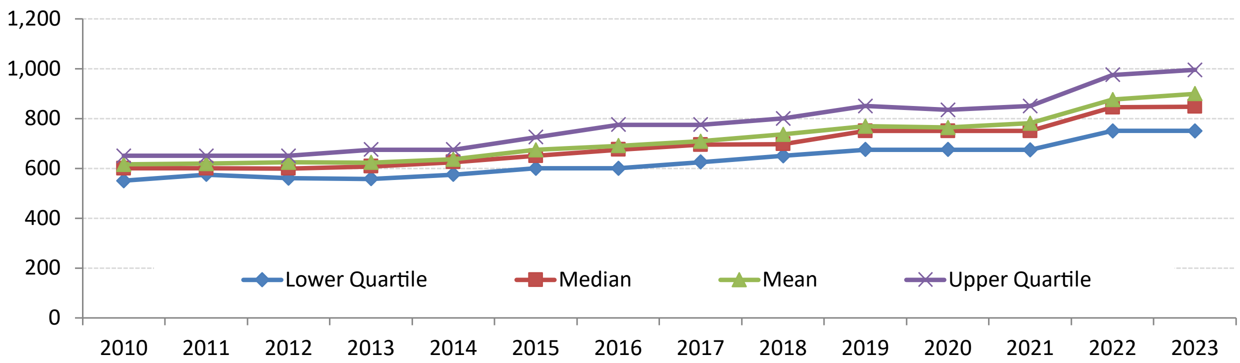
Profile Chart B – 1 bedroom properties: Quartile measures (years to end Sept): West Lothian



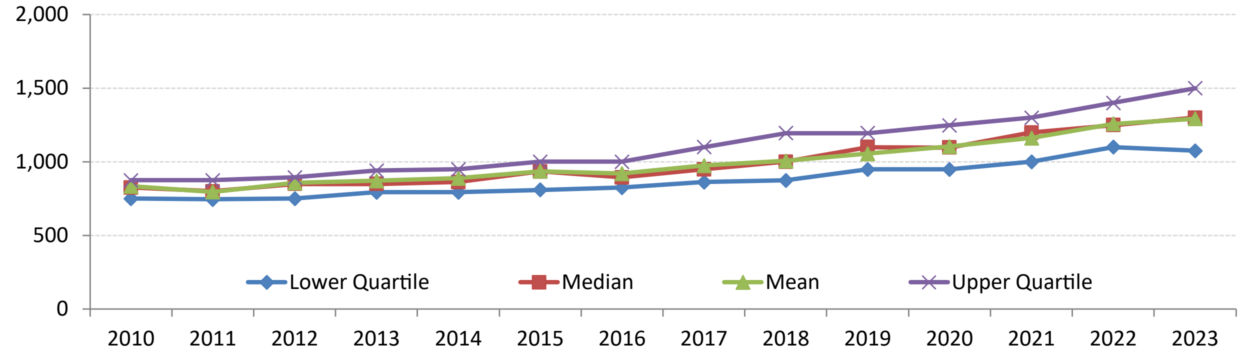
Profile Chart C – 2 bedroom properties: Quartile measures (years to end Sept): West Lothian



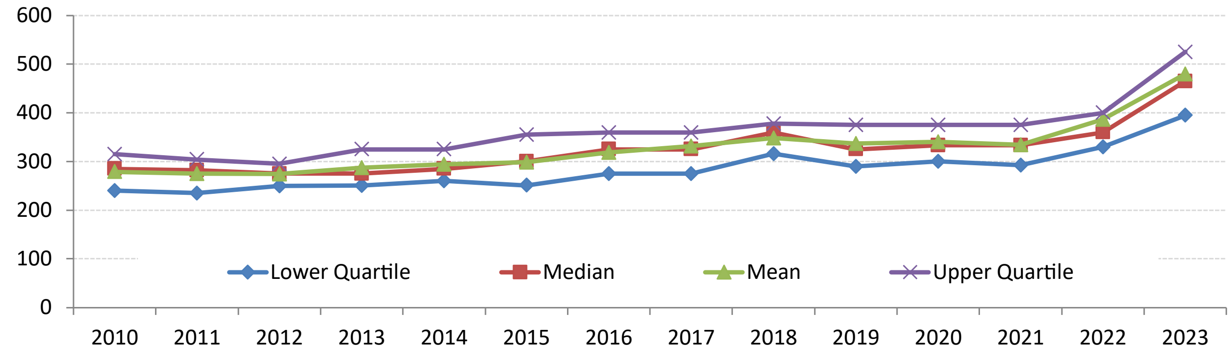
Profile Chart D – 3 bedroom properties: Quartile measures (years to end Sept): West Lothian



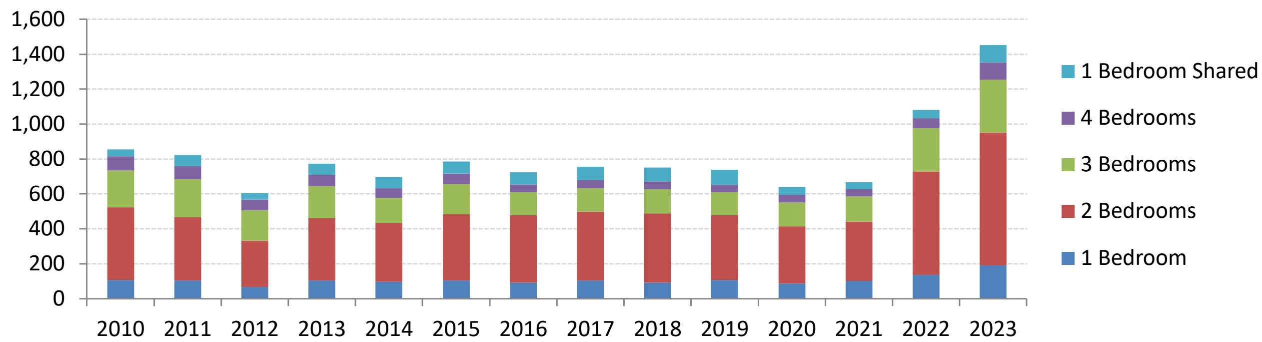
Profile Chart E – 4 bedroom properties: Quartile measures (years to end Sept): West Lothian



Profile Chart F – 1 bedroom shared properties: Quartile measures (years to end Sept): West Lothian



Profile Chart G – Sample Sizes (years to end Sept): West Lothian



Trends in the Size of the Private Rented Sector in Scotland

Official statistics on the size of the private rented sector based on annual Scottish Household Survey estimates have been affected by the impact of the Covid pandemic on the operation of the survey. Therefore, the most comprehensive up-to-date measure of the overall stock of privately rented properties is the number of properties registered on the Scottish Landlord Register.

There are some limitations of this data source, such as the fact that registrations last for a period of three years and there could be a time lag in landlords de-registering properties which are no longer available for rent. Also in the case of any landlords looking to leave the sector or reduce their portfolio, it should also be recognised that the process could take several months from freeing up properties to completing sales.

Nevertheless subject to these limitations, Table 7 below shows that the number of registered properties has averaged at around 340,000 since January 2022, with a slight increase to over 344,000 in the most recent month October 2023.

Table 7: The number of registered properties on the Scottish Landlord Registration System, January 2022 to September 2023

Month	Number of registered properties
Jan-22	339,525
Feb-22	339,309
Mar-22	338,768
Apr-22	337,325
May-22	336,705
Jun-22	338,237
Jul-22	338,721
Aug-22	339,632
Sep-22	340,033
Oct-22	339,574
Nov-22	338,933
Dec-22	340,149
Jan-23	340,108

Feb-23	340,193
Mar-23	340,154
Apr-23	341,110
May-23	341,417
Jun-23	341,556
Jul-23	341,898
Aug-23	342,542
Sep-23	343,635
Oct-23	344,276

Source: Scottish Landlord Registration System monthly monitoring figures. Note that May-23 figures were based on a snapshot taken on 6 June 2023.

Previous Scottish Household Survey estimates up to the year 2019 showed that the private rented sector in Scotland had more than doubled in size since 1999, and accounted for around 340,000 households in 2019, a seventh of all homes in Scotland[1]. However, that whilst private rented stock increased substantially in size in the period between 2002 and 2016, the number of private rented households dropped slightly between 2016 and 2018.

The figures show that the number of households in the private rented sector grew steadily from 120,000 (5% of all households) in 1999 to 370,000 households (15% of all households) in 2016, an increase of a quarter of a million households. The number then dropped slightly, to stand at 340,000 (14% of all households) in 2018, after which it remained at a similar size in the latest year 2019. More recent estimates for 2020 and 2021 are not directly comparable to previous figures due to the impacts from the Covid period on the survey.

Chart 13 below illustrates these longer term trends, along with figures for other tenures.

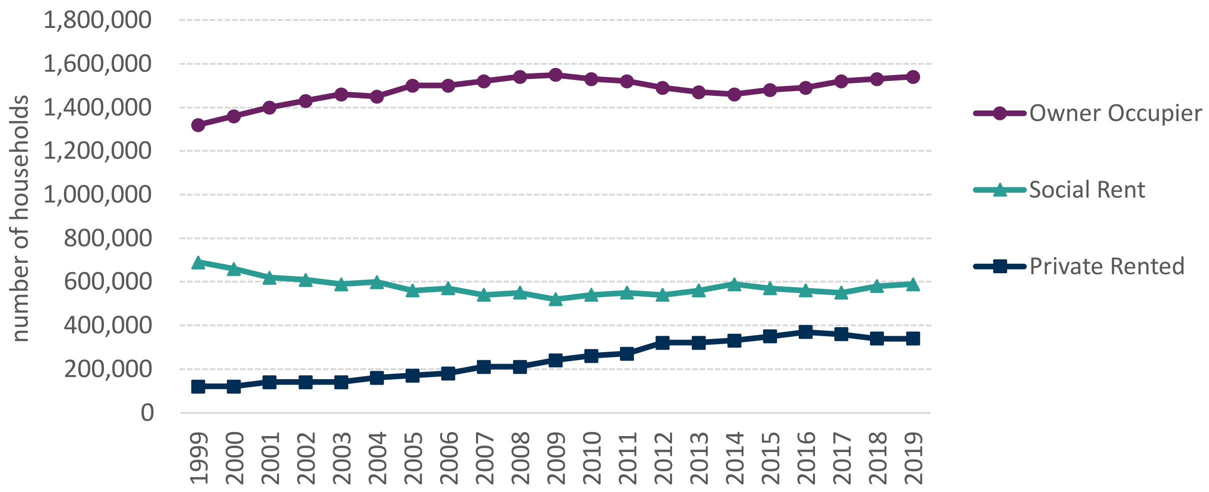
The number of households in owner occupation grew from 1.32 million (61% of all households) in 1999 to 1.55 million (66% of all households) in 2009. Following this, the number declined by 90,000 households to 1.46 million (60% of all households) in 2014, before growing back by 80,000 households to 1.54 million (62 of all households) in 2019.

The number of households in the social rented sector fell from 690,000 (32% of all households) in 1999 to 520,000 (22% of all households) in 2009, but has since stabilised, and was 590,000 (24% of all households) in 2019.

[1] See SHS 2019 results in Table 3.1a within the SHS Data Explorer

Note when interpreting percentage figures that that the total number of households in Scotland has increased by 15% from 2.17 million households in 1999 to 2.50 million households in 2019.

Chart 13 - Scottish Household Survey estimates of household tenure by year, 1999 to 2019: Estimated numbers of households (note this chart excludes a small proportion of "other" tenure households)



Glossary

Broad Rental Market Area (BRMA)

A Broad Rental Market Area for Local Housing Allowance purposes is defined as an area in which a person could reasonably be expected to live having regard to facilities and services for the purposes of health, education, recreation, personal banking and shopping, taking account of the distance of travel, by public and private transport, to and from those facilities and services. There are 18 Broad Rental Market Areas in Scotland. A map is given in Section 9 on Broad Rental Market Area Profiles. It is also possible to search for the Broad Rental Market Area associated with a particular postcode[2].

Local Housing Allowance (LHA)

The Local Housing Allowance (LHA) system provides a way of working out Housing Benefit for claimants who rent from a private landlord. Local authorities use LHA rates based on the size of household and the area in which a person lives to work out the amount of rent which can be met with Housing Benefit. Information on current LHA calculations and rates is published at Local Housing Allowance Rates: 2023-2024.

Lower Quartile

The lower quartile is a way of summarising the spread of rental values into a single figure, and represents (for each particular area and size of property) the rental value at which 25% of rents are below this figure and 75% of rents are above it.

Market Evidence Database

The database that holds lettings information collected as part of the Rent Service Scotland's responsibility to administer the rent officer functions related to Housing Benefit, such as Local Housing Allowance.

Mean

A measure of central tendency often referred to as the average. Given a series of values the arithmetic mean is calculated by summing all these values together and dividing by the count of these values.

Median

When a series of numbers are arranged by order of magnitude the median represents the middle value (i.e. 50% of rents are below this and 50% of rents are above it). Where there is an even number of values the median is the mean of the two values closest to value in the centre of that distribution.

[2] Search for Local Housing Allowance rates by postcode or local authority : DirectGov - LHA Rates (voa.gov.uk)

Rent Officer

An independent, statutory officer appointed by Scottish Ministers. They are responsible for providing advice to Local Authorities in assessing claims for Housing Benefit made before 7th April 2008; undertaking Fair Rent valuations for regulated tenancies; gathering rental information; analysing local rental markets to provide Local Authorities with Local Housing Allowance figures and maintaining the Rent Service Scotland 'Market Evidence Database'.

Upper Quartile

The upper quartile is a way of summarising the spread of rental values into a single figure, and represents the rental value at which 75% of rents are below this figure and 25% of rents are above it.

Data and Methodology

Source data – general approach

This publication uses data from the Rent Service Scotland 'Market Evidence Database', which is a database used to meet the needs of determining annual Local Housing Allowance levels.

The market evidence data on private rents is sourced through a variety of means, including advertised rental information, private landlord and letting agent returns, and mailshot initiatives.

The database excludes any rents related to social housing, mid-market rents, halls of residence, and private tenancies known to be the subject of housing benefit and regulated tenancies.

In the latest year to end September 2023, an estimated 85% of Rent Service Scotland Market Evidence records were based on advertised rents, with the remainder being based on transactional data received from letting agents or landlords. Note that it is likely that a proportion of the transactional data received will also relate to recently advertised rents, where the records received relate to tenancies which have only been recently advertised or let.

The data collected includes a minimum level of address, property attributes and tenancy details. Rents relating to studio/bedsit properties, properties with 5 or more bedrooms, and bed and breakfast lodgings have been excluded from this publication due to small sample sizes. Rents for bedrooms in shared properties are presented as 'rent only' figures, i.e. do not include the additional cost of shared services where these are known.

If a particular property has more than one piece of market evidence available in a given year, then only the most recent item of evidence for that year has been used in the average rent calculations for this publication.

There is currently no legal obligation for landlords or agents to provide Government, or any other organisations, with details of the rents achieved on their lettings. Therefore rent officers have to actively seek, collect, validate and maintain a suitable dataset.

There is no requirement for rent officers to collect 100% of rents that are agreed between landlord and tenant. Neither is it realistic to assume that all landlords and letting agents would be able to co-operate with this requirement.

Rent Officers instead aim to capture a representative sample of around 10% of private rents based on the total number of records obtained (the amount of records used in average rent calculations may be slightly less than this due to removal of any multiple records for a single property/address in a given year). Landlord registration data and census data is used as a baseline for establishing and monitoring the total sample proportion that is aimed to be achieved.

As rent officers do not have access to every letting that takes place in the market the use of a random sample is not feasible, and given the variations in the size of the markets in each Broad Rental Market Area a simple quota based sample would be unlikely to produce representative results either. The sample should ideally reflect the profile of the market in terms of the type of property, its distribution, and the letting sources within each Broad Rental Market Area.

There are no definitive measures for these so rent officers monitor local market activity and take every opportunity to acquire feedback from landlords, agents and tenants. This market intelligence means that rent officers are able to continually evaluate the composition of the list of rents used for Local Housing Allowance, and where necessary divert resources from their regular program of data collection to address any perceived weakness in the data.

This combined approach of regular and targeted collection based on market intelligence aims to produce a representative sample for each property size for each Broad Rental Market Area. This approach in turn reflects the structure of the legislation which allows for rent officer judgment on a number of these factors.

The private rented sector is very complex and is continually changing as it reacts to market forces. The overall target of a 10% sample therefore only represents a guide figure at Broad Rental Market Area level. Local knowledge, confidence testing and interpretation of other available data may be applied to refine the guide level. This contributes towards achieving a representative sample for each property size category at a Broad Rental Market Area level.

It is important to note that the data collected on individual rents may encompass different property types and addresses for each data collection year. The Broad Rental Market Area Profiles show the sample sizes for each rental area. It can be seen that there have been some variations in the number of records by rental areas over time, and also the proportions by size of property. Some of this may be due to changes in the underlying rental stock over time, and some may be due to sampling variations over time.

Also note that some methodological improvements were made to the 2020 publication, which have been carried forward again to this publication, in relation to how Scotland level average rent figures have been estimated. These include the use of a weighted stock approach, which is set in further detail below.

Sample sizes

The rental values in this publication are based on data collected on around 25,000 to 40,000 individual rents each year, representing about 8% to 12% of all private rented dwellings

The Supporting Documents Excel Workbook Table C1 and Chart C1 provide information on the different sample data profiles by rental market area.

It can be seen from this that the sample data profiles differ by rental area. For example for Dumfries and Galloway, 1 bedroom properties in the year to end September 2023 make up 22% of all sample records and 3 bedroom properties make up 21% of the total. This compares to Perth and Kinross for which 27% of records are 1 bedroom properties, and 15% of records are 3 bedroom properties. This shows that it is generally not appropriate to compare an overall "average" rent figure (averaged across all property sizes) between different areas of the country.

It is also important to note that there are some sample data profiles that have changed over time by property size, which may also introduce some bias into comparing overall Broad Rental Market Area averages over time.

Chart C2 available in the Supporting Documents Excel Workbook shows an example of this for Argyll and Bute, for which the sample data profile has changed over time both in the total number of records and the proportion in each property size category. The proportion of records relating to 1 bedroom shared properties has increased from 3% in 2010 and is now at 10% in the latest year 2023. The proportion of records relating to 2 bedroom properties has correspondingly decreased from 43% in 2010 and it now at 30% in the latest year 2023. This would likely add bias to the trends if an overall "average" rent figure was calculated (averaged across all property sizes) each year.

Table C3 and Chart C3 available in the Supporting Documents Excel Workbook show the proportions of the total samples that are within each Broad Rental Market Area each year, by property size.

For most property sizes each rental area has a relatively consistent proportion each year, however there have been some changes over time. For example in the 2020, the proportion of all 2 bedroom records that are located in Lothian increased by 4 percentage points compared to the previous year, and the proportion of all 4 bedroom records that are located in Lothian increased by 7 percentage points compared to the previous year.

Use of weights to estimate Scotland level averages

Given the variability in some years of the sampling numbers by area and property size as shown in the Supporting Documents Workbook Table C3 and Charts C3, separate weights by area and property size have been calculated based on Scottish Household Survey (SHS) data. These SHS weights are also set out in the Supporting Documents Excel Workbook, and have been used to estimate the Scotland level average rents in this publication. The aim is to help ensure that the national average figures presented reflect any changes to the underlying composition of private rental properties over time, and to minimise any effects of changes to sample numbers achieved for particular property sizes or areas in any given years.

The Scottish Household Survey (SHS) weights have been built up by using an approximate mapping of local authority areas to Broad Rental Market Areas.

The weights from the survey data have been constructed using 3 year rolling data periods to help with precision of results at Broad Rental Market Area and to smooth out annual variations seen in the survey results. Each 3 year data period being centred on the rental year to be estimated with a lag applied of 2 years, due to the time delay between 3 year survey results being available and the latest rental year in question.

For example in the 2020 publication, for the rental year 2020, a 3 year data period 2017 to 2019 was used to construct the stock based weights, which equates to the year 2020 lagged by two years (i.e. to be centred on 2018).

One aspect to note for this publication is that given that the Scottish Household Survey results for the year 2021 have been impacted by effects from the Covid period and the results for the year 2022 are not yet available, the previous set of weights based on the 3 year data period 2017 to 2019 have been rolled forward as the basis for the rental years 2021, 2022 and 2023.

For each property size category, the stock based weights have been calculated based on the proportion of private rented households in each category that are located in each of the Broad Rental Market Areas.

The exception is for 1 bedroom shared properties, where the weightings are instead based on the estimated proportions of owner occupier or private rented households in each areas that contain two or more adults who are not related or who are not in a married / civil partnership or a co-habiting partnership, with the aim to identify households where there may be an individual room being rented in some form.

To note one limitation of the weighting approach applied is that there may be some level of mis-match between the SHS weights (covering all PRS stock) and the sample of records collected from Rent Service Scotland (i.e. excluding those with housing benefit and regulated tenancies).

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