

Student accommodation rent report

2016



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£86.76

Overall average weekly rent value for 2016



Average weekly rent highest in London



63%

Properties offering bills inclusive rent on AFS site

Quick stats

The overall average weekly rent value for 2016 is £86.76, a £1.27 increase from 2015.

The median of city median weekly rent values is up £1 from 2015 at £82, while the median of city average weekly rent values is down £1 at £83. The data suggests a flatter student market less skewed by the most expensive properties.

Average weekly rent costs are highest in London (£136.61) and the South of England (£94.71), while rents in Wales (£71.13), the Midlands (£81.62), and the North of England (£82.90) are the lowest.

Following on from growth which saw the proportion of properties offering bills inclusive rent on the AFS site exceed 50% for the first time in 2015, the proportion now stands at 63%.

The average cost of a bills inclusive room per week is £87, £9 more than the cost of a non-bills inclusive room.

Methodology

All rental values were drawn from the AFS database, from which average rental values (ARVs), median rental values (MRVs), minimum and maximum rents were calculated for each city.

For all city-level analyses, only cities with at least 10 properties listed were considered significant and included in the analysis, except where a higher cut-off point is noted. For analyses over time the cities were required to have at least 10 properties in each year analysed.

The total number of cities with properties listed on the site for 2016 is 75, of which 64 contain at least 10 properties.

As the annual rent analysis is conducted mid-year, the current year's overall rent data is likely to change by the time of the following year's report to reflect the completed calendar year.

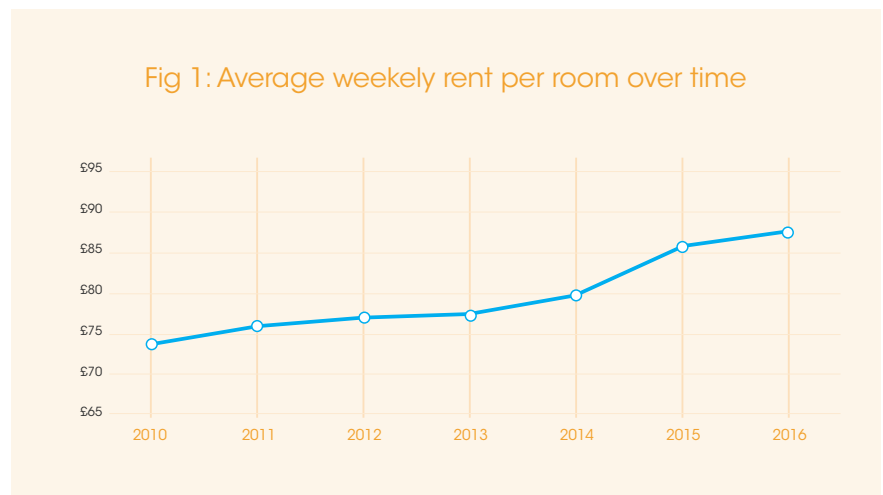
Overall rent values

The average weekly rent for a student bedroom in the UK in 2016 is £86.76, an increase of £1.27 per week from the previous year (see Table 1). This increase is less than the average increase of £2.35 per year between 2010 and 2015.

Table 1: Overall ARV's year-on-year

Year	Average weekly rent per room
2010	£73.73
2011	£75.32
2012	£76.03
2013	£77.08
2014	£80.66
2015	£85.49
2016	£86.76

Fig. 1 illustrates the growth curve in the national weekly rent value of properties listed on the AFS site and shows that the increase in price has slowed in 2016, especially in comparison with the previous two years.



£1.27

ARV increase
from 2015

Table 2 shows the median of city ARVs and median rent values (MRVs) across the UK. The median of city averages has fallen slightly, while the median of city medians has risen slightly, suggesting that the market is less skewed towards more expensive properties than a year ago. Taken as a whole, properties have become slightly more expensive for students, while it appears that the averages are not being dragged up above the median values by the top end of the market as they were in 2015.

Table 2: Median of ARVs and MRVs in cities with 10+ properties over time

Year	Median of sig. MRVs	Median of sig. ARVs
2010	£71.50	£74.00
2011	£75.00	£75.00
2012	£75.00	£76.00
2013	£75.00	£75.00
2014	£80.00	£80.00
2015	£81.00	£84.00
2016	£82.00	£83.00

Fig. 2 shows how the median ARVs and MRVs have risen over time and illustrates that the gap between the two in 2015 was not in keeping with the general, steadier and tethered growth that has been observed over the last six years.

Fig 2: Median weekly rent values 2010 - 2016

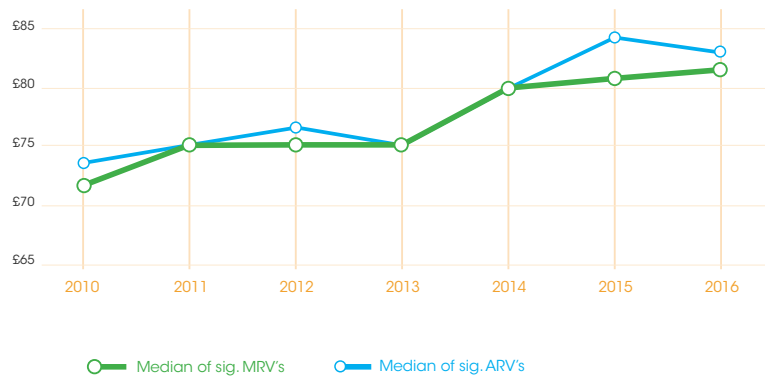
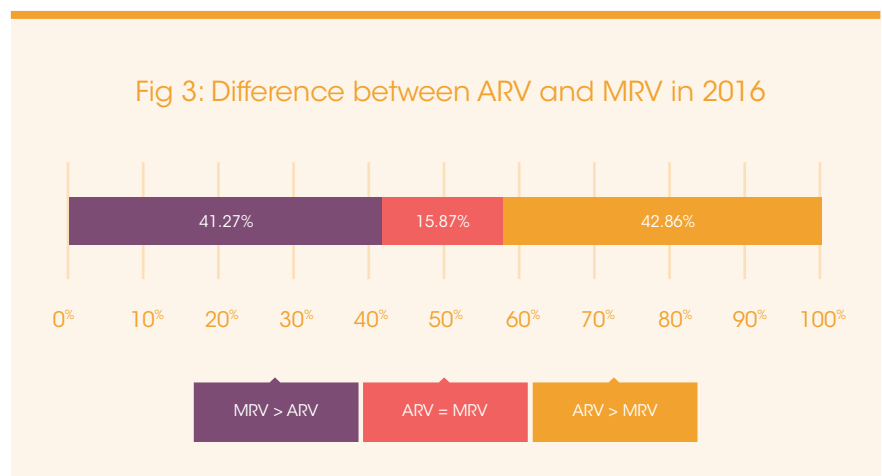


Fig. 3 shows the balance of average rents versus median rents across the UK. The proportion of cities where averages exceed medians (indicating a student rental market skewed by more expensive properties) is roughly equivalent to those where medians exceed averages, suggesting balance overall. Furthermore, 68.3% of cities' ARVs and MRVs are within £3 of each other, suggesting a stable rental market.

Fig 3: Difference between ARV and MRV in 2016



Differences across the UK

Table 3 shows the average weekly rent of UK cities in 2016. The most expensive city is London and the least expensive is Stockton.

Table 3: Average weekly rent values of UK cities 2016

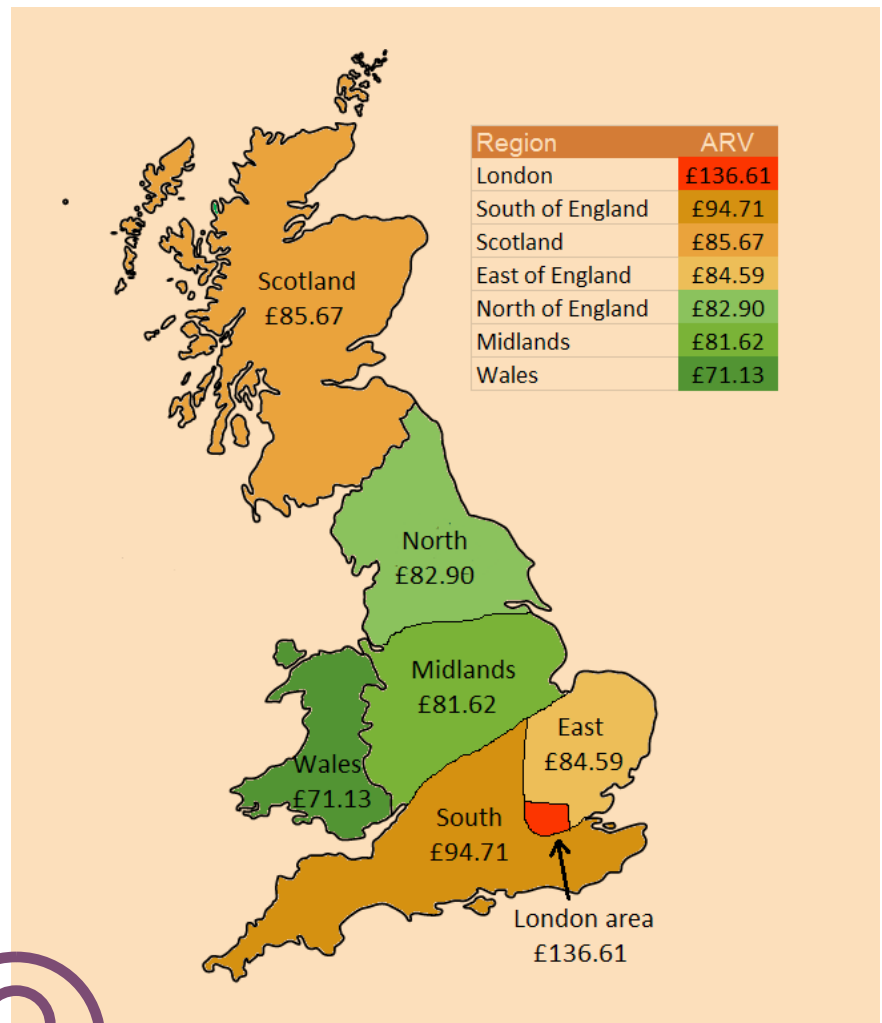
City	Range (£)	City	Range (£)	City	Range (£)
London	148	Bournemouth	88	Southampton	79
Uxbridge	120	Broadstairs	88	York	79
Kingston	118	Chester	88	Crewe	77
Exeter	115	Lincoln	87	Liverpool	77
Aberdeen	109	Manchester	87	Loughborough	77
Brighton	108	Gloucester	86	Middlesbrough	77
Guildford	106	Northampton	86	Bradford	76
Winchester	103	Hatfield	84	Derby	76
Bristol	100	Sheffield	84	Hull	76
Edinburgh	99	Hartlepool	83	Sunderland	76
Durham	97	Nottingham	83	Bangor	75
High wycombe	93	Salford	83	Cardiff	72
Coventry	92	Canterbury	82	Huddersfield	71
Worcester	92	Birmingham	81	Newport	71
Cheltenham	91	Farnham	81	Stafford	70
Lancaster	91	Norwich	81	Stoke	69
Portsmouth	91	Preston	80	Swansea	68
Reading	90	Bognor regis	79	Dundee	67
Leeds	89	Colchester	79	Bolton	65
Luton	89	Leicester	79	Wolverhampton	62
Plymouth	89	Newcastle	79	Stockton	56

The least expensive average weekly rent location is Stockton

£56

Map 1 shows the average weekly rents by region. There is considerable difference in the amount students pay for their rent across the UK. Most notably, students in Wales pay £10 per week less on average than students anywhere else, while students in the South of England pay almost £10 per week more than the rest of the country, excluding London where rent costs are some £50 higher each week than students in most other regions.

Map 1: Regional average rent values 2016



Students in Wales pay
£10 per week less

Fig. 4 illustrates the trends in these regional values since 2010 and shows that rents continue to rise at a similar pace across all regions, though the slight decline in London rents has reversed in the last year into the steepest regional growth.

Table 4 shows the range between minimum and maximum weekly rent costs across the UK. Many of the widest ranges are found in cities in the North of England and the Midlands, where very low rent values can be found alongside the provision of high-end private accommodation.

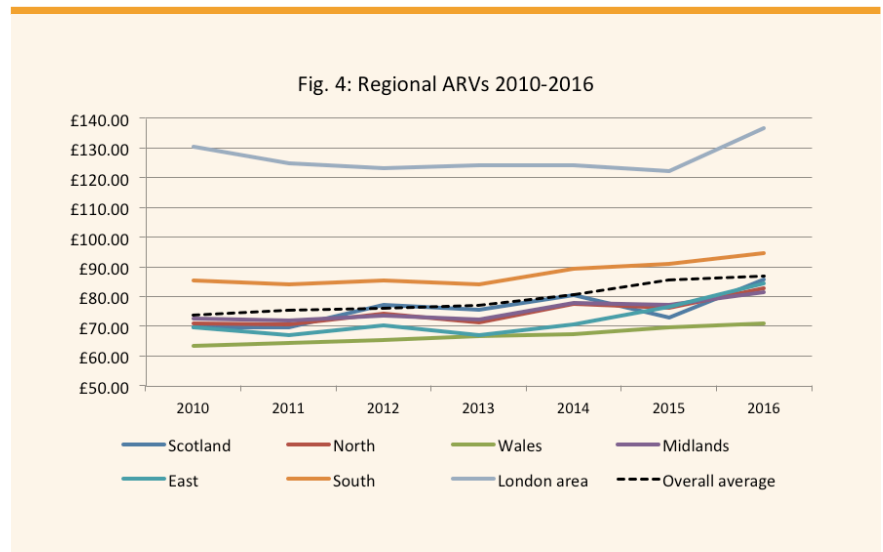


Table 4: Weekly rent cost range by city, 2015

City	Min rent £	Max Rent £	Range (£)	City	Min rent £	Max Rent £	Range (£)
Sunderland	34	175	141	Leicester	50	130	80
Birmingham	45	185	140	Lincoln	70	150	80
Leeds	59	198	139	Guildford	80	152	72
Plymouth	52	185	133	Stockton	31	100	69
Preston	45	174	129	Southampton	58	125	67
Newcastle	21	139	118	Northampton	63	125	62
Nottingham	47	160	113	Hull	50	108	58
Sheffield	39	150	111	Hatfield	63	118	55
Liverpool	50	160	110	Wolverhampton	37	91	54
Coventry	42	150	108	Cheltenham	62	115	53
Brighton	79	185	106	Uxbridge	83	135	52
Cardiff	57	162	105	Norwich	55	106	51
Portsmouth	60	165	105	Edinburgh	70	120	50
Durham	45	144	99	Aberdeen	88	137	49
Lancaster	60	158	98	Dundee	40	87	47
London	90	188	98	Crewe	55	100	45
Canterbury	53	150	97	Winchester	75	120	45
Bristol	65	160	95	Kingston	84	127	43
Chester	55	150	95	Loughborough	62	105	43
Exeter	70	165	95	Gloucester	60	102	42
Huddersfield	30	125	95	Salford	58	100	42
Manchester	28	122	94	Derby	50	90	40
Swansea	46	138	92	Worcester	70	110	40
Bournemouth	72	162	90	Middlesbrough	54	92	38
Reading	66	149	83	Stafford	65	85	20
York	57	139	82	Hartlepool	77	87	10

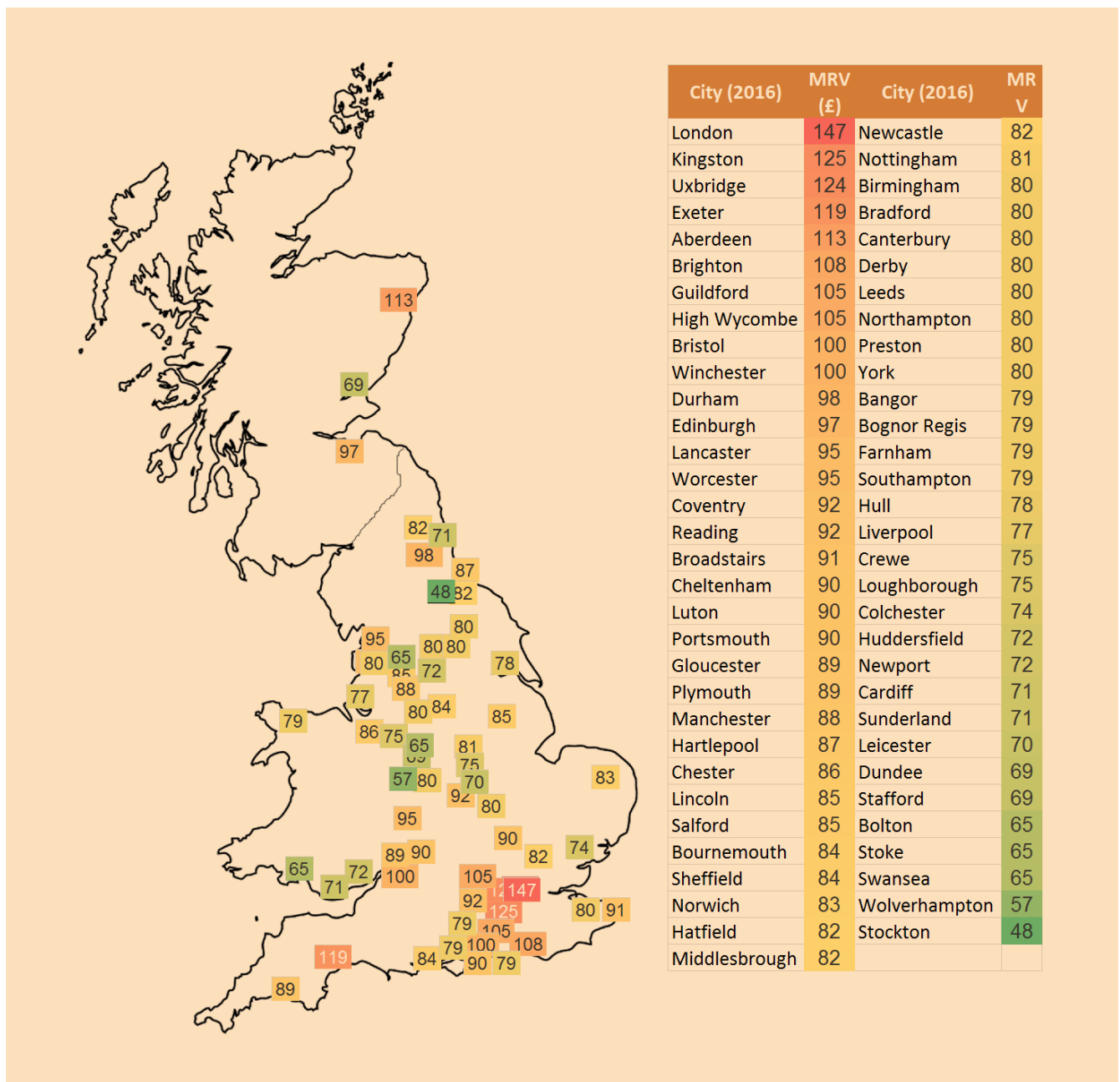
MRV for London is considerably higher than other areas



£147

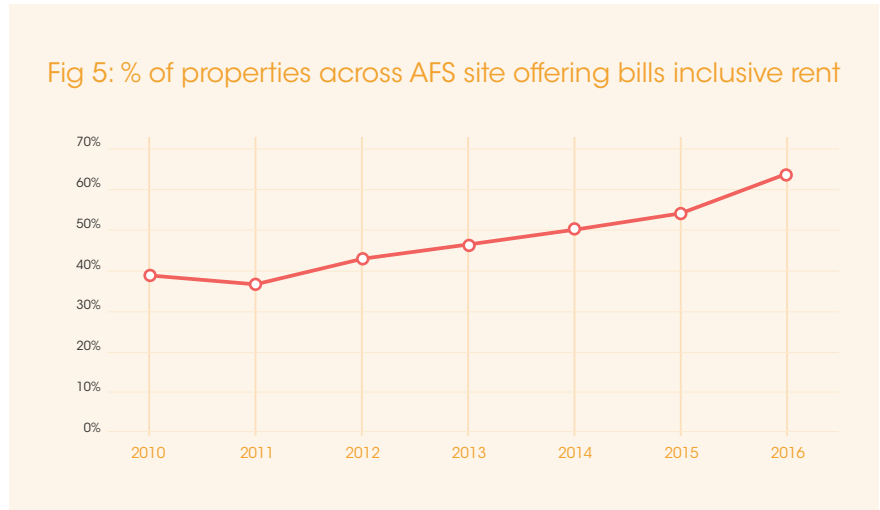
Map 2 shows the distribution of MRVs across the UK. The divide between the South of England and the Midlands, Wales and the North of England is clearly illustrated as the red and orange values are centered around London and the South coast, while green is found all across the rest of England and Wales.

Map 2: Median rent values for cities across the UK 2016



Bills inclusive

As with each of the last five years, the proportion of properties offering bills included in the rent price increased substantially and is now 63%, the first time that over 60% of the properties in the AFS inventory have been bills inclusive. Fig. 5 shows this trend and illustrates the sustained focus on providing bills inclusive rents in the student rental market.



Taking the median of average rent values and median rent values across UK cities, the difference in weekly rent cost between properties with and without bills included in the rent is between £9 and £6 (see Table 4). The £9 difference in average rent costs is the same as last year, though the gap in median rent costs has more than halved due to the medians of MRVs for bills inclusive properties remaining unchanged from last year. This suggests that the top end of the bills inclusive market is rising faster than the middle of the market.

Table 5: Weekly rent costs by bills inclusive 2016

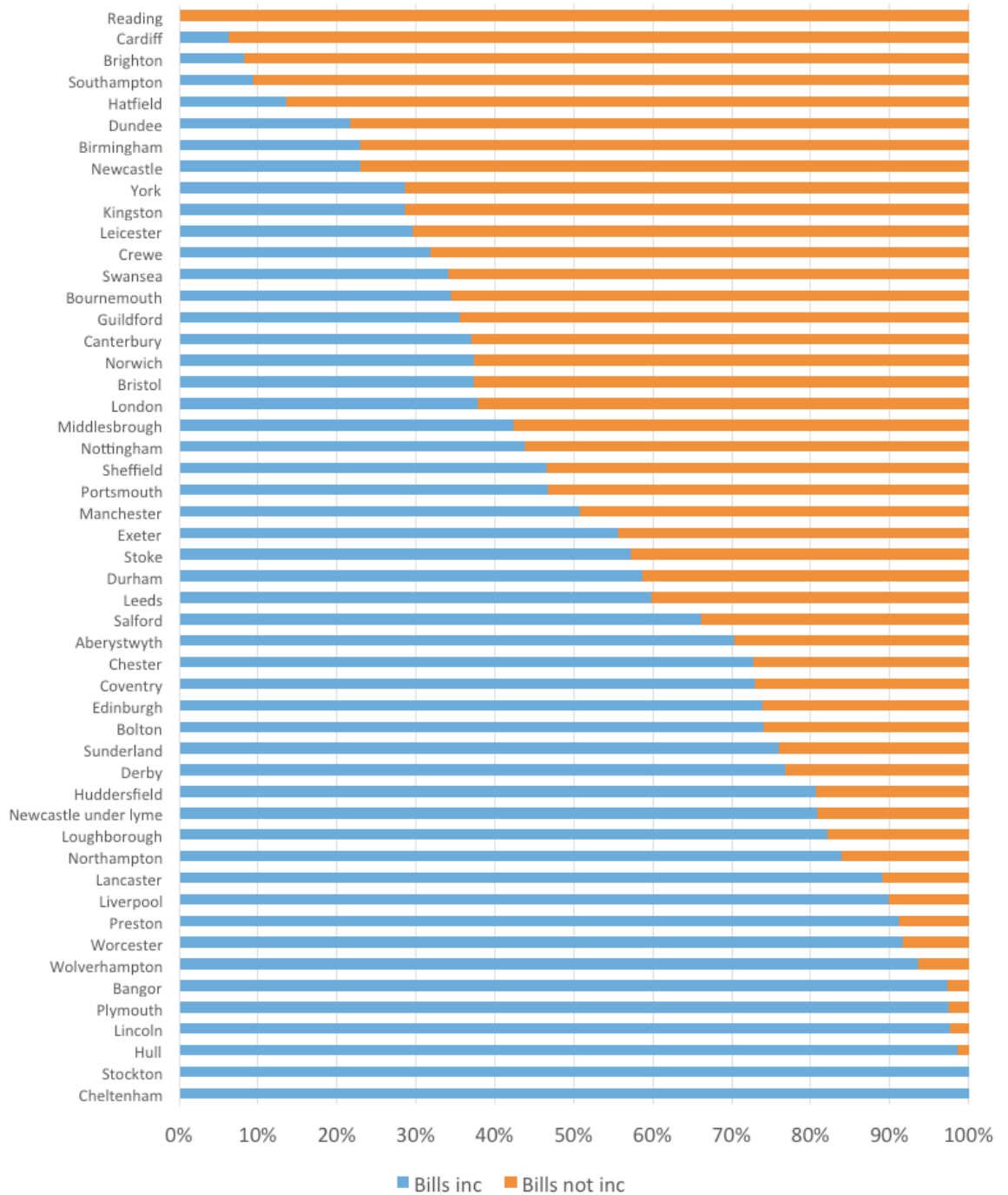
	Median of sig. MRVs	Median of sig. ARVs
Bills included in rent	£87	£85
Bills not included in rent	£78	£79
Difference	£9	£6

63%

Properties offering bills inclusive rent on AFS site

Looking at the spatial aspect of bills inclusive availability (Fig. 6) shows the variety across the UK. There is not a clear geographical association in the data, though it is notable that only 2 of the 21 cities where bills inclusive rent accounts for at least 70% of the AFS inventory are in the South of England.

Fig. 5: Proportion of properties in city offering bills inclusive rent (50 property minimum)



Thank you



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