

# Brighton & Hove Housing Market Report

## 2019 | Q4 | Oct-Dec

At a Glance		Average Price	Annual Change	Affordable Income*	Price to Income Ratio**
<b>Actual Cost to Buy</b> (December)	<b>Brighton &amp; Hove</b> (Land Registry House Price Index)	<b>£374,103</b>	<b>+2.3%</b>	<b>£86,331</b>	<b>12.86</b>
<b>Advertised Cost To Buy</b> (Q4 average)	<b>1 bed flat</b>	£252,727	+2.4 %	£58,322	8.68
	<b>3 bed house</b>	£482,061	+1.9%	£111,245	16.57
<b>Advertised Cost To Rent</b> (Q4 average)	<b>1 bed flat</b>	£961/mth	+2.5%	£50,588	40% gross income
	<b>3 bed house</b>	£ 1,623/mth	+5.4%	£85,419	67% gross income

\* based on 25 year mortgage of 3.25 times income at 5% interest with a 25% deposit  
 \*\* based on based on median gross household income of £29,100 per annum (2015)

## Land Registry House Price Index

Land Registry House Price Index figures show that the average house price in the city is now £374,103, an increase over the last few months and higher than a year ago.

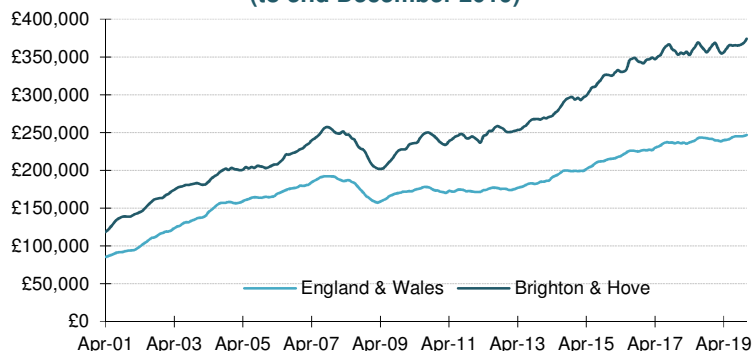
The gap between the average property price for Brighton & Hove and England & Wales has increased with average price in the city now £127,315 (51.6%) higher.

Over the last year, prices in Brighton & Hove have seen a 2.3% increase in comparison to a 2.2% increase nationally.

Sales are still mainly at low levels with a pattern showing seasonal peaks and troughs. The overall trend until March 2016 was a gradual increase. Although in subsequent months, there has been a drop in the levels of sales they remain above that at the beginning of 2009.

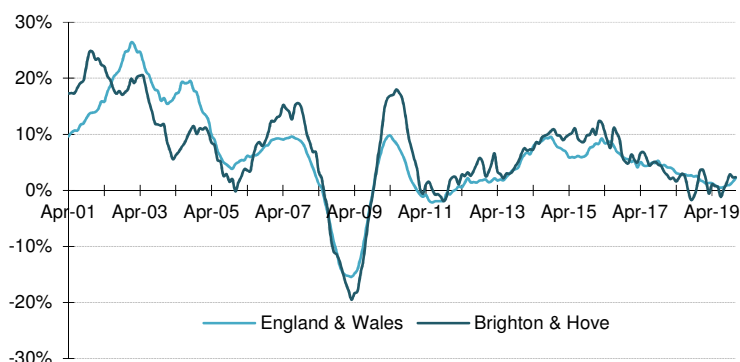
The peak in sales in March 2016 could be attributed to the stamp duty changes on second properties, which came into effect on 1 April 2016.

**Brighton & Hove  
Average Property Prices  
(to end December 2019)**



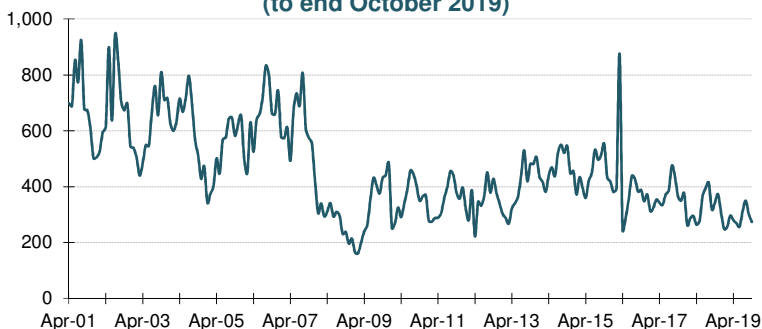
Source: HM Land Registry

**Brighton & Hove  
Annual Property Price Inflation  
(to end December 2019)**



Source: HM Land Registry

**Brighton & Hove  
Monthly Volume of Sales  
(to end October 2019)**



Source: HM Land Registry

### About the data used for this report

The Land Registry House Price Index is a mathematical model that works out the average value of a home in the city based on the sale price of those homes sold more than once since 1995.

Our monitoring is a representative sample of properties that have been advertised in the city during the quarter on the Rightmove website. Whilst this report does not cover the whole rental market, for example, many properties are let quickly through agents or by word of mouth, it is a useful indicator of the market and as it is based on advertised prices it can give an indication of the future trends in prices.

In order to make a comparison of rental costs the report also includes the average advertised rental prices taken from Gumtree and also the rental values based on the data published by Valuation Office Agency.

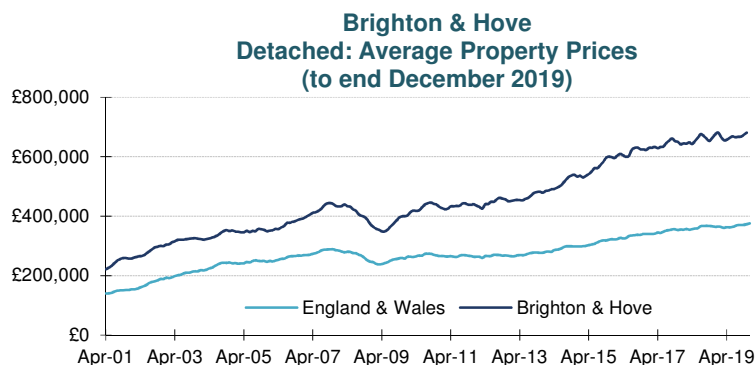
## Land Registry House Price Index

The charts below show the Land Registry House Price Index figures for the average price of properties sold in the city since April 2001 broken down by the different property types.

### Detached

Land Registry House Price Index figures show that the average price in the city for a detached property is now £692,233, an increase over the last few months and higher than a year ago.

The gap between the average price for Brighton & Hove and England & Wales has increased with average price in the city now £316,607 (84.3%) higher

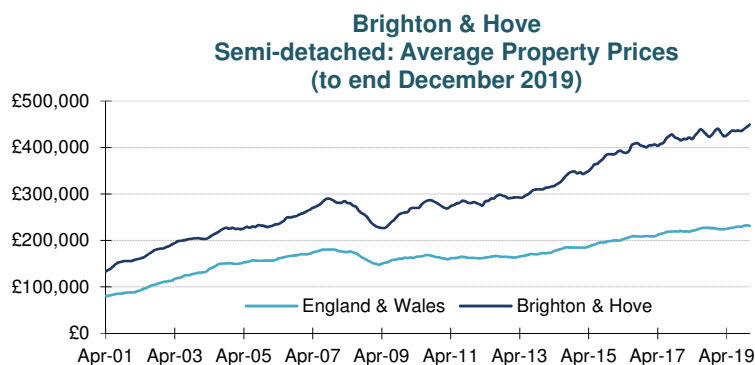


Source: HM Land Registry

### Semi-detached

Land Registry House Price Index figures show that the average price in the city for a semi-detached property is now £449,164, an increase over the last few months and higher than a year ago.

The gap between the average price for Brighton & Hove and England & Wales has increased with average price in the city now £217,621 (94.0%) higher

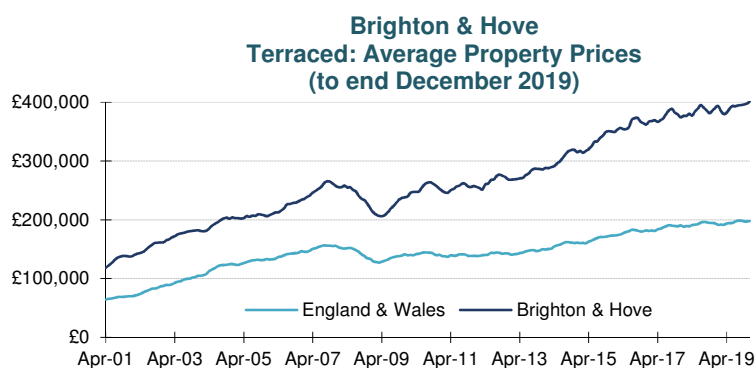


Source: HM Land Registry

### Terraced

Land Registry House Price Index figures show that the average price in the city for a terraced property is now £401,394, an increase over the last few months and higher than a year ago.

The gap between the average price for Brighton & Hove and England & Wales has increased with average price in the city now £203,287 (102.6%) higher

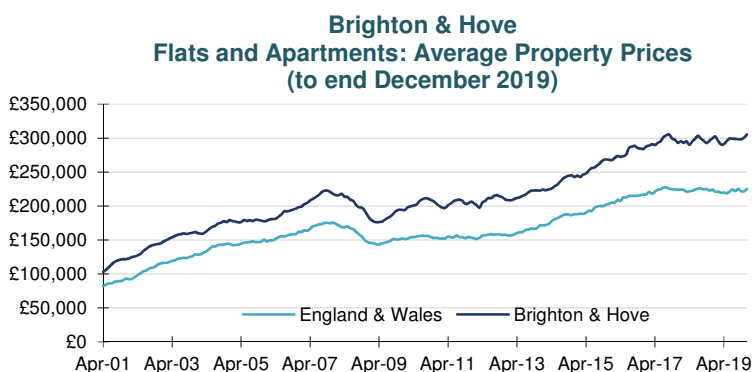


Source: HM Land Registry

### Flat and apartment

Land Registry House Price Index figures show that the average price in the city for a flat or apartment is now £305,406, an increase over the last few months and higher than a year ago.

The gap between the average price for Brighton & Hove and England & Wales has increased with average price in the city now £80,059 (35.5%) higher



Source: HM Land Registry

# The Advertised Cost to Buy in Brighton & Hove

## Houses

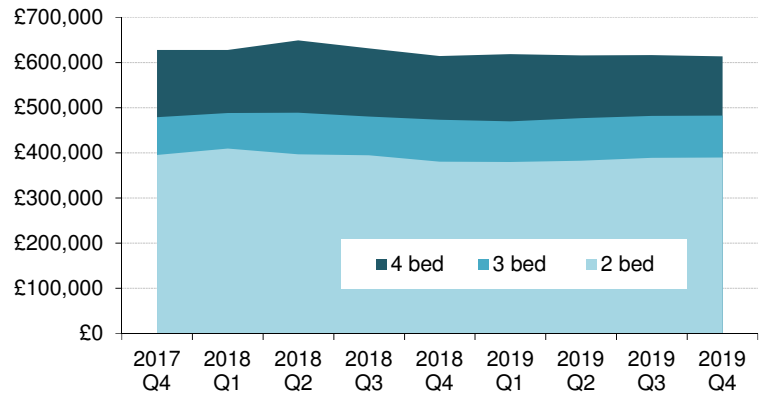
### Annual Average House Prices & Inflation

Size	2019 Q4	2018 Q4	Increase
2 bed	£389,514	£380,530	+2.4%
3 bed	£482,061	£473,156	+1.9%
4 bed	£613,564	£613,856	0.0%

### Quarterly Average House Prices & Inflation

Size	2019 Q4	2019 Q3	Increase
2 bed	£389,514	£388,470	+0.3%
3 bed	£482,061	£481,703	+0.1%
4 bed	£613,564	£616,235	-0.4%

Brighton & Hove Average Cost of a House



The annual average advertised asking price for 2-bed and 3-bed houses has increased with 2-bed houses showing the greatest increase at +2.4%. The annual average advertised asking price for 4-bed houses has marginally increased.

Over the quarter there has been an increase in the average advertised asking price for 2-bed and 3-bed houses but a decrease in the average advertised asking price for 4-bed houses.

## Flats

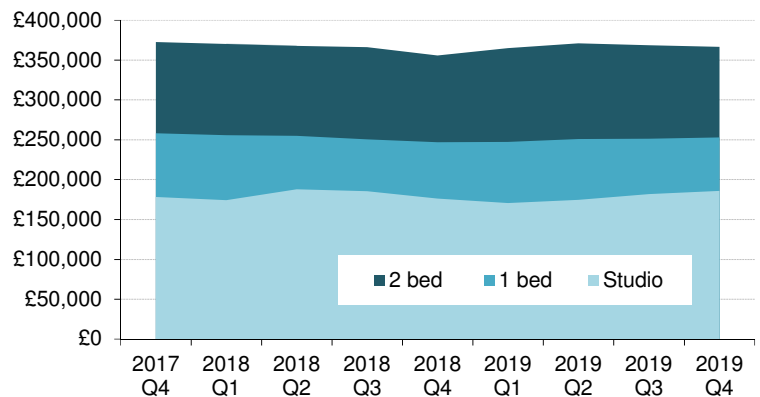
### Annual Average Flat Prices & Inflation

Size	2019 Q4	2018 Q4	Increase
Studio	£185,849	£176,162	+5.5%
1 bed	£252,727	£246,777	+2.4%
2 bed	£366,333	£355,507	+3.0%

### Quarterly Average Flat Prices & Inflation

Size	2019 Q4	2019 Q3	Increase
Studio	£185,849	£181,644	+2.3%
1 bed	£252,727	£251,053	+0.7%
2 bed	£366,333	£368,316	-0.5%

Brighton & Hove Average Cost of a Flat



The annual average advertised asking price for all flats has increased with studio flats showing the greatest increase at +5.5%.

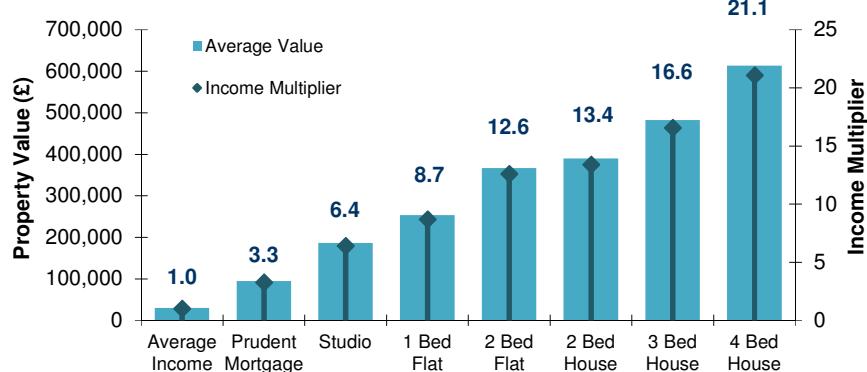
Over the quarter the average advertised asking price for studio and 1-bed flats has increased with studio flats showing the greatest increased at +2.3%. The quarterly average advertised asking price for 2-bed flats has decreased by -0.5%.

## The Affordability of Buying in Brighton & Hove

Historically, mortgage lending has usually been limited to around 3.25 times annual income.

The 2015 Brighton & Hove City Council Objectively Assessed Need for Housing report showed that the average household income in Brighton & Hove was £38,300. However, 33% of households earn below £20,000. The average is affected by the number of very high earners in the city.

**Brighton & Hove**  
Average property prices and income multipliers  
(2019 Q4)



*Brighton & Hove Median Household Income 2015: £29,100 (Brighton & Hove City Council Objectively Assessed Need for Housing report)*

The Median household income (where 50% of households earn less and 50% of households earn more) in the city is £29,100. We have used this median figure to more accurately reflect the pressures on local residents.

In Brighton & Hove the average 1-bed flat costs over 8½ times the median household annual income and 3-bed house costs over 16½ times the median household annual income.

Households on average incomes must have either a sizeable deposit or borrow significantly in excess of prudent mortgage limits in order to buy. If interest rates rise, it could place a serious financial strain on households who have had to borrow large sums in excess of 3.25 times their income, with every 1% increase in interest rates adding around £90 per month to a £150,000 mortgage.

Mortgage interest rates and availability have been improving in recent years. However, deposits of 25% are now the norm rather than 5% required in previous years. As a result, the income required to finance a home has reduced but the deposit requirement has increased significantly.

Monthly Cost of Mortgage Repayments		
	1 bed flat	3 bed house
Purchase value of property	£252,727	£482,061
<b>Deposit 25%</b>	£63,182	£120,515
Total value of mortgage	£189,545	£361,546
<b>Income required*</b>	£58,322	£111,245
Repayment @ 4% **	£1,000	£1,908
Repayment @ 5% **	£1,108	£2,114
Repayment @ 6% **	£1,221	£2,329

\* Based on 3.25 x salary \*\* Based on a 75% repayment mortgage repaid over 25 years

A sufficient mortgage for the average 1-bedroom flat would require an income of over £58,000 per annum with a £63,000 deposit and a 3-bed home requires an income of over £111,000 with a £120,500 deposit.

## Data Tables: Advertised Cost to Buy in Brighton & Hove

HOUSES	2 Bed House	3 Bed House	4 Bed House
<b>Average</b>	<b>£389,514</b>	<b>£482,061</b>	<b>£613,564</b>
Last Quarter (2019 Q3 Jul-Sep)	£388,470	£481,703	£616,235
<i>% Change from last quarter</i>	<i>+0.3%</i>	<i>+0.1%</i>	<i>-0.4%</i>
Last Year (2018 Q4 Oct-Dec)	£380,530	£473,156	£613,856
<i>% Change from last year</i>	<i>+2.4%</i>	<i>+1.9%</i>	<i>0.0%</i>
Highest	£650,000	£850,000	£985,000
Lowest	£215,000	£250,000	£325,000
Half the prices were higher than	£389,950	£475,000	£600,000
Most frequent price	£425,000	£500,000	£700,000
<b>Average of lowest quartile</b>	<b>£340,000</b>	<b>£395,000</b>	<b>£489,950</b>
Last Quarter (2019 Q3 Jul-Sep)	£325,000	£391,250	£500,000
<i>% Change from last quarter</i>	<i>+4.6%</i>	<i>+1.0%</i>	<i>-2.0%</i>
Last Year (2018 Q4 Oct-Dec)	£320,000	£380,000	£500,000
<i>% Change from last year</i>	<i>+6.3%</i>	<i>+3.9%</i>	<i>-2.0%</i>

FLATS	Studio	1 Bed Flat	2 Bed Flat
<b>Average</b>	<b>£185,849</b>	<b>£252,727</b>	<b>£366,333</b>
Last Quarter (2019 Q3 Jul-Sep)	£181,644	£251,053	£368,316
<i>% Change from last quarter</i>	<i>+2.3%</i>	<i>+0.7%</i>	<i>-0.5%</i>
Last Year (2018 Q4 Oct-Dec)	£176,162	£246,777	£355,507
<i>% Change from last year</i>	<i>+5.5%</i>	<i>+2.4%</i>	<i>+3.0%</i>
Highest	£275,000	£525,000	£850,000
Lowest	£120,000	£135,000	£165,000
Half the prices were higher than	£180,000	£250,000	£349,950
Most frequent price	£190,000	£250,000	£325,000
<b>Average of lowest quartile</b>	<b>£165,000</b>	<b>£220,000</b>	<b>£290,000</b>
Last Quarter (2019 Q3 Jul-Sep)	£165,000	£220,000	£290,000
<i>% Change from last quarter</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>
Last Year (2018 Q4 Oct-Dec)	£159,975	£220,000	£280,000
<i>% Change from last year</i>	<i>+3.1%</i>	<i>0.0%</i>	<i>+3.6%</i>

# The Advertised Cost to Rent in Brighton & Hove

## Houses

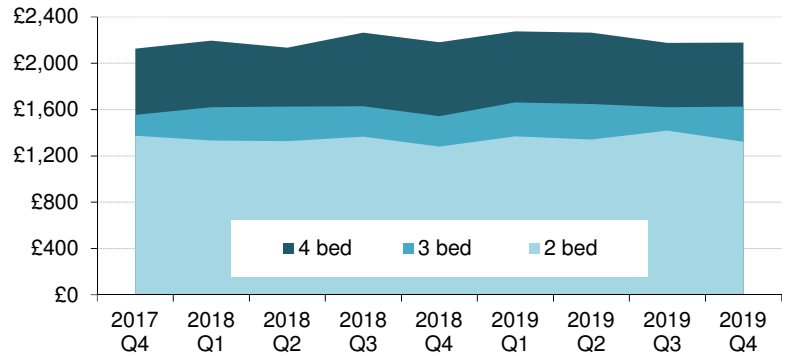
### Annual Average Monthly House Rent & Inflation

Size	2019 Q4	2018 Q4	Increase
2 bed	£1,320	£1,278	+3.3%
3 bed	£1,623	£1,540	+5.4%
4 bed	£2,176	£2,180	-0.2%

### Quarterly Average Monthly House Rent & Inflation

Size	2019 Q4	2019 Q3	Increase
2 bed	£1,320	£1,419	-7.0%
3 bed	£1,623	£1,618	+0.3%
4 bed	£2,176	£2,174	+0.1%

Brighton & Hove  
Average Monthly Cost to Rent a House



The annual average advertised cost of renting 2-bed and 3-bed houses has increased with 3-bed houses showing the greatest increase at +5.4%. The annual average advertised cost of renting a 4-bed has decreased by -0.2%.

The quarterly average advertised cost of renting 3-bed and 4-bed houses has increased with 3-bed houses showing the greatest increase at +0.3%. The quarterly average advertised cost of renting a 2-bed house has decreased by -7.0%.

## Flats

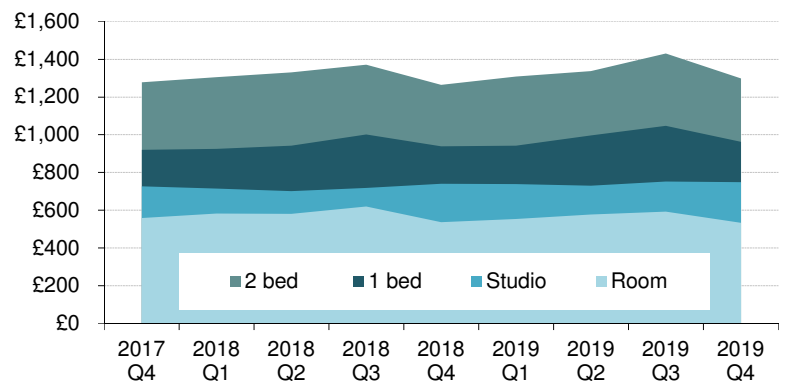
### Annual Average Monthly Flat Rent & Inflation

Size	2019 Q4	2018 Q4	Increase
Room	£533	£537	-0.8%
Studio	£748	£740	+1.1%
1 bed	£961	£938	+2.5%
2 bed	£1,298	£1,264	+2.7%

### Quarterly Average Monthly Flat Rent & Inflation

Size	2019 Q4	2019 Q3	Increase
Room	£533	£592	-10.0%
Studio	£748	£752	-0.5%
1 bed	£961	£1,047	-8.2%
2 bed	£1,298	£1,431	-9.2%

Brighton & Hove  
Average Monthly Cost to Rent a Flat



The annual average advertised cost of renting a flat has increased with 2-bed flats showing the greatest increase at +2.7%, but the annual average advertised cost of renting a room has decreased by -0.8%.

The quarterly average advertised cost of renting a room and all size flats has decreased with rooms showing the greatest decrease at -10.0%.

# The Affordability of Renting in Brighton & Hove

## Rent & Mortgage Comparison

Private Sector Rent Levels and Mortgage Comparison				
Property	Rent Compared to Mortgage *			
	2019 Q4 Average Rent per Month	Equivalent Mortgage	Annual Income Required	Rent as a % of Purchase Cost
Room	£ 533	£91,090	£28,028	not applicable
Studio	£ 748	£127,981	£39,379	68.9%
1 Bed Flat	£ 961	£164,412	£50,588	65.1%
2 Bed Flat	£ 1,298	£222,082	£68,333	60.6%
2 Bed House	£ 1,320	£225,772	£69,468	58.0%
3 Bed House	£ 1,623	£277,612	£85,419	57.6%

\* Assuming a mortgage at 3.25 times income over 25 years with 5% interest

A household renting an average 1-bed flat would be paying £961 per month in rent, which is equivalent to the monthly repayment cost of a £164,412 mortgage. Traditionally, a mortgage of this amount would require an income of £50,588 to finance, 74% above the city average.

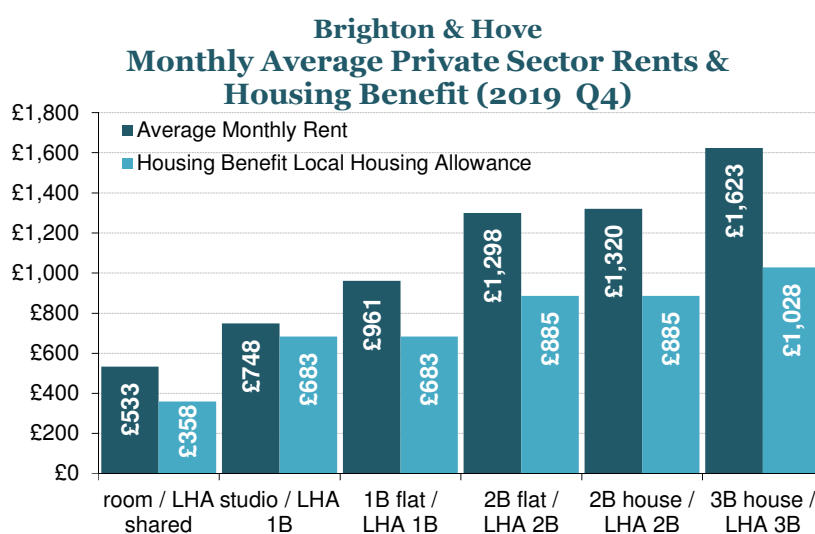
During 2003 rents averaged at around 80% of what a mortgage would be on that home. However, prices have risen quicker than rents resulting in rents now covering around 62% of purchase value, and this is before factoring in managing agent fees, maintenance, and other costs. Buy to Let investors should undertake careful financial appraisals to ensure they will receive sufficient returns.

## Rent & Housing Benefit Comparison

The Local Housing Allowance (LHA) is a standard housing benefit rate based on the number and age of people in the household and the number of rooms that the household needs.

The LHA is a maximum amount payable, which may be reduced due to income and savings.

Despite increases in LHA rates for all but non-shared accommodation in April 2019, the local housing allowance is still less than all average rents which could reduce the chances of those on benefits finding an affordable home.



Note: The housing benefit local housing allowance calculated is only based on the number of bedrooms required, as all tenants are entitled to a kitchen and bathroom.



## Data Tables: Advertised Cost of Renting in Brighton & Hove

HOUSES	2 Bed House	3 Bed House	4 Bed House
<b>Average</b>	<b>£1,320</b>	<b>£1,623</b>	<b>£2,176</b>
Last Quarter (2019 Q3 Jul-Sep)	£1,419	£1,618	£2,174
<i>% Change from last quarter</i>	-7.0%	+0.3%	+0.1%
Last Year (2018 Q4 Oct-Dec)	£1,278	£1,540	£2,180
<i>% Change from last year</i>	+3.3%	+5.4%	-0.2%
Highest	£1,950	£2,800	£3,950
Lowest	£950	£1,195	£1,286
Half the prices were higher than	£1,295	£1,595	£2,167
Most frequent price	£1,200	£1,250	£2,080
<b>Average of lowest quartile</b>	<b>£1,150</b>	<b>£1,400</b>	<b>£1,976</b>
Last Quarter (2019 Q3 Jul-Sep)	£1,250	£1,400	£1,980
<i>% Change from last quarter</i>	-8.0%	0.0%	-0.2%
Last Year (2018 Q4 Oct-Dec)	£1,150	£1,350	£1,750
<i>% Change from last year</i>	0.0%	+3.7%	+12.9%

FLATS	Room	Studio	1 Bed Flat	2 Bed Flat
<b>Average</b>	<b>£533</b>	<b>£748</b>	<b>£961</b>	<b>£1,298</b>
Last Quarter (2019 Q3 Jul-Sep)	£592	£752	£1,047	£1,431
<i>% Change from last quarter</i>	-10.0%	-0.5%	-8.2%	-9.2%
Last Year (2018 Q4 Oct-Dec)	£537	£740	£938	£1,264
<i>% Change from last year</i>	-0.8%	+1.1%	+2.5%	+2.7%
Highest	£750	£1,216	£1,795	£2,600
Lowest	£300	£450	£650	£895
Half the prices were higher than	£542	£750	£925	£1,250
Most frequent price	£500	£750	£950	£1,250
<b>Average of lowest quartile</b>	<b>£498</b>	<b>£685</b>	<b>£865</b>	<b>£1,100</b>
Last Quarter (2019 Q3 Jul-Sep)	£542	£695	£825	£1,250
<i>% Change from last quarter</i>	-8.1%	-1.4%	+4.8%	-12.0%
Last Year (2018 Q4 Oct-Dec)	£499	£675	£825	£1,100
<i>% Change from last year</i>	-0.2%	+1.5%	+4.8%	0.0%

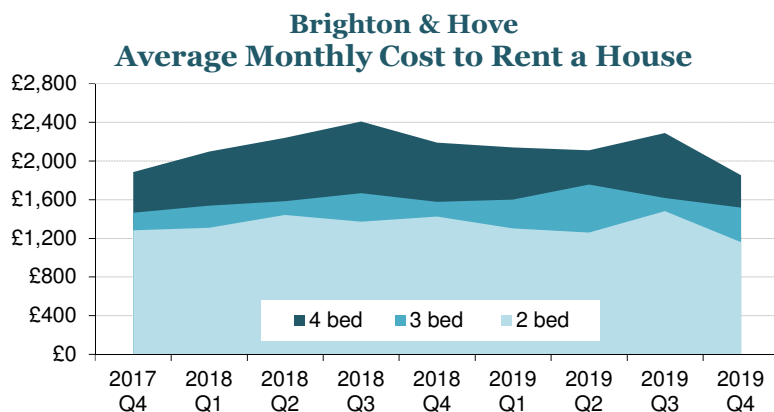
## Gumtree: Advertised cost to rent in Brighton & Hove

### Houses

Annual Average Monthly House Rent & Inflation			
Size	2019 Q4	2018 Q4	Increase
2 bed	£1,159	£1,422	-18.5%
3 bed	£1,518	£1,577	-3.8%
4 bed	£1,851	£2,189	-15.4%

Quarterly Average Monthly House Rent & Inflation			
Size	2019 Q4	2019 Q3	Increase
2 bed	£1,159	£1,482	-21.8%
3 bed	£1,518	£1,616	-6.1%
4 bed	£1,851	£2,290	-19.1%



The annual average advertised cost of renting a house has decreased with 2-bed houses showing the greatest decrease at -18.5%.

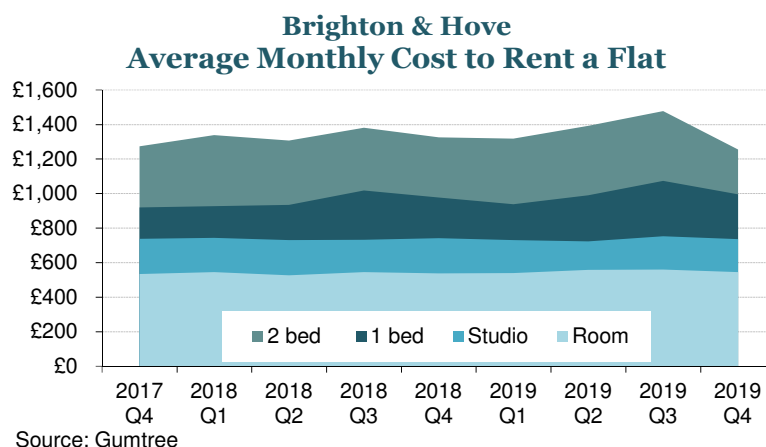
The quarterly average advertised cost of renting a house has decreased with 2-bed houses showing the greatest decrease at -21.8%.

### Flats

Annual Average Flat Prices & Inflation			
Size	2019 Q4	2018 Q4	Increase
Room	£544	£537	+1.4%
Studio	£736	£741	-0.8%
1 bed	£994	£976	+1.9%
2 bed	£1,255	£1,325	-5.3%

Quarterly Average Flat Prices & Inflation			
Size	2019 Q4	2019 Q3	Increase
Room	£544	£559	-2.7%
Studio	£736	£753	-2.2%
1 bed	£994	£1,073	-7.4%
2 bed	£1,255	£1,478	-15.1%



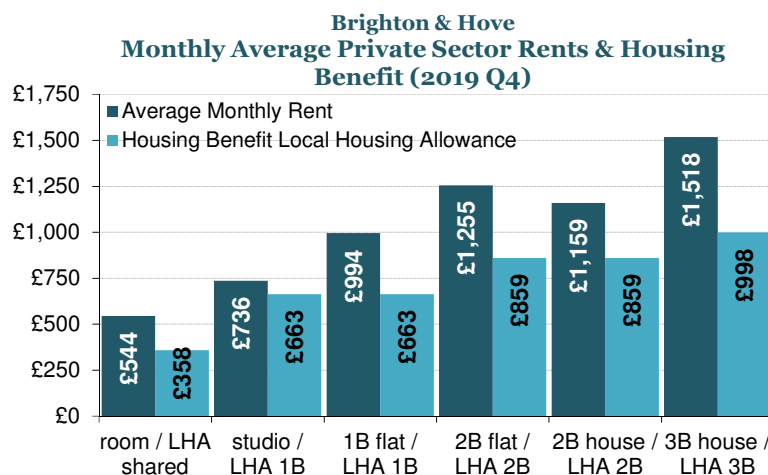
The annual average advertised cost of renting a room and a 1-bed flat has increased but the annual average advertised cost of renting a studio and 2-bed flat has decreased.

The quarterly average advertised cost of renting a room and flats has decreased with 2-bed flats showing the greatest decrease at -15.1%.

### Rent & Housing Benefit Comparison

The Local Housing Allowance (LHA) is a standard housing benefit rate based on the number and age of people in a household and the number of rooms that the household needs. It is a maximum amount payable, which may be reduced due to income and savings.

Despite increases in LHA rates for all but non-shared accommodation in April 2019, it is still less than all average rents.



Note: The housing benefit local housing allowance calculated is only based on the number of bedrooms required, as all tenants are entitled to a kitchen and bathroom.

## Comparison between Gumtree and Rightmove: Advertised Cost of Renting in Brighton & Hove

### Houses

HOUSES	Gumtree			Rightmove		
	2 Bed House	3 Bed House	4 Bed House	2 Bed House	3 Bed House	4 Bed House
<b>Average</b>	<b>£1,159</b>	<b>£1,518</b>	<b>£1,851</b>	<b>£1,320</b>	<b>£1,623</b>	<b>£2,176</b>
Last Quarter (2019 Q3 Jul-Sep)	£1,482	£1,616	£2,290	£1,419	£1,618	£2,174
% Change from last quarter	-21.8%	-6.1%	-19.1%	-7.0%	+0.3%	+0.1%
Last Year (2018 Q4 Oct-Dec)	£1,422	£1,577	£2,189	£1,278	£1,540	£2,180
% Change from last year	-18.5%	-3.8%	-15.4%	+3.3%	+5.4%	-0.2%
Highest	£1,450	£2,695	£3,500	£1,950	£2,800	£3,950
Lowest	£800	£1,250	£1,300	£950	£1,195	£1,286
Half the prices were higher than	£1,200	£1,450	£1,800	£1,295	£1,595	£2,167
Most frequent price	£1,250	£1,500	£2,000	£1,200	£1,250	£2,080
<b>Average of lowest quartile</b>	<b>£995</b>	<b>£1,350</b>	<b>£1,550</b>	<b>£1,150</b>	<b>£1,400</b>	<b>£1,976</b>
Last Quarter (2019 Q3 Jul-Sep)	£1,195	£1,350	£2,100	£1,250	£1,400	£1,980
% Change from last quarter	-16.7%	0.0%	-26.2%	-8.0%	0.0%	-0.2%
Last Year (2018 Q4 Oct-Dec)	£1,125	£1,450	£1,870	£1,150	£1,350	£1,750
% Change from last year	-11.6%	-6.9%	-17.1%	0.0%	+3.7%	+12.9%

### Flats

FLATS	Gumtree				Rightmove			
	Room	Studio	1 Bed Flat	2 Bed Flat	Room	Studio	1 Bed Flat	2 Bed Flat
<b>Average</b>	<b>£544</b>	<b>£736</b>	<b>£994</b>	<b>£1,255</b>	<b>£533</b>	<b>£748</b>	<b>£961</b>	<b>£1,298</b>
Last Quarter (2019 Q3 Jul-Sep)	£559	£753	£1,073	£1,478	£592	£752	£1,047	£1,431
% Change from last quarter	-2.7%	-2.2%	-7.4%	-15.1%	-10.0%	-0.5%	-8.2%	-9.2%
Last Year (2018 Q4 Oct-Dec)	£537	£741	£976	£1,325	£537	£740	£938	£1,264
% Change from last year	1.4%	-0.8%	1.9%	-5.3%	-0.8%	+1.1%	+2.5%	+2.7%
Highest	£758	£995	£1,995	£2,300	£750	£1,216	£1,795	£2,600
Lowest	£300	£500	£650	£880	£300	£450	£650	£895
Half the prices were higher than	£550	£748	£950	£1,250	£542	£750	£925	£1,250
Most frequent price	£600	£650	£950	£1,250	£500	£750	£950	£1,250
<b>Average of lowest quartile</b>	<b>£500</b>	<b>£669</b>	<b>£850</b>	<b>£1,100</b>	<b>£498</b>	<b>£685</b>	<b>£865</b>	<b>£1,100</b>
Last Quarter (2019 Q3 Jul-Sep)	£500	£675	£900	£1,250	£542	£695	£825	£1,250
% Change from last quarter	0.0%	-0.9%	-5.6%	-12.0%	-8.1%	-1.4%	+4.8%	-12.0%
Last Year (2018 Q4 Oct-Dec)	£480	£680	£850	£1,150	£499	£675	£825	£1,100
% Change from last year	+4.2%	-1.7%	0.0%	-4.3%	-0.2%	+1.5%	+4.8%	0.0%

# Valuation Office Agency

## Statistics on rents paid for private rented properties in the City

The following information is taken from data collected by the Valuation Office Agency on rents paid for properties in the city's private rented sector. The data is based on a sample of rental information. Although this sample changes over time, it still provides an indication of changes in the rental market.

The charts and tables compare the 12-month period from 1 October 2018 to 30 September 2019 to the previous 12-month period from 1 October 2017 to 30 September 2018.

Period	Sample Size						Total
	Rooms	Studios	1 beds	2 beds	3 beds	4+ beds	
1 Oct 17 - 30 Sep 18	150	260	990	1,120	480	800	3,800
1 Oct 18 - 30 Sep 19	70	260	990	1,160	460	540	3,480

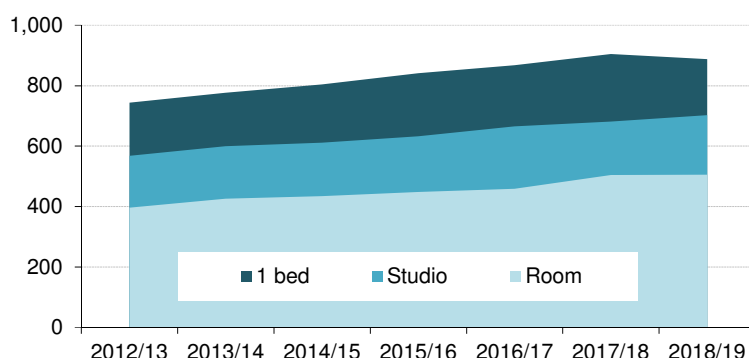
### Average rent paid

When comparing the sample data, there has been an increase in the average rent paid for rooms, studios and 4-bed properties but a decrease in the average rent paid for 1-bed, 2-bed and 3-bed properties.

#### Single People and Couples

Annual Average Monthly Rent & Inflation			
Size	2018/19	2017/18	Increase
Room	£506	£504	+0.4%
Studio	£703	£681	+3.2%
1 bed	£888	£905	-1.9%

Brighton & Hove Average Monthly Cost

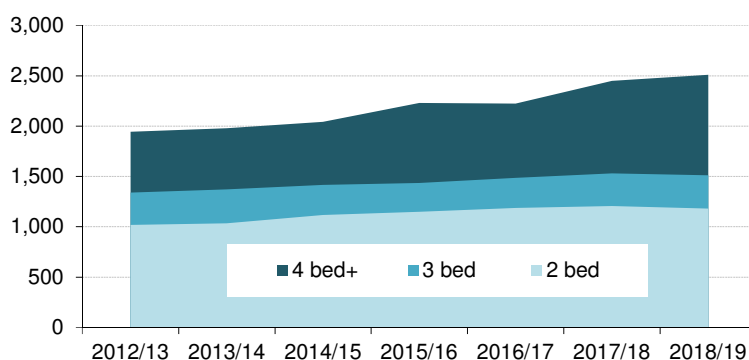


Source: VOA

#### Families and larger households

Annual Average Monthly Rent & Inflation			
Size	2018/19	2017/18	Increase
2 bed	£1,180	£1,207	-2.2%
3 bed	£1,510	£1,529	-1.2%
4 bed+	£2,511	£2,448	+2.6%

Brighton & Hove Average Monthly Cost



Source: VOA

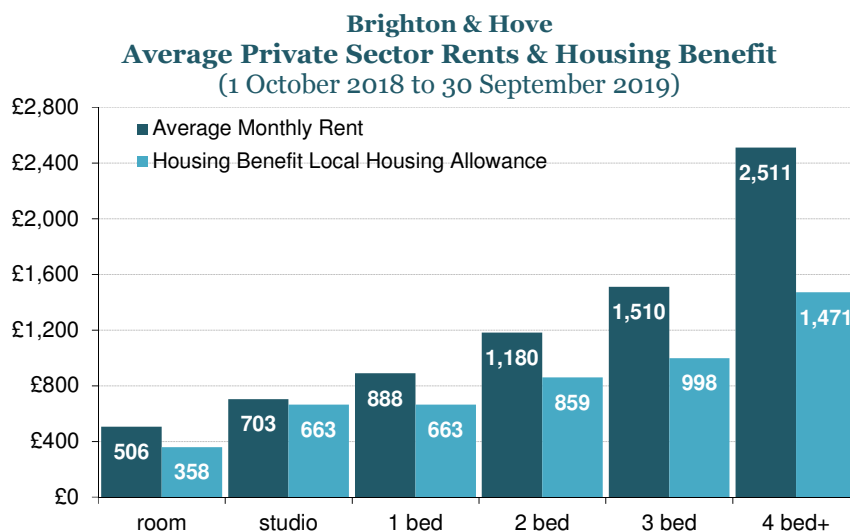
## Valuation Office Agency (continued)

### Rent & Housing Benefit Comparison

The Local Housing Allowance (LHA) is a standard housing benefit rate based on the number and age of people in the household and the number of rooms that the household needs.

The LHA is a maximum amount payable, which may be reduced due to income and savings.

The local housing allowance<sup>1</sup> is less than all average rents which could reduce the chances of those on benefits finding an affordable home.



Note: The housing benefit local housing allowance calculated is only based on the number of bedrooms required, as all tenants are entitled to a kitchen and bathroom.

### Annual Comparisons

The table shows the annual changes in the rents paid for properties in the city; comparing the average, median, and upper and lower quartiles<sup>2</sup>

	Room	Studio	1-Bed	2-Bed	3-Bed	4-Bed+
<b>Average</b>	<b>£506</b>	<b>£703</b>	<b>£888</b>	<b>£1,180</b>	<b>£1,510</b>	<b>£2,511</b>
Last Year (1 Oct 2018 – 30 Sep 2019)	£504	£681	£905	£1,207	£1,529	£2,448
% Change from last year	+0.4%	+3.2%	-1.9%	-2.2%	-1.2%	2.6%
<b>Half the prices were higher than (median)</b>	<b>£498</b>	<b>£700</b>	<b>£875</b>	<b>£1,155</b>	<b>£1,467</b>	<b>£2,423</b>
Last Year (1 Oct 2018 – 30 Sep 2019)	£507	£670	£875	£1,175	£1,500	£2,329
% Change from last year	-1.8%	+4.5%	0.0%	-1.7%	-2.2%	+4.0%
<b>Upper quartile</b>	<b>£585</b>	<b>£750</b>	<b>£950</b>	<b>£1,295</b>	<b>£1,650</b>	<b>£3,120</b>
Last Year (1 Oct 2018 – 30 Sep 2019)	£575	£725	£950	£1,300	£1,650	£2,817
% Change from last year	+1.7%	+3.4%	0.0%	-0.4%	0.0%	+10.8%
<b>Lower quartile</b>	<b>£445</b>	<b>£650</b>	<b>£800</b>	<b>£1,000</b>	<b>£1,300</b>	<b>£1,974</b>
Last Year (1 Oct 2018 – 30 Sep 2019)	£425	£620	£800	£1,045	£1,350	£1,993
% Change from last year	+4.7%	+4.8%	0.0%	-4.3%	-3.7%	-1.0%

<sup>1</sup> Using LHA rates from April 2018 - shared accommodation £358, 1-bed £663, 2-bed property £859, 3-bed £998, 4-bed £1,471 per month

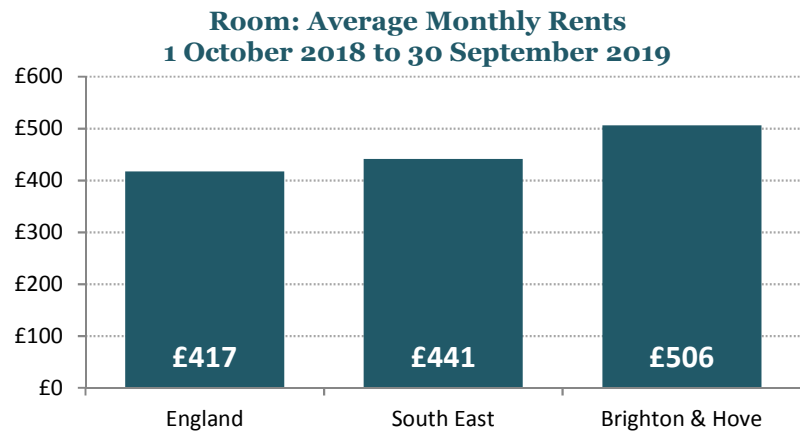
<sup>2</sup> The upper quartile has the top 25% of rents above it and the lower quartiles has the bottom 25% of rents below it

## Valuation Office Agency (continued)

The charts compare the average monthly rents in England, the South East and Brighton & Hove

### Room

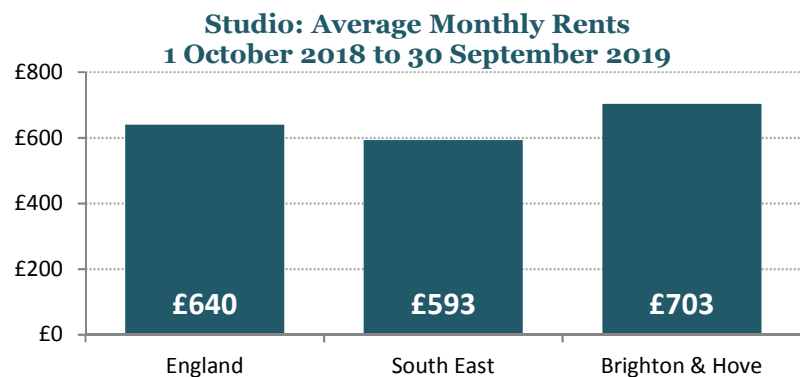
The average monthly cost to rent a room in Brighton & Hove was 21% higher than England and 15% higher than South East



Source: VOA

### Studio

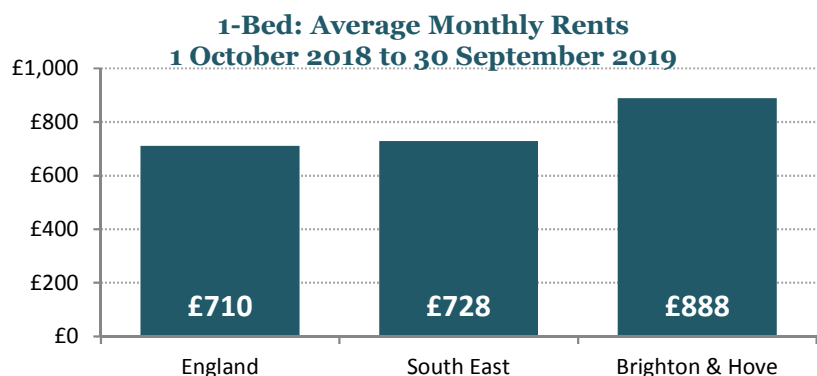
The average monthly cost to rent a studio property in Brighton & Hove was 10% higher than England and 19% higher than South East



Source: VOA

### 1-bed

The average monthly cost to rent a property with 1 bedroom in Brighton & Hove was 25% higher than England and 22% higher than South East

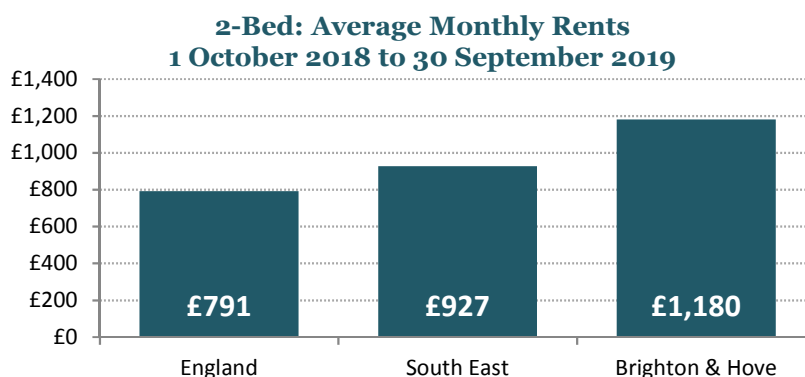


Source: VOA

## Valuation Office Agency (continued)

### 2-bed

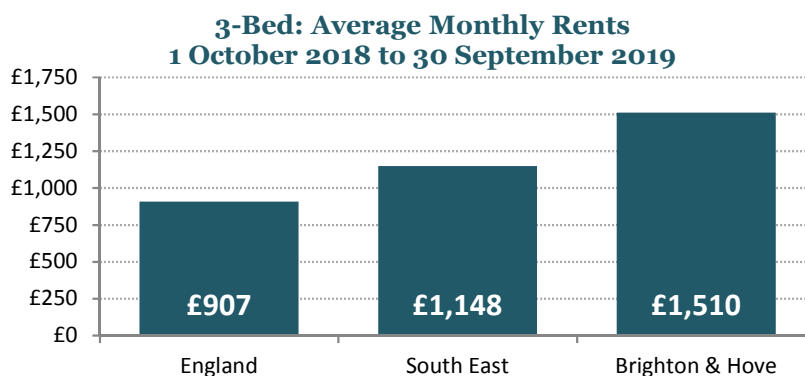
The average monthly cost to rent a property with 2 bedrooms in Brighton & Hove was 49% higher than England and 27% higher than South East



Source: VOA

### 3-bed

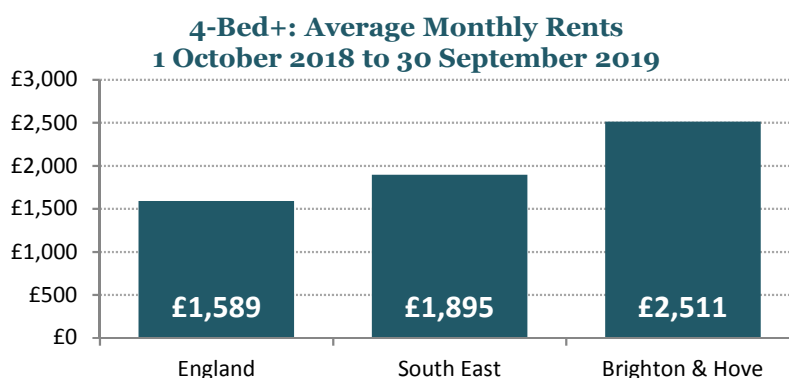
The average monthly cost to rent a property with 3 bedrooms in Brighton & Hove was 66% higher than England and 32% higher than South East



Source: VOA

### 4-bed+

The average monthly cost to rent a property with 4 or more bedrooms in Brighton & Hove was 58% higher than England and 33% higher than South East.



Source: VOA

## Comparison with the Consumer Price Index and Retail Price Index

The charts compare the average annual rent inflation in Brighton & Hove, England and the South East to the Consumer Price Index (CPI) and Retail Price Index (RPI) over a five year period from 1 October 2012 to 30 September 2019.

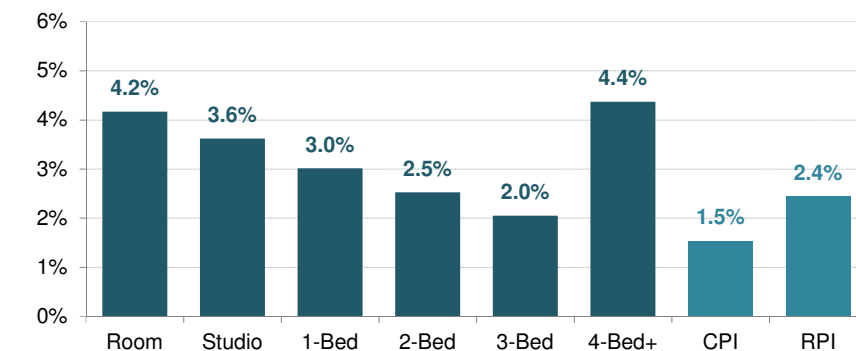
### Brighton & Hove

With the exception of 3-bed properties the average cost to rent has increased at a greater rate than the CPI and RPI indices.

With the exception of 3-bed properties the average cost to rent in the city has increased at a greater rate than England.

With the exception of 2-bed and 3-bed properties the average cost to rent in the city has increased at the same or greater rate than in the South East.

Brighton & Hove  
Average annual advertised rental price inflation:  
1 October 2012 to 30 September 2019



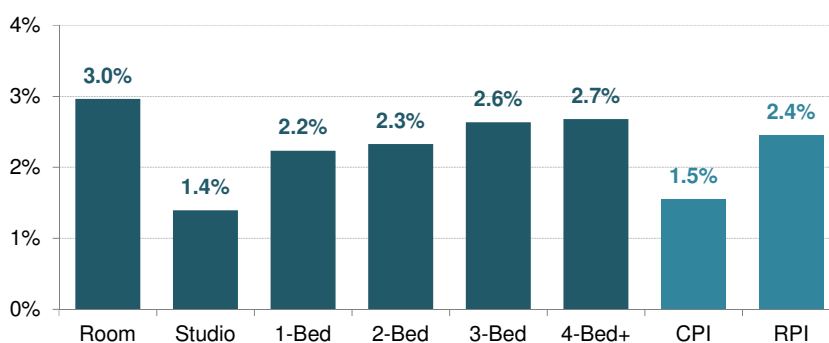
Source: VOA

### England

With the exception of studios, the average cost to rent has increased at a greater rate than the CPI index.

The average cost to rent a room, 3-bed and 4-bed property has increased at a greater rate than the RPI.

England  
Average annual advertised rental price inflation:  
1 October 2012 to 30 September 2019



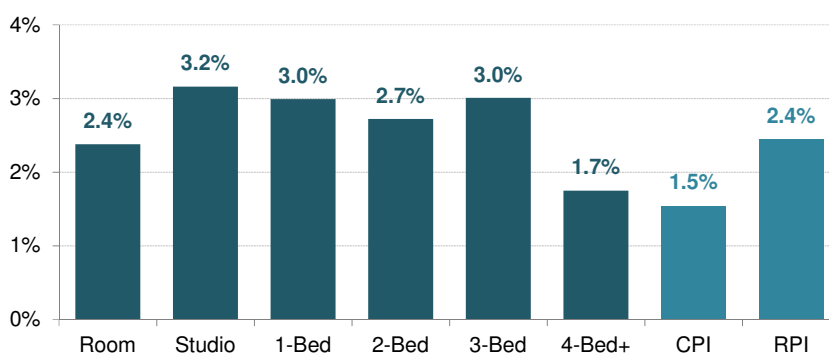
Source: VOA

### South East

The average cost to rent has increased at a greater rate than the CPI index.

With the exception of 4-bed+ properties the average cost to rent has increased at a greater rate than the RPI index or at the same rate.

South East  
Average annual advertised rental price inflation:  
1 October 2012 to 30 September 2019



Source: VOA



## Renting a Room in Brighton & Hove

The charts below show the average advertised monthly cost of renting a room in the city, either as part of a shared house or as a lodger. The data was taken from the Sparreroom website on a monthly basis and many of the rents included bills.

In 2019 the average monthly advertised rent for the city was £567 which was an annual increase of 1.0%. An average of 696 rooms were advertised each month; an annual increase of 28.7%.

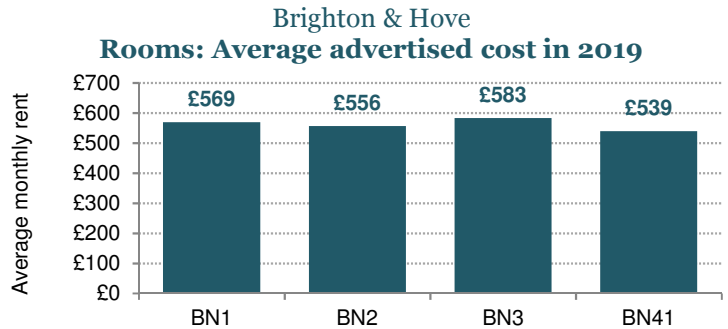
The annual average monthly cost to rent a room increased in three of the city's postal districts, with the greatest increase in BN41.

In BN3 the annual average monthly cost to rent a room decreased by -0.8%

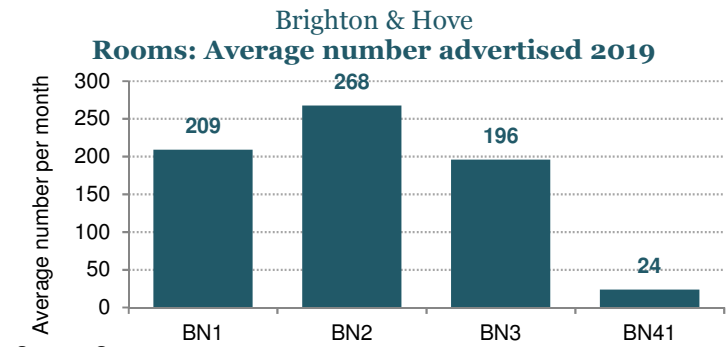
% Change from 2018			
BN1	BN2	BN3	BN41
+2.0%	+1.6%	-0.8%	+4.0%

There was an annual increase in the average number of rooms advertised in all of the city's postal districts, with the greatest increase in BN2.

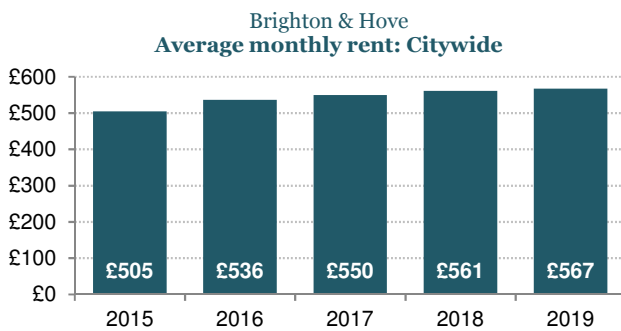
% Change from 2018			
BN1	BN2	BN3	BN41
+26.0%	+37.8%	+23.3%	+7.2%



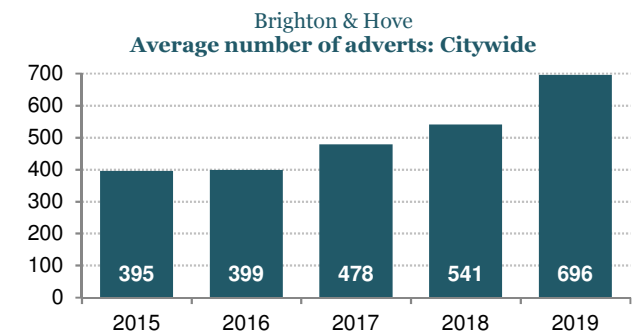
Source: Sparreroom



Source: Sparreroom



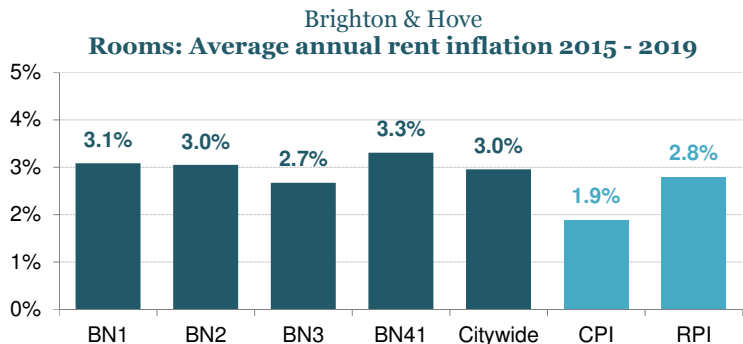
Source: Sparreroom



Source: Sparreroom

The chart shows the average annual inflation for the advertised price of renting a room and compares this with the CPI and RPI annual inflation.

The annual inflation across the city has increased at a greater rate than the CPI index. With the exception of BN3 the annual inflation has increased at a greater rate than RPI index.



Source: Sparreroom and ONS Consumer Price Indices

**Di Hughes**

Housing Strategy & Enabling Manager

t: +44 (0)1273 293159

**Sue Garner-Ford**

Strategy & Performance Officer

t: +44 (0)1273 293055

# Housing Strategy Team

Brighton & Hove City Council

Housing Centre,

Unit 1 Fairway Trading Estate

Eastergate Road, Brighton, BN2 4QL

t: 01273 293055

e: [housing.strategy@brighton-hove.gov.uk](mailto:housing.strategy@brighton-hove.gov.uk)



Brighton & Hove  
City Council