# Rents outpacing pay as England renters face accelerating affordability crisis



Renters in England are facing a fast‑worsening affordability squeeze, official figures published this week show. According to the Office for National Statistics’ private rental affordability bulletin for the financial year ending 2024, tenants on median incomes in England would spend 36.3% of their earnings on an average‑priced privately rented home — a rise from 34.2% the previous year — with London the most pressured region where the average share reaches 41.6% and average rents sit at about £1,957 a month.

The ONS measure uses a 30% rent‑to‑income threshold as an affordability benchmark; the new data show that threshold being breached across swathes of the country and that the problem is particularly acute in London. All of the capital’s 32 local authority areas were above the 30% affordability line for eight of the nine financial years to 2024, and the ten least affordable council areas are all in London — led by Kensington and Chelsea, where someone on a median income would spend around 74.3% of gross pay on rent, followed by Westminster, Wandsworth and Camden.

Outside the capital, several urban centres and commuter belts are also well above the ONS affordability benchmark. The bulletin and contemporaneous industry analysis highlight Bristol, Bath and North East Somerset, Brighton and Trafford among the least affordable areas, while places with significant commuter populations such as Sevenoaks and Watford are registering particularly high rent‑to‑income ratios. By contrast, the north east remains the most affordable English region, with average private rents around £641 a month — roughly 19.8% of median income — and Wales and Northern Ireland show broadly lower ratios on the ONS metric.

The immediate driver is clear in the statistics: rents have been rising faster than incomes. The ONS notes that a period in 2022/23 when wages rose more quickly temporarily eased pressure, but since then the balance has shifted back and the ratio of rent to income has deteriorated. Financial press analysis says rising mortgage and financing costs, together with reduced rental supply and policy uncertainty, are underpinning those upward pressures.

Industry surveys point to how that dynamic operates on the ground. The Royal Institution of Chartered Surveyors’ lettings surveys have recorded steep falls in new rental instructions and a sustained shortage of available stock, while agents continue to report strong tenant demand — a combination that tends to push rents higher as fewer properties come to market. Commentary from market analysts adds that higher costs and regulation are prompting many private landlords to reduce portfolios or sell, further tightening supply.

Campaign groups and housing charities say the human consequences are mounting. Tom Darling, director of the Renters’ Reform Coalition, told The Guardian the figures “show that the biggest issue facing renters — the cost of their rent — isn’t going away any time soon,” and warned that without limits on in‑tenancy increases millions will be effectively pushed from their homes. The coalition’s published analysis argues the government’s current reforms fall short and urges measures such as a national rental affordability commission and tighter controls on rent rises to prevent what it calls economic evictions.

Joseph Elliott, lead analyst at the Joseph Rowntree Foundation, told The Guardian that high rents are “locking people out of secure homes and driving poverty and homelessness,” and the foundation has pressed ministers to end uncertainty over the Local Housing Allowance (LHA), re‑linking benefits to local rental markets and increasing the supply of social housing to tackle the structural drivers of high private rents.

Market commentators echo the warning about shrinking choice. Sarah Coles, head of personal finance at Hargreaves Lansdown, told The Guardian that landlords are “continuing to sell up — concerned about higher costs from more regulation and more tax,” which leaves “more tenants chasing dwindling numbers of properties, so rents are continuing to rise.” Her firm’s analysis highlights how reduced landlord instructions and refinancing pressures have helped push up private rents even as wages have also increased.

Taken together, the ONS figures and industry data point to an affordability problem that is now national in scale and likely to persist unless policymakers act. RICS’ market commentary suggests further upward pressure on rents if supply continues to shrink, while campaigners urge a mix of immediate protections for tenants and longer‑term measures to boost social and affordable housing. The debate now centres on whether the government will prioritise regulatory levers to constrain rents, step up housing benefit support, or focus on increasing supply — a choice with profound implications for millions of households who already spend a rising share of their incomes on rent.

### 📌 Reference Map:

* Paragraph 1 – [[1]](https://www.theguardian.com/money/2025/aug/18/tenants-in-england-spending-unaffordable-36-of-income-on-rent-shows-survey), [[2]](https://www.ons.gov.uk/peoplepopulationandcommunity/housing/bulletins/privaterentalaffordabilityengland/2024), [[3]](https://www.ft.com/content/5a66c37c-ebdb-4f14-8869-8ebe651d4ffc)
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* Paragraph 5 – [[6]](https://www.rics.org/news-insights/market-surveys/market-survey-subscriptions/residential-market-survey), [[3]](https://www.ft.com/content/5a66c37c-ebdb-4f14-8869-8ebe651d4ffc), [[5]](https://www.hl.co.uk/news/buy-to-letdown-unveiling-the-challenges-and-pension-potential-of-buy-to-let-and-alternative-income-strategies)
* Paragraph 6 – [[1]](https://www.theguardian.com/money/2025/aug/18/tenants-in-england-spending-unaffordable-36-of-income-on-rent-shows-survey), [[4]](https://rentersreformcoalition.co.uk/millions-renters-could-be-evicted-through-economic-evictions-loophole)
* Paragraph 7 – [[1]](https://www.theguardian.com/money/2025/aug/18/tenants-in-england-spending-unaffordable-36-of-income-on-rent-shows-survey), [[7]](https://www.jrf.org.uk/news/jrf-calls-for-government-to-end-uncertainty-over-lha-at-the-budget)
* Paragraph 8 – [[1]](https://www.theguardian.com/money/2025/aug/18/tenants-in-england-spending-unaffordable-36-of-income-on-rent-shows-survey), [[5]](https://www.hl.co.uk/news/buy-to-letdown-unveiling-the-challenges-and-pension-potential-of-buy-to-let-and-alternative-income-strategies)
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## Bibliography

1. <https://www.theguardian.com/money/2025/aug/18/tenants-in-england-spending-unaffordable-36-of-income-on-rent-shows-survey> - Please view link - unable to able to access data
2. <https://www.ons.gov.uk/peoplepopulationandcommunity/housing/bulletins/privaterentalaffordabilityengland/2024> - This Office for National Statistics statistical bulletin (released 18 August 2025) presents the private rental affordability measure for the financial year ending 2024. It reports that private renters on median incomes in England would spend 36.3% of their income on an average-priced rented home, versus 25.9% in Wales and 25.3% in Northern Ireland. London is the least affordable region (41.6%, average rent £1,957), with Kensington and Chelsea the least affordable local authority (74.3%). The bulletin notes the North East is most affordable (19.8%, rent £641), that all 32 London local authorities were above the 30% threshold for eight of nine years, and gives local authority breakdowns and methodology.
3. <https://www.ft.com/content/5a66c37c-ebdb-4f14-8869-8ebe651d4ffc> - The Financial Times report analyses the ONS private rental affordability release and highlights the sharp fall in rental affordability in England. It records the headline 36.3% rent-to-income ratio for 2024 and explains how rents rose faster than incomes, pushing many areas above the ONS 30% affordability threshold. The piece examines regional variation, notes particularly acute pressures in London and some urban centres such as Bath, Bristol and Trafford, and outlines market drivers including higher mortgage and financing costs, falling rental supply and policy uncertainty. The article summarises expert reaction calling for policy responses to the affordability crisis.
4. <https://rentersreformcoalition.co.uk/millions-renters-could-be-evicted-through-economic-evictions-loophole> - The Renters’ Reform Coalition published analysis and commentary warning that renters will continue to face de facto evictions through unaffordable rent increases unless legislation addresses in‑tenancy rises. The page summarises polling and modelling showing many renters would be forced to move by typical rent increases and criticises limits in proposed reforms. It quotes the coalition’s campaign leads urging a cap on in‑tenancy rises and proposes a national commission on rental affordability and stronger protections. The coalition calls for measures to prevent rent-driven displacement and for the government to go further than the renters’ rights legislation alone.
5. <https://www.hl.co.uk/news/buy-to-letdown-unveiling-the-challenges-and-pension-potential-of-buy-to-let-and-alternative-income-strategies> - A Hargreaves Lansdown commentary examines pressures on the buy‑to‑let market and consequences for renters. Sarah Coles (Head of Personal Finance / senior analyst at Hargreaves Lansdown) is quoted describing a severe squeeze on tenants as rents rise and landlords face higher costs and regulatory changes. The piece outlines reasons landlords are selling or reducing portfolios — tax and cost burdens, regulatory uncertainty and refinancing pressures — and explains how diminished rental stock and strong tenant demand push rents higher. It highlights tenants’ reduced disposable income and the difficulty renters face saving or progressing to homeownership.
6. <https://www.rics.org/news-insights/market-surveys/market-survey-subscriptions/residential-market-survey> - The Royal Institution of Chartered Surveyors (RICS) residential market survey pages, including the July 2025 survey, show trends in the lettings market: a steep fall in new rental instructions and a sustained shortage of rental stock, with tenant demand steady or rising. RICS monthly releases and commentary report large net balances of agents citing declines in landlord instructions — the most pronounced since the early Covid period in some months — and expectation of further rent rises as supply tightens. RICS analysis and contributor comments underline how landlord exits and shrinking availability are fuelling rental affordability pressures.
7. <https://www.jrf.org.uk/news/jrf-calls-for-government-to-end-uncertainty-over-lha-at-the-budget> - This Joseph Rowntree Foundation briefing and news note sets out JRF analysis on the inadequacy of Local Housing Allowance (LHA) and the role of high rents in driving poverty. JRF points to rising private rents and shows how freezes or misalignment in housing support push low‑income renters further into hardship, urging the government to permanently re‑link LHA to local rents. The piece summarises evidence that many private renters are in poverty because of housing costs and calls for policy action to protect households, increase social housing and tackle the structural causes of unaffordable private rents.