# **Housing Dashboard** January 2023

## Demand – Sales[1]

### Highlights

***Data covers 6-month period prior to the stated month (the latest data is for Jan 22 to July 22) and is updated biannually – next release late Spring 2023.***

*This data has been backdated to adjust to Land Registry updates. The latest 6-monthly data (dotted) should be read as a lag in Land Registry sales recording.*

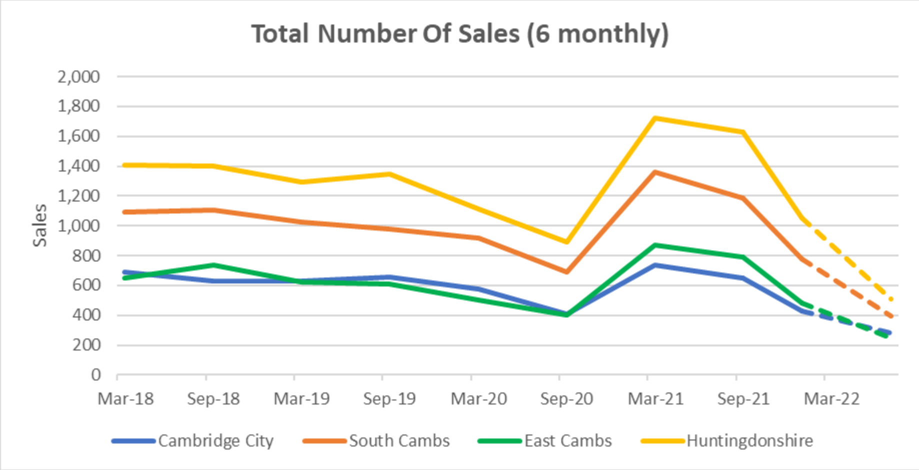
- All districts show similar trend since March '21, with a fall in total sales. There is a stark drop from September '21 to January '22 – about 57-58% in Cambridge and South Cambridgeshire. This matches the national pattern.

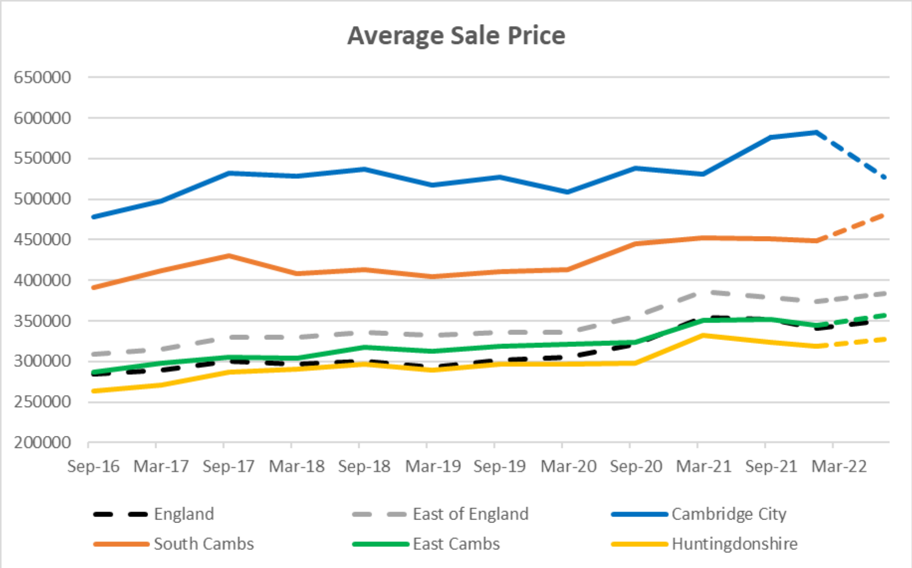
- The average sale price between September '21 and January '22 remained steady. In January '22 it was £582,562 in Cambridge City and £448,470 in South Cambridgeshire.
- Early signs show that the average price of a home in Cambridge sold for nearly 10% less in July '22 than January '22, bucking a regional trend of continued upward price growth in that period.
- In South Cambridgeshire meanwhile shows an indicative growth of 7% between January '22 and July '22.

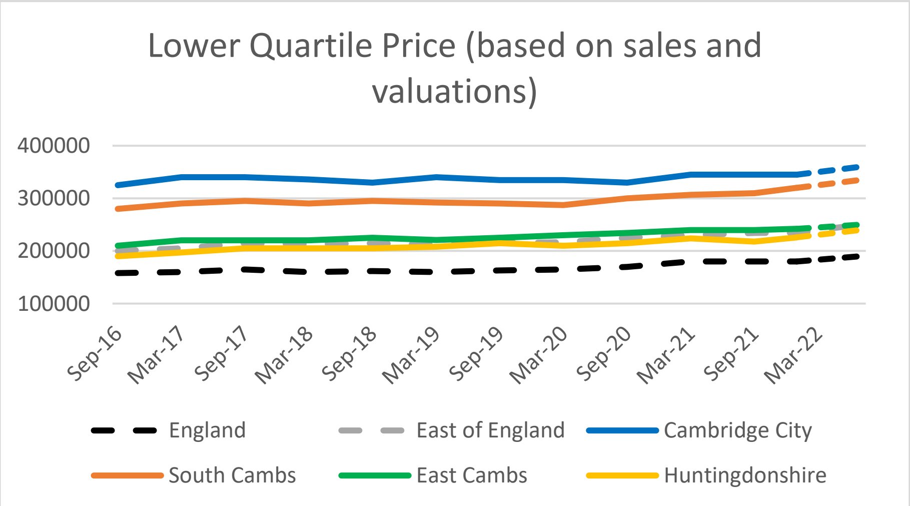
*The lower quartile price reflects the cheapest 25% of the market and is sometimes used as a guide to 'entry level' prices.*

- The average lower quartile price in January '22 was £345,000 in Cambridge City and £320,000 in South Cambridgeshire. This demonstrates a narrowing in price difference in comparison to the last quarter.

- In South Cambridgeshire, the lower quartile price rose 6.3% in the year to January '22, the highest rate in our region.




[1] Cambridgeshire Insight Housing Market Bulletin October 2022 *using* HM Land Registry, England & Wales, Hometrack data (p. 7-9).

# **Housing Dashboard** January 2023

## Demand – Private Lettings[2]

### Highlights

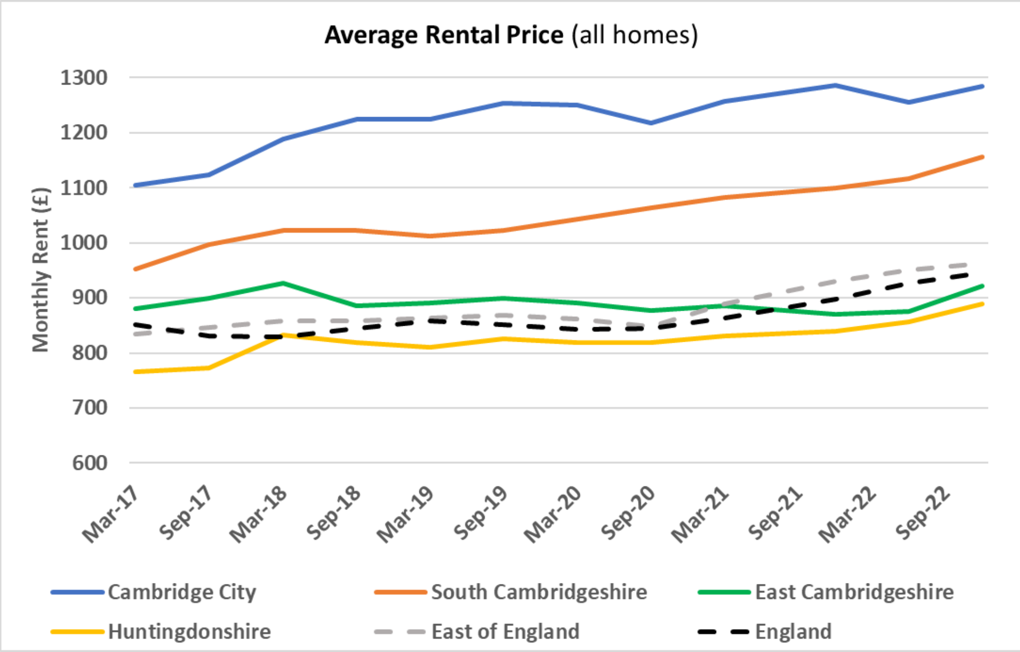
***Data covers 12-month period prior to the stated month (i.e., latest data is for October 21 to Sept. 22) and is updated biannually - next release June 2023.***

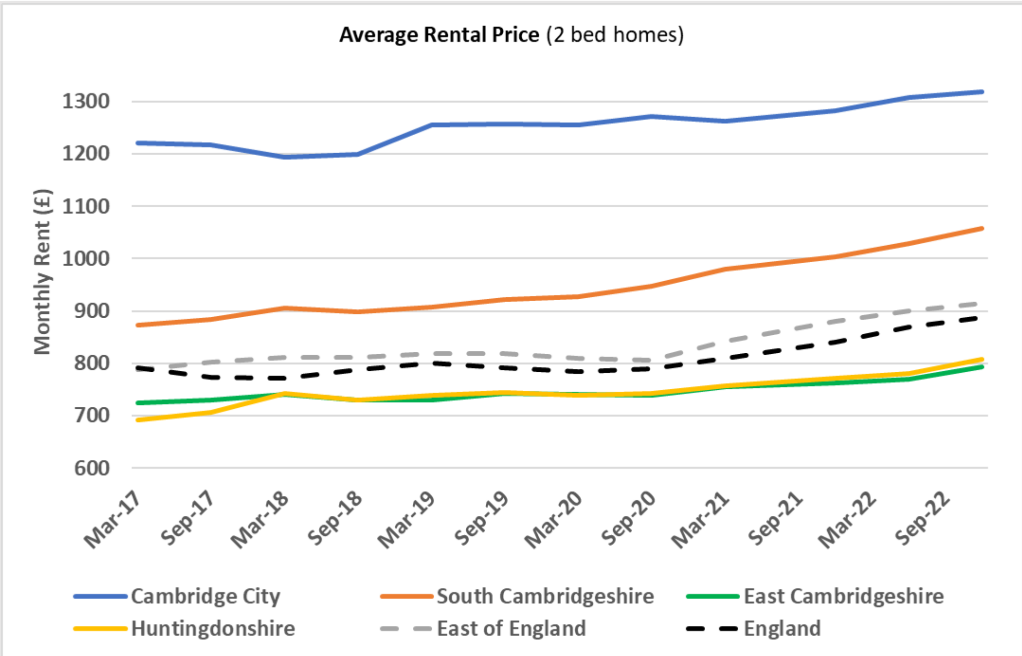
The average rental price across all properties in Cambridge City was £1285pcm in the year to September 2022, and £1156pcm in South Cambridgeshire.

Rental prices increased across all districts the latest data compared to the previous 6-month period. The % change was greatest in East Cambs (5%).

The average rental price of a 2-bed home in Cambridge City was £1318pcm in the year to Sept. 2022.

The average rental price of a 2-bed home in South Cambridgeshire was £1057pcm in the year to Sept. 2022.




### RICS UK Residential Market Survey November 2022

- *Kevin Burt-Gray MRICS, Cambridge, Pocock and Shaw:* Sales market activity has fallen away with only motivated sellers and purchasers entering the arena. Values adjusting downwards with the premiums obtained in early 2022 being eroded.
- *Mark Wood MRICS, Cambridge, Blues Property:* The economic situation has more or less stopped new market activity, sales already agreed with fixed rate mortgages agreed prior to interest rate rises are still progressing, although price renegotiation is necessary to keep some sales together.
- *Peter Moakes FRICS, Ely:* Still affected by proximity to Cambridge, and nature of price fall-off as you move away from Cambridge.

[2] ONS Private Rental Market Summary Statistics, RICS UK Residential Market Survey, November 22

# **Housing Dashboard** January 2023

**Supply -** Compared to Local Plan requirements[3]

## Highlights

***Data covers 1 year period (April to March) and is updated annually – next release November 2023.***

Across the last 10 years of delivery since 2012:

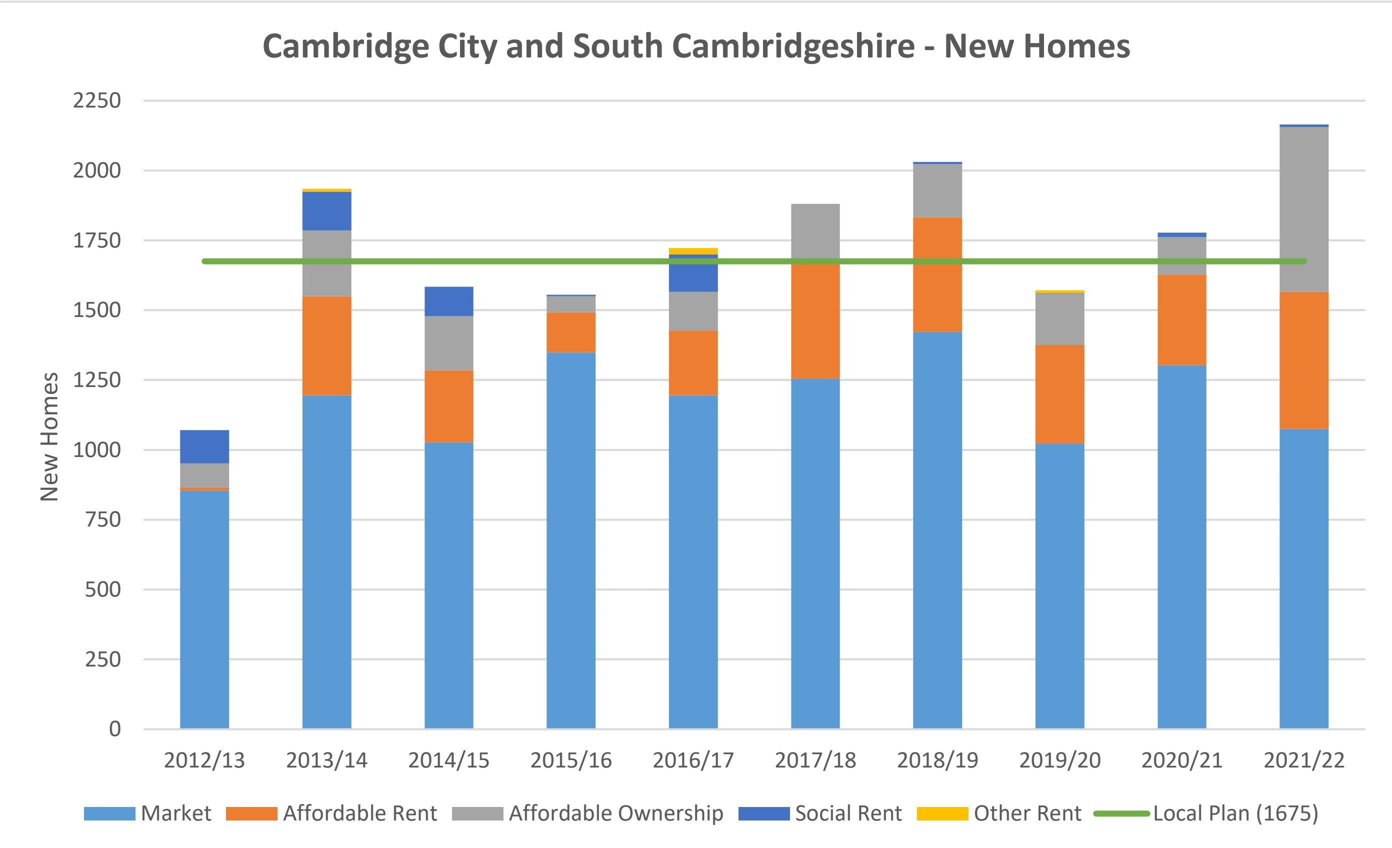
- Cambridge City Council area has surpassed its local plan requirement – delivering an average of 811 new homes per annum against a plan requirement of 700 (average delivery rate).
- The South Cambridgeshire area has fallen short of its local plan requirement – delivering an average of 885 new homes per annum against a plan requirement of 975 (average delivery rate).
- Collectively the two districts have delivered an average of 1695 new homes per annum against a collective plan requirement of 1675.

Delivery of new homes was mixed between both districts over the last 3 years. In total, it surpasses local plan requirements:

- Cambridge City Council area has delivered an average of 506 new homes per annum.
- The South Cambridgeshire area has delivered an average of 1219 new homes per annum.

Future planned delivery:

- Cambridge City Council have agreed a programme to build 1000 council homes in the next ten years (and nearly 2000 homes in total).




| | | '12/13 | '13/14 | '14/15 | '15/16 | '16/17 | '17/18 | '18/19 | '19/20 | '20/21 | '21/22 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Net of supply new homes** | City and South | 1071 | 1934 | 1584 | 1555 | 1723 | 1881 | 2031 | 1571 | 1726 | 1826 |
| | Camb City | 484 | 1298 | 715 | 884 | 1178 | 1152 | 877 | 464 | 400 | 613 |
| | South Cambs | 587 | 636 | 869 | 671 | 545 | 729 | 1154 | 1107 | 1326 | 1213 |
| **Social Rent** | City and South | 119 | 138 | 105 | 6 | 134 | 0 | 8 | 2 | 15 | 10 |
| | Camb City | 55 | 123 | 84 | 0 | 87 | 0 | 2 | 2 | 8 | 0 |
| | South Cambs | 64 | 15 | 21 | 6 | 47 | 0 | 6 | 0 | 7 | 10 |
| **Affordable Rent** | City and South | 12 | 354 | 258 | 143 | 231 | 414 | 410 | 352 | 324 | 490 |
| | Camb City | 0 | 246 | 111 | 127 | 201 | 323 | 219 | 69 | 97 | 164 |
| | South Cambs | 12 | 108 | 147 | 16 | 30 | 91 | 191 | 283 | 227 | 326 |
| **Affordable Ownership** | City and South | 86 | 237 | 194 | 57 | 139 | 212 | 191 | 184 | 135 | 590 |
| | Camb City | 21 | 168 | 125 | 23 | 116 | 180 | 115 | 31 | 53 | 164 |
| | South Cambs | 65 | 69 | 69 | 34 | 23 | 32 | 76 | 153 | 82 | 87 |
| **Market** | City and South | 854 | 1195 | 1027 | 1349 | 1196 | 1255 | 1422 | 1023 | 1303 | 1075 |
| | Camb City | 408 | 751 | 395 | 734 | 751 | 649 | 541 | 352 | 282 | 285 |
| | South Cambs | 446 | 444 | 632 | 615 | 445 | 606 | 881 | 671 | 1021 | 790 |

[3] MHCLG, Live Tables 123, 1006C, 1006aC, 1007C, 1008C. Cambridge City and South Cambridgeshire Local Plans

# **Housing Dashboard** January 2023

**Supply -** Compared to employment growth[4]

## Highlights

***Data is updated annually – next release of employment growth data March 2023***

- Over the last 6-year period to 2021, employment has grown by 5.9%, so that 32,259 new jobs have been created in the Greater Cambridge area (based on CBR data), compared to 10,538 new dwellings. NB. Employment figures count global job creations, not just those of people based in Cambridge.
- ONS projections show that the average household size in the East of England is 2.41, and for Greater Cambridge 2.44[5]. Based on this average the new homes built over the last 6 years would accommodate 25,713 people.
- According to the Greater Cambridge Housing Strategy 78% of Greater Cambridge workers both live and work in Greater Cambridge.
- Even allowing for housing growth outside the Greater Cambridge area, for those that travel in to work, these figures suggest that housing supply is failing to keep pace with job creation. Over time this will continue to exacerbate housing affordability pressures and continue to extend the Cambridge travel to work area.
- Census data from 2021 shows that population in Cambridge has grown by 17.6% since 2011, which apart from Bedford (17.7%), makes it the authority with the highest population growth outside of London.

## Employment growth compared to new dwellings: Greater Cambridge

| **3 - year period (2017-18 to 2020-21)** | | |
|---|---|---|
| | Total | % pa change |
| Employment Growth - CBR | 12,533 | 4.1 |
| Employment Growth - BRES | | 3.4 |
| New Dwellings | 5,379 | 1.4 |

| **6 - year period (2014-15 to 2020-21)** | | |
|---|---|---|
| | Total | % pa change |
| Employment Growth - CBR | 32,259 | 5.9 |
| Employment Growth - BRES | | 3.1 |
| New Dwellings | 10,538 | 1.4 |

[4] MHCLG, Live Tables 100. Cambridge Cluster Insights, 2022; ONS Household Projections for England. Greater Cambridge Housing Strategy 2019 – 23.

[5] ONS (2022) – NB: the next ONS revision of household size at the local authority level will be in March 2023.

# **Housing Dashboard** January 2023

## Homelessness and Rough Sleeping[6]

### Homelessness

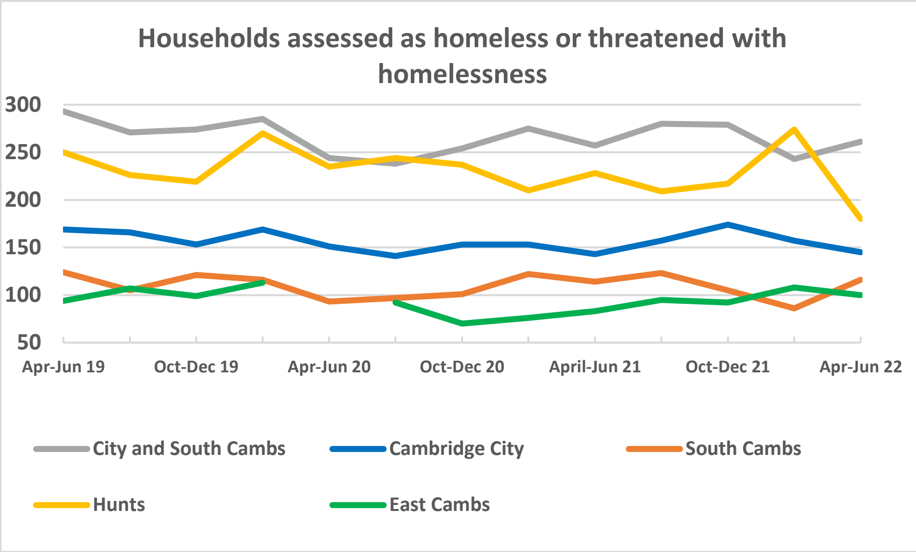
***Data covers stated 3-month period. The latest data is for April to June 2022 and is updated quarterly. Next release February 2023.***

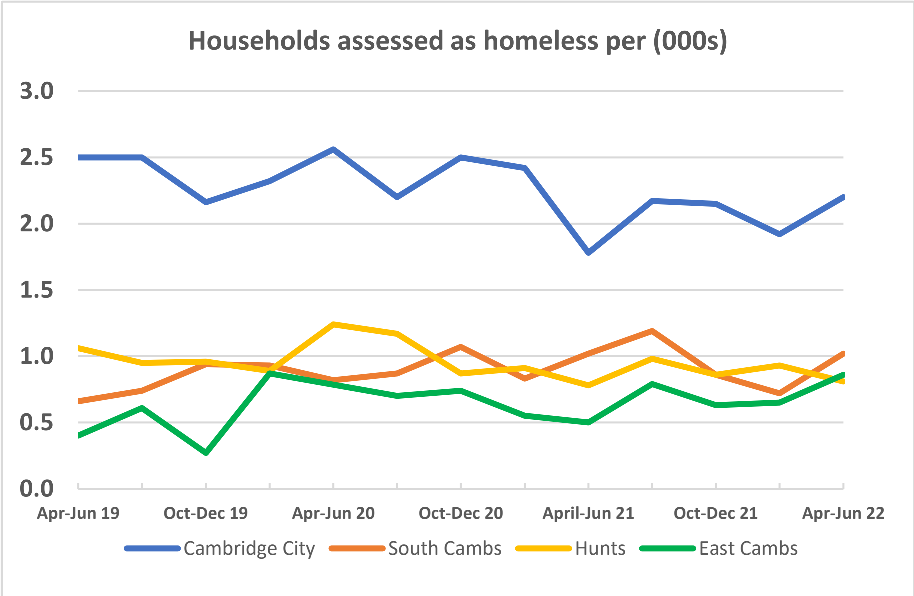
261 households were initially assessed as homeless or threatened with homelessness and owed a statutory prevention and relief duty across Cambridge City and South Cambridgeshire, representing a 1.1% drop on the previous 12-month average.

Of these, 163 households were assessed as homeless, and therefore owed a relief duty across Cambridge City and South Cambridgeshire, representing a 7.2% increase on the previous 12-month average.

The remaining 98 households were initially assessed as threatened with homelessness and therefore owed a prevention duty across Cambridge City and South Cambridgeshire, representing a 15.2% drop on the previous 12-month average.

On 31 June 2022 the number of households in temporary accommodation in Cambridge City and South Cambs was 207, up 17.6% on the previous 12-month average.

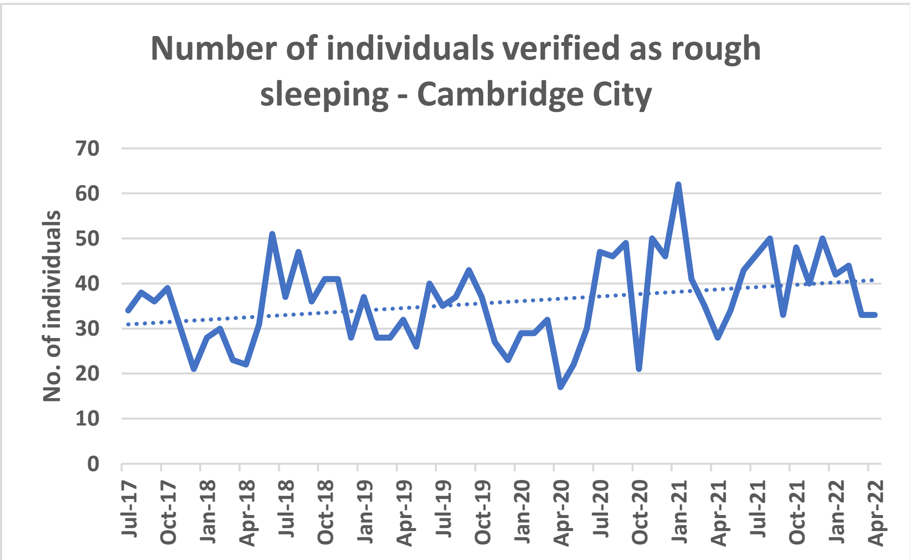



### Rough Sleeping

Figures show rough sleeping individuals assessed by the Street Outreach Team. There are additional individuals who may have been rough sleeping but were not assessed. Some people may appear in more than one month.

During April 2020 the number of individuals verified as rough sleeping in Cambridge City reached a 3-year low point of 17. These figures need to be seen in the context of implementing the national 'Everyone In' campaign to get rough sleepers off the streets as a response to the Covid-19 pandemic.




[6] MHCLG Statutory Homelessness Statistics, [Cambridge City Council Strategic Housing Key Facts]

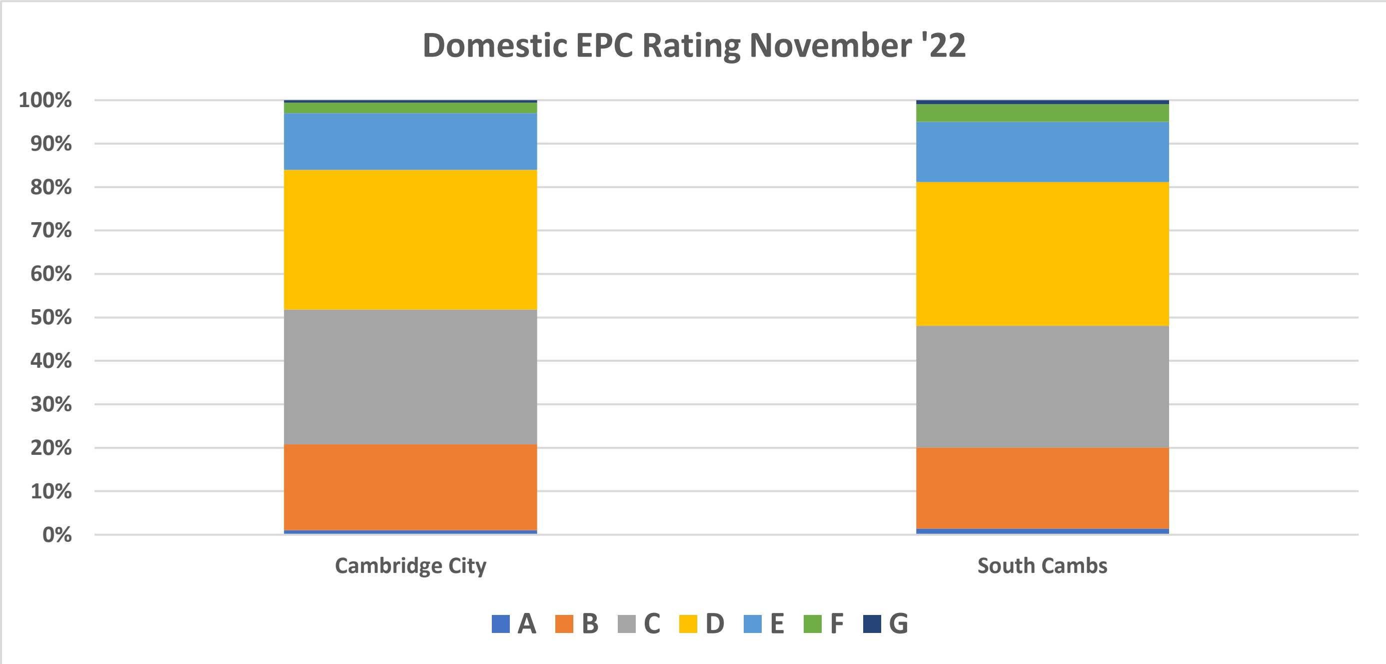
# **Housing Dashboard** January 2023

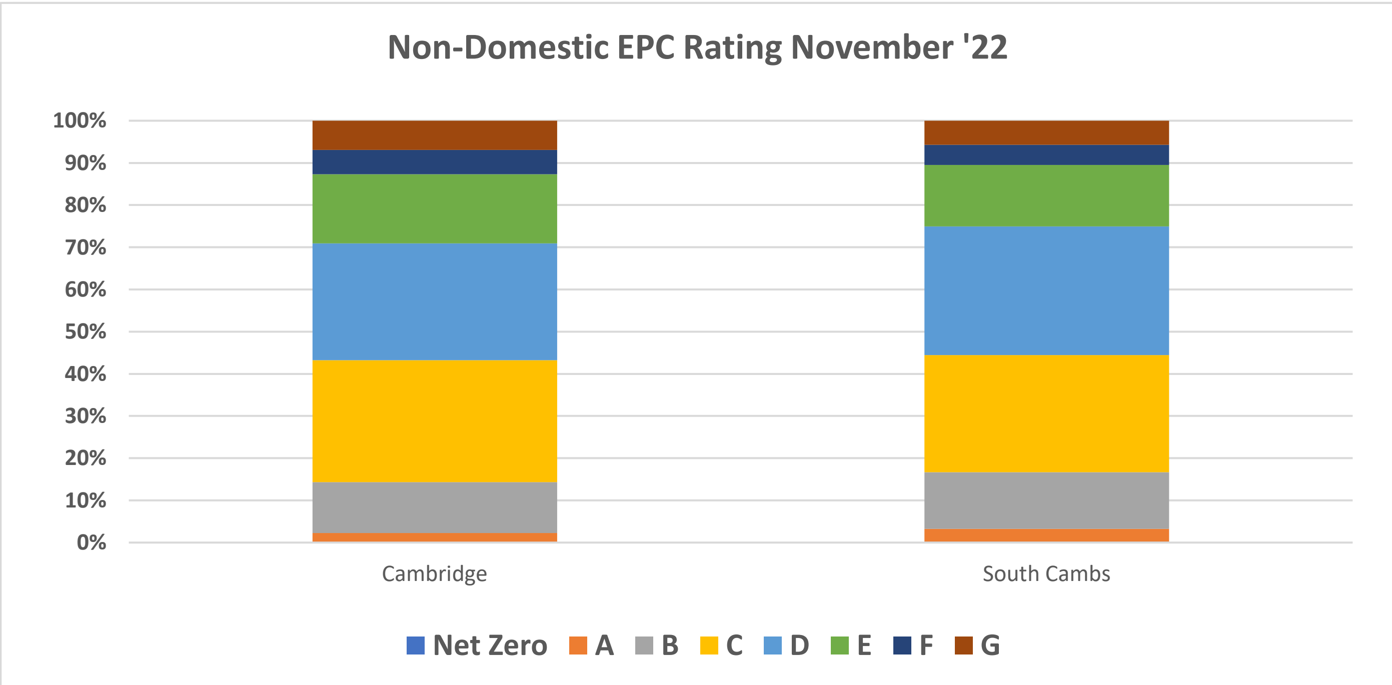
**EPC Rating – Domestic and Non-Domestic Buildings**[7]

## Highlights

The Government's Energy White Paper proposes that all domestic buildings should be rated EPC 'C' or above by 2035. They also plan to set regulatory standards so that privately rented homes will need to be EPC 'C' by 2028. The Cambridgeshire and Peterborough Independent Climate Commission found that energy use in our homes accounts for almost a quarter of overall emissions in our region.

At present, domestic buildings have better overall EPC ratings than non-domestic buildings in both Cambridge City and South Cambs. 51.8% of EPCs in Cambridge City have an EPC 'C' rating or higher, compared to 48% in South Cambridgeshire. In both, this proportion has increased since December 2021 (15.7% and 46.2%). The number of EPCs logged online represents 91.5% and 89.9% of domestic properties in Cambridge and South Cambridgeshire respectively.[8,9]




[7] Department for Levelling Up, Housing & Communities, Energy Performance of Buildings Register

[8] Total property count calculated using: Valuation Office Agency, Sept. 2022, [Council Tax: stock of properties, 2022.]

[9] NB. DLUHC's Register contains duplicate or multiple EPC ratings for some properties. Figures should therefore be read as an indication of the state of housing stock in our area.

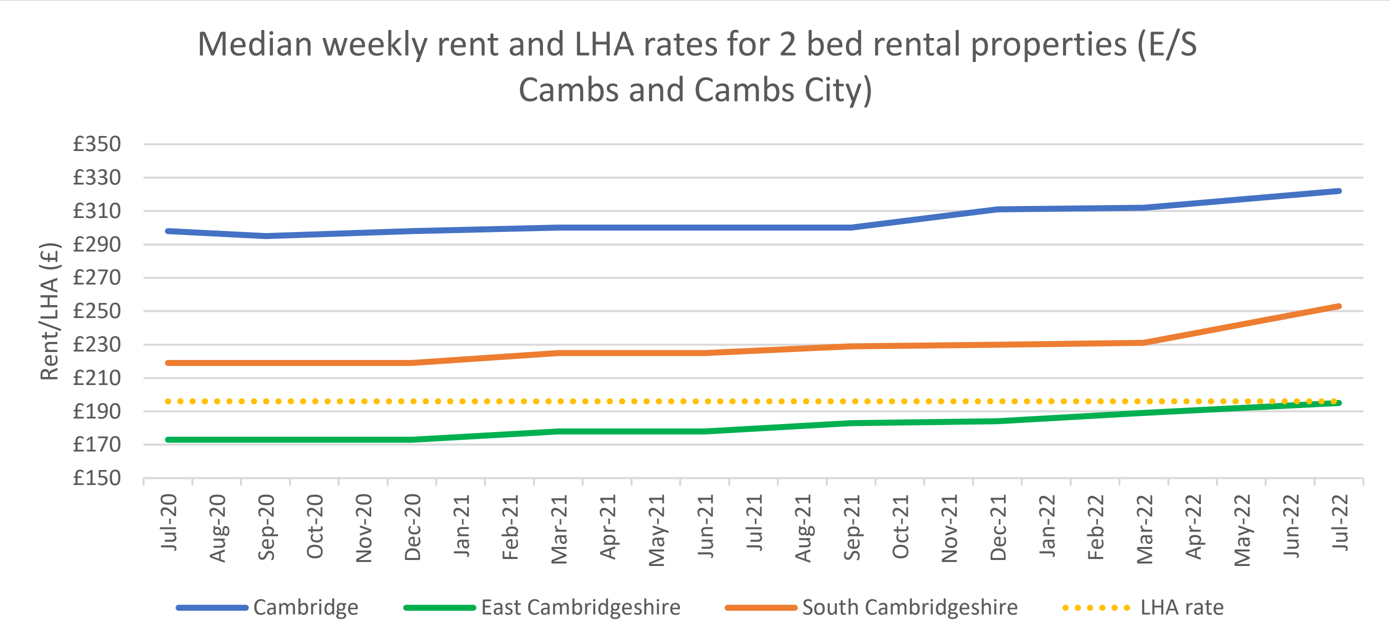
# **Housing Dashboard** January 2023

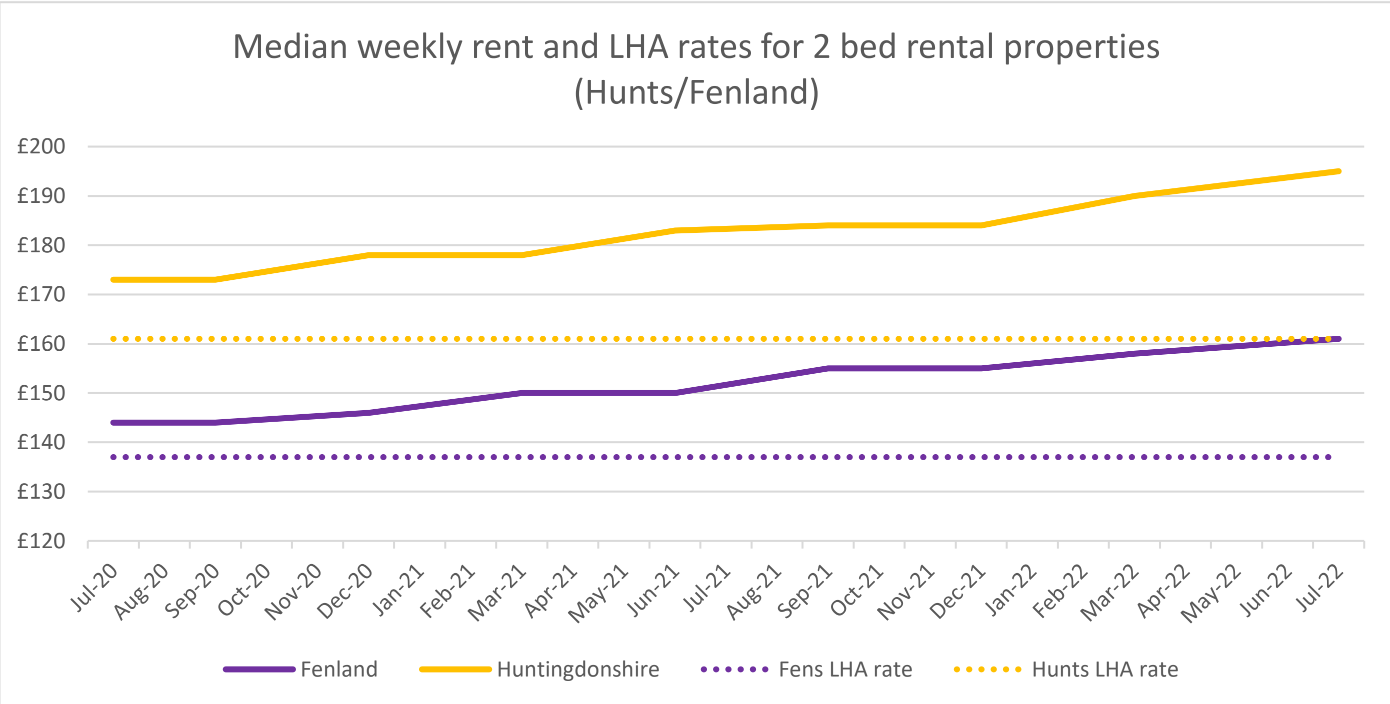
## Average rent compared to Local Housing Allowance

### Highlights

*Local Housing Allowance (LHA) is a method of calculating housing benefits for people in the private rented sector. LHA rates are based on the 'market rental area' someone lives in and the composition of their household. LHAs are set by government.*

- Across Cambridgeshire, average (median) rent rose for every size of private rented accommodation between July 2020 and July 2022.
- Cambridge is the most expensive place to rent in the region, with an average weekly rent of £298 in July 2020 rising to £322 in July 2022. This is significantly higher than the average in the East of England (£230) and the whole of England (£253).
- The Local Housing Allowance has been frozen since April 2020 - £196 per week for a 2 bed in Cambridge, East Cambridgeshire, and South Cambridgeshire.
- Lower quartile rent for a two bed in Cambridge is £1,150 a month, meaning there is a shortfall of £300 a month between the LHA (£784) and the average rent for the cheapest 25% of rental properties. For comparison, lower quartile rent in Oxford is £1,153 and the LHA rate is £912.50 per month, leaving a shortfall of £240.50.[10] [11]




10 ONS Private Rental Market Summary Statistics
11 Oxford City Council Local Housing Allowance Rates

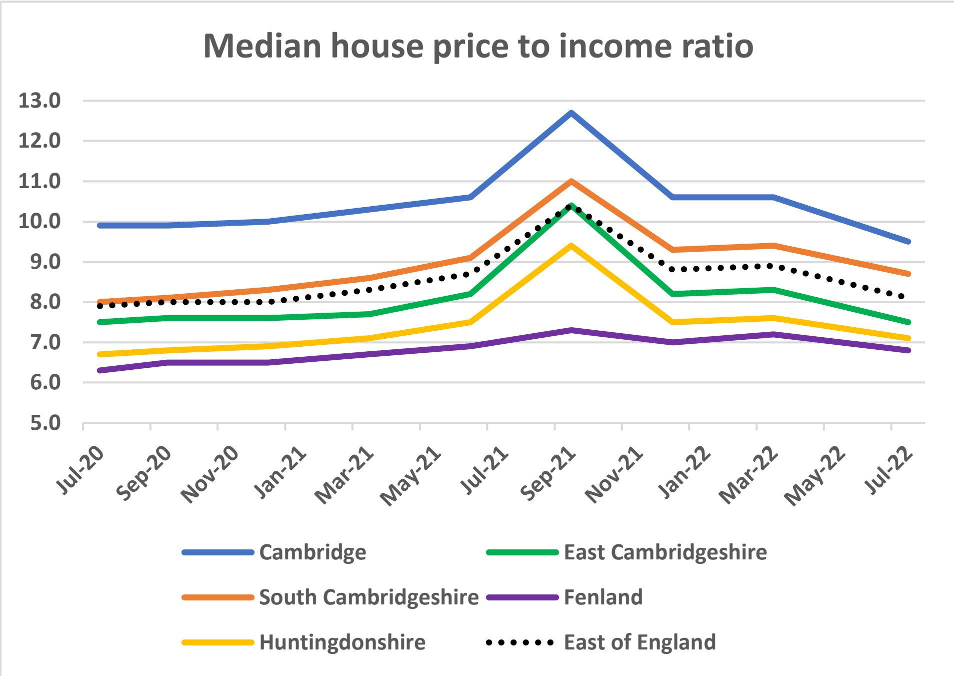
# **Housing Dashboard** January 2023

## Affordability ratios: median income to median house price[12]

### Highlights

*Affordability ratios compare income or earnings to house prices to give an impression of how affordable it is to purchase a home in a particular area. There are a range of different ways of calculating affordability ratios, with the most common looking at median income compared to median house price.*

- In Cambridge, the median house price is roughly ten times the median income. This ratio has fluctuated over the past two years, reaching a high of 12.7 in September 2021.
- This reflects a pattern across the region, with the median house price to median income ratio peaking in September 2021 across Cambridge, East Cambridgeshire, South Cambridgeshire, Huntingdonshire, and Fenland.
- In Cambridge and South Cambridgeshire, the median house price to income ratio is higher than the average for the East of England across this period.

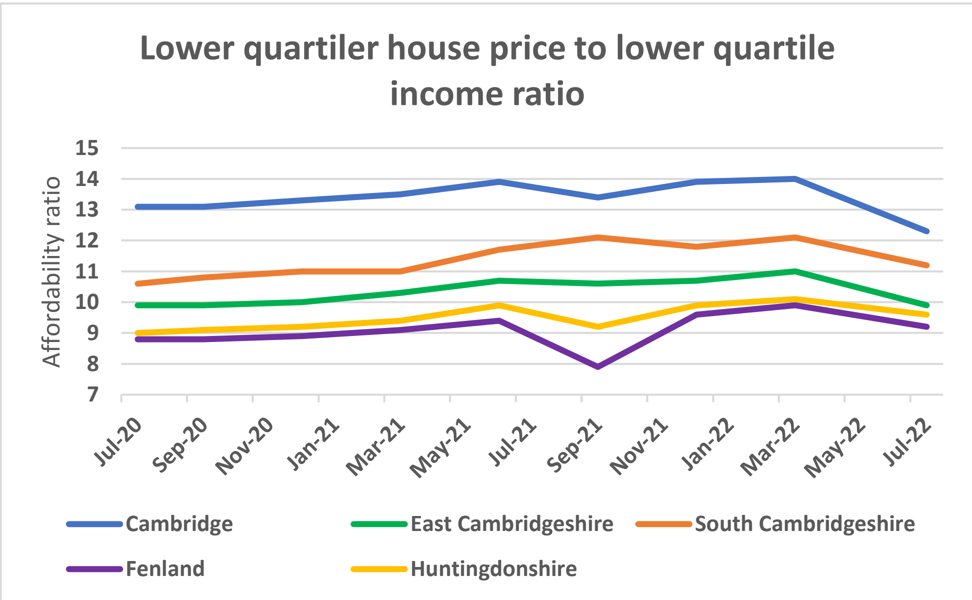



## Affordability ratios: lower quartile income compared to lower quartile house price

### Highlights

*The lower quartile affordability ratio compares the lowest quarter of incomes with the lowest quarter of house prices across areas.*

- In July 2022, the average lower quartile house price was 12.3 times higher than the average lower quartile income. This was down from a peak during the last two years of 14 in March 2022.
- Across every part of Cambridgeshire, the affordability ratio is higher for people on lower quartile incomes (when compared to lower quartile house prices) than for people on median incomes (when compared to median house prices).




[12] Housing Board for Cambridgeshire, Peterborough & West Suffolk. Housing Market Bulletin, 54. October 2022.