

Private Rented Survey

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Private Rented Survey

A3.1 Introduction

The private rental market was researched by reviewing lettings advertised in the local press in September-October 2006. Where press information was difficult to obtain, an Internet search of local letting agents was carried out and shows information for December 2006. As well as whole properties, there is a market for rooms in shared accommodation in the sub-region. As there was a limited amount of information available in the regular press for this type of property, the website www.FlatmateWorld.com was also observed during December 2006 and a separate list of information about this type of accommodation was compiled. In total, the dataset comprised 1,119 advertisements across the sub-region covering a wide range of property types.

The first section of this report gives details of the number of properties advertised in each district. The second section examines the type, age and size of rental accommodation, and its status (whether furnished or unfurnished). The final section provides information about the cost of rental properties and how they compare to the target rents of socially rented accommodation.

A3.2 Number of Properties

Table 1: Number of Properties Advertised by District

	All		Whole Properties		Rooms	
	Number	%	Number	%	Number	%
Cambridge City	258	23%	191	19%	67	56%
East Cambridgeshire	89	8%	82	8%	7	6%
Fenland	168	15%	155	16%	13	11%
Forest Heath	74	7%	70	7%	4	3%
Huntingdonshire	346	31%	338	34%	8	7%
South Cambridgeshire	133	12%	117	12%	16	13%
St Edmundsbury	51	5%	47	5%	4	3%
Sub-Region	1,119	100%	1,000	100%	119	100%

Huntingdonshire had the largest number of advertisements for whole properties for rent, followed by Cambridge City. The City had the largest number of advertisements for rooms in shared properties. The Suffolk districts had the lowest numbers for both whole properties and rooms. It was difficult to find information about properties available in St Edmundsbury and East Cambridgeshire and information for these districts was mostly taken from internet searches.

A3.3 Property Type, Age and Size

The advertisements showed a wide range of rental properties available across the sub-region, in terms of type, size and age. Across the sub-region, terraced properties were the most common (23%), followed by flats (20%) and then detached houses (17%). These data contained one park home and the rest of the properties were permanent structures. Not all advertisements stated the type of building or showed a photograph. Flats and terraced houses were the most common type of house in Cambridge City. There were no advertisements for maisonettes in Fenland, South Cambridgeshire and the two Suffolk districts.

Fig 1: Types of Properties Advertised as Available for Rent, Autumn 2006

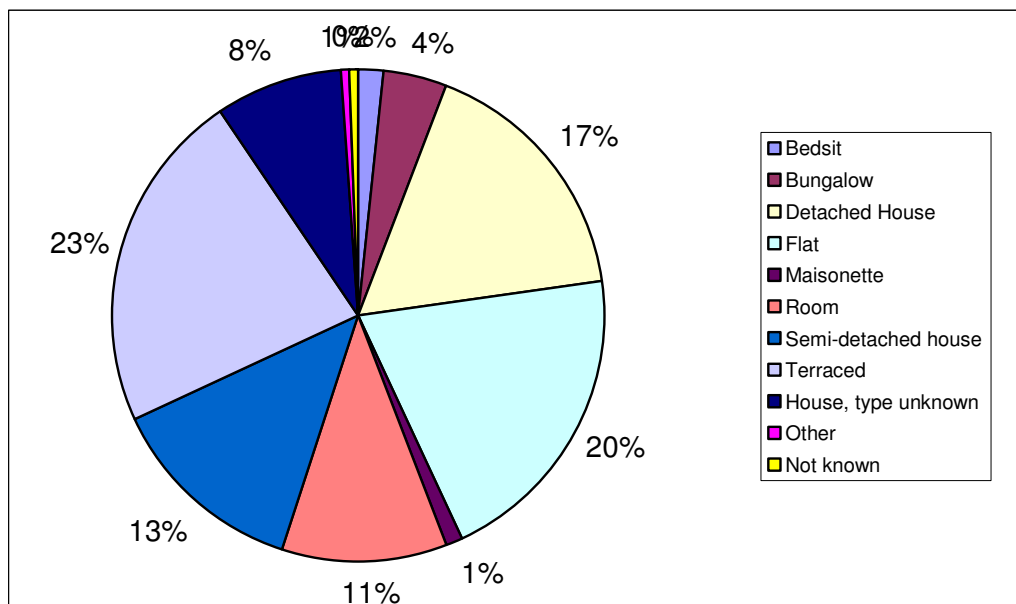


Table 2: Property Types by District, Autumn 2006

	Cambridge	East Cambridgeshire	Fenland	Huntingdonshire	South Cambridgeshire	Forest Heath	St. Edmundsbury
Bedsit	2%	1%	3%	1%	3%	1%	0%
Bungalow	1%	7%	10%	4%	5%	6%	2%
Detached House	6%	16%	14%	22%	38%	10%	26%
Flat	35%	16%	15%	20%	10%	34%	23%
Maisonette	3%	4%	0%	1%	0%	0%	0%
Semi-detached House	15%	16%	20%	15%	11%	3%	11%
Terraced	35%	15%	28%	19%	22%	34%	34%
House, type unknown	3%	26%	10%	9%	9%	10%	4%
Other	0%	0%	0%	9%	2%	0%	0%
Not Known	1%	0%	1%	1%	0%	1%	0%

Where photographs were available in the advertisement the age of the property was estimated. Of the 829 photographs viewed, the majority were modern homes (62%). The smallest number were inter-war properties (6%). Nine percent of the advertisements were for new properties (less than 6 years old). The remaining 23% were properties over 100 years old ("Victorian" and "Period"). The age of the buildings of room-share properties were not advertised on the FlatMateWorld site, so no figures are included from this source.

Table 3: Size of Properties by Number of Bedrooms

Number of bedroom	Whole Properties	Flat-share Property Sizes	Total	
				%
One Bedroom	173	N/A	173	15%
Two Bedroom	358	28	386	34%
Three Bedroom	279	40	319	29%
Four Bedroom	139	17	156	14%
Five or More	35	10	45	4%
Unknown	16	24	40	4%

Table 4: Size of Properties by Number of Bedrooms by District

	Cambridge	E. Cambs	Fenland	Hunts	S. Cambs	F. Heath	St Edmundsbury
1 bedroom	18%	13%	20%	20%	11%	15%	13%
2 bedroom	40%	37%	34%	33%	29%	57%	40%
3 bedroom	25%	33%	37%	27%	28%	18%	28%
4 bedroom	13%	9%	9%	16%	22%	9%	19%
5 bedroom	3%	7%	0%	4%	9%	0%	2%

Property-sizes ranged from single rooms in shared accommodation to seven bedroom houses. Information was also available for the total number of rooms at most of the shared properties. Two-bedroom properties were the most widely advertised in all districts except for Fenland. South Cambridgeshire had the smallest number of one-bedroom properties available. Larger properties were less common. Nothing larger than four-bedrooms was advertised in Fenland or Forest Heath, and only one five bedroom property was advertised for rent in St Edmundsbury.

Table 5: Furnished Status of Properties (Not Including Rooms).

Status	Number	%
Unfurnished (U)	316	67%
Partly furnished (PF)	32	7%
Fully furnished (FF)	123	26%

Fig 2: Average Price and Status of 1,2 and 3 Bedroom Rental Properties, Autumn 2006.

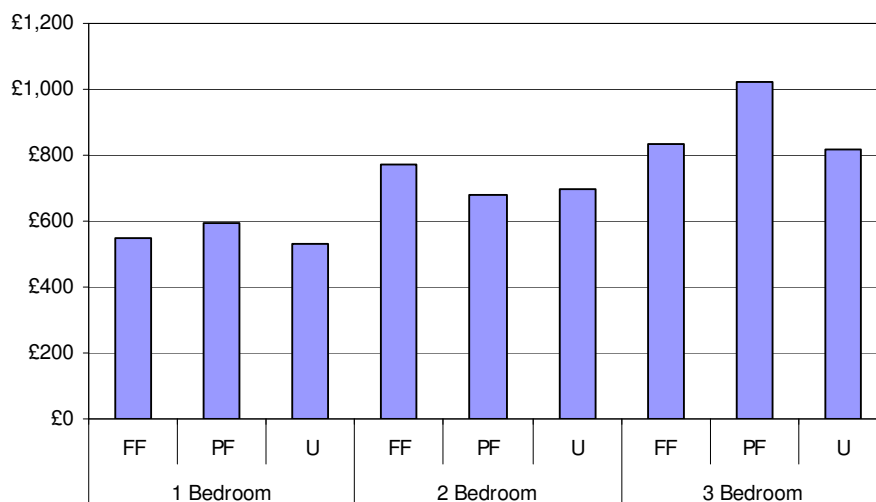


Table 3 shows data of the furnished status of properties for the 471 advertisements that contained this information. Most of the properties were only available unfurnished. There is little difference in rent per month between Fully furnished and unfurnished one and three bedroom properties, and part-furnished properties are most expensive. For two-bedroom properties, part furnished were cheaper than furnished and unfurnished properties.

Table 6: Furnished Status of Rooms in Shared Accommodation

Status	Number	%
Unfurnished	6	6%
Partly furnished	0	0%
Fully furnished	95	94%

The balance between furnished and unfurnished rooms is different from the advertisements for whole properties (see Table 4), where most of the rooms were furnished (101 advertisements provided this information). Not only were fully furnished rooms more common than unfurnished ones, they also cost an average of £20/month more to rent. This is possibly due to the Rent a Room scheme, where a landlord can receive up to £4,250/year tax-free for providing furnished accommodation to a lodger in their own place of residence,¹ and many of the properties advertised on the site were placed by people looking for housemates rather than landlords looking for HMO tenants.

As well as being furnished, 70% of advertisements for rooms state that some or all utility bills are included in the rent. For the whole properties, only seven advertisements specifically stated that the rent included all utility bills, although a further eight included water and one included water and council tax.

¹ see

http://www.direct.gov.uk/MoneyTaxAndBenefits/Taxes/TaxOnPropertyAndRentalIncome/TaxOnRentalIncomeArticles/fs/en?CONTENT_ID=4017804&chk=mGasop for further information

A3.4 Cost of rent by area

Fig 3: Average Private Sector Rent PCM by District, Autumn 2006

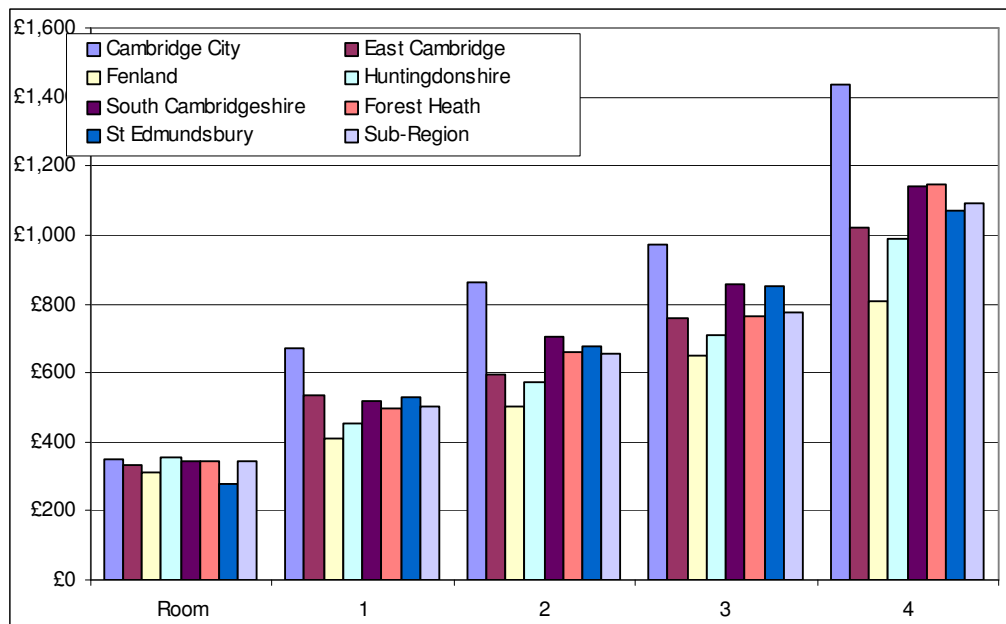


Table 7: Average and Lower Quartile PCM Rents by district

	Room		1 bedroom		2 bedroom		3 bedroom		4 bedroom	
	Average	Lower Quartile	Average	Lower Quartile	Average	Lower Quartile	Average	Lower Quartile	Average	Lower Quartile
Cambridge City	£352	£322	£672	£605	£864	£695	£973	£799	£1,437	£1,250
East Cambridgeshire	£333	£300	£537	£458	£595	£550	£758	£650	£1,021	£850
Fenland	£309	£240	£407	£375	£505	£475	£653	£575	£808	£700
Huntingdonshire	£356	£324	£455	£425	£572	£525	£708	£633	£998	£856
South Cambridgeshire	£347	£323	£520	£450	£706	£650	£860	£750	£1,142	£925
Forest Heath	£343	£317	£497	£431	£660	£595	£764	£710	£1,148	£1,020
St Edmundsbury	£280	£263	£529	£500	£674	£588	£852	£750	£1,071	£850
Sub-Region	£343	£301	£505	£425	£653	£541	£774	£650	£1,094	£878

There is little difference in the average cost of shared accommodation across the region. The cheapest area was St Edmundsbury, with an average monthly rent of £280, followed by Fenland (£309). In all other areas, the rent per calendar month for a room ranged between £333 and £356.

There is a big difference in cost between a room in shared accommodation and 1-bedroom properties, e.g. in Fenland, the average cost of a room is £309/month, and a one-bedroom property is £407/month – a difference of £98. The difference is even bigger in Cambridge City, at £320.

The average rent per month varies considerably between the districts. For example, a one-bedroom property in Fenland is £407, which is £98 less than the sub-regional average. The cost for a similar property in Cambridge City is £672/month, which is £167 above.

For whole properties, Fenland is consistently the cheapest area and Cambridge City is consistently the most expensive. Huntingdonshire is below the sub-regional average for all sizes except five bedroom properties. South Cambridgeshire was the second most expensive district. There were no properties with five bedrooms or more advertised in Fenland or Forest Heath districts. There was only one advertised in St Edmundsbury, which is not enough information to draw conclusions about the average rent for this size of property and has therefore been excluded.

A3.5 Comparison of Private Sector and RSL Rents

Access thresholds for the private rental sector are based on the lower quartile monthly rent by size of property, as being able to afford the cheapest monthly rent doesn't guarantee that the accommodation will be appropriate. The tables below shows a comparison in the monthly rental costs of 1, 2, and 3 bedroom properties in the private and social rented sector.

Table 8: Average rent PCM for one-bedroom properties – private sector, RSL and LA.

	Private Sector	RSL	LA
Cambridge City	£672	£255	£209
East Cambridgeshire	£537	£236	
Fenland	£407	£229	£213
Huntingdonshire	£455	£236	
South Cambridgeshire	£520	£262	£232
Forest Heath	£497	£213	
St Edmundsbury	£529	£205	
Sub-Region	£505	£229	£219

(Source: Press Survey, CORE 2006/07)

Table 9: Average rent PCM for two-bedroom properties – private sector, RSL and LA.

	Private Sector	RSL	LA
Cambridge City	£864	£310	£258
East Cambridgeshire	£595	£283	
Fenland	£505	£260	£222
Huntingdonshire	£572	£277	
South Cambridgeshire	£706	£295	£261
Forest Heath	£660	£251	
St Edmundsbury	£674	£248	
Sub-Region	£653	£271	£247

(Source: Press Survey, CORE 2006/07)

Table 10: Average rent PCM for three-bedroom properties – private sector, RSL and LA.

	Private Sector	RSL	LA
Cambridge City	£973	£344	£312
East Cambridgeshire	£758	£310	
Fenland	£653	£279	£247
Huntingdonshire	£708	£303	
South Cambridgeshire	£860	£337	£287
Forest Heath	£764	£276	
St Edmundsbury	£852	£276	
Sub-Region	£774	£299	£280

(Source: Press Survey, CORE 2006/07)

Average private sector rents are between 2 and 3 times higher than social rent.

A3.6 Summary

- The local press survey of rental properties looked at details for 1,000 whole properties and 119 rooms for rent.
- The average price for whole properties ranged from £505 to £1,094, depending on the property size. Cambridge City was considerably more expensive than the rest of the sub region. Fenland was the cheapest district. The average monthly rent for a room in the sub-region was £343. The difference in the rental cost of a room was less marked than the cost of a whole property.
- Two-bedroom properties were the most widely advertised property size. Terraced homes and flats were the most popular property types available in most areas.
- Most whole properties were available unfurnished due to fire regulations about letting furnished properties. Most of the rooms were fully furnished.
- There is a large gap between social rents and private rents.
- **®** In future the SHMA team will look to:
 - Consult further on the role and future of the private rented sector across our sub-region with new and existing partners.
 - Look for additional and alternative sources of data to gain an up to date view of private rental changes.
 - Develop this aspect of the SHMA and our understanding of the importance, contribution and relationships between renting and other tenures, in future.