



# Housing markets

## A first try...

One of the major suggestions people have made about the Cambridge sub-region's Strategic Housing Market Assessment (SHMA) is the need to update market information and keep up-to-date with changes in prices, income data and market activity.

This has become more pressing as forces affecting our housing markets have changed so quickly - housing, economic and financial.

Focussing mainly on **open market sales**, this note aims to help answer questions like:

- How does the Cambridge sub-region compare to the rest of the UK and to the East of England?
- How can we use the data out there to build on our SHMA and to give a local view of the forces at work in our housing markets?
- What do past trends tell us about our housing markets, how is the delivery of new homes affected, wherever they are?

- How can this data help inform affordable housing delivery and planning requirements?
- What do we know about current home owners and renters, how are they affected?

This is our first attempt at a market bulletin, and to help with data we have subscribed to Hometrack, a housing market intelligence system, from April 2008 to April 2009. The bulletin is one way of using and testing the data provided.

Please let us know what you think about the bulletin and make suggestions on how to improve it. An e-mail is always welcome, we have added some questions on page 15 to help prompt your thoughts.

Please do get in touch with your feedback so we can make this bulletin as useful as possible to all partners.

## How does this bulletin link with the SHMA?

The SHMA, launched in June 2008, includes a broad view of the housing market and the forces behind it, along with several chapters on the detail of incomes, prices, affordability and our housing markets.

This bulletin adds to the foundation of information in the SHMA, and to make sure we all have comparable, useful and up-to-date market information.

Some data on Hometrack is updated monthly, but much of the market activity data is published quarterly so it seems sensible to wait for these

updates and use them to monitor changes.

See the box below for our suggested timeline, should the bulletin prove a success based on your feedback (see page 15).

The SHMA is available at:

[www.cambridgeshirehorizons.co.uk/shma](http://www.cambridgeshirehorizons.co.uk/shma).

If you would like to add your name to the stakeholder consultation group, please e-mail us.

### Suggested timeline for bulletins

- First issue Autumn, using August 2008 Hometrack data.
- Second issue in Spring 2009, dependent on feedback from the first issue, using November 2008 Hometrack data.
- Suggest a review of changes in the housing market before progressing with Issue 3. If it's found useful, produce Issue 3 in the Summer, using March 2009 data.

# Using Hometrack

Hometrack publishes data in three main formats: maps, graphs and tables. In this bulletin we will make every effort to provide a user-friendly reference for each topic covered, so readers can understand and assess their confidence in the data. This includes explanations of where the data comes from and when it is updated.

In this first pilot bulletin we have selected a handful of housing market indicators which should reflect changes in the market in our sub-region. For each indicator we have provided:

- Maps to show geographical patterns.
- Tables comparing our sub-region to the region and (where available) to England.
- Graphs to show changes over time.
- Sources and dates for the data.
- A brief commentary.

The data is provided by Hometrack. For people with a Hometrack login, we can send a “how to” guide on request (see page 12) explaining how the information was collated.

In this first bulletin, we have included a comment by Hometrack's Director of Research (page 3) which aims to help us understand the Hometrack system and it's coverage, and how it compares to other indicators of price and housing market activity.

A first step to understanding Hometrack is to appreciate that two distinct sets of data are used: one from a monthly survey of agents, the other from data on individual transactions, known as Hometrack's Automated Valuation Model.

For more detail on each, please visit Hometrack's website at [www.hometrack.co.uk](http://www.hometrack.co.uk).

## A note about averages

It is vital to remember that averages mask a multitude of variations. Sales of higher value may be continuing as purchasers with equity can secure a

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mortgage. Due to lender uncertainty, mortgages are hard to secure for people who don't have equity. So, if there is a falling number of sales (see page 5) with many higher value and less of lower values, the average will still rise.

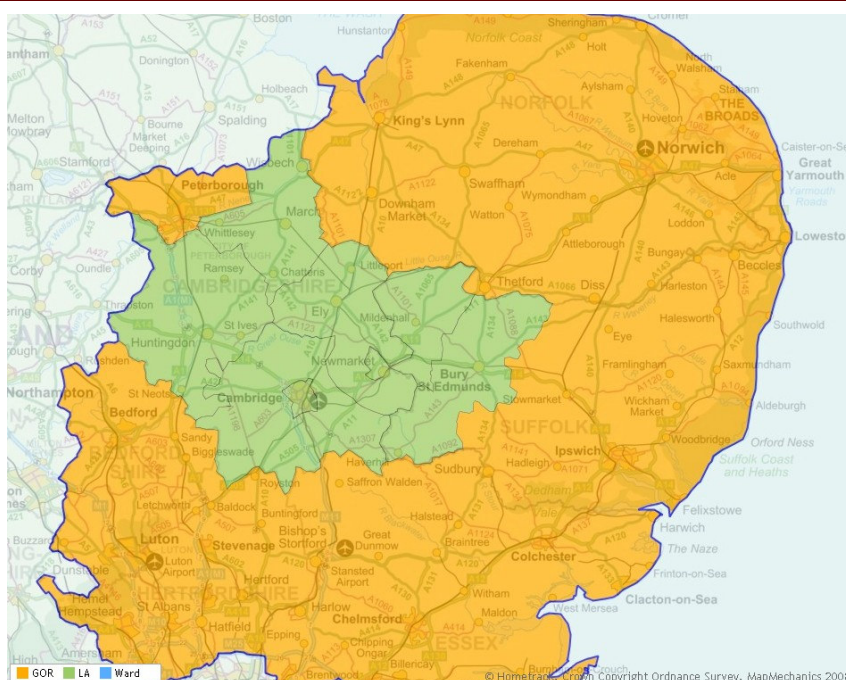
# The region and the sub-region

The map clarifies where the Cambridge housing sub-region (shaded green) fits within the East of England Region (shaded orange).

This bulletin covers the whole local authority areas of Cambridge City, East Cambridgeshire, Fenland, Huntingdonshire, South Cambridgeshire, Forest Heath and St. Edmundsbury. A more detailed map on page 3 shows these individual district boundaries.

Hometrack data can be broken down to smaller areas, however some data is not available for small areas.

Initially this note focuses on England, the region and our sub-region, so larger areas are used covering enough data to be robust. We would welcome your feedback on the detail provided.



The East of England region and the Cambridge housing sub-region

# Hometrack: the challenges facing the housing market

The challenges facing the housing market have rather been put into the shade by the ongoing turmoil in the world financial system. Yet the challenges facing housing policy makers and developers are growing fast, as the underlying dynamics of the market continue to shift rapidly. Of one thing we can be certain: the market context for the next 5 years is going to be very different to the previous 5 years. Low transaction volumes and restricted levels of mortgage funding are going to be two of the big issues over the next 12 to 24 months.

While house prices are falling, the greatest impact of the credit crunch has been on levels of housing transactions which look set to fall below 700,000 – a level not seen since the 1960s. To put it another way the turnover rate for private housing stock may fall to below 4% in 2008 - an average of more than 25 years between moves. The reality is that in recent years half of all moves in the owner occupied sector have been motivated by 'aspiration' with confident homeowners and easy credit supporting strong levels of market activity. Yet with no growth in owner occupation for the last 5 years a downturn in demand was always going to take its toll on transactions, but no-one was predicting a halving in volumes.

This is where the lack of credit and tighter lending criteria comes into play. Half of all mortgage lending in 2007 was at loan to values in excess of 75% and this is where the credit crunch and so called 'risk based

pricing' by mortgage lenders has bitten hardest. Those sectors of the housing markets that were most reliant on high loan to value borrowing are likely to be most exposed to weaker demand and price falls.

The decline in volumes makes the job of measuring changes in house prices even more problematic than in normal market conditions. There is certainly quite a spread in the year on year rate of growth between the various indices with the CLG house price index running at -0.3% as at July 2008 and Halifax and Nationwide reporting falls of up to 13% to August 2008.

These differences are largely a result of variations in the different types of data used in each index and the weighting methodologies. For example the CLG index uses the actual sales price for a property at the mortgage completion stage for 95% of transactions. In contrast Halifax and Nationwide use the mortgage valuation figure for mortgage approvals. In terms of weighting the house price data, the CLG index weights according to the value (stock) of property on the ground while the others effectively weight against the 'turnover' of property.

Just for the record, the monthly Hometrack housing market survey - which is often quoted in the press - is based on a survey of over 1,600 estate agents right across England and Wales.

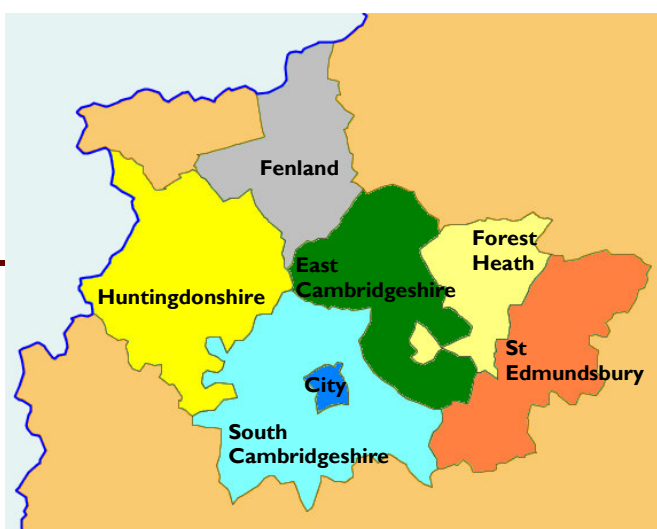
The survey asks eleven questions from those who are effectively at the front line of the owner occupied market. As well as getting agent opinion on trends in achievable prices, the survey also covers local market indicators such as the average time to sell property and the proportion of the asking price being achieved. This 'market indicator' data is available in the Housing Intelligence System in the 'Housing Demand' part of both the Analysis and Theme sections.

The problem with any index or national measure of house prices is that we are trying to sum up in one number what is happening to the price of 22 million dwellings across hundreds if not thousands of individual housing markets. Our Housing Intelligence System is designed to provide the detail needed to inform policy and development decisions based on trends in local housing markets. The good news is that Hometrack has the largest volume of data on house prices as we utilise both transactions data and mortgage valuation data from lenders. To date we have displayed these as simple averages but we have where possible been working on producing weighted series to ensure consistency of data in what looks set to remain a low volume housing market for the foreseeable future.

*Richard Donnell, Hometrack's Director of Research  
9 Oct 2008*

## Our housing sub-region

This map aims to clarify where each district is located, and its boundaries. The pale orange area represents the Region, edged with a royal blue line. This map is presented without the Ordnance Survey background which shows rivers, roads and settlements to try to highlight district coverage. Maps included later in this Bulletin include backgrounds, to help with orientation. Hopefully districts and wards are presented clearly on the maps, but we welcome your feedback.



Districts within the housing sub-region

## Number of sales

These graphs show the number of sales completing, which is the sample of properties driving the average property price data for all types of housing (see page 7).

The first graph shows the number of sales across England and the region, the second shows the number of sales across the individual districts in our housing sub-region.

The table shows the number of sales occurring over the past year - at August 2007, February 2008 and August 2008 and the relative change in the number of transactions, to show how our sub-region and individual districts compare to national and regional trends.

### Commentary

This information helps set other information in the bulletin into context, showing a significant reduction in the number of sales at all geographical levels over the past year.

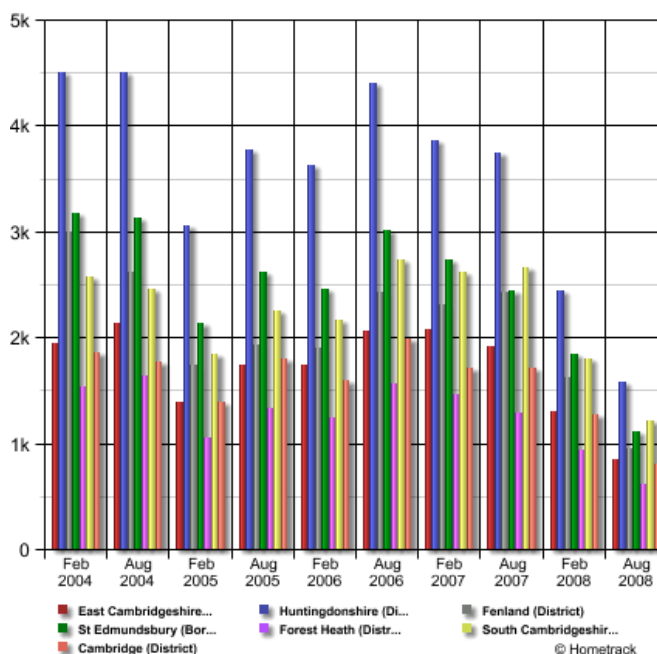
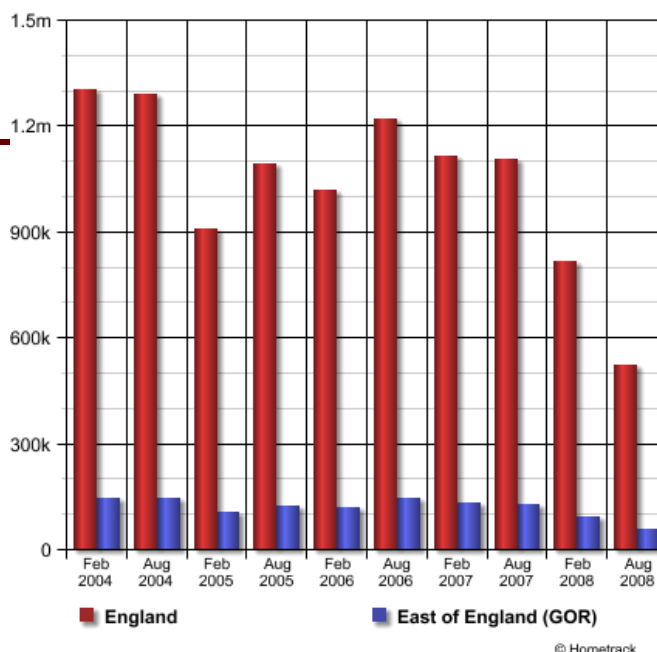
Across England, the number of sales has fallen from 1.1 million in August 2007 to just under 522,000 in August 2008, a fall of almost 53%.

The number of sales across the East of England has fallen slightly more from 128,290 to 57,600, a fall of just over 55% between August 2007 and August 2008.

The number of transactions within each district in the housing sub-region varies, the worst affected being Fenland which experienced a 60% fall in the number of sales, and the least affected (though still significant) being South Cambridgeshire which saw a 53% drop in sales. Across the whole housing sub-region sales have dropped by 56%, a higher percentage than for the region and for England.

The average prices quoted later in this bulletin are affected by the types of homes which have continued to sell, on page 5 we provide more information on the types of homes represented and how they vary across the sub-region.

**Source:** Hometrack's Automated Valuation Model.



No. of sales	August 2007	February 2008	August 2008	% change Aug 2007 to Aug 2008
England	1,110,000	817,180	521,980	- 52.9%
East of England Region	128,290	91,800	57,600	- 55.1%
Cambridge City	1,910	1,300	842	- 55.9%
East Cambridgeshire	3,540	2,440	1,580	- 55.4%
Fenland	2,420	1,630	948	- 60.8%
Huntingdonshire	2,440	1,840	1,120	- 54.1%
South Cambridgeshire	1,280	939	607	- 52.6%
Forest Heath	2,660	1,790	1,210	- 54.5%
St Edmundsbury	1,710	1,270	804	- 53.0%
Total for sub-region	16,160	11,209	7,111	- 56%

# Property breakdown

## Stock

To help provide further context to the information in this bulletin, this page provides a breakdown of the type and size of homes being bought and sold.

First up is a table of the housing stock in each district, according to the 2001 Census. Although there will have been changes since then, through new build, demolitions and conversions, the percentages help compare districts.

**Source:** Census 2001

## Transactions

Then comes a table showing the number of sales, across England, the region and each district in our sub-region, by type. These are shown at three dates - August 2007, February 2008 and August 2008, to show changes in sales patterns over the past year.

Hometrack provides average prices for four different property types: terraced, semi-detached, detached and flat/maisonette.

**Source:** Hometrack's Automated Valuation Model

## Change in patterns of sales

Finally, the change in the number of transactions by property type between August 2007 and August 2008 are compared to see if the pattern of sales has changed significantly.

This shows that while the numbers of sales dropped dramatically from 16,173 to 11,210 and finally 7,112 in August 2008, the proportion by type (across the sub-region) had not changed quite as dramatically.

## Commentary

The proportion of the housing stock sold in each of the three periods examined dropped radically from 5.6% in August 2007, to 3.9% in February 2008 and finally 2.4% in August 2008. However the proportion of sales by property type (flat / detached / semi /

Stock	Converted flats	Purpose built flats	Terraced houses	Semi-detached houses	Detached houses
Cambridge City	4%	22%	32%	28%	11%
East Cambridgeshire	1%	4%	16%	32%	44%
Fenland	1%	6%	16%	30%	45%
Huntingdonshire	1%	7%	18%	30%	41%
South Cambridgeshire	1%	3%	17%	34%	43%
Forest Heath	1%	9%	22%	29%	36%
St Edmundsbury	1%	7%	27%	27%	36%

No. of transactions		Aug 2007	Feb 2008	Aug 2008
England	Terraced	368,610	271,580	171,440
	Semi-detached	314,110	225,120	145,610
	Detached	230,140	168,410	114,870
	Flat/maisonette	193,400	152,070	90,070
East of England Region	Terraced	39,240	27,680	17,490
	Semi-detached	35,450	24,620	15,450
	Detached	34,880	24,840	16,470
	Flat/maisonette	18,730	14,700	8,180
Cambridge City	Terraced	660	475	312
	Semi-detached	433	282	205
	Detached	191	120	91
	Flat/maisonette	430	391	196
East Cambridgeshire	Terraced	542	343	199
	Semi-detached	556	380	254
	Detached	698	492	355
	Flat/maisonette	113	81	34
Fenland	Terraced	607	390	226
	Semi-detached	686	497	259
	Detached	998	684	422
	Flat/maisonette	131	56	41
Huntingdonshire	Terraced	951	688	429
	Semi-detached	1,020	619	437
	Detached	1,450	923	620
	Flat/maisonette	327	214	96
South Cambridgeshire	Terraced	614	407	247
	Semi-detached	800	513	343
	Detached	1,100	767	573
	Flat/maisonette	149	105	49
Forest Heath	Terraced	488	308	209
	Semi-detached	336	230	142
	Detached	392	319	216
	Flat/maisonette	66	82	40
St Edmundsbury	Terraced	931	693	425
	Semi-detached	537	398	249
	Detached	828	619	380
	Flat/maisonette	139	134	63
Total for sub-region	Terraced	4,793	3,304	2,047
	Semi-detached	4,368	2,919	1,889
	Detached	5,657	3,924	2,657
	Flat/maisonette	1,355	1,063	519

% transactions by home type		Aug 2007	Feb 2008	Aug 2008
Total for sub-region	Terraced	30%	29%	29%
	Semi-detached	27%	26%	27%
	Detached	35%	35%	37%
	Flat/maisonette	8%	9%	7%

terraced) holds fairly constant when comparing the three time periods. There does not appear to be a marked difference in the proportion of sales when looking at property type. The main changes are a slight decrease in the proportion of sales of terraced homes and flats/maisonettes (both dropping 1%) and an increase in detached homes selling, gaining 2%.

**Source:** Hometrack's Automated Valuation Model

# Annual turnover 2007

This map shows the volume of residential sales (at ward level) in 2007 and enables us to compare market activity, ward by ward, in terms of the volume of residential sales.

Wards with more sales show in the darker shades, the key shows the range of numbers of sales within each ward.

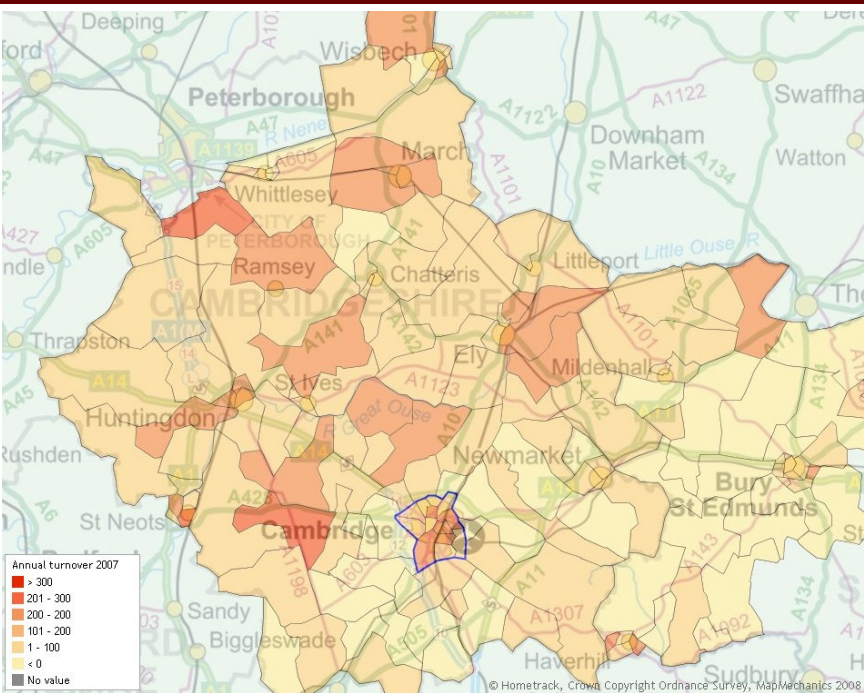
The table shows the volume of sales for each whole district, as well as for the region.

**Comment:**

There is variation in the number of sales across the housing sub-region, with higher levels of sales tending to occur around settlements and lower turnover in rural areas.

The sub-region as a whole accounts for 13% of sales across the whole region.

**Source:** Land Registry, 2007 (turnover figures available annually only)



Turnover 2007	Turnover	% turnover
East of England Region	130,874	5.65%
Cambridge City	1,918	4.36%
East Cambridgeshire	1,927	6.29%
Fenland	2,655	7.30%
Huntingdonshire	3,933	6.04%
South Cambridgeshire	2,709	5.05%
Forest Heath	1,306	5.36%
St Edmundsbury	2,326	5.52%

# Annual turnover as a % of stock 2007

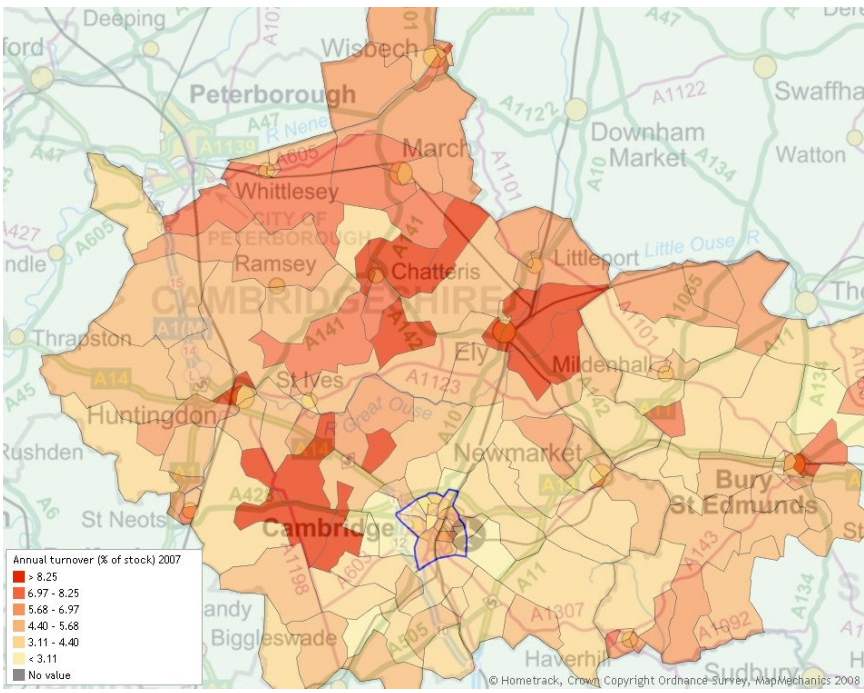
This map shows the volume of residential sales as a percentage of the housing stock at ward level in 2007. While the number of sales relates to 2007, the stock figures are taken from Census 2001 (see page 5).

The map enables us to compare market activity ward by ward in terms of % turnover and is different from the previous map which shows the simple number of transactions.

**Comment:**

As a % of stock, turnover levels vary across the sub-region, with the highest % turnover in Fenland at 7.3% and the lowest in Cambridge City at 4.36%

**Source:** Land Registry 2007 and Census 2001 (turnover figures available annually only)



# Average price

The map shows overall average prices for all types of property at ward level, and uses average prices achieved over the last six months to ensure a robust sample.

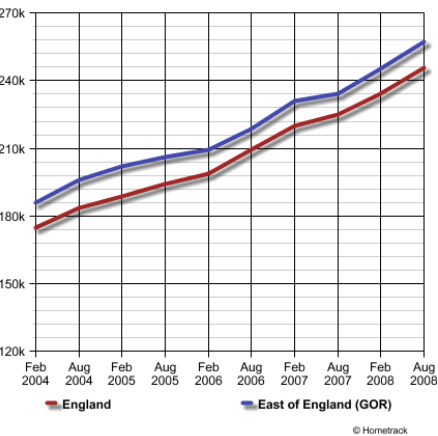
The graph shows changes in average house prices for each district in our sub-region, and can be read alongside the smaller graph which shows the same data for England and the region. These graphs show current average prices (i.e. not averaged over the past six months).

Finally the table shows average house prices as they stood in February 2008 and August 2008, and the change.

## Commentary

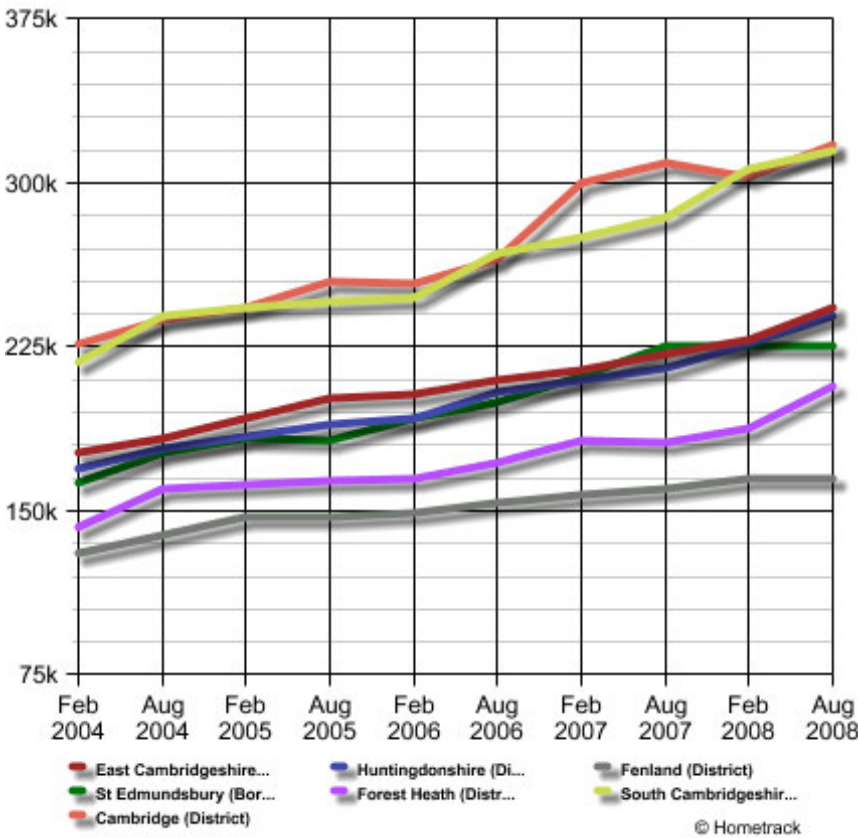
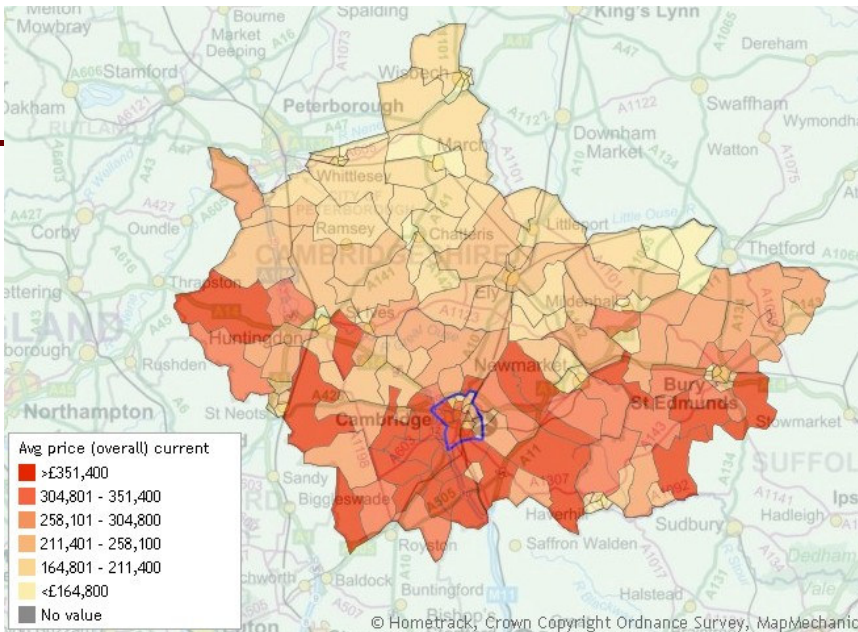
The pattern of average price follows a broadly similar pattern to average price per square metre (see page 8) namely, higher in the south of the sub-region and lower towards the north.

Over time, average district house prices appear to be creeping upward, and this trend is reflected at national and regional level.



On page 2, “A note about averages” tries to untangle why this may be, compared to the generally accepted national picture of rapidly falling house prices. On page 3, Hometrack sets out its plans to publish more weighted data rather than simple averages in future, which should help and will appear in future bulletins as appropriate.

**Source:** Hometrack’s Automated Valuation Model



Average overall house price	Feb 2008	Aug 2008	Change
England	£234,200	£245,500	+ £11,300
East of England Region	£245,100	£257,300	+ 12,200
Cambridge City	£303,000	£308,500	+ £5,500
East Cambridgeshire	£228,200	£234,100	+ £5,900
Fenland	£164,800	£164,800	£0
Huntingdonshire	£226,200	£231,300	+ £5,100
South Cambridgeshire	£306,100	£309,500	+ £3,400
Forest Heath	£187,500	£195,100	+ £7,600
St Edmundsbury	£225,100	£225,200	+ £100

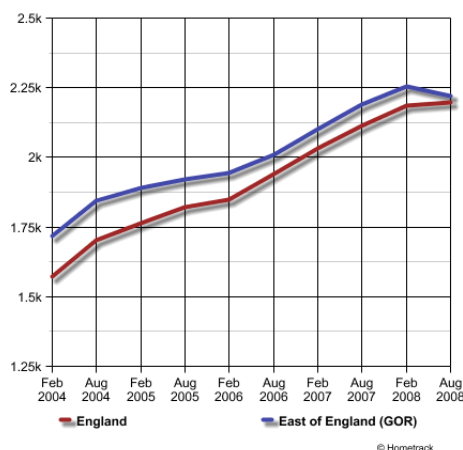
## Average price per m<sup>2</sup>

The map shows average price per square metre of property at ward level. As there may not be enough transactions to ensure robust data within these small areas, the average prices achieved over the last six months are used for a robust sample.

The large graph shows changes in average price per m<sup>2</sup> for each of our seven districts. As districts provide larger numbers of transactions than wards, the sample is reliable enough to show the current average.

The smaller graph shows the same data for England and the Region (both around £2,200/m<sup>2</sup> at Aug 2008).

Finally, the table shows current average prices at February and August 2008, and the change.



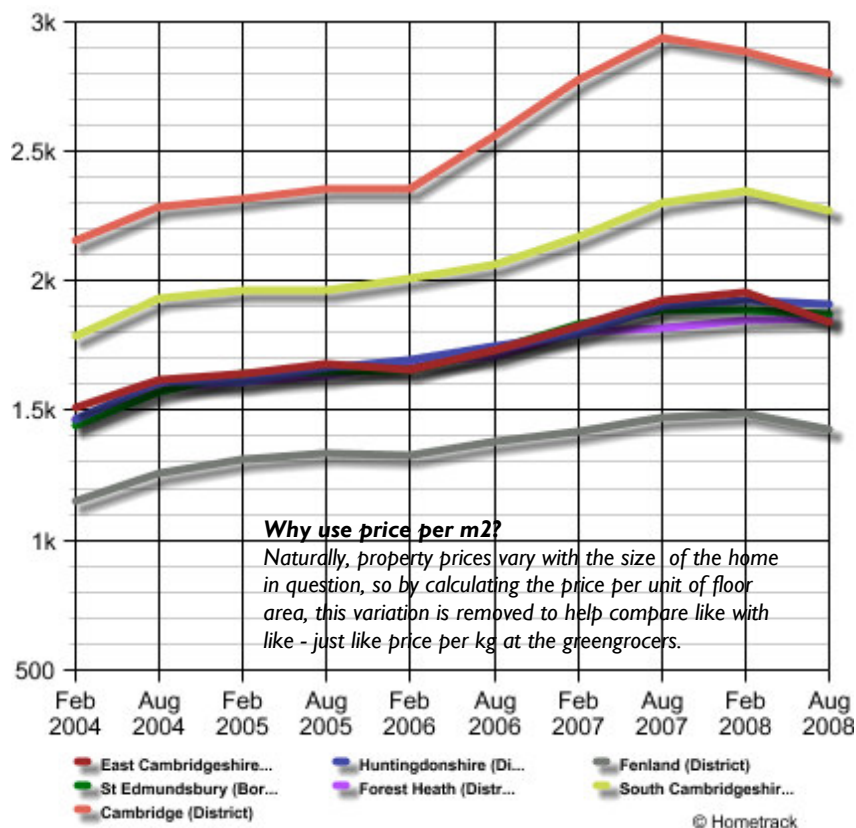
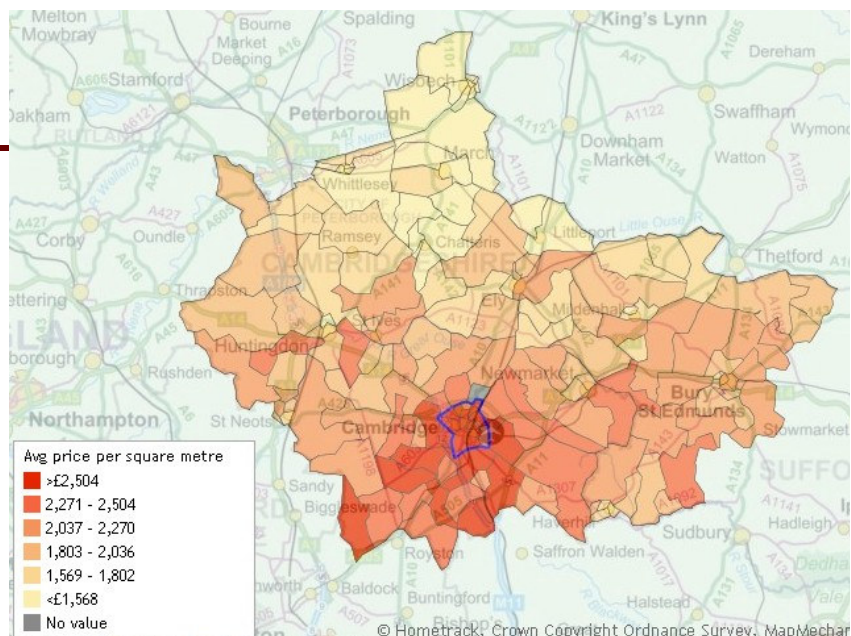
### Commentary

Price per m<sup>2</sup> varies greatly across the sub-region, with a broad pattern of higher prices to the south and lower to the north. However this broad brush comment masks a good deal of variation, and deserves further analysis.

Changes in national, regional and local trends in price per m<sup>2</sup> seem to follow a similar trend. Prices rise gently from Feb 2004 to Feb 2006, then increase noticeably either to Aug 2007 or Feb 2008. Only after that do most prices appear to steady or fall.

The changes shown in the table do not appear huge, but need to be compared with the table on page 7.

**Source:** Hometrack's Automated Valuation Model, August 2008



Average price per m <sup>2</sup>	Feb 2008	Aug 2008	Change
England	£2,200	£2,200	£0
East of England Region	£2,300	£2,241	- £59
Cambridge City	£2,900	£2,849	- £51
East Cambridgeshire	£2,000	£1,904	- £96
Fenland	£1,500	£1,464	- £36
Huntingdonshire	£1,900	£1,917	+ £17
South Cambridgeshire	£2,300	£2,312	+ £12
Forest Heath	£1,800	£1,849	+ £49
St Edmundsbury	£1,900	£1,880	- £20

## Time taken to sell

The map, graph and table all show the average time taken to sell a property in weeks.

The graph enables us to compare the average time taken to sell a property in each district and across the region (the dark red line) from September 2006 to August 2008.

The table also shows May 2008 data, and the change, for comparison. Please bear in mind this page only reports on sales which have actually completed. Homes which take a long time to sell will only be reported on once the sale has been completed.

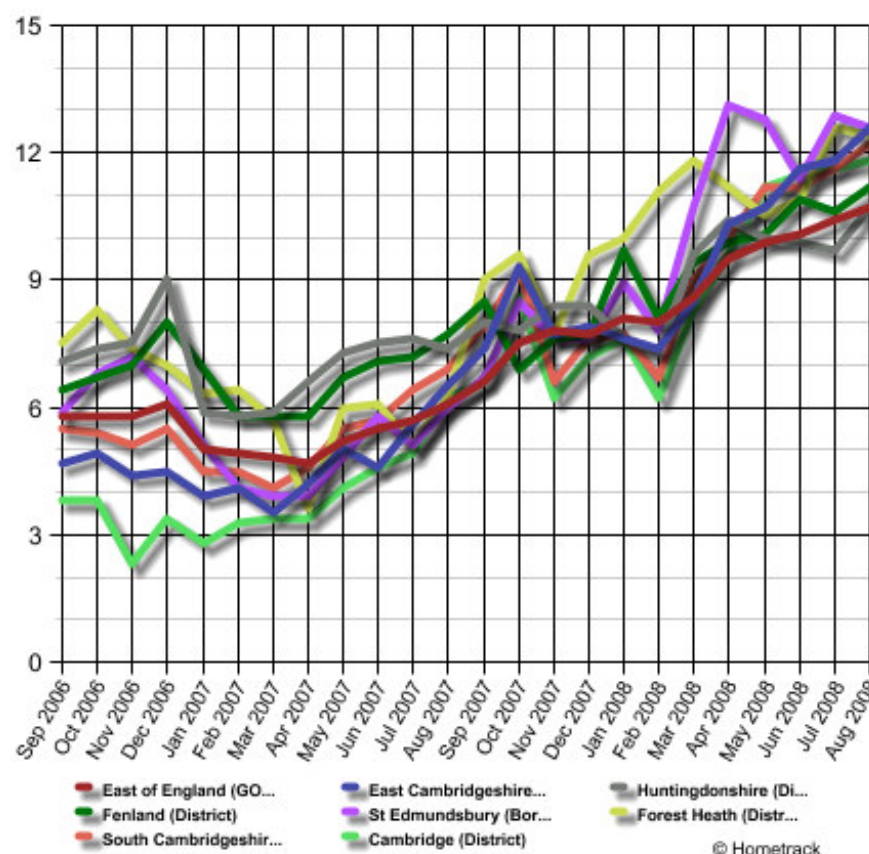
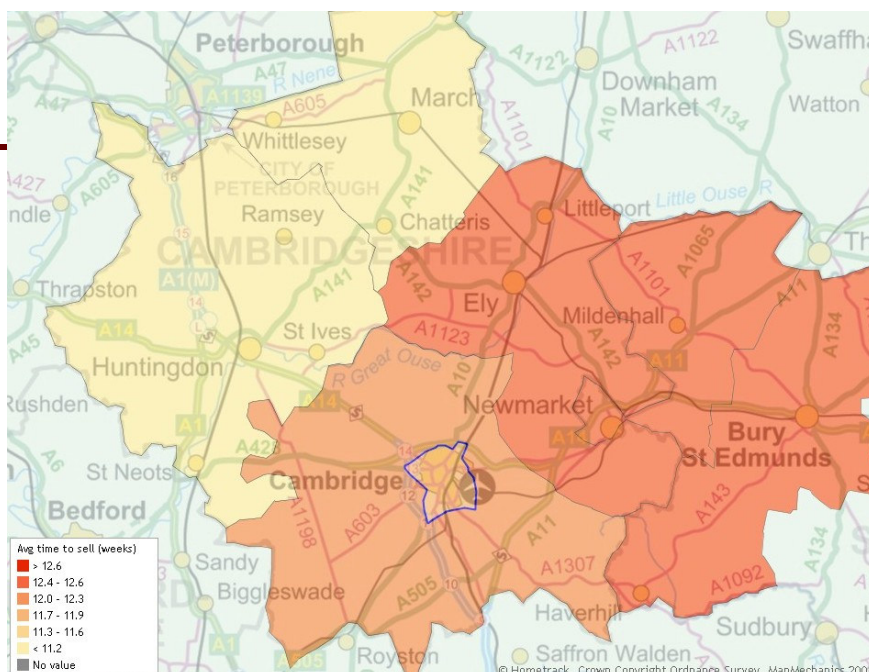
### Commentary

In each of the seven districts, time to sell has increased particularly since about February 2008, which fits with news reports on the market slow-down. The graph includes a line for the region's average time to sell (the dark red line) which shows a similar, though smoother, pattern to the lines for our sub-region.

The table provides the average number of weeks it takes to sell, comparing May and August 2008. This highlights that it takes longer to sell a home in our sub-region than it does compared to the whole region.

The quickest transactions tend to take place in Huntingdonshire (10.7 weeks) and the slowest in East Cambridgeshire and St Edmundsbury (12.6 weeks). In terms of change, East Cambridgeshire and Forest Heath show the greatest increase (1.9 days) while St Edmundsbury saw a decrease of 0.2 days.

**Source:** Hometrack's monthly survey of estate agents, based at postcode district level.



Time to sell	May 2008	August 2008	Change
East of England Region	9.9 weeks	10.7 weeks	+ 0.8
Cambridge City	11.2 weeks	11.8 weeks	+ 0.6
East Cambridgeshire	10.7 weeks	12.6 weeks	+ 1.9
Fenland	10.1 weeks	11.2 weeks	+ 1.1
Huntingdonshire	10 weeks	10.7 weeks	+ 0.7
South Cambridgeshire	11.2 weeks	12.2 weeks	+ 1
Forest Heath	10.5 weeks	12.4 weeks	+ 1.9
St Edmundsbury	12.8 weeks	12.6 weeks	- 0.2

# Comparing sales price to asking price

The map, graph and table all show the typical proportion of the asking price that is achieved for all sales agreed over the month.

The map shows the proportion geographically. The graph shows the change over time for each district, and for the region (the dark red line).

The table shows the average percentage achieved in May and August 2008, and the difference between these two dates.

## Commentary

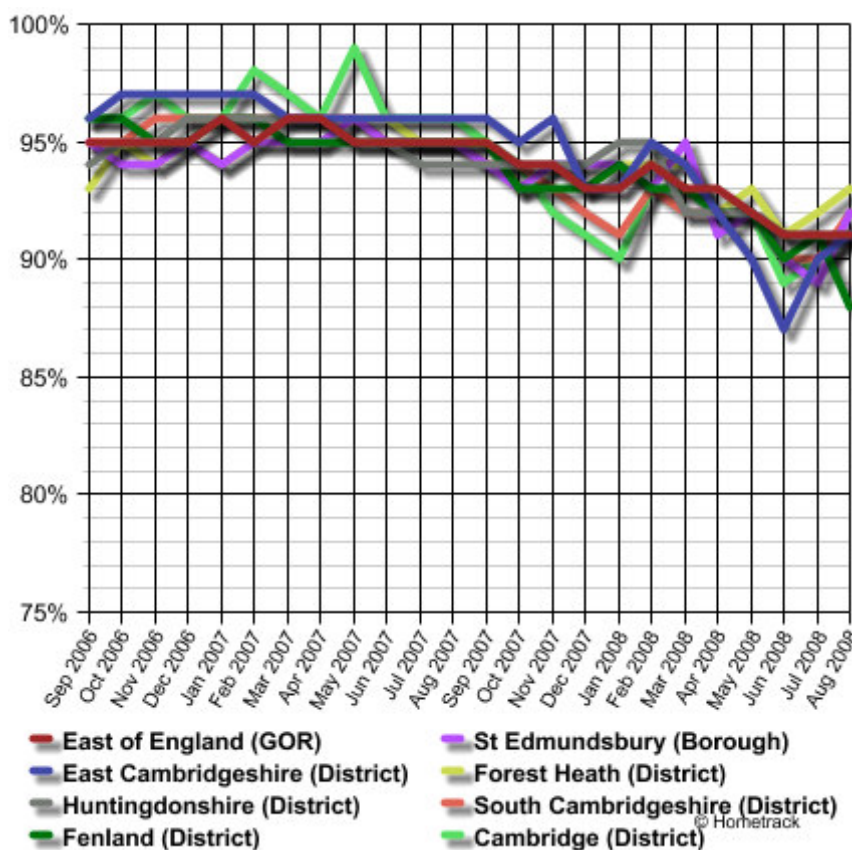
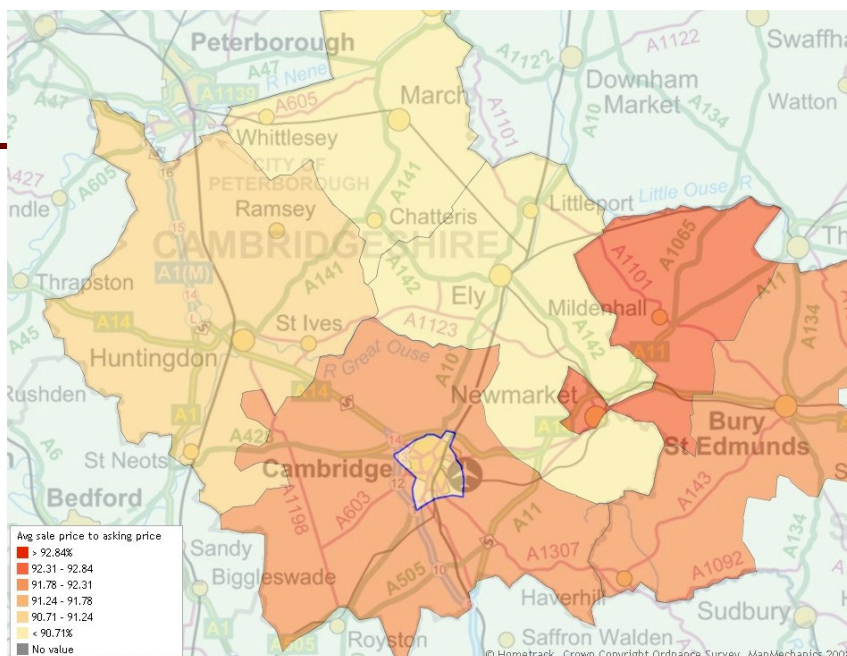
Prices achieved have dropped in recent months reflecting a general slow-down in the market across all seven districts. The dark red line shows the region's average, which reflects a similar overall pattern to our sub-region.

However in June, July and August 2008 the percentage achieved seems to have picked up. This might be partly because sellers have reduced asking prices and are able to get an offer closer to their reduced asking price.

The biggest drop in the proportion of asking price achieved, between May and August 2008 is in Fenland, which dropped 4% on average.

There is a marked dip in East Cambridgeshire in June 2008 shown on the graph, possibly due to some specific deals completing. However between May and August there was an overall rise of 1% in this district.

**Source:** Hometrack's monthly survey of estate agents and is based at postcode district level.



% of asking price achieved on average	May 2008	August 2008	Change
East of England Region	92%	91%	- 1%
Cambridge	92%	91%	- 1%
East Cambridgeshire	91%	92%	+ 1%
Fenland	92%	88%	- 4%
Huntingdonshire	92%	91%	- 1%
South Cambridgeshire	92%	92%	0
Forest Heath	93%	92%	- 1%
St Edmundsbury	92%	92%	0

# Number of viewings per sale

The map, graph and table on this page show the average number of viewings between an average property in the district going onto the market, and going “under offer”.

The graph shows each of our seven districts, and the dark red line shows the regional average.

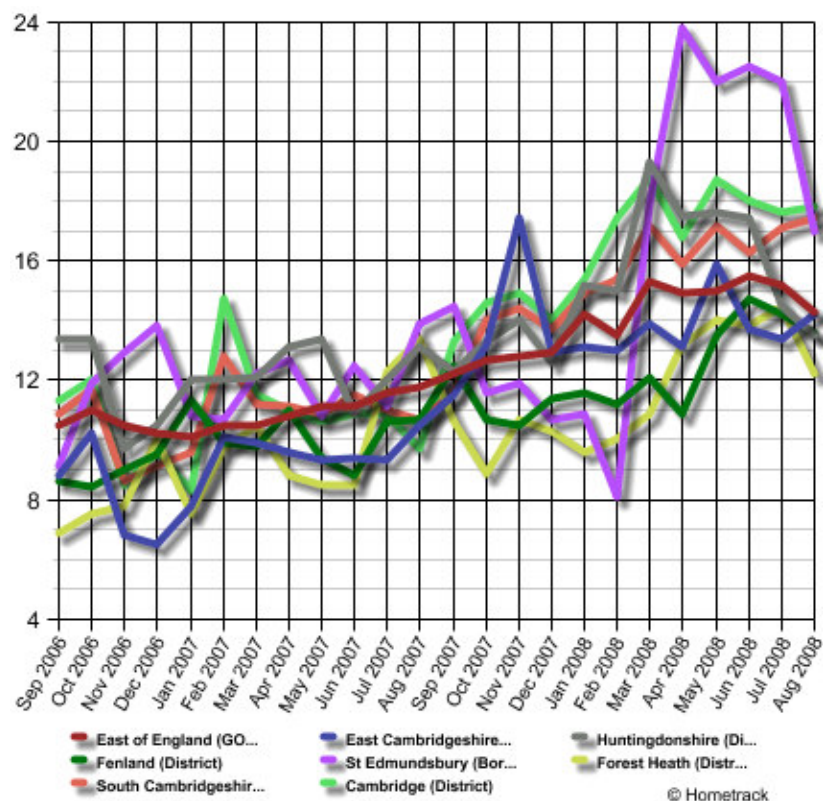
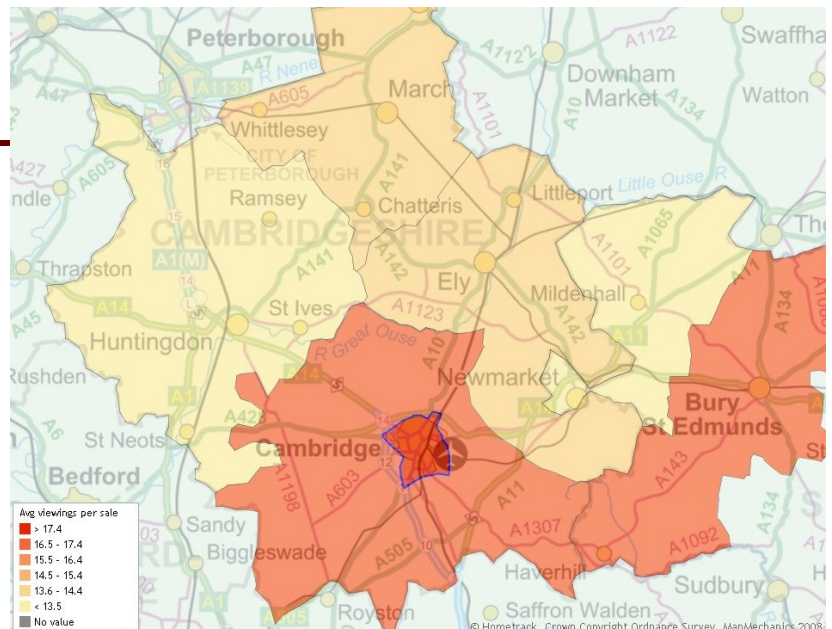
The table shows the average number of viewings per sale in May and August 2008, and the change between.

## Commentary

The number of viewings per sale, an indicator of speed and enthusiasm in the housing market, has increased in all districts particularly from February 2008 onwards. However the trend from June to August 2008 seems to show a reduction in the number of viewings per sale - though it's important to remember the context of the number of sales overall which have fallen so dramatically (see pages 4, 5 and 6).

The table shows variations in each district, the greatest increase seen in South Cambridgeshire, with 0.2 more viewings per sale on average, and the greatest decrease seen in St Edmundsbury, where between May and August an average of 5 less viewings took place for each sale. As St Edmundsbury also shows a huge peak in viewings per sale from February to April 2008, it is possible a glut of viewings followed the opening of some new developments.

**Source:** Hometrack's monthly survey of estate agents and is based at postcode district level.



Average number of viewings per sale	May 2008	August 2008	Change
East of England Region	15.0	14.3	- 0.7
Cambridge	18.7	17.8	- 0.9
East Cambridgeshire	15.9	14.2	- 1.7
Fenland	13.5	13.6	+ 0.1
Huntingdonshire	17.6	13.5	- 4.1
South Cambridgeshire	17.2	17.4	+ 0.2
Forest Heath	14	12.2	- 1.8
St Edmundsbury	22	17	- 5

# House price to income ratio

The two maps show the relative affordability of different areas using the ratio of mean house prices to mean incomes. The higher the value, the darker the shading, the less affordable the area.

The ratios are expressed as one number. The number means that an average home in that district costs (for example) 6.9 times the average income. Incomes differ from earnings by including non-earned incomes, such as benefits. These graphs use different calculations from the SHMA, however they do help us compare trends across the sub-region and over time.

The table shows the ratios for the region and each district in May 2008 and August 2008.

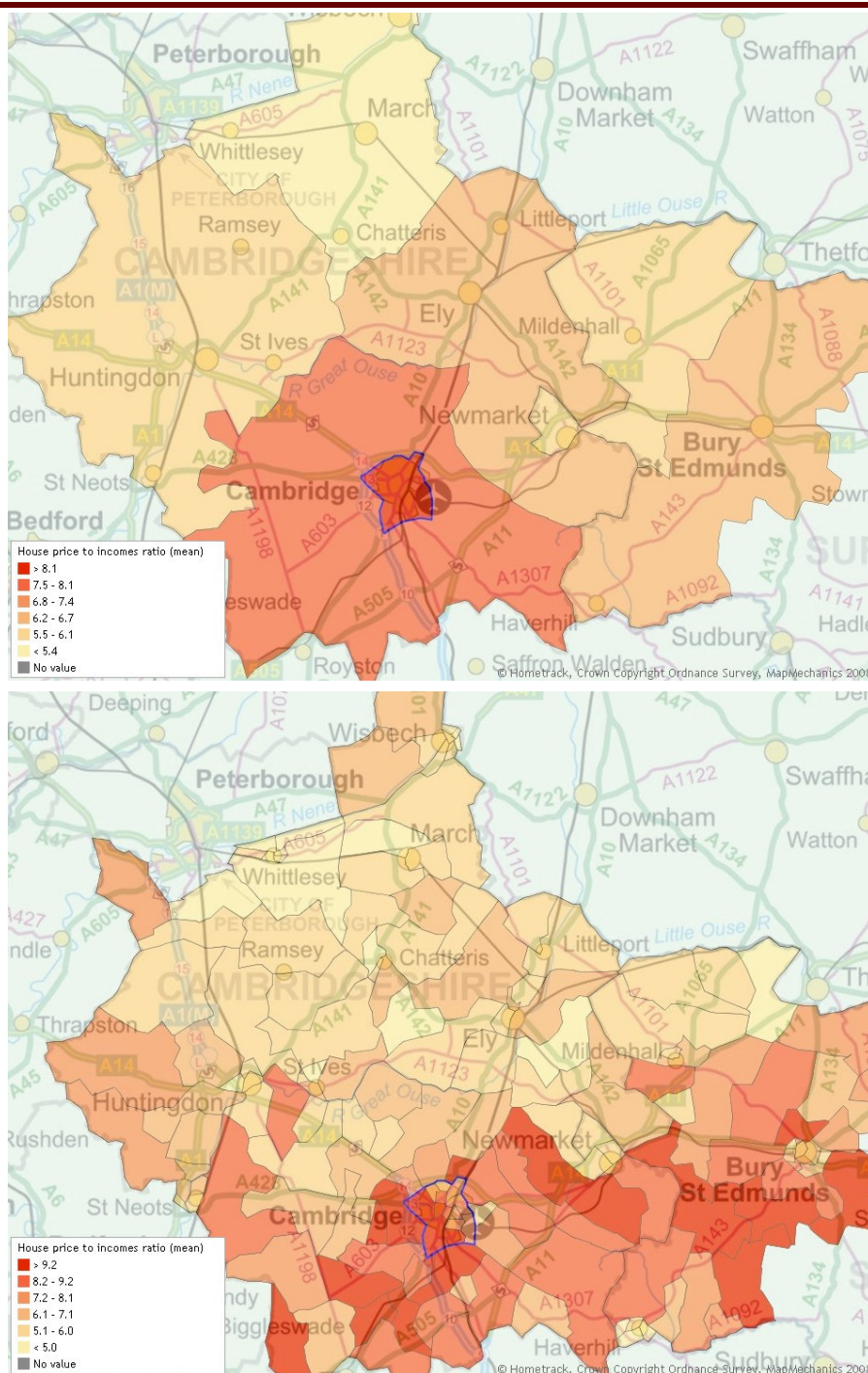
## Commentary

The top map shows the relative affordability of each district in the housing sub-region. The second map shows affordability on a ward basis, so the pattern looks a little different. Two fairly clear “zones” form with homes being generally more affordable to the north and less affordable to the south.

In August 2008 the highest price to income ratio was seen in City at 9.1 and the lowest ratio was in Fenland at 5.3. Between May and August 2008 the greatest drop in affordability was in South Cambridgeshire, where the ratio increased by 0.4.

In St Edmundsbury homes became more affordable, as the ratio dropped by 0.2.

**Source:** House price data from Hometrack, income data from CACI paycheck.



House price to income ratio	May 2008	August 2008	Change
East of England Region	6.9	7.1	+ 0.2
Cambridge City	8.9	9.1	+ 0.2
East Cambridgeshire	6.3	6.5	+ 0.2
Fenland	5.3	5.3	0
Huntingdonshire	5.9	6.1	+ 0.2
South Cambridgeshire	7.5	7.9	+ 0.4
Forest Heath	6	6.1	+ 0.1
St Edmundsbury	6.6	6.4	- 0.2

# Homelessness and housing advice

The graph and table show the number of households who were accepted by the local authority as homeless and placed in temporary accommodation as at the end of March in each of the years shown.

The number of households accepted varies a good deal for each district and across the sub-region. However this is a useful set of data to monitor as an indicator of the most extreme failing of the housing market. Without strategic action, the numbers in this table are likely to increase in future as the economic downturn bites, leading to increasing repossessions and more homelessness.

## Commentary

**Cambridge City:** We have not seen an increase in homelessness applications yet, compared to previous years. However we are aware that more people are being referred to the CAB for debt counselling. The County Court has also noticed an increase in mortgage repossession hearings. The number of people approaching the City Council for advice have risen from 61 in August 2008 to 92 in October 2008.

**East Cambridgeshire:** There has been a sharp increase in people seeking advice about potential mortgage repossession, mainly following the loss of jobs. These have not progressed to homelessness applications yet, while other housing options are being pursued. However we suspect a significant proportion of these households may need to make homelessness applications in the next few months.

**Fenland:** No significant increase in homeless applications has been felt yet, possibly due to the increasing effectiveness of the homeless prevention work undertaken by the Council and its partner agencies.

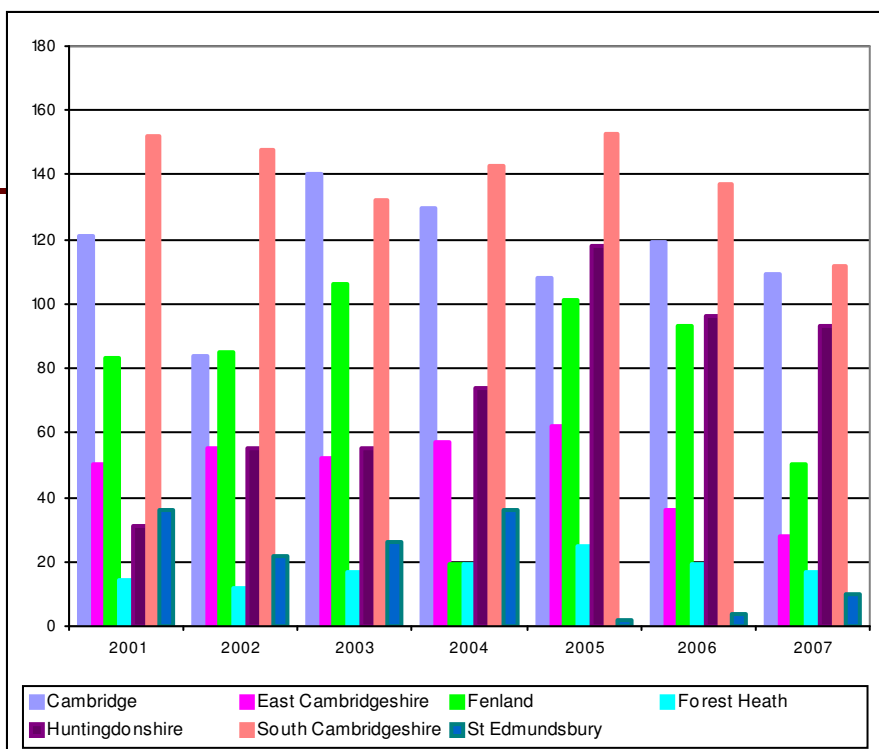
**Huntingdonshire:** From April to October 2008 some 667 housing advice and options interviews were held, compared to 585 in the same period of 2007. (N.B. If someone came in for more than one advice interview this would count as two interviews. The number is therefore the total number of interviews held, not the total number of individuals interviewed.)

We have also noticed a steep increase in the number of people coming to the Council and independent advice agencies as a result of mortgage arrears and debt problems. There seems to be increased demand for private sector rented homes, confirmed by a survey of local letting agents as part of our Strategic Housing Market Assessment; and by our staff through increased rent deposit scheme referrals and approaches by customers.

**St Edmundsbury:** The number of approaches to the housing options team for housing advice has not increased significantly. In 2007/08 there were 1,043 approaches, and between April and September 2008 there were 426.

**South Cambridgeshire:** Over the last three years we have seen a steady decrease in the number of homelessness applications due to the preventative measures put in place. However, figures taken from April to September 2008 indicate a slight increase and in September and October the homelessness team have seen almost twice the expected number of homelessness applications.

**Source:** Advice to EERA on current market conditions October 2008, annual HSSA returns.



	2001	2002	2003	2004	2005	2006	2007
Cambridge	121	84	140	130	108	119	109
East Cambridgeshire	50	55	52	57	62	36	28
Fenland	83	85	106	19	101	93	50
Huntingdonshire	31	55	55	74	118	96	93
South Cambridgeshire	152	148	132	143	153	137	112
Forest Heath	14	12	17	19	25	19	17
St Edmundsbury	36	22	26	36	2	4	10
Total for sub-region	487	461	528	478	569	504	419

# Housing needs registers

A year ago, Choice Based Lettings was introduced and the new data is not directly comparable with that of the former housing needs registers.

Districts have commented on how they see housing needs changing, and particularly how this links to current market conditions...

## Cambridge City

Housing waiting lists have increased steadily in recent years.

As house prices have risen over the last few years a growing number of people are applying for affordable housing, though we do not know what the impact of current market conditions will be on the housing register.

## East Cambridgeshire

No significant increase seen, but suspect there will be a time delay between problems in the housing and mortgage markets, and housing register applications.

## Fenland

Statistics suggest a recent significant increase in the number of housing register applications following a reduction in numbers over the last two years.

The number of households on the housing register was 2,032 in 2006, falling to 1,971 in 2007 and 1,802 in 2008. More recent figures saw 1,962 households on the register at the end of June 2008, rising to 2,283 at the end of September 2008.

## Huntingdonshire

There are increasing numbers of people on the housing register (since the end of 2007) but the new Choice Based Lettings system has not incorporated a monthly review yet, this increase might mask the real number of people actively seeking affordable housing.

## St Edmundsbury

The number of applicants has increased from 4,673 in 2006 to 4,433 in 2007 and 5,088 by the end of 2008. At the end of October 2008 the number of applicants had risen to 5,200 - an increase of 17% over the last 18 months.

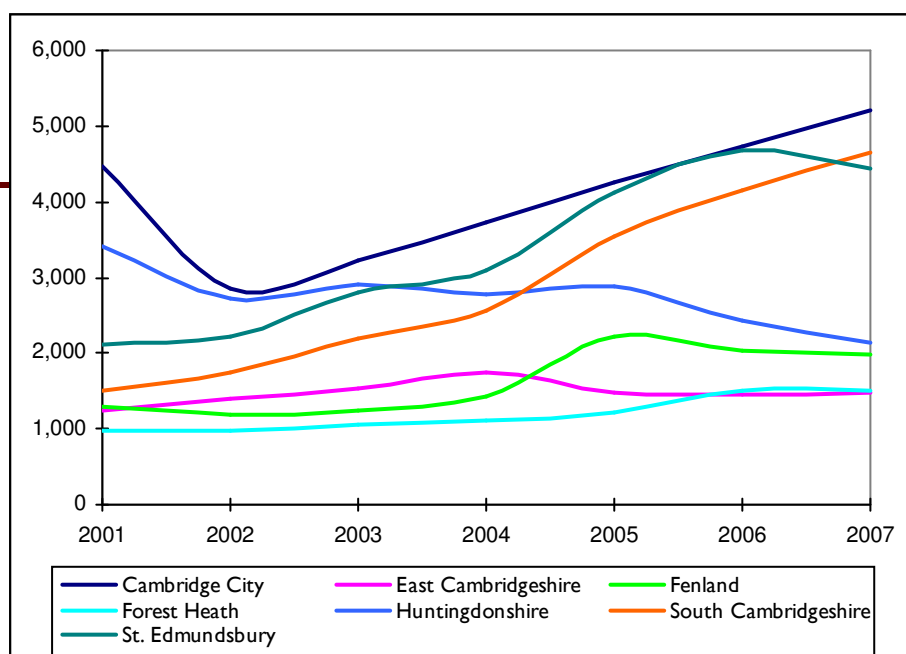
## South Cambridgeshire

Housing waiting list figures (excluding transfers) were 4,155 in 2006 rising to 4,661 in 2007 - falling to 3,626 by 1 April 2008. A full review of the housing register was undertaken prior to implementing choice based lettings in February 2008. All applicants who did not respond to the review were taken off the list.

## Footnote:

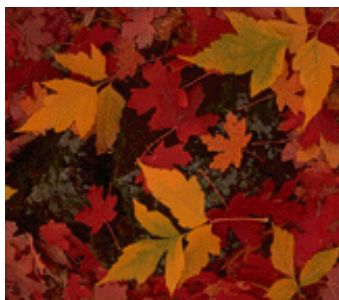
As the choice based lettings system was introduced recently it will take time to understand how housing need figures have changed, whether the new system affects customer choices and behaviour, and whether the new system has affected the number of people registering in housing need. The new system was introduced at about the same time the housing market began to change significantly, therefore analysing the effect of the new system needs to be sensitive to other, bigger changes in housing trends and housing markets.

**Source:** Annual Housing Strategy Statistical Appendix (HSSA) returns



Households on Housing Needs Registers (up to 1 April 2007)

	2001	2002	2003	2004	2005	2006	2007
Cambridge City	4,472	2,860	3,218	3,724	4,251	4,743	5,214
East Cambridgeshire	1,245	1,400	1,538	1,737	1,477	1,442	1,479
Fenland	1,293	1,185	1,248	1,439	2,226	2,032	1,971
Forest Heath	973	979	1,063	1,113	1,221	1,505	1,507
Huntingdonshire	3,416	2,724	2,910	2,772	2,887	2,425	2,139
South Cambridgeshire	1,500	1,733	2,207	2,553	3,538	4,155	4,661
St. Edmundsbury	2,122	2,230	2,813	3,104	4,118	4,673	4,433
Total for sub-region	15,021	13,111	14,997	16,442	19,718	20,975	21,404

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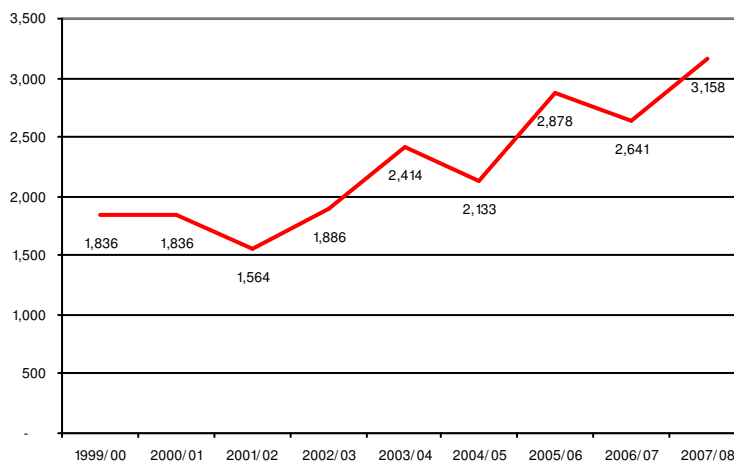
**WEBSITE:**

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## Housing completions over time

This graph shows total housing completions each year, across Cambridgeshire. The data comes from on-site surveys carried out by the County Council to help monitor progress achieving our housing delivery targets.

**Please note:** before April 2008 the survey was only carried out in the planning sub-region. From then onwards it has been extended to cover the whole of Cambridgeshire County. The survey excludes Forest Heath and St Edmundsbury.



## Your views on this bulletin...

We would really welcome your feedback on this bulletin. If you would like to, please send an email to the address above. We would particularly like to know:

- Did you find the bulletin useful?
- Should we continue with the bulletin in future, and if so, how often?
- Does information in the bulletin reflect your experiences of the market, particularly in our housing sub-region?
- Is there other information you'd like included in the bulletin?
- Do you know of other market intelligence systems which might provide additional housing market information?
- Were parts of the bulletin less useful to you, which could be dropped in future?
- What did you think of the layout and presentation of the bulletin?
- Would you like to join a new e-mail group to provide insight on your experiences and view of the housing market over the coming months?

**Thank you!**

## About Hometrack

If you are already a Hometrack subscriber, you might like to know how the maps, graphs and tables were produced for this bulletin.

Depending on the data you are interested in, it may be possible to produce the same data at smaller area levels for more local granularity.

If this sounds useful, please contact Sue on the e-mail address above to get a "how to" guide.

To receive Hometrack's housing intelligence bulletins, a copy of the Hometrack's annual affordability report "Can't Buy; Can't Supply" by Professor Wilcox, or for more information about subscribing to Hometrack please contact Carole Oliver on 0845 013 2359 or [coliver@hometrack.co.uk](mailto:coliver@hometrack.co.uk)

