



Housing Key Facts

Private Rented Housing

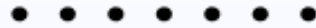
Summary, Commentary & Data Tables

March 2023



Private Rented Housing Summary

March 2023



31%

of Cambridge households are estimated to be living in the private rented sector. (Census 2021)



903

Number of licensed Houses in Multiple Occupation in Cambridge



£1,285

Av

Average overall monthly rent October to September for all sizes of home



No change

Since October to September the previous year



up 5%

Over 5 years



£995

LQ

Lower quartile overall monthly rent October to September for all sizes of home



up 4%

Since October to September the previous year



up 5%

Over 5 years



£195.62

2 bed LHA

Current Local Housing Allowance rate (weekly) for a 2 bedroom home



35% lower

Than the average rent on a 2 bedroom home



26% lower

Than the lower quartile rent on a 2 bedroom home



LHA

264

Cambridge households claiming Local Housing Allowance



down 7

Over 12 months



down 140

Over 5 years



Private Rented Housing: Summary

- According to the 2021 Census, around **31%** of Cambridge households were renting privately; up from **26%** in the 2011 Census.
- There are **903** licensed Houses in Multiple Occupation in Cambridge; **up 12%** over the last six months
- The average overall monthly rent in Cambridge, October to September, for all sizes of home, was **£1,285**.
- Average overall monthly rents for all sizes of home have seen **no change** since October to September the previous year, but were **up 5%** over the last five years.
- The overall lower quartile monthly rent in Cambridge, October to September, for all sizes of home, was **£995**
- Lower quartile monthly rents, October to September, for all sizes of home were **up 4%** since October to September the previous year; and **up 5%** over the last 5 years.
- The current Local Housing Allowance rate (weekly) for a two bedroom home is **£195.62**. This is **35% lower** than the average two-bedroom rent, and **26% lower** than the lower quartile rent on a two-bedroom home.
- There are **264** Cambridge households claiming Local Housing Allowance; **up 7** over the last 12 months but **down 140** over 5 years.

Private Rented Housing: Commentary

- The private rented sector is made up of a combination of self-contained rented homes and shared accommodation (Houses in Multiple Occupation), some of which are let specifically to students.
- The number of households living in the private rented sector in Cambridge increased considerably between 2011 and 2021.
- The number of licensed Houses in Multiple Occupation has also increased over the last six months, thought to be largely a result of an increased post-pandemic focus on identifying HMOs and arranging for properties to be licensed.

- Demand for private rented homes is linked to a number of factors, particularly the strength of the local economy and Cambridge as a University City.
- High demand and shortage of supply is reflected in high rent levels. Rents in Cambridge, for most sizes of home, are higher than in any other authority in the East of England, and some of the highest in the country.
- For example, Cambridge (alongside Oxford) has the second highest average rent for two-bedroom homes in England, outside of London.
- Cambridge (along with two other authorities) also has the fourth highest lower quartile rent for one-bedroom homes in England, outside of London.
- Whether the private rental sector will continue to grow in Cambridge is not clear. Anecdotal information suggests that some private landlords may be starting to withdraw from the sector; partly due to recent and/or planned changes in national policy and increased regulation. The current economic crisis could also have an impact on private rented housing supply and demand. The full long-term impacts of Covid-19 on working patterns and where people will choose to live in relation to their place of work or education also remain to be seen.
- New purpose-built Build to Rent schemes will also be starting soon to emerge locally which may further affect the private rental market.
- High rent levels mean that affordability of private rented housing is a significant issue for many; this is likely to worsen as the cost-of-living crisis continues. The affordability problem is particularly acute for those on low incomes. For those on Universal Credit, Local Housing Allowances are not sufficient to cover the even lower quartile rents on any size of home. The problem is particularly acute for homes with two or more bedrooms.
- Although the number of Local Housing Allowance claimants in Cambridge has increased slightly over the last year, there has been a significant overall reduction over the last five years. This is thought to be partly linked to lack of affordability and people needing to move out of Cambridge to find cheaper places to live.
- See also the Population, Households & Economy and Homelessness & Rough Sleeping sections of Key Facts.

Private Rented Housing: Data Tables

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Explanation

This shows average and lower quartile monthly private rents in Cambridge together with weekly equivalent rents, based on the most recent information available.

It also compares weekly equivalent rents with Local Housing Allowance rates. These are set by government and used to assess the level of housing benefit (or housing element of Universal Credit) to be paid to tenants renting from private landlords, depending on the area in which they live and the size of their household.

Figures are for Cambridge unless otherwise stated.

Caution

Backdated changes are occasionally made to some data. Please use the most up to date version available.

Data sources

[ONS private rental market statistics](#)

[Local Housing Allowance \(LHA\) rates - GOV.UK \(www.gov.uk\)](#)

Average rents

Table 1: Average (mean) monthly private rents, October to September last year, local & national comparison

Size	Cambridge Oct 21 to Sep 22	South Cambridgeshire Oct 21 to Sep 22	East of England Oct 21 to Sep 22	England Oct 21 to Sep 22
Room	£565	£570	£496	£463
Studio	£855	£738	£622	£694
1 bedroom	£1,054	£847	£746	£791
2 bedrooms	£1,318	£1,057	£915	£887
3 bedrooms	£1,241	£1,517	£1,080	£1,021
4+ bedrooms	£2,200	£1,774	£1,597	£1,735
All	£1,285	£1,156	£962	£946

Figure 1: Average (mean) monthly private rents by size, October to September last year, local & national comparison

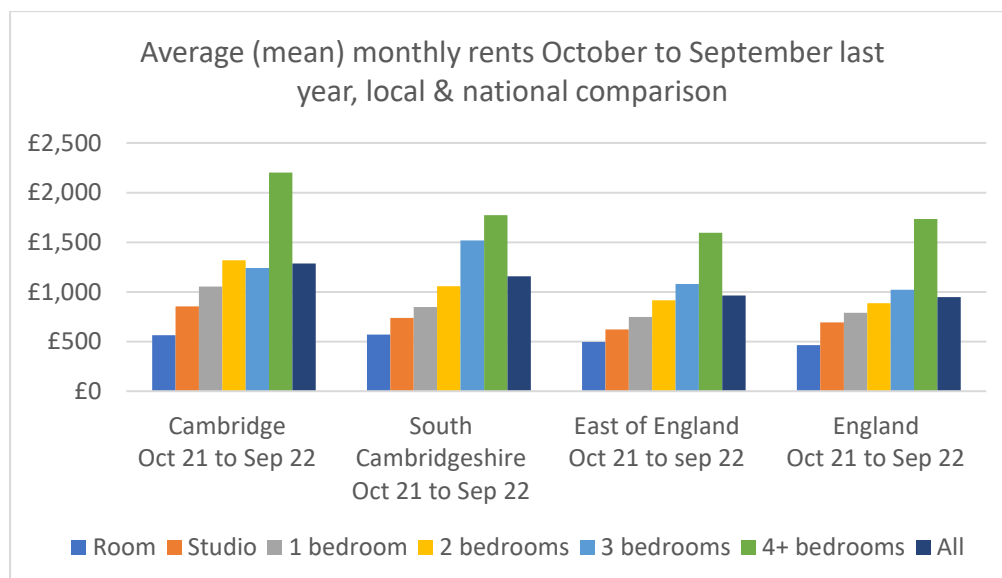


Table 2: Average (mean) monthly private rents by size, last five years

Size	Oct 2017 to Sep 2018	Oct 2018 to Sep 2019	Oct 2019 to Sep 2020	Oct 2020 to Sep 2021	Oct 2021 to Sept 2022	Per-centage change 12 months	Per-centage change 5 years
Room	£517	£531	£506	£547	£565	3%	9%
Studio	£799	£792	£802	£803	£855	6%	7%
1 bedroom	£970	£1,006	£1,016	£1,013	£1,054	4%	9%
2 bedrooms	£1,200	£1,257	£1,271	£1,283	£1,318	3%	10%
3 bedrooms	£1,401	£1,444	£1,451	£1,482	£1,241	-16%	-11%
4+ bedrooms	£2,000	£2,072	£2,046	£2,126	£2,200	3%	10%
All	£1,224	£1,253	£1,218	£1,286	£1,285	0%	5%

Table 3: Average (mean) weekly equivalent private rents by size, last five years

Size	Oct 2018 to Sep 2019	Oct 2018 to Sep 2019	Oct 2019 to Sep 2020	Oct 2020 to Sep 2021	Oct 2021 to Sep 2022	Per-centage change 12 months	Per-centage change 5 years
Room	£119	£122	£116	£126	£130	3%	9%
Studio	£184	£182	£184	£185	£197	6%	7%
1 bedroom	£223	£231	£234	£233	£242	4%	9%
2 bedrooms	£276	£289	£292	£295	£303	3%	10%
3 bedrooms	£322	£332	£334	£341	£285	-16%	-11%
4+ bedrooms	£460	£477	£471	£489	£506	3%	10%
All	£281	£288	£280	£296	£296	0%	5%

Lower quartile rents

Table 4: Lower quartile monthly rents, October to September last year, local & national comparison

Size	Cambridge Oct 21 to Sep 22	South Cambridgeshire Oct 21 to sep 22	East of England Oct 21 to Sep 22	England Oct 21 to Sep 22
Room	£500	£523	£425	£390
Studio	£800	£650	£525	£498
1 bedroom	£900	£750	£625	£550
2 bedrooms	£1,150	£925	£745	£625
3 bedrooms	£1,300	£1,100	£850	£695
4+ bedrooms	£1,700	£1,420	£1,200	£1,100
All	£995	£925	£715	£610

Figure 2: Lower quartile monthly private rents by size, October to September last year, local & national comparison

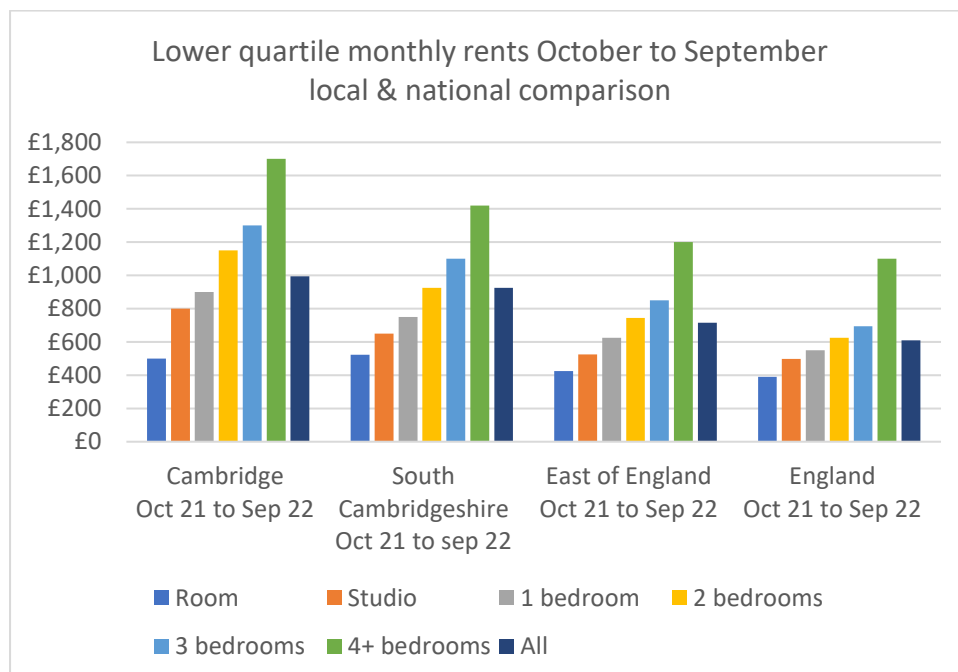


Table 5: Lower quartile monthly private rents by size, last five years

Size	Oct 2017 to Sep 2018	Oct 2018 to Sep 2019	Oct 2019 to Sep 2020	Oct 2020 to Sep 2021	Oct 2021 to Sep 2022	Per-centage change 12 months	Per-centage change 5 years
Room	£450	£450	£430	£480	£500	4%	11%
Studio	£700	£700	£738	£720	£800	11%	14%
1 bedroom	£850	£850	£875	£875	£900	3%	6%
2 bedrooms	£1,040	£1,095	£1,100	£1,100	£1,150	5%	11%
3 bedrooms	£1,200	£1,230	£1,200	£1,250	£1,300	4%	8%
4+ bedrooms	£1,600	£1,650	£1,600	£1,750	£1,700	-3%	6%
All	£950	£950	£940	£960	£995	4%	5%

Table 6: Lower quartile weekly equivalent private rents by size, last five years

Size	Oct 2017 to Sep 2018	Oct 2018 to Sep 2019	Oct 2019 to Sep 2020	Oct 2020 to Sep 2021	Oct 2021 to Sep 2022	Per-centage change 12 months	Per-centage change 5 years
Room	£103	£103	£99	£110	£115	4%	11%
Studio	£161	£161	£170	£166	£184	11%	14%
1 bedroom	£195	£195	£201	£201	£207	3%	6%
2 bedrooms	£239	£252	£253	£253	£264	5%	11%
3 bedrooms	£276	£283	£276	£287	£299	4%	8%
4+ bedrooms	£368	£379	£368	£402	£391	-3%	6%
All	£218	£218	£216	£221	£229	4%	5%

Local Housing Allowance (LHA) Rates

Table 7: Local Housing Allowance rates, weekly, last five years

Type	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	Percentage change 12 months	Percentage change 5 years
Room/shared facilities	£80.52	£80.52	£97.00	£97.00	£97.00	0%	20%
Studio	£129.83	£133.72	£178.36	£178.36	£178.36	0%	37%
1 bedroom	£129.83	£133.72	£178.36	£178.36	£178.36	0%	37%
2 bedrooms	£149.31	£153.79	£195.62	£195.62	£195.62	0%	31%
3 bedrooms	£173.50	£178.71	£218.63	£218.63	£218.63	0%	26%
4+ bedrooms	£231.44	£238.38	£299.18	£299.18	£299.18	0%	29%

Table 8: Local Housing Allowance rates, monthly equivalent, last five years

Type	2018-2019	2019-2020	2020-2021	2021- 2022	2022- 2023	Percentage change 12 months	Percentage change 5 years
Room/shared facilities	£349.86	£349.86	£421.47	£421.47	£421.47	0%	20%
Studio	£564.11	£581.01	£774.97	£774.97	£774.97	0%	37%
1 bedroom	£564.11	£581.01	£774.97	£774.97	£774.97	0%	37%
2 bedrooms	£648.75	£668.22	£849.97	£849.97	£849.97	0%	31%
3 bedrooms	£753.86	£776.49	£949.95	£218.63	£949.95	335%	26%
4+ bedrooms	£1,005.61	£1,035.76	£1,299.94	£1,299.94	£1,299.94	0%	29%

Average rents compared with Local Housing Allowance Rates

Table 9: Average (mean) weekly private rents October to September last year compared with Local Housing Allowance rates

Type	Average weekly rent October 2021 to September 2022	Local Housing Allowance April 2022 to March 2023	Difference	Percentage difference
Room/ shared facilities	£130	£97.00	-£32.94	-25%
Studio	£197	£178.36	-£18.28	-9%
1 bedroom	£242	£178.36	-£64.04	-26%
2 bedrooms	£303	£195.62	-£107.50	-35%
3 bedrooms	£285	£218.63	-£66.78	-23%
4+ bedrooms	£506	£299.18	-£206.79	-41%
All	£296	N/A	N/A	N/A

Figure 3: Average (mean) weekly private rents October to September last year compared with Local Housing Allowance rates

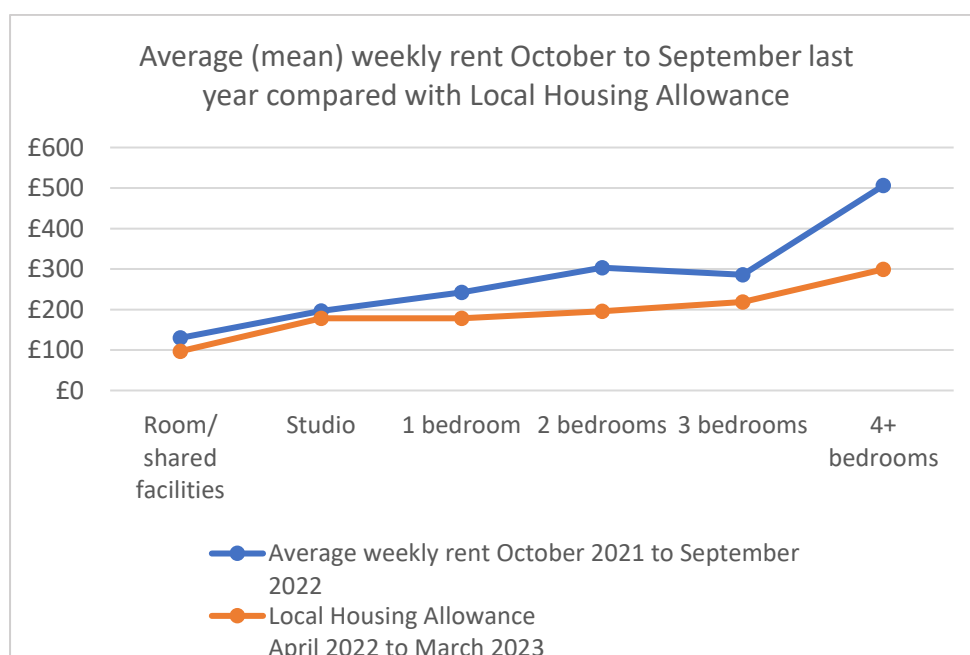


Table 10: Average (mean) monthly private rents October to September last year compared with Local Housing Allowance rates

Type	Average monthly rent Oct 2021 to Sep 2022	Local Housing Allowance monthly April 2022 to March 2023	Difference	Percentage difference
Room/ shared facilities	£565	£421.47	-£143.54	-25%
Studio	£855	£774.97	-£80.03	-9%
1 bedroom	£1,054	£774.97	-£279.03	-26%
2 bedrooms	£1,318	£849.97	-£468.03	-36%
3 bedrooms	£1,241	£949.95	-£291.05	-23%
4+ bedrooms	£2,200	£1,299.94	-£900.06	-41%
All	£1,285	N/A	N/A	N/A

Lower quartile rents compared with Local Housing Allowance rates

Table 11: Lower quartile weekly private rents October to September last year compared with Local Housing Allowance rates

Type	Lower quartile weekly rent October 2021 to September 2022	Local Housing Allowance April 2022 to March 2023	Difference	Percentage difference
Room/ shared facilities	£115	£97.00	-£17.99	-16%
Studio	£184	£178.36	-£5.62	-3%
1 bedroom	£207	£178.36	-£28.62	-14%
2 bedrooms	£264	£195.62	-£68.86	-26%
3 bedrooms	£299	£218.63	-£80.34	-27%
4+ bedrooms	£391	£299.18	-£91.79	-23%
All	£229	N/A	N/A	N/A

Figure 4: Lower quartile weekly private rents October to September last year compared with Local Housing Allowance rates

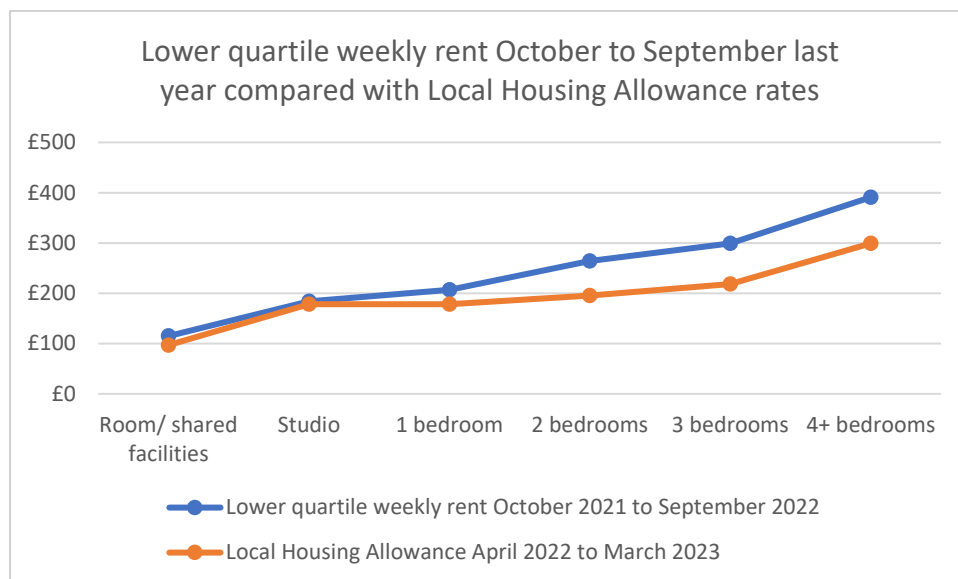


Table 12: Lower quartile monthly private rents October to September last year compared with Local Housing Allowance rates

Type	Lower quartile monthly rent October 2021 to September 2022	Local Housing Allowance monthly April 2022 to March 2023	Difference	Percentage difference
Room/ shared facilities	£500	£421.47	-£78.54	-16%
Studio	£800	£774.97	-£25.03	-3%
1 bedroom	£900	£774.97	-£125.03	-14%
2 bedrooms	£1,150	£849.97	-£300.03	-26%
3 bedrooms	£1,300	£949.95	-£350.05	-27%
4+ bedrooms	£1,700	£1,299.94	-£400.06	-24%
All	£995	N/A	N/A	N/A

Local Housing Allowance claimants

Table 13: Number of Local Housing Allowance claimants, April, last five years

Type	Apr 2019	Apr 2020	Apr 2021	Apr 2022	Apr 2023	Change 12 months	Change 5 years
Room/ shared accommodation	75	41	36	25	18	-7	-57
1 bedroom	193	171	159	156	164	8	-29
2 bedrooms	95	67	47	49	47	-2	-48
3 bedrooms	37	28	27	24	30	6	-7
4+ bedrooms	4	3	1	3	5	2	1
Total	404	310	270	257	264	7	-140

Figure 5: Number of Local Housing Allowance claimants, last five years

