

Housing Market Bulletin

Cambridge Housing
Sub-Region

Volume 1, Issue 1
August 08

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Suggested timeline for Bulletins

- Issue 1: July 2008, based on end of June HT data
- Issue 2: Oct 2008, based on end of Sept HT data
- Issue 3: Jan 2008, based on end of Dec HT data
- Issue 4: April 2008, based on end of March HT data

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 our market information and to keep up-to-date with changes in prices, income data and market activity.

Several questions recur:

- How does the Cambridge sub-region compare to the rest of the UK, or to the East of England Region?
- Is there more responsive data than the Land Registry, which the SHMA currently refers to?
- What do the trends tell us about our housing markets, and how do they affect delivery of homes, whether on major strategic sites, smaller sites, or in small or village developments?
- How would this kind of data inform affordable housing delivery, planning requirements especially around affordability?
- Might this information help us focus efforts at those parts of the housing market which most needed it—whether locations, tenures, sizes of homes or other issues? An example would be making sure that affordable homes really are affordable.

So this is our first attempt at such a bulletin.

We have initially subscribed to Hometrack, a

housing market intelligence system, from April 2008 to April 2009 to improve and update the market information we currently use. Although this is not the only source of such data, this one-year trial period should help all of us decide whether this is a good system to use or not, and whether we want to renew the subscription in future.

If you have a Hometrack login, follow the "how to" links, marked with this symbol (add) to create the maps or graphs yourself.

We would really welcome your feedback on this bulletin and your suggestions on alternative sources of data we could investigate if Hometrack is not answering our questions about the housing market.

Please let us know what you think, and make suggestions—there are some questions on page 7 to help you give this feedback.



Hometrack is a web-based system which all 7 districts in our housing sub region are using for a trial year.

How does this bulletin link with the SHMA?

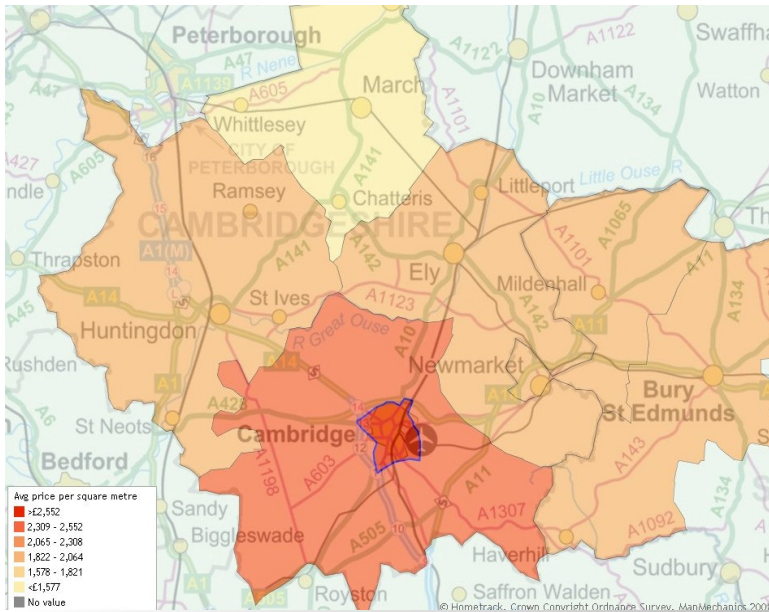
The SHMA, launched in June 2008, includes a broad view of the housing market and the forces behind it, along with several chapters on the detail of incomes, prices, affordability and our housing markets.

The key ones are:

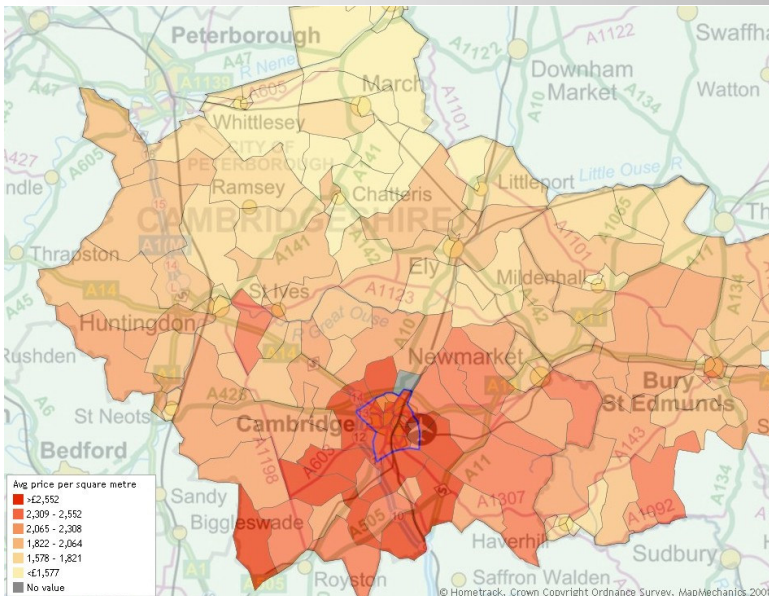
- Chapter x, title [Link](#)
- Chapter x, title [Link](#)
- Chapter x, title [Link](#)
- Chapter x, title [Link](#)

This bulletin aims to add to the "foundation" of information in the SHMA, and to make sure we all have comparable and up to date market information. Initially we plan to produce the bulletin quarterly, but again your views on this would be helpful on this - it might be too frequent for you. 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.

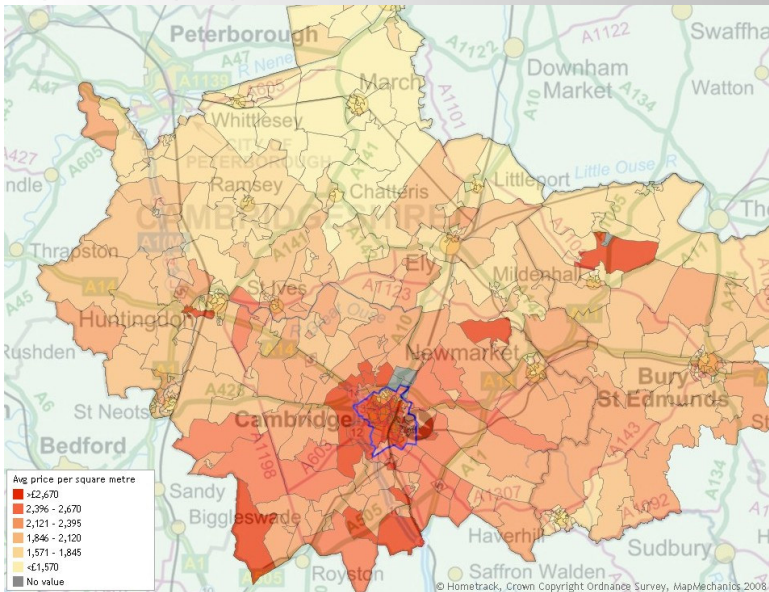
See the box (right) for our suggested timeline should the bulletin prove a success.



Map 1. Average price per m² at local authority / district level



Map 2. Average price per m² at ward level



Map 3. Average price per m² at lower super output area

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.

To help those who have a Hometrack login, we have included **How to do it...** tips on page x.

We have provided brief analysis of the data provided, trying to strike a balance between stating the obvious, becoming too technical and providing the information needed to help interpret the data. Again we welcome feedback on how useful readers find this.

The first edition is fairly short, as it's a pilot. Depending on the feedback you provide, we can expand or reduce future editions, provide more detail or less as you suggest.

Naturally all data is provided by Hometrack, who are liable for data accuracy. However Hometrack are not responsible for any users' interpretation of the data, for example in a note such as this one.

Coverage

This bulletin covers the whole local authority areas of Cambridge City, East Cambridgeshire, Fenland, Huntingdonshire, South Cambridgeshire, Forest Heath and St. Edmundsbury

Hometrack data can be broken down to smaller areas including wards, lower super output areas and output areas. Some data is not available for the smaller areas. Initially we will select the most appropriate level of data to present in this briefing to improve our understanding of the market and to keep the briefing note both clear and understandable.

However smaller area analysis may be useful when looking at specific issues in future, we look forward to hearing your views on this issue as part of your feedback on this note. Three examples are provided in the maps on the right, using average prices per m² as an example:

- Map 1 at local authority level.
- Map 2 at ward level.
- Map 3 at lower super output areas level.

Average price per m²

These 3 maps show the current average price per square metre of property for the geographies selected. At local authority level, this data is for the most recent month (map 1). At smaller areas (wards on map 2, and super output areas on map 3) the average over the last six months is used, to ensure a large enough sample size.

The data is based on data from Hometrack's Automated Valuation Model.

Market activity...

Annual turnover 2007

Map 4 shows the volume of residential sales at ward level in 2007, using Land Registry data.

The map enables us to compare market activity ward by ward in terms of numbers of sales.

The blue boundary denotes the edge of the City district. Wards with more sales show in the darker shades, the key shows the range of numbers of sales within each ward.

Annual turnover as a % of stock 2007

Map 5 shows the volume of residential sales as a % of stock at ward level in 2007, using data from the Land Registry and the Office of National Statistics.

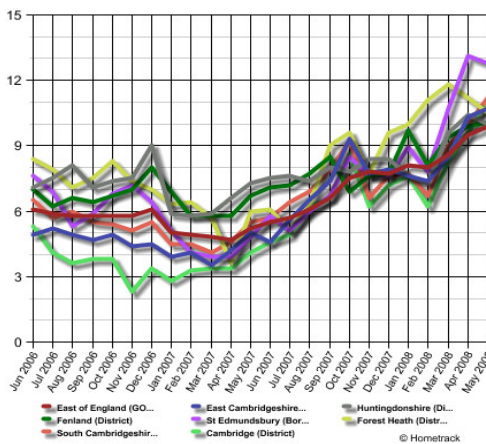
While the number of sales relates to 2007, the stock figures is constant being taken from the Census 2001.

The map enables us to compare market activity ward by ward in terms of % turnover and is slightly different from map 4 which shows the numbers of sales.

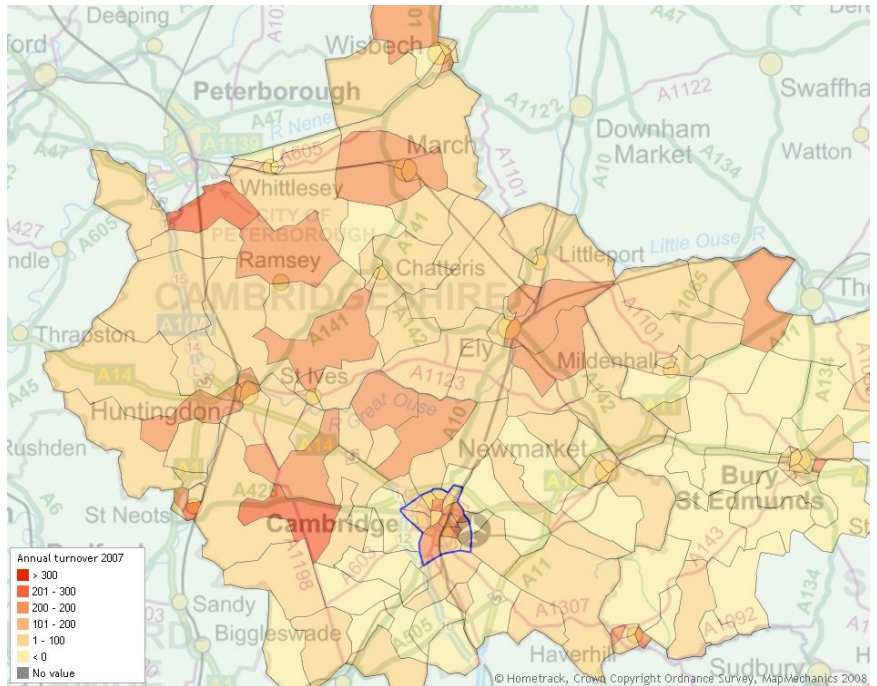
Time to sell (weeks)

Graph 1 and Table 1 show the average time taken to sell a property in weeks. The data comes from Hometrack's monthly survey of estate agents and is based at postcode district level (e.g. SE5 or NE12). The graph enables us to compare the time it takes to sell a property in each district, between June 2006 and May 2008.

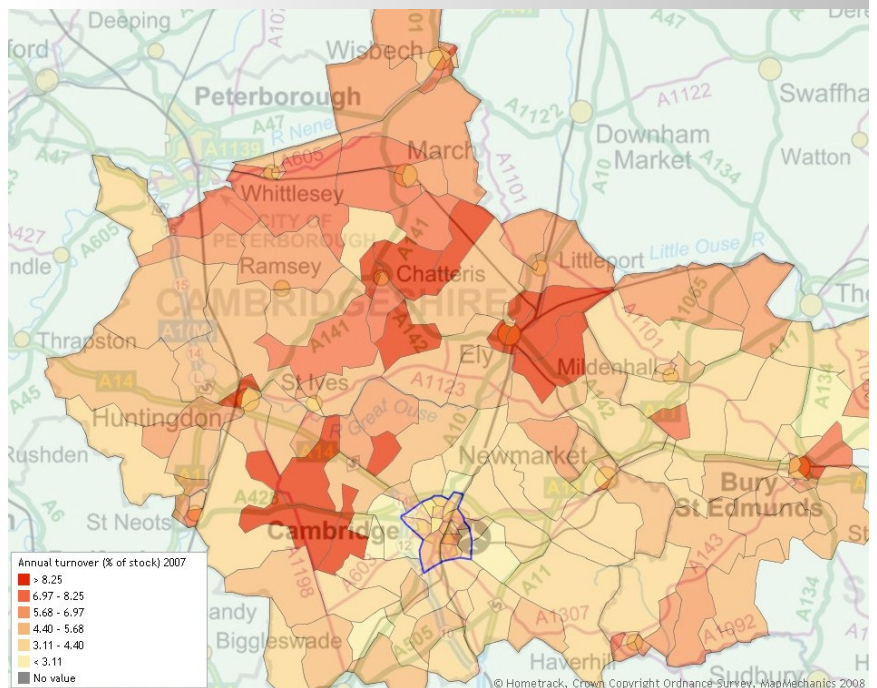
In each of the seven districts analysed, time to sell has increased particularly since about February 2008 which would fit with national and local reports on a market slow-down. The graph includes a line representing the East of England region's average time to sell (the dark red line) which shows a similar pattern to our sub-region.



Graph 1: Comparing time to sell (weeks) by district over time



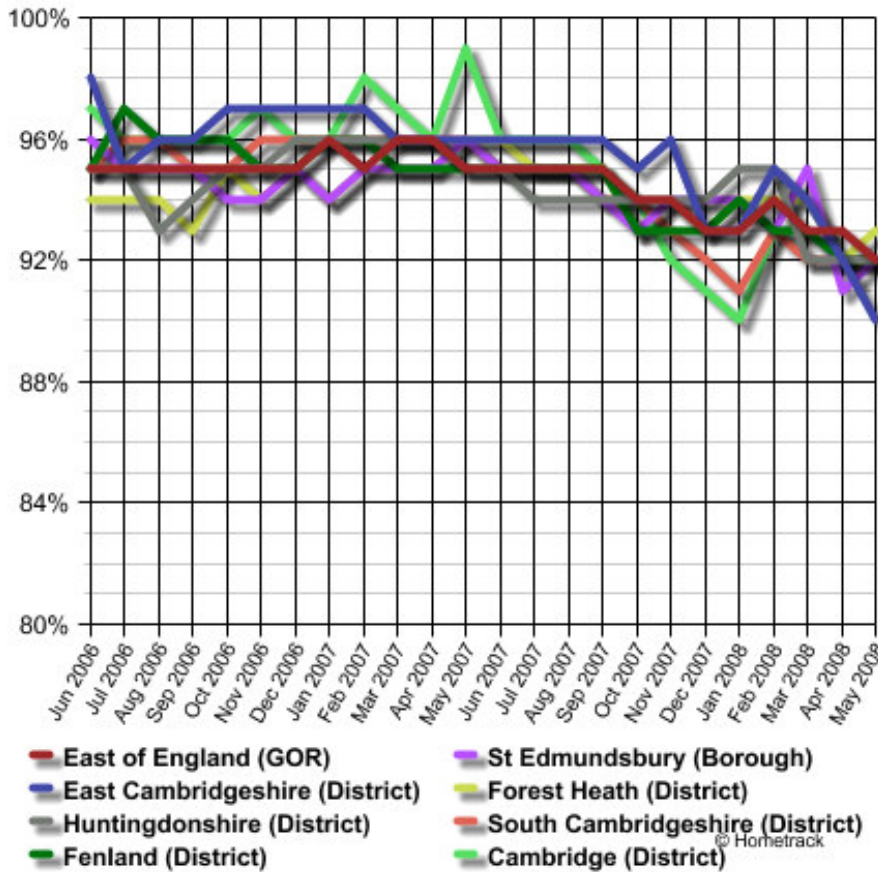
Map 4: Annual turnover at ward level, 2007



Map 5: Annual turnover as a % stock at ward level, 2007

Table 1: Time to sell in weeks by district, May 2008

East of England Region	9.9 weeks
Cambridge City	11.2 weeks
East Cambridgeshire	10.7 weeks
Fenland	10.1 weeks
Forest Heath	10.5 weeks
Huntingdonshire	10 weeks
South Cambridgeshire	11.2 weeks
St Edmundsbury	12.8 weeks



Graph 2: Comparing sales price to asking price by district

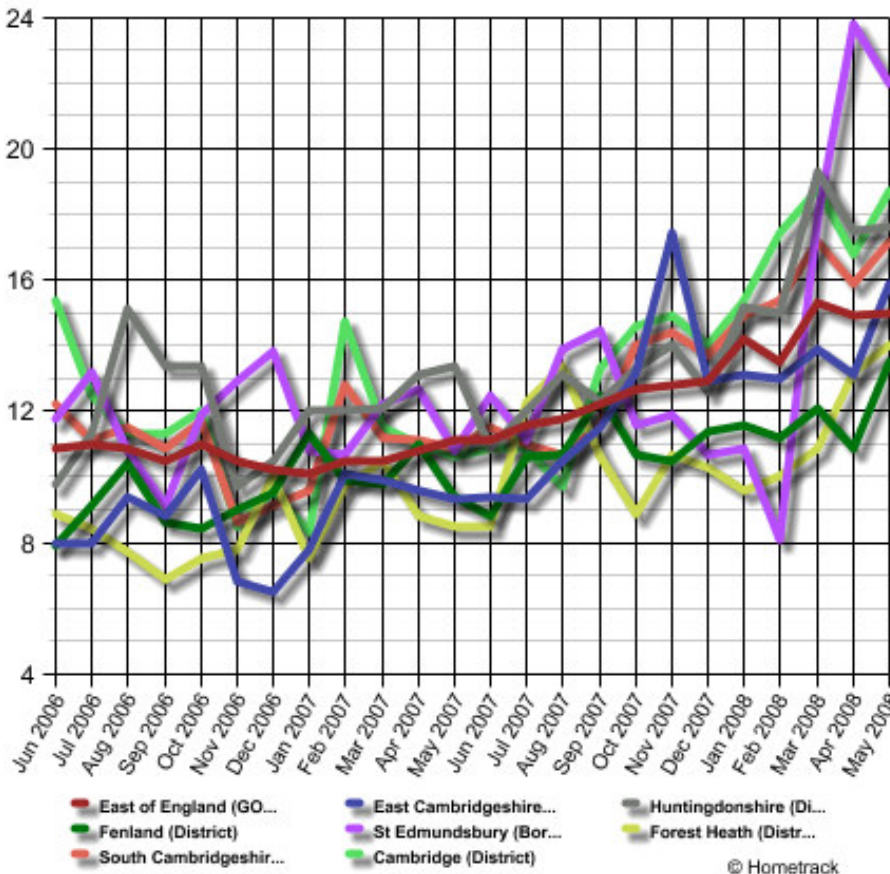
Comparing sales price to asking price

Graph 2 shows the typical proportion of the asking price that is achieved for all sales agreed over the month. As with time to sell, the data comes from Hometrack's monthly survey of estate agents and is based at postcode district level.

Again, 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 East of England region's average, which again shows a similar overall pattern to our sub-region.

Table 2 shows the average %'s achieved in May 2008.

Table 2: % of asking price achieved on average at May 2008	
Cambridge	91.5%
East Cambridgeshire	90.5%
Fenland	92%
Forest Heath	93.2%
Huntingdonshire	91.8%
South Cambridgeshire	91.9%
St Edmundsbury	92.3%



Graph 3: Number of viewings per sale by district

Number of viewings per sale by district

Graph 3 shows the average number of viewings between an average property in the district going on the market, and going "under offer". The data comes from Hometrack's monthly survey of estate agents and is based at postcode district level.

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. The dark red line again shows the East of England average.

Table 3 shows the average number of viewings per sale in May 2008.

Table 3: Average number of viewings per sale, May 2008	
Cambridge	18.7
East Cambridgeshire	15.9
Fenland	13.5
Forest Heath	14
Huntingdonshire	17.6
South Cambridgeshire	17.2
St Edmundsbury	22

Comparing our sub-region, region and England

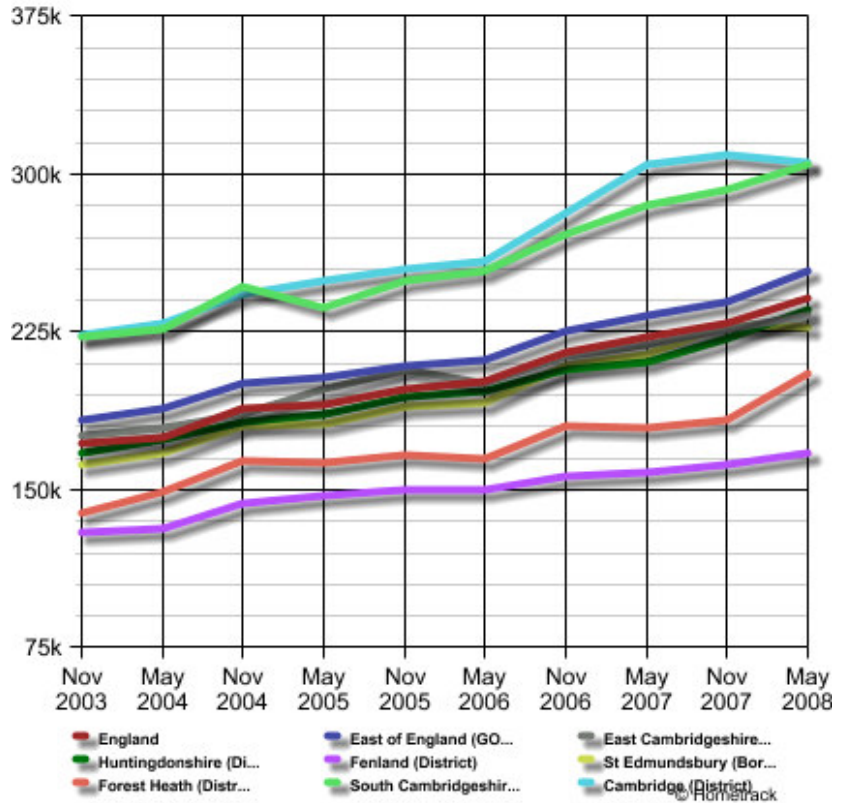
Average price

Graph 4 shows the average property price over time for all types of housing in the area(s) selected. Small sample sizes can distort the price over time in some areas. The data for this analysis is based on Hometrack's Automated Valuation Model.

On this graph, the dark red line represents the average for England, and the royal blue line shows the average for the East of England Region. There is some variation in average price between districts, but all nine lines of the graph appear to be following about the same pattern. Significantly, Cambridge City (pale blue) and South Cambridgeshire (pale green) are both significantly higher in price than all other prices shown on the graph. Fenland shows the lowest average price.

Table x shows average house prices as at May 2008.

District	Average Price (£)
Cambridge City	£308,000
East Cambridgeshire	£228,600
Fenland	£163,400
Forest Heath	£190,900
Huntingdonshire	£226,100
South Cambridgeshire	£297,000
St Edmundsbury	£228,100



Graph 4: Average prices comparing England, Region and 7 districts

Average price per m²

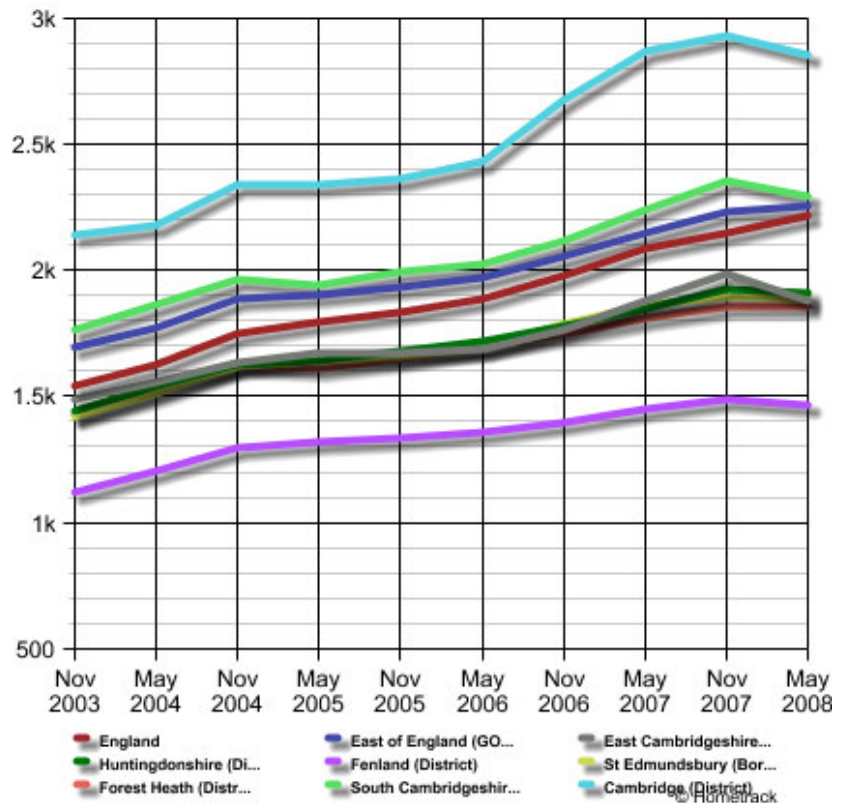
Graph 5 helps compare prices of homes, by calculating the value per square metre, ironing out differences between sizes of homes.

The graph shows average property prices for all types of homes in the areas selected. It is based on data from Hometrack's Automated Valuation Model.

This graph highlights the significantly higher prices commanded in Cambridge City, and considerably lower across Fenland. Many districts show a drop in prices per m² between Nov 2007 and May 2008, though the regional and national averages show less of a drop. However this could well be due to the "dampening" effect of averages over a broader data set and does not necessarily mean the districts in our sub-region are any more or worse affected than other individual districts.

Table y shows average prices per m² as at May 2008.

District	Average Price per m ² (£)
Cambridge City	£2,901
East Cambridgeshire	£1,943
Fenland	£1,480
Forest Heath	£1,855
Huntingdonshire	£1,916
South Cambridgeshire	£2,333
St Edmundsbury	£1,890



Graph 5: Average prices per m² comparing England, the Region and 7 districts

House price: income ratio

Maps 6 and 7 show the relative affordability of different areas using a ratio of mean house prices and mean incomes. The higher the value and the darker the shading, the less affordable the area is. Incomes differ from earnings by including non-earned incomes, such as benefits. House price data comes from Hometrack, income data comes from CACI paycheck.

The left hand map clearly shows the relative affordability of each district in the housing sub-region. However when looking on a ward basis shown on the right hand map, the pattern of affordability looks a little different, with two fairly clear “zones” forming - homes being generally more affordable in the north and less affordable in the south.

Table 2 shows the ratios used in Map 6. As there are over 160 wards in the sub-region, the table for Map 7 is too large to include in this bulletin.

Table 2: House price to income ratio

East of England Region	6.9
Cambridge City	8.9
East Cambridgeshire	6.3
Fenland	5.3
Forest Heath	6
Huntingdonshire	5.9
South Cambridgeshire	7.5
St Edmundsbury	6.6

Price changes over time

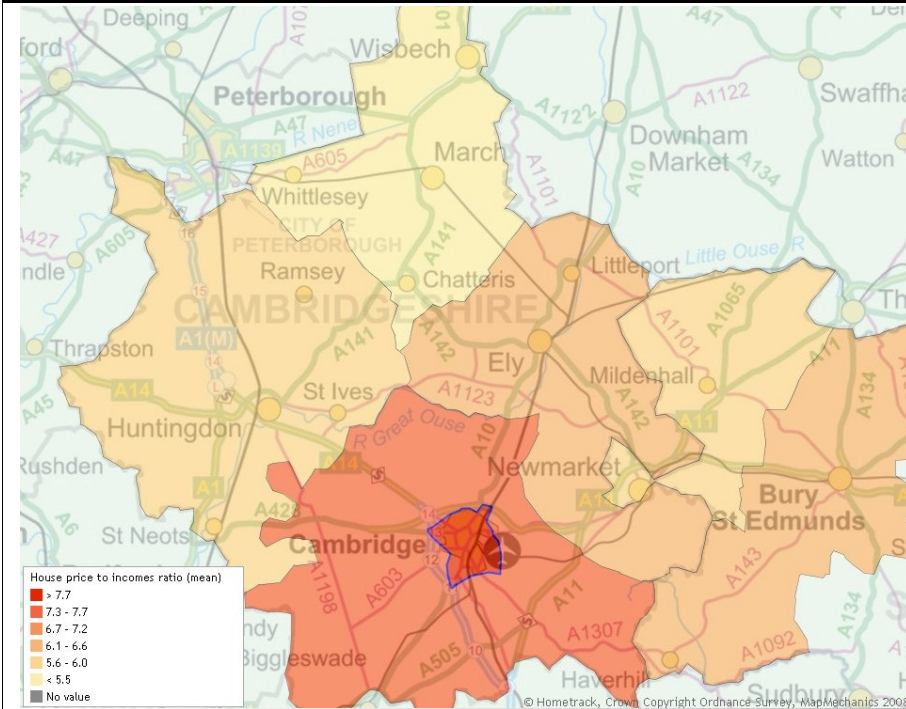
Table 3 shows the changes in property prices overall in the last year, and over the past 4 years.

The “current price” information is derived from the 12 month period up to the latest month for which data is available, in this edition, May 2008. The past year’s data is derived from 12 months previous to that, and the past 4 years from the 4 years prior to May 2008. This ensures sufficient sample sizes. The data comes from Hometrack’s Automated Valuation Model.

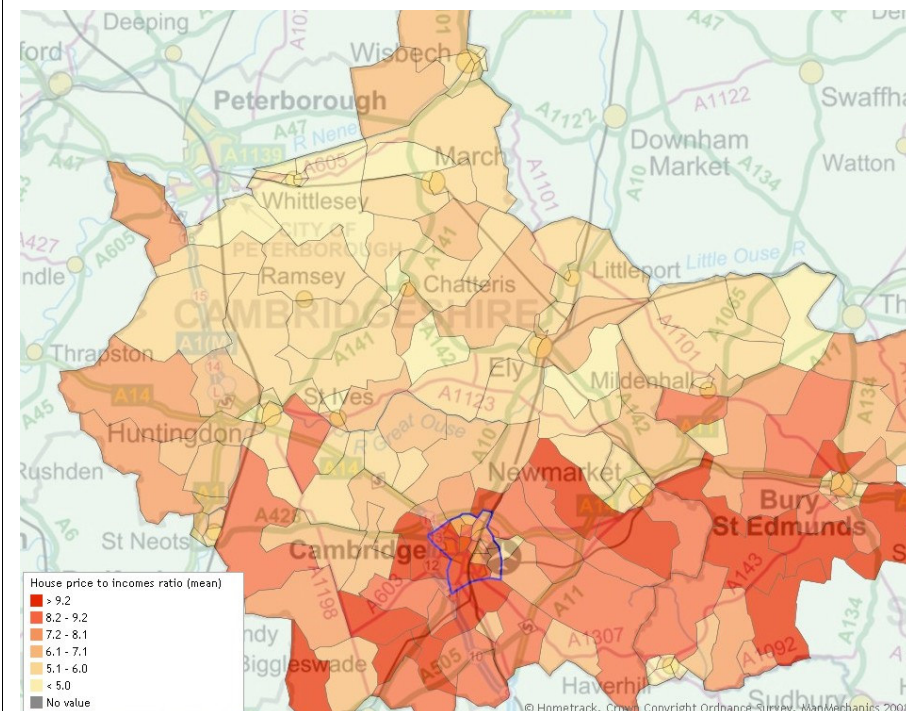
Percentages have been rounded to one decimal place.

The table shows that prices in our sub-region still rose, while across the region, on average prices fell in the last year.

Over the last 4 years all areas shown have seen rising prices, however price rises across our sub region were significantly greater than the Regional average.

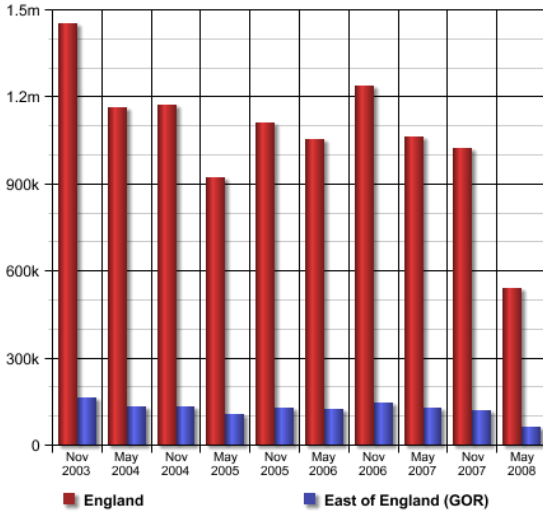


Map 6: House price to incomes ratio (mean) - by district



Map 7: House price to incomes ratio (mean) - by ward

Table 3: Change in overall property prices	% over the last year	% over the last 4 years
East of England region	-7.4%	16.4%
Cambridge	5.6%	36.4%
East Cambridgeshire	5.9%	28.6%
Fenland	3.7%	25.1%
Forest Heath	6.1%	32.7%
Huntingdonshire	8.3%	32.7%
South Cambridgeshire	6.9%	32.6%
St Edmundsbury	7.9%	38.8%



Graph 6: The sample of properties across England.

Context: property count

Graphs 6, 7 and 8 show the sample of properties driving the average property price data for all types of housing in the areas selected.

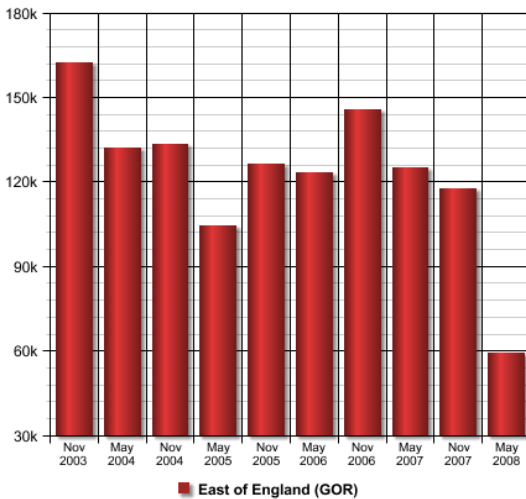
Graph 6 shows the property count for England (red bars). Unfortunately it also shows the regional figures, but these are more clearly represented in Graph 7, which shows the property count only for the East of England region.

Graph 8 shows the property count for the seven districts in our housing sub region.

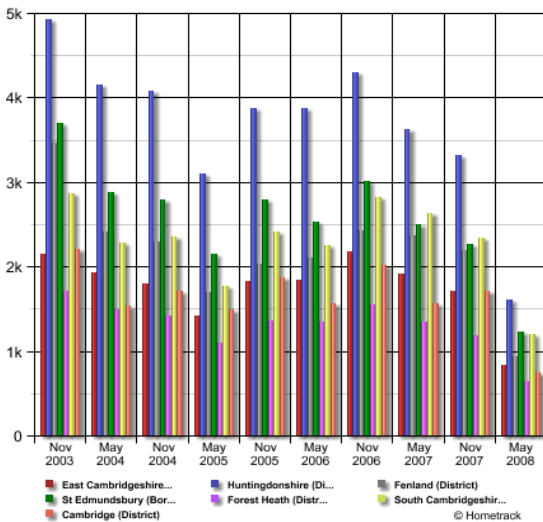
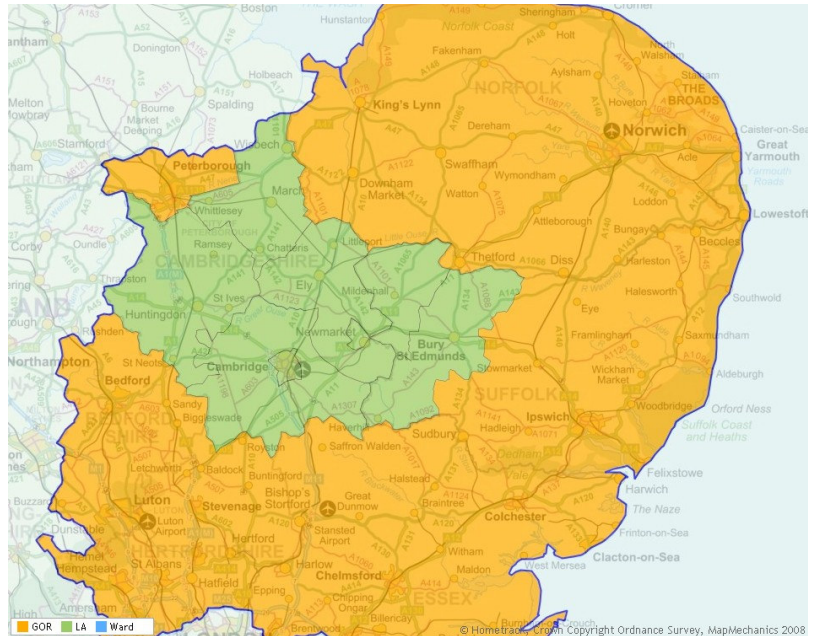
These help set graphs 4 and 5 into context, while also showing the trend of a slowing market in terms of number of overall sales, across the country, the region, the housing sub region and each of the seven districts within it.

Context: the sub-region and region

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



Graph 7: The sample of properties across the Region



Graph 8: The sample of properties for our housing sub-region

How to guide....

You can use Hometrack to generate the maps, graphs and charts included in this report. This page provides a "Quick guide" as to how this works, so if you have a Hometrack login you can re-create them yourself, and drill down to greater levels of detail as you get the hang of it.

If you do not subscribe to Hometrack but would like to, please contact ([add here...](#))

Average price per m²

Page 2: Maps 1, 2 and 3

Under "map boundaries" select "statistical". This will automatically show local authority boundaries. For wards, right click and select "middle super output area". For a smaller area, right click and select "lower super output area".

For price per m², click on "themes", then "average price" then double click on "average price per square metre".

Annual turnover 2007

Page 3: Map 4

Under "map boundaries" select LAs and wards. Right click on the map in each local authority area, and select the "wards" option.

Go to "themes" and click on "housing sales" then click on "annual turnover", then double click on "annual turnover 2007".

Annual turnover (% of stock) 2007

Page 3: Map 5

Follow the same route as for annual turnover, but at the last stage, rather than double clicking on "annual turnover" click on "annual turnover as a percentage of stock" instead. After that, double click on "annual turnover (% of stock) 2007".

Time to sell (weeks)

Graph 1: Page 3

Under "map boundaries" select GORs, LAs and wards. Right click on the regional map and select the "local authority" option. Click on "analysis" and select "housing demand" then "market indicators". Click on "time to sell (weeks)".

A graph showing time to sell in weeks should appear for the district you have selected (with a blue boundary on the map). To compare to other districts, click on "compare areas" and then double click in each area of the map you want to compare to. Once all are selected, click on "run your comparison" and the graph should appear.

Comparing sales price to asking price

Page 4: Graph 2

Under "map boundaries" select GORs, LAs and wards. Right click on the regional map and select the "local authority" option.

Click on "analysis" and select "housing demand" then "market indicators". A window should appear, in this window click on "sales to asking price". If you want to compare more than one area, click on "compare areas" and double click in each area of the map you want to compare to. Once all are selected, click on "run your comparison" and the graph should appear.

Number of viewings per sale by district

Page 4: Graph 3

Under "map boundaries" select GORs, LAs and wards. Right click on the regional map and select the "local authority" option.

Click on "analysis" and select "housing demand" then "market indicators". Click on "Number of viewings per sale". If you want to compare more than one area, click on "compare areas" and double click in each area of the map you want to compare to. Once all are selected, click on "run your comparison" and the graph should appear.

House price: income ratio

Page 4: Maps 6 and 7

Under "map boundaries" select LAs and wards. Right click on the map in each local authority area, and select the "wards" option. Click on "themes" then "affordability". Select "house price to incomes ratio" then select from mean, median or lower quartile.

Average price

Page 5: Graph 4

Click on GORs, LAs and Wards. Right click on the map and select "local authorities".

Then click on "analysis", and select "property prices". Click on Overall prices (avg only for comparison). A box appears, click on "average price" then "compare areas".

England and the East of England should appear automatically, any districts you click on, on the map, will be added to the list. Then click on "run comparison" and the graph should appear.

Average price per m²

Page 5: Graph 5

Click on GORs, LAs and Wards. Right click on the map and select "local authorities".

Then click on "analysis", and select "property prices". Click on Overall prices (avg only for comparison). A box appears, click on "price per square metre" then "compare areas".

England and the East of England should appear automatically, any districts you click on, on the map, will be added to the list. Then click on "run comparison" and the graph should appear.

Context: property count

Page 6: Graph 6,7,8

Price change in the last year

Page 6: Map 8, and Table 1