

## Current affordability and income

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## Chapter 21. Current affordability and income

### 21.1 Introduction

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This chapter provides a broad view of the housing markets in each district, based on current average incomes, and current average or lower quartile prices, by tenure.

This is not aiming to plan the future of the housing market, or to draw any long term analysis of housing need and demand, or patterns of affordability, for the future. It simply aims to clarify the “access points” and gaps between different tenures in our respective districts.

The chapter provides estimates of the household income required for each broad tenure, from CACI data. It also uses:

- Lower quartile rents for whole properties, i.e. not including rooms in shared houses.
- Lower quartile market house prices.
- Average shared ownership house prices.
- Average social rents.

Chapters 13 and 14 on house prices and chapter 15 on the private rented sector provide an analysis of affordability across the sub-region and an account of the survey undertaken of private rents across our sub-region, used in paragraph 21.2 below. Calculations on the share of shared ownership and social rented for Cambridgeshire are based on data from these sources. No data from this source is currently available for Forest Heath and St Edmundsbury, but it may be obtained in the future. Conservative estimates are used in calculating the required income for full home ownership, shared ownership and renting, which are explained in paragraphs 21.2, 21.3 and 21.4 below.

#### Using lower quartile and average prices

Lower quartile prices have been used wherever possible, following the CLG guidance. However it was not possible to calculate lower quartiles for shared ownership and social rented housing.

Ⓡ That situation might change as data increases from CORE as the number of sales increases. We would also like to work with our Zone Agent, BPHA, in future to improve the data collected and its analysis more generally.

Ⓡ Only income is used in this methodology, as too little information is available on savings and deposits available by tenure. These are important issues, but they require further more specific research.

Ⓡ All the information relates to the current housing market. In this chapter we do not project specifically for in-migrants or for future changes in housing supply though these are included in later calculations on the future housing market. These areas may need further research in future if this model proves useful.

Ⓡ Further research is required to investigate the effect of housing benefits. For example there is some anecdotal evidence of people e.g. household dissolving due to marriage breakdown who can afford to purchase a 50% share without a mortgage and then use the housing benefit to pay the rental element.

Ⓜ The analysis below looks at “all properties”. Further research is required to look at the affordability of different sizes of properties.

## **21.2 The relationship between intermediate and private rented markets**

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The estimated need for intermediate housing in the SHMA has been challenged on the following grounds:

- The SHMA identifies that many of the people that shared ownership is aimed at cannot afford existing models of shared ownership in the Cambridge sub-region.
- Some private rented properties are cheaper than shared ownership properties.
- The private rental market can provide enough rented properties for the relevant group of people, both who can and who cannot afford shared ownership.
- Therefore, there should be less intermediate housing required on new developments.

The fact that shared ownership is comparatively expensive in the Cambridge sub-region raises a number of issues. The current models of shared ownership appear to be unaffordable by at least some of the people that this tenure was originally aimed at. This raises three questions, which need to be considered in the SHMA:

- Could shared ownership be made more affordable in the Cambridge sub-region?
- Could the private rented market provide in the absence of shared ownership?
- Should housing authorities and RSL continue to develop shared ownership in the Cambridge sub-region?

### **Could shared ownership be made more affordable in the Cambridge sub-region?**

Affordability of shared ownership is recognised as an issue in parts of the Country and housing authorities may make a policy decision to raise the profile of the issue with Government. Locally, BPHA are developing a cheaper model of shared ownership, working on lower rent levels and working with a number of lenders.

### **Could the private rented market provide in the absence of shared ownership?**

It would be wrong to assume that private rental sector can be relied on to provide enough accommodation without shared ownership and other intermediate housing.

- Firstly it ignores basic economic principles – if there is more demand for rented properties from people who would otherwise rent or buy shared ownership, then the price of rents will almost certainly rise, which is likely to make the rented market unaffordable to those on lower incomes who would then have to fall back on social rented housing.
- Secondly, the private rented market cannot be assumed to be elastic enough to fill the gap, particularly at the time of writing, as credit is becoming harder to obtain, including mortgages. For example, the 2007 RICS Residential Lettings Survey says: *“New instructions to let properties declined for the first time in the survey’s history, although only marginally so. The credit crunch has restricted the number of buy to let mortgages approved as well the variety of mortgage products available in the market place.”*<sup>1</sup>

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<sup>1</sup> RICS Residential Lettings Survey of Great Britain, Fourth Quarter 2007

## Should housing authorities and RSL continue to develop shared ownership in the Cambridge sub-region?

There are economic reasons, and reasons of principle, why local authorities may decide it is important to ensure that shared ownership continues to be provided, such as to:

- Maintain a mixed and healthy housing market across all sectors. “Healthy” because of allowing more tenure options so as to give more choice, including access to various types of housing for people at different life stages and so on. This approach would also help to mitigate some of the fluctuations of cost in the private housing market.
- Support local communities and the local economy, by providing shared ownership homes that people can afford irrespective of whether those people belong to the original target group for shared ownership or not. This will provide homes for a section of indigenous Cambridgeshire or Suffolk people who wish to buy, but cannot afford to buy in their district and for a section of in-migrants who are needed in the sub-region for economic reasons.

### 21.3 Renting privately

**Table 1: Lower quartile rent, required household income and % population unable to afford**

	LQ Rent/ Year	Required Income	% population unable to afford
Cambridge City	£8,430	£25,290	42.6%
East Cambridgeshire	£6,900	£20,700	30.9%
Fenland	£5,400	£16,200	25.9%
Huntingdonshire	£6,300	£18,900	24.0%
South Cambridgeshire	£7,815	£23,445	33.9%
Forest Heath	£7,140	£21,420	N/a
St Edmundsbury	£7,320	£21,960	N/a

Source: Cambridge Press Survey of Private Rents, CACI 2006

The annual lower quartile rent for the private rented sector ranges from £5,400 in Fenland to £8,430 in Cambridge City.

Affordability: As one third of a household's income is a reasonable recommended level of rent, the required income for rent is based on 3 times the lower quartile rent level. CLG guidance recommends 25% of gross income may be considered affordable as rent, but this would give a very conservative estimate. Data on household incomes shows the percentage of the population whose income is less than that required for this tenure – this ranges from 24% in Huntingdonshire to 43% in Cambridge City.

### 21.4 Open market purchase

**Table 2: Lower quartile open market house price, required household income and % population unable to afford**

	Lower Quartile	Required Income	% population unable to afford
Cambridge City	£175,000	£43,750	74.0%
East Cambridgeshire	£142,000	£35,500	59.5%
Fenland	£111,000	£27,750	33.9%
Huntingdonshire	£137,000	£34,250	54.3%

	Lower Quartile	Required Income	% population unable to afford
South Cambridgeshire	£179,973	£44,993	68.3%
Forest Heath	£127,746	£31,937	N/a
St Edmundsbury	£146,250	£36,563	N/a

Source: Land Registry and CACI 2006

Table 2 uses lower quartile house price data from the third quarter of 2006.

Affordability: The required income is based on a quarter of the lower quartile house price. CLG guidance recommends a mortgage level 2.9 times income for single income households and 3.5 dual income households. The level of four times income for all households is based on a mystery shopping exercise with local mortgage lenders. Using this level for the calculation, between 34% and 74% of households depending on district, cannot afford to buy on the open market.

## 21.5 Shared ownership

**Table 3: Average price for shared ownership, required household income and % population unable to afford**

	Average Purchase Price	Required Income	% pop unable to afford	% population unable to afford shared ownership, but able to afford private rent
Cambridge City	£200,300	£33,383	55.8%	13%
East Cambridgeshire	£125,900	£20,983	30.9%	0%
Fenland	£117,140	£19,523	33.9%	8%
Huntingdonshire	£147,800	£24,633	36.7%	13%
South Cambridgeshire	£161,500	£26,917	39.9%	28%
Forest Heath	£130,700	£21,783	N/a	N/a
St Edmundsbury	£126,730	£21,122	N/a	N/a

Source: CORE, CACI 2006

Table 3 uses the average price for shared ownership and a required income of 1/3 of a 50% equity share in order to take account of the rental element of the price. 50% is the average share purchased in the sub-region as a whole. Using this calculation, 31% of households in East Cambridgeshire and 56% of households in the City are unable to afford shared ownership.

The final column shows the percentage of households who are not able to afford shared ownership, but can afford private rent. Based on these calculations, in East Cambridgeshire, there is just under £300 difference between the income required to rent at the lower quartile level (£20,700) and the income required to buy a 50% share of an shared ownership property (20,983), which means that if people can afford to rent privately, they can probably afford shared ownership too. However, the difference is more significant in other districts.

**Table 4: The prime market for shared ownership**

	Required Household Income Band for shared ownership	% of population in specified income bracket
Cambridge City	£33,383 - £43,750	18%
East Cambridgeshire	£20,983 - £35,500	29%

	<b>Required Household Income Band for shared ownership</b>	<b>% of population in specified income bracket</b>
Fenland	£19,523 - £27,750	22%
Huntingdonshire	£24,633 – £34,250	17%
South Cambridgeshire	£26,917 – £44,993	28%
Forest Heath	£21,783 - £31,937	N/a
St Edmundsbury	£21,122 – £36,563	N/a

Table 4 shows the percentage of the population whose household income is between the cost required for shared ownership and lower quartile prices on the open market. Figures 1-5 represent this data graphically for each of the Cambridgeshire districts.

Evidence from the shared ownership register shows some applicants with comparatively low income, but a large amount of savings (e.g. due to a relationship breakdown releasing equity from the previous marital home). The survey of estate agents demonstrated that many first time buyers were buying with a mortgage and assistance from family members. There is also evidence from other parts of the country of people who can afford a lower level open market house price, but who are opting for shared ownership products in order to buy extra space (e.g. an extra bedroom). These factors suggest that the market for shared ownership is likely to be larger than stated in this note. It is important to read these figures as a potential market as there will be local variations in standards, prices and people's ingenuity and preferences in securing a home.

## 21.6 Social rented

The district level analysis below identifies some households in each district who are unable to afford social rented properties. Some of these may not represent an actual need, for example, students. However there is also a small subset who may genuinely not be able to afford this and may need additional assistance e.g. providing benefits advice etc. in order to access housing.

® Further work is required into the relationship between this analysis of affordability for social rented, and the effects of the housing benefit system.

## 21.7 Affordability by district

In the Strategic Housing Market Assessment Guidance, affordable housing is defined as housing that includes “social rented and intermediate housing, provided to specified eligible households whose needs are not met by the market. Affordable housing should

- Meet the needs of eligible households including availability at a cost low enough for them to afford, determined with regard to local incomes and local house prices
- Include provision for the home to remain at an affordable price for future eligible households or if these restrictions are lifted for the subsidy to be recycled for alternative affordable housing provision.”

Intermediate affordable housing is then defined as “housing at prices and rents above those of social rent but below market price or rents and which meet the criteria for affordable housing set out above.” In order to identify how the tenure is split it is therefore important to identify how affordable each form of tenure is for local people and look at affordability gaps in the market as a whole, but also to consider the eligibility criteria for the affordable tenures, in particular the intermediate tenures.

While the guidance sets a framework to understand and respond to the market, the data set out above shows that in Cambridgeshire entry-level private rent is usually cheaper to access than shared ownership. This focuses attention on the affordability of intermediate tenures and the huge gap between affordable rented accommodation and all other tenures.

In this section, intermediate housing is split into intermediate rent and shared ownership property. There is no exact data on intermediate rents, but rent levels of intermediate rents are estimated at 80% of market rents<sup>2</sup> and this calculation is shown in some of the figures below, although the need for this tenure varies across the sub-region due to eligibility criteria. In the sub-region, new intermediate rented homes are only available to key workers under the BPHA allocation criteria<sup>3</sup> which limits the demand for this type of property in the sub-region (see Table 5). However in the past, intermediate rented for non-key workers has been developed. There were only 6 applicants in Forest Heath, however Keyhomes East (our Zone Agent) informs us these properties are more popular in the City and South Cambridgeshire. Table 5 shows that a large number of the applicants are health workers, many from Addenbrooke's.

**Table 5: Intermediate rent register, October 2007 by employment type**

	Cambridge City	East Cambs	Fenland	Forest Heath	Hunts	South Cambs	St Edmundsbury	Sub-Region
Education - Teachers	16	10	1	1	7	5	4	<b>44</b>
Education - Other	3	1	0	0	2	6	4	<b>16</b>
Fire fighters	1	1	3	0	2	0	0	<b>7</b>
Health - Nurse/Midwife	39	8	2	3	7	35	8	<b>102</b>
Health - Other	35	7	3	2	7	21	10	<b>85</b>
Local Authority	4	2	0	0	1	1	0	<b>8</b>
Other	0	0	0	0	1	1	1	<b>1</b>
Police - Other	1	0	0	0	1	1	0	<b>3</b>
Police - Community Support Officer	2	0	0	0	2	0	1	<b>5</b>
Police - Police Officers	1	0	1	0	1	1	2	<b>6</b>
Probation - Probation Service Officers	0	0	0	0	1	1	0	<b>2</b>
<b>Total</b>	<b>102</b>	<b>29</b>	<b>10</b>	<b>6</b>	<b>32</b>	<b>72</b>	<b>30</b>	<b>281</b>

Source: BPHA Intermediate Rent Register

Shared ownership includes all HomeBuy products. Some new-build HomeBuy products are also designated for keyworkers only, but people are also eligible for this form of tenure if they wish to buy their own property but cannot afford to do so. The priority groups for this type of tenure as well as keyworkers are social rented tenants and first time buyers. Some of each of these groups are able to afford private rents (the most common current tenure on the shared ownership register is "renting privately"), but in the long term ownership of some kind is a more stable form of tenure – for example, people can't be asked to leave their own homes with one month's notice which can happen when renting privately.

<sup>2</sup> <http://cfg.housingcorp.gov.uk/server/show/nav.3521> which states that: "The rent of homes available for KWL Intermediate Rent must not exceed 80% of the current local market rent. Wherever possible a figure significantly lower than this but higher than social rents should be anticipated."

<sup>3</sup> <http://www.keyhomes-east.org.uk/khe/ir.asp>

There is an obvious question here around the potential for, and any restrictions on, intermediate rented housing – if intermediate rented is tied to key workers, might this limit access to this tenure and reduce it's use to help meet further housing need and demand across the sub region.

The rest of this section looks at the five Cambridgeshire districts in turn and tries to identify a prime market for shared ownership from the existing population, a potential market for in-migrants and also looks at the registers for social rented and shared ownership properties in order to identify the split of affordable tenures required. Because the market for and information available on intermediate rent is currently very limited, this only looks at the split between social rented and shared ownership. This prime market is identified as those who can afford this form of tenure, but cannot afford lower quartile market price for ownership of a property. The source for each figure is a combination of land registry, survey of private rents, Dataspring, CORE and CACI.

### 21.8 About the “slide” bar charts

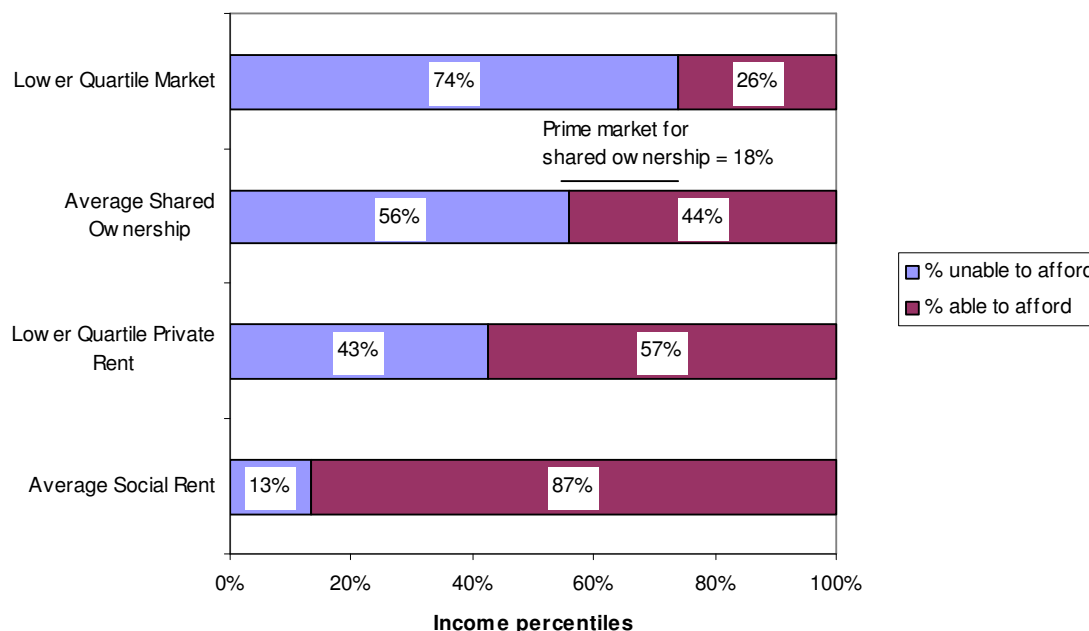
- The percentages along the horizontal axis are percentiles **of income** for the whole population of that district. So 10% is the 10th percentile of income for the district. That means that we can draw a line vertically up the chart to compare one tenure bar with another. For example, if two tenures had exactly the same percentage able to afford and unable to afford, then that would represent exactly the same number of people and exactly the same people.
- The required incomes are shown in the “vertical” bar charts, before each of the “slide” bar charts. Each slide bar chart is followed by an example using a figure from one of the charts of income and one of the bar charts income percentiles. South Cambridgeshire is a good example: the income required for the average shared ownership in South Cambridgeshire is around £26,917 and the 40th percentile of income in South Cambridgeshire is around £29,900. That is where the 40% cannot afford average shared ownership in South Cambridgeshire comes from. Another way to put it is - you need to be in the 41st income percentile or above to afford average shared ownership in South Cambridgeshire.

### 21.9 Cambridge City

**Table 6: Income required by tenure – Cambridge City**

	<b>Cambridge City</b>
Average Social Rent	£11,650
Lower Quartile Private Rent	£25,290
Intermediate Rent	£27,792
Average Shared Ownership	£33,383
Average Private Rent	£34,740
Lower Quartile Open Market	£43,750
Average House Price	£68,019
Median Household Income	£28,500

**Fig 1: Affordability by tenure – Cambridge City**



In Cambridge City, the income required for intermediate rent £27,792 is slightly higher than lower quartile rent, £25,292(although private homes available at this level may be small or of lower quality). The income required to rent at the average private rental (£34,740) level is greater than the income required for average shared ownership, £33,383. The incomes required for average private rent, average shared ownership and lower quartile house prices are higher than the median average household income for the city.

The difference in household income required to buy a cheaper property on the open market (£43,750) and the average priced shared ownership property is almost £10,000. Around 18% of households can afford shared ownership, but cannot afford the bottom end of the private market. We suggest this represents the prime market for shared ownership. However, it does not necessarily reflect demand. People may prefer renting e.g. if they are on short term work contracts and expect to move on, or if they would prefer to wait until they can afford full ownership.

43% of households cannot afford lower quartile private rents for a whole property, although there is a larger market for house-sharing in Cambridge City than elsewhere in the sub-region, and this type of accommodation is invariably a lot cheaper than renting a whole property (very often, inclusive of utility bills and council tax). This accounts for some of the gap between social rented and private rented affordability in the City.

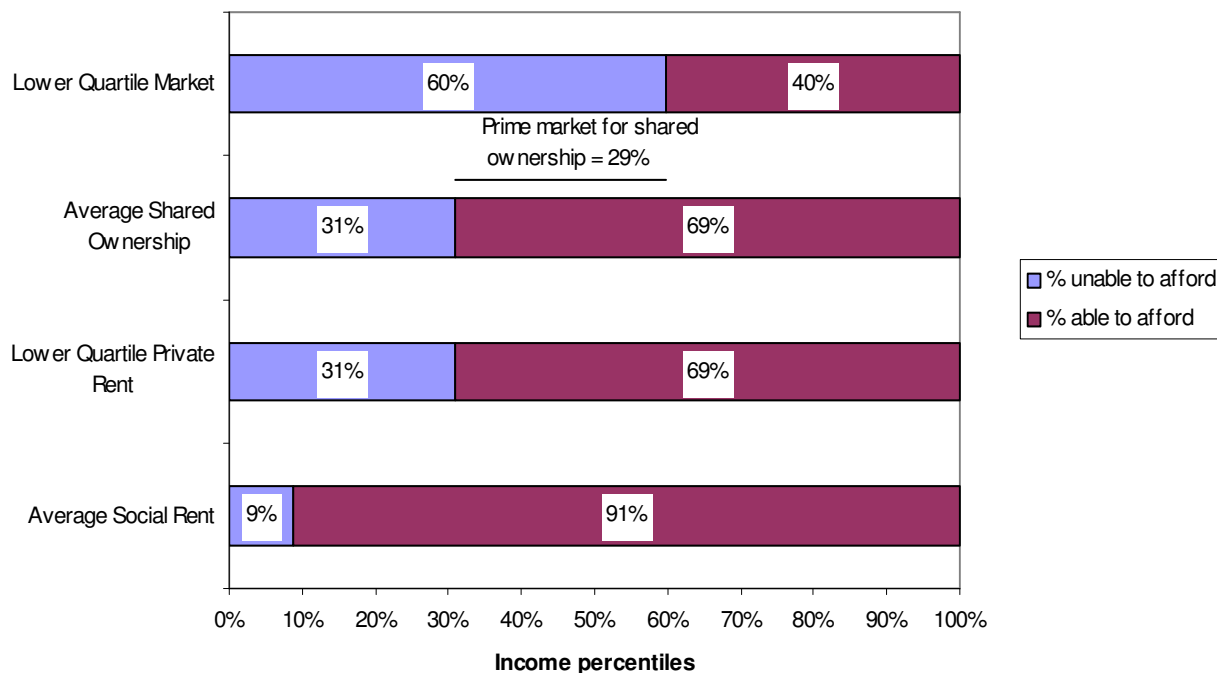
Households with an income between £33,383 and £43,750 are able to afford shared ownership but not lower quartile market house prices. 18% of households in Cambridge City fall within this income bracket.

## 21.10 East Cambridgeshire

**Table 7: Income required by tenure – East Cambridgeshire**

	East Cambridgeshire
Average Social Rent	£10,408
Lower Quartile Private Rent	£20,700
Intermediate Rent	£20,678
Average Private Rent	£25,848
Average Shared Ownership	£20,983
Lower Quartile Open Market	£35,500
Average House Price	£51,639
Median Household Income	£29,800

**Fig 2: Affordability by tenure, East Cambridgeshire**



There is very little difference between lower quartile private rents (£20,700) and average shared ownership (£20,983) in East Cambridgeshire. There is a difference of around £15,000 required for these tenures compared to open market entry-level properties. Because of the similar costs of lower quartile private rent and shared ownership in East Cambridgeshire, there is a prime market for shared ownership of 29%.

Table 5 shows that there is a low demand for intermediate rented properties in East Cambridgeshire – only 29 people on the register for this form of tenure, and it has proved unpopular in the district in the past. As shown above, most keyworker housing applicants are work in health and the largest health employer in the sub-region is in Cambridge City, which may explain the lack of demand, but also the similarity in cost between entry level private rents and intermediate rent is probably also an influencing factor. The income required to buy a cheaper house on the open market is higher than the median household income for the district.

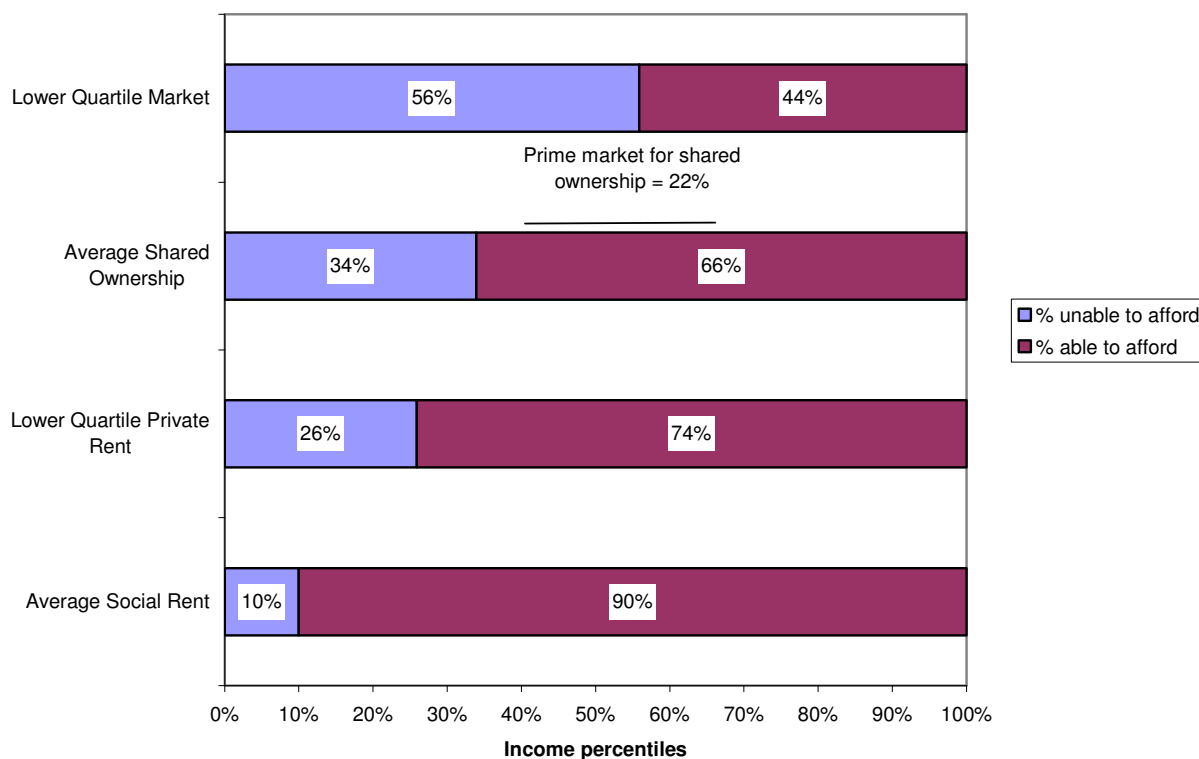
Households with an income between £20,983 and £35,500 are able to afford shared ownership but not lower quartile market house prices. 29% of households in East Cambridgeshire fall within this income bracket.

## 21.11 Fenland

**Table 8: Income required by tenure – Fenland**

	Fenland
Average Social Rent	£8,660
Lower Quartile Private Rent	£16,200
Intermediate Rent	£16,300
Average Private Rent	£20,376
Average Shared Ownership	£19,523
Lower Quartile Open Market	£27,750
Average House Price	£36,848
Median Household Income	£25,300

**Fig 3: Affordability by tenure – Fenland**



The income required to afford an entry-level private rent is almost double that required for social renting. As with East Cambridgeshire, there is a low demand for intermediate rented properties in Fenland – there are only ten households currently on the register for this type of tenure in the district. There is only £100 difference in the income required for intermediate and lower quartile rent. The prime market for shared ownership is 22%. Also like East Cambridgeshire, average shared ownership is cheaper than average private rent.

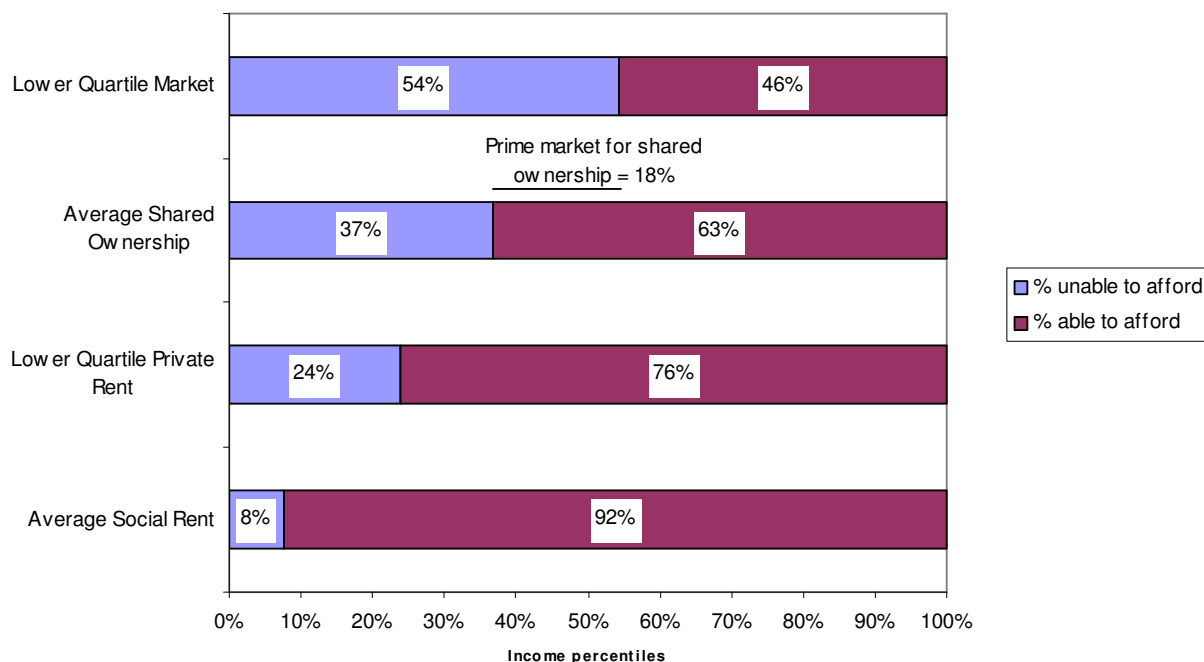
Households with an income between £19,523 and £27,750 are able to afford shared ownership but not lower quartile market house prices. 22% of households in Fenland fall within this income bracket

## 21.12 Huntingdonshire

**Table 9: Income by tenure – Huntingdonshire**

	Huntingdonshire
Average Social Rent	£9,940
Lower Quartile Private Rent	£18,900
Intermediate Rent	£19,699
Average Private Rent	£24,624
Average Shared Ownership	£24,633
Lower Quartile Open Market	£34,250
Average House Price	£50,411
Median Household Income	£31,600

**Fig 4: Affordability by tenure - Huntingdonshire**



In Huntingdonshire there is a prime market for shared ownership of 18%. There is quite large difference in the income required for lower quartile private rent and average shared ownership (£6,000), but there is only £6 difference in the income required for average private rent and shared ownership. Huntingdonshire is the only district where shared ownership is slightly more expensive than the average private sector rent, but only by a very small amount. There is a low demand for intermediate rented properties in the district, based on the current register for this tenure.

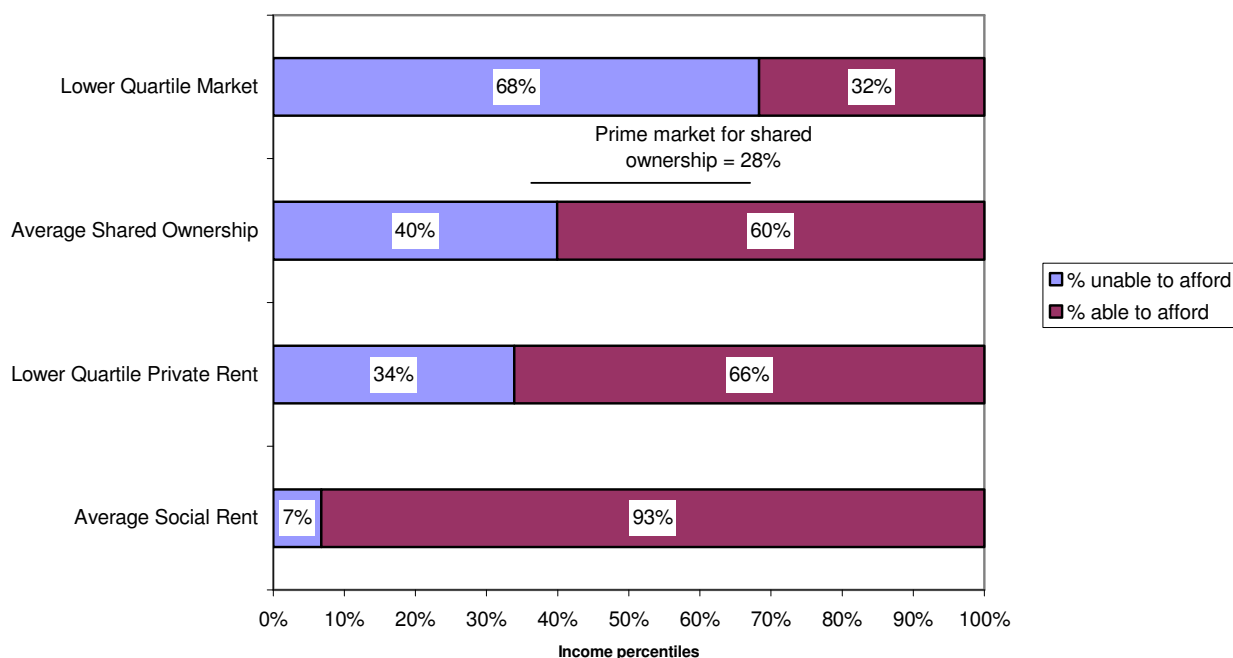
Households with an income between £24,633 and £34,250 are able to afford shared ownership but not lower quartile market house prices. 18% of households in Huntingdonshire fall within this income bracket.

### 21.13 South Cambridgeshire

**Table 10: Income by tenure – South Cambridgeshire**

	South Cambridgeshire
Average Social Rent	£9,507
Lower Quartile Private Rent	£23,445
Intermediate Rent	£26,006
Average Private Rent	£32,508
Average Shared Ownership	£26,917
Lower Quartile Open Market	£44,993
Average House Price	£68,656
Median Household Income	£33,300

**Fig 5: Affordability by tenure – South Cambridgeshire**



Households with an income between £26,917 and £44,993 are able to afford shared ownership but not lower quartile market house prices. 28% of households in South Cambridgeshire fall within this income bracket. The income required for average private rent is £6,000 higher than the income required for average shared ownership. Again there is a fairly small difference in the income required for lower quartile private rent and average shared ownership. The prime market for shared ownership in South Cambridgeshire is 28%. South Cambridgeshire is currently an area where there is a demand for some intermediate rented properties. Intermediate rent is only slightly more than the lower quartile private rent, but considerably below the average private rent. The income required for this tenure is only

£911 less per year than the income required for average shared ownership in the district, which may explain why although the demand is higher than in other parts of the sub-region it is lower than in the city where there is a larger difference in cost for these tenures (£5,591).

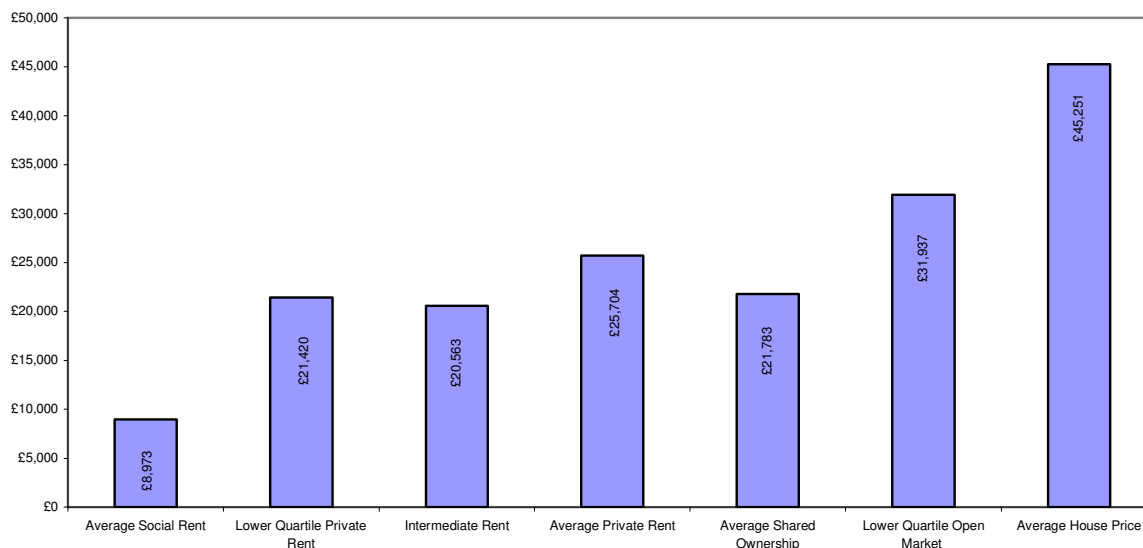
## 21.14 Forest Heath

For the Suffolk districts, no information is available on household income bands (or median income), however figures 11 and 12 show the required income for each type of tenure.

**Table 11: Income required by tenure – Forest Heath**

	Forest Heath
Average Social Rent	£8,973
Lower Quartile Private Rent	£21,420
Intermediate Rent	£20,563
Average Private Rent	£25,704
Average Shared Ownership	£21,783
Lower Quartile Open Market	£31,937
Average House Price	£45,251

**Fig 6: Income required by tenure – Forest Heath**



There is a very large difference in the income required for social rent and lower quartile market rents in Forest Heath (£12,447)

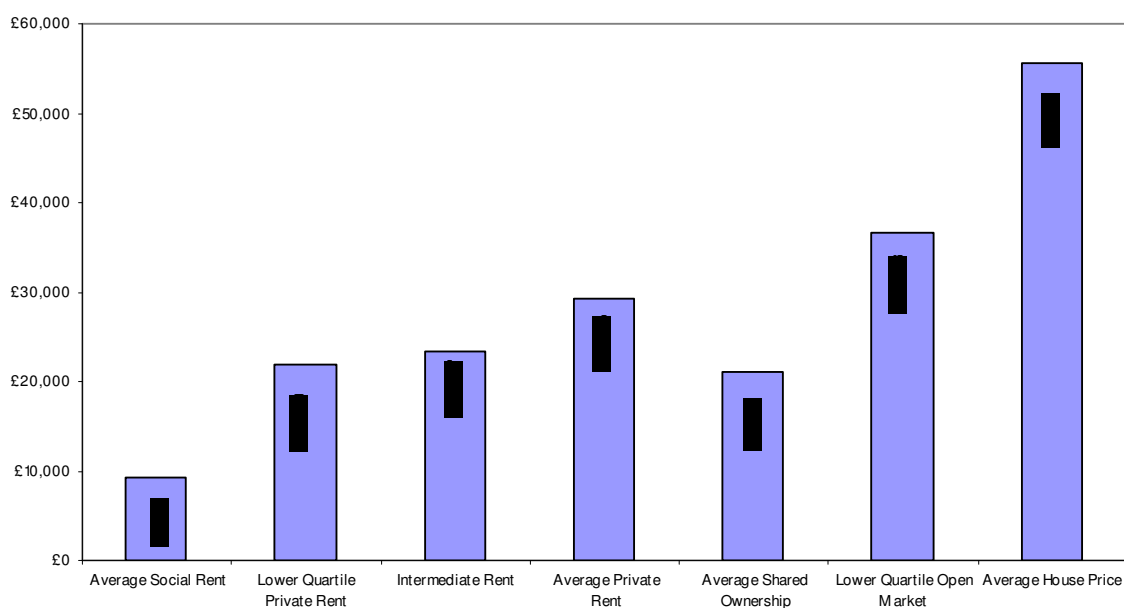
Again there is a very small difference in the income required for average shared ownership and lower quartile rent. The income required for intermediate rent is almost £1,000 less than that for lower quartile private rent (showing a very closely grouped price range in the private rented market in Forest Heath). However, this is area of the sub-region with the smallest demand for this type of tenure (only 6 people currently on the register). The gap in income required for entry level rent and entry level market house price is just over £10,000.

## 21.15 St Edmundsbury

**Table 12: Income required by tenure – St Edmundsbury**

	<b>St Edmundsbury</b>
Average Social Rent	£9,307
Lower Quartile Private Rent	£21,960
Intermediate Rent	£23,357
Average Private Rent	£29,196
Average Shared Ownership	£21,122
Lower Quartile Open Market	£36,563
Average House Price	£55,589

**Fig 7: Income required by tenure – St Edmundsbury**



St Edmundsbury is the only district where the income required for average shared ownership is lower than the income required for lower quartile private rent. Intermediate rent also appears to be a more expensive option than shared ownership.

## 21.16 Summary

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- This paper uses a fairly conservative estimate of affordability for the different types of tenure available in the sub-region, based on household income alone. It does not factor in the availability and size of deposits for households buying a new home, for example from family or friends helping to raise a deposit. Further work and better data is needed to identify the impact this may have.
- Based on these estimates the prime market for shared ownership tenure ranges from 18% in Huntingdonshire and Cambridge City and 29% in East Cambridgeshire. However the demand shown in the registers for this tenure is significantly smaller than registers for social rented. In terms of demand for shared ownership products, there is more demand in Cambridge City and South Cambridgeshire than elsewhere in the sub-region. There are also more shared ownership sales in South Cambridgeshire than anywhere else in the County.
- In all the Cambridgeshire districts, the household income required for entry level home ownership is higher than the median (mid-point) average income for that district. In Cambridge City, the median household income is lower than the income required for average shared ownership and average private rent.
- In Cambridge City, 43% of households cannot afford lower quartile private rents for whole properties (in the rest of the sub-region this ranges from 24% to 34%). The City has a larger house-share market than elsewhere in the sub-region and this may be important in helping people access privately rented housing.
- In most of the sub-region, the average cost of shared ownership is more than cost of lower quartile private rents, but less than average private rents. In St Edmundsbury, a lower income is required for shared ownership than renting privately. In Huntingdonshire, the cost of shared ownership is very slightly higher than renting privately at an average price.

## 21.17 Review of future research

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- Ⓔ Further develop and monitor data from our Zone Agent, BPHA, improves and as CORE data increases and is updated.
- Ⓔ Research on savings and deposits available by tenure, and effects of affordability
- Ⓔ This chapter relates to the current housing market and does not project for in-migrants or future changes in housing supply. These areas may need further research in future if this model proves useful.
- Ⓔ The analysis looks at “all properties”. Further research is required to look at affordability by size of home.
- Ⓔ Further work is required into the relationship between this analysis of affordability and the effects of the housing benefit system.
- Ⓔ There may be a further future role for intermediate rented housing, to help those who cannot afford private rented, or who can only afford the lowest price private rented. This issue needs further research.
- Ⓔ An area for further investigation is tenure preference, particularly in Cambridge City, which means people (possibly younger age groups) work on short term contracts in ‘high tec’ industries, and may prefer the flexibility of renting so they can make a quick move to another job.