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Rising Rents Add Pressure on Cambridgeshire Households Amid Cost of Living Strain

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— Categories: Real Estate

The rising cost of both renting and buying a home is hitting households across Cambridgeshire hard, with new data showing significant increases over the past year. Figures from the Office for National Statistics (ONS), the United Kingdom's (U.K.) independent producer of official statistics, show that residents across the region are facing growing financial pressures, with both rental and house prices outpacing wage growth during an ongoing national cost-of-living crisis.

Across the U.K., average private rents rose by 6.7 percent in the 12 months to June 2025, reaching £1,344 per month. This means tenants are now paying, on average, £84 more per month than last year. While rent increases are being felt nationwide, Cambridgeshire appears to be bearing more than its share, with several districts reporting annual rent hikes above the national average.

Housing Squeeze

In the city of Cambridge, renters saw a 7.1 percent jump, pushing average monthly rent to £1,773 in June 2025. Although slightly below the East of England's 7.9 percent rise, the city remains one of the priciest places to rent in the region. First-time buyers in the area are also feeling the squeeze, with the average purchase price hitting £425,000 in May 2025, up from £400,000 the previous year. Mortgage buyers paid even more, averaging £502,000 for a home.

Cambridge's overall average house price now stands at a staggering £508,000, rising by 6.9 percent year on year, well above the regional growth rate of 4.2 percent. By contrast, South Cambridgeshire saw the smallest rise in house prices at just 2 percent, with the average home valued at £433,000. Renters there now pay £1,357 per month, up 6.8 percent from the previous year.

In East Cambridgeshire, property prices jumped by 8.1 percent to an average of £348,000, making it one of the fastest-growing areas in the county. Rents rose by 6.2 percent to £1,024, lower than the regional average but still impactful for working households. First-time buyers there paid an average of £302,000, while those using a mortgage paid £346,000.

Peterborough saw more modest changes. House prices increased 2.5 percent to £231,000, and rents climbed 7 percent to £961 per month. For first-time buyers, the average home costs £203,000, and mortgage buyers paid £235,000, which is below most other parts of the county, though still up year on year.

Meanwhile, Huntingdonshire recorded a 6.4 percent increase in first-home prices, with buyers paying £248,000 on average. Rents hit £1,012, up 6.3 percent, and mortgage buyers paid £307,000 for a property.

With the cost of essentials still high and inflation continuing to stretch budgets, the latest housing figures raise further concerns for residents. Households across Cambridgeshire are left to face the challenge of rising housing costs with limited financial breathing room.