



Ministry of Housing,
Communities &
Local Government



English Housing Survey

Private rented sector, 2016-17



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Introduction and main findings

1. The English Housing Survey (EHS) is a national survey of people's housing circumstances and the condition and energy efficiency of housing in England. In its current form, it was first run in 2008-09. Prior to then, the survey was run as two standalone surveys: the English House Condition Survey and the Survey of English Housing. It is one of the longest standing surveys in government, with 2017 marking the 50th anniversary since the first survey in 1967.
2. This report focuses on private renters. First, it provides a profile of private renters, their age, economic status and so forth. It also examines the extent to which private renters are satisfied with their accommodation and whether they live in under-occupied or overcrowded accommodation. The second chapter examines housing costs and affordability while the third chapter explores private renters' housing history and their longer term plans for remaining in the sector. The fourth and final chapter looks at the condition and energy efficiency of the private rented sector stock, including the extent to which homes meet the Decent Homes Standard.

Main findings

The private rented sector remains the second largest tenure in England, and has grown in the last 20 years.

- In 2016-17, the private rented sector accounted for 20% of households in England. The proportion of private rented sector households has doubled since 1996-97 and the overall size of the private rented sector has increased over this time from 2.1 million households in 1996-97 to 4.7 million households in 2016-17. The sector grew a little between 1996-97 and 2006-07, but growth accelerated after 2006-07, with over two million additional households added to the sector. However, growth appears to have slowed in more recent years.

With the exception of those aged 75+, the number of private renters has increased across all age groups.

- The increasing size of the private rented sector means that, across most age groups (with the exception of aged 75+), the number of private renters has increased in the last 20 years even where the proportion of private renters in that age group has not. For example, the number of private renters aged 16-24 has increased from 365,000 to 513,000 even though the proportion has decreased (from 18% to 11%).
- Where the proportion of private renters has increased, the increase in numbers has been particularly pronounced. There were more than three times as many 35-44 year olds renting privately in 2016-17 than 20 years ago: an increase from 331,000 households in 1996-97 to 1.1 million in 2016-17.

While the majority of private renters are satisfied with their accommodation and their status as private renters, the majority of private renters also expect to buy their own home at some point in the future.

- Most (84%) of private renters were satisfied with their current accommodation. Two thirds (68%) of private renters were either very or fairly satisfied with their current tenure. This makes them more likely to be satisfied with their current accommodation than social renters (81%) but less likely to be satisfied with their current tenure than social renters (83%).
- In 2016-17, 60% of private renters stated that they expected to buy a property at some point in the future. Unchanged from 2006-07. By comparison, 30% of social renters expect to buy.

Private renters spend a greater proportion of their household income on their housing costs than social renters, but are less likely to be in arrears.

- On average, households in the private rented sector spend 34% (including Housing Benefit) of their income on rent. Social renters spend, on average, 28%.
- Some 9% of private renters were either currently in arrears or had been in the previous 12 months, compared with 25% of social renters.

Churn in the private rented sector is higher than in other sectors and has increased over the last 20 years.

- In total, 860,000 households moved within the tenure (i.e. from one privately rented home to another) and 149,000 new households were created. There were 179,000 moves into the sector, of which 80%, (143,000) were from owner occupation. There were 266,000 moves out of the sector, with 68% (182,000) of these moving to owner occupied accommodation.
- Churn within the private rented sector (i.e. moves within the sector) has increased over the last 20 years, from 465,000 households in 1996-97 to 860,000 in 2016-17, and churn accounts for a larger proportion of private rented sector moves than 20 years ago (72%, compared with 57% in 1996-97). However, churn is lower than it has been in previous years (e.g. in 2014-15, there were 1.0 million moves within the private rented sector).

The energy efficiency and quality of the private rented sector has improved considerably, but is still behind the social rented sector.

- In 2016, the average SAP rating among private rented homes was 60. This average rating was similar to owner occupied homes, although the distribution of EER bands varied. Overall the private rented stock was less energy efficient than the social rented stock which had an average SAP rating of 67. This difference is partly explained by the private rented sector having an 'older' housing stock which is generally less well insulated.
- About a quarter (27%) of private rented homes failed to meet the Decent Homes Standard in 2016. The comparative figure for social sector rented sector was 13%. Although the private rented sector has always performed less well than

other tenures using this measure of housing quality, the prevalence of non-decent homes in the private rented sector has reduced since 2006 when almost a half of the stock (47%) was non-decent.

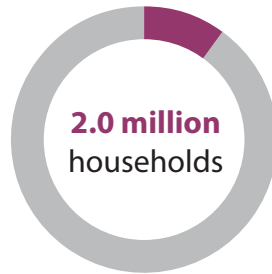
Acknowledgements and further queries

3. Each year the English Housing Survey relies on the contributions of a large number of people and organisations. The Ministry of Housing, Communities and Local Government (MHCLG) would particularly like to thank the following people and organisations, without whom the 2016-17 survey and this report, would not have been possible: all the households who gave up their time to take part in the survey, NatCen Social Research, the Building Research Establishment (BRE) and CADS Housing Surveys.
4. This report was produced by Melanie Doyle at NatCen Social Research, and Helen Garrett at BRE in collaboration with MHCLG.
5. If you have any queries about this report, would like any further information or have suggestions for analyses you would like to see included in future EHS reports, please contact ehs@communities.gsi.gov.uk.
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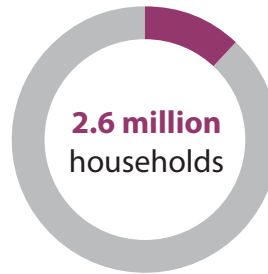
Private rented sector

20%

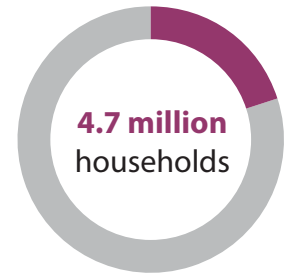
of households live in the **private rented sector**, up from **12%** in 2006-07 and **10%** in 1996-97



in 1996-97



in 2006-07



in 2016-17

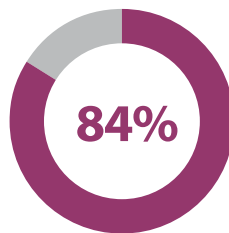
The majority of private renters expect to buy their own home at some point in the future



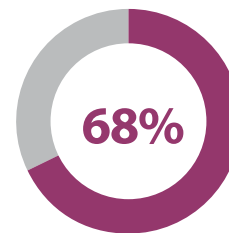
60% expected to buy a property, compared with **30%** of social renters

Satisfaction

The majority of private renters are satisfied with their accommodation and their status as private renters



were satisfied with their accommodation



were satisfied with their current tenure

Housing costs

Private renters spend a greater proportion of their household income on their housing costs than social renters



Private renters



Social renters

House condition

The energy efficiency and quality of the private rented sector housing stock has improved

The proportion of **non-decent homes** in the private rented sector has declined

Household churn

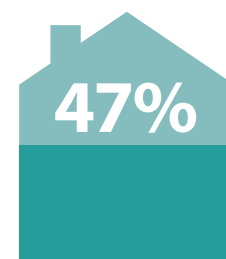


in 1996-97

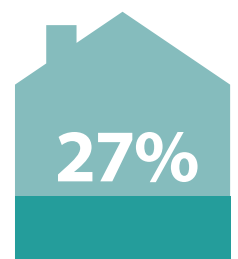


in 2016-17

Churn in the private rented sector is higher than in other sectors and has increased over the last 20 years



in 2006



in 2016

Chapter 1

Profile of private renters

- 1.1 This chapter provides a demographic profile of private renters and how it has changed over the last 20 years. The chapter also looks at measures of overcrowding and under-occupation in the private rented sector, and levels of satisfaction with tenure, accommodation and repairs and maintenance.
- 1.2 In 2016-17, the private rented sector accounted for 20% of households in England. The proportion of private rented sector households has doubled since 1996-97 and the overall size of the private rented sector has increased from 2.1 million households in 1996-97 to 4.7 million households in 2016-17. The sector grew a little between 1996-97 and 2006-07, but growth accelerated after 2006-07, with over two million additional households added to the sector¹. However, growth appears to have slowed in more recent years.
- 1.3 The sizeable increase in the number of private rented sector households over the last decade means that it is important to examine both the proportion and the number of households to fully understand the current patterns and longer term trends in the private rented sector.

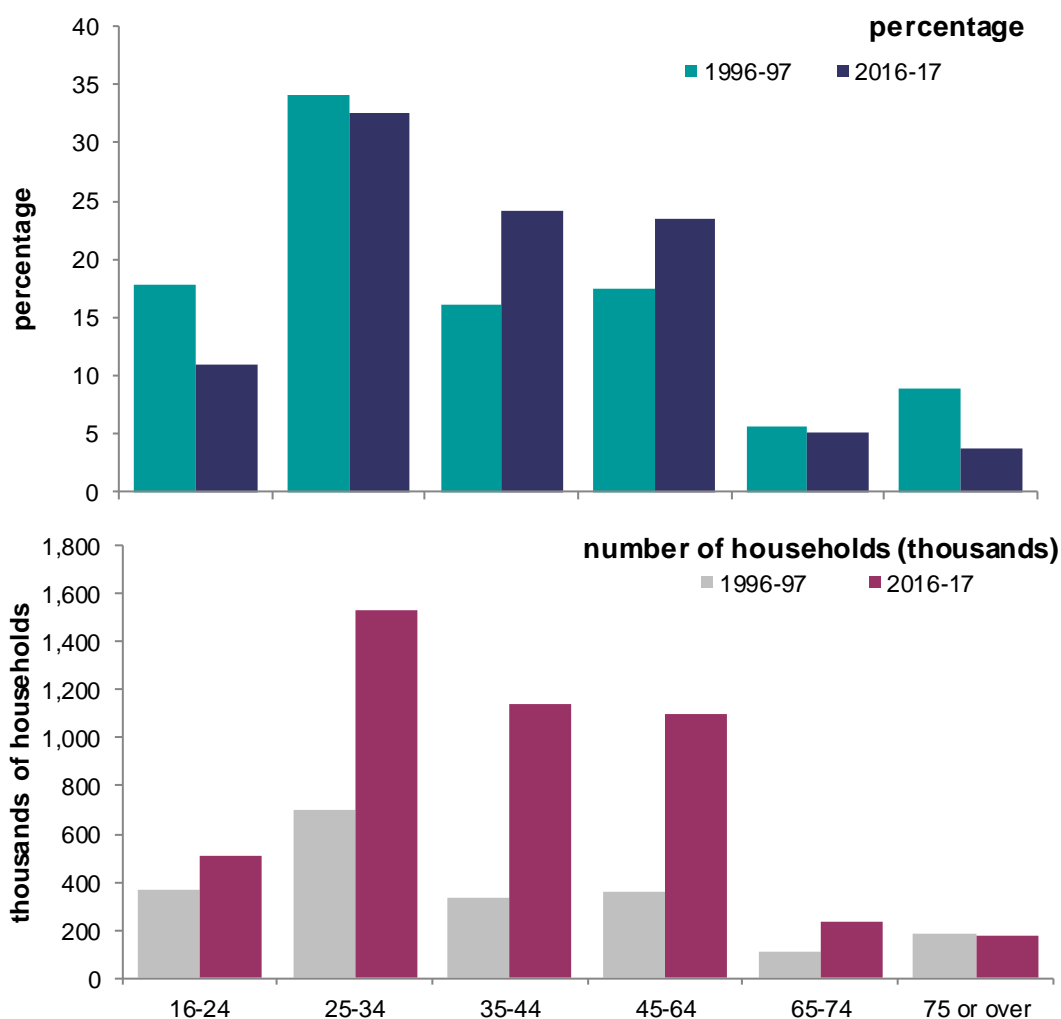
Age

- 1.4 In 2016-17, private renters were, on average, younger than social renters and owner occupiers, with a mean age of 40 years (compared with 52 years for social renters and 57 years for owner occupiers).
- 1.5 While the average age of private renters has not changed over the last 20 years, the age profile has. In 1996-97, 52% of private renters were aged under 35 years; in 2016-17, 44% were aged under 35. The biggest change was in the proportion of 35-44 year olds living in the private rented sector, increasing from 16% in 1996-97 to 24% in 2016-17.
- 1.6 The increasing size of the private rented sector means that, across most age groups (with the exception of those aged 75+), the number of private renters has increased in the last 20 years even where the proportion of private renters in that age group has not. For example, the number of private renters aged 16-24 increased from 365,000 to 513,000 even though the proportion decreased (from 18% to 11%).

¹ English Housing Survey, 2016-17 Headline report, Annex Table 1.1.

1.7 Where the proportion of private renters has increased, the increase in numbers has been particularly pronounced. There were more than three times as many 35-44 year olds renting privately in 2016-17 than 20 years ago: an increase from 331,000 households in 1996-97 to 1.1 million in 2016-17, Annex Table 1.1 and Figure 1.1.

Figure 1.1: Proportion and number of private rented sector households, by age of HRP, 1996-97 and 2016-17



Base: All private renters

Notes:

(1) based on the age of the HRP. The HRP is the person in whose name the accommodation is rented.

(2) underlying data are presented in Annex Table 1.1

Sources:

1996-97: Survey of English Housing;

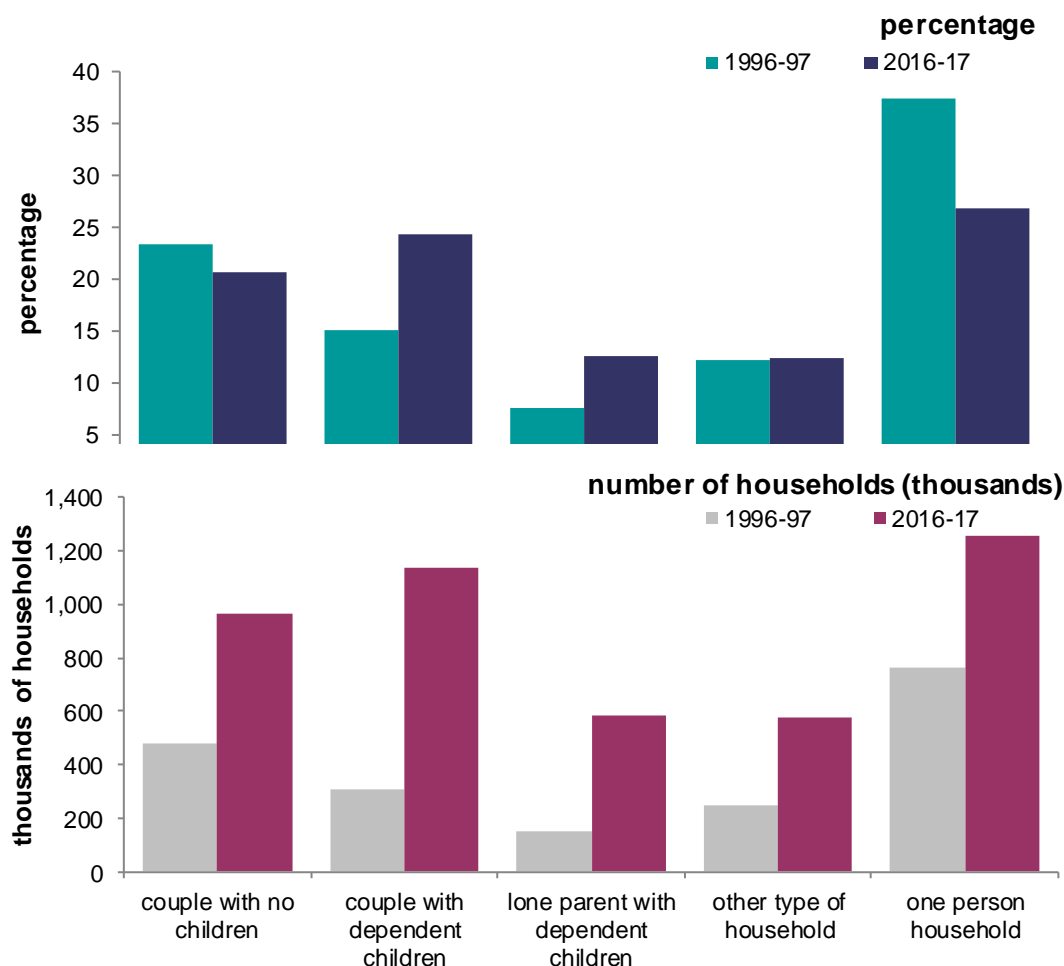
2016-17: English Housing Survey, full household sample

Household type and size

1.8 In 2016-17, the three main household types in the private rented sector were one person households (27%), couples with dependent children (24%) and couples with no children (21%), Annex Table 1.3.

1.9 Household composition has changed over the last 20 years. The proportion of families with dependent children in the private rented sector increased, from 15% to 24% for couples with children and from 8% to 13% for lone parents with dependent children, Figure 1.2.

Figure 1.2: Proportion and number of private rented sector households, by household type, 1996-97 and 2016-17



Base: All private renters

Note: underlying data are presented in Annex Table 1.3

Sources:

1996-97: Survey of English Housing

2016-17: English Housing Survey, full household sample

1.10 In 2016-17, over half of private rented households were one (27%) or two person (32%) households. The proportion of one person households has declined over the last 20 years, from 37% to 27%, accompanied by an increase in larger three or four person households (three person households from 14% to 19%, and four person households from 9% to 14%).

1.11 This increase in household size is likely to be associated with an increase in family households, rather than an increase in other types of household which have not changed over this period.

NS-SEC (National statistical socio-economic classification²)

- 1.12 'Lower managerial' and 'professional' households were the most common NS-SEC group in the private rented sector, accounting for 26% of private rented households, Annex Table 1.4.
- 1.13 The NS-SEC profile of private renters was broadly similar to that of owner occupiers, with managerial and professional occupations being most frequent, but differed from that of social renters where the most frequent NS-SEC was semi-routine and routine occupations. The NS-SEC profile of private renters has not changed over the past 10 years³.

ACORN

- 1.14 According to the ACORN classification of neighbourhoods⁴, in 2016-17, a quarter (25%) of private renters were living in neighbourhoods considered to be 'comfortable communities'; 22% lived in 'financially stretched' neighbourhoods; and 22% in 'urban adversity'. Social renters, by contrast, were in two main groups: the financially stretched (37%) and in urban adversity (50%), Annex Table 1.5.
- 1.15 As with NS-SEC, private renters and owner occupiers are clustered in the more affluent categories. The ACORN distribution also reflects the income profile of the different tenures: owner occupiers have higher income than private renters, and social renters have the lowest income (see below).

Economic status and income

- 1.16 Three quarters (74%) of private renters were working; either full-time (63%) or part-time (11%) and they were more likely to be in full-time work than owner occupiers (52%) or social renters (29%). Smaller proportions of private renters were retired (9%), in full-time education (6%) or unemployed (4%).
- 1.17 The proportion of private renters in full-time work increased over the last 20 years, from 54% in 1996-97 to 63% in 2016-17, accompanied by a decline in the proportion of retired (from 14% to 9%) and unemployed (from 9% to 4%) private renters, Annex Table 1.12.
- 1.18 All households in the EHS sample are divided into five equal groups based on their income (i.e. those in the bottom 20%, the next 20% and so on). These groups are known as quintiles. This division more easily allows us to compare the relationship between income and other characteristics of home owners.

² See the glossary for further information.

³ NS-SEC is not available for the 1996-97 survey.

⁴ See the glossary for further information.

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- 1.19 In the private rented sector, household income is distributed relatively evenly across income quintiles with around a fifth of private renters in each, apart from the highest income quintile which accounted for 16% of private renters, Annex Table 1.6.
- 1.20 Household income is not available for 1996-97 or 2006-07, but the pattern of HRP and partner (joint) income provides some insight into the change in income in the last 10 years. Using this measure, the proportion of private renters in the lowest income quintiles has decreased over time, from 29% in 2006-07 to 21% in 2016-17, Annex Table 1.7.

Long-term illness and disability

- 1.21 In 2016-17, 23% of privately rented households reported a household member with a long-term illness or disability. This proportion has not changed over the past 10 years, Annex Table 1.8.

Ethnicity

- 1.22 The majority of households in the private rented sector had a HRP (Household Reference Person⁵) that identified as white (82%). Other groups were less prevalent: 5% of households in the private rented sector had a Black HRP, 3% had a Pakistani or Bangladeshi HRP, 2% had an Indian HRP, and 1% had a Chinese HRP. The remaining 7% of households in the private rented sector had a HRP that identified with another minority ethnic group.
- 1.23 The profile of private renters was broadly similar to social renters. In 2016-17, 82% of private renters and 82% of social renters were white. Meanwhile, 92% of owner occupiers had a white HRP.
- 1.24 As in all tenures, in the last 20 years, the proportion of households in the private rented sector with a white HRP has declined (from 92% in 1996-97 to 82% in 2016-17), Annex Table 1.9.

Nationality

- 1.25 Three quarters (74%) of households in the private rented sector had a HRP who was a UK or Irish national; lower than the proportion of households in the social rented sector (91%) or in owner occupation (97%).

⁵ The HRP is the 'householder' in whose name the dwelling is owned or rented or who is otherwise responsible for the accommodation. See glossary for more details.

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- 1.26 Some 17% of households in the private rented sector had a HRP who was an EU national (compared with 3% of households in the social rented sector and 2% in owner occupation), Annex Table 1.10.
- 1.27 In 2016-17, two thirds (66%) of EU nationals lived in the private rented sector; 22% were owner occupiers and 12% were social renters, Annex Table 1.11.

Overcrowding and under-occupation

- 1.28 Levels of overcrowding and under-occupation are measured using the bedroom standard (see glossary). This is essentially the difference between the number of bedrooms needed to avoid undesirable sharing (given the number, ages and relationship of the household members) and the number of bedrooms actually available to the household.
- 1.29 The proportion of overcrowded households in the private rented sector increased from 3% in 1996-97 to a peak of 6% in 2011-12, and since then has decreased to 5%. The growth in the private rented sector between 1996-97 and 2016-17 explains the pronounced increase in actual numbers of overcrowded households from 62,000 in 1996-97 to 231,000 in 2016-17.
- 1.30 Overcrowding is less prevalent in the owner occupied sector (1% of owner occupiers lived in overcrowded accommodation in 2016-17) but more prevalent in the social rented sector, where 7% of homes were overcrowded in 2016-17⁶.
- 1.31 The proportion of under-occupied households in the rented sector decreased in the last 20 years. Under-occupation amongst private renters decreased from 17% in 1996-97 to 15% in 2016-17 and under-occupation amongst social renters decreased from 12% to 8%. There was a corresponding increase in under-occupied households in the owner occupied sector, from 39% (5.4 million households) in 1996-97 to 51% (7.3 million households) in 2016-17.
- 1.32 The increasing size of the private rented sector over this time has meant that the number of under-occupied private rented households has almost doubled, from 352,000 in 1996-97 to 694,000 in 2016-17⁷.

Satisfaction

- 1.33 The majority (84%) of private renters were satisfied with their current accommodation. Private renters were more satisfied with their

⁶ For trends in overcrowding, see English Housing Survey, 2016-17 Headline report Annex Table 1.20.

⁷ For trends in under-occupation, see English Housing Survey, 2016-17 Headline report Annex Table 1.21.

accommodation than social renters (81%) but less satisfied than owner occupiers (95%)⁸.

- 1.34 Almost three quarters (72%) of private renters were satisfied with the way that their landlord carried out repairs or maintenance, 17% were dissatisfied or very dissatisfied. Private renters were more likely to be satisfied with repairs and maintenance than social renters (66% satisfied)⁹.
- 1.35 Two thirds (68%) of private renters were either very or fairly satisfied with their current tenure. This makes them much less likely to be satisfied with their current tenure than social renters (83%) and owner occupiers (98%), Annex Table 1.13

⁸ See Live Table FA5401 for Satisfaction with accommodation, <https://www.gov.uk/government/statistical-data-sets/attitudes-and-satisfaction>

⁹ See Live Table FA5423 for satisfaction with the way the landlord carries out repairs and maintenance, <https://www.gov.uk/government/statistical-data-sets/attitudes-and-satisfaction>

Chapter 2

Housing costs and affordability

2.1 This chapter looks at the affordability of the private rented sector by looking at average rent, average income and the average proportion of household income spent on rent. It also examines the extent to which private renters feel able to pay their rent, are in arrears, and whether they have savings.

Income and rent

2.2 Joint income includes income from the *HRP and partner*. The average (mean) joint income for all private renters was £617 per week and the median income was £501 per week. Mean joint income for private renters was higher than for social renters who had a weekly joint income of £354, and lower than that for owner occupiers (£824).

2.3 Average (mean) *household* income for private renters was £696 per week, and the median household income £551 per week. Mean weekly household income for private renters was higher than for social renters (£403) and lower than that for owner occupiers (£884), Annex Table 2.1.

2.4 In 2016-17, the mean total weekly rent (excluding services but including Housing Benefit) for households in the private rented sector was £192, Annex Table 2.2.

Housing Benefit

2.5 Housing Benefit is a means-tested benefit provided by the state to low income households living in the two rented sectors. The benefit is usually administered by the local authority in which the rented property is located. This section compares take up of Housing Benefit by households in the social and private rented sectors.

2.6 In 2016-17, 22% of private renters received Housing Benefit to help with the payment of their rent. This is lower than the proportion of social renters who received Housing Benefit in 2016-17 (59%)¹⁰.

2.7 Almost half (45%) of private renters who in receipt of Housing Benefit were in paid work, working either full- or part-time.

¹⁰ English Housing Survey, 2016-17 Headline report Annex Table 1.15.

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- 2.8 Among those private renters in receipt of Housing Benefit, 19% report that it fully covers their rent; 51% of social renters reported that it fully covered their rent,¹¹ Annex Table 2.6.
- 2.9 Among those private renters in receipt of Housing Benefit in 2016-17, 61% were in receipt of Housing Benefit when they started their current tenancy, Annex Table 2.7.

Affordability

- 2.10 In this section, affordability in the private rented sector is explored. A simple measure of housing affordability has been derived by calculating the average proportion of income spent on housing. Housing-related costs, such as water and fuel bills, insurance, maintenance costs and council tax are not included in the calculation. Income is taken to be the gross weekly income, including and excluding benefits.
- 2.11 Two different calculations are made: one based on the household income (i.e. the income of all the members of the household), and another based on HRP and partner income only (irrespective of whether there are other adults in the household)¹². For both measures it is not known which members of the household contribute to the rent or mortgage. For the household measure, it is assumed that all household members contribute to the rent or mortgage; for the HRP and partner measure, it is assumed that only the HRP and partner contribute.
- 2.12 For private renters, total household income provides a better indicator of income-rent ratio as private rented households have a higher proportion of shared households than other sectors. However, to explore the extent to which affordability has changed over the last 20 years, joint (i.e. HRP and partner) income is used. This is because household income is not available on the 1996-97 and 2006-07 surveys.
- 2.13 On average, private renters spent 34% of their household income on their rent. By comparison, social renters spent an average of 28% and owner occupiers spent an average of 18% of their household income on mortgage payments. Excluding Housing Benefit, the average proportion of income spent on rent was 39% for private renters and 37% for social renters¹³.
- 2.14 For joint income, private renters spend on average 41% of their joint income on rent, or 46% of joint income with benefits excluded. The proportion of joint income spent on housing costs increased from 38% in 1996-97 to 43% in 2006-07 and has since then remained relatively stable. With benefits excluded

¹¹ English Housing Survey, 2016-17 Social rented sector report Annex Table 2.6.

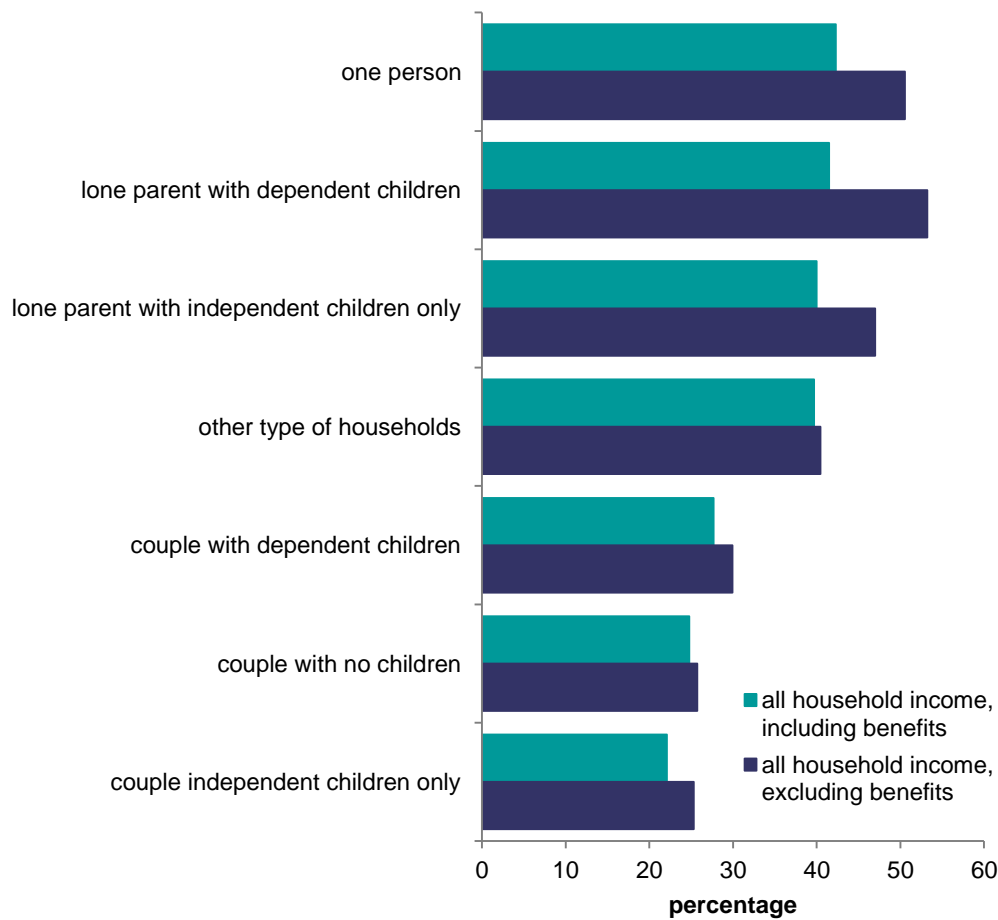
¹² Gross income (before tax) rather than net income (after tax).

¹³ English Housing Survey, 2016-17 Headline report Annex Table 1.13.

the pattern is somewhat different: the proportion of income spent on rent decreased from 53% in 1996-97 to 47% in 2006-07 and has since then remained relatively stable.

- 2.15 The youngest and the oldest age groups spend the greatest proportion of their household income on their rent. In 2016-17 private renters aged 16-24 spend almost half (48%) of their household income on their rent. Meanwhile those aged 75+ spend 40% of their income on their rent.
- 2.16 Private renters in London spend a greater proportion of their household income on rent than private renters outside of London (43% compared with 32%).
- 2.17 Single person households and other multi-person households spent a higher proportion of their household income on rent than other groups. For single person households this is likely to reflect lower levels of income as only one adult contributes to the housing costs. While multi-person, or shared, households may also have lower levels of income, the high proportion of income spent on rent may also indicate higher shared rental costs on larger 'multi-person' properties, reflecting the value and size of the property.
- 2.18 With benefits excluded the percentage of household income spent on rent increased for lone parents with dependent children (from 41% to 53%, and for single person households (from 42% with benefits, to 51% without). This suggests a greater receipt and impact of benefits for these groups, Annex Table 2.3 and Figure 2.1.

Figure 2.1: Rent as a proportion of household income (including and excluding Housing Benefit), by household type, 2016-17



Base: All private renters

Note: Underlying data are presented in Annex Table 2.3

Source: English Housing Survey, full household sample

Ability to pay rent

2.19 Over two thirds (69%) of private renters found it easy to pay their rent; 31% found it difficult. Ability to pay rent was broadly similar for private and social renters (68% of social renters found it easy to pay rent, 32% found it difficult), Annex Table 2.4.

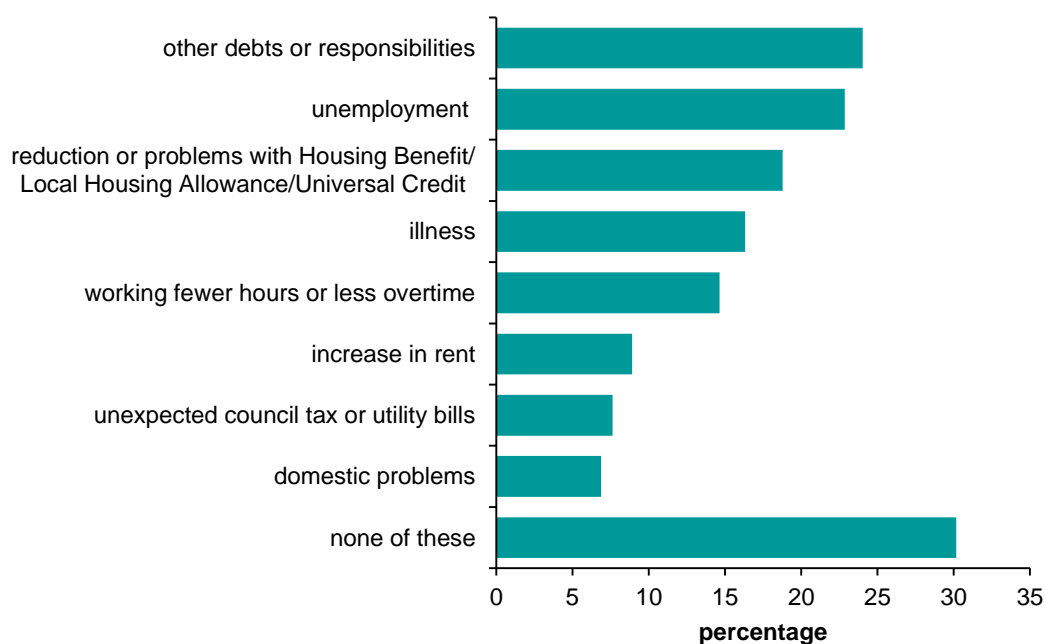
2.20 Within the private rented sector, around half of those who were unemployed (51%), economically inactive (53%) or in part-time work (47%) found it difficult or very difficult to pay their rent, Annex Table 2.5.

Rent arrears

- 2.21 In 2016-17, 9% of private renters were in arrears: 4% were currently in arrears and 5% had been in arrears in the past 12 months. Private renters were less likely to be in arrears than social renters (25%)¹⁴.
- 2.22 There was no difference in the prevalence of arrears for private renters in London and those elsewhere in England. However, rates of arrears among private renters varied by household type, ranging from 5% of couples with no children to 15% of lone parents with dependent children. Couples with children (12%) and single person households (8%) more frequently said that they were in arrears.
- 2.23 Having children appears to be associated with higher rates of arrears: 13% of households with dependent children were in arrears compared with 7% of couples with no dependent children.
- 2.24 As might be expected, those in the lower income quintiles were more likely to be in arrears than those with higher incomes. Private renters in the lowest household income quintile were more likely than those in the two highest income quintiles to report current arrears (8%, compared with 3% or lower) or arrears in the past year (9%, compared with 3% or lower), Annex Table 2.8.
- 2.25 Private renters in receipt of Housing Benefit were more likely to be in arrears than those not receiving Housing Benefit. In 2016-17, 8% of private renters on Housing Benefit were currently in arrears compared with 3% not receiving Housing Benefit. Similarly, 12% of private renters who received housing benefit reported arrears in the past year, compared with 4% of those not receiving housing benefit, Annex Table 2.9.
- 2.26 For private renters, debts and reduced income were the most commonly cited reasons for arrears. Private renters reported 'other' debts and responsibilities (24%), unemployment (23%), working fewer hours (15%), or reduction in or problems with Housing Benefit, local housing allowance or Universal Credit (19%) as the main reasons for their rent arrears, Annex Table 2.10.
- 2.27 Benefit caps (36%), delays (34%) or reductions in benefits (26%) were problems mentioned by private renters whose arrears were due to problems with benefits, Annex Table 2.11.

¹⁴ English Housing Survey, 2016-17 Headline report Annex Table 1.14.

Figure 2.2: Reasons for rent arrears in the private rented sector, 2016-17



Base: All private renters paying rent who were or had been in arrears in the past year

Note: Underlying data are presented in Annex Table 2.10

Source: English Housing Survey, full household sample

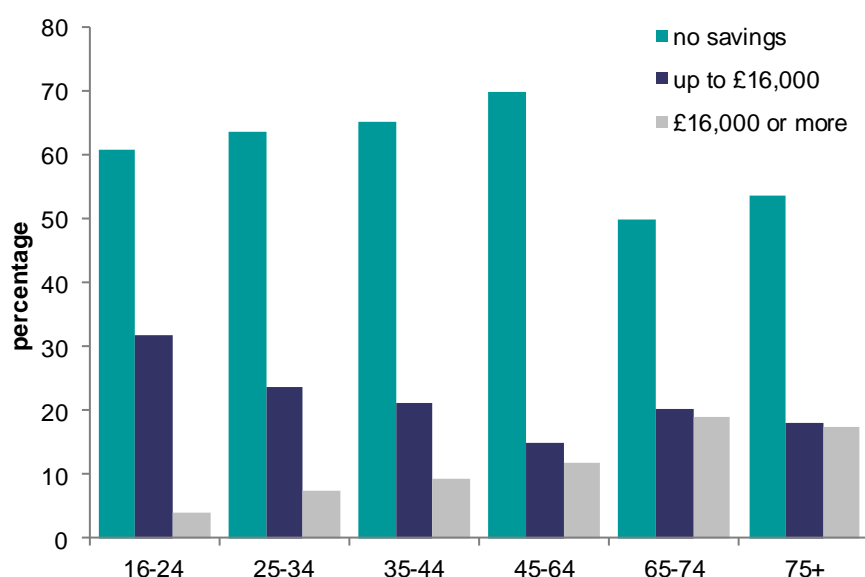
Savings

- 2.28 In 2016-17, just over one third (36%) of households in the private rented sector had savings or money invested. This equates to around 1.6 million of the 4.7 million households in the sector with savings. Private renters are more likely than social renters (18%), but less likely than owner occupiers (67%), to have savings or money invested, Annex Table 2.12.
- 2.29 Private renters with savings can be split into three broad groups: those with up to £5,000 in savings (33% of private renters with savings); those with £5,000 to £16,000 (36%); and those with substantial savings of £16,000 or more (30%), Annex Table 2.13.
- 2.30 The proportion of private renters with savings varied by age. Those aged 45-64 were the least likely to have savings (30%) while those aged 65-74 were the most likely (50%), Annex Table 2.14.
- 2.31 For private renters with savings, older renters were more likely to have substantial savings. Those reporting substantial savings of £16,000 increased across the age range from 8% of savers aged 16-24 to 49% of those aged 75 and over, Annex Table 2.15.
- 2.32 However, when private renters with no savings are taken into account, less than one in ten private renters (9%) have substantial savings of £16,000 or

more. Of the 4.7 million private rented households in England, 435,000 have substantial savings of £16,000 or more. The current pattern of savings among private renters suggests that the majority of private renters are not currently in a position to buy their own home and would require time to save a deposit to be able to do so, Annex Table 2.16.

2.33 Those with no savings account for at least half of private renters in all age categories. The overall pattern of savings shows an increase in the proportion of private renters with substantial savings with increasing age and a corresponding decrease in those with lower amounts of savings, Figure 2.3.

Figure 2.3: Savings among private renters, by age of HRP, 2016-17



Base: All private renters

Note: Underlying data are presented in Annex Table 2.16

Source: English Housing Survey, full household sample

Chapter 3

Housing history and future housing aspirations

3.1 This chapter explores the housing history and future housing aspirations of private renters, including whether they expect to buy their own home and perceived barriers to home ownership.

Housing moves

3.2 In 2016-17, 2.1 million households had moved home in the previous 12 months. Of these, 290,000 were new households, 1.4 million (65%) were moves within tenure and the remaining 467,000 were moves between tenures, Figure 3.1¹⁵.

3.3 The greatest number of household moves occurred within, into or out of the private rented sector. In total, 860,000 households moved within the tenure (i.e. from one privately rented home to another) and 149,000 new households were created. There were 179,000 moves into the sector, of which 80%, (143,000) were from owner occupation. There were 266,000 moves out of the sector, with 68% (182,000) of these moving to owner occupied accommodation.

3.4 The number of recent moves among private renters has increased over the past 20 years, from 792,000 in 1996-97 to 1.1 million in 2016-17 as private renters make up an increasing proportion of movers. The proportion of movers who are private renters has increased over this time from 35% in 1996-97 to 53% in 2016-17¹⁶.

3.5 Churn within the private rented sector (i.e. moves within the sector) has also increased over the last 20 years, from 465,000 households in 1996-97 to 860,000 in 2016-17, and churn accounts for a larger proportion of private rented sector moves than 20 years ago (72%, compared with 57% in 1996-97). However churn is lower than it has been in previous years (e.g. in 2014-15, there were 1.0 million moves within the private rented sector).

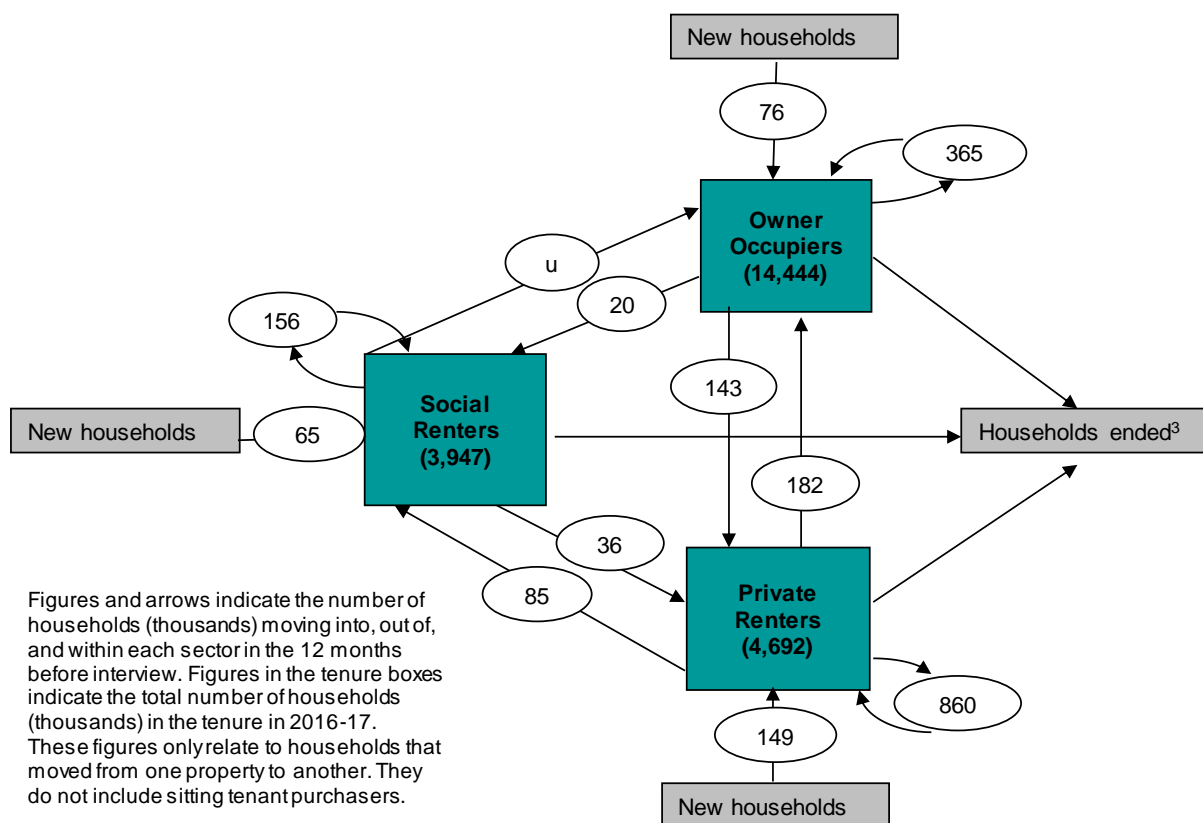
3.6 Other moves into the private rented sector included new households and moves from other tenures. In 2016-17, 13% of recent movers in the private

¹⁵ English Housing Survey, 2016-17 Headline report Annex Table 1.19.

¹⁶ See Live Table FT4302 for trends in previous tenure by current tenure, <https://www.gov.uk/government/statistical-data-sets/new-households-and-recent-movers>

rented sector were new households and 12% owner occupiers; social renters made up 3%.

Figure 3.1: Household moves, by tenure, 2016-17



Base: households resident less than a year

Notes:

- 1) underlying data are presented in Headline report Annex Table 1.19
- 2) a small number of cases with inconsistent responses have been omitted
- 3) survey cannot identify the number of households which have ended
- 4) u indicates sample size too small for reliable estimate

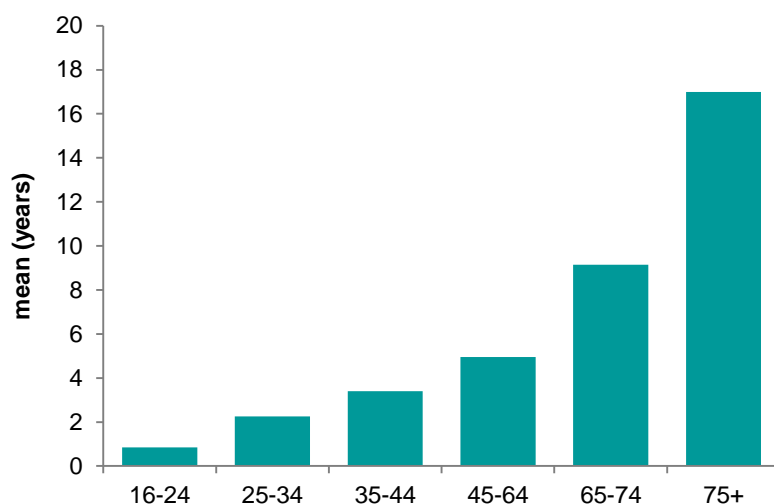
Source: English Housing Survey, full household sample

Length of time in current accommodation and tenure

- 3.7 In 2016-17, private renters had, on average (mean), lived at their current address for 3.9 years. The majority (90%) of private renters had been resident in their home for less than 10 years, and a quarter (25%) of all private renters had lived in their home for less than a year. Private renters were less likely than social renters to remain in their current home for longer periods of 10 years or more (10% of private renters and 42% of social renters), Annex Table 3.1.
- 3.8 Older people were likely to have lived in their current private rented accommodation for longer. The average length of time in the current address

for 16-24 year olds was less than a year. For those aged 75 and older it was 17 years, Figure 3.2 and Annex Table 3.2.

Figure 3.2: Mean length of residence in current home, by age of HRP, private renters, 2016-17



Base: all private renters

Note: underlying data are presented in Annex Table 3.2

Source: 2016-17 English Housing Survey, full household sample

3.9 In 2016-17, half (50%) of private renters had lived in the private rented sector for less than 5 years while 24% had been in the sector for 5-9 years and 27% for 10 or more years¹⁷.

Reasons for moving

3.10 Looking at all those who have moved in the last three years, this section examines reasons for moving and, where more than one reason was given, private renters' main reason for moving.

3.11 Job-related reasons (16%), wanting a larger house or flat (13%), wanting to move to a better neighbourhood (11%), or being asked to leave or given notice by the landlord (10%) were the main reasons private renters had moved in the last three years, Annex Table 3.3.

3.12 Not surprisingly, the reasons for moving varied by age. While job reasons were a key factor for those aged under 45 (mentioned by 15% to 18%), wanting a larger home was equally common for the 25- 44 year age group. Moving to a more pleasant neighbourhood, while not the most common reason, appeared to be important to all age groups (mentioned by 9-12%) in each age group.

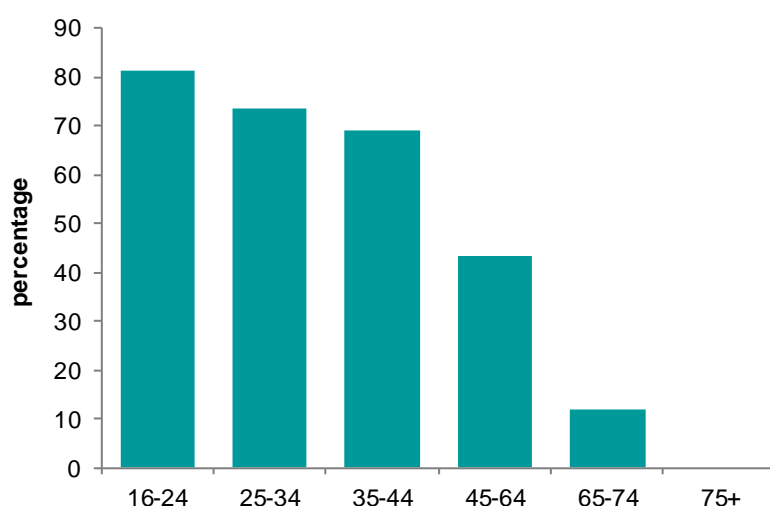
¹⁷ English Housing Survey, 2016-17 Headline report Annex Table 1.18.

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- 3.13 The landlord giving notice was the main reason given by private renters aged 65-74 who had moved in the last three years – 30% of those aged 65-74 had moved for this reason, Annex Table 3.4.
 - 3.14 While private renters without children were primarily motivated to move due to job-related reasons (18%), those with children were driven by the desire for more space (21% wanted a larger house or flat), Annex Table 3.5.
 - 3.15 Job-related reasons were more commonly cited by private renters with higher incomes (28% of private renters in the top income quintile had moved for job-related reasons). Moving to get a larger home was also more common among higher income quintiles (between 15% and 17%), than the lower ones (9%), Annex Table 3.6.
 - 3.16 Time series analysis is difficult as the reasons for moving question changed repeatedly between 1996/97 and 2016/17.

Buying expectations

- 3.17 In 2016-17, 60% of private renters (2.7 million households) and 30% of social renters (1.2 million households) stated that they expected to buy a property at some point in the future. Overall buying expectations among renters had not changed since 2006-07, Annex Table 3.7.
- 3.18 Younger people in the private rented sector were more likely to expect to buy than older people. The majority (81%) of 16-24 year olds expect to buy a home and buying expectations in this group were higher than for older adults, including 35-44 year olds (69%) and those aged 45-64 (43%), Annex Table 3.8 and Figure 3.3.

Figure 3.3: Buying expectations of private renters, by age of HRP, 2016-17



Base: all private renters

Notes:

1) underlying data are presented in Annex Table 3.8

2) the number of those aged 75+ who expect to buy too small to report

Source: 2016-17 English Housing Survey, full household sample

- 3.19 Private renters with dependent children were more likely to expect to buy (67%) than those without children (56%). This may be associated with age, rather than having dependent children as the latter group would include older adults aged 65 and over, Annex Table 3.9.
- 3.20 Income was also associated with buying expectations. Private renters in the lowest two income quintiles had the lowest buying expectations (41% of those in the lowest income quintile and 51% of those in the second quintile expected to buy, compared with 68% to 75% in higher quintiles), Annex Table 3.10.
- 3.21 Among those private renters who expected to buy, 26% expected to buy within two years.
- 3.22 Private renters' buying expectations have not changed over the past 10 years, but they were less likely to see buying as short term aim compared to 10 years ago. The proportion of private renters who expected to buy within two years decreased from 34% in 2006-07, to 26% in 2016-17, Annex Table 3.11.

Perceived barriers to home ownership

- 3.23 Private renters who did not expect to buy were asked their reasons for not buying. This group mentioned several barriers to home ownership, but also noted positive aspects of being a private renter.

-
- 3.24 Financial reasons were the most common: 71% of private renters thought they would not be able to afford to buy, 14% preferred not to be in debt and 12% saw insecure employment (i.e. not having a secure job) as a barrier.
- 3.25 However, private renters also mentioned more positive and non-financial reasons such as liking their current accommodation (14%), preferring not to have the commitment of owning a property (10%), and the flexibility of renting (10%), Annex Table 3.12.

Chapter 4

Dwelling condition and energy efficiency

- 4.1 This chapter examines the overall energy efficiency, condition and safety of the 4.9 million homes in the private rented sector which comprised 20% of the total housing stock in 2016¹⁸.
- 4.2 Dwelling condition is assessed using a number of housing quality indicators: the Decent Homes Standard, damp and disrepair. Dwelling safety is examined through the Housing Health and Safety Rating System (HHSRS), electrical safety, the presence of working smoke alarms and carbon monoxide detectors. For all of these measures the private rented sector is compared with other tenures.

Energy efficiency

- 4.3 This analysis uses the Government's Standard Assessment procedure (SAP) which monitors the energy efficiency of a dwelling and allows comparisons between different dwellings to be made¹⁹.
- 4.4 In 2016, the average SAP rating of private rented homes was 60, similar to owner occupied homes (61), but lower than social rented homes which were more energy efficient with a rating of 67²⁰. The private rented sector has an 'older' housing stock which is generally less well insulated than social rented homes^{21,22}.
- 4.5 Since 1st April 2018 there has been a requirement for private rented homes to have a minimum energy performance rating of E, unless there is an applicable exemption²³. In 2016, around 7% (320,000) of private rented homes had a rating lower than E, with an F or G EER rating band which are the two least energy efficiency bands. A similar proportion of owner occupied homes had

¹⁸ See Live Table DA1101 for stock profile, <https://www.gov.uk/government/statistical-data-sets/stock-profile>

¹⁹ To ensure that the energy performance findings in this report are as compatible as possible with energy performance assessments and certificates issued in England during 2016-17, findings presented in this report were calculated using Reduced Data SAP (RdSAP) version 9.92. Please see the SAP / EER band entries of the glossary or the English Housing Survey Technical Report, 2016-17, Chapter 5 for further details.

²⁰ See Live Table DA7101 for energy performance- dwellings, <https://www.gov.uk/government/statistical-data-sets/energy-inefficient-dwellings>

²¹ See Live Table DA6201 for insulation- dwellings, <https://www.gov.uk/government/statistical-data-sets/energy-performance>

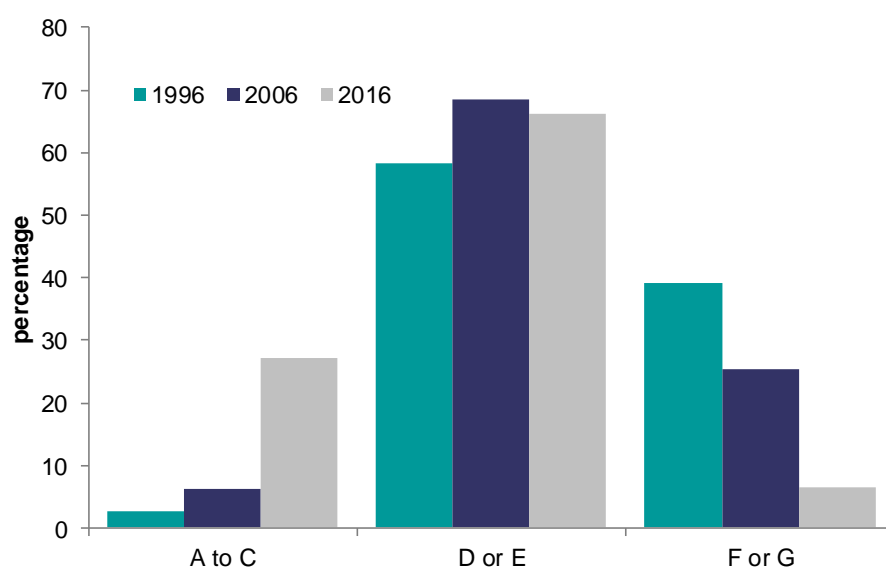
²² See English Housing Survey, 2016-17 Headline report Annex Table 2.5 the average SAP rating for the private rented sector and other tenures since 1996.

²³ The regulations will apply for new lettings and renewals of tenancies with effect from 1st April 2018 and for all existing tenancies on 1st April 2020. This change was implemented after fieldwork for the 2016-17 English Housing Survey was completed.

the lowest (F or G) EER bands (5%) but the proportion was notably lower for social rented homes (1%)²⁴, Annex Table 4.1.

- 4.6 There has been a decrease in the proportion of private rented homes with the poorest energy efficiency since 1996, partly reflecting the growth of newer homes in the stock. In 1996, 39% of private rented homes were in F or G EER bands, falling to 25% in 2006 and falling again to 7% in 2016.
- 4.7 At the other end of the scale, in 2016, around a quarter of private rented homes (27% or 1.3 million) had the highest EER bands of A to C, a similar proportion to owner occupied homes (25%), but a much lower proportion compared with social rented homes (51%).
- 4.8 Over the 1996 to 2016 period, the proportion of private rented homes that had the highest EER bands (A to C) increased, most notably from 2006 to 2016. In 1996, 3% of private rented homes had the highest EER bands, rising to 6% in 2006 and increasing more markedly to 27% in 2016, Figure 4.1.

Figure 4.1: Energy efficiency rating bands in private rented homes, 1996, 2006 and 2016



Base: all private rented dwellings

Note: underlying data are presented in Annex Table 4.1

Sources:

1996 and 2006: English House Condition Survey, dwelling sample

2016: English Housing Survey, dwelling sample

²⁴ Chapter 3 of the English Housing Survey Energy Efficiency Report 2016 examines the potential for improving the energy performance in F or G EER rated homes and potential barriers in undertaking the improvement work.

Dwelling condition

Decent Homes²⁵

- 4.9 In 2016, about a quarter (27%) of private rented homes were non-decent (i.e. did not meet the Decent Homes Standard). The prevalence of non-decent homes in the private rented sector has reduced since 2006 when almost a half of the stock (47%) was non-decent. Despite this marked fall, private rented homes were still more likely to be non-decent than owner occupied homes (20%) and those in the social rented sector (13%)²⁶.
- 4.10 Although the proportion of non-decent private rented homes has fallen over time, largely due to the increase in the size of the sector, the number of dwellings in this tenure failing the Standard has remained fairly constant; 1.2 million in 2006 and 1.3 million in 2016²⁷.

Damp²⁸

- 4.11 There has been a decrease in both the proportion and number of private rented homes with damp since 1996, particularly from 2006 to 2016. This trend is likely to be due to a number of factors including; newer homes coming into the private rented sector, the overall increase in energy efficiency and reduced levels of disrepair in the tenure.
- 4.12 In 1996, around a quarter (26%) of private rented homes had damp but the proportion fell to 20% in 2006 and then fell further between 2006 and 2016, to 8%. The number of private rented homes with damp was around 517,000 in 1996, 509,000 in 2006 and 400,000 in 2016.
- 4.13 Private rented homes were more likely to have problems with damp than homes in other tenures. In 2016, 8% (400,000) of private rented dwellings had damp compared with 6% of local authority, 4% of housing association and 3% of owner occupied homes.

Disrepair

- 4.14 To provide comparative levels of medium term disrepair for each tenure, the following analysis uses EHS standardised basic repair costs in square metres (£/m²)²⁹.

²⁵ See the glossary for further information.

²⁶ English Housing Survey, 2016-17 Headline report Annex Table 2.5.

²⁷ See Live Table DT3101 for Decent Homes trend, <https://www.gov.uk/government/statistical-data-sets/dwelling-condition-and-safety>

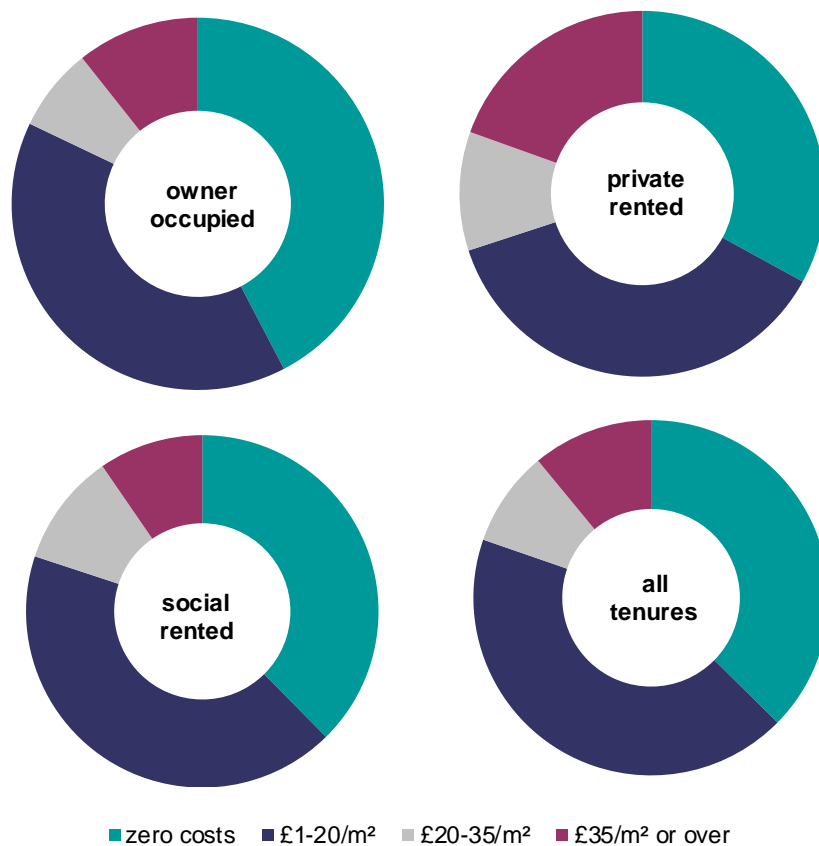
²⁸ English Housing Survey, 2016 Stock condition report Annex Table 2.6.

²⁹ See English Housing Survey Technical Report, 2016-17, Chapter 5 Annex 5.5, for further information. This repair cost indicator is different to that used to calculate whether a home meets the repair criterion of the Decent Homes Standard.

4.15 Overall, private rented homes had higher levels of disrepair. In 2016 20% of private rented dwellings had serious disrepair (over £35/m²) compared with 10% of social rented homes and 11% of owner occupied homes. At the other end of the scale 33% of private rented homes had no disrepair; a smaller proportion than social rented homes (38%) and owner occupied (44%) homes³⁰, Figure 4.2.

4.16 There have been notable improvements in the level of disrepair among private rented homes since 1996; details can be found in the English Housing Survey Stock Condition report, 2016, published alongside this report.

Figure 4.2: Distribution of standardised basic repair costs, by tenure, 2016



Base: all dwellings

Note: underlying data are presented in Live Table DA5201

Source: English Housing Survey, dwelling sample

³⁰ See Live Table DA5201 for disrepair and electrics- dwellings, <https://www.gov.uk/government/statistical-data-sets/dwelling-condition-and-safety>

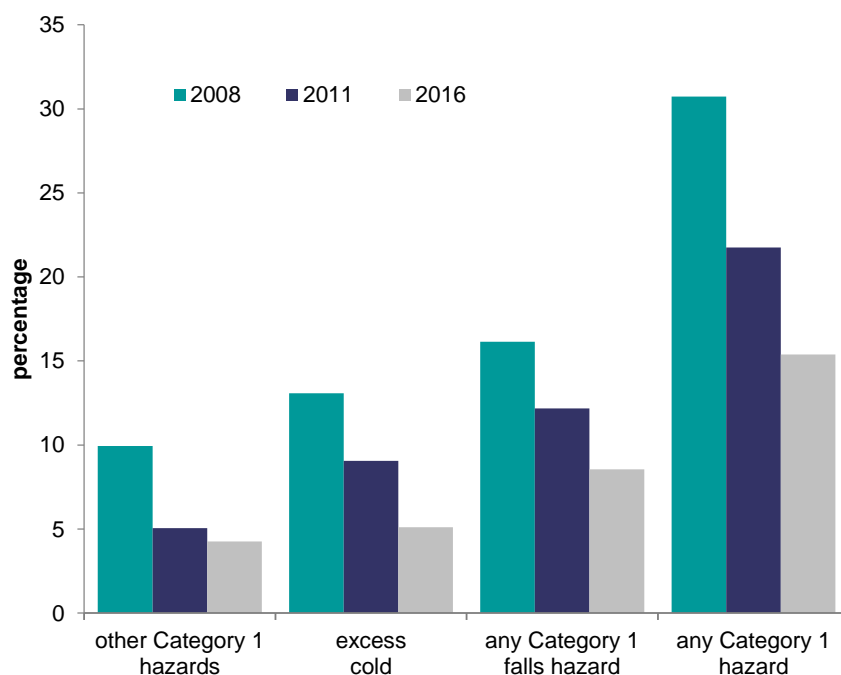
Dwelling safety

Housing Health and Safety Rating System (HHSRS)

4.17 The HHSRS is a risk-based assessment tool that identifies hazards in dwellings and evaluates their potential effects on the health and safety of occupants and their visitors. It assesses whether a dwelling meets the statutory minimum standard for housing in England³¹. This section reports on the prevalence of any Category 1 hazard and the most common types of hazard in all homes: excess cold and falls³².

4.18 Private rented homes were more likely to fail the statutory minimum standard for housing. In 2016, 15% (750,000) of private rented dwellings had at least one Category 1 hazard; this was a higher proportion than owner occupied (13%) and social rented homes (6%), Figure 4.3.

Figure 4.3: Category 1 hazards in private rented homes, 2008, 2011 and 2016



Base: all private rented dwellings

Note: underlying data are presented in Live Table DA4101

Source: English Housing Survey, dwelling sample

4.19 The EHS estimates whether a dwelling poses a threat to health from excessive cold by using its SAP rating. Private rented homes were more likely to have a risk of harm from excessive cold (5%) compared with owner occupied (4%) and social rented homes (1%).

³¹ For further information on the HHSRS see English Housing Survey Technical Report, 2016-17, Chapter 5, Annex 5.5.

³² Includes risk of falls associated with stairs, falls between levels, falls on the level and falls associated with baths.

-
- 4.20 The proportion of private rented homes with a serious risk of harm from a falls hazard (9%) was similar to owner occupiers (8%) but higher than social sector homes (4%).
- 4.21 The higher prevalence of excess cold and any Category 1 hazard in private rented homes is partly due to the stock having a higher proportion of older homes which are more likely to have poorer energy efficiency and higher levels of disrepair. The private rented sector also has the highest proportion of converted flats which tend to be less energy efficient.
- 4.22 The proportion of private rented homes with a Category 1 hazard halved between 2008 and 2016 (from 31% to 15%). Over the same period the prevalence of excess cold fell from 13% to 5% and the prevalence of risks from falls fell from 16% to 9%.

Electrical safety³³

- 4.23 This section reports on homes with five key electrical safety features: modern wiring, modern earthing, a modern consumer unit arrangement, miniature circuit breakers for overload protection and residual current devices which break electrical circuits when an 'abnormality' is detected, such as a person touching a live wire.
- 4.24 This is an area of housing quality where provision in the private rented sector was at least equal to the owner occupied sector, likely due to legislation which places obligations on landlords to ensure that electrical installations are safe. In 2016, 60% of private rented homes had all five electrical safety features, a similar proportion to owner occupied homes (59%) but a smaller proportion than social sector homes (74%)³⁴.
- 4.25 Since 2001 the provision of all five safety features has been similar for private rented and owner occupied homes although in 2011 provision was slightly greater in the former sector. The presence of all safety features was highest among social sector homes throughout the 2001 to 2016 period³⁵.
- 4.26 For the HHSRS, surveyors assess the risk of harm from shocks and burns resulting from exposure to electricity. In 2016, private rented homes without all five safety features were more likely (3%) to have a significantly higher than average risk of such harm than those homes with all five safety features (1%), Annex Table 4.2.
- 4.27 Defects to electrical installations such as the fuses, wiring, and sockets are one of the many factors that can increase the risk of fire in the home.

³³ It may not be possible for the surveyor to identify the presence of each electrical safety feature e.g. due to problems accessing a garage, so there will be some unknown cases.

³⁴ See Live Table DA5201 for disrepair and electrics- dwellings, <https://www.gov.uk/government/statistical-data-sets/dwelling-condition-and-safety>

³⁵ Electrical safety features over time is reported in English Housing Survey 2016 Stock condition report.

Electrical safety is, therefore, taken into account for the HHSRS assessment of the risk of harm from fire. In 2016, those private rented homes without all five safety features (7%) were no more likely to have a significantly higher than average risk of harm from fire than homes with all safety features (6%).

Smoke alarms

- 4.28 Landlords are responsible for providing a working smoke alarm for each floor at the start of each new tenancy; thereafter responsibility for on-going smoke alarm testing rests with the tenant³⁶. In 2016, a similar proportion of private renters (88%) and owner occupiers (89%) had a working smoke alarm. Smoke alarms were, however, more prevalent for social renters (95%), Annex Table 4.3.
- 4.29 There has been a rise in the provision of working smoke alarms over time for all tenures but particularly among private rented homes where prevalence was lowest in 1996.

Carbon monoxide alarms

- 4.30 In 2016, 28% of all private rented sector homes had a carbon monoxide alarm compared with social rented dwellings (31%) and owner occupied dwellings (35%)³⁷.
- 4.31 From October 2015, private sector landlords were required to install a carbon monoxide alarm in any room containing a solid fuel burning appliance. They were also required to ensure the alarm was working at the beginning of each new tenancy.
- 4.32 In 2016, 35% of private rented sector dwellings with a solid fuel appliance had a carbon monoxide alarm. We expect this to increase in the future³⁸. Because so few dwellings have a solid fuel appliance it is not possible to make meaningful cross tenure comparisons. The small sample of dwellings with solid fuel also means that the apparent increase in the proportion of private rented sector dwellings with a solid fuel appliance that had a carbon monoxide alarm (from 25% in 2015 to 35% in 2016) is not statistically significant. However, there has been a statistically significant increase in the proportion of all private sector homes with a solid fuel appliance and a carbon monoxide alarm³⁹.

³⁶ With regards to HMOs, the main legislation is the Regulatory Reform (Fire Safety) Order 2005.

³⁷ English Housing Survey, 2016-17 Headline report Annex Table 2.17.

³⁸ This report is based on data collected between April 2015 and March 2017 (a mid-point of April 2016), so the data collection period covers a considerable time period before the legislation came into force.

³⁹ Reported in English Housing Survey, 2016-17 Headline report.

Technical notes and glossary

Technical notes

1. Results for the first three chapters of this report, on households, are presented for '2016-17' and are based on fieldwork carried out between April 2016 and March 2017 on a sample of 12,970 households. Throughout the report, this is referred to as the 'full household sample'.
2. Results in Chapter 4, which relate to the physical dwelling, are presented for '2016' and are based on fieldwork carried out between April 2015 and March 2017 (a mid-point of April 2016). The sample comprises 12,292 occupied or vacant dwellings where a physical inspection was carried out. Throughout the report, this is referred to as the 'dwelling sample'.
3. The reliability of the results of sample surveys, including the English Housing Survey, is positively related to the unweighted sample size. Results based on small sample sizes should therefore be treated as indicative only because inference about the national picture cannot be drawn. To alert readers to those results, percentages based on a row or column total with unweighted total sample size of less than 30 are italicised. To safeguard against data disclosure, the cell contents of cells where the cell count is less than 5 are replaced with a "u".
4. Where comparative statements have been made in the text, these have been significance tested to a 95% confidence level. This means we are 95% confident that the statements we are making are true.
5. Additional annex tables, including the data underlying the figures and charts in this report are published on the website: <https://www.gov.uk/government/collections/english-housing-survey> alongside many supplementary live tables, which are updated each year (in the summer) but are too numerous to include in our reports. Further information on the technical details of the survey, and information and past reports on the Survey of English Housing and the English House Condition Survey, can also be accessed via this link.

Glossary

ACORN: a classification of residential neighbourhoods that groups households, postcodes and neighbourhoods into six categories, 18 groups and 62 types, according to age, household composition, facilities, household size, income, marital status, mode of travel to work, occupation, ownership of car, ownership of home, etc.

This information is matched with EHS data, and the following categories are reported:

- **Affluent achievers:** some of the most financially successful people in the UK. They live in wealthy, high status rural, semi-rural and suburban areas of the country. Middle aged or older people, the 'baby-boomer' generation, predominate with many empty nesters and wealthy retired people.
- **Rising prosperity:** generally younger, well educated, and mostly prosperous people living in our major towns and cities. Most are singles or couples, some yet to start a family, others with younger children. Often these are highly educated younger professionals moving up the career ladder. Most live in converted or modern flats, with a significant proportion of these being recently built executive city flats. Some will live in terraced town houses. While some are buying their home, occasionally through some form of shared equity scheme, others will be renting. While many have good incomes not all might yet have had time to convert these into substantial savings or investments.
- **Comfortable communities:** all life stages are represented in this category. Many areas have mostly stable families and empty nesters, especially in suburban or semi-rural locations. Generally people own their own home. Most houses are semi-detached or detached, overall of average value for the region. Incomes overall are average, some will earn more, the younger people a bit less than average. Employment is in a mix of professional and managerial, clerical and skilled occupations. Educational qualifications tend to be in line with the national average.
- **Financially stretched:** a mix of traditional areas of Britain. Housing is often terraced or semi-detached, a mix of lower value owner occupied housing and homes rented from the council or housing associations, including social housing developments specifically for the elderly. This category also includes student term-time areas. Unemployment is above average as are the proportions of people claiming other benefits.
- **Urban adversity:** this category contains the most deprived areas of large and small towns and cities across the UK. Household incomes are low, nearly always below the national average. The numbers claiming Jobseeker's Allowance and other benefits is well above the national average. Levels of qualifications are low and those in work are likely to be employed in semi-skilled or unskilled occupations. The housing is a mix of low rise estates, with terraced and semi-detached houses, and purpose built flats, including high rise blocks. Properties tend to be small and there may be overcrowding. Over half of the housing is rented from the local council or a housing association.

More details available at: <https://acorn.caci.co.uk/downloads/Acorn-User-guide.pdf>

Arrears: If the HRP or partner are not up to date with rent or mortgage payments they are considered to be in arrears.

Basic repair costs: Basic repairs include urgent work required in the short term to tackle problems presenting a risk to health, safety, security or further significant deterioration plus any additional work that will become necessary within the next five years. See Chapter 5, Annex 5 of the Technical Report for more information about how these are calculated and assumptions made.

Bedroom standard: The ‘bedroom standard’ is used by government as an indicator of occupation density. A standard number of bedrooms is calculated for each household in accordance with its age/sex/marital status composition and the relationship of the members to one another. A separate bedroom is allowed for each married or cohabiting couple, any other person aged 21 or over, each pair of adolescents aged 10-20 of the same sex, and each pair of children under 10. Any unpaired person aged 10-20 is notionally paired, if possible, with a child under 10 of the same sex, or, if that is not possible, he or she is counted as requiring a separate bedroom, as is any unpaired child under 10.

This notional standard number of bedrooms is then compared with the actual number of bedrooms (including bed-sitters) available for the sole use of the household, and differences are tabulated. Bedrooms converted to other uses are not counted as available unless they have been denoted as bedrooms by the respondents; bedrooms not actually in use are counted unless uninhabitable.

Households are said to be overcrowded if they have fewer bedrooms available than the notional number needed. Households are said to be under-occupying if they have two or more bedrooms more than the notional needed.

Category 1 hazard: The most serious type of hazard under the Housing Health and Safety Rating System (HHSRS). Where such a hazard exists the dwelling fails to reach the statutory minimum standard for housing in England.

Damp and mould: There are three main categories of damp and mould covered in this report:

- **rising damp:** where the surveyor has noted the presence of rising damp in at least one of the rooms surveyed during the physical survey. Rising damp occurs when water from the ground rises up into the walls or floors because damp proof courses in walls or damp proof membranes in floors are either not present or faulty.
- **penetrating damp:** where the surveyor has noted the presence of penetrating damp in at least one of the rooms surveyed during the physical survey. Penetrating damp is caused by leaks from faulty components of the external fabric e.g. roof covering, gutters etc. or leaks from internal plumbing, e.g. water pipes, radiators etc.
- **condensation or mould:** caused by water vapour generated by activities like cooking and bathing condensing on cold surfaces like windows and walls. Virtually all dwellings have some level of condensation. Only serious levels of condensation or mould are considered as a problem in this report, namely where

there are extensive patches of mould growth on walls and ceilings and/or mildew on soft furnishings.

Decent home: A home that meets all of the following four criteria:

- it meets the current statutory minimum standard for housing as set out in the Housing Health and Safety Rating System (HHSRS – see below).
- it is in a reasonable state of repair (related to the age and condition of a range of building components including walls, roofs, windows, doors, chimneys, electrics and heating systems).
- it has reasonably modern facilities and services (related to the age, size and layout/location of the kitchen, bathroom and WC and any common areas for blocks of flats, and to noise insulation).
- it provides a reasonable degree of thermal comfort (related to insulation and heating efficiency).

The detailed definition for each of these criteria is included in A Decent Home: Definition and guidance for implementation, Department for Communities and Local Government, June 2006⁴⁰.

Dependent children: Any person aged 0 to 15 in a household (whether or not in a family) or a person aged 16 to 18 in full-time education and living in a family with his or her parent(s) or grandparent(s). It does not include any people aged 16 to 18 who have a spouse, partner or child living in the household.

Economic status: Respondents self-report their situation and can give more than one answer.

- **working full-time/part-time:** full-time work is defined as 30 or more hours per week. Part-time work is fewer than 30 hours per week. Where more than one answer is given, 'working' takes priority over other categories (with the exception that all those over State Pension Age (SPA) who regard themselves as retired are classified as such, regardless of what other answers they give).
- **unemployed:** this category covers people who were registered unemployed or not registered unemployed but seeking work.
- **retired:** this category includes all those over the state pension age who reported being retired as well as some other activity. For men the SPA is 65 and for women it is 60 if they were born before 6th April 1950. For women born on or after the 6th April 1950, the state pension age has increased incrementally since April 2010⁴¹.

⁴⁰ <https://www.gov.uk/government/publications/a-decent-home-definition-and-guidance>

⁴¹ For further information see: www.gov.uk/browse/working/state-pension

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- **full-time education:** education undertaken in pursuit of a course, where an average of more than 12 hours per week is spent during term time.
 - **other inactive:** all others; they include people who were permanently sick or disabled, those looking after the family or home and any other activity.

On occasions, **full-time education** and **other inactive** are combined and described as **other economically inactive**.

Electrical safety:

- **wiring:** this is the cabling from the input electrical supply point, which runs through the meters and consumer units and leading out into the dwelling. The earliest types of wiring used lead or black rubber sheathings to enclose the wires. The danger with this type of cable is the degrading of the rubber: any failure of the insulation can cause the outer covering to become live. Modern wiring is PVC sheathed.
- **earthing:** these are the wires joining the components at the electrical distribution centre. The early forms of earthing wires were unsheathed then later covered with green rubber, then green plastic. In 1977 the colour convention changed and all wires had to be coloured green and yellow.
- **consumer unit arrangement (fuse boxes):** in older systems, each individual electrical circuit was fed through an individual switch and fuse box. From 1960s through to the 1980s, fuses were collected together into a small number of smaller boxes, normally with a switch on the front which controlled all the circuits leading to the box. These boxes were normally fitted with a cover, the removal of which gave access to the fuses hidden inside. From the early 1980s, the newly named consumer unit (some dwellings have two) catered for the whole dwelling and was also designed to accommodate modern safety measures namely circuit breakers and residual current devices.
- **overload protection / miniature circuit breakers (MCBs):** these provide the most modern form of electrical current overload protection by detecting a fault condition and interrupting the current flow. MCBs replaced cartridge fuses and the original wire fuses (these simply melt when overheated) which formed the earliest form of protection.
- **residual current devices (RCDs):** these are designed to break an electrical current very easily by detecting any abnormality in the circuit, for example, through someone touching a live wire. They are normally located in the consumer unit but a separate RCD may exist to protect an additional circuit, for example, an electrical circuit used in the garden.

Energy efficiency rating (EER)/SAP bands: The 1-100 EER/SAP energy efficiency rating is also presented in an A-G banding system for an Energy Performance Certificate, where Band A rating represents low energy costs (i.e. the most efficient band) and Band G rating represents high energy costs (the least efficient band). The break points in SAP (see below) used for the EER Bands are:

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- Band A (92–100)
 - Band B (81–91)
 - Band C (69–80)
 - Band D (55–68)
 - Band E (39–54)
 - Band F (21–38)
 - Band G (1–20)

Energy Performance Certificate (EPC): Based on current energy performance the EPC provides a range of indicators, such as whether the property would benefit in terms of improved performance from a range of heating, insulation and lighting upgrades and the likely performance arising from the application of those measures.

The EPC assessment is based on a simplified form of the energy efficiency SAP known as reduced data SAP (RdSAP). Following revisions to the way that RdSAP software implements improvements as part of the EPC production process, a new EPC methodology has been applied to the EHS 2015 data. Several additional improvement measures have been added to the methodology, and for some existing measures the criteria and/or improvement specification has changed (see the Technical Report for further information).

Ethnicity: Classification according to respondents' own perceived ethnic group.

Ethnic minority background is used throughout the report to refer to those respondents who do not identify as White.

The classification of ethnic group used in the EHS is consistent with the 2011 Census. Respondents are classified as White if they answer one of the following four options:

- English / Welsh / Scottish / Northern Irish / British
- Irish
- Gypsy or Irish Traveller
- Any Other White background

Otherwise, they are classified as being from an ethnic minority background.

Excess cold (HHSRS Category 1 hazard): Households living in homes with a threat to health arising from sub-optimal indoor temperatures. The assessment is based on the most vulnerable group who, for this hazard, are those aged 65 years or more (the assessment does not require a person of this age to be an occupant). The EHS does not measure achieved temperatures in the home and therefore this hazard is based on dwellings with an energy efficiency rating of less than 35 based on the SAP 2001 methodology. Under the SAP 2009 methodology, used for the 2010- 2012 EHS reports, the comparable threshold was recalculated to be 35.79 and the latter was used in providing statistics for the HHSRS Category 1 hazard. Since 2013, the EHS Reports have used the SAP 2012 methodology and the comparable excess cold threshold has been recalculated to 33.52.

Full-time education: Full-time education is education undertaken in pursuit of a course, where an average of more than 12 hours per week is spent during term time.

Gross income of the HRP and partner: The gross annual income of the HRP and partner from wages, pensions, other private sources, savings and state benefits. This does not include any housing related benefits or allowances. This measure is divided by 52 to calculate weekly income. Income is presented in quintiles throughout this report (see income quintiles definition – below).

Gross household income: The gross annual income of all adults living in a household from wages, pensions, other private sources, savings and state benefits. This does not include any housing related benefits or allowances. This measure is divided by 52 to calculate weekly income. Income is presented in quintiles throughout this report (see income quintiles definition – below).

Household: One person or a group of people (not necessarily related) who have the accommodation as their only or main residence, and (for a group) share cooking facilities and share a living room or sitting room or dining area.

The EHS definition of household is slightly different from the definition used in the 2011 Census. Unlike the EHS, the 2011 Census did not limit household membership to people who had the accommodation as their only or main residence. The EHS included that restriction because it asks respondents about their second homes, the unit of data collection on the EHS, therefore, needs to include only those people who have the accommodation as their only or main residence.

Household reference person (HRP): The person in whose name the dwelling is owned or rented or who is otherwise responsible for the accommodation. In the case of joint owners and tenants, the person with the highest income is taken as the HRP. Where incomes are equal, the older is taken as the HRP. This procedure increases the likelihood that the HRP better characterises the household's social and economic position. The EHS definition of HRP is not consistent with the Census 2011, in which the HRP is chosen on basis of their economic activity. Where economic activity is the same, the older is taken as HRP, or if they are the same age, HRP is the first listed on the questionnaire.

Household type: The main classification of household type uses the following categories; some categories may be split or combined in different tables:

- couple no dependent child(ren)
- couple with dependent child(ren)
- couple with dependent and independent child(ren)
- couple with independent child(ren)

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- lone parent with dependent child(ren)
 - lone parent with dependent and independent child(ren)
 - lone parent with independent child(ren)
 - two or more families
 - lone person sharing with other lone persons
 - one male
 - one female

Housing Benefit: A benefit that is administered by local authorities, which is designed to assist people who rent their homes and have difficulty meeting their housing costs. Council tenants on Housing Benefit receive a rent rebate which means that their rent due is reduced by the amount of that rebate. Private and social housing tenants usually receive Housing Benefit (or rent allowance) personally, although sometimes it is paid direct to the landlord.

Housing Health and Safety Rating System (HHSRS): A risk assessment tool used to assess potential risks to the health and safety of occupants in residential properties in England and Wales. It replaced the Fitness Standard in April 2006.

The purpose of the HHSRS assessment⁴² is not to set a standard but to generate objective information in order to determine and inform enforcement decisions. There are 29 categories of hazard, each of which is separately rated, based on the risk to the potential occupant who is most vulnerable to that hazard. The individual hazard scores are grouped into 10 bands where the highest bands (A-C representing scores of 1,000 or more) are considered to pose Category 1 hazards. Local authorities have a duty to act where Category 1 hazards are present, and may take into account the vulnerability of the actual occupant in determining the best course of action.

For the purposes of the decent homes standard, homes posing a Category 1 hazard are non-decent on its criterion that a home must meet the statutory minimum requirements.

The EHS is not able to replicate the HHSRS assessment in full as part of a large scale survey. Its assessment employs a mix of hazards that are directly assessed by surveyors in the field and others that are indirectly assessed from detailed related information collected. For 2006 and 2007, the survey (the then English House Condition Survey) produced estimates based on 15 of the 29 hazards. From 2008, the survey is able to provide a more comprehensive assessment based on 26 of the 29 hazards. See the EHS Technical Note on Housing and Neighbourhood Conditions⁴³ for a list of the hazards covered.

⁴² <https://www.gov.uk/government/organisations/department-for-communities-and-local-government/series/housing-health-and-safety-rating-system-hhsrs-guidance>

⁴³ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/211302/Housing_and_Neighbourhood_Conditions.pdf

Income quintiles: All households are divided into five equal groups based on their income (i.e. those in the bottom 20%, the next 20% and so on). These groups are known as quintiles. These can be used to compare income levels of particular groups to the overall population.

Large Scale Voluntary Transfer: A Large Scale Voluntary Transfer is the voluntary transfer of ownership of all or some of a local authority's tenanted and leasehold homes to a private registered housing provider, registered by the Social Housing Regulator, in return for a payment for the value of that stock.

Long-term limiting illness: This is consistent with the core definition of disability under the Equality Act 2010. A person is considered to have a disability if they have a long-standing illness, disability or impairment which causes substantial difficulty with day-to-day activities.

Overcrowding: Households are said to be overcrowded if they have fewer bedrooms available than the notional number needed according to the bedroom standard definition. See bedroom standard.

SAP rating: See the entries for the Standard Assessment Procedure and Energy Efficiency Rating

Standard Assessment Procedure (SAP): The Standard Assessment Procedure (SAP) is the methodology used by the Government to assess and compare the energy and environmental performance of dwellings. The SAP is used to calculate the energy efficiency rating (EER) of dwellings, also known as the SAP rating. The EER is an index based on calculated energy costs for a standard heating regime and is expressed on a scale of 1 (highly inefficient) to 100 (highly efficient with 100 representing zero energy cost). It is possible for a dwelling to have a rating of over 100 where it produces more energy than it consumes, although such dwellings will be rare within the English housing stock.

Reduced Data SAP (RdSAP) was introduced in 2005 as a lower cost method of assessing the energy performance of existing dwellings. RdSAP is used in the calculation of the energy ratings on the Energy Performance Certificate, a document which is required every time a home is put up for sale or rent. Since the 2015 survey, the EHS has provided a number of indicators on energy performance calculated using an approach which is in line with RdSAP 2012 version 9.92. To ensure that the findings in this report are as compatible as possible with energy performance assessments and certificates issued in England during 2016-17, the energy performance findings presented in this report were calculated using RdSAP version 9.92.

Socio-economic groups: The EHS uses the eight-class version of the National Statistics Socio-economic Classification (NS-SEC). The eight classes are:

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- Higher managerial and professional occupations
 - Lower managerial and professional occupations
 - Intermediate occupations (clerical, sales, service)
 - Small employers and own account workers
 - Lower supervisory and technical occupations
 - Semi-routine occupations
 - Routine occupations
 - Never worked or long-term unemployed.

No EHS respondent is assigned to the last class because the survey does not collect enough information to code to someone as never worked or long-term unemployed.

Tenure: In this report, households are typically grouped into three broad categories known as tenures: owner occupiers, social renters and private renters. The tenure defines the conditions under which the home is occupied, whether it is owned or rented, and if rented, who the landlord is and on what financial and legal terms the let is agreed.

- **owner occupiers:** households in accommodation which they either own outright, are buying with a mortgage or as part of a shared ownership scheme.
- **social renters:** this category includes households renting from Local Authorities (including Arms' Length Management Organisations (ALMOs) and Housing Action Trusts) and Housing Associations, Local Housing Companies, co-operatives and charitable trusts.

A significant number of Housing Association tenants wrongly report that they are Local Authority tenants. The most common reason for this is that their home used to be owned by the Local Authority, and although ownership was transferred to a Housing Association, the tenant still reports that their landlord is the Local Authority. There are also some Local Authority tenants who wrongly report that they are Housing Association tenants. Data from the EHS for 2008-09 onwards incorporate a correction for the great majority of such cases in order to provide a reasonably accurate split of the social rented category.

- **private renters:** this sector covers all other tenants including all whose accommodation is tied to their job. It also includes people living rent-free (for example, people living in a flat belonging to a relative).

Under-occupation: Households are said to be under-occupying their property if they have two or more bedrooms more than the notional number needed according to the bedroom standard definition. See bedroom standard.

In accordance with the Statistics and Registration Service Act 2007 the United Kingdom Statistics Authority has designated these statistics as National Statistics, signifying that they are fully compliant with the Code of Practice for Statistics.

Designation can be broadly interpreted to mean that the statistics:

- meet identified user needs;
- are well explained and readily accessible;
- are produced according to sound methods, and
- are managed impartially and objectively in the public interest.

Once statistics have been designated as National Statistics it is a statutory requirement that the Code of Practice shall continue to be observed.

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