



Office of the  
Deputy Prime Minister

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Creating sustainable communities

# English House Condition Survey 2004

Headline  
Report

**decent homes  
and  
decent places**



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Deputy Prime Minister

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Creating sustainable communities

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Decent Homes  
and Decent  
Places

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# Introduction

This headline report provides key updates from the English House Condition Survey (EHCS) for 2004. It is organised in three sections which address different aspects of living conditions in England, they are; **decent homes, liveability and deprivation**.

The results are based on continuous fieldwork from April 2003 to March 2005 and are presented as a mid-point survey position of April 2004 which is taken as an 'average position' for the fieldwork period.

This headline report provides initial key findings. The intention is to publish headline findings as soon as they are available each year, followed by a more comprehensive annual report each spring.

This short report focuses on indicators of progress related to key Government policies. Wherever possible change is assessed using the longest period for which consistent data is available. The text identifies key significant changes. Some caution is required in drawing additional conclusions from the detailed tables as some changes, particularly year on year differences, are not statistically significant. Technical details for the survey will be published in due course.

# Decent Homes

- The number of homes which fail to meet the decent home standard continues to fall at a steady rate. Since 1996 the number of non-decent homes has reduced from 9.1 million (45% of all homes) to 6.3 million (29% of all homes), Table 1.

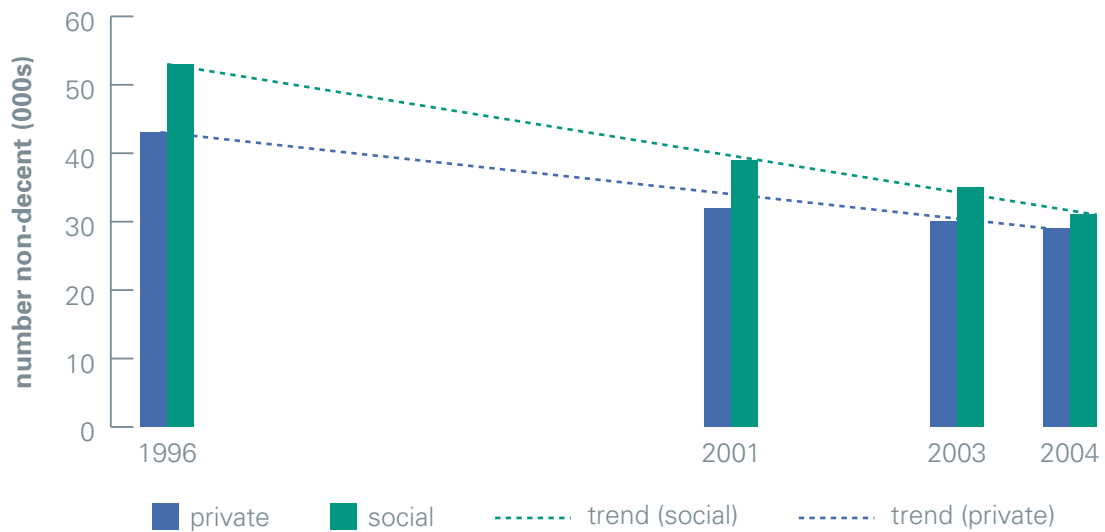
**Table 1: Non-decent homes by housing tenure, 1996–2004**

	1996		2001		2003		2004	
	decent	non-decent	decent	non-decent	decent	non-decent	decent	non-decent
<b>number (000s):</b>								
owner occupied	8,391	5,535	10,483	4,316	10,993	4,207	11,213	4,066
private rented	752	1,246	1,072	1,101	1,157	1,048	1,340	994
<b>all private</b>	<b>9,144</b>	<b>6,781</b>	<b>11,554</b>	<b>5,416</b>	<b>12,151</b>	<b>5,255</b>	<b>12,553</b>	<b>5,060</b>
LA	1,600	1,869	1,637	1,174	1,485	972	1,519	816
RSL	493	448	952	472	1,154	467	1,228	437
<b>all social</b>	<b>2,092</b>	<b>2,318</b>	<b>2,589</b>	<b>1,647</b>	<b>2,639</b>	<b>1,439</b>	<b>2,748</b>	<b>1,252</b>
<b>all tenures</b>	<b>11,236</b>	<b>9,099</b>	<b>14,143</b>	<b>7,063</b>	<b>14,790</b>	<b>6,694</b>	<b>15,301</b>	<b>6,312</b>
<b>percentage:</b>								
owner occupied	60.3	39.7	70.8	29.2	72.3	27.7	73.4	26.6
private rented	37.6	62.4	49.3	50.7	52.5	47.5	57.4	42.6
<b>all private</b>	<b>57.4</b>	<b>42.6</b>	<b>68.1</b>	<b>31.9</b>	<b>69.8</b>	<b>30.2</b>	<b>71.3</b>	<b>28.7</b>
LA	46.1	53.9	58.2	41.8	60.4	39.6	65.1	34.9
RSL	52.4	47.6	66.8	33.2	71.2	28.8	73.8	26.2
<b>all social</b>	<b>47.4</b>	<b>52.6</b>	<b>61.1</b>	<b>38.9</b>	<b>64.7</b>	<b>35.3</b>	<b>68.7</b>	<b>31.3</b>
<b>all tenures</b>	<b>55.3</b>	<b>44.7</b>	<b>66.7</b>	<b>33.3</b>	<b>68.8</b>	<b>31.2</b>	<b>70.8</b>	<b>29.2</b>

**Base: all dwellings**

- While homes in the private sector continue to be less likely to be non-decent compared to social sector homes (29% and 31% respectively), homes in the social sector have seen a greater rate of progress since 1996 and consequently the gap between the two sectors has narrowed, Figure 1.

**Figure 1: Proportion of non-decent homes by sector, 1996–2004**



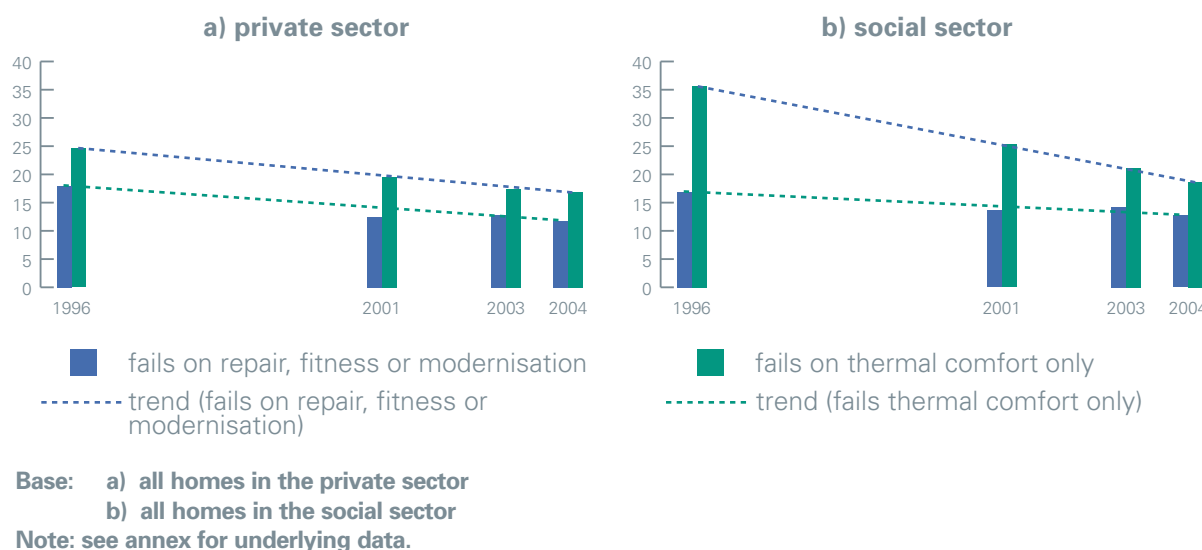
**Base: all dwellings**

**Note: the bars represent the survey estimate for each sector; the trend and the disparity between the two sectors is modelled using all available results for the period.**

## Reasons for failing decent homes standard

- Improvements in thermal comfort have been most dramatic in the social sector where the proportion of all homes failing on this criterion only has reduced from 36% in 1996 to 19% in 2004, Figure 2. Consequently, in 2004, the proportions of homes providing inadequate thermal comfort only or failing on any of the other criteria (repair, modernisations or fitness) are similar for both private and social sector homes. Nevertheless, failure to provide adequate thermal comfort remains the most common reason for failing the decent homes standard (4.6 million or 21% of all homes).<sup>1</sup>
- Improvements in thermal comfort are reflected in increasing energy efficiency as assessed through the Government Standard Assessment Procedure (SAP). In 2004 the average SAP rating has increased to 51.8 from 45.5 in 1996. The social sector has an average SAP rating of 58.5 compared to 50.3 in the private sector.

<sup>1</sup> 3.7m (21% of) private sector homes fail the thermal comfort criterion while 0.9m (23% of) social sector homes fail the criterion.

**Figure 2: Proportion of homes non decent by reason, 2004**

### Private sector vulnerable households

- The Government's aim is to ensure that everyone has the opportunity of a decent home. Of the 3 million vulnerable households living in the private sector 1 million (34%) live in non-decent homes in 2004. This has fallen from 43% in 2001 and 57% in 1996, Table 2.

**Table 2: Private sector vulnerable households living in non-decent homes, 1996–2004**

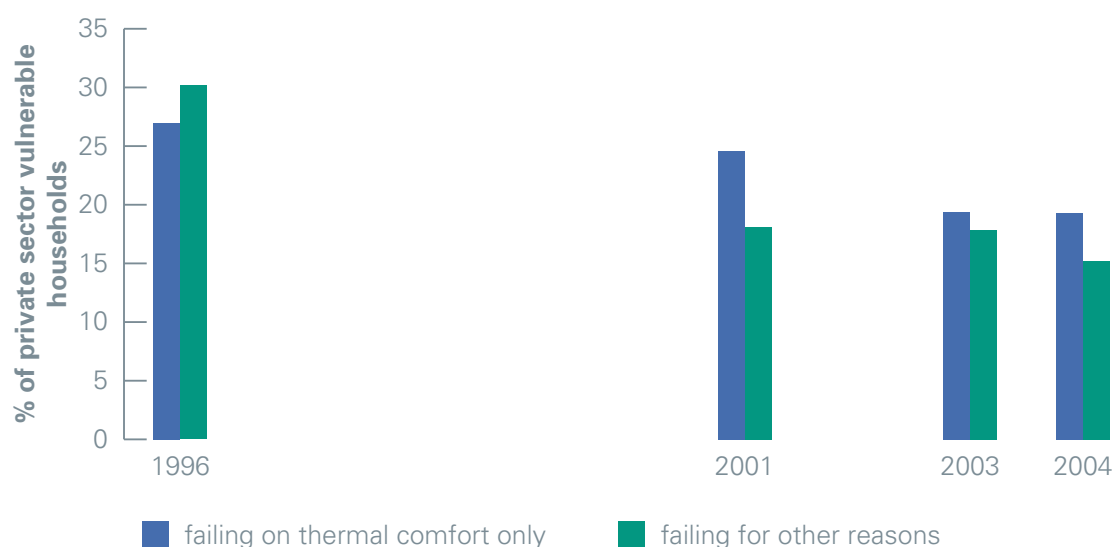
	1996		2001		2003		2004	
	decent	non-decent	decent	non-decent	decent	non-decent	decent	non-decent
<b>number (000s):</b>								
owner occupied	880	929	1,285	784	1,506	722	1,617	691
private rented	196	504	256	366	277	335	347	342
<b>all private</b>	<b>1,076</b>	<b>1,433</b>	<b>1,542</b>	<b>1,151</b>	<b>1,783</b>	<b>1,056</b>	<b>1,963</b>	<b>1,033</b>
<b>percentage:</b>								
owner occupied	48.6	51.4	62.1	37.9	67.6	32.4	70.1	29.9
private rented	28.0	72.0	41.2	58.8	45.3	54.7	50.3	49.7
<b>all private</b>	<b>42.9</b>	<b>57.1</b>	<b>57.3</b>	<b>42.7</b>	<b>62.8</b>	<b>37.2</b>	<b>65.5</b>	<b>34.5</b>

**Base:** all private sector vulnerable households

- In 1996, the majority of non-decent homes occupied by vulnerable households failed on fitness, repair or modernisations ('other reasons'), but due to good progress in dealing with these problems during the late 1990s, homes only failing on thermal comfort made up the majority of non-decent homes by 2001, Figure 3. Reductions in the proportion of private sector vulnerable households living in non-decent homes since 2001 have been largely driven by improvements in thermal comfort.



**Figure 3: Private sector vulnerable households by reasons for failing, 1996–2004**



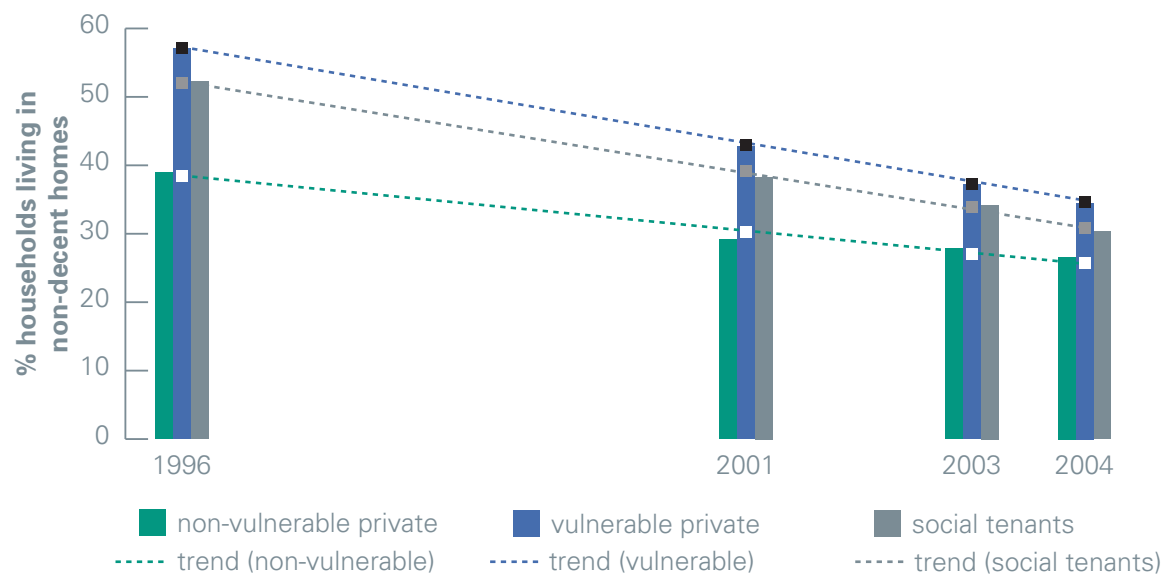
**Base: all private sector vulnerable households**

**Note: see annex for underlying data.**

## Disparities in living conditions

- Disparities in housing conditions contribute to social exclusion. Substantial progress in providing decent homes for social tenants and in helping vulnerable households in private housing to live in decent homes has narrowed the 'gap' (in absolute and relative terms) between them and other households although they are still more likely to be living in non-decent homes than other households, Figure 4.
- Since 1996 the proportion of both social tenants and private sector vulnerable households living in non-decent homes has fallen by an average of over 2.5 percentage points each year, compared to around 1.5 percentage points for other households. In consequence the difference between the proportion of social tenants and private sector vulnerable households living in non-decent homes compared to others has more than halved between 1996 and 2004.

Figure 4: Disparity between PSA7-related and other households living in non-decent homes, 1996–2004



Base: all households  
Note: the bars represent the survey estimate for each sector, the trend and the disparity between groups is modelled using all available results for the period – see annex on modelling disparities.

# Liveability

- In 2004 around 3.2 million (15% of) households live with a range of 'liveability' problems related to the quality of the immediate environment of their homes, Table 3. As in 2003 the most common problems are associated with the upkeep, management and misuse of the surrounding public and private buildings or space; 2.1 million (10% of) households live with these types of problems. Some 0.7 million homes are affected by two or more different types of problems related to poor quality environment.

**Table 3: Types of poor quality environments, 2004**

	2004
<b>number (000s):</b>	
upkeep	2,115
traffic	1,473
utilisation	389
<b>poor quality environments</b>	<b>3,229</b>
<b>percentage:</b>	
upkeep	10.1
traffic	7.0
utilisation	1.9
<b>poor quality environments</b>	<b>15.4</b>
<b>Base: all households</b>	

- Some 1.3 million households living in poor quality environments also live in non-decent homes and of these 290,000 (23%) are social sector tenants and 220,000 (17%) are vulnerable households living in the private sector.

# Deprivation

- Living conditions in the 88 most deprived districts supported by the Neighbourhood Renewal Fund (NRF) tend to be worse than elsewhere. Of the 8.8 million homes found in the NRF districts, 32% are non-decent compared to 27% of homes elsewhere. In addition, 20% of households (1.7 million) residing in the most deprived districts live in poor quality environments compared to 12% of households living in other districts.
- Although housing conditions may be worse in deprived districts, there has been significant progress in both sectors in deprived districts since 1996 when 48% of private homes and 54% of social sector homes were non-decent, Table 4. Progress in the most deprived districts accounts for 61% of the overall reduction in non-decent social sector homes since 2001. Despite this, these districts continue to account for 60% of all non-decent homes in the social sector and, overall, the pattern of progress is similar to that for homes in all districts, Figure 1. Therefore the gap between deprived and other districts has not narrowed significantly.

**Table 4: Non-decent homes in Neighbourhood Review Fund districts by tenure, 1996–2004**

	1996		2001		2003		2004	
	decent	non-decent	decent	non-decent	decent	non-decent	decent	non-decent
<b>number (000s):</b>								
<b>private sector</b>								
NRF districts	3,042	2,790	4,075	2,383	4,262	2,182	4,397	2,102
other districts	6,102	3,991	7,479	3,034	7,888	3,073	8,157	2,958
<b>social sector</b>								
NRF districts	1,149	1,362	1,417	988	1,446	849	1,532	747
other districts	944	956	1,172	659	1,193	590	1,216	506
<b>percentage:</b>								
<b>private sector</b>								
NRF districts	52.2	47.8	63.1	36.9	66.1	33.9	67.7	32.3
other districts	60.5	39.5	71.1	28.9	72.0	28.0	73.4	26.6
<b>social sector</b>								
NRF districts	45.8	54.2	58.9	41.1	63.0	37.0	67.2	32.8
other districts	49.7	50.3	64.0	36.0	66.9	33.1	70.6	29.4

**Base: all dwellings in NRF and other districts**

- The 1.3 million vulnerable private sector households living in the most deprived districts are more likely to be living in non-decent homes than those vulnerable private sector households living elsewhere (38% compared to 32%), Table 5. Since 2001, the living conditions of vulnerable households in both deprived and other districts have improved at a similar rate.

**Table 5: Private sector vulnerable households living in non-decent homes by Neighbourhood Renewal Fund districts, 1996–2004**

	<b>1996</b>		<b>2001</b>		<b>2003</b>		<b>2004</b>	
	<b>decent</b>	<b>non-decent</b>	<b>decent</b>	<b>non-decent</b>	<b>decent</b>	<b>non-decent</b>	<b>decent</b>	<b>non-decent</b>
<b>number (000s):</b>								
NRF districts	385	732	717	604	774	536	827	505
other districts	691	701	824	547	1,010	521	1,136	528
<b>percentage:</b>								
NRF districts	34.5	65.5	54.3	45.7	59.1	40.9	62.1	37.9
other districts	49.6	50.4	60.1	39.9	66.0	34.0	68.3	31.7

**Base: all private sector vulnerable households**

## Annex

### Reason for failing the decent homes standard by sector, 1996–2004

		thermal comfort only		fitness, repair or modern facilities and services*		decent homes		all homes	
		(000s)	%	(000s)	%	(000s)		(000s)	%
<b>1996</b>	private	3,917	24.6	2,864	18.0	9,144	57.4	<b>15,925</b>	<b>100.0</b>
	social	1,574	35.7	744	16.9	2,092	47.4	<b>4,410</b>	<b>100.0</b>
<b>2001</b>	private	3,303	19.5	2,114	12.5	11,554	68.1	<b>16,970</b>	<b>100.0</b>
	social	1,070	25.3	577	13.6	2,589	61.1	<b>4,236</b>	<b>100.0</b>
<b>2003</b>	private	3,024	17.4	2,231	12.8	12,151	69.8	<b>17,406</b>	<b>100.0</b>
	social	861	21.1	578	14.2	2,639	64.7	<b>4,078</b>	<b>100.0</b>
<b>2004</b>	private	2,981	16.9	2,078	11.8	12,553	71.3	<b>17,613</b>	<b>100.0</b>
	social	743	18.6	509	12.7	2,748	68.7	<b>4,000</b>	<b>100.0</b>

Base: all dwellings

\* Note: some homes failing fitness, repair or modern facilities and services may also fail the thermal comfort criterion.

### Private sector vulnerable households – Reasons for failing the decent homes standard, 1996–2004

	thermal comfort only		fitness, repair or modern facilities and services*		decent homes		all vulnerable households	
	(000s)	%	(000s)	%	(000s)		(000s)	%
<b>1996</b>	676	26.9	757	30.2	1,076	42.9	<b>2,509</b>	<b>100.0</b>
<b>2001</b>	662	24.6	487	18.1	1,542	57.3	<b>2,692</b>	<b>100.0</b>
<b>2003</b>	550	19.4	506	17.8	1,783	62.8	<b>2,839</b>	<b>100.0</b>
<b>2004</b>	578	19.3	455	15.2	1,963	65.5	<b>2,996</b>	<b>100.0</b>

Base: all private sector vulnerable households

\* Note: some homes failing fitness, repair or modern facilities and services may also fail the thermal comfort criterion.

## PSA7-related households in non-decent homes – disparity from non-vulnerable private sector households, 1996 to 2004

	percentage of group living in non-decent homes				difference from non-vulnerable		ratio to non-vulnerable		difference from 1996	annual rate of progress	annual rate of progress
	1996	2001	2003	2004	1996	2004	1996	2004	2004	2004	1996-2004
<b>survey estimates:</b>											
non-vulnerable private households	39.0	29.2	27.8	26.6	–	–	–	–	–	–	–
vulnerable private households	57.1	42.7	37.2	34.5	–	–	–	–	–	–	–
social tenants	52.3	38.3	34.2	30.3	–	–	–	–	–	–	–
<b>modeled results:</b>											
non-vulnerable private households	38.4	30.3	27.1	25.7	0.0	0.0	1.00	1.00	-12.7	0.67	1.6
vulnerable private households	57.1	42.9	37.2	34.6	18.7	8.9	1.49	1.34	-22.5	0.61	2.8
social tenants	52.1	39.1	33.9	30.9	13.7	5.2	1.36	1.20	-21.2	0.59	2.6

Notes:

- 1) 'Survey estimates' provide the actual survey findings for each year. Because each year's estimate is subject to a degree of error related to sampling, design and measurement aspects of the survey, results across the whole period are modelled to arrive at robust conclusions on whether any disparities are statistically significant at the 95% confidence level. Further details of the analysis to assess trends in observed disparities are provided in the Technical Report for the EHCS.
- 2) The estimates and model results show a narrowing of both the 'absolute' and 'relative' gap between social tenants and private sector vulnerable households on the one hand and other (private sector) households on the other. A narrowing of the absolute gap (indicated by the 'difference from non-vulnerable' in 1996 and 2004) can be expected simply because there has been a substantial reduction in the proportion of all households living in non-decent homes. However there is also a significant narrowing of the relative gap as measured by the ratio to non-vulnerable in 1996 and 2004. So for example the proportion of private sector vulnerable households living in non-decent homes was 49% greater than that for non-vulnerable households in 1996 but only 34% greater in 2004.

# Terms used in the report

A number of terms are used without detailed definition in the text. These are:

**Decent home:** is one that meets the following four criteria:

- a) It meets the current statutory minimum standard for housing (currently the fitness standard as defined under section 604 of the Housing Act 1985, and as amended by the 1989 Local Government and Housing Act).
- b) 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).
- c) 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).
- d) 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 – the definition and guidance for implementation, ODPM, February 2004.

**Liveability:** the liveability problems from the survey are based on the professional surveyors' assessments of problems in the immediate environment of the home. In all sixteen specific environmental problems (separately assessed by the surveyors) are grouped together (through content and factor analysis) into three types of liveability problems related to:

- a) 'upkeep' – the upkeep, management or misuse of the private and public space and buildings (specifically, the presence of: scruffy or neglected buildings, poor condition housing; graffiti; scruffy gardens or landscaping; litter, rubbish or dumping; vandalism; dog or other excrement, nuisance from street parking);
- b) 'traffic' – road traffic and other forms of transport (specifically the presence of: intrusive motorways and main roads; railway or aircraft noise; heavy traffic; and ambient air quality);
- c) 'utilisation' – abandonment or non residential use of property (specifically, vacant sites; vacant or boarded up buildings; intrusive industry; or non conforming use of a residential area).

The overall assessment (providing the estimate of 3.2 million households living in poor quality environments) is based on whether the home has any of the three types of liveability problems.

**Neighbourhood Renewal Fund (NRF):** aims to enable England's 88 most deprived authorities, in collaboration with their Local Strategic Partnership (LSP), to narrow the gap



between deprived areas and the rest of the country in terms of increased employment and improved economic performance, reduced crime, better educational attainment, improved health and better housing. The 88 local authorities are those that are amongst the 50 most deprived on any of the six measures in the Indices of Deprivation 2000 (ID2000) – these total 81 in all. Another seven local authorities are included that were within the 50 most deprived on any of the four measures under the previous (1998) Index of Local Deprivation, but are not in the list of 81.

**SAP:** is the main measure of energy efficiency used in the report is the energy cost rating as determined by the Government's Standard Assessment Procedure (SAP). This is an index based on calculated annual space and water heating costs for a standard heating regime and is expressed on a scale of 1 (highly energy inefficient) to 120 (highly energy efficient).

**Vulnerable households:** are households in receipt of at least one of the principal means tested or disability related benefits. Since 2001 a new range of tax credits has been introduced with different qualifying thresholds. These are child tax credit and working tax credit (both introduced in April 2003 when working families tax credit and disabled persons tax credit were abolished) and pension credit (introduced in October 2003). The definition of vulnerable households has been amended to take these changes into account in *A Decent Home – The definition and guidance for implementation*, ODPM, February 2004. The survey period for the 2003 and the 2004 EHCS findings spans these changes. The necessary definitional changes have been accommodated in the EHCS by making changes to the data collected at April each year and have resulted in the following operational definitions for the survey:

- a) the definition of vulnerable households for April 2002 to March 2003 (as for the 2001 EHCS) was households in receipt of the following: income support, housing benefit, council tax benefit, disabled persons tax credit, income based job seekers allowance, working families tax credit, attendance allowance, disability living allowance, industrial injuries disablement benefit, war disablement pension;
- b) the definition of vulnerable households for April 2003 to March 2004 was households in receipt of: income support, housing benefit, council tax benefit, disabled persons tax credit, income based job seekers allowance, attendance allowance, disability living allowance, industrial injuries disablement benefit, war disablement pension, child tax credit and working tax credit. For child tax credit and working tax credit the household are only considered vulnerable if the person entitled to the tax credit has a relevant income of less than £14,200, as defined for the purpose of determining eligibility for the tax credit;
- c) the definition for April 2003 to March 2004 did not include pension credit (introduced in October 2003). This was included in fieldwork from April 2004.

The focus of the report is on vulnerable households in the private housing sector where choice and achievable standards are constrained by resources available to the household. This focus reflects the Public Service Agreement target (ODPM PSA7) to increase the proportion of private sector vulnerable households living in decent homes, as set out in *A Decent Home – the definition and guidance for implementation*<sup>2</sup>.

<sup>2</sup> *A Decent Home – the definition and guidance for implementation*, ODPM 2004