

Private rented sector numbers equal social housing

Source: [Inside Housing](#), 7 February 2013 | By [Emily Twinch](#)

The number of households living in the private rented sector has risen to the same level as those in social housing, according to government figures.

The headline report for the English Housing Survey 2011/12, which has been published this morning, shows the number of households in private rented accommodation rose from 3.6 million to 3.8 million between 2010/11 and 2011/12.

Since 1999 the number of households in the private rented sector has almost doubled, from around 2 million.

Owner occupation remains the most common type of tenure, although it declined slightly from 14.5 million households to 14.4 million.

The wide ranging survey also shows 24 per cent of dwellings still do not meet the government's decent home standard, although this has fallen by more than 500,000 since the previous survey. Of the non-decent homes, 17 per cent are in the social rented sector, and 35 per cent in the private rented sector.

The survey also notes average weekly rents in the private rented sector are well above those in the social rented sector – £164 per week compared to £83.

'Private renting is a much more dynamic sector than social renting,' the survey says. 'Around two thirds of private renters have been in their homes for less than three years, and this level of turnover is reflected in rent levels.'

It says rents for long-established tenancies do not increase year on year as much as short-tenancies that have to be frequently renewed.

Sixty-four per cent of households in the social rented sector were receiving housing benefit compared with 26 per cent of those in the private rented sector.

The energy efficiency of housing stock improved with the average SAP rating of a dwelling increasing by 12 points between 1996 and 2011, from 45 to 57.

Simon Rubinsohn, chief economist at the Royal Institution of Chartered Surveyors, said: 'The figures provide further evidence of the shift away from owner occupation in favour of the rental sector.'

'Significantly, RICS believe these broad trends are set to persist. Although the funding for lending scheme has raised the availability of finance for first-time buyers, required deposits are still historically high limiting accessibility for many.'

The funding for lending scheme was launched in August last year to encourage banks to lend to small businesses and households. Banks are rewarded for lending by being allowed to borrow at lower interest rates from the Bank of England for up to four years.