

Housing and Life Experiences

Preventing, mitigating and reducing poverty in a dynamic housing market context

**Karen CROUCHER, Deborah QUILGARS,
Alison DYKE & Linzi LADLOW**

Centre for Housing Policy, University of York
Stockholm Environment Institute, University of York

Origins in 2 studies from the housing and poverty research programme:

- 1) Evidence review - Tunstall, R., Bevan, M., Bradshaw, J., Croucher, K., Duffy, S., Hunter, C., Jones, A., Rugg, J., Wallace, A., Wilcox, S (2013) *The Links Between Housing and Poverty*, York: JRF
- 2) Quantitative analysis – Stephens, M; Leishman, C; Bramley, G; Ferrari, E and Rae, A (2014) *What will the housing market look like in 2040?* York: JRF

Results 1:

There is strong evidence that low housing costs (from social renting, owning outright, living rent free, or low cost location) prevent and reduce poverty and material deprivation, and increase work incentives.

There is some evidence that outright home ownership mitigates poverty by weakening the link between low income and material deprivation.

There is strong evidence that low-cost housing, housing benefit, and protection for homeless people mitigate poverty by weakening the link between low income and housing deprivation.

There is strong evidence that housing benefit also reduces work incentives (Tunstall et al., 2013).

Results 2:

- People with housing pathways rooted in settled home-ownership experienced above average levels of temporary poverty, but relatively low levels of chronic poverty.
- People with housing pathways rooted in settled social renting experienced very high rates of chronic poverty.
- Life events including changing marital (partner) status, downsizing, falling earnings and retirement are associated with the more severe forms of poverty across tenures.
- 60% of people who experienced housing deprivation also experienced chronic poverty, but more than 85% of people who experienced chronic poverty did not experience housing deprivation (Stephens et al. 2014).

- One of a number of JRF projects that explore different aspects of housing and poverty in the UK: <https://www.jrf.org.uk/report/housing-and-poverty>. Round-up of evidence concluded:
 - ‘Until recently, a combination of social housing, Housing Benefit and the homelessness safety net has provided protection against poverty. However, on current trends, there is a real danger that the housing system will create poverty and deprivation.’ (Birch, 2015)
- 2016 – JRF publications – ‘UK Poverty: Causes, costs and solutions’/ ‘We can solve poverty in the UK’. Recommendations included:
 - Increase the supply of affordable housing
 - More help with unaffordable housing costs
 - Push up standards, particularly in the private rented sector
 - A bigger role for social landlords in tackling poverty.

- Two main aims
 - To understand the processes by which the dynamics of housing circumstances affect households' experience of poverty, at different stages of the life course.
 - To identify what housing (or housing-related) policy and practice can improve individual and household outcomes, by better preventing, mitigating and reducing poverty at different stages in the life course.
- Three main methods
 - Literature and policy review
 - Qualitative longitudinal panel study (QLPS)
 - Policy development process – being undertaken by Altair

- 72 low income participants in 6 diverse areas
 - Hull, London (Waltham Forest/Islington), Oxford, Belfast , Fife, North Wales
 - Gender, BME groups, chronic ill health or disability, income < Minimum Income Standard (JRF, 2008)
 - QA Research recruited
- In each area:
 - c30% with mortgages; c20% to be outright owners; at least 30% to be social renters; and at least 20% to be private renters
 - Three generational cohorts: i) younger people (aged 16-29) (c35%), ii) mid-life households (29-49) (35% including singles, couple and families with children), and iii) older people (50+) (30%)
- Three phases of data collection
 - Phase 1: 2015 Base-line interviews and questionnaires
 - Phase 2: 2016: Mid-point (telephone)interviews: “Now 2016”
 - Phase 3: 2017: Final : “Now 2017”, “Futures”, “Policy scenarios”

QPLS: Expected and actual sample

Area	N		Sex			Age			BME respondents		Chronic health problem/disability		Tenure		
	Exp.	Act.		Exp.	Act.		Exp.	Act.	Exp.	Act.	Exp.	Act.		Exp.	Act.
Hull	12	14	Male	6	6	16-29	4	6	0	1	1	1	Owner	5	6
			Female	6	8	30-49	4	6					Social rent	3	2
						50+	4	2					Private rent	3	5
													Other	1	1
Belfast	12	10	Male	6	3	16-29	4	3	0	0	1	5	Owner	5	4
			Female	6	7	30-49	4	3					Social rent	3	4
						50+	4	4					Private rent	3	2
													Other	1	0
Fife	12	11	Male	6	6	16-29	4	2	0	2	2	2	Owner	5	5
			Female	6	5	30-49	4	4					Social rent	3	3
						50+	4	5					Private rent	3	3
													Other	1	0
London	12	16	Male	6	3	16-29	4	4	7	7	1	8	Owner	5	2
			Female	6	13	30-49	4	7					Social rent	3	8
						50+	4	5					Private rent	3	4
													Other	1	2
Oxford	12	10	Male	6	4	16-29	4	1	7	4	1	5	Owner	5	2
			Female	6	6	30-49	4	5					Social rent	3	6
						50+	4	4					Private rent	3	2
													Other	1	0
North Wales	12	11	Male	6	6	16-29	4	4	0	0	1	6	Owner	5	3
			Female	6	5	30-49	4	3					Social rent	3	2
						50+	4	4					Private rent	3	5
													Other	1	1
Total	72	72		72	72		72	72	14	14	7	27		72	72

Note: 'Other' tenure included living in the parental home, living with relatives or in temporary accommodation.

- Screening questionnaire:
 - demographics, income (<MIS), satisfaction with home
- Pen & Paper questionnaire:
 - psychosocial well-being, house conditions, material deprivation, SWEMWBS, QoL, education
- Topics at 1st F2F interview
 - Housing now: how long, how satisfied, costs, household etc, reasons for moving
 - Housing history
 - Income: work, benefits, debt, saving
 - Future aspirations
 - Messages for policy makers

- Housing histories were fundamentally shaped by key (often multiple) life transitions
- Many of the individual life transitions that mediated housing histories did not follow a standard pattern related to age (de-institutionalisation of the life course) (e.g. Clark, 2013; Graham and Sabater, 2015)
- Key transitions included: Leaving the parental home/ Relationship and family formation & breakdown / Income and work transitions / Ill health and disability and caring responsibilities/ Bereavement/ Other later life transitions/ Migration to the UK / External life events.
- Key finding - housing system poorly supports households with low incomes experiencing transitions

- Leaving the parental home
 - High costs of PRS/ constrained SRS
 - Few accounts of (or preference for) sharing except relatives
 - Family support reduces or mitigate poverty
 - ‘Staying put’ housing options for some young people
- *“... we just couldn’t afford anywhere when we were at her mum’s. That’s why we’d save up. It’s all the fees and deposits and everything else you’ve got to put down on houses. It’s these private landlords. I’d love to move into a council house but the list system is ridiculous at the moment ... When we were at her mum’s we bid every week for, I think it was a year and we got nowhere.”*
- John, younger cohort, single parent, PRS, Hull

Housing and Life Transitions: Examples

- Relationship/ family formation
 - Living Apart Together to help cope with poverty (and relationships)
 - Difficulties moving as families increase in size
 - Difficult to find suitable PRS properties that both affordable and close to family support
- Relationship/ family breakdown
 - Family assistance key at this point
 - Increase in financial difficulties/ debt leads to forced situations – either ‘stuck’ or having to move
 - Housing mitigates in particular circumstances eg. renting out spare room; where social housing access possible
 - Domestic violence – housing responses varied considerably

- Ill health and disability
 - Resultant reductions in income can force moves (e.g from OO to PRS; PRS to family)
 - Key role of wider family and external agencies in mitigating poverty/ preventing housing moves
 - Supportive landlords key (both PRS and social)
 - Living mortgage free a huge benefit (where combined with other income sources)
 - Planned housing moves could improve situation
- Caring responsibilities
 - Access to suitable SRS was paramount for number of families
 - Torturous process for some

- Bereavement
 - Access to good quality housing also paramount here – SRS or kind PRS landlords...
 - *“... a lot brighter and open ... that one was closed in It was a darker house, smaller. This is more open and airy. I think that does help with your mental wellbeing. Personally I think it helps you mentally. There are lot of windows and a lot of rooms. You know, there's more sunlight getting in. When you're depressed you're anxious and uptight, and everything is closed in. It makes you feel darker inside. Which a lot of people wouldn't understand.”*
 - Louisa, older cohort, single parent, home owner, Belfast

- Later life transitions
 - Outright owner occupation offering opportunities; high maintenance costs counter-acting some of this benefit; down-sizing not always easy
 - Problems into older age - interest free mortgages, mortgages into retirement...
 - Adult children in home – problems with lose of benefit at age 18
- External life events
 - Poor neighbourhoods forcing moves (both PRS and SRS)
 - Discrimination – one participant required intervention of MP to facilitate a SRS move

- Poor housing exacerbated poverty in number of ways:
 - Regular/ substantial rent increases in the PRS was a problem – and future worry about loss of home - for many low income households.
 - Housing Benefit short-falls was a significant issue for those affected; disability benefits and/or family assistance making up shortfalls where possible; benefit eligibility changing points.
 - Housing costs related to both moving and making a house a “comfortable” home (decoration; furniture etc.) stretched people’s limited financial resources.
 - The poor physical condition of some properties, impacting on health and well-being, also often meant higher fuel bills.

- The cost of maintenance/repairs in home ownership, particularly major structural problems.
- Poor location/neighbourhood - broader impact on people's finances - accessing and maintaining work; being close to family for support; and impacting adversely on health.
- Appropriate housing mitigated against the effects of poverty for some low income households:
 - Housing Benefit, when it met housing costs, was a key means of assistance to those on low incomes.
 - Supportive landlords (both in the PRS and SRS) could make the difference between being able to cope financially (and emotionally) at times of difficulty (for example, in finding other properties, not increasing rents, forbearing if in arrears).

- Homes in a decent condition and state of repair:
- Sufficient space which enabled families to share housing costs or take in paying guests in a minority of cases.
- Sufficient space to offer a home to family members in an emergency, to save up for their own home (whether rent deposit or deposit for a mortgage).
- Energy efficient homes which led to reduced heating bills (and a more comfortable home/health benefits).
- Suitable location – ease of access to schools, work and close to family and social networks
- Home ownership - but only at such a time as when mortgage is paid off or where people have been “gifted” properties, or if equity has accrued in a property.

- Little evidence of a housing ladder for those on lower incomes – good housing could mitigate but not lift people out of poverty; high cost/ poor quality housing / forced moves increased poverty
- The British housing system poorly supports key life transitions and life events (both expected and unexpected)
- Slow response of housing systems led to mismatch of housing need and circumstances. Benefits responded more quickly but punitively
- High housing costs locked people into ‘managing just’ over longer term/ few opportunities to save
- More commonalities across UK than differences in terms of impact on poverty
- Housing falling short of achieving its potential in the mitigation of poverty

- 2nd telephone interviews being analysed
- 3rd F2F interviews in June 2017
- Report to JRF in Autumn 2017
- Separate policy report also in Autumn 2017

- THANK YOU FOR LISTENING