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# The pursuit of homeownership and the importance of family support

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# Introduction

- Social policy context
- Introduction to the research
- Methods
- Initial findings
- Implications

# The growth and normalisation of homeownership

- Homeownership has become the ‘normalised’ tenure of choice and a key marker of social difference.
- *“The private ownership of housing has provided a material base for securing homes and accumulating assets, but has also been a key symbolic marker of membership in mainstream society” (Hirayama, 2012: 173)*
- An important source of individual wealth and central to the shift from collective to asset-based welfare provision.
- But proportionally decreasing in UK as PRS rises.

# Trends

- Despite the centrality of homeownership to welfare systems, young adults increasingly excluded.
  - Housing affordability
  - Rationing of access to mortgage finance
- Young adults increasingly located in the private rented sector: 'Generation Rent'
  - Proportion of households aged 25-34 in the PRS has doubled in ten years (21% in 2003/04 to 48% in 2012/13 – English Housing Survey).

# Familisation of welfare and housing

- Extended residence in the family home
  - Housing benefit reforms
- Societal pressure on baby boomers to ‘give something back’ (Willetts, 2010)
- Growing reliance on family support for first-time buyers
  - 40% of parents provide family support to the tune of an average of £23k (Shelter, 2014)

# The research

- Mind the (Housing) Wealth Gap, 2012-15 funded by the Leverhulme Trust.
- Qualitative study looking at:
  - The attitudes and behaviour of young people (aged 18-35) surrounding inter-generational transfers of wealth
  - Their expectations of receiving support
  - How this shapes their housing pathways

# The research

- Nine case study areas across the UK
  - Surrey, Sheffield and Cornwall (England)
  - Edinburgh, North Lanarkshire and Scottish Borders (Scotland)
  - Merthyr Tydfil and Gwynedd (Wales)
  - Belfast (Northern Ireland)
- 30 x telephone interviews and 10 x focus groups
  - 60 participants in total
  - Geographical skew – recruitment was more difficult in rural areas

# Initial Findings

1. Perceived legitimacy of housing costs, linked to normalisation of homeownership
2. Emotions of the gift relationship
3. The social cleavages of family support



# 1. Prevalence and understanding of family support

- Family support prevalent in all case study areas and took different forms
  - Living with parents (especially in high value rural areas) to support saving
  - Help with housing costs
  - Wealth transfers to support homeownership: the majority of home-owning young adults had received some support.
- Deposits usually understood as gifts, but this creates ambiguous relationships (chiming with Heath and Calvert, 2013)
- Family support conditional on deservedness and perceived legitimacy of housing costs

# Perceived legitimacy of housing costs linked to ‘normalisation’ of homeownership:

- *“When my Gran died, my Dad sold her house and split the proceeds three ways, and we ended up getting a £50,000 deposit to be used on a house. I can honestly see that just being in the bank for a long time until my Dad dies, and then I can spend it on whatever I want. Isn’t that ridiculous? ... In my parents’ day, it was such a thing, you had to do it. And my Dad struggles with the fact we don’t own.”*

*H, Surrey (age 34)*

- *“I would hate to and never have asked for help with rent, I’ve never asked for a deposit for a house and I wouldn’t. If my parents turn around to me and say “do you want £20,000 as a deposit”, I wouldn’t turn it down because that would be massively helpful and they would be doing it with the best intentions and I would only accept it if I knew that they were in a position to do it and it wasn’t going to leave them in any financial hardship.”*

- *S, Sheffield (age 28)*

## 2. Emotions of the gift relationship

- Elder-Vass (2015) discusses ‘positional giving’, whereby there is “*a normative expectation that people in certain social positions will give gifts to certain other people.*”
- This provides the foundations for the ‘gift relationship’, but there are a number of emotions and complexities to the negotiation of this within the family.

## 2. Emotions of the gift relationship

- *“I think it probably feels a bit like you’re tied to that individual, maybe that you owe them ... it would be a burden, wouldn’t it, in your head, if that person has subsidised you ... Plus when he dies, there is not going to be any money, because everyone’s living longer, then you have to go in a nursing home, and that’s like £1,000 a week for quality care.”*

*H, Surrey (age 34)*

- *“I would imagine it’s a massive burden for my parents. I spoke to my Dad about it quite a few times and he stressed he wished he could help, but it’s just ... and I don’t like him feeling guilty about it ... but I think if a parent can help then they will probably, and parents do take that burden don’t they?”*

*C, Merthyr (age 27)*

- *“I’ve got my inheritance but there’s no personal achievement, and I was done there, set me up for life, but you want to feel like you’ve done it and to feel a little bit proud.”*

**2011**  
**THE AWARDS**  
**WINNER**  
*F, Surrey (age 21)*  
UNIVERSITY OF THE YEAR

# 3. The social cleavages of family support

- It is known that parental homeownership and family affluence influences younger generation's housing tenure through parental gifts and inheritance (Rowlingson and McKay, 2005; Helderma and Mulder, 2007)
- The key finding of our study is the emerging social cleavages in housing amongst under-35s in the UK, between those who have access to parental and private resources, and those who don't.

# 3. The social cleavages of family support

- We have identified two ways that this manifests:
- 1. Implicit reliance on family support disadvantages certain family types and social backgrounds
- *“I know for a lot of people it is like their parents can help out, but I don’t think everyone’s parents can, and I think particularly where parents have been divorced, often financially they are not in a position to do that ... they are not necessarily as financially stable because again they’ve got to start from scratch in the housing market.”*

*T, Surrey (age: 26)*

# 3. The social cleavages of family support

- 2. Geography of (un)affordability
- *“When I got that money [£50,000] I thought – this is like four years ago – I thought that was such a lot of money. I thought that is amazing, a £200,000 house now becomes £150,000. But those £200,000 houses are now one bed, two bed. The market has increased so much.”*

*H, Surrey (age: 34)*
- *“It was that kind of shelter, living with Mum and Dad, that allowed me to save money to buy a house. That’s how the deposit money was saved. I’m not sure I would have been able to do it if I was out paying market rental rates, in fact I know I wouldn’t, so the only way I was able to stay in my hometown was by living with parents for several years.”*

*S, Cornwall (age: 29) 2011*

# 3. The social cleavages of family support

- Lack of family support in areas of (unaffordability) exacerbated in absence of formal provision and intervention

*“I find that there is no help for people that are working full-time that are on a low wage and that’s a helluva lot of people, and [for] trying to get social or private housing – I won’t go on about buying because you need to have savings and I don’t think that I will ever be able to buy my own home.”*

*YMCA Resident, Surrey (age 28)*



# Conclusions

- The housing choices of young adults are increasingly mediated by the family and private resources they are able to access, in turn mediating access to particular types of housing tenure, opportunities, and access to popular areas of urban space.
- Family support is prevalent and usually understood as a gift, but there are many emotions attached to this related to issues of identity, reciprocity, and negotiations as to the long-term use of parental wealth ( long-term care vs. housing).
- Emerging social cleavages amongst young adults, perpetuated by family support.
- ‘Generation Rent’ not a homogenous group suffering from similar issues: differential access to private resources risks perpetuating inequalities within and between generations.