



The role of family and friends in the housing pathways of single young adults

What role do family and friends play in the housing pathways of single young adults? What forms of support are provided by parents and other relatives in helping young adults to achieve residential independence? How do they feel about receiving financial and material support? And what role do friends play in the housing pathways of young adults today? To answer these and other questions we use a qualitative study of the housing pathways of young adults aged 25 to 34, who either live alone or in shared households and who are not currently living with a partner.

Key Points

- It is common for parents and older relatives to help out financially in enabling young adults to live independently
- The parental home provides an important fallback option for many single young adults
- Young adults experience considerable ambivalence about their ongoing dependency on parents
- Financial exchanges involving friends are generally avoided at all costs, including in the form of joint mortgage arrangements

Contemporary housing pathways

Young people's housing pathways are increasingly complex and risk-prone. Rising house prices and inflated rents in the private rented sector make it difficult for many single young adults to achieve residential independence on the basis of one income. In this context, contemporary young adults are becoming increasingly dependent on their

families for various forms of material and financial support to offset the costs of living independently. Friends also figure large in the housing pathways of single young adults, with many experiencing shared living arrangements as part of their transition from the family home. These ongoing inter-dependencies have implications for how relatives and friends relate to each other and how young adults feel about themselves and their claims to adult status.

The study

This research focused on the independent housing pathways of single young adults living in and around a port city in southern England. The research explored the extent to which living independently is underpinned by financial and material support from parents and other relatives, as well as between friends, and considered the impact of ongoing support on young adults' relationships with family members and friends. We also considered their housing aspirations, the different strategies adopted by them in seeking to satisfy their housing needs, and how their own experiences compared with those of their siblings and friends.

Qualitative interviews were conducted with 22 women and 15 men aged 25 to 34 (mean age of 29). We recruited only those who were living outside of the parental home, were childless and who were single in the sense of not living with a partner at the time of the research. Nineteen lived in single person households, 14 lived in shared households and 4 described themselves as lodgers. Thirty one lived in the private rented sector, 5 in owner-occupied housing, and one in a housing association property. One private renter already owned a house which she rented out, three others were in the early stages of 'house-hunting', and one was about to complete on a house purchase. Thirty three participants were in full-time work, a further 3 were unemployed and 1 was in full-time education. Three quarters of interviewees were graduates. The nature of our sample allowed us to focus in particular on the changing nature of graduate housing pathways: specifically, to explore whether the relatively privileged nature of graduate housing pathways revealed by research conducted in the late 1990s still applied.*

Participants were invited to tell us about their housing experiences since first leaving home, after having first completed a housing history grid. A series of more focused themes were then explored, including: returns to the parental home; their current housing situation; the nature of their family and friendship networks; any forms of support received from these networks; their housing ambitions and aspirations; their views of different housing tenures; and how their own experiences compared with those of siblings and friends.

Main findings

It is common for parents and older relatives to help out financially in enabling young adults to live independently

The vast majority of participants had received financial and material support from family members since leaving

home. Examples included both ad hoc and regular monetary assistance towards offsetting general living expenses. These ranged from modest contributions towards household bills through to substantial one-off sums on first leaving home. Gifts in kind were very common, including food, clothing and other household goods, electrical goods and furniture, travel tickets, holidays and restaurant meals, and household repairs.

In several cases properties had been purchased by older relatives and rented out to younger relatives at subsidised rates. Others had received assistance towards the cost of rental and mortgage deposits and legal fees, with loans and gifts ranging from several hundred to several thousand pounds (very occasionally, even tens of thousands of pounds). Some had received generous gifts from grandparents, often as legacies. Exact sums were not always revealed, yet were described in terms of sizeable mortgage deposits allowing for affordable repayments. In a rare example of mutual assistance, one mother and daughter were buying a house together, with the space divided between them.

The parental home provides an important fallback option for many young adults

The majority of participants (28) had returned to the parental home at least once since first leaving, with rent often either subsidised or waived to facilitate saving. These movements back and forth were spoken of very matter-of-factly, and were not viewed as in any way unusual or requiring justification. This contrasts with research from the late 1990s with a broadly similar sample for whom returns to the parental home were not so commonplace nor quite so taken for granted, and were often talked about rather more defensively.

Returning to the parental home was usually linked to constrained circumstances, such as unemployment, illness, relationship breakdown or following completion of periods of study. The parental home was widely viewed as a place of relative security during such periods of uncertainty, yet was also associated with a sense of being in limbo and an awareness of a loss of independence. Most felt that they would be able to return to the parental home in the future if necessary, although this was viewed with misgivings and as a last resort.

Young adults experience considerable ambivalence about their ongoing dependency on parents

Reliance on parents for varying degrees of material and financial support long after leaving home was, then, a common experience. Many participants expressed

ambivalence and unease about their ongoing need for support. Whilst grateful, they also felt that their autonomy as young adults was compromised by their dependency and that they should really be able to make their own way in life at their age. Many noted that it was not always clear to them whether financial assistance was intended as a gift or a loan. These were often complex and nuanced negotiations, which may have been equally ambiguous in the eyes of parents. These accounts may equally be viewed as face-saving narratives, reflecting the considerable degree of discomfort experienced by participants in relation to their ongoing dependency.

Financial exchanges involving friends are generally avoided at all costs, including in the form of joint mortgage arrangements

There was a widespread reluctance to lend money to friends or to borrow from them, except for very small sums. Friends and debt were largely regarded as a toxic mix with the potential to harm friendships. They had equally strong views about the wisdom of joint mortgage arrangements with friends, an option recently promoted by the Government. Most expressed concern about the strains which would result from financial interdependency, particularly when one or more of the co-mortgagees wanted to move. Others felt that joint mortgages were worth pursuing, at least in the short term and in the absence of other options, arguing that joint mortgages with friends were potentially no more transient than those involving partners.

Conclusions

This research complements other recent studies of the challenges faced by young adults in the housing market by providing qualitative evidence on the important distinction to be drawn between residential independence on the one hand and financial independence on the other. Significantly, our findings relate to a sample heavily biased towards graduates and young professionals, a group of young adults who might be expected to enjoy relatively smooth housing pathways compared with others. Yet their pathways to independent living have been by no means straightforward. Most felt that buying their own place was a very distant hope, whilst none of the three graduate home owners (in common with the two non-graduate home owners) had secured mortgages without substantial assistance from family members at some point in the process. Our findings add weight, then, to claims that the graduate housing pathway – whilst still relatively privileged – may no longer facilitate accelerated home

ownership for single young adults. They also suggest that those who are unable to access material and especially financial support from family members will continue to struggle to gain security in the housing market.

Policy implications

Home ownership is increasingly beyond the reach of young adults reliant on a single income. For many, securing a mortgage is only possible with help from family members. This, along with the growth of specialist mortgage products for first time buyers premised on financial assistance from parents, will further reinforce the shift towards owner occupation becoming ever more the preserve of the children of existing owner occupiers. Recent attempts by the Government to promote ‘mates mortgages’ – joint mortgage arrangements between peers – will continue to flounder given the reluctance of young adults to enter into medium- to long-term financial commitments with friends. Yet the ongoing UK preoccupation with owner occupation masks the extent to which young people are also experiencing difficulties in gaining decent affordable accommodation in the private rented sector. It is here that the most pressing concerns of many are experienced, and those without parental support are equally disadvantaged within this sector. The wider availability of measures such as rent bond schemes which aim to provide substitute forms of support to young people who cannot access financial support from family members would represent a small but positive step towards creating a more level playing field at least within the private rented sector.

*CPC Working Paper 8 provides a detailed review of previous research in this field.

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