Housing Pathways of Young People Towards 2020

Abstract:
Recent economic, social and political change has generated greater uncertainty in the housing options of young people. The recession has also highlighted challenges such as the lack of available credit and high youth unemployment. This report explores what the housing situation might be like for young people who will be aged between 18-30 in 2020.

The key findings are as follows:
• Around 1.5 million more young people aged 18–30 will be pushed towards living in the Private Rented Sector in 2020, reflecting the growing problems of accessing both home ownership and social renting.
• Without a sustained and long term increase in new housing supply, demand side initiatives to bridge the deposit gap for aspiring home owners risk maintaining the inflated house prices they were set up to overcome.
• Three groups of young people are increasingly marginalised in our badly functioning UK housing system: young families, those on low incomes and those who are vulnerable due to their support needs; the push of these groups towards private rented housing requires a renewed focus on improving the supply, quality and stability of housing in both the private and social rented sectors.
• More stable private rented tenancies might be achieved through smarter incentives for landlords; international evidence suggests that these could include tax breaks in return for more stable, longer term tenancies for vulnerable or lower income tenants and/or other benefits such as lower rent levels.
• Social landlords could help to reduce the challenges facing young people by helping them to access private rented tenancies and offering more shared tenancy options at local housing allowance rent levels as part of a varied housing offer.
• Without fundamental reform to the housing system to create suitable options, young people in 2020 will be increasingly marginalised in a badly functioning system.

The research was conducted in three stages. At stage one 50 young people and 50 key stakeholders were interviewed and a literature review was undertaken in order to determine the likely trajectories of the key drivers that will shape young people’s housing experiences in the years up to 2020. Stage two of the research sought to identify different groups of young people and project their likely housing scenarios in 2020 based upon the influence of drivers identified at stage one. This complex element of the research involved cluster analysis of British Household Panel Survey data as well as interviews with young people. For each group of young people identified, we produced an estimate of the population size in 2008 and 2020. These estimates were calculated using tenure data for 18–30 year olds from the Labour Force Survey and our own trend-based projections for tenure in 2020. These projections were again corroborated against the qualitative interview data. At stage three, the key findings were presented to 71 additional young people and 52 additional stakeholders who then put forward responses to the emerging challenges.
Professor David Clapham

Professor David Clapham joined the University of Reading as Professor of Planning in 2012. He was previously at the University of Glasgow and then joined Cardiff University in 1994 as Professor of Housing and Director of the then Centre for Housing Management and Development. David has been editor of the journal Housing, Theory and Society since 2004. He is currently a Visiting Professor at IBF at the University of Uppsala and external examiner and member of the Advisory Panel of the Faculty of Architecture of the University of Hong Kong. David was awarded membership of the Chartered Institute of Housing in 2002 in recognition of his outstanding contribution to the field of housing. He was Chief Examiner for the Institute between 2007 and 2011.

Professor Clapham’s research interests span a large area of Housing Studies. He has undertaken research on the management of housing stock, allocations policies, and tenant participation and co-operatives. He is the author of *Housing Management, Consumers, and Citizens* (with Cairncross and Goodlad) published by Routledge in 1997, as well as *Housing Co-operatives in Britain; Achievements and Prospects* (with Kintrea) published by Longman in 1992. He has also undertaken substantial research on homelessness and is editor (with Hutson) of *Homelessness: Public policies and private troubles* published by Cassell in 1999. Professor Clapham’s research also covers all aspects of social policy and housing and he is author (with Kemp and Smith) of *Housing and Social Policy* published by Macmillan in 1990. Recently David has focused on the application of social theory to housing and is the author of *The Meaning of Housing: a pathways approach* published by Policy Press in 2005. He has also recently edited the *Sage Handbook of Housing* (with Clark and Gibb) published by Sage in 2012.

Professor Clapham’s current research interests include work on the housing of young people in the UK and the changing nature of the private rented sector. He is also working on the integration of different perspectives into the analysis of housing markets and is writing a book on supported housing.