

# INSIGHTS



## Transforming Housing



Understanding  
Society



University of Essex

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**Branwen Evans**  
Places for People

“The impact of our housing crisis is wide-ranging and interconnected. There is no silver bullet, but a complex web of solutions we must craft together”

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# The interlocking crisis

By the time 2024's general election arrived, the UK's three main political parties were united on at least one thing: there was, indeed, a housing crisis.

All had manifesto commitments to build more homes. Understanding Society's unique collection of longitudinal household data, however, shows that this is not a simple crisis, not merely a question of demand which can be answered with supply. That is undoubtedly the central factor, but there are many others, all interlinked – and tackling the crisis effectively will require a knowledge of the details.

This is a challenge worth facing, though, because housing is a pathway to so much else in our lives. It affects where we work and what we earn, our health, both mental and physical, our family security, and our relative levels of wealth.

This report on housing, then, is about far more than housing. The answers to this crisis are also solutions to entrenched problems: getting the economy growing, reducing poverty, improving health – even the drive towards net zero.



## The scale of the problem

Centre for Cities says more than four million homes are “missing from the national housing market as they were never built”.<sup>1</sup> Susan J Smith, Honorary Professor of Social and Economic Geography at Cambridge, says “UK housebuilding peaked in the 1960s and it has never really recovered”.<sup>2</sup>

In 2023, the House of Commons Library noted that the then Conservative government had an “ambition of 300,000 new homes per year”. Supply “increased year-on-year from a low point of 125,000 in 2012/13”, but only reached “a high point of 243,000 new homes in 2019/20”. This fell during Covid, and, while it recovered after the pandemic, it did so only to “around 233,000 new homes ... in 2021/22”.<sup>3</sup>

A report for homelessness charity Crisis and the National Housing Federation says 340,000 homes are needed each year in England alone.<sup>4</sup> Targets, then, are lower than what’s needed, and manifesto commitments are not actual achievements, so it will be something of a challenge to provide anything like the number of houses the country needs.

On top of this, supply on its own is far from the only issue.

“Compared to the average European country, Britain today has a backlog of 4.3 million homes”

### Centre for Cities

The housebuilding crisis

### Manifestos – pledges and shortfalls

Labour:	300,000 new homes per year
Conservative:	320,000
Liberal Democrats:	380,000 per year

Centre for Cities: if 300,000 houses were built every year, “this housing deficit would take at least half a century to fill. Tackling the problem sooner would require

- 442,000 homes per year over the next 25 years
- 654,000 per year over the next decade”<sup>1</sup>



<sup>1</sup> Samuel Watling, Anthony Breach, *The housebuilding crisis*, Centre for Cities, February 2023: <https://www.centreforcities.org/publication/the-housebuilding-crisis/>

<sup>2</sup> Susan J Smith, *How can we tackle the UK's housing crisis?*, Economics Observatory, April 2024: <https://www.economicsobservatory.com/how-can-we-tackle-the-uks-housing-crisis>

<sup>3</sup> Cassie Barton, Wendy Wilson, Felicia Rankl, Abbas Panjwani, *Tackling the under-supply of housing in England*, House of Commons Library, May 2023: <https://commonslibrary.parliament.uk/research-briefings/cbp-7671/>

<sup>4</sup> Glen Bramley, *Housing supply requirements across Great Britain for low-income households and homeless people*, Heriot-Watt University, April 2019: <https://doi.org/10.17861/bramley.2019.04>

# Affordability

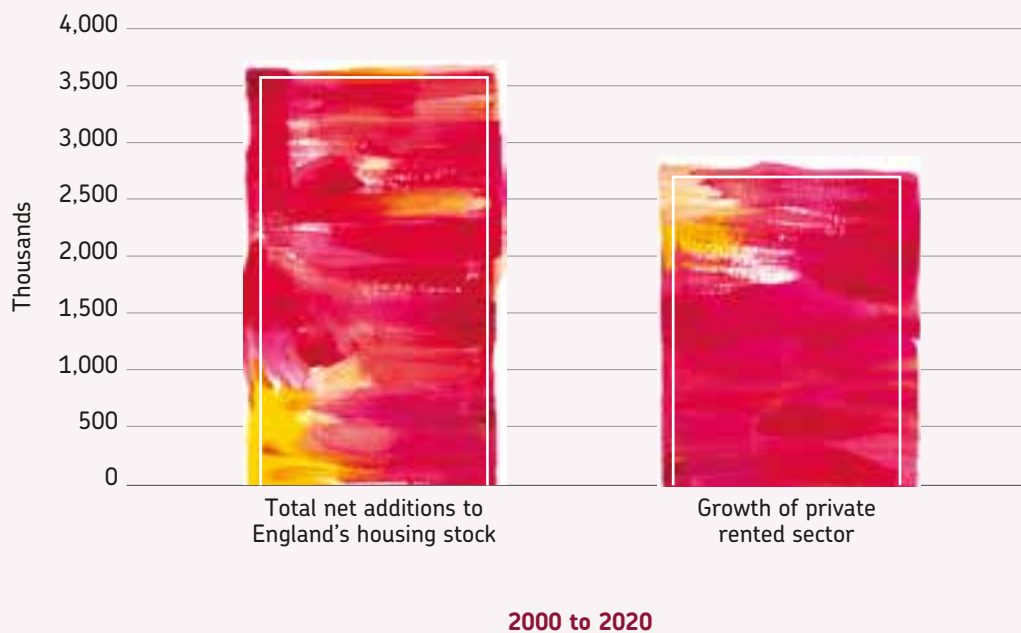
The Liberal Democrats' manifesto said 150,000 of their 380,000 homes a year would be affordable. Labour opted for a less specific "biggest increase in social and affordable house building in a generation".

To be 'affordable', housing must cost at least 20% less to rent or buy than the market rate,<sup>5</sup> but the Affordable Housing Commission described much of this category as still "clearly unaffordable to those on mid to lower incomes".<sup>6</sup> Social housing, then, is also essential – but giving people the right to buy their council home and not building enough to meet new demand has created a shortage. In addition, the Joseph Rowntree Foundation says "the conditions governing the housing market, in facilitating the growth of the private landlord, have undermined gains from new house building".<sup>7</sup>

**1981** councils own 69% of rental dwellings

**2017** social housing accounts for less than 50% of housing stock<sup>8</sup>

**The private rented sector grew by the equivalent of three quarters of all net additions to housing stock between 2000 and 2020**



<sup>5</sup> Annex 2, *National Planning Policy Framework*, Department for Levelling Up, Housing and Communities, December 2023: <https://www.gov.uk/government/publications/national-planning-policy-framework--2>

<sup>6</sup> *Making Housing Affordable Again: Rebalancing the Nation's Housing System*, Affordable Housing Commission, March 2020: <https://web.archive.org/web/20200417020731/https://www.affordablehousingcommission.org/news/2020/3/23/making->

[housing-affordable-again-rebalancing-the-nations-housing-system-the-final-report-of-the-affordable-housing-commission](https://www.jrf.org.uk/housing/making-a-house-a-home-why-policy-must-focus-on-the-ownership-and-distribution-of-housing)

<sup>7</sup> Darren Baxter, *Making a house a home: Why policy must focus on the ownership and distribution of housing*, Joseph Rowntree Foundation, July 2022: <https://www.jrf.org.uk/housing/making-a-house-a-home-why-policy-must-focus-on-the-ownership-and-distribution-of-housing>

<sup>8</sup> Rory Coulter, *Housing and Life Course Dynamics*, Policy Press, 2023, p.4

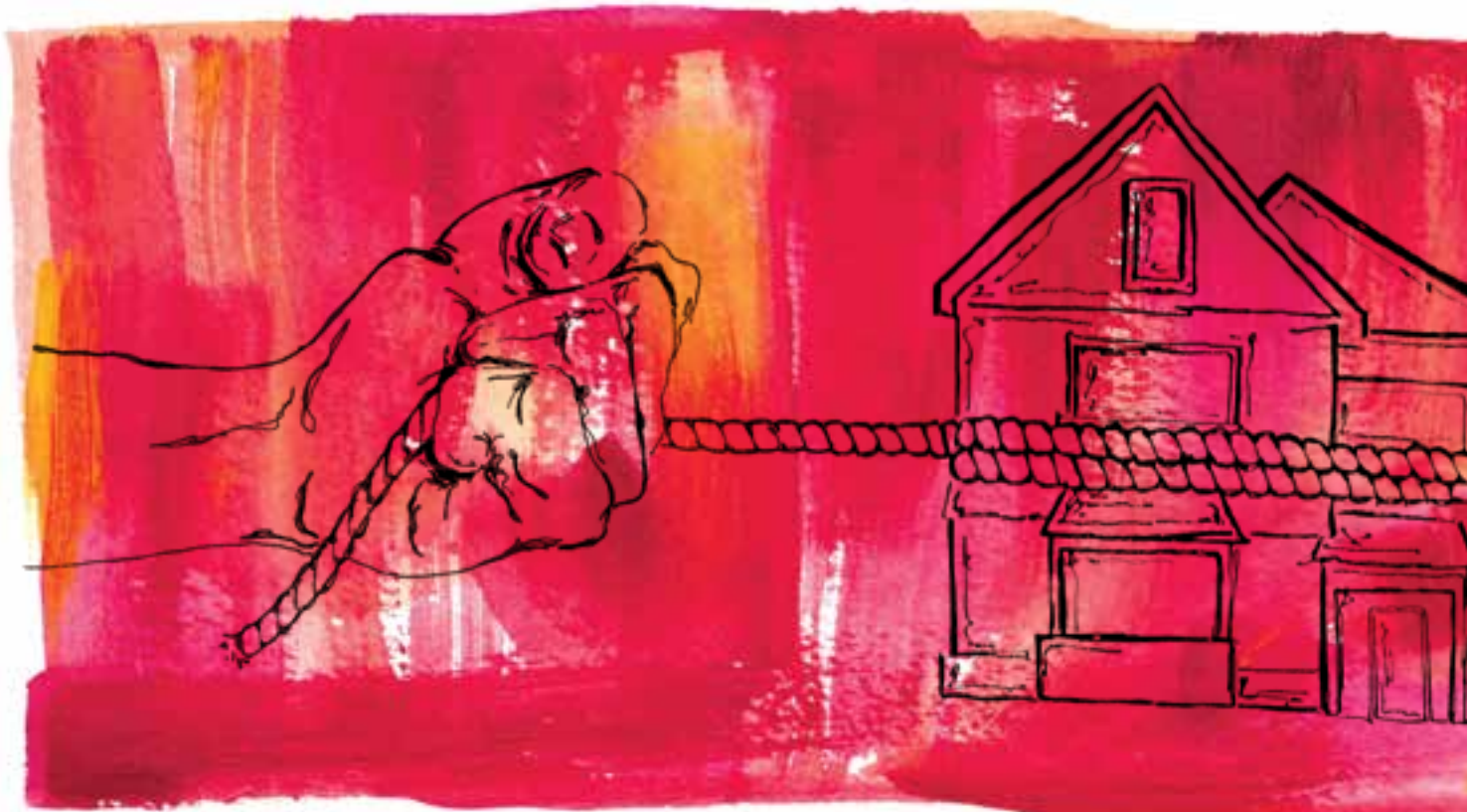
# Inequality

Some people are doing well from the crisis. Those who have property are seeing values rise – but this is leading to inequalities between generations, regions, classes, and ethnic groups. Research says that half a century of house price rises have “turned residential property into the largest capital asset in the investable economy”, and that, in the rental sector, “individual landlords, like their owner-occupying predecessors, are being edged out by a new generation of institutional investors focussed on rental income as well as capital gain”. For the first time in 50 years, it adds, “a growing proportion of households – especially the young, but also those in older age – hold no property wealth at all”.<sup>9</sup>

## What will happen if we don't act?

The National Housing Federation says that if action is not taken, by 2045:

- the number of children living in temporary accommodation will rise from 131,000 to 310,000
- social housing waiting lists will grow to 1.8 million households – an increase of more than 50%
- 5.7 million households will be spending a third of their income on housing costs
- the number of people experiencing homelessness could more than double, reaching 620,000
- around 2.3 million people will be in poorly suited homes and there will be a 350,000 home shortfall of retirement and supported housing.<sup>10</sup>



<sup>9</sup> Susan Smith, William Clark, Rachel Ong Vifor, Gavin Wood, William Lisowski and N. T. Khuong Truong, Housing and economic inequality in the long run: The retreat of owner occupation, *Economy and Society*, 2022: <https://doi.org/10.1080/03085147.2021.2003086>

<sup>10</sup> Nina Emmins, Rebecca Munro, Mark Pragnell, Vicky Clark, *The housing crisis: what will happen if we don't act?*, National Housing Federation, September 2023: <https://www.housing.org.uk/resources/the-housing-crisis-what-will-happen-if-we-dont-act/>



# Generation rent forever?

This is just a brief summary of where we are. This report will ask whether 'generation rent' is in danger of becoming generation rent forever, but longitudinal household data also allows us to look in detail at the effects on: young people, middle-income households, overcrowding, those in poverty, and people looking for work.

The breadth and detail of the data also allow us to show that fixing the housing crisis must also involve addressing environmental issues, and our mental and physical health. Perhaps most importantly, research can offer solutions – our conclusion sets out the evidence-based policy that can make a difference.





# Housing divides

## Young people and inequality

The difficulties young people face getting on the housing ladder are well known, but Understanding Society's data allow researchers to see the problems in detail, and in historical context.

Homeownership had been seen as the norm, especially for "the 'lucky' Baby Boomers born in the two post-war decades [compared to] the 'unlucky' millennials born after 1980".<sup>11</sup>

We know that the pattern of people's lives changed from 1951-2011, towards later marriage, more cohabitation, having fewer children and having them later in life, and blended families. But recently there has been further movement: towards leaving the parental home later, more renting, and less buying<sup>12</sup> – "a shift towards lower, slower and later homeownership".<sup>11</sup>

There has been a shift towards lower, slower, and later home ownership

**Rory Coulter** and  
**Joanna Kuleszao**

### Homeownership in decline

Rory Coulter and Joanna Kuleszao looked at four birth cohorts:

- 1967-73 **Born 1967-73** over 50% were homeowners when aged 25-31
- 1974-80
- 1981-87 **Born after 1980** fewer than 40% owned their home by the same age
- 1988-94

<sup>11</sup> Rory Coulter, Joanna Kuleszao, Comparing regional patterns of homeownership entry across four British birth cohorts, *Housing Studies*, 2024: <https://doi.org/10.1080/02673037.2022.2100326>

<sup>12</sup> Rory Coulter, *Housing and Life Course Dynamics*, Policy Press, 2023, ch.3

Other research says owner-occupation is “in retreat”, with under-35s being priced out of homeownership. In addition, the trend towards seeing property ownership as an investment, rather than a life event, has seen an increase in “the proportion of owner-occupied home equity owned by the top 10 and 1 per cent”.<sup>13</sup> Government schemes such as *Help to Buy*, which aim to make it easier for young adults to own a home, “are likely to disproportionately benefit more advantaged social groups”.<sup>14</sup>

Perhaps it is little wonder, then, that some young people appear to be giving up on the idea of ever owning a home. As long as six years ago, research already showed an “increasing acceptance of long-term renting”, and that while local house prices were becoming a barrier to homeownership, people were not seeing moving to a cheaper area as a solution. Instead they were “reducing their aspiration for homeownership” or “staying put and saving”.<sup>15</sup>

“owner-occupation is  
in retreat, with under-  
35s priced out”

Smith et al

## The Bank of Mum and Dad

A report by the Resolution Foundation looked at the influence of the ‘Bank of Mum and Dad’, and what parental wealth means for young people wanting to get on the housing ladder. Unsurprisingly, people with wealthier parents are more likely to buy their own place – and the importance of parents owning property has been increasing. “At the age of 30”, the Foundation says, “those without parental property wealth are approximately 60 per cent less likely to be homeowners than people whose parents are homeowners ... Hypothetically, it would currently take a 27-30 year old first time buyer around 18 years to save for a deposit if they relied solely on savings from their own disposable income (up from three years two decades ago)”.<sup>16</sup>

### 1990s and early 2000s:

30-year olds with parental property wealth around twice as likely to be homeowners as those without

### Mid-2000s onwards:

those with parental property wealth almost three times as likely to be homeowners.<sup>16</sup>

“...it would currently take a  
27-30 year old first time  
buyer around 18 years to  
save for a deposit...”

Resolution Foundation

<sup>13</sup> Susan Smith, William Clark, Rachel Ong ViforJ, Gavin Wood, William Lisowski and N. T. Khuong Truong, Housing and economic inequality in the long run: The retreat of owner occupation, *Economy and Society*, 2022: <https://doi.org/10.1080/03085147.2021.2003086>

<sup>14</sup> Sait Bayrakdar, Rory Coulter, Philipp Lersch, Sergi Vidal, Family formation, parental background and young adults’ first entry into

homeownership in Britain and Germany, *Housing Studies*, 2019: <https://doi.org/10.1080/02673037.2018.1509949>. See also: Andrew Wenham, Tom Clark, *Anxiety nation? Economic insecurity and mental distress in 2020s Britain*, Joseph Rowntree Foundation, November 2022: <https://www.jrf.org.uk/anxiety-nation-economic-insecurity-and-mental-distress-in-2020s-britain>

## Effects on family and society

These changes in younger people's lives are having an effect on family formation and its timing. One group of researchers used Understanding Society and its German counterpart, the Socio-Economic Panel, to compare the two countries. There has been a tradition in Britain of buying one's first home when forming partnerships – with owner-occupation seen as a mark of social success, and renting more stigmatised, particularly in the social sector.

In Germany, homeownership is less influenced by socio-economic status, and it's common to rent for a lifetime – and if they do buy property, German people do it later, around the time they have their first child. However, renting carries far less stigma in Germany, and there has been more investment (public and increasingly private) in rental housing there since the 1950s. Tenants rights are also protected by indefinite contracts and rent controls.

In Britain, the social housing sector has shrunk significantly – although our mortgage market is more competitive, while Germany's is conservative, predominantly targeted at better-off social groups.

In Britain, delaying buying a home is part of a pattern that sees people delaying having children, too – or people feeling obliged to have children while living in the private rented sector. This research also pointed out that property prices in themselves are not the only issue: "young adults are finding it increasingly difficult to buy their first property because of a combination of factors such as high prices, debts (often due to the cost of higher education), delayed family formation, less welfare provision and difficulty in finding secure, well-paid work".<sup>14</sup>



<sup>15</sup> Paul Sissons, Donald Houston, Changes in transitions from private renting to homeownership in the context of rapidly rising house prices, *Housing Studies*, 2019: <https://doi.org/10.1080/02673037.2018.1432754>

<sup>16</sup> Stephen Clarke, John Wood, *House of the rising son (or daughter): the impact of parental wealth on their children's homeownership*, Resolution Foundation, December 2018: <https://www.resolutionfoundation.org/publications/house-of-the-rising-son-or-daughter/>

## Insecurity in the 'squeezed middle'

We are also seeing growing insecurity in work and housing among middle-income households.

The Financial Fairness Trust says “the ‘squeezed middle’ is now the ‘precarious middle’ with those on middle incomes struggling to save, and more likely than before to be in insecure jobs and insecure homes”. Their report also says:

- Living in ‘unaffordable’ housing is most pronounced among private renters, but set to rise sharply for owner-occupiers.
- For private tenants, housing insecurity affects many people on middle incomes, especially those without a partner and those in their 30s.
- The greatest risk of overcrowding is for lone parent families on low incomes. But for young adults, including single people living with their parents, there are also significant risks for those on middle incomes.<sup>17</sup>

The point about owner-occupiers was echoed by the Bank of England, which said in 2023 that “the number of UK households who could struggle to afford mortgage payments is likely to increase ... The share of households with high mortgage debt burdens ... is projected to increase further over 2023 to 2.4%, or around 670,000 households, approaching levels comparable to the start of the global financial crisis”.<sup>18</sup>



<sup>17</sup> Donald Hirsch, Eleni Karagiannaki, *Caught in the middle – Insecurity and financial strain in the middle of the income distribution*, abrñ Financial Fairness Trust, February 2024: <https://www.financialfairness.org.uk/docs?editionId=b8e632ea-c68c-4f69-b33a-b117009b1fbc> and <https://www.financialfairness.org.uk/en-gb/news-and-views/all-news-articles/middle-incomes-insecurity-in-work-and-housing>

<sup>18</sup> Bank Overground, *How are the rising cost of living and interest rates affecting households' ability to pay their mortgage?* Bank of England, January 2023: <https://www.bankofengland.co.uk/bank-overground/2023/how-are-the-rising-cost-of-living-and-interest-rates-affecting-households>

## Poverty and overcrowding

But it's not just about being squeezed. The Joseph Rowntree Foundation says "rising housing costs likely push people into very deep poverty, and limit their ability to move out of it".<sup>19</sup> Given this, housing costs must be a factor in the End Child Poverty Coalition's finding that "child poverty remains a major challenge across the UK, with an estimated 4.3 million children living below the poverty line".<sup>20</sup>

This idea is supported by the Institute for Fiscal Studies' finding that "housing costs take up three-and-a-half times as much of the budgets of the poor as of the rich, with significant implications for their standard of living". They add: "It is not possible to understand income poverty or inequality without taking account of housing costs".<sup>21</sup>

“rising housing costs likely push people into very deep poverty, and limit their ability to move out of it”

**Joseph Rowntree Foundation**

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<sup>19</sup> Isabel Taylor, *Briefing - The impact of work, benefits and housing on experiences of very deep poverty - see: What protects people from very deep poverty, and what makes it more likely?* Joseph Rowntree Foundation, September 2023: <https://www.jrf.org.uk/deep-poverty-and-destitution/what-protects-people-from-very-deep-poverty-and-what-makes-it-more>

<sup>20</sup> Juliet Stone, *Local indicators of child poverty after housing costs, 2022/23*, Loughborough University, 2024: <https://endchildpoverty.org.uk/child-poverty-2024/>

<sup>21</sup> Jonathan Cribb, Tom Wernham, Xiaowei Xu, Institute for Fiscal Studies press release to accompany *Housing costs and income inequality in the UK*, November 2023: <https://ifs.org.uk/news/housing-costs-take-three-and-half-times-much-budgets-poor-rich-significant-implications-their>, <https://ifs.org.uk/publications/housing-costs-and-income-inequality-uk>

Someone living in a household where housing costs rise is more than 1.5 times more likely to move into very deep poverty than someone whose housing costs don't change

**Housing costs rise:** 6.8% chance of moving into very deep poverty

**Housing costs stay the same:** 3.9% chance of moving into very deep poverty

**Housing costs fall:** 3.6% chance of moving into very deep poverty

Housing costs also contribute to people's ability to move out of very deep poverty

**Housing costs rise:** exit rate from very deep poverty 46.9%

**Housing costs stay the same:** exit rate from very deep poverty 52.6%

**Housing costs fall:** exit rate from very deep poverty 55.2%<sup>22</sup>

### Expected increase in 'sofa surfing'

18% in 2024 – up 25,000 on 2022

28% by 2041 – up 40,000 on 2022<sup>23</sup>



<sup>22</sup> Isabel Taylor, *What protects people from very deep poverty, and what makes it more likely?* Joseph Rowntree Foundation, September 2023: <https://www.jrf.org.uk/deep-poverty-and-destitution/what-protects-people-from-very-deep-poverty-and-what-makes-it-more>

<sup>23</sup> Suzanne Fitzpatrick, Glen Bramley, Lynne McMordie, Hal Pawson, Beth Watts-Cobbe, Gillian Young, *The Homelessness Monitor: England 2023*, Crisis, August 2023: <https://www.crisis.org.uk/ending-homelessness/homelessness-knowledge-hub/homelessness-monitor/england/the-homelessness-monitor-england-2023/> (using our data as a measure)



# Housing costs and poverty in older age

A report for Independent Age has projected “a notable increase in the proportion of people aged 65+ living in the private rental sector”, and an accompanying decline of those who are owner-occupiers or social renters. If relative poverty rates in each tenure stay the same, they expect

- an increase in relative poverty
- the highest growth in numbers of people in poverty in the private rented sector
- an increase in relative poverty among older people
- a greater increase in relative poverty among women
- a dramatic increase in relative poverty among older people with a disability or long-term health condition.<sup>24</sup>

## Relative poverty – older people

2022: 17.4%

2040: 22.9%

## Relative poverty – older women

2022: 20%

2040: 26%

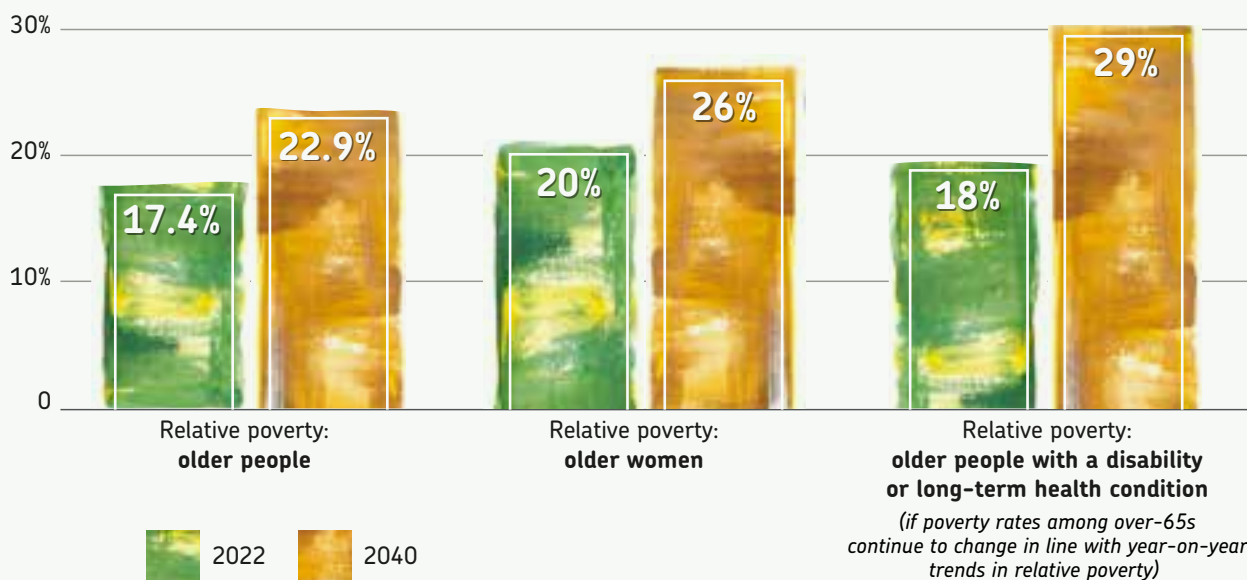
## Relative poverty – older people with a disability or long-term health condition

2022: 18%

2040: 29%

(if poverty rates among over-65s continue to change in line with year-on-year trends in relative poverty)

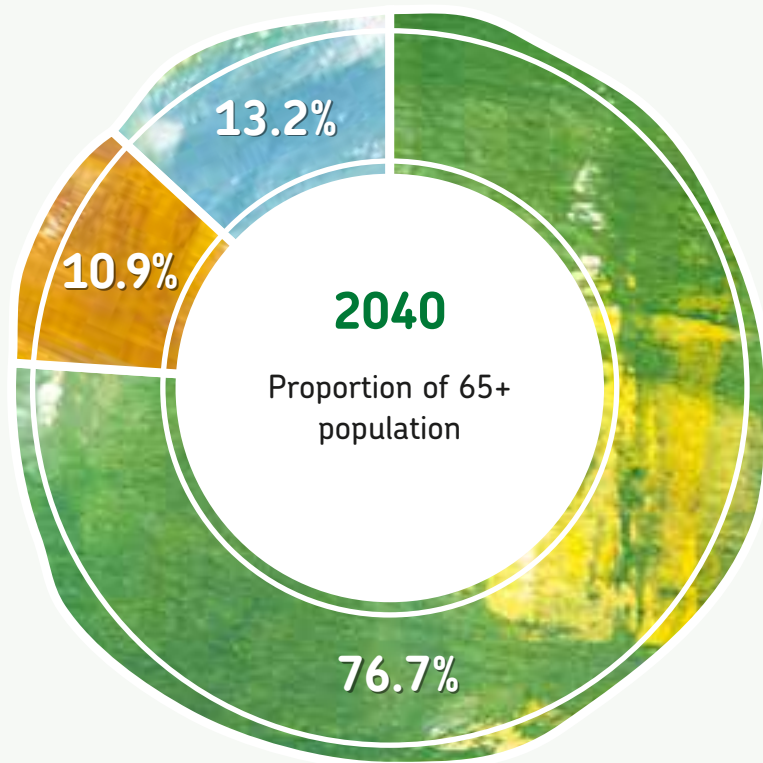
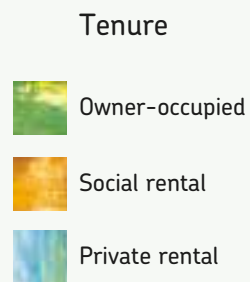
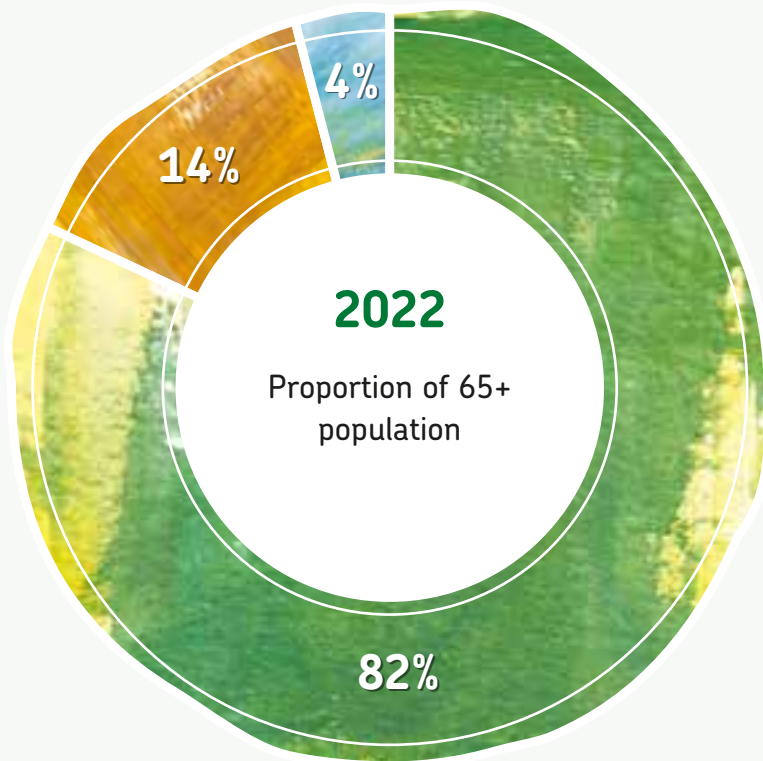
### Relative poverty (2022 and 2040)



<sup>24</sup> Rhiannon Williams, David Robinson, *Projections of housing tenure and poverty in older age in Great Britain, 2022-2040*, Independent Age/UK Collaborative Centre for Housing Evidence, June 2024:

<https://housingevidence.ac.uk/publications/projections-of-housing-tenure-and-poverty-in-older-age-in-great-britain-2022-2040/>

Proportion of people age 65+ living in each tenure (2022 and 2040)



# Housing and marginalised groups

Understanding Society data also allow researchers to examine other marginalised groups, and the phenomenon of hidden homelessness, such as living in over-crowded housing or 'doubling up' with other households. From this work, we know that:

- households headed by people from Black and minoritised ethnic communities are almost five times more likely than White-headed households to live in overcrowded accommodation
- Pakistani- and Bangladeshi-led households fared worst in the concealed households category, with Indian and Black-led households not far behind
- affordability problems are worse, often significantly, for Black and minoritised ethnic communities, putting them at greater risk of homelessness
- these risks are particularly high for Pakistani and Bangladeshi as well as Black-headed households<sup>25</sup>
- migrants are more likely to live in overcrowded housing, especially in London<sup>26</sup>
- compared to heterosexuals, lesbian, gay and bisexual people with children are statistically significantly less likely to own a home, LGB people who are married or are co-habiting are less likely own a home, and less likely to own a home worth over £200,000.<sup>27</sup>

All of these findings suggest that the housing crisis could be worse for people from already marginalised groups in society, exacerbating their isolation.

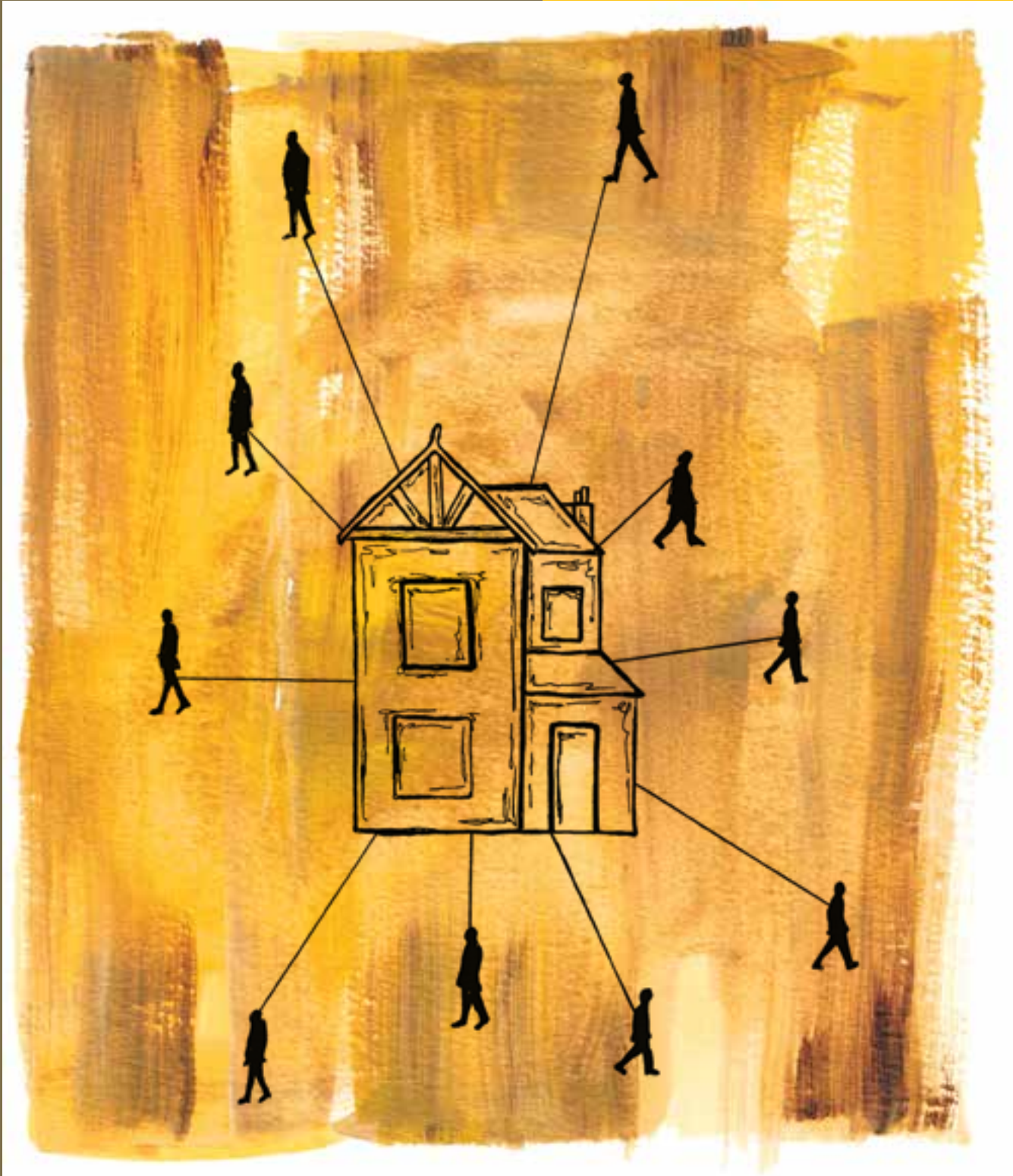


<sup>25</sup> Glen Bramley, Suzanne Fitzpatrick, Jill McIntyre, Sarah Johnsen, *Homelessness Amongst Black and Minoritised Ethnic Communities in the UK*, Heriot-Watt University, November 2022: <https://www.hw.ac.uk/news/articles/2022/black-people-are-over-three-times-more.htm>

<sup>26</sup> Mariña Fernández-Reino, Carlos Vargas-Silva, *Migrants and housing in the UK*, The Migration Observatory, September 2022:

<https://migrationobservatory.ox.ac.uk/resources/briefings/migrants-and-housing-in-the-uk/>

<sup>27</sup> Peter Matthews, Camilla Barnett, Paul Lambert, Lee Gregory, Eleanor Formby, *Lesbians, Gays, and Bisexuals Asset-based Welfare and Housing in Great Britain*, *Social Policy and Society*, May 2024: <https://doi.org/10.1017/S1474746424000186>



# Housing, work, and wealth

We know that the Labour government's plan to stimulate economic growth is founded on a plan to build – both homes and infrastructure, including for green energy.

Economic stimulus will come from construction itself, by creating jobs and increasing demand for building supplies – and because an increase in the housing stock can stimulate the economy by making it easier for people to move for work.

We all make choices about where we want to live based on where we work (or can work), how far we want to commute, and what we can afford. There is evidence in Britain, however, that “people are, on average, stretching their commutes” to get into city centres from cheaper areas further out. Some of this is due to different types of job in a post-industrial economy – more managerial and professional work, for example, with higher wages – but unaffordable housing in cities is also “forcing people to move out and commute further” to find the kind of home they want.

Unaffordable housing is also preventing people from moving for better jobs, which “is thought to cause a host of social ills”, including poor productivity, and inequalities. Lack of social housing makes it more difficult to move for work, as does the cost of moving. As housing has increasingly become an asset, this has led to ‘landlordism’, which adds to the disadvantages of those who don't own property. Inequalities in the labour market, in other words, are compounded by inequalities in housing, creating a vicious circle.<sup>28</sup>

People are, on average, stretching their commutes to get into city centres from cheaper areas further out

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<sup>28</sup> Rory Coulter, *Housing and Life Course Dynamics*, Policy Press, 2023, ch.5

# Inequalities in homeworking and wellbeing

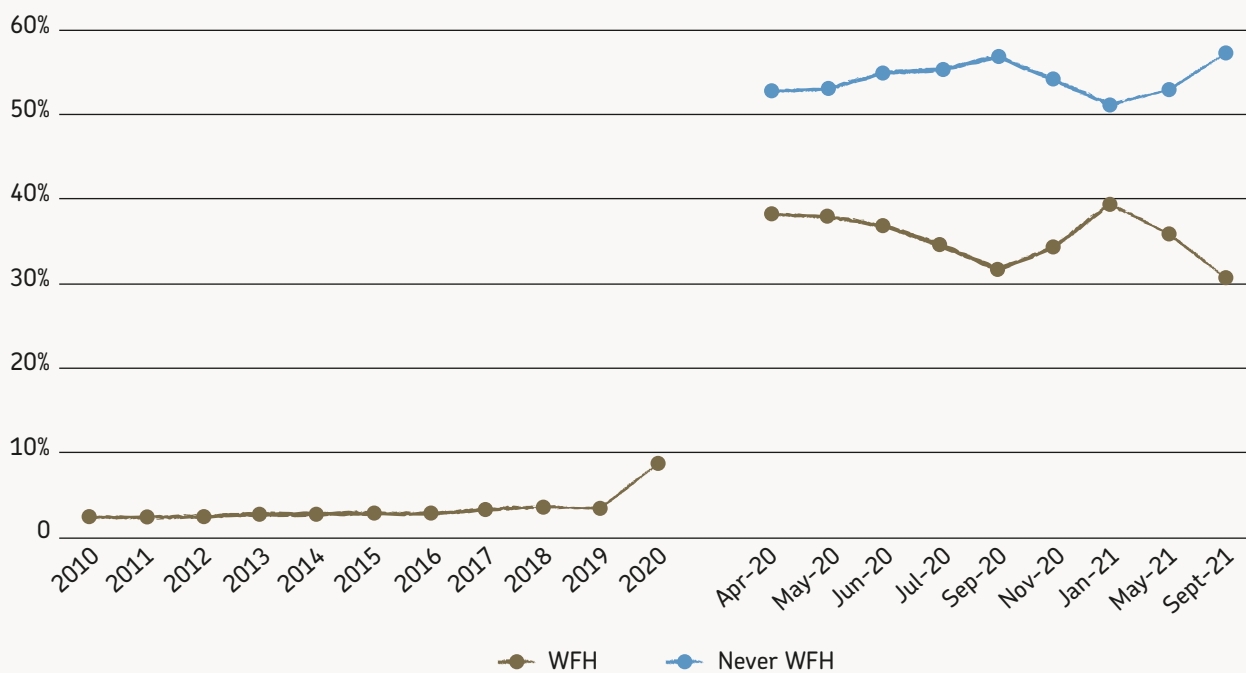
Increasingly, of course, people don't necessarily have to move for work, but – as the Covid pandemic showed us – there is a significant divide between those who can work from home and those who can't. Research shows that, contrary to popular perception, between April 2020 and September 2021, the majority of people continued to go outside their home to work.

## April 2020 to September 2021

51-57% of the workforce always worked outside of their homes

30-39% always or often worked from home

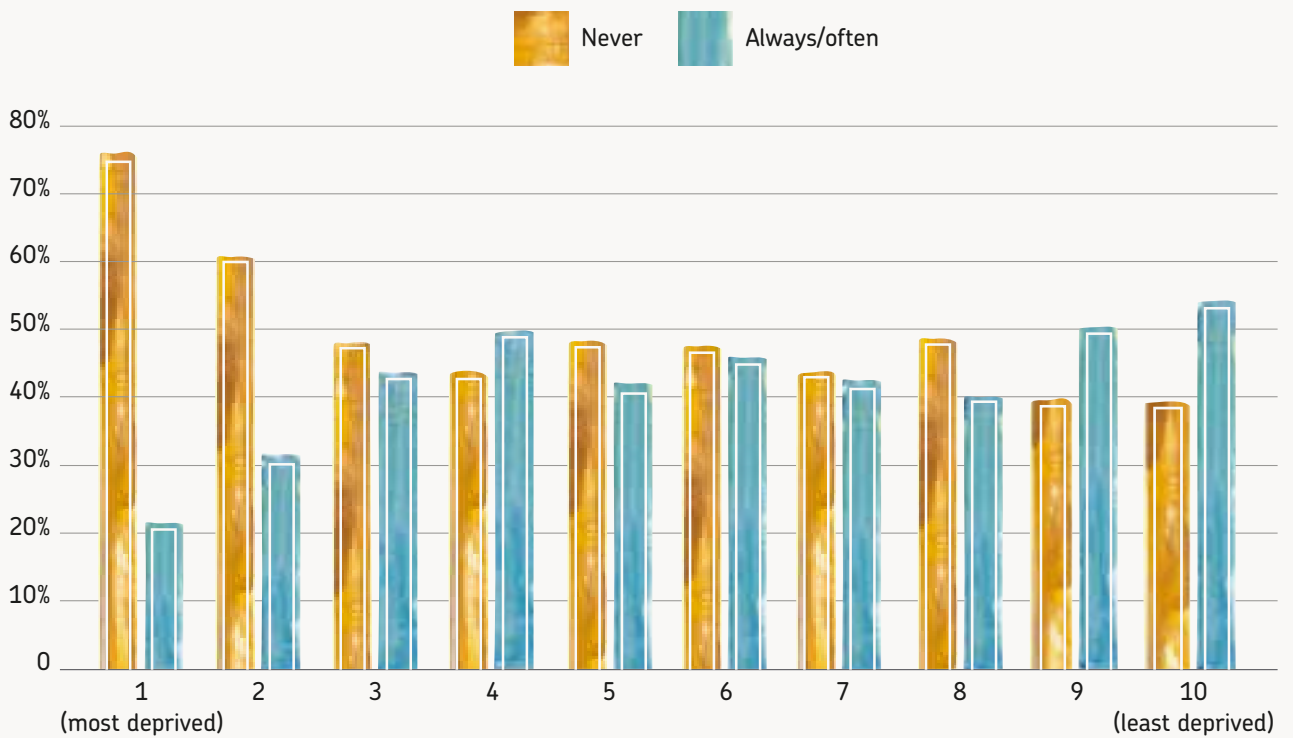
Share of workforce who work at home before and during Covid<sup>29</sup>



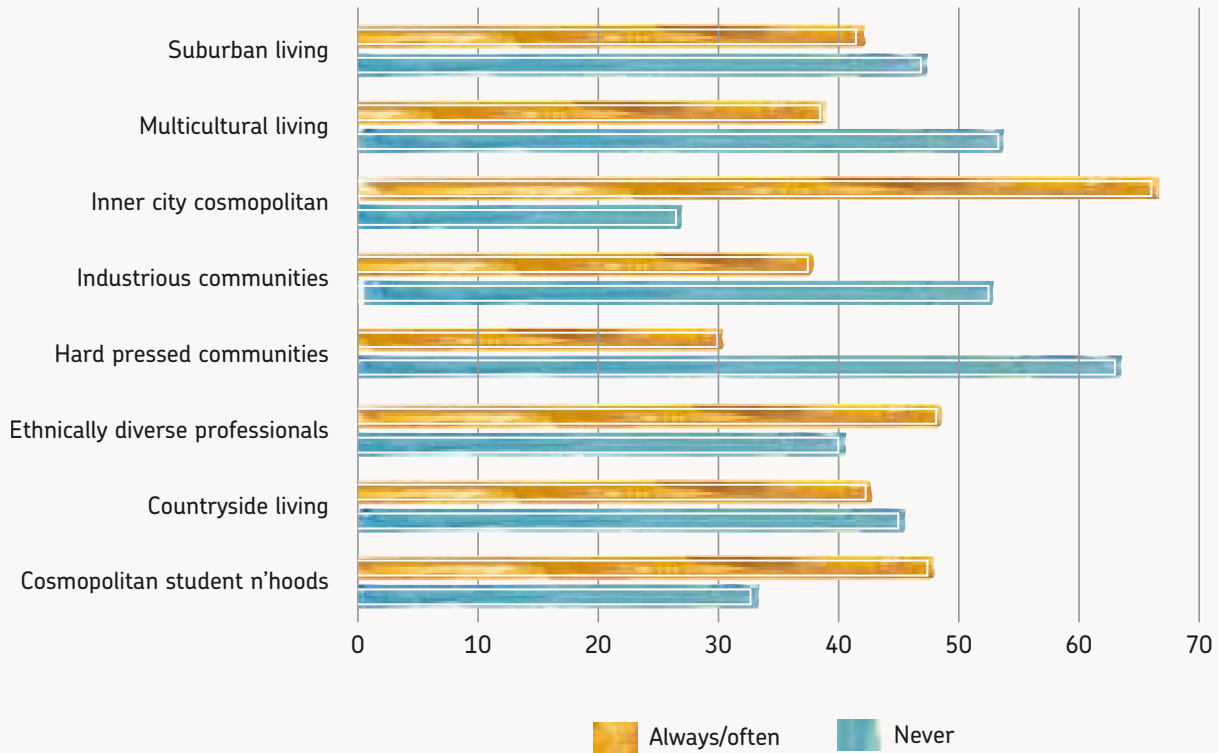
<sup>29</sup> David McCollum, Covid geographies of home and work: privileged (im) mobilities?, *People, Place and Policy*, 2023: <https://doi.org/10.3351/ppp.2023.9554394792>



Likelihood of working from home by area deprivation



### Likelihood of working from home by 2011 ONS Area Classification



### Those who never worked from home were

- less likely to have a degree
- less likely to be politically engaged
- more likely to live in the Midlands, Yorkshire and Humberside, the North East, and Northern Ireland, rather than London
- less likely to work in professional or managerial roles
- more likely to be paid hourly and to work in a physically demanding job.

They also had poorer health, lower overall and financial wellbeing, and lower life satisfaction. The research calls this “the privilege of immobility”, and suggests that the “lack of wider acknowledgement of this point arguably reflects deeper social and spatial inequalities”.<sup>30</sup> Other research backs this up.<sup>31</sup>

<sup>30</sup> David McCollum, Covid geographies of home and work: privileged (im) mobilities?, *People, Place and Policy*, 2023: <https://doi.org/10.3351/ppp.2023.9554394792>

<sup>31</sup> Alan Felstead, Darja Reuschke, *The Effect of the Great Lockdown on Homeworking in the United Kingdom*, WISERD, July 2020: <https://wiserd.ac.uk/publication/the-effect-of-the-great-lockdown-on-homeworking-in-the-united-kingdom/>



## Inequalities for entrepreneurs

All of this also has implications for economic growth. Housing matters for self-employment and entrepreneurialism, by influencing people's decisions on whether to start businesses or become self-employed. In particular, "home-based self-employment is facilitated by housing wealth, outright ownership, detached houses, and large dwellings and is undermined by living in flats".

Put simply, outright ownership and an expensive home provide financial security and space, making it easier to take a chance on a start-up based in the home. Private rented accommodation, on the other hand, "with very quick and easy entries and exits, fits the purpose of would-be entrepreneurs" who want to start a business outside the home.<sup>32</sup> Given that a business outside the home will need premises – another expense – it seems likely that entrepreneurship is easier for those with housing wealth who are no longer paying a mortgage. If you have money, in other words, it is easier to make more of it, and the housing market contributes to this.

If you have money ... it is easier to make more of it, and the housing market contributes to this



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<sup>32</sup> Darja Reuschke, Housing matters in self-employment and entrepreneurialism  
The Importance of Housing for Self-employment, *Economic Geography*, 2016:  
<https://doi.org/10.1080/00130095.2016.1178568>



# Housing and health

The link between housing and health has been known about since at least the Victorian era, with its increasing awareness of poor living conditions and disease.<sup>33</sup> This led to public health acts in the late 19<sup>th</sup> century, and slum clearance in the 20<sup>th</sup>.

More recently, research using Understanding Society has helped to identify connections between where and how we live and our mental health and wellbeing. As a 2024 paper puts it: research into housing and health “was typically concerned with the physical conditions of housing, such as crowding and cold, but over time research increasingly came to include the non-tangible aspects of housing, such as affordability and security”.<sup>34</sup>

We also know that “secure, affordable and high-quality housing in a desirable location [is] a very important precondition for psychological well-being. Stress and anxiety have physical implications by weakening the immune system and making it difficult to keep up with healthy behaviours like eating well, exercising, getting enough sleep and enjoying [life]”.<sup>35</sup>

Secure, affordable and high-quality housing in a desirable location is a very important precondition for psychological well-being

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<sup>33</sup> For example, 1842’s *Report on the sanitary conditions of the labouring population of Great Britain*

<sup>34</sup> Amy Clair, Emma Baker, Meena Kumari, Are housing circumstances associated with faster epigenetic ageing?, *Journal of Epidemiology &*

*Community Health*, February 2024:  
<https://doi.org/10.1136/jech-2023-220523>

<sup>35</sup> Rory Coulter, *Housing and Life Course Dynamics*, Policy Press, 2023, p.7

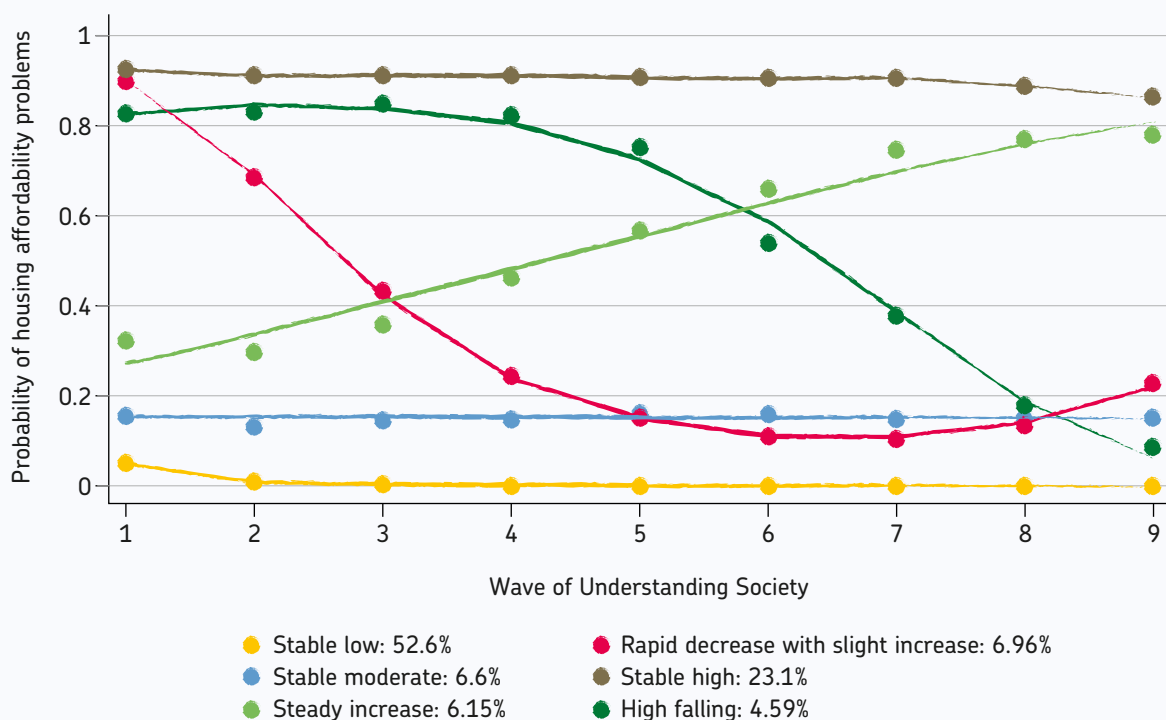
# Affordability and mental health

There is evidence that 21-35-year-olds who move back in with a parent may see an improvement in their mental wellbeing,<sup>36</sup> but there is more evidence to suggest that housing problems are causing mental distress.

Looking at sleep and mental health, for example, we can see that people who fell behind on housing payments in the past year were more likely to develop a common mental health disorder and to have disturbed sleep than people who were able to keep up with their payments. The effects were bigger for people who were more likely to suffer housing and financial insecurity: renters, younger people, people with fewer educational qualifications, and families with children. Social housing tenants are more protected against eviction, but are still experiencing stress from problems paying for housing.<sup>37</sup>

Research has also shown that having difficulty affording your housing over a sustained period is linked to long-term worse mental health – even if the difficulties with affording your home go away. Using a decade of mental health data from over 30,000 households’ answers to the General Health Questionnaire, it found six trajectories of housing affordability problems, which predicted GHQ score at the end of the decade.<sup>38</sup>

Trajectories of housing affordability problems



<sup>36</sup> Jiawei Wu, Emily Grundy, 'Boomerang' moves and young adults' mental well-being in the United Kingdom, *Advances in Life Course Research*, June 2023: <https://doi.org/10.1016/j.alcr.2023.100531>

<sup>37</sup> Kate Mason, Alexandros Alexiou, Ang Li, David Taylor-Robinson, The impact of housing insecurity on mental health, sleep and hypertension: Analysis of the UK Household Longitudinal Study and linked data, 2009-

2019, *Social Science & Medicine*, June 2024: <https://doi.org/10.1016/j.socscimed.2024.116939>

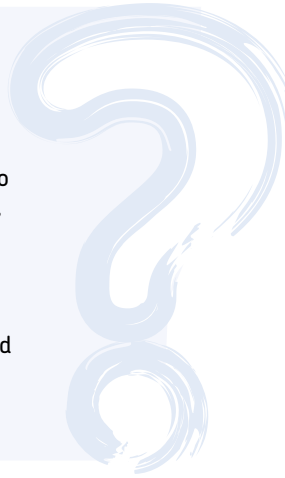
<sup>38</sup> Kate Dotsikas, David Osborn, Kate Walters, Jennifer Dykxhoorn, Trajectories of housing affordability and mental health problems: a population-based cohort study, *Social Psychiatry and Psychiatric Epidemiology*, June 2022: <https://doi.org/10.1007/s00127-022-02314-x>

## GHQ scores

The General Health Questionnaire is a widely used test to identify common psychological problems, such as depression and anxiety.

It asks 12 or more questions – on subjects such as ability to concentrate, ability to enjoy normal activities, unhappiness, and sleep – and people give answers on a four-point scale. There are versions with 12, 28, 30 and 60 questions.

Understanding Society uses the 12-question version, allowing researchers to ‘code’ each answer from 0 to 3, and convert the results into a ‘score’ from 0 (the least amount of distress) to 36 (greatest).



The Joseph Rowntree Foundation found that “renters raised the flag for distress much more often than homeowners”. Sleep loss was worse for them, as was “taking less care over work and other tasks due to emotional problems”. And, even though renters are younger on average, they were also more likely to report “lacking energy”. The 21st century’s shift from homebuying to private rental, the Foundation suggests, could make for a society that is not only less secure, but also more anxious.<sup>39</sup>

On top of this, research using Understanding Society’s predecessor, the British Household Panel Survey, showed as long ago as 2007 that the psychological effects of problems with housing costs are gendered. There are “significant psychological costs” of arrears and housing payment problems for male heads of households. These effects are over and above what they might experience from existing financial hardship, and problems meeting other expenses such as heating, clothes, and a holiday.

These psychological costs are larger for arrears than for payment problems, and are equivalent to those associated with losing a job or a marriage breaking down. For female heads of households, the psychological costs come from longer-term unsustainable housing commitments. In other words, men appear to be more likely to be troubled by a specific financial event, with women more likely to be worn down by persistent, ongoing money worries.<sup>40</sup>

Also, despite the increasing focus on the ‘soft’, or psychological, aspects of housing, the ‘hard’ (physical) aspects are still relevant. Living in a home that is not warm enough is associated with nearly double the odds of experiencing severe mental distress for those who had no mental distress in the first wave of the Understanding Society survey – and over three times the odds of severe mental distress for those previously on the borderline of severe mental distress.<sup>41</sup>

<sup>39</sup> Andrew Wenham, Tom Clark, *Anxiety nation? Economic insecurity and mental distress in 2020s Britain*, Joseph Rowntree Foundation, November 2022: <https://www.jrf.org.uk/anxiety-nation-economic-insecurity-and-mental-distress-in-2020s-britain>

<sup>40</sup> Mark Taylor, David Pevalin, Jennifer Todd, The psychological costs of

unsustainable housing commitments, *Psychological Medicine*, January 2007: <https://doi.org/10.1017/s0033291706009767>

<sup>41</sup> Amy Clair, Emma Baker, Cold homes and mental health harm: Evidence from the UK Household Longitudinal Study, *Social Science & Medicine*, December 2022: <https://doi.org/10.1016/j.socscimed.2022.115461>

## Private renting and physical health

The days of Victorian slums may be behind us, but housing conditions can still affect our physical health. One of the objections to slums was overcrowding, and “the health effects of affordability may also be channelled through overcrowding if people opt to live in larger households in order to meet housing costs”.<sup>42</sup> But, Understanding Society’s biological data also shows a link between living in a privately rented home and faster biological ageing.

### Biomarkers

Understanding Society gathers subjective information by asking our participants questions about their health. In Waves 2 and 3, around 20,000 also gave us objective data when they had a visit from a nurse, who collected bio-medical measures including blood pressure, weight, height, waist measurement, body fat, grip strength, and lung function. They also took blood samples, giving us biomarker data such as measures of cholesterol, liver and kidney function, and inflammation and the immune system. All this allows researchers to calculate a person’s ‘allostatic load’ – the wear and tear on the body due to chronic stress – and our biological, rather than chronological, age.

Some people seem young or old for their age, and epigenetics – the science of how environmental factors influence our genes – can be used to determine our ‘true’ cellular age. One aspect of epigenetics, DNA methylation, is a mechanism cells use to control gene expression – that is, whether (and when) a gene is turned on or off. This differs across cells and tissues and has been shown to change gradually as we age, allowing scientists to create an epigenetic clock – a method now widely used to determine biological age.



<sup>42</sup> Rory Coulter, *Housing and Life Course Dynamics*, Policy Press, 2023, p.128

The impact of renting in the private sector on biological age, compared to owning your home outright (i.e. mortgage-free), was almost double the effect on biological age of being out of work (rather than being employed). It was also 50% greater than having been a former smoker.

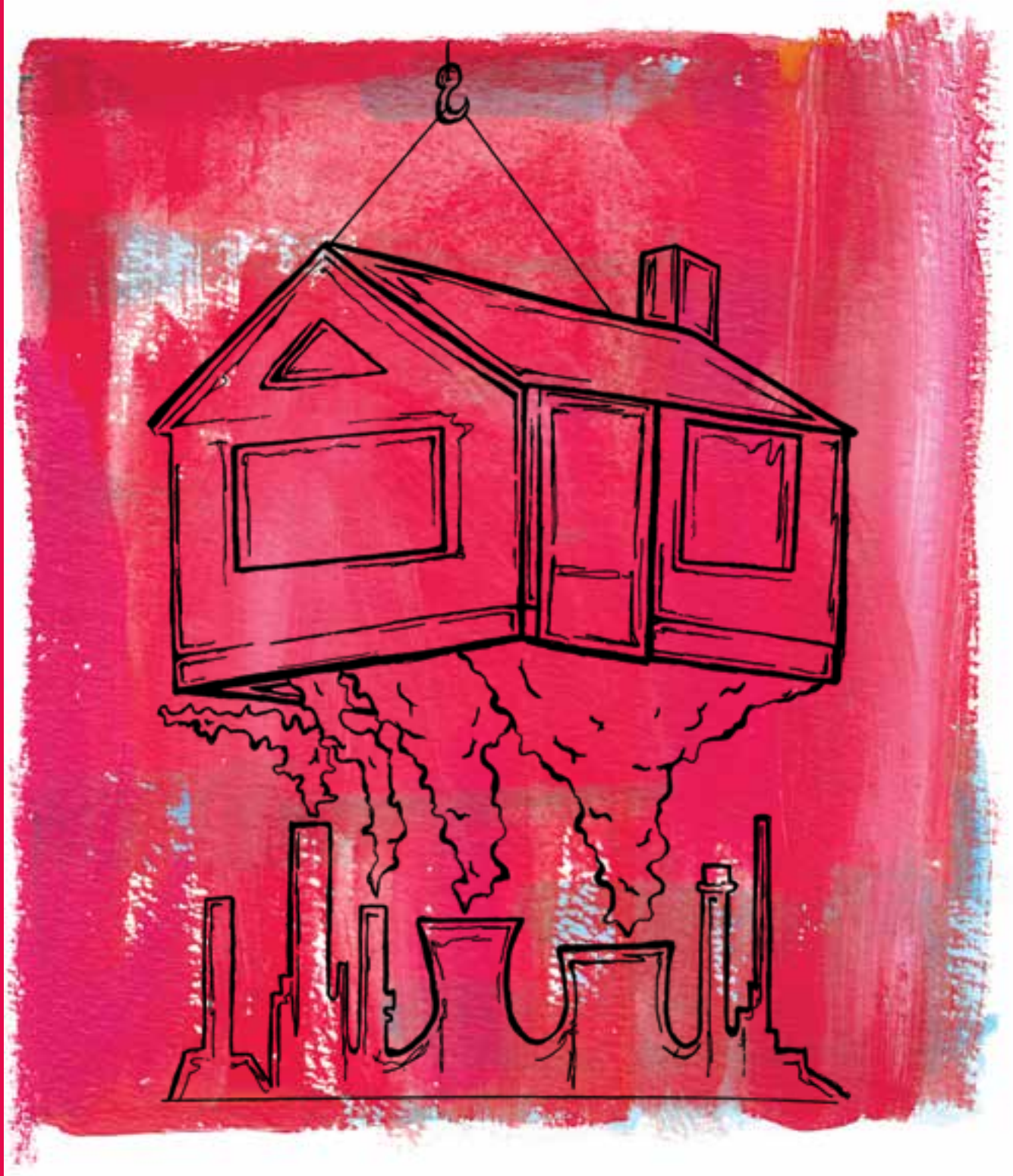
Repeated housing arrears, and exposure to pollution and/or environmental problems, are also associated with faster biological ageing. Living in social housing, with its lower cost and greater security of tenure, has no impact on biological ageing. Crucially, this research suggested that “improving or changing the conditions for people with faster biological ageing can correct this, and health effects be mitigated or reversed. Therefore, housing policy changes can improve health”.<sup>43</sup>

It’s important to be clear, though, that we can’t be absolutely certain about cause, and can’t say that any link between housing and health is straightforward. As far as we can, we choose where to live, and what type of home to live in. And, while housing affects health, health also affects the type of housing we need and what we can afford. People “living in places with higher housing prices are likely to also have higher qualifications and incomes than those living in lower cost areas, and it may be that these ... are what actually boost longevity”.<sup>44</sup>



<sup>43</sup> Amy Clair, Emma Baker, Meena Kumari, Are housing circumstances associated with faster epigenetic ageing?, *Journal of Epidemiology & Community Health*, February 2024: <https://doi.org/10.1136/jech-2023-220523>

<sup>44</sup> Rory Coulter, *Housing and Life Course Dynamics*, Policy Press, 2023, p.127





# Housing, wealth, and climate change

Given that households are the highest contributor to greenhouse gas emissions compared to other major sectors in the UK, it makes sense that housing wealth is also linked to energy consumption, with knock-on effects on the quest to achieve net zero by 2050.

Research using two decades of our data, from 1995–2016, demonstrates just such a connection. As the value of one’s property increased, so did energy consumption.<sup>45</sup> This is not surprising, because a bigger property will require more fuel to heat it – and a detached house with more external surface area than a flat is likely to lose more heat.<sup>46</sup> However, the more we understand the link, and the behaviours which affect it, the better able we will be to suggest policies which can influence fuel consumption and emissions.

For example, we may not be certain about the environmental impact of small, everyday actions – such as putting on more clothes instead of turning up the heating – but they contribute to “a low carbon ethos within the household”.<sup>47</sup> Other small decisions – such as ‘dual fuel’ – can also have an effect: “combined bill payers save more on energy because they are more likely to feel ‘pressured’ by the big amount on their bill”.<sup>45</sup>

“when energy-poor households’ housing wealth increases, their energy consumption goes up considerably more than that of other households”

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<sup>45</sup> Helen X.H. Bao, Steven Haotong Li, Housing wealth and residential energy consumption, *Energy Policy*, 2020: <https://doi.org/10.1016/j.enpol.2020.111581>

<sup>46</sup> Ting Liu, Nick Shryane, Mark Elliot, Micro-macro multilevel analysis of day-to-day lifestyle and carbon emissions in UK multiple occupancy households, *Sustainable Production and Consumption*, July 2023: <https://doi.org/10.1016/j.spc.2023.04.023>

<sup>47</sup> Ting Liu, Nick Shryane, Mark Elliot, Micro-macro multilevel analysis of day-to-day lifestyle and carbon emissions in UK multiple occupancy households, *Sustainable Production and Consumption*, July 2023: <https://doi.org/10.1016/j.spc.2023.04.023>



These findings could mean that it is possible to ‘nudge’ people towards energy conservation. However, when energy-poor households’ housing wealth increases, their energy consumption goes up considerably more than that of other households – because they need to bring it up to the ‘normal’ level, having quite possibly been operating below the ‘fuel poverty line’ before this. This kind of increase in energy consumption should not be one that governments discourage, but local governments and support groups need to be aware that downturns could affect these households not just financially, but psychologically.<sup>48</sup>

Where we live is also important here. The bigger, detached houses mentioned above may well have more than one car parked outside, so – even if the owners are careful how they heat their home – they may well be contributing more emissions than someone living in an urban area with more access to public transport. Flats in urban areas are often better insulated than family houses in rural areas, too.

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<sup>48</sup> Helen X.H. Bao, Steven Haotong Li, Housing wealth and residential energy consumption, *Energy Policy*, 2020: <https://doi.org/10.1016/j.enpol.2020.111581>



Simple numbers of people in a household matter too, but again this is not straightforward. Existing research has shown that having children increases carbon emissions considerably, “much more than the emissions generated by other lifestyle choices”, but parenthood may also change attitudes – increasing our concern for the climate, and how likely we are to opt for “less carbon-intensive goods and services”.<sup>49</sup>

Understanding these patterns better, and knowing which households and residents are responsible for disproportionately high levels of carbon emissions can help to create and target policies which encourage a sustainable lifestyle.

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<sup>49</sup> Ting Liu, Nick Shryane, Mark Elliot, Micro-macro multilevel analysis of day-to-day lifestyle and carbon emissions in UK multiple occupancy households. *Sustainable Production and Consumption*, July 2023: <https://doi.org/10.1016/j.spc.2023.04.023>



# What can be done?

Housing reaches into so many aspects of our lives ... the solution will not be straightforward

If this report demonstrates anything, it is that the housing crisis may be indisputable, but it isn't simple. Housing reaches into so many other aspects of our lives: family, education, employment, health, our feelings about our neighbourhood, the persistence of poverty and inequality, our sense of belonging, and happiness.

Housing affects all these things, but the relationship works both ways: they all affect our housing choices and options, too. With this many interlocking factors, the solution will not – cannot – be straightforward. Increasing supply is obviously a big part of the answer, but not the only one.

To begin with, tackling the housing crisis must be done in a way that addresses inequalities and health. Michael Marmot identified a number of factors, including affordability, housing conditions, and security of tenure which are all critical.<sup>50</sup> Housing can also play a part in regrowing the economy, by improving employment mobility.

Building is also inextricably linked to the question of combating climate change. Housing policy must address many different issues, and will require an understanding of housing throughout lives. Researchers using Understanding Society have seen a rich picture of people's lives over time, and identified policies that could tackle the housing crisis, under eight headings.

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<sup>50</sup> Michael Marmot, Jessica Allen, Tammy Boyce, Peter Goldblatt, Joana Morrison, Marmot Review 10 Years On, Institute of Health Equity, 2020: <https://www.instituteofhealthequity.org/resources-reports/marmot-review-10-years-on>

# Support the poorest

## Proposals from research include:

- higher wages
- more generous welfare
- mental health funding

Researchers suggest that good, well-paid work can “protect people from very deep poverty, even in the face of other financial pressures such as rising housing costs. But not all families in very deep poverty will be able to change jobs or take on work to increase their family’s income from earnings. An Essentials Guarantee is needed to ensure that the basic rate of Universal Credit is always enough to make sure people can at least afford life’s essentials”.<sup>51</sup> They have also called on government to scrap “the in-built waiting period before Universal Credit ... payments kick in”, and said: “the benefit cap could be removed or significantly increased”.<sup>52</sup>

There is also a “need for mental health interventions that not only target populations currently experiencing housing affordability problems, but also those that may have been exposed ... in the past”.<sup>53</sup> However, “comprehensive and effective welfare systems – including strong social housing systems – have a protective effect on mental health ... are more cost effective, and [have] more substantial additional welfare gains, than acute medical interventions or socialisation programs”.<sup>54</sup>



<sup>51</sup> Katie Schmuecker, *The impact of work, benefits and housing on experiences of very deep poverty*, Joseph Rowntree Foundation, September 2023: <https://www.jrf.org.uk/deep-poverty-and-destitution/what-protects-people-from-very-deep-poverty-and-what-makes-it-more>

<sup>52</sup> Amy Clair, Emma Baker, Cold homes and mental health harm: Evidence from the UK Household Longitudinal Study, *Social Science & Medicine*, December 2022: <https://doi.org/10.1016/j.socscimed.2022.115461>

<sup>53</sup> Kate Dotsikas, David Osborn, Kate Walters, Jennifer Dykxhoorn, Trajectories of housing affordability and mental health problems: a population-based cohort study, *Social Psychiatry and Psychiatric Epidemiology*, June 2022: <https://doi.org/10.1007/s00127-022-02314-x>

<sup>54</sup> Rebecca Bentley, David Pevalin, Emma Baker, Kate Mason, Aaron Reeves, Andrew Beer, Housing affordability, tenure and mental health in Australia and the United Kingdom: a comparative panel analysis, *Housing Studies*, 2016: <https://doi.org/10.1080/02673037.2015.1070796>

# Reform tax

Taxes on property and land have been described as “irrational, regressive and long overdue for reform”,<sup>55</sup> not least because they can harm the economy by discouraging moving house for work.

## Proposals from research include:

- abolishing or reforming Stamp Duty
- progressive wealth or property tax
- taxing second homes and short-term lets
- revaluing council tax bands

## Specifically, researchers say:

- “some form of progressive general property taxation would have immense benefits for both residential mobility and social equality”<sup>56</sup>
- Stamp Duty should be abolished for older people to allow downsizing, as part of a proposed strategy not only to build, but to “improve the use of the existing stock”
- revaluing council tax bands, so “the better off pay more”, would raise money for councils to fund public services<sup>57</sup>

“Stamp Duty regularly tops a crowded field jostling for the dubious accolade of the country’s worst designed tax”

### Rory Coulter

Associate Professor of Quantitative Human Geography at University College London, Understanding Society Topic Champion, Housing

<sup>55</sup> Susan Smith, William Clark, Rachel Ong ViforJ, Gavin Wood, William Lisowski and N. T. Khuong Truong, Housing and economic inequality in the long run: The retreat of owner occupation, *Economy and Society*, 2022: <https://doi.org/10.1080/03085147.2021.2003086>

<sup>56</sup> Rory Coulter, *Housing and Life Course Dynamics*, Policy Press, 2023, p.114

<sup>57</sup> Christine Whitehead, Tony Crook, Kath Scanlon, *A Road Map to a Coherent Housing Policy*, Family Building Society, January 2024: <https://www.familybuildingsociety.co.uk/tips-and-guides/a-call-for-integrated-housing>

# Reform planning

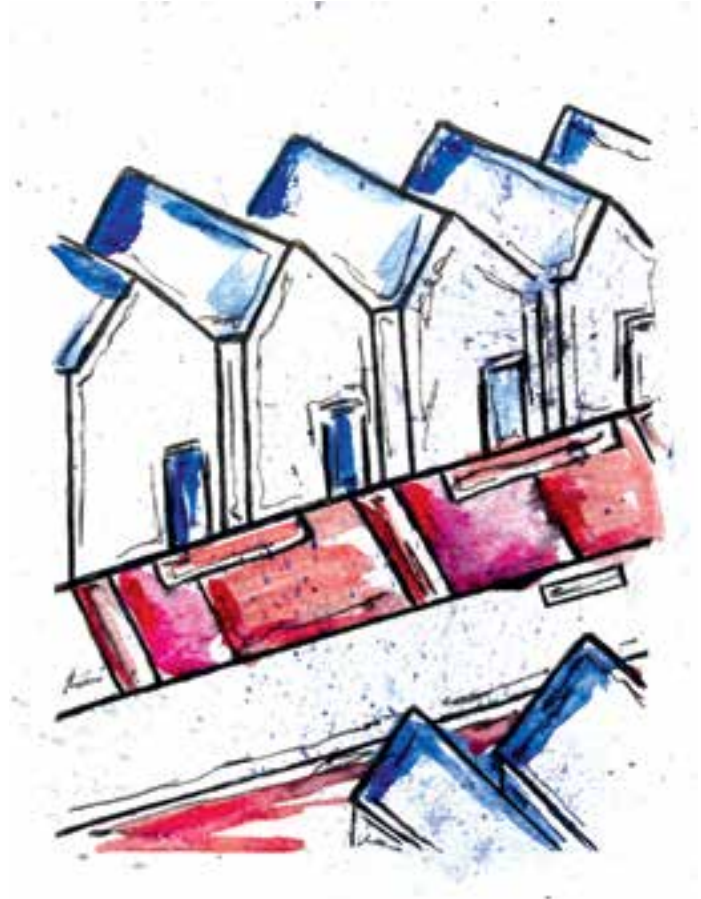
## Proposal from research:

- replace the discretionary planning system with “a new rules-based, flexible zoning system”

Think tank Centre for Cities says the current system’s “uncertain, case-by-case decision-making” holds up building. Moving to a system “where development is lawful so long as it follows the rules” would increase “the certainty of the planning process and the supply of land for development”.<sup>58</sup>

After the Town and Country Planning Act 1947, housebuilding in England and Wales dropped “from 2% growth per year between 1856 and 1939 to 1.2% between 1947 and 2019”

Centre for Cities<sup>58</sup>



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<sup>58</sup> Samuel Watling, Anthony Breach, *The housebuilding crisis*, Centre for Cities, February 2023: <https://www.centreforcities.org/publication/the-housebuilding-crisis/>



# Improve renting, protect tenants

## Proposals from research include:

- limiting rent increases
- improving conditions of rented property
- ending 'no fault' evictions
- offering support with housing costs

Policies should  
reduce the stress and  
uncertainty associated  
with private renting

In more detail, researchers say “improving the cost and quality of rental alternatives to reduce the motivation to enter owner-occupation is a more efficient and equitable way to quickly improve young people’s residential conditions”.<sup>59</sup> Policies should also “reduce the stress and uncertainty associated with private renting, such as ending ‘no-fault’ evictions, limiting rent increases and improving conditions”.<sup>60</sup>

The Financial Fairness Trust said the Renters (Reform) Bill would have made “an important start in this direction, after more than three decades in which the private rented sector has offered weak protection for tenants, and has continued to grow”.<sup>61</sup> At time of writing, the Renters’ Rights Bill (introduced after the general election which prevented the old bill from passing) is making its way through Parliament. This aims to abolish ‘no fault’ evictions, introduce a Decent Homes Standard, and offer other measures to protect tenants.

Greater support with housing costs and restrictions on increasing housing costs may protect people from housing arrears and its health consequences

**Amy Clair, Emma Baker, Meena Kumari**<sup>60</sup>

<sup>59</sup> Sait Bayrakdar, Rory Coulter, Philipp Lersch, Sergi Vidal, Family formation, parental background and young adults’ first entry into homeownership in Britain and Germany, *Housing Studies*, 2019: <https://doi.org/10.1080/02673037.2018.1509949>. See also: Andrew Wenham, Tom Clark, Anxiety nation? *Economic insecurity and mental distress in 2020s Britain*, Joseph Rowntree Foundation, November 2022: <https://www.jrf.org.uk/anxiety-nation-economic-insecurity-and-mental-distress-in-2020s-britain>

<sup>60</sup> Amy Clair, Emma Baker, Meena Kumari, Are housing circumstances associated with faster epigenetic ageing?, *Journal of Epidemiology & Community Health*, February 2024: <https://doi.org/10.1136/jech-2023-220523>

<sup>61</sup> Donald Hirsch, Eleni Karagiannaki, *Caught in the Middle?*, abrdrn Financial Fairness Trust, February 2024: <https://www.financialfairness.org.uk/docs?editionId=b8e632ea-c68c-4f69-b33a-b117009b1fbc>

## Improve renting, protect employment

### Proposals from research include:

- encourage renting
- end financial incentives for ownership

Research from Chatham House suggests that higher home ownership can lead to higher unemployment through “lower mobility, longer home-to-work commute times and lower rates of business formation”. Governments should therefore “encourage more renting, as the Swiss and Germans do, and they should not give financial incentives for ownership”.<sup>62</sup>

Understanding Society’s topic champion for housing says “policies to boost homeownership need at the very least to consider that this might have adverse side-effects on labour markets”.<sup>63</sup>

Of course, some people would be perfectly happy to rent rather than buy if there was more social housing or good quality, affordable and secure private sector housing. What’s important is that people can make choices that work for them at different life stages or in different circumstances. Which brings us to our next two points.

## Build social housing

### Proposals from research include:

- increase social housing supply

The Secretary of State for Housing, Communities and Local Government, Angela Rayner, has promised a “council house revolution”.<sup>64</sup> Many researchers would welcome this, with some calling specifically for “housing as social policy ... a greater supply of good quality socially rented housing, would be of greatest benefit”.<sup>65</sup> The Joseph Rowntree Foundation adds that “we should eventually aim to rebalance the tenure mix, curbing and even reversing reliance on private rentals, especially for families with children”.<sup>66</sup>

greater supply of good quality socially rented housing would be of the greatest benefit

<sup>62</sup> David Blanchflower, Andrew Oswald, *The Danger of High Home Ownership: Greater Unemployment*, CAGE-Chatham House, October 2013: [https://www.chathamhouse.org/sites/default/files/public/Research/International%20Economics/1013bp\\_homeownership.pdf](https://www.chathamhouse.org/sites/default/files/public/Research/International%20Economics/1013bp_homeownership.pdf)

<sup>63</sup> Rory Coulter, *Housing and Life Course Dynamics*, Policy Press, 2023, p.115

<sup>64</sup> *Building Homes*, Hansard, vol. 752, 30 July 2024: <https://hansard.parliament.uk/commons/2024-07-30/debates/18DE72CE-0BE3-435E-87EC-73CDBD7DCAB3/BuildingHomes>

<sup>65</sup> Peter Matthews, Camilla Barnett, Paul Lambert, Lee Gregory, Eleanor Formby, Lesbians, Gays, and Bisexuals Asset-based Welfare and Housing in Great Britain, *Social Policy and Society*, May 2024: <https://doi.org/10.1017/S1474746424000186>

<sup>66</sup> Andrew Wenham, Tom Clark, Anxiety nation? *Economic insecurity and mental distress in 2020s Britain*, Joseph Rowntree Foundation, November 2022: <https://www.jrf.org.uk/anxiety-nation-economic-insecurity-and-mental-distress-in-2020s-britain>

# Build affordable housing

## Proposals from research include:

- boost the Affordable Homes Programme
- peg Local Housing Allowance to local rent
- financial instruments to support shared ownership and equity share

Researchers say that shared ownership and equity share, “if provided at scale could offer an escape valve for financially stretched whole-home owners”, and that “equity finance ... might, if suitably packaged and built into policy, deliver creative solutions”.<sup>67</sup> The Resolution Foundation adds that neither of the major parties’ manifestos in 2024 mentioned “boosting the Affordable Homes Programme”, which provides grant funding to support the capital costs of developing affordable housing in England. Nor, they said, was there “any indication that Local Housing Allowance will be permanently repegged to local rents”.<sup>68</sup> LHA rates are used to calculate Housing Benefit for people renting from private landlords.

Both main parties are silent on additional funding to drive forward their housing priorities

**Resolution Foundation**  
on Conservative and Labour manifestos, 2024<sup>68</sup>



<sup>67</sup> Gavin A. Wood, Susan J. Smith, Melek Cigdem, Rachel Ong, Life on the edge: a perspective on precarious home ownership in Australia and the UK, *International Journal of Housing Policy*, 2017: <http://dx.doi.org/10.1080/14616718.2015.1115225>

<sup>68</sup> Camron Aref-Adib, Lindsay Judge, Felicia Odamtten, Cara Pacitti, *Home truths – Putting housing policy in context for the 2024 general election*, Resolution Foundation, June 2024: <https://www.resolutionfoundation.org/publications/home-truths/>

# Address climate change

Housing policy needs to be forward-looking, and houses future-proofed. Historically, the UK has been worried about cold and damp, but global heating means we must now look at heat- and flood-proofing as well.

## Proposals from research include:

- government intervention in the energy sector
- higher standards of energy efficiency and build quality for the housing market
- helping renters benefit from energy efficiency measures
- policy targeted at household type and housing situation

Research on cold homes has said that the government could “intervene more actively in the energy sector ... as well as in the housing market, enforcing higher standards of energy efficiency and build quality. They could tackle the challenge ... which leaves renters unable to benefit from incentives to improve energy efficiency”.<sup>69</sup>

Think tank E3G has called for “a warmer, fairer private rented sector”. Improving energy ratings in the sector to C “will reduce average bills by £300 a year and result in at least £0.2bn of annual bill savings in the NHS. Capturing this opportunity requires comprehensive reform to tenants’ rights, financial support and effective enforcement”.<sup>70</sup>

In poorer households, energy consumption increases when their property value increases, and during downturns, they feel extra psychological pressure to decrease fuel use. Energy consumption policies should therefore be “economically beneficial and socially fair”.<sup>71</sup> Knowing which living patterns are linked to the highest carbon emissions highlights a need for carefully targeted policies which can vary according to household type and housing situation.<sup>72</sup>

**Not doing enough to prepare UK housing for a “more extreme and less predictable climate ... constitutes a serious dereliction of duty by recent generations of policymakers and is also a false economy” because taking action now “would be much cheaper than retrofitting”**

### Rory Coulter

Associate Professor of Quantitative Human Geography at University College London, Understanding Society Topic Champion, Housing<sup>73</sup>

<sup>69</sup> Amy Clair, Emma Baker, Cold homes and mental health harm: Evidence from the UK Household Longitudinal Study, *Social Science & Medicine*, December 2022: <https://doi.org/10.1016/j.socscimed.2022.115461>

<sup>70</sup> James Dyson, *A warmer, fairer private rented sector*, E3G, July 2024: <https://www.e3g.org/publications/a-warmer-fairer-private-rented-sector/>

<sup>71</sup> Helen X.H. Bao, Steven Haotong Li, Housing wealth and residential energy consumption, *Energy Policy*, 2020: <https://doi.org/10.1016/j.enpol.2020.111581>

<sup>72</sup> Ting Liu, Nick Shryane, Mark Elliot, Micro-macro multilevel analysis of day-to-day lifestyle and carbon emissions in UK multiple occupancy households, *Sustainable Production and Consumption*, July 2023: <https://doi.org/10.1016/j.spc.2023.04.023>

<sup>73</sup> Rory Coulter, *Housing and Life Course Dynamics*, Policy Press, 2023, p.130

## Conclusion: joined-up thinking

Perhaps most importantly, as well as addressing the sheer variety of housing issues, policy must also be coordinated. It will require different departments to think, plan, and implement together. A “coherent housing policy”, says the Family Building Society, requires “government commitment to align key players for a medium-term strategy (including the Bank of England, the Treasury and Department for Work and Pensions, as well as the Department for Levelling Up, Housing and Communities and local authorities)”.<sup>74</sup>

Ultimately, if we apply to housing policy the saying that a fox knows many things, but a hedgehog knows one big thing, supply is the one big thing. The government’s approach must be both a fox and a hedgehog. Neither on its own is enough.

Housing policy must  
be coordinated



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<sup>74</sup> Christine Whitehead, Tony Crook, Kath Scanlon, *A Road Map to a Coherent Housing Policy*, Family Building Society, January 2024: <https://www.familybuildingsociety.co.uk/tips-and-guides/a-call-for-integrated-housing>

# Afterword

**Branwen Evans**  
Places for People



We have been talking about the housing crisis in this country for some time now. Yet for all the hand wringing, the academic reports and the statistics, no decisive action has been taken to address its root cause: the fundamental imbalance of supply and demand of homes. With over 159,000 children in temporary accommodation in England, an all-time high, it is clear the time for talking is over.

As this report emphasises, the impact of our housing crisis is wide-ranging and interconnected. There is no silver bullet, but a complex web of solutions we must craft together. At Places for People, we believe new homes are the foundation for change, and we are committed to sector-leading levels of delivery of these new homes. Housing Associations are uniquely placed to use existing development teams and access long term capital to deliver multi-tenure communities. We welcome the government's ambitions for new homes and are ready to support them to go further.

“We must think hard about the 159,000 children in temporary accommodation and strive to build more homes”

We know a house alone is not enough – our health and wellbeing facilities, along with support for people's physical, mental, and financial wellbeing are what make the difference for our customers. We see these elements of building and nurturing communities, working in harmony together, as critical for sustained economic growth.

To unlock that growth and improve our homes, investing in the sector's workforce is non-negotiable. As the UK's largest social enterprise, we have identified shortfalls in trade skills and developed PfP Thrive, a suite of training programmes designed to bridge these gaps. PfP Thrive will equip people with new skills and, by using our network of community-based facilities, break down barriers to employment and deliver skills and training in the community.

This report also highlights the impact of climate change on our communities. Household carbon emissions have a significant impact, especially in the UK where our housing stock is so old. Recently, we published our first ESG Strategy, outlining our approach to developing and maintaining sustainable communities. Core to this strategy is enhancing the energy efficiency of our homes and adopting sustainable practices across our operations to achieve net zero by 2050.

We must think hard about the 159,000 children in temporary accommodation and strive to build more homes. We must also make sure we build communities with sustainable skills and a workforce ready for change. The time for talking is over; the time to build is now.

# Data for decision makers

Understanding Society, the UK Household Longitudinal Study, provides crucial evidence for researchers and policymakers about how we live.

Our participants come from every area of the UK, and answer questions on subjects including:

- education
- employment
- ethnicity and immigration
- family and households
- health and wellbeing
- money and finances
- transport and the environment

We cover:

- all ages
- the whole household
- all four UK countries

We include:

- short- and long-term life changes
- ethnic minority experiences
- the experiences of 10-15-year-olds
- regional and local data
- social, economic and behavioural factors

Our survey design is world-leading, supported by methodological research – and, with consent, our data can be linked to administrative records from other sources.

## Informing policy

All this makes Understanding Society a rich resource for shaping policy and practice. We can help your organisation or industry use longitudinal data and the evidence from research, and connect you with academic experts.

Charities and third sector organisations can use our data to identify areas where action and policy change is needed. Our data have helped:

- The Centre for Social Justice to report on the UK's loneliness crisis
- The Children's Society to compile its annual Good Childhood Report for over a decade
- The Joseph Rowntree Foundation to examine the UK's future care needs and to call for a "whole systems approach"

## Evaluating impact

Our data also make it possible for researchers to evaluate the impact of policies – a vital tool for improving services and outcomes.

Understanding Society allows researchers to compare the before and after, and has helped to assess:

- Shared Parental Leave – finding no evidence of more fathers taking leave or taking longer leave
- the impact of the 'bedroom tax' – showing that it didn't encourage people to move house, and saved less money than predicted
- Ofsted inspections – finding that, when a school is improving, parents invest less time in helping with schoolwork

## Work with us

We can help you to use our data, and are happy to talk about ideas for collaboration. You could also join one of our research springboards, which bring people together from different disciplines and sectors to think together and shape research projects to answer policy questions.

## Get in touch to find out more:

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