

UK housing crisis: 630,000 young people face homelessness in retirement

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Hundreds of thousands of young people in the UK risk homelessness when they retire because they will be unable to afford skyrocketing private rental costs.

A lack of social housing and the inability of many young people to get onto the property ladder mean that at least 630,000 millennials—those born between 1981 and 1996—will be unable to find affordable rented accommodation when they stop working.

According to an official report by the All-Party Parliamentary Group on Housing and Care for Older People, the number of people still renting when they retire is set to increase more than three times, from 450,000 today to over 1.5 million in 2046.

Around half of these households will be unable to afford the rent they could manage before they retired, as income typically halves after retirement. This means that those in the private rental sector, who pay a large proportion of their income on rent, may see this doubled as a proportion of income to unaffordable levels.

In England, the average private renter pays some 27 percent of his or her monthly income on housing costs. This rises to a massive 49 percent for those living in London, with some boroughs, such as Hackney, seeing private tenants paying, on average, 83 percent of their income on rent.

The problem of high rental costs as a proportion of salary does not impact all sections of the population equally, but weighs far more heavily on the working class. While the top decile of earners in England pay an average of 20 percent of their income on private rent, those with an income in the second to last decile pay an average of 45 percent of their income, rocketing up to 64 percent for the lowest tenth of earners.

With the loss of income that comes with retirement, these housing costs will be out of reach for many,

especially the poorest, putting hundreds of thousands of pensioners at risk of homelessness.

The report also predicts that the number of older households living in unsuitable or unfit private rented accommodation could rocket from around 56,000 today to 188,000 in 20 years' time, and to 236,500 in 30 years, in what it calls an "inevitable catastrophe for the pensioners of tomorrow."

As older people are increasingly unable to afford good-quality and appropriate housing, more and more vulnerable elderly pensioners will be forced into substandard accommodation, with dire consequences for their health and well-being. Poor quality housing is known to have directly caused the deaths of thousands of older people.

According to a 2018 study by the charity organisation National Energy Action, some 36,000 deaths over the last five years, mostly of older people, can be attributed to conditions related to living in a cold home. A further 17,000 people are estimated to have died as a direct result of fuel poverty. This is the second-worst rate of unnecessary winter deaths of 30 countries in Europe, beaten only by Ireland.

The crisis facing the elderly will only be exacerbated as more and more people are unable to afford suitable accommodation.

The ever-rising cost of housing, poor employment prospects and increasing debt mean that many young people today are unlikely to ever buy their own home, and will be forced to shell out hundreds of thousands of pounds in rent to private landlords over the course of their lifetime.

Millennials are roughly half as likely to possess their own home as the same age group in the 1980s. At the peak of home ownership in 1989, 50.8 percent of young people between the ages of 25 and 34 owned their own

home. This compares to only 27.7 percent of this age group in 2018, a figure that has crept up marginally over the last couple of years.

But such is the housing crisis faced by millennials that 3.4 million young people aged between 20 and 34 are unable even to rent their own homes, instead having to continue living with their parents. This figure has increased in absolute terms by 1 million people in two decades, as well as increasing as a proportion of the population from 19.48 percent in 1997 to 25.91 percent in 2017.

While the comparison between millennials and previous generations is useful in marking the significant decline in conditions for the working class as a whole, millennials as a generation are divided by class just as are all generations.

According to a study by the Resolution Foundation, young adults from wealthier backgrounds are far more likely to own their own home than their poorer peers. While the home ownership rate of 20- to 35-year olds whose parents have no property wealth is only 11 percent, 37 percent of this age group whose parents are in the top third of the property wealth distribution own their own house.

At the age of 30, young people whose parents do not possess any property wealth are about 60 percent less likely to be homeowners themselves, the study found.

The extent of this class divide is well demonstrated by the increasing rates of second home ownership, both among older generations and millennials. According to a second report by the Resolution Foundation, the number of British people who own a second home, buy-to-let or overseas property has increased by 53 percent since 2001. While the home ownership rate is falling across all age groups, one in ten (5.5 million) people in the UK now own a second home, with the value of this additional property wealth increasing from around £610 billion in 2001 to £941 billion in 2014-16 (the latest period for which figures are available).

But while young people today are far less likely to own their own home than previous generations were at their age, the report found that younger generations are matching their *additional* property ownership rates, with 7 percent of those born in the 1960s *and* those born in the 1980s owning additional property by the age of 29.

This indicates that millennial property wealth, like the

property wealth of older generations, is increasingly concentrated in the hands of the rich, the report noted.

The All-Party Parliamentary Group on Housing and Care for Older People report calls for a national strategy to avoid a “crisis of pensioner homelessness,” with at least 38,000 new rental homes being built specifically for older people.

This will do virtually nothing to alleviate the housing crisis blighting the UK.

Access to decent and affordable housing is a basic social right, but under capitalism it is increasingly unavailable. Only a socialist reorganisation of society can satisfy the desperate and growing need for decent housing for all.

The never-ending austerity programme of the ruling class and all of its political parties, which has plunged millions into poverty over the last decade, exacerbating the housing crisis, must be reversed and billions allocated to provide decent-paying jobs, free and high-quality health care, housing, education and social services for all. The wealth of the billionaires must be expropriated to help meet these social needs, along with the nationalisation of the major corporations and their transformation into democratically-controlled public utilities.



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