

Dorling, D. (2015) Generation rent? We've been here before, The Guardian, February 19th, <http://www.theguardian.com/commentisfree/2015/feb/18/generation-rent-home-ownership-generation-britain>

'Generation rent?' We've been here before

Danny Dorling

A home-owning majority in Britain was a one-generation blip. But if we are becoming a renting country again, we'll need better regulation



Three boys playing on a street of terraced houses in London, 1953. Photograph: Daniel Farson/Getty Images

Wednesday 18 February 2015 16.33 GMT

Last modified on Thursday 19 February 2015 00.06 GMT

Shares 1,696

Comments 968

Sometimes clichés get repeated so frequently that we no longer question their relevance. “An Englishman’s home is his castle” – the idea that an obsession with home ownership is somehow in our national DNA – is one of them. In fact, there is no age-old British tradition of merry men all owning their own homes.

As newspapers rejoice upon learning that the average UK home rose in value by about £22,000 last year, it is about time we recognised that the average young UK family is never going to

be able to afford to buy that home. To find out when a home of your own was last as unaffordable as it is today, and to come up with some ways of exploring that new reality, one could do worse than turn towards the UK's best-housed family: the royals.

Since 1983, the British social attitudes survey has made an annual record of the proportion of people who own a home or who have a mortgage. Back then, Queen Elizabeth was in her late 50s, and only 53% of her contemporaries – those aged 55 to 64 – were homeowners or buyers. When they were young, members of older generations had mostly rented privately or managed to secure a council home. Today we are returning to those times: homes are again too expensive to buy.

Ten years later, in 1993, the majority of people aged 35 to 60 had a mortgage or owned outright. Mortgage lending had been freed up in the 1980s; council houses sold through right-to-buy and private landlords had not yet expanded much. The 1990s appeared to be the start of a home-owning democracy; what no one at the time realised was that it was, in fact, the peak of home ownership.

Ten years later, in 2003 – by the time the Queen's eldest son, Prince Charles, was aged 55 – about 90% of people his age were living in a home they either owned outright or had a few years left of a mortgage on. Charles had been born slap bang in the middle of the home-owning generation that had been fortunate in many other ways, including having the NHS and the welfare state.

Charles was born in 1948, among the children who would go on to look for work when there was full employment. His cohort, which came of working age to enter the job market in 1963, could expect full employment for at least 25 years, with relatively good wages and salaries. They could make the mortgage repayments; they did not have to resort to renting from private landlords, as so many of their parents had done.

Charles's birth year was peculiarly fortunate when it came to securing home ownership. But for those born just a few years earlier or later, still around three-quarters were home-owning by the age of 55.

Ten years on again, in 2013, the picture is very different. Charles's eldest son, William, turned 31 in the summer of 2013. Only 36% of his contemporaries had a mortgage by then, with 64% renting. William's generation is "**generation rent**", and there is little sign that this will not be the tenure of the majority of his cohort – for life. Home ownership remains common among older people, but that wealth cannot be passed on in full to younger generations. As people age, they will use up a great deal of their wealth in retirement.

What will happen 10 years on again, when young Prince George of Cambridge turns 10, in the summer of 2023? By then it is possible that a majority of his contemporaries, now young children, will be growing up in social or private rented accommodation. Their parents will have no hope of ever having a home they own. But perhaps by then people may have managed to secure some rights – what Anne Power, when speaking in Oxford at the weekend, called "mild rent regulation".

Mild rent regulation is what the Germans have. If we managed to import a German royal family, why is it not possible for us to also import the German housing system – slowly, bit by bit, along with their Christmas trees and mulled wine? In Germany tenants cannot be evicted on a whim. Often landlords have to bribe them out if they want control of the property back before the agreed date. Property is of good quality, well soundproofed, spacious and well insulated. Pension companies often hold it, so you know where your rent is going: it is paying for your parents' generation's old age.

We may never get back to the fantasy of a home-owning majority, where so many of us get up housing ladders to maintain our own property. We may not want to do so again. After all, when house prices finally stop rising, because a younger generation successfully demanded mild rent regulation, what would be the point of speculating and buying at today's prices?

comments (968)

[Sign in](#) or [create your Guardian account](#) to join the discussion.

Order by Newest
Threads Collapsed

2 3 4 ... 10
next



[fraser48](#) 24m ago

How can anyone be surprised at what has happened to the housing market? The writing has been on the wall ever since the "right to buy" was dreamed up and implemented. The stampede to encourage everyone to exercise their right to become a home owner has turned into a rampant demonstration of the worst excesses of "market forces".

As prices and profits soar, returning home ownership and property rental to the realms of the wealthy, more and more people are left to the largely unregulated mercies of the "buy to letters", who do not list social responsibility at the top of their CVs.

If we are moving into an era in which renting a home becomes the norm, and local councils are no longer able to provide social housing, then how long is it going to take our politicians to realize that we need some effective legislation to stop exploitation?