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Private renters' housing experiences in lightly regulated markets: Review of qualitative research

Executive summary

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Summary

It is known that the private rented sector (PRS) accommodates an increasingly diverse range of households and plays a variety of roles in the housing market. This report is one of the first efforts to review qualitative studies that foreground tenants' voices and experiences in the PRS in Australia, Canada, Ireland, New Zealand, the UK and US. The report examines how different groups (low and middle income households, younger and older people, families with children, students and migrants) experience the PRS and argues that there are endemic problems with affordability and insecurity that impact adversely on many tenants' well-being, health and ability to create a sense of home. Spatial inequalities are also identified, whereby the poorest tenants are increasingly concentrated in more marginal and undesirable locations, including in unconventional forms of housing such as residential caravan parks or makeshift dwellings.

The full report is available here:

<https://housingevidence.ac.uk/publications/private-renters-housing-experiences-in-lightly-regulated-markets>

Introduction

- This report aims to better understand the growing diversity of the private renting sector (PRS) and its implications for the lived experience of housing.
- We approach tenants' housing experiences in terms of housing suitability for tenants' needs (e.g. regarding location; space availability and state of repair; control over relocation; and affordability). We made no initial assumptions regarding any tenant characteristics that may affect their housing experience (e.g. in terms of household's income, size, age or location) as our aim is to identify the categorisations used in the reviewed literature.
- We argue it is timely to synthesise an increasing qualitative scholarship that focuses on tenants' own views – expressed in their own words – regarding their subjective experiences of renting privately and thereby help address the dominance of quantitatively-based research.

Method and research process

- Using systematic searches in four databases, and manual searches of key journals and Google Scholar, we identified 69 relevant references. Inclusion criteria referred to countries with lightly regulated PRS (Australia, Canada, Ireland, New Zealand, UK, US), studies published since 2000, and qualitative methodologies that give tenants a voice.
- Across the 69 references, there was a dominance of UK and Australian studies (31 and 25 respectively out of 69) and of studies published since 2008 (55 out of 69).
- The identified publications report the experiences of more than 1,905 private tenants. While studies have a focus on low-income and precarity, they cover an adequate diversity in participants' characteristics by age, gender, income and other statuses (e.g. students, migrants) that suits our review's purpose.

Findings

- We noted that tenants' experiences differed along two interrelated dimensions: that of housing types/ submarkets and broader geographies of differentiation; and that of tenants' characteristics.
- Housing in the PRS is far from homogenous, ranging from marginal housing (e.g. residential caravan parks, motels, rooming houses, makeshift and unconventional dwellings, with evidence coming particularly from our non-European sampled countries) to conventional dwellings, from shared to self-contained units. There is significant diversity between but also within these housing submarkets in terms of housing quality and related tenants' experiences, which is linked to broader spatial divisions and on-going processes of polarization (e.g. Atkinson 2015; Fields 2017), which push low-income and vulnerable tenants in 'geographies of poverty' (Ward 2015) such as declining towns, cities' deprived neighbourhoods or outer suburbs as well as undesired and even unsafe sharing.
- Regarding private tenants' characteristics that shaped their housing experiences, the reviewed literature discussed the following socioeconomic and demographic groups: low-income; middle-income; younger; older; migrants and refugees; students; households with children. We discussed each in the report.

- Across studies, all groups and all sampled countries, we found, as expected, a strong association between housing quality and tenants' economic resources, which is mediated through the market mechanism of rent. This point is evidenced by the contrasting experiences of low- and middle-income renters and by differences within demographic groups, with young renters, students and households with children having particularly divergent experiences. Clearly, the key determinant factor structuring the quality of a renting experience is household income and not demographic characteristics.
- In relation to the above, we note that much of the reviewed literature focused on low-income rather than more affluent renters. Besides students and migrants, more affluent professionals are traditionally seen to benefit from PRS housing. We observed that some early 2000s studies celebrated flexibility, mobility and sharing to which PRS is well suited (e.g. Heath and Kenyon 2001) but many post-2010 studies emphasised young professionals' desires to settle down in stable tenures and have more control over their home (e.g. Hoolachan et al. 2017). Obviously these groups continue to coexist (Hulse et al 2019) and research on their divergent housing experiences and aspirations is desired to inform policy-making.
- While household income is the key determinant of the quality of accommodation in all countries, other resources influence outcomes. For instance, self-confidence induces positive discrimination in accessing housing and a stronger voice in requiring repairs for middle-income renters (e.g. Chisholm et al. 2019). Furthermore, middle-income tenants or tenants of a middle-class background benefit from social and family networks in accessing better quality housing at below-market rents (e.g. Soaita and McKee 2019). There is evidence in the reviewed studies – which is supported by a broader scholarship on intergenerational transfers – that family support is unequally distributed with vulnerable and low-income tenants offered at most in-kind rather than financial support. But in-kind support is less likely to help private tenants access better housing, whether rented or owned. Migrants also draw on their ethnic social networks to negotiate access to (inexpensive) housing in the unknown PRS of their countries of destination (e.g. Murdie 2003). Finally, a relatively more generous rent/welfare support in the UK suggests that eligible low-income and vulnerable households can escape the dire conditions of marginal housing as evidenced in the non-European sampled countries.
- Extremely poor housing conditions at the lower end of the PRS were common, experienced by low-income households, whether young or old, students or migrants, or households with children. There is evidence that accepting poor housing conditions did not make housing affordable as rents still took more than 40% and even up to 90% of household income for many low-income tenants (e.g. Bates et al. 2019; Smith et al. 2014). While recourse to marginal housing seemed more common in Australia, Canada, New Zealand and the US, there was rich evidence of the poor housing conditions experienced by benefit claimants in the UK and the US. Poor housing conditions put tenants' physical and mental health and even their lives at risk, with children, older people and disabled individuals particularly vulnerable (e.g. Ginn 2010; Wright 2004).
- While poor housing conditions and affordability problems are more commonly experienced by lower-income renters, concerns about chronic tenure insecurity cut across the socioeconomic and demographic spectrum, except for students. Tenants' economic status mattered greatly in that lower-income renters have fewer housing options than middle-income tenants, thus they face harsher competition – not only in the gentrifying areas of global cities such as New York or Melbourne (e.g. Atkinson 2015) but also in the small towns of the UK (e.g. Ward 2015). Lower-income tenants are also the least likely to afford the added costs of relocation (e.g. Smith et al. 2014). Negotiating rent (and other welfare) support over relocation processes adds additional difficulties (e.g. DeLuca et al. 2013). We found that tenants' demographic characteristics matter to how tenure insecurity is perceived and relocation managed. Fear of eviction causes the greatest anxiety for old people, but also creates difficulties for migrants who are not yet familiarised with the local renting market and its institutions as well as for households with children who need to negotiate school access and create a sense of a secure home.

Future research of relevance to policy-making

- Across the reviewed literature, we observed important research gaps, most notably on: marginal forms of housing in the UK and Ireland; the experiences of some groups, with older people, families with children, students, migrants and particularly disabled people being under-represented; and forms of tenant activism (better evidenced in the US studies) and mechanisms of discrimination, which appears to be relatively country specific.
- It is important for research, policy and practice to listen to the voice of tenants and recognise that accommodating tenants' very diverse circumstances, preferences and socioeconomic (and even physical) characteristics – as evidenced through this review – requires them having greater control over their housing. It is timely to revisit Somerville's (1998) convincing call of empowering tenants through residence, including in the PRS. Giving primacy to tenants' voices and experiences is essential in monitoring recent policy changes in Ireland and Scotland that have relevance elsewhere; and in recognising tenants' aspirations not only for homeownership (in all sampled countries) but also for social housing (evidenced in Canada, Australia, New Zealand and the UK).
- Whilst national geographies are important to contextualise some of the institutional nuances of the PRS, household income and housing options also depend on the local associations between housing and welfare systems, and labour markets. Capturing tenants' lived experience is critical to understanding how local differences are constituted, including in under-studied rural locations, and the impact they have upon people's struggles to access good housing and make a secure and comfortable home.

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