

Housing in Northern Ireland and its implications for living standards: The Private Rented Sector

Housing Rights NI
21st November 2018

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NERI Working Paper Series

**Housing Provision in Northern Ireland and its
Implications for Living Standards and Poverty**

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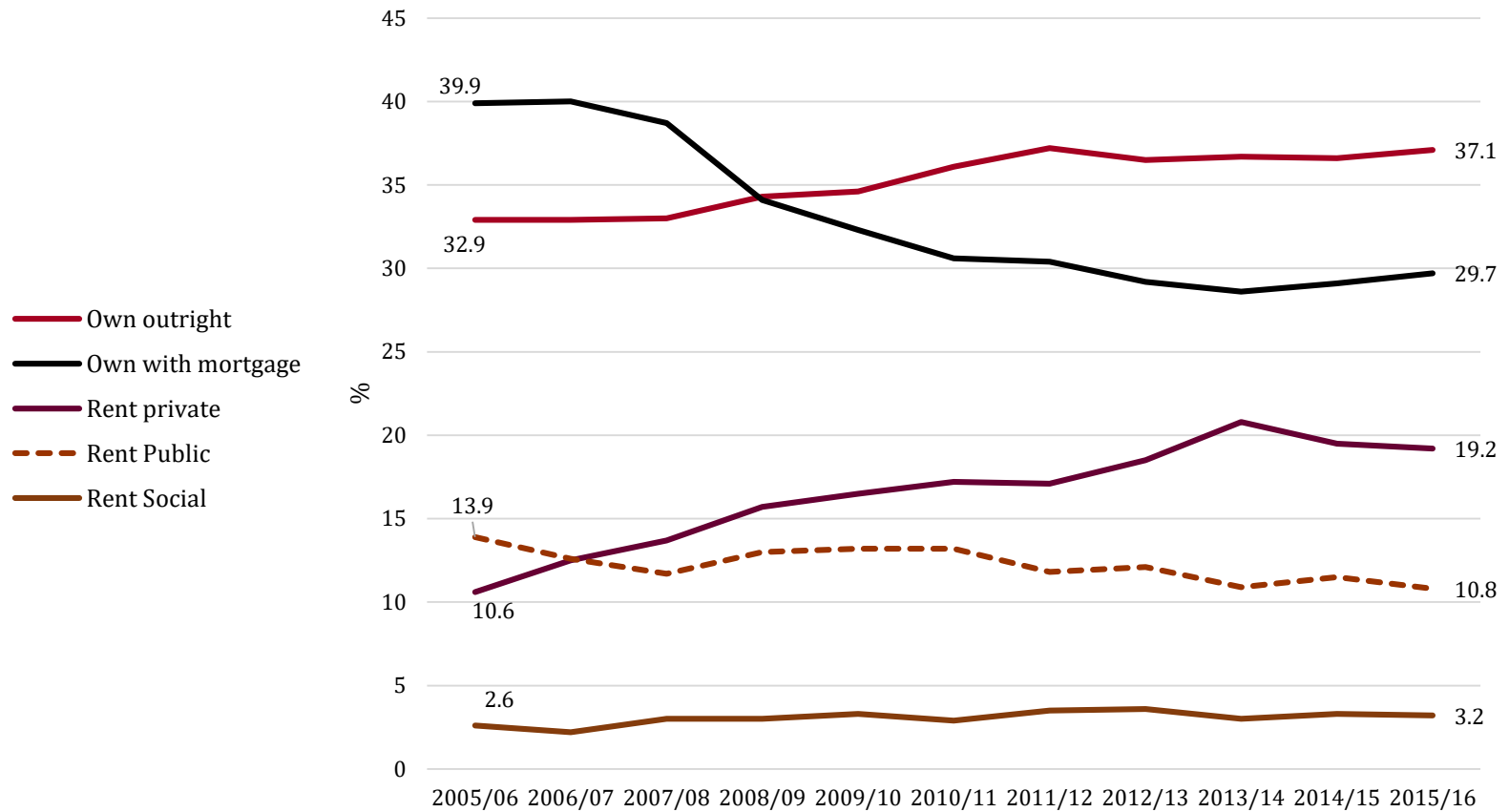
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	1981	1991	2001
Owens outright	49.4	26.0	29
Owens with mortgage	-	36.3	40.2
Rented from NIHE	39.3	29.4	18.6
Rented from HA	1.0	2.6	2.6
Rented privately	9.1	5.8	6.7
Other, not stated etc.	1.2	1.0	2.5

Housing Tenure

Source: Mac Flynn, P. and Wilson, L. (2018) *Housing Provision in Northern Ireland and its implication for living standards and poverty*, Dublin: NERI.



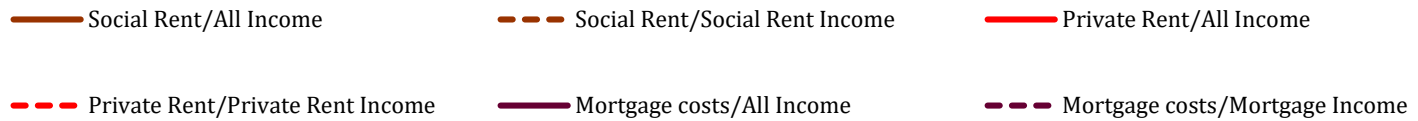
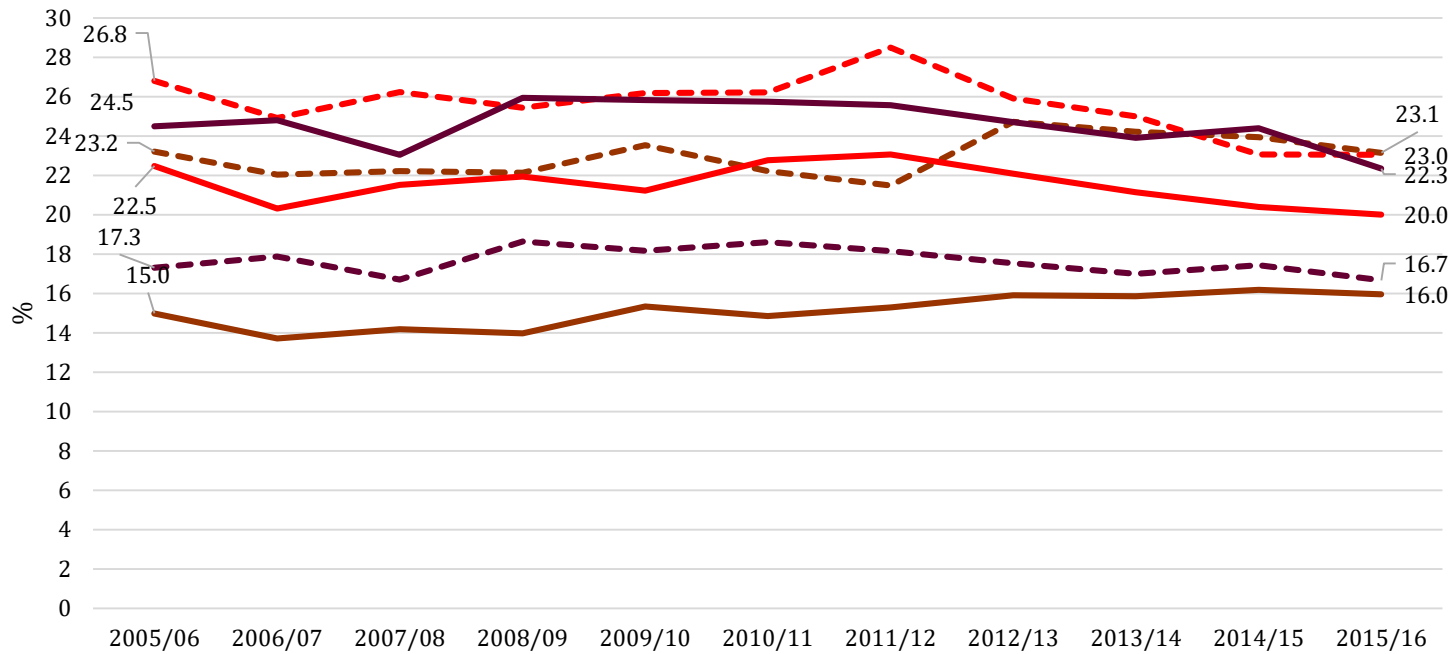
Housing Tenure

	NI	ROI	England	Wales	Scotland
Own outright	37.1	37.8	33	40.4	32.9
Own with mortgage	29.7	33.1	29.6	25.8	27.7
Rent private	19.2	19.2	20.3	14.6	17
Rent Public	10.8	8.9	7.6	9.8	13.2
Rent Social	3.2	1.0	9.4	9.5	9.3

Housing Tenure

Tenure type	Year	18-34	34-49	50-64	65+
Rented from NIHE	05/06	13.1	13	13.3	16.4
	15/06	10.4	10	11.4	11.2
Rented from HA	05/06	1.9	2	1.3	6.1
	15/06	4.7	2	2.7	3.9
Rented private	05/06	27.6	7	5.4	7
	15/06	50.2	20	7.8	6.6
Owned outright	05/06	7.8	15.2	43.6	68
	15/06	3.3	12.8	51.5	75.6
Owned with mortgage	05/06	49.6	63.5	36.4	2.6
	15/06	31.4	55.1	26.6	2.7

Housing Tenure



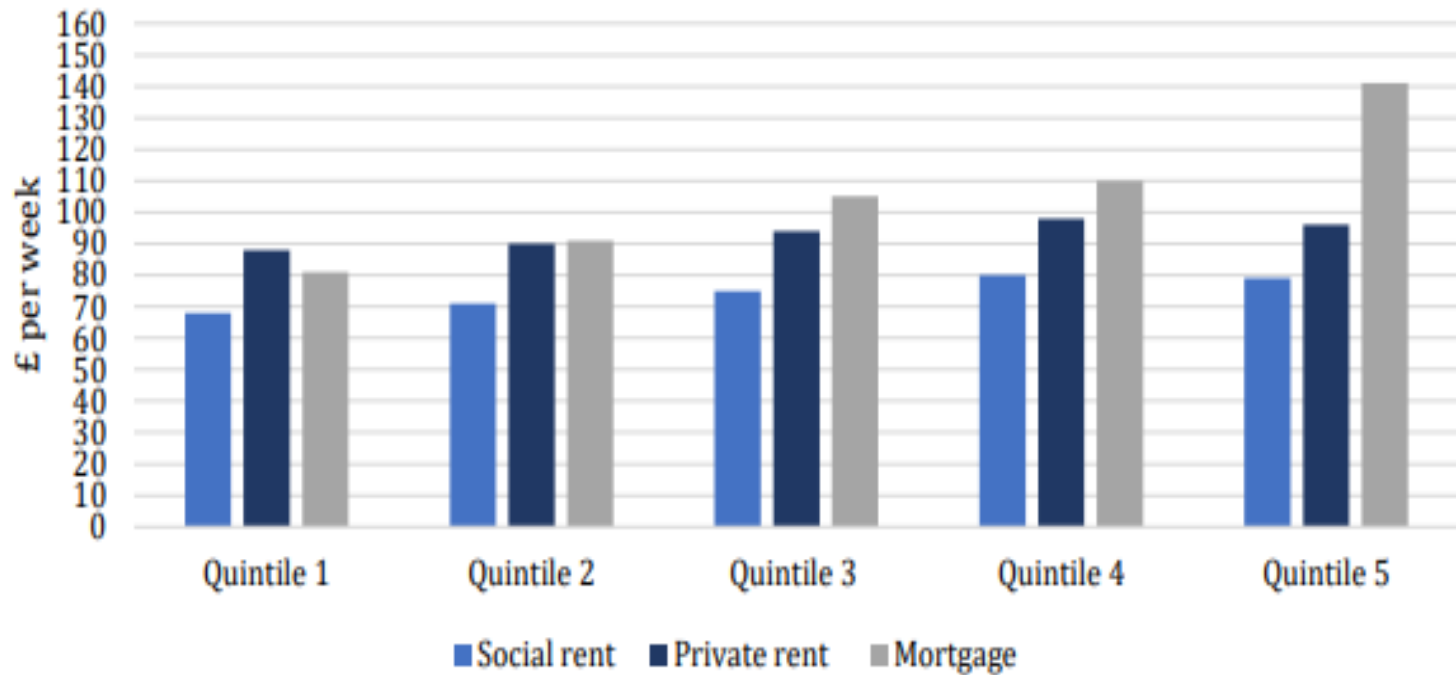
Housing Costs

	NI	England	Wales	Scotland
Social rent housing costs/Social Rent household income	23.1	30.2	28	23.5
Private rent housing costs/Private rent household income	23.0	31.7	30.7	27.2
Mortgage housing costs/Mortgage household income	16.7	19.0	15.8	16.3

Housing Costs

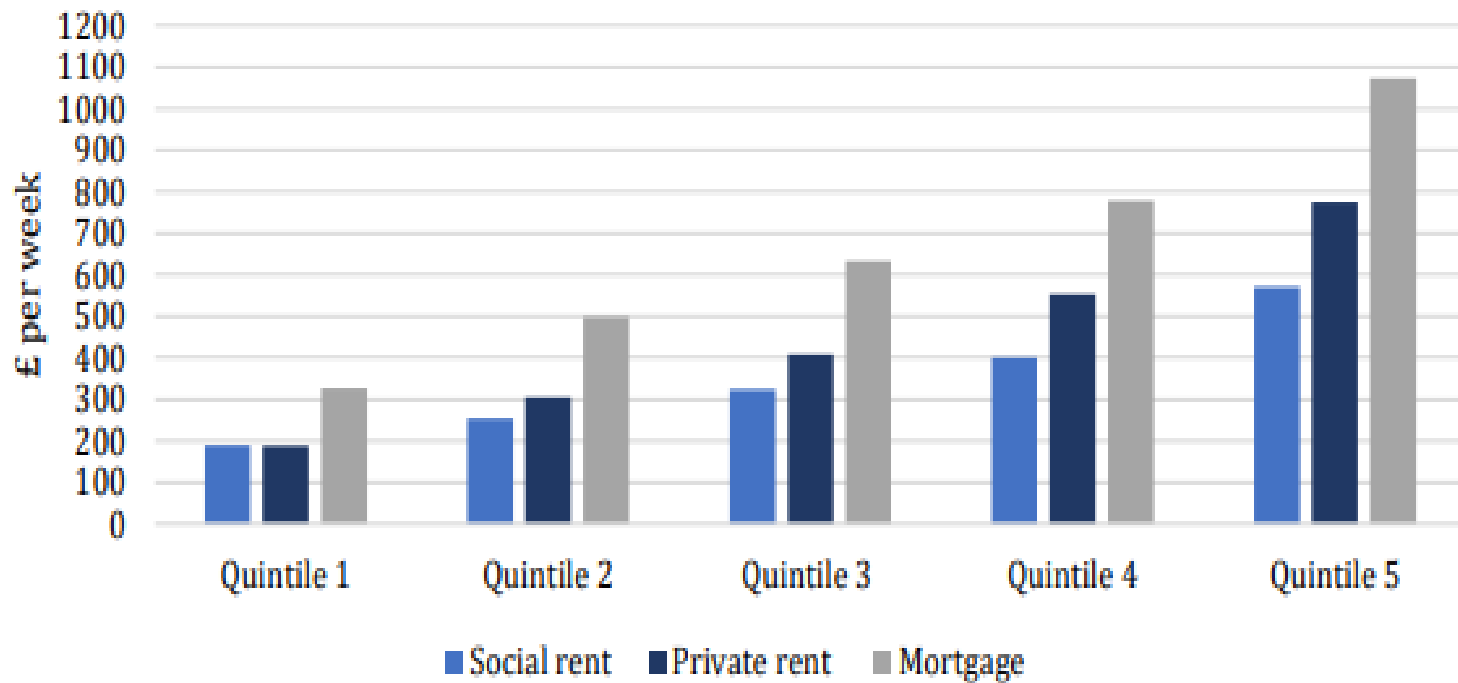
	All tenures	Social rent	Private rent	Mortgage
< 25%	67.9	57.7	61.3	79.2
> 25%	32.1	42.3	38.7	20.8
> 40%	9.5	10.5	13.8	5.4

Percentage of household income spent on housing costs



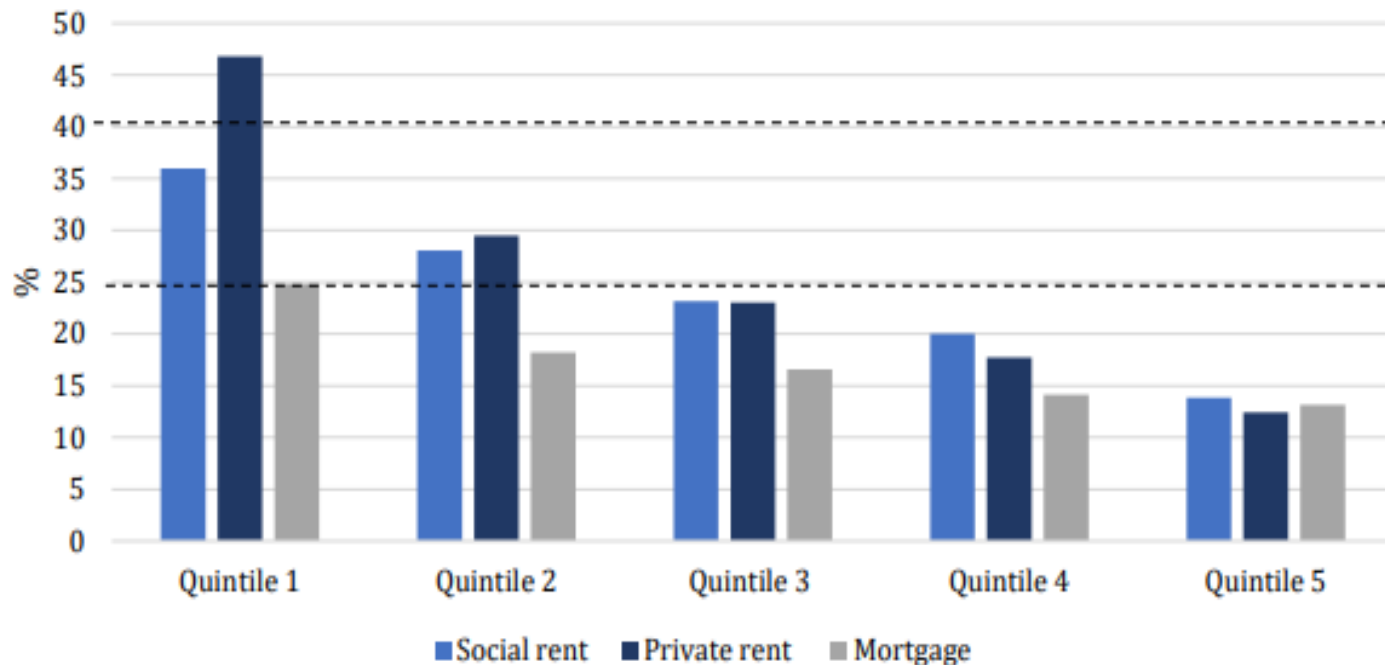
Housing costs across the income distribution, by tenure, 2015-16 ***

Source: Mac Flynn, P. and Wilson, L. (2018) *Housing Provision in Northern Ireland and its implication for living standards and poverty*, Dublin: NERI.



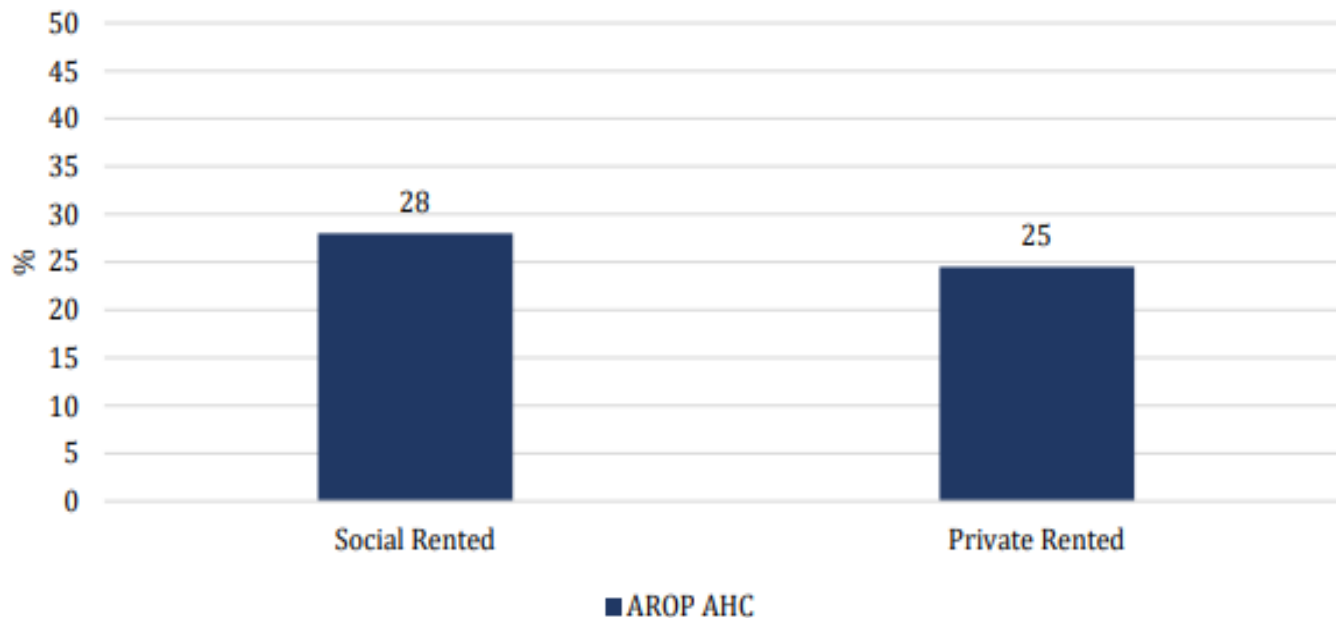
Net household income across the income distribution, by tenure, 2015-16 ***

Source: Mac Flynn, P. and Wilson, L. (2018) *Housing Provision in Northern Ireland and its implication for living standards and poverty*, Dublin: NERI.



Percentage household income spent on housing costs across the income distribution by tenure, 2015-16 ***

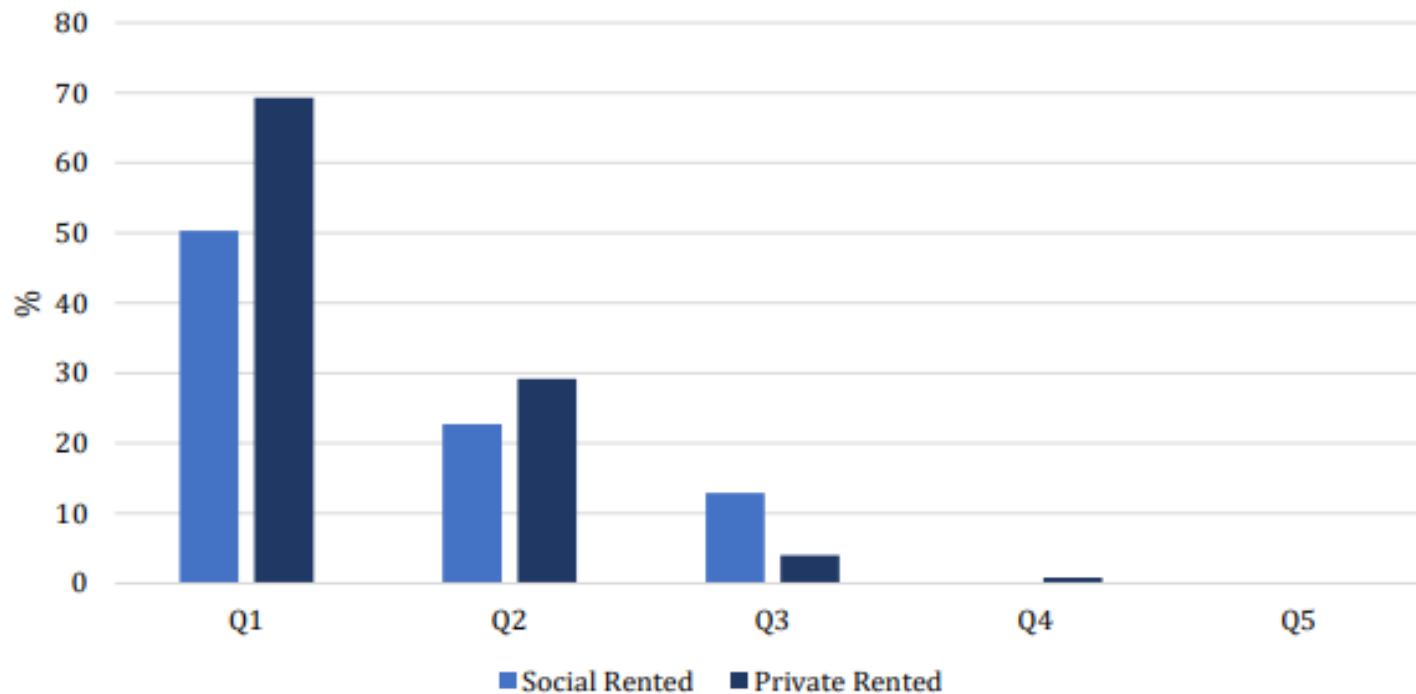
Source: Mac Flynn, P. and Wilson, L. (2018) *Housing Provision in Northern Ireland and its implication for living standards and poverty*, Dublin: NERI.



Source: Family Resources Survey, NISRA (2017)

Note: *** = Relationship statistically significant at the $p < 0.001$ level.

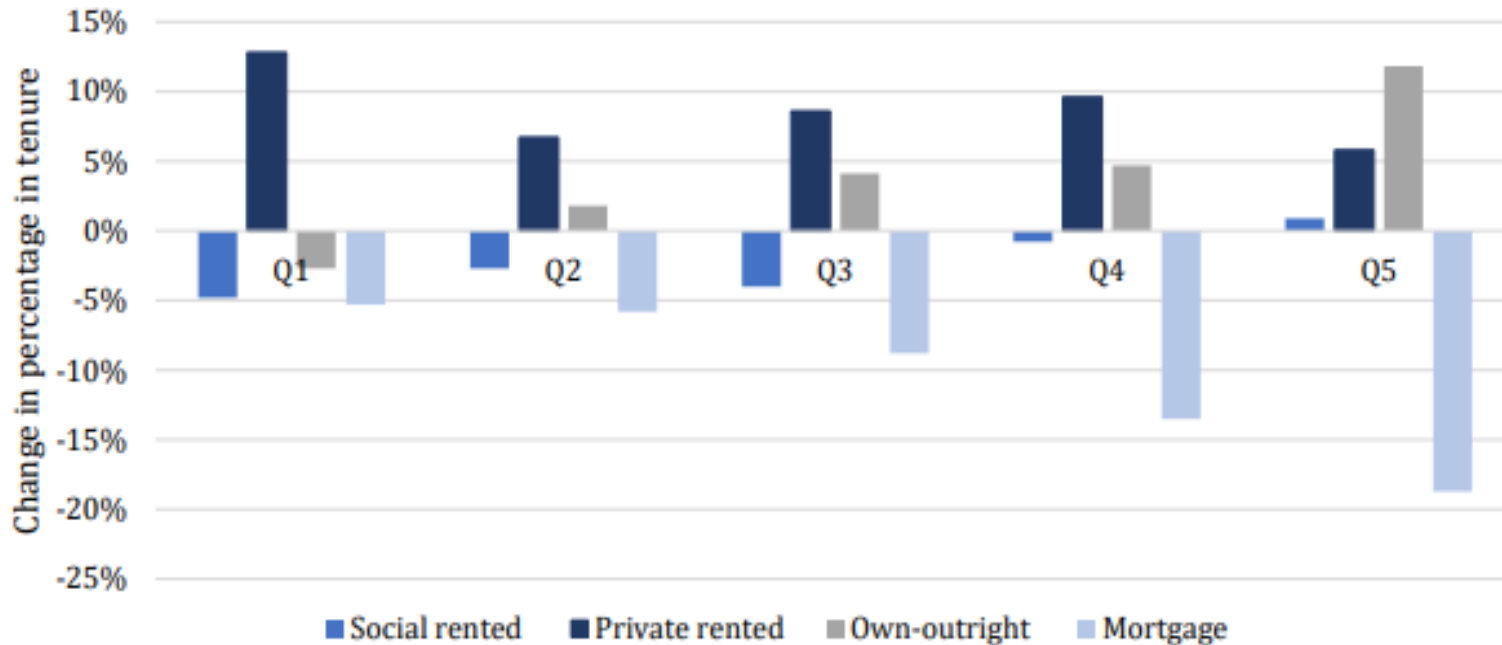
Percentage of households at-risk-of-poverty after housing costs by tenure, 2015-16



Source: Family Resources Survey, NISRA (2017)

Note: *** = Relationship statistically significant at the $p < 0.001$ level.

Risk of being in poverty after housing costs for those in different income quintiles, by tenure, 2015-16 ***



Source: Family Resources Survey, NISRA (2017)

Change in percentage of those in different tenure types across income quintiles between 2005/06 and 2015/6

	Social rented	Private rented
Economic status		
All adults in employment	7.1	22.2
At least 1 adult in work	19	32.2
No adult of working age in employment	73.9	45.7
Household composition		
Pensioner couple	1.1	1.4
Pensioner single	8.1	3.5
Couple with children	15.8	16.9
Couple without children	7.9	13.6
Lone parent	29.8	19.8
Single	37.3	44.8
Age category		
16-34	25.6	58
35-49	35.6	19.1
50-64	29.6	17.1
65 +	9.2	4.9
Gender		
Male	41.7	51.3
Female	58.3	48.7
Health		
Good	48.1	60.2
Fair/Bad	51.9	39.8

Characteristics of those at-risk-of-poverty after housing costs

Reflections on Housing/Housing Policy in Northern Ireland

- Interaction & link between housing market indicators & other socio-economic indicators crucial.
- In the social rented sector, affordability problems are explained by lower income.
- In the private rented sector, affordability problems are explained by too high housing costs.
- In terms of housing policy - suggest that we need not seek to intervene in terms of the cost of private rents.... But that it is a tenure problem, which can be explained by the 'residualisation' of social rented sector.
- Solution is to intervene through increasing supply of social rented housing - suggest that this should be done via NIHE.

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