

Two thirds of people in their 20s now live with their parents – here's how it affects their lives

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Credit: AI-generated image ([disclaimer](#))

Gone are the days when living at home in your 20s was seen as an embarrassing sign of arrested development. Today, [63% of single adults](#) between the ages of 20 and 29 live with their parents, as do just over half of 25- to 29-year-olds. This inevitably raises issues about how families

share costs, and what sort of living standards both older and younger generations can maintain in this arrangement.

At the [Centre for Research in Social Policy](#) at Loughborough University, we've established a [Minimum Income Standard](#), based on what income members of the public say is necessary for a person to meet their material needs and participate in society. According to [our latest research](#), a single person living on their own in a rented flat needs to earn at least £18,400 a year, rising to £27,000 in London, to reach this minimum standard.

We found that, for young [adults](#) with modest means, high housing costs and difficulty saving money are the main motivation for living with [parents](#). As well as saving on rent, a combined household can share the cost of council tax and water bills, save on heating and potentially save money by bulk buying food and other goods. Our research identified potential savings of about £7,000 a year, as a result of a single person living together with their parents, rather than separately.

Arguably, living this way also makes efficient use of the UK's [limited housing stock](#), by keeping family homes fully occupied. Yet our research – based on focus groups of young adults and parents who live in such situations – identified some thorny dilemmas within these living arrangements, particularly where they are not a temporary transition, but may last for years.

A difficult dynamic

The parents we spoke with saw sharing the family home as a way of helping their sons and daughters to get established. Some hoped it would assist them to save for a deposit on a house, or take other steps towards independence.

But many parents couldn't help observing cases where their children leveraged this help to spend far more than they expected, for example by buying the latest technological gadgets, or eating out frequently. As a result, parents wondered whether they were wrongly subsidising such a lifestyle, when their grown-up children should be taking more financial responsibility.

Young adults living with their parents maintained that some such expenditures were justified; for example, they thought if you live in your parents' home, you will eat out more often than if you had your own place, where you are more likely to socialise by asking a friend around for a meal.

Difficulties are bound to arise when related adults live together, and to some extent pool their [economic resources](#), while still living largely separate lives. This creates economic relationships full of ambiguities, as parents desire to do the best for their sons and daughters, without having the same control over how their children live as they did when they were dependent. At the same time, young adults have to negotiate living as independent adults, within their parents' "domain."

Paying their way

These tensions emerged most clearly in discussions about how much young people living with their parents should contribute to household costs. Both the [young adults](#) and parents taking part in our study agreed that, while parents would pay most household bills, they should receive some contribution from the young adult in the form of a regular "board" payment.

But there was little agreement on how to establish a fair price for this payment. Some participants thought it would be good to have some guidelines, yet attempts to formulate them revealed a wide variety of

views over how much a young adult should contribute. All of our participants felt that it would depend on the financial situations of both the young adult and their parents.

Some parents argued strongly that trying to create a formula for this contribution missed the point that a family relationship is not a commercial relationship, as with a landlord: it is guided by emotions, not just rational principles.

Nevertheless, based on the information provided by our participants, we were able to make some interesting calculations. We found that the additional cost to parents of having a son or daughter at home – such as buying more communal groceries or spending more on heating – could be fairly modest, compared with the savings made, costing a minimum of about £100 a month.

This means that with only a relatively small contribution, a young adult can ensure that their parents are not out of pocket, while still retaining large savings from living at home. Even after this contribution, they could potentially reach a minimum living standard earning around £9,000 a year – compared to the £18,400 that they would have to earn if living on their own (outside of London).

The hidden costs

Yet these calculations make some important assumptions about the parents' situation. One is that the parents themselves are well off enough to provide a decent home, which is adequately furnished and heated. The calculations also assume that, because parents had a bedroom available when their son or daughter was growing up, they would still have it when they reach adulthood.

Keeping a spare bedroom can imply serious additional costs for less well-

off families. They might have to maintain high rates of private rent or be unable to downsize to ease the transition to retirement. Those living in social housing will be under pressure to downsize to avoid the [bedroom tax](#) if their son or daughter spends time living away at university, for example.

As more young people in their 20s are living in the [family home](#) well into adulthood, it's crucial to remember that not all parents own their home and have plenty of spare space, as well as the financial resources to support their adult children.

What's more, if it becomes more common for people to live at home with parents even into their 30s, this will begin to affect parents' retirement plans. The transition from work to retirement is typically managed with the help of a reduction in housing costs, or the opportunity to draw on housing assets by downsizing. As [future pension prospects](#) wane, housing choices in retirement will become even more important.

If the parents are still sharing a home with their children when making these decisions, they may need to become more disciplined to negotiate a fair contribution towards the costs of keeping a room available for their sons and daughters to live in. Yet our research shows just how hard that is for parents, who will never see a son or daughter as a paying lodger, but always as part of the family.

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