

# 'THROUGH THE ROOF'

HOUSING AND THE COST-OF-LIVING CRISIS  
FOR PUBLIC SERVICE WORKERS

THROUGH  
THE ROOF

## ABOUT UNISON



**UNISON** is the UK's largest trade union with over 1.3 million members, of which 70% are women. UNISON members work predominantly in public services, for private contractors and charities providing public services, and in the essential utilities. They include frontline staff and managers working full or part-time in the NHS, local authorities, colleges and schools, the police service, utilities (electricity, gas and water industries), transport and the community and voluntary sector (including housing associations). Many of them are in low-paid employment, working in sectors like social care and catering. UNISON is a major union in the social housing sector and actively campaigns on housing issues affecting our members and citizens.

## ABOUT LABOUR RESEARCH DEPARTMENT

The **Labour Research Department** (LRD) is an independent trade union-based research organisation providing information to support trade union activity and campaigns. It has around 1,000 affiliated trade union organisations and individuals, including 40 national unions which together organise more than 99% of total TUC membership. UNISON is affiliated nationally, as are 320 UNISON branches. The LRD publishes two monthly magazines, *Labour Research* and *Workplace Report*, a weekly digital bulletin, *Fact Service* and a series of guides and handbooks, including the annual *Law at work*.

## ACKNOWLEDGEMENTS

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## ABOUT THE RESEARCH REPORT

Housing is a devolved matter in UK public policy. The Westminster Government, Scottish Parliament, Welsh and Northern Irish Assemblies are each responsible for housing policy in their respective nations although social security policy related to housing is reserved to Westminster.

This research report was published in June 2023, and provides insights into the housing issues faced by UNISON members across **all four nations of the UK: England, Wales, Scotland and Northern Ireland**. It was researched and written by Researcher **Lionel Fulton** of Labour Research Department.

## RESEARCH METHODOLOGY

UNISON ran the survey from December 2022 to February 2023, to gain a comprehensive picture of the housing issues our members face. More than 2,600 UNISON members, working across a wide range of public services and across the four nations of the UK, completed the survey. This asked respondents questions about the costs, conditions and suitability of their housing, and the implications of the cost-of-living crisis on their housing and living standards. In addition to analysing the responses to the survey questionnaire, the research report also presents the experiences of UNISON members, in their own words, explaining the housing issues they face, and how they are responding to the pressures of the housing and cost-of-living crises. The report also draws on existing housing studies and data from other sources, including the Office for National Statistics (ONS) on house prices and rents across the UK, and the Joseph Rowntree Foundation on UK poverty statistics covering housing and the cost-of-living.

**For further information on UNISON and our housing campaign, please visit: <https://www.unison.org.uk/at-work/community/key-issues/housing/> or contact [policy@unison.co.uk](mailto:policy@unison.co.uk)**

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# 'THROUGH THE ROOF': HOUSING AND THE COST-OF-LIVING CRISIS FOR PUBLIC SERVICE WORKERS

## EXECUTIVE SUMMARY

Rent levels are driving up poverty amongst essential public service workers and their families who live in private or social rented homes. A combination of rising prices and escalating housing costs mean financial struggles are a growing reality for UNISON members in both part-time and full-time roles like cleaners, clerical and social care staff and teaching assistants, the majority of whom are women. Workers on lower earnings living in rented accommodation are most at risk and this includes greater numbers of Black workers\* and young workers.

UNISON's survey found the rapid rise in housing costs in the rented sector is putting low paid members at risk of destitution (defined as when people lack two or more of six essentials in the past month, which includes those who have experienced food insecurity).<sup>1</sup> **More than 1 in 20 members who responded (6%) say they are relying on food banks to feed their family.** Almost 1 in 4 members say they are 'really struggling to manage' now and cutting back on food and essentials.<sup>2</sup> Single person households who lack the cushion of an extra income are especially at risk.

Low pay is the root cause of poverty in the UK – most households in poverty have at least one person working.<sup>3</sup> Our survey shows that UNISON's success in protecting and securing improvements for the lowest paid in the NHS, local councils, and other public services is being undermined by continual rises in living costs.

Housing is the largest component of these costs. While low pay is the main *cause*, our market-driven housing system is the main driver of poverty and of wealth.<sup>4</sup> There is consensus about this across the political spectrum from the left-of-centre Institute for Public Policy Research (IPPR)<sup>5</sup> to the free-market Institute of Economic Affairs (IEA).<sup>6</sup>

Our survey looked at the proportion of their income that members spend on housing costs. Almost one third of private renters (32%) and a quarter (25%) of social

renters **spend 60% or more** of their household income on housing. While there are regional variations, generally private rental, housing association and council tenants who are among UNISON's lowest paid members are spending more of their household income on housing than those buying a home with a mortgage. In addition, more renters than mortgage holders report increases in their housing costs.

UNISON's survey provides evidence that deepening poverty is not just a temporary 'cost-of-living' crisis but has long-term structural causes that must be tackled by Government. The way we provide homes for people is at its heart. This report outlines the policy solutions that our members want to see to tackle the housing crisis, to ensure that there is sufficient provision of quality and genuinely affordable energy efficient homes that are accessible for public service workers in every region and nation of the UK.

## SUMMARY OF KEY FINDINGS

The survey findings show that housing costs are a major cause of financial stress for public service workers particularly for those in private rented homes (27% of survey respondents). The findings demonstrate that across the UK a market approach to housing provision is failing to meet public service workers' housing needs.

### ***Rising housing costs are a major burden on households especially those in rented homes:***

- Housing costs have increased for almost two-thirds (63%) of public service workers.
- Most survey participants are on lower incomes and spending a higher proportion of their income on housing costs (53% of them earn between £15,000 and £30,000 a year; 77% earn less than £30,000 a year; and 63% earn less than £25,000):
  - Nearly 60% of overall respondents spend 40% or more of their entire household income on housing costs.

\* In UNISON, Black describes people in Britain that have suffered colonialism and enslavement in the past and continue to experience racism and diminished opportunities in today's society.

- Almost a third (32%) of those in private rented accommodation spend 60% or more of their household income on housing; as do 25% of housing association tenants; 24% of council tenants and 19% of those paying a mortgage.
- Half of respondents (50%) spend between £401 and £800 a month on housing costs, with those in the private rented sector paying the most.
- The high costs of housing means that some respondents live too far from their place of work, and this issue is greatest for those in private accommodation, where 12% state they live too far from where they work, because it would cost too much to live closer. Some respondents are also spending large proportions of their income to commute to work, impacted by increased petrol prices and train fares for some.

### **Many public service workers are struggling to afford their housing costs:**

- More than a quarter of respondents (28%) say they are worried about meeting their rent or mortgage costs.
- One in six (16%) say they are struggling to pay their rent/mortgage.
- Private tenants are more likely to say that they are struggling to pay their housing costs than other groups, with 23% stating this is their situation.
- Among those currently without a mortgage, 61% have no plans to get one. However, of those who did plan to apply for a mortgage, 10% now will not do so, and 21% still want a mortgage but have delayed their plans.
- Almost a third (32%) of respondents said the cost of housing is causing them to look elsewhere to live and work. This compares with 47% of those who privately rent, 26% of those who own their own home with a mortgage, and a similar number of council tenants, and 30% of those in housing association homes.

### **Cutting back on food, living on credit, relying on foodbanks:**

- A majority (80%) of respondents overall said that they are “just about managing” or were “really struggling to manage financially”. This is particularly the case for those who work in social care, the NHS, local authority schools and those working across multiple sectors.
- The crisis means that a majority (almost 60%) are spending less on food and essentials; around a quarter are using credit cards to pay household bills; some have resorted to borrowing from a payday lender; and others have had to claim Universal Credit or other welfare benefit; or are relying on a food bank to feed their family.

### **Poor quality housing is a concern across housing tenures:**

- The quality or suitability of housing is a concern for respondents, especially for those who are private or social tenants. The survey found that many are living in overcrowded conditions (especially in the social rented sector); or in poor quality housing where disrepair and poor maintenance is prevalent (especially in the Private Rented Sector); or live in homes that are not well maintained or insulated or satisfactory to meet their needs, with many respondents (especially social and private tenants) expressing dissatisfaction with their housing.
- Overall, 20% said they would like to move but cannot afford it. The numbers expressing this view is highest among private tenants and those in other housing types, such as sharing with another household.

## **RECOMMENDATIONS**

The report recommends that Governments take action to:

1. Invest significantly to increase the supply of all types of housing – particularly social housing at social rent rates, built by councils and housing associations – to ensure that there are sufficient new quality and energy efficient homes available that are genuinely affordable to public service workers across the nations. This will help boost the economy, create jobs and lower housing costs for everyone.
2. Prioritise existing and new homes that can be accessible and affordable to public service key workers.
3. Allow councils to retain 100% of capital receipts so they are able to make their own decisions about how they are deployed and whether they are invested in the existing stock, acquiring homes or building new ones.
4. Restore direct investment in public housing through upfront capital grants from Government to enable the building of a new generation of council and genuinely affordable social rented homes.
5. End the use of so called “affordable rent” homes set at 80% of market rates, which are beyond the reach of people on modest incomes, and establish a new definition of “affordable housing” linked to the incomes of people in the lowest earnings quartile, not market prices.

6. End the Right to Buy schemes in England (in line with Scotland and Wales) so that councils can adequately house homeless households and the vulnerable, addressing housing need. In Northern Ireland, end the Right to Buy scheme for NI Housing Executive tenants.
7. Legislate to effectively regulate the Private Rented Sector to make it secure, stable and affordable for renters, to include measures to improve tenants' rights, such as open-ended tenancies, longer notice periods, safeguards to prevent tenants from being unfairly evicted from their homes when they are not at fault, and minimum standards to ensure private rented homes are free from serious disrepair.
8. Fund tenants legal and advocacy services and resource councils to enforce landlord compliance.
9. Legislate to bring in bolder reforms to improve the quality and standards of housing across the housing system, including extending the Decent Homes Standard to the Private Rented Sector.
10. Legislate to introduce a system of rent controls to protect private renters from unpredictable, extortionate rent increases, which will help to improve stability and affordability in private renting.
11. Reform the Welfare System to help more people meet their housing costs, by raising the Local Housing Allowance (housing benefit) to the average or median rent, ending benefit caps, restoring the £20 per week uplift to Universal Credit (UC), ending the five-week wait for the first payment and replacing this with non-repayable grants.
12. Give public service workers a pay rise, at least in line with inflation, and take action to increase minimum and living wages, to ensure they reflect the actual costs of living people face.



# INTRODUCTION

Housing is consistently ranked as a major cost-of-living issue among UNISON members, who are public service workers. Where they live and what they pay for it has a massive impact on their lives, prospects, mental health and general well-being. Against this background, UNISON carried out a major survey of its members, across the UK, who work across essential public services, including: the NHS, education, social care, in charities, non-profits, and local authorities, to find out more about how the costs and conditions of their housing, as well as inflation and the cost-of-living-crisis, is affecting them.

This research report produced by the Labour Research Department (LRD) and commissioned by UNISON, reveals that a majority of our low-paid members, especially those who are private tenants, often experience expensive and poor quality housing. They are facing the greatest rise in housing costs, and

combined with the cost-of-living crisis this is driving them into financial hardship and poverty, with many having to spend less on essentials such as food, relying on food banks or going without heating. By capturing the experiences of our members, our survey tells an important story. Our findings reinforce existing evidence that those on lower incomes are facing the greatest increases in housing costs and therefore that housing is a key driver of in-work poverty.<sup>7</sup>

The report also sets out recommendations, based around member priorities, on how to tackle the housing crisis, to ensure that the housing needs of people, especially public service workers, are met. This will in turn address recruitment and retention concerns within public services, where the high cost of housing is making public service workers consider moving to live and work in a more affordable part of the country.





# POLICY CONTEXT – THE HOUSING CRISIS

The UK's housing system is in a state of crisis. For far too long the policy focus has been on stimulating a housing market that sees housing as an investment, and not a home. This has led to a housing market driven by private development and profit, which in turn has made housing increasingly unaffordable. The crisis deepened during the height of the pandemic and is worsening during the current cost-of-living crisis.<sup>8</sup> Governments across the nations agree that reform is needed to tackle housing issues, including lack of housing supply, affordability, insecurity, and poor-quality housing, but not enough is being done, and at the pace needed, to adequately address these issues.

Housing markets vary across the four nations of the UK: England, Wales, Scotland and Northern Ireland; with each having its own unique set of issues and challenges.<sup>9</sup> However, there are common problems that they all face. Across the UK, house prices, rents, interest and mortgage rates have risen very sharply. According to the Office for National Statistics (ONS), “average house prices increased over the 12 months [to March 2023] to £304,000 (4.1%) in England, £214,000 in Wales (4.8%), £185,000 in Scotland (3.0%) and £172,000 in Northern Ireland (5.0%)”.<sup>10</sup> High housing costs are creating huge affordability problems for people, especially low-income households, who are forced to spend a higher proportion of their hard-earned monthly wages on their accommodation.

In many parts of the UK, housing costs continue to rise faster than wages, while not enough good quality homes, especially genuinely affordable council and social rented homes, are being built or are available to rent or buy. This is due to failed housing policies, austerity and Government funding cuts, including the Right to Buy policy which has also led to a loss of social rented homes, through sales to “sitting tenants”, which often end up as expensive private lets.<sup>11</sup> The result is that both home-ownership and social housing have become inaccessible for many. The shortage of genuinely affordable housing is leading to a rise in overcrowding, evictions and homelessness.

Within the Private Rented Sector, private tenants face rising and extortionate rents, as demand continues to outstrip supply. Figures by the ONS, show that in the UK (except London) “private rents rose 4.8% in the year to April 2023, and by 5% in London, the strongest annual percentage increase in London since November 2012”.<sup>12</sup> In Northern Ireland, average private rent grew by 9.8% in the year to February 2023 – higher than any other UK region.<sup>13</sup> Rental figures also show that the median monthly rent in England between October

2021 and September 2022 was £800, the highest rate on record.<sup>14</sup> In Scotland following an initial rent freeze, increases to private rents have been capped at 3% for existing tenants until September 2023, although landlords can apply to have this increased to 6%. This also applies to mid-market rent (MMR) tenancies with social landlords.

Within social housing, tenants also face rent rises. In England social rents can increase annually by Consumer Price Index (CPI) + 1%, which means that with soaring inflation, the application of this formula would have seen rents rise by 11% (based on the UK inflation rate), and so there was the potential for rents to increase significantly had the UK Government not applied a rent cap of 7% which came into effect in April this year. There is no rent cap for social tenants in Scotland, but an agreement between the Government and social landlords that increases will be ‘affordable’. This means social tenants are facing average rent increases of 5-6%. Even with these measures, rent rises risk pushing social tenants further into financial hardship.

Rising and unaffordable rents in the Social Rented Sector are also attributed to the application of the “so-called affordable rents policy in England”.<sup>15</sup> This allows English councils and housing associations to set rents at “affordable rents” for social homes, which include “social rent, shared ownership and affordable rent homes”. Of these, only social rent is truly affordable. “Affordable rents” are not based on household incomes, but rather on rents or purchase costs of up to 80% of the local market rate, which is more expensive compared to traditional social rents for an equivalent sized property in an area, given the high private rental rates. This is out of reach of low-income households. This “affordable housing policy” has shifted resources away from the delivery of social rented homes to more sub-market homes through increased rents rather than grant funding, resulting in significant cuts in funding and a drastic decline in new social rent homes built by councils and housing associations. This has in turn driven up rents and house prices.

Decades of wage stagnation, inflation, the cost-of-living crisis and higher rental costs, have left low-paid public service workers ‘overburdened’ and struggling to manage financially, which is driving them into poverty. Research by the Joseph Rowntree Foundation (JRF) warns that “housing costs are much higher in real terms for low-income social and private tenants than twenty-five years ago, and that the poverty rate is highest among these two groups of tenants, compared with home-owners”.<sup>16</sup>

Many social and private tenants, disproportionately impacted by the housing crisis, depend on housing benefit to help meet their housing costs. However, reforms to housing benefit (which has been frozen since 2020) mean that the benefit no longer adequately covers rental costs. This has also left increasing numbers of people struggling to meet housing costs during the current cost-of-living-crisis, as they did during the height of the pandemic when some households lost their employment or saw their incomes reduced. It is therefore important that the Government takes action to reform the Welfare System to help people with their housing costs, so it reflects the real costs of renting.

Housing is a major driver of poverty and a contributor to widening wealth inequalities among people.<sup>17</sup> Until the UK housing crisis is addressed, levelling up opportunities for much of the country will remain extremely limited – especially if housing policies continue to focus on stimulating a housing market that sees housing as an investment, and not a home where people can put down roots, find employment and plan their lives.



# SURVEY FINDINGS: PRIMARY CONCERNS

The survey responses highlighted primary concerns around high housing and living costs; their impact on the living standards of UNISON members; and the quality of their housing.

## RENTERS HIT HARDEST BY RISING HOUSING COSTS

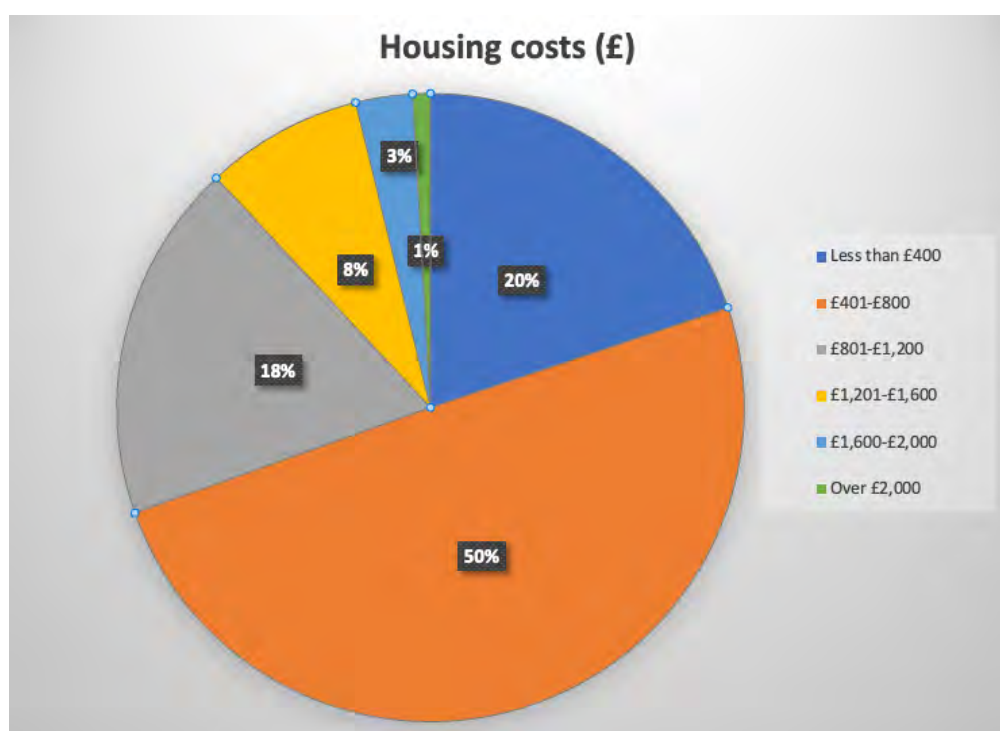
Housing is by far the largest component of living costs. Housing quality, including energy efficiency standards, is also closely connected to heating and energy costs. Our survey found that rising housing costs are placing members under overwhelming financial pressures and it is renters who are at the sharp end. Despite the rise in interest and mortgage rates, renters are under more pressure than members buying their own homes with a mortgage, the majority of whom at the time of our survey were still protected by fixed rate deals.

Just under half of members (49%) taking part in our survey rent their homes: 27% rent privately while 22% are social housing tenants. Half of the respondents (50%) are spending between £401 and £800 a month on their housing (see Chart 1).

As a result of Government housing policies since the 1980s, councils and housing associations now mainly provide homes to households with lower incomes. In our survey, almost a third (31%) of those earning less than £10,000 pa and a quarter (26%) of those earning £10k-£15k in our survey are social housing tenants.

- Two thirds (63%) of overall respondents say their housing costs have risen over the last two years.
- Housing costs have risen for 75% of private tenants in our survey; and for almost all (98%) social tenants.
- Mortgage costs have risen for 45% of owner-occupiers paying for their home with a mortgage (59% of whom said that they have a fixed-rate mortgage).

**Chart 1**



# HOUSEHOLD INCOMES ARE OVER-BURDENED

The Organisation for Economic Co-operation and Development (OECD) says that housing is considered affordable providing households spend no more than 30% of their gross income on housing costs, and that those spending more than 40% of their disposable income on housing are ‘overburdened’.<sup>18</sup> Our survey findings suggest that lower paid public service workers are “overburdened” by unaffordable housing costs and subsequently being pushed into poverty.

At most earnings levels in our survey, between a quarter and a third of members responding are private renters. Housing costs are highest in the Private Rented Sector (PRS) and private tenants in our survey spend the highest proportion of their income on housing costs. However social renters closely follow. See below and Chart 2.

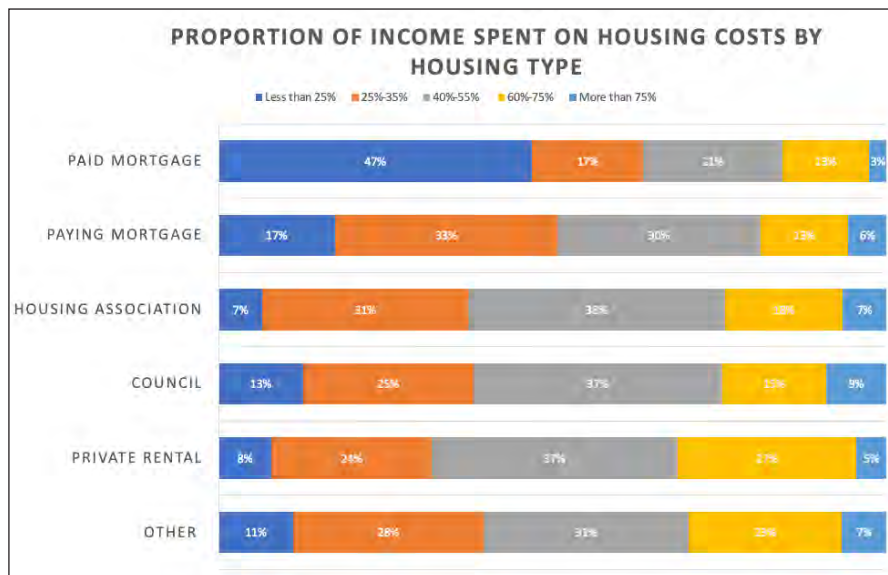
This reflects the fact that housing association and council tenants have lower incomes than home-owners.

- Among those paying a mortgage, 17% spend less than a quarter of their income on housing, and 19% spend 60% or more.

*Respondents were asked to estimate the proportion of household income spent on housing to the nearest 5%.*

Rising rents in the poorly regulated Private Rented Sector (PRS) are an issue for our members who are private tenants, as our survey data clearly shows. Three quarters (75%) said that rents have gone up by more than inflation, with 18% specifying that they have risen by inflation plus 1%, and 57% stating simply that they have gone up by more than inflation. Those privately renting have had less protection against costs rising. Yet, there is no commitment by the UK Government to introduce a system of rent controls or caps in England to limit rent increases to prevent private landlords from charging private tenants extortionate rents. The Scottish

**Chart 2**



- Almost six out of 10 (59%) of all respondents spent 40% or more of their household income on housing.
- Almost a third (32%) of members renting privately spend 60% or more of their total household income on housing.
- Younger workers are more likely to live in private rental accommodation, although there are substantial numbers of private renters of all ages.
- A quarter of social renters – 25% for those in housing association properties and 24% for those living in council accommodation – spend 60% or more of their household income on housing. This is a larger proportion than among those paying a mortgage. Generally housing association and council tenants are spending more of their household income on housing than those who own their own home with a mortgage.

Government rent cap for existing private tenancies runs until September 2023. And a national system of rent controls for the private rented sector will be introduced via legislation planned for later in 2023.

Most social tenants have seen their housing costs go up by inflation plus 1%. This is in line with current UK Government policy that annual rent increases in social rent and “affordable rent properties” should be set at up to CPI plus 1 percentage point. This is the main reason why rents are becoming more expensive in the Social Rented Sector. With increasing numbers of social tenants experiencing poverty, it is important that rents set reflect the incomes of people in the lowest earnings quartile, and not market prices; and that Local Housing Allowance or Housing Benefit are set at rates that cover housing costs in full.

# TRAVEL TO WORK AND HOUSING

The survey found that travel to work time is greatest for those in private rented accommodation, where 12% state that they live too far from where they work because it would cost too much to live closer. As housing costs increase, more people are forced to live further away from their jobs which means spending more time and money on travelling. This affects time spent with family and disrupts lives. The issue is compounded by rising petrol prices and public transport fares.

## UNISON members say:

*“Getting into debt on my credit card. My house needs work such as new windows but cannot afford to get this done. Eating fewer hot meals and struggling to meet demands of travelling for work due to petrol costs.”*

(Occupational therapy assistant)

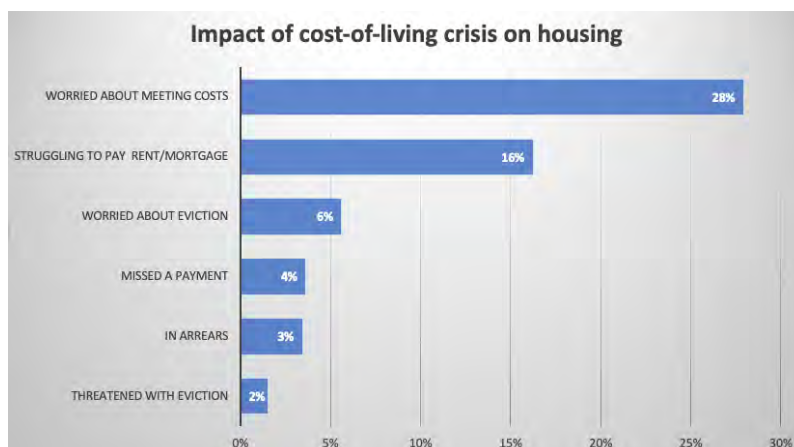
*“My partner was made redundant now I am in arrears with rent and all of my bills and can barely afford to pay for food for my family. Prices of public transport have increased so I can hardly afford to even get to work.”*

(Senior care assistant)

# ANXIETIES OVER HOUSING COSTS

The rising costs of housing, energy, food and other essential bills is causing worry and anxiety among public service workers (see Chart 3). Over a third of members overall (28%) who took part in the survey say they are worried about meeting their housing costs, while 16% say they are struggling to pay their rent or mortgage.

**Chart 3**



Further analysis of the survey data shows that rising housing costs are having a major impact on two groups in particular: private tenants and those who own their home with a mortgage.

- More than a third of each group – 37% of those in private rented accommodation and 34% of those who own their own home with a mortgage – are worried about meeting their housing costs.
- This compares with around a quarter of those in social housing – 28% for those in housing association accommodation and 25% of those living in council housing. Unsurprisingly this is not an issue for those who have already paid off their mortgage.

# TENANTS STRUGGLING WITH RENT PAYMENTS

Private tenants are more likely to say that they are struggling to pay their housing costs than other groups, with 23% stating this is their situation. However, almost as many of those in social housing say the same – 19% in housing association homes and 18% in council properties. Those in social housing are most likely to say that they have missed a payment, with 10% of council tenants reporting this and 9% of those in housing association accommodation. This compares with 4% of private tenants and 2% of those making mortgage payments. Social tenants are also the group most likely to be in arrears, where the pattern is very similar to that for missed payments. Research by the Office for National Statistics (ONS)<sup>19</sup> warns that those who struggle with rent and mortgage payments experience anxiety and depression.

Private renters are the group who are most frequently worried about eviction: one in seven (14%) of private renters report this, compared with 6% of housing association tenants and 5% of council tenants. However, it is housing association tenants who have most frequently been threatened with eviction, reported by 4% of this group, compared with 3% of private tenants and 2% of council tenants.

# HOME-OWNERSHIP IS A PIPE DREAM

The survey also found that of those who do not currently own their own home, 61% have no plans to take out a mortgage; 10% had planned to get a mortgage but have decided not to go ahead with this; and 21% still want a mortgage but have delayed their plans. This is not surprising given recent rises in interest and mortgage rates, which has made borrowing more expensive. As a result, home-ownership, which was already in decline – despite UK Government policy prioritising this – is slipping further away from the reach of public service workers.

## UNISON members say:

### Paid mortgage

*“We are mortgage free but the cost of repairs to the property has increased and we get no help with meeting these costs.”*

(Enquiry officer – revenues services)

*“We have no mortgage, but bills have gone up and food has gone through the roof. My husband has to pay more for fuel as he is working further away.”*

(Teaching assistant)

### Paying mortgage

*“On 1 Jan 2023 mortgage increased to £810 a month. From a starting point of £695 before mortgage rate started to increase. My recent pay rise doesn’t even match half of this increase.”*

(Teaching assistant)

*“Expenditure massively increased, mortgage has more than doubled.”*

(Residential Worker)

### Housing association

*“The price of my rent has gone up, year by year. I’m worried how much the rent will go up next year especially as inflation is so high.”*

(Customer services adviser)

*“My housing costs have gone up twice in the one year I have lived in my home. It has now made the ‘affordable housing’ not affordable.”*

(SEN teaching assistant)

### Council

*“Rents have gone up more than ever, and during the year. Normally only goes up in April. Councils have been allowed to put our rents up by inflation +1% but the government not doing the same with my wages.”*

(Senior Health Care Support Worker)

*“The rent is going up so fast, and that’s the council, it would be cheaper staying in a tent!”*

(Supported housing worker)

### Private rental

*“We used to pay £870 monthly for our rent and it has gone up twice in the past year, up to £990.”*

(Charge nurse)

*“Had to move due to landlord selling current house. Now we have to pay an extra £300 per month.”*

(General assistant, local authority school)

### Sharing

*“I moved in with my parents to reduce costs.”*

(Operational services manager)

## LOW PAY, IN-WORK BENEFITS AND THE IMPACT OF RISING COSTS ON LIVING STANDARDS

Overall, a majority of the UNISON members responding to the survey (53%) are on low incomes and earn between £15,000 and £30,000 a year, with the largest single grouping (22%) earning between £20,000 and £25,000. The Minimum Income Standard Project calculates a single person household earning less than £25,500 a year, before tax, as low pay.<sup>20</sup> Of those members who took part in the survey:

- Almost one in 10 working full-time (8%), and 59% of those working part-time, earn less than £15,000 per year. Lower paid, including part-time workers are mostly women.
- Almost 1 in 4 (23%) full time workers earn less than £20,000 per year.
- The majority (54%) are the sole earners in their household. More than 1 in 4 (29%) report a total household income of £20,000 or less per year.
- 1 in 10 (11%) are in receipt of Universal Credit. 1 in 20 (5%) receive Child Tax Credit and Working Tax Credit respectively.

In terms of earnings by sector:

- Earnings are highest in local government, where 69% earn more than £25,000, including 17% who earn more than £40,000. They are lowest in local authority schools, where only 17% earn more than £25,000 a year and only 1% earn more than £40,000. More than half (57%) of all UNISON members in schools earn less than £20,000 a year, a much larger percentage than in any other area.
- In social care, the National Health Service (NHS) and Further Education (FE) or Higher Education (HE) the full-time earnings distribution is broadly similar, although with a smaller proportion of UNISON members earning above £40,000 in FE or HE than in other sectors. The Community and Voluntary sector, is slightly different, because it includes an above average proportion of really low earners – less than £10,000 a year – as well as an average number of higher earners – above £40,000.

## IN-WORK BENEFITS

Those working in local authority schools have the highest proportion of recipients of Child Benefit (25%), followed by those working across multiple sectors (23%). This may be linked to the fact that these two sectors have a higher proportion of younger women (aged under 45) than elsewhere. These are also the two sectors with the highest proportion of recipients of Universal Credit: 20% in schools and 21% for those working across multiple sectors. It is likely that this is linked to overall lower earnings for these groups.

## IT IS THESE LOWEST PAID WORKERS WHO ARE STRUGGLING MOST WITH THE RISING COST OF LIVING

This is exacerbated for members who are disabled or have a disabled person in their household, or who are sole earners supporting dependents.

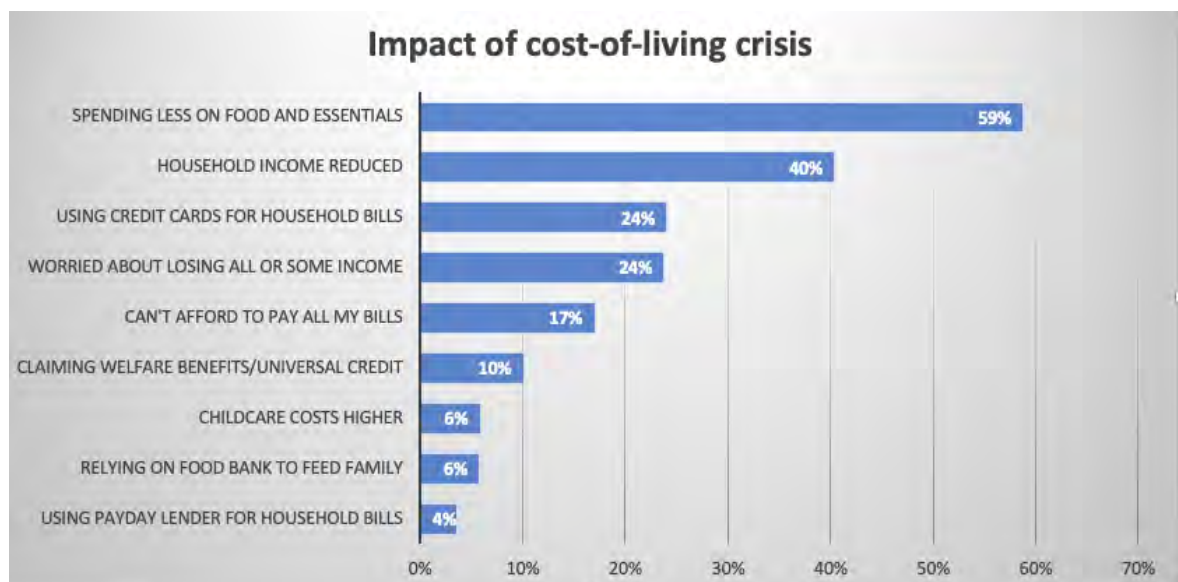
The survey found that a majority of respondents (57%) said they are “just about managing”, and almost a quarter (23%) said they are “really struggling to manage” financially.

There are important differences between the sectors:

Almost three out of 10 respondents (29%) of those working in social care say they are really struggling to manage, along with NHS – 27%; local authority schools – 26%; and those working across multiple sectors – 28%.

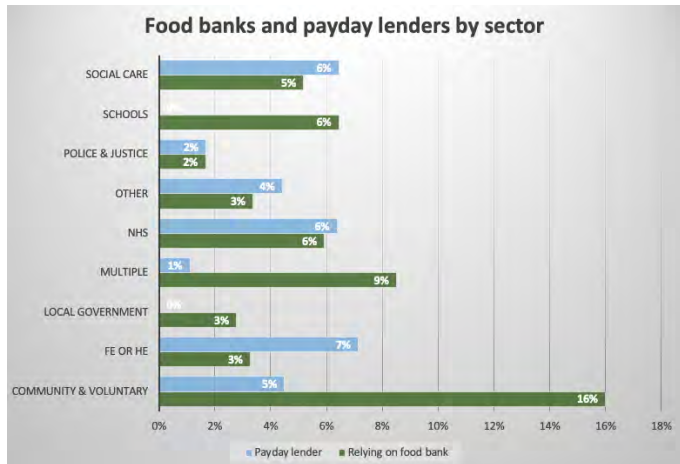
- Overall, almost 60% of those replying have cut back on food and essentials.
- More than 1 in 20 (6%) are relying on a food bank to feed their family.
- One in 10 (10%) have had to claim Universal Credit or other welfare benefits.
- Overall, 40% have seen their household income reduced and another 24% are worried about losing some or all of their income.
- Around one in six (17%) cannot afford to pay all their bills; 24% are using credit cards or borrowing to pay household bills; and 4% have turned to a payday lender. (See Chart 4)

Chart 4



Those working in the community and voluntary sector are much more likely to rely on food banks than those working elsewhere, while payday lenders are most frequently used by those in FE or HE, the NHS or social care (see Chart 5).

### Chart 5



The data shows that when people spend a higher proportion of their income on housing, they have less to spend each month on food, clothing, essentials and travelling to work. This reflects research published by the Joseph Rowntree Foundation (JRF) which shows that the “majority of low-income households, who are struggling with their housing costs, are going without essentials or have experienced food insecurity”.<sup>21</sup>

A combination of factors which include growing housing costs combined with low pay; the rise in other essential living costs; and a four-year benefits freeze which is still in place; are creating “in-work” poverty for some public service workers. This is driving them into extreme financial hardship.

### UNISON members say:

*“Bills, fuel, and food have increased so much that I am having to take out credit cards just to cover them. I cannot afford to have a life outside of work. I work and then come home.”*  
(Care support worker)

*“I use a local Pantry (similar to a foodbank) where I pay £4 a week when I can afford to go and get some necessities. Sometimes I can’t afford basic necessities like sanitary products. I often go without food to make sure my daughter is well fed and I’ve either had to borrow for gas and electric money or I go without gas for days so that I can at least keep the electric on. I have never struggled like this in my life.”*  
(Kitchen Assistant, Local government)

*“There is no spare money. I am having to use food banks to feed me and my family as the prices of bills and general cost of living are going up every month.”*  
(Pathway Support Coordinator, NHS)

*“My energy bill has tripled since this time last year. I am not turning on my heating very much because I am concerned that the costs will go up even more.”*  
(Social Worker)

*“I’ve had to choose what days to eat on and when I do make meals, I have to make sure I’m portioning out extra to make the meals go further in the week. I shop for food once every three weeks and spend about £30 – £40. I’m scared to put heating on and shower too often. I stress about bills, and I sleep poorly. I’m also already stressing about returning to Uni as a nursing student and have considered jacking it in.”*  
(Bank HCA, NHS, using a payday lender)

*“For the first time in my life, I had to apply for Universal Credit to meet the increase in the costs of living.”*  
(Teaching assistant)

*“Credit cards getting used more than ever just to get by and pushing me further into debt.”*  
(Assistant support worker)

*“Struggling every day to buy essentials for me and my children and it really worries me as I’m borrowing money from credit cards and family to survive.”*  
(Nursing associate)

*“Our savings have been decimated. We have no back up if something goes wrong. We had to borrow from family and if they want it back, we can’t pay. We can’t afford to pay for any repairs or maintenance on the house. As someone with disabilities I find I can’t do the necessary things to keep my health in check and I lose more income from being ill and missing work.”*  
(Pupil Support Assistant 2)

*“I’m spending much more on basic essentials so there is less left over for anything else.”*  
(Programme manager)

*“Finding it very difficult to pay for energy bills – on a prepayment meter so if I don’t pay upfront, it gets switched off.”*  
(Statutory sales executive)

*“Stopped spend on socialising and luxuries. Over 10% of income goes on commuting costs, 40% on housing.”*  
(Assistant Chief Finance Officer)



# IMPLICATIONS OF HOUSING COSTS ON RECRUITMENT AND RETENTION

High housing and living costs are a huge worry for public service employers and their staff across the nations. This is forcing people to live increasingly further away from their places of work. The survey found that 32% of overall respondents to the survey are looking to move elsewhere to live and work because of the high costs of housing. Among those who privately rent, 47% said this was the case, as did 30% of housing association tenants, 26% of those who own their own home with a mortgage, and a similar number of council tenants. Among those in housing association homes, 30% say the cost is making them look elsewhere to live and work.

The costs are also to blame for NHS trusts, schools and police forces struggling to recruit and retain staff. This is leading to a high turnover and staff shortages, which in turn will affect the provision of public services. A report by NHS Providers, warns that “increased turnover of staff due to rising costs is costly for NHS Trusts and can disrupt their response to operational pressures.”<sup>22</sup> If the housing crisis deepens, it is likely to make it harder to attract the right staff to provide quality services to the public.

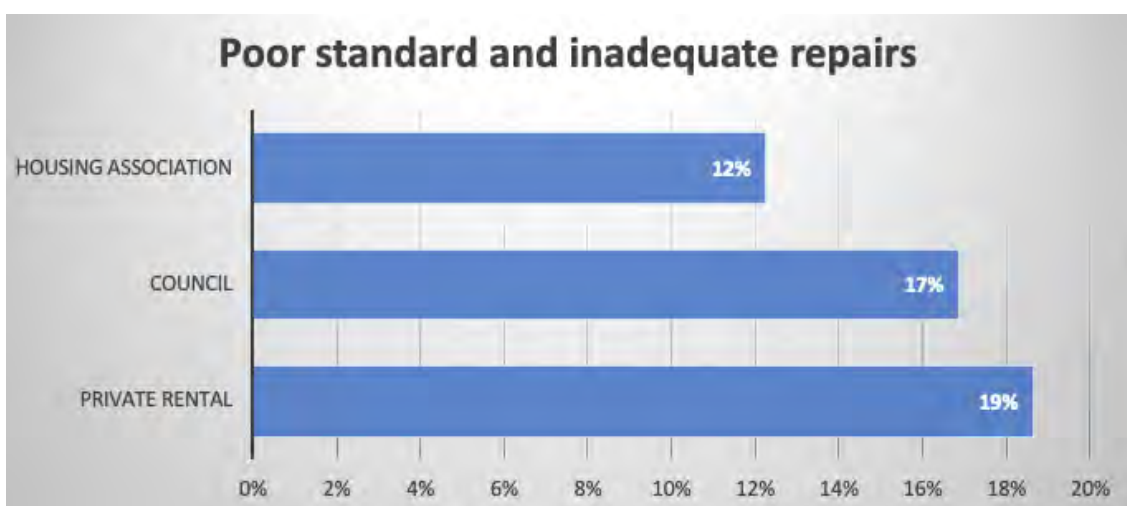
# HOUSING QUALITY

Much of Britain’s housing stock is old, cold, poorly ventilated or maintained and expensive to run, adding to the costs of housing people have to pay out for their accommodation. Research by the Resolution Foundation says that “one-in-ten people across the UK (6.5m in total) live in poor quality housing. This is defined as “living in homes that are not in a good state of repair, where heating, electrics or plumbing are not in good working order, and where damp is present”. The research warns of “the effects of poor quality housing on people’s physical and mental health, which can in turn have a detrimental effect on public services, including the NHS”.<sup>23</sup>

UNISON’s survey asked respondents questions about the quality and suitability of their accommodation:

The quality of housing was of key concern to respondents. The question on this made specific reference to landlords not maintaining or repairing housing to an adequate standard and the comparison is therefore made with the three forms of rented accommodation covered by the survey. As in many other areas, the Private Rented Sector performs worst, with 19% of its tenants reporting that their landlord did not provide an adequate standard of accommodation. This is a higher proportion than among tenants of housing associations or councils. However, the performance of social housing providers was far from perfect in this area. More than one in six (17%) of those living in council housing said their housing is in poor condition, and around one in eight (12%) of those living in housing association properties. (See Chart 6)

Chart 6



The survey also looked specifically at the impact of the energy crisis and asked respondents whether their homes were sufficiently well maintained and insulated to minimise the impact of energy price rises. Overall, only a third (32%) say this is the case, although the figure is much higher for those who have paid off their mortgage, where 44% consider that maintenance and insulation will minimise the impact of higher energy prices. Once again, the Private Rented Sector performs worst, with only 22% of respondents confident about levels of maintenance and insulation. However, in this area council tenants report an equally poor result, also with only 22% saying their homes are well maintained and insulated. A quarter (26%) of respondents say they would like to insulate their homes better but cannot afford to do so.

## OVERCROWDED HOMES

Overcrowding was also of concern to respondents. Almost one in five (19%) said their homes are “a little overcrowded” and 9% said that they are “overcrowded”, with some children/family members having to share a room. Overcrowding is highest among those living in social housing, with 14% of those living in housing association properties and 12% living in council properties stating that some children/family members have to share a room. Among private tenants 8% are overcrowded, and the figure is the same for those living in “other types of housing”, around a quarter of whom are “sharing with another household”.

## DISSATISFACTION WITH HOMES

Putting together various concerns about housing quality, energy efficiency and overcrowding, 15% of all the respondents say their housing is “not satisfactory, but it’s all I can afford”. Private renters are almost twice as likely to express this view, with 26% saying this. At the other end of the scale, only 5% of those who have paid their mortgage say their housing is not satisfactory and 8% of those currently paying a mortgage. Dissatisfaction among those in social housing is relatively high, with more than one in six saying their housing is not satisfactory – 18% among council tenants and 17% among tenants of housing associations.

Overall concerns about the quality of their housing means that many respondents would like to move. However, the responses also indicate that often this is not a realistic possibility, at least at present. In total, one fifth (20%) say they would like to move but cannot afford it, with the numbers expressing this view highest among private renters and those in other housing types, such as sharing with another household. Among these two groups, 29% say they would like to move but that this is not affordable. Those who have paid off their mortgage are in the group least likely to want to move. Only 10% of this group say they would like to move but cannot afford it.

### **UNISON members say:**

*“Failed renovation work in my housing executive house has left a window without a pane of glass. I cannot afford to lose heat as gas prices are too costly. Fighting for completion of work but with no luck. Part time wages do not cover rent, electric, gas and food.”*

(Health Care Assistant)



# FIXING THE HOUSING CRISIS – MEMBER PRIORITIES

The survey asked respondents about what action the Government should take to improve their situation and tackle the housing crisis. One thing is clear, that the overwhelming majority of respondents think that the Government should do more to address the shortage of genuinely affordable housing. Overall, 96% agreed with this view although there were some small differences between those who were renting accommodation and home-owners. Among renters, 98% in the Private Rented Sector and 97% in Social Housing Sector

consider that the Government should take further action to deal with the lack of genuinely affordable housing. There was also overwhelming support for more investment in social housing, that offers a genuine choice to those who need it and to house the vulnerable; measures to tackle poor-quality housing; and major reforms to regulate the Private Rented Sector; as well as support for measures to reform the Welfare System, so that it adequately helps people with their housing costs.



# CONCLUSION

Public service workers play a vital role in providing essential services to communities and supporting economies. However, they are suffering because of the high costs of housing and the inaccessibility to decent and secure housing. Excessively high housing costs, fuelled by inflation and the cost-of-living crisis, are driving our low-paid public service workers into extreme financial hardship and poverty, and eroding their living standards. As a result, many are looking to move elsewhere to live and work. This situation is affecting the delivery of services, as employers are struggling to recruit and retain staff because they can't afford to live and work near their places of employment.

It is understandable that provision and access to decent and genuinely affordable housing ranked at the top of our members priorities, especially for those living in any form of rented accommodation. They want Governments across the UK to introduce bolder reforms to fix the housing crisis.

We must ensure that all public service workers and citizens have access to a secure, decent, genuinely affordable and energy efficient homes. To achieve that, and solve the housing crisis, Governments must invest significantly in the large-scale expansion of new council, social and genuinely affordable homes. In addition, policies are needed to improve affordability, stability and quality standards across the private and social housing systems, and to strengthen tenants' rights and protections.



# RECOMMENDATIONS

## The report recommends that Governments take action to:

1. Invest significantly to increase the supply of all types of housing – particularly social housing at social rent rates, built by councils and housing associations – to ensure that there are sufficient new quality and energy efficient homes available that are genuinely affordable to public service workers across the nations. This will help boost the economy, create jobs and lower housing costs for everyone.
2. Prioritise existing and new homes that can be accessible and affordable to public service key workers.
3. Allow councils to retain 100% of capital receipts so they are able to make their own decisions about how they are deployed and whether they are invested in the existing stock, acquiring homes or building new ones.
4. Restore direct investment in public housing through upfront capital grants from Government to enable the building of a new generation of council and genuinely affordable social rented homes.
5. End the use of so called “affordable rent” homes set at 80% of market rates, which are beyond the reach of people on modest incomes, and establish a new definition of “affordable housing” linked to the incomes of people in the lowest earnings quartile, not market prices.
6. End the Right to Buy schemes in England (in line with Scotland and Wales) so that councils can adequately house homeless households and the vulnerable, addressing housing need. In Northern Ireland, end the Right to Buy scheme for NI Housing Executive tenants.
7. Legislate to effectively regulate the Private Rented Sector to make it secure, stable and affordable for renters, to include measures to improve tenants’ rights, such as open-ended tenancies, longer notice periods, safeguards to prevent tenants from being unfairly evicted from their homes when they are not at fault, and minimum standards to ensure private rented homes are free from serious disrepair.
8. Fund tenants legal and advocacy services and resource councils to enforce landlord compliance.
9. Legislate to bring in bolder reforms to improve the quality and standards of housing across the housing system, including extending the Decent Homes Standard to the Private Rented Sector.
10. Legislate to introduce a system of rent controls to protect private renters from unpredictable, extortionate rent increases, which will help to improve stability and affordability in private renting.
11. Reform the Welfare System to help more people meet their housing costs, by raising the Local Housing Allowance (housing benefit) to the average or median rent; ending benefit caps; restoring the £20 per week uplift to Universal Credit (UC), ending the five-week wait for the first payment and replacing this with non-repayable grants.
12. Give public service workers a pay rise, at least in line with inflation, and take action to increase minimum and living wages, to ensure they reflect the actual costs of living people face.

## UNISON MEMBERS

UNISON is very grateful to the many members who completed this survey. The comments in this report, all in their own words, come from members in Belfast, Bicester, Birmingham, Bromsgrove, Cambridge, Craigavon, Cromer, Cumbria, Derby, Dunfermline, Gloucester, Greater London, Harrow, Inverness, Kent, Kidderminster, Leicester, Malvern, Manchester, Metherwell, North Shields, Nottingham, Somerset, South Shields, Southampton and Warrington.

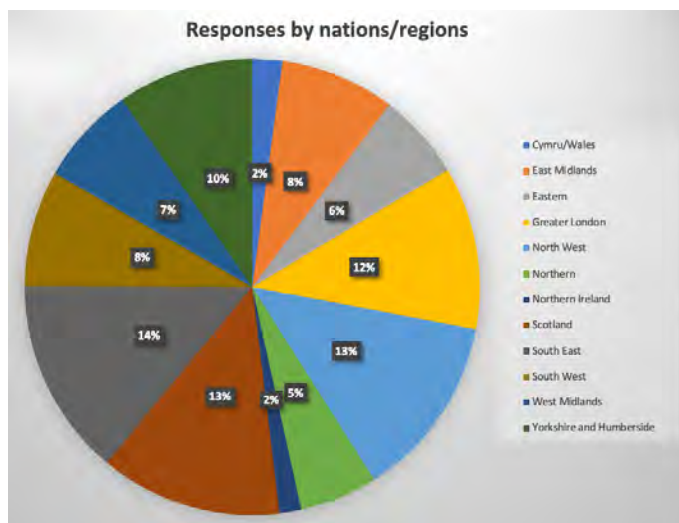
# ADDITIONAL DETAIL ON SURVEY RESPONSES

## ABOUT THE SURVEY AND RESPONDENTS

More than 2,500 (2,609) UNISON members completed the survey, which was launched in December 2022 and closed in February 2023.

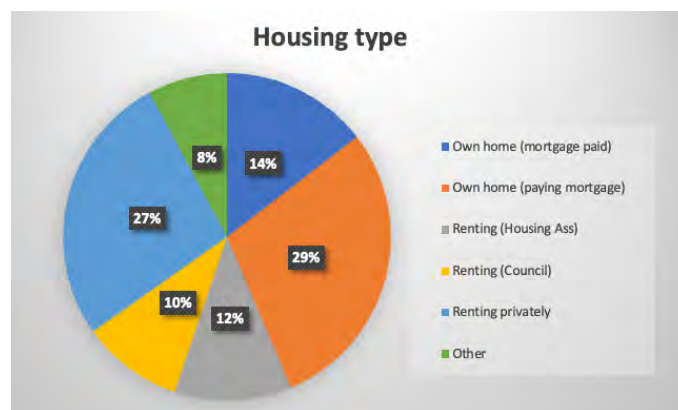
### RESPONSES BY NATIONS/REGIONS

The respondents are based across the UK, with the largest numbers coming from the South East (14%), North West Region (13%), Scotland (13%), Greater London (12%) and Yorkshire and Humberside (10%).



### HOUSING STATUS

The chart below shows the housing status of the 2,609 respondents to the UNISON survey. The largest group of respondents are those who own their own home with a mortgage, they account for 29% of the total. They are followed by those renting privately, on 27%. The next largest group are those who have paid off their mortgage, who make up 14% of the total. Those renting from a housing association make up 12% and those renting from the council a further 10%. The housing status of the remaining 8% is varied, including 2% who share with another household, and 2% who part own/part rent their home.



### RESPONSES BY SECTOR

The respondents work across a wide range of public services. The largest group of respondents work in the National Health Service (NHS), who accounted for 28% of the total. This is followed by those working in Local Authority Schools, who made up 20%, and Local Authorities on 14%. One in 10 (10%) work in Social Care and 8% in Community, Voluntary or Private Sector Organisations, with 7% in Further or Higher Education. Much smaller numbers of respondents work in Police and Justice (2%), Energy (1%) and Water, Environment and Transport (1%). There are also 7% who work in other sectors. A number of respondents – around 2% of the total – indicated that they worked across several sectors, not just one.

### EQUALITY DATA

The demographic of members responding appears to be broadly representative of the union's overall membership. Just over three-quarters of respondents to the survey (76%) gave their gender as female; 20% said they were male and 4% gave another gender, preferred not to answer or left the question blank.

UNISON's membership, as reported to the TUC, shows 76% female, 21% male and 3% other.

Similarly, with regards to ethnicity, 4% of respondents described themselves as Asian/Asian British, 5% described themselves as Black/Black British, 2% said they were in a mixed/multiple ethnic group and 1% said they were in another ethnic group, a total of 12%. Black members make up 12% of UNISON's total membership.

On age, the largest grouping is made-up of those aged 55 to 64, who account for 28% of the responses. Not far behind are those aged 45 to 54 (27%) and those aged 35 to 44 (22%). Around a sixth (16%) were under 35 – 14% aged 25 to 34 and 2% aged 18 to 24. There were 6% who were 65 or older.

## GENDER PAY DIFFERENTIAL

The responses also make clear the differences in earnings between women and men. Among those working full time, more than half the women (53%) earn less than £25,000 a year, compared with just 41% of men. Only 11% of women earn £40,000 or more, compared with 16% of men.



There was also a sharp distinction between the working pattern of female and male respondents, with 34% of women working part time, compared with just 12% of men.

Unsurprisingly, the earnings of those working full time are higher, with 29% of full-timers earning more than £30,000 a year, compared with 20% of all respondents. Earnings for part-timers are correspondingly lower, with 59% earning less than £15,000. The ASHE median figure for all full-time earnings in 2022 is £33,000 a year.

## ETHNICITY PAY DIFFERENTIAL

The survey also provides evidence that earnings vary according to ethnic group, although the relatively small number of Black respondents among full-time workers (172), makes it necessary to treat the figures with some caution. (There are not enough part time employees to allow a breakdown of their earnings by ethnicity.)

Overall, there are fewer full-time workers earning less than £25,000 among Asian/Asian British respondents (47%) than among Black/Black British respondents (61%) and white respondents (51%). However, higher up the earnings scale, those earning more than £40,000 a year, white respondents do best, with 13% earning at this level compared with just 9% for both Asian/Asian British and Black/Black British respondents.

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