

## **PRESS RELEASE**

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### **Young People Look North... For Good Jobs and Cheap Housing**

The “Northern Powerhouse” of Manchester, Newcastle, Liverpool, Sheffield and Leeds is a sweet spot for both graduate jobs and affordable housing, according to a new report from the Intergenerational Foundation ([www.if.org.uk](http://www.if.org.uk)) launched today.

The report “*Should Young People Look North?*” reveals that the annual graduate migration to London may not be in the best interests of younger generations due to prohibitive housing costs and poor work-life balance.

Angus Hanton, IF Co-Founder comments, “Young people want both to work and to be able to afford housing, but in most of the UK they can only do one or the other. While London offers many job opportunities, the Capital’s housing crisis means young people may have good jobs but their income is disproportionately swallowed up by high housing costs. They could have a better work-life balance by looking North instead.”

Manchester comes top for matching affordable housing and graduate work opportunities, followed by Newcastle-upon-Tyne, Leeds, Sheffield, Birmingham, Liverpool and Nottingham. Bristol and Reading, while attractive to graduates, do less well when matching cheaper housing with good job prospects.

No-go areas for young people are wealthy towns where there are few graduate jobs and little affordable housing such as Christchurch, Poole, Bexley, Worthing and Southend-on-Sea. It should come as no surprise that these areas have a high proportion of wealthier retired households.

The report breaks England down into five areas based on housing affordability and the number of residents who have graduate-level qualifications or higher.

Areas with affordable housing and few graduate-level jobs include Middlesbrough, Oldham, Rochdale, Hull, Blackpool, St Helens and other large towns and medium-sized cities in the North of England. Typically, less than a quarter of the working population in these areas have a degree. However, a few Southern towns and cities are also included, such as Portsmouth and Dartford, whose economies are dominated by low-paid service sectors such as retail, with residents having to commute long distances for better-paid jobs.

London and its surrounding satellite towns, as far out as Brighton, have extremely unaffordable housing – often at least 10 times average incomes — with young people largely shut out of the housing markets in these areas unless they are prepared to accept very high housing costs.

Internal migration in the UK means that one third of Londoners are in the 25–34 age group, according to the Office of National Statistics (ONS 2013), with London ranked second in terms of attractiveness to young people in the 2015 Global YouthfulCities Index. However, high housing costs can outweigh the earnings premium young people might achieve from working in London.

Hanton continues, “Highly-qualified young people are increasingly postponing settling down and forming families due to the high cost of housing in London and should consider looking elsewhere for a better work-life balance. There is a huge untapped pool of graduate opportunities outside London with businesses missing a trick by not locating in these areas. Our findings overlap with the current government’s strategy to seek to build a ‘Northern Powerhouse’, and devolution of public expenditure and taxation to Combined Local Authorities would allow these regional centres to truly compete with London for young talent.”

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**Note to Editors:**

- IF combined data from the 2011 census on the share of respondents in each large urban local authority area in England, and data on housing affordability from DCLG.
- Each local authority in England was ranked on both of these characteristics and the two rankings plotted against each other to produce a scatter plot.
- IF has removed all the local authorities that are not classified by the ONS as either Major Urban Areas or Large Urban Areas and then grouped those that fit the criteria into four quadrants with London/South East separated out.
- London’s economy dominates the UK unlike European capitals such as Berlin, Rome and Madrid.
- ONS (2013) stats: [Graduates in the UK Labour Market Newport: ONS](#), [Regional Labour Market Statistics Newport: ONS](#)
- London Attractiveness to young: [Global YouthfulCities Index \(2015\)](#)

Angus Hanton, IF Co-founder is available for interview.

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