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Residential Satisfaction in Ireland: Comparison of Housing and Neighbourhood Satisfaction Levels by Housing Tenure

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Residential Satisfaction in Ireland: Comparison of Housing and Neighbourhood Satisfaction Levels by Housing Tenure

WORKING PAPER

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ABSTRACT:

This paper presents the results from a national study examining levels of residential satisfaction among a sample of over 1,300 householders. Housing and neighbourhood satisfaction levels and affordability issues are examined by tenure.

While levels of residential satisfaction for all tenure groups (measured by housing and neighbourhood) were high, statistically significant differences emerged between tenure groups. Tenure groups examined were owners (with and without a mortgage) and private renters (private and social renters).

The top three housing issues causing the most problem to householders were a shortage of space, followed by difficulties keeping the house warm and difficulties with the cost of upkeep. The only factor that scored higher for owners than renters as a problem was the home 'being too big for current needs'.

In terms of neighbourhood satisfaction, high levels of satisfaction were reported. Owners were more likely than renters to report that their area was changing for the better and more likely to say they would like to stay in their area long-term. Both groups reported high levels of agreement with statements that their neighbourhoods would be a good place to raise children and that they would recommend their neighbourhood as a place to raise children.

The majority of homeowners were not experiencing difficulties making monthly repayments, whereas the majority of renters were experiencing difficulties meeting their rental costs.

Keywords: Residential Satisfaction, Housing Satisfaction, Neighbourhood Satisfaction, Affordability, Housing Tenure

1 Overview of Research Study

The Housing Agency was set up in May 2010 with a vision to enable everyone to live in good quality, affordable homes in sustainable communities; one of the ways of making a difference is through the Agency's objective to be a knowledge centre for housing policy and practice. An understanding of Irish people's housing situation is crucial to help develop sustainable communities and lead to an improvement in living conditions. In 2017, the Housing Agency commissioned a study into housing experiences, attitudes and aspirations.

This study has two broad research questions; the first is to investigate the current levels of residential satisfaction in Ireland; the second question relates to Irish householders' aspirations for their future housing needs. The study aims to provide descriptive data on housing in Ireland, which will be used to inform current housing policy and provide information to help develop policies into the future. The research objectives are to:

- Provide data on trends in residential satisfaction over time.
- Provide data on residential aspirations among Irish householders.
- Provide information including but not limited to housing costs, affordability, housing quality, barriers to different tenures, location and residential features.
- Provide information which will input to national and regional housing policy.
- Track expectations/aspirations, aspirations by age groups over time and shifts in population needs.
- Collect information to help with assessing future housing requirements.

This study is a mixed mode (qualitative and quantitative) cross-sectional design, which is carried out at regular intervals and consists to date of:

- Two exploratory focus groups held in 2018 to explore themes of residential satisfaction and housing aspirations.
- A nationally representative sample survey of 1,173 householders aged 18 plus, with a booster sample of 200 householders living in the rented sector. Data for this survey was collected in 2018.
- A further qualitative element in 2018 was included with four focus groups held to discuss in more detail two of the key themes emerging from the nationally representative survey, which were affordability and the experiences of those who had moved home in the previous three years.
- A nationally representative sample survey of 504 apartment dwellers aged 18 plus, data for this survey is currently being collected (Summer 2019).
- Focus groups of apartment dwellers will be held in Autumn 2019.

To date the Housing Agency has published three reports with results from this study. These reports can be found in publications on the Housing Agency website:
www.housingagency.ie.

This paper provides some results from the 2018 quantitative nationally representative sample survey. It looks at residential satisfaction and housing affordability by tenure. Tenure was analysed by homeowners (with and without a mortgage) and renters (private and social sectors).

2 Background

According to the latest Census carried out in Ireland in 2016, homeownership represents 67.6% of households (1,147,552), while the rest of households rent, either in the private rented sector or in the social sector. However, while homeownership is still the majority tenure, renting continues to grow, as can be seen in Figure 1. In 2016 almost half a million (497,111) households rented, an increase of 4.7% since 2011. Homeownership rates have fallen from a high of 80% of households in 1991. Within the rented sector the percentage increase was highest in the social sector, with an 11% increase over this period, compared to a 2% increase in the private rented sector (CSO, Census 2016).

Figure 1: Ireland's Tenure Status 1991 to 2016



Source: CSO Ireland

Public subsidies and regulation have played a role in the rise and fall of rates of homeownership (Norris, 2013). While Ireland for many years viewed itself as a nation of homeowners, this is no longer the case; Ireland has almost exactly the same homeownership rate as the average homeownership rate of the European Union -28 countries, which stood at 69.3% in 2017, as can be seen in Table 1.

Table 1: Distribution of population by homeownership rate-EU Silc

Homeownership 2017	%
European Union - 28 countries	69.3
Switzerland	41.3
Germany (until 1990 former territory of the FRG)	51.4

Homeownership 2017	%
Austria	55.0
Turkey	59.1
Denmark	62.2
France	64.4
United Kingdom	65.0
Sweden	65.2
Netherlands	69.4
Ireland	69.5
Cyprus	70.7
Finland	71.4
Italy	72.4
Belgium	72.7
Greece	73.3
Luxembourg	74.7
Portugal	74.7
Slovenia	75.6
Spain	77.1
Czechia	78.5
Malta	81.3
Latvia	81.5
Norway	81.5
Estonia	81.8
Serbia	82.0
Bulgaria	82.9
Poland	84.2
Hungary	85.2
North Macedonia	88.7
Lithuania	89.7
Slovakia	90.1
Croatia	90.5
Romania	96.8

Source : Eurostat July 2019

3 Review of the Literature

3.1 Residential satisfaction

Residential satisfaction is a complex theory drawing on satisfaction with housing, the neighbourhood and life in general. Sam *et al.* (2012) believe there is no concrete or unique definition of residential satisfaction, while the OECD (2013) state that “residential satisfaction is a broad concept and is associated with multidimensional aspects including physical, social, and neighbourhood factors, as well as psychological and socio-demographic characteristics of the residents”. Diaz-Serrano (2006) drawing on Galster (1987), theorised residential satisfaction as the gap between the actual and desired housing situation of an individual. It can be argued that a positive residential satisfaction indicates an absence of complaints and a high degree of alignment between actual and desired housing situations (Lu 1999).

3.1.1 MEASURING RESIDENTIAL SATISFACTION

When designing a research survey to examine residential satisfaction, it is necessary to clearly define the parameters and unit(s) of measurement. Dwelling satisfaction and neighbourhood satisfaction are different concepts, but closely related. For example, an evaluation of a person’s house is likely to include the immediate surrounding and neighbours (Lu 1999). Each concept can be measured separately, and also within an overall measurement of residential satisfaction.

Some studies use a single-item measure of residential satisfaction, such measures include, for example: “Is this neighbourhood, better, worse or the same as your last neighbourhood?” or “How satisfied are you with your current residential situation?” and respondents rate these measures on a single-item 5-point Likert-type scale. Other single-item measurements of satisfaction with a neighbourhood can allow for an exploration of the more subtle nuanced drivers of decision making: for example, “how you would rate this neighbourhood as a place to raise children” (Grinstein-Weiss *et al.* 2011).

A measurement of residential satisfaction can also be constructed through several questions. Adriaanse (2007) asked several questions relating to ‘internal neighbourhood

reputation', 'social climate' and 'dwelling satisfaction', with respondents again answering on a single-item 5-point Likert-type scale. These questions were used to construct a measure of residential satisfaction. Amerigo and Aragones (1997) provided a systematic model which illustrates the range of factors that feed into residential satisfaction as well as the relationship between residential satisfaction and housing intentions/ behaviours.

3.1.2 TENURE PREDICTING RESIDENTIAL SATISFACTION

Home ownership is a key factor found to determine residential satisfaction, with home owners more likely to be satisfied than renters. Home ownership is also theorised to result in more positive outcomes for the neighbourhood, as owners are economically motivated to protect the value of their home by being good neighbours. Further, length of tenure is a factor that influences residential satisfaction: living in a neighbourhood long-term, positively influenced residential satisfaction (Grinstein-Weiss 2011).

Research over many decades consistently finds that owners have higher residential satisfaction than that of similarly situated tenants (Rohe and Stegman, 1994; Elsinga and Hoekstra, 2005). Elsinga and Hoekstra (2005) assert that homeownership ensures basic security, freedom, self-esteem and financial advantage, which in turn leads to higher overall residential satisfaction. They found in a European survey that in seven out of eight countries homeowners were more satisfied than tenants with their housing situation. However, they note that in countries where government policy supports a stable affordable housing sector and there is a well-developed cost-rental sector with security of tenure for tenants, a rental dwelling is a satisfying alternative to home ownership, with Vienna as the most established and developed example (Elsinga and Hoekstra, 2005). Bounds (2009) notes that what differentiates owning from renting is the level of sovereignty the resident has over their domain, rather than any intrinsic satisfaction in dwelling type. Elsinga and Hoekstra (2005) assert that the low proportion of owner-occupied properties in Switzerland, Austria and Germany is a consequence of tenancy protection laws which enable tenants to experience a sense of tenure security on a par with home owners.

Ireland has traditionally seen itself as a 'homeowning' society where government policy has been to encourage homeownership, rather than a 'cost-rental' society such as Austria, Germany or Switzerland (Winston, 2004; Elsinga and Hoekstra, 2005). As in other western countries, homeownership is nearly completely aligned with housing type, with houses being the most frequently-owned type (Glaeser and Shapiro, 2003 in James et al., 2009; Elsinga and Hoekstra, 2005; CSO, 2016).

In Ireland, people have clear tenure and dwelling aspirations, preferring to own their homes in lower density suburbs rather than remain as renters in city centre apartments (Howley, 2009; Winston 2004; Corrigan, Cotter and Hussey, 2019) and viewing it as a lifetime purchase that provides social stability in which to raise a family (Biddlecombe, 2001; Corrigan et al. 2019). A study of the housing aspirations of tenants in Ireland found that homeownership was the tenure goal for most respondents, the vast majority (84.5%) of respondents indicating that they intended to buy a house, with many willing to pay a premium over the cost of renting to be achieve this goal and an even greater majority (92%) intending to fund the purchase with a mortgage (Corrigan et al., 2019). The same study found that even those who anticipated renting into the long term had a preference for ownership even if they could not envisage that they would ever be able to afford it. This is a historically long-established attitude which holds true for westernised societies and is not unique to Ireland.

3.1.3 RESIDENTIAL SATISFACTION RESULTS FROM THE 2018 HOUSING AGENCY FOCUS GROUPS

In 2018, as part of this Research Study, the Housing Agency commissioned two exploratory focus groups to understand Irish attitudes and aspirations towards housing. One of the key findings emerging from these focus group was that homeownership was found to strongly influence satisfaction levels and a sense of well-being, and the view that where one lived was a 'home'. The group of homeowners in the focus group spoke about the sense of security they felt owning their own home, they viewed the home as a sanctuary – somewhere they could relax and 'close the door to the outside world' if they wanted to. Owners spoke about the feelings of personal achievement and security that came with owning their home. In contrast, renters for the most part viewed where they lived as a 'house' and not a 'home' and seemed to be far less connected to the community or neighbourhood (Housing Agency, 2019).

Neighbourhoods and communities were seen as being created by people often sharing similar interests, with the presence of children in a household often providing social interaction between neighbours. For some, a neighbourhood means a community with friends. Another participant said he felt a sense of belonging when he was asked by neighbours to join them in the local pub and watch a sports match. However, renters and homeowners saw a decline in the community element of neighbourhoods in Irish society. Homeowners felt that one reason for this was the increasing number of rental properties in an area reduced the 'neighbourhood' feel in those areas. This was further evidenced by the renters who said they had little connection to the community they lived in.

There was a division between owners and renters in the discussion on neighbourhoods. Homeowners were more likely to consider where they lived as a neighbourhood in the context of it being a community of people and relationships. With homeowners the bond with where they lived increased over time. While renters felt they were 'passing through' the area they lived in currently. This meant they often were less inclined to create relationships with their neighbours or engage in the community. An interesting insight given by one participant was the idea that if one was going to buy a house one would knock on neighbours' doors before buying to introduce oneself and get a view of what the neighbours were like, whereas if renting one would never do this.

3.2 Housing affordability

Housing affordability is a key factor when examining the gap between people's current housing circumstances and their preferred circumstances, that is, their housing aspirations. It is also a key contributor to residential satisfaction and significantly affects people's residential mobility. Those who cannot afford a house of their preference are more likely to perceive a gap between circumstance and aspiration resulting in lower residential satisfaction. This is especially relevant to lower socio-economic groups.

Housing affordability is fundamentally related to housing satisfaction (Rahman et al., 2014; Sajan, 2015). In Ireland, the percentage spent on housing costs rose from 25% to 40% from 2009-2014 (Lyons, 2015). A survey of aspirant homeowners found that one-third were willing to spend 50% of their future income on mortgage repayments (Corrigan et al., 2019).

The OECD (2013) state that housing affordability is a tenure-neutral term that denotes the relationship between household income and household expenditure relating to housing. The OECD goes on further to explain several measures of housing affordability. The primary measure being an income-to-expenditure ratio which is a measure used by many OECD countries that no more than 30% of household income is spent on housing.

In an Irish context, the EBS/ DKM consultants Housing Affordability Index (2017) uses a first-time buyer's ability to fund a mortgage. Influencing factors on affordability are mortgage rates, disposable incomes, property prices and loan-to-value rates. The Housing Agency (2016) uses a 'Median Multiple' model – the ratio of the median house price to median gross annual household income.

3.3 Conclusion

Overall, residential satisfaction is a mixture of satisfaction with the housing unit, the neighbourhood and neighbours. Tenure has been seen to be a key predictor of residential satisfaction, with home ownership positively associated with residential satisfaction. Housing affordability has also been found to be related to housing satisfaction.

4 Research Methodology

4.1 Sampling methodology

The survey collected data, via face-to-face interviews, from 1,369 adults, including a booster sample of 200 renters. A weighting was developed to ensure a nationally representative dataset when combining the main and the booster samples. This study uses the combined weighted dataset of 1200 respondents. A nationally representative sample was achieved by placing quotas on gender, location and social class. A sample of 1,200 is statistically robust with a plus or minus margin of error of 2.83 at a 95% confidence interval. The sampling frame was the Geodirectory¹ and the sampling methodology was a 2-stage probability design, including quotas-1) the selection of 120 sample clusters from across the 2,700 electoral districts and 2) the selection of houses within the clusters. Interviewers visited every fifth house and the 'next birthday' rule was used to select the house and the adult interviewed within the house.

The questionnaire used to collect data was created by the Housing Agency using, where relevant, validated questions from other nationally representative surveys. The questionnaire was scripted for computer -assisted personal interviewing (CAPI).

4.2 Sample profile

The weighted sample included 382 renters (230 in the private rental sector and 152 in the social rental sector) and 782 homeowners (474 owned their home outright and 308 owned their home with a mortgage).

Table 2: Sample Demographic, Tenure and Housing Profile

		%
Age group	18-24	4%

¹ The Geodirectory provides precise geographic location and postal addresses for every home in Ireland.

	25-34	15%
	35-44	24%
	45-54	17%
	55-64	17%
	65+	23%
Gender	Male	49%
	Female	51%
Province	Dublin	29%
	Leinster (excluding Dublin)	26%
	Munster	27%
	Connaught or Ulster	18%
Region	Dublin	29%
	Regional Cities (Cork, Galway, Waterford, Limerick)	9%
	Urban Towns (population > 1500)	25%
	Rural	36%
Employment status	Full-time employed	42%
	Part-time employed	11%
	Self-employed or working family business	5%
	Unemployed in receipt of social or community welfare benefit	5%
	Third level education (incl. vocational training or retraining)	3%
	Unable to work - sickness or disability	3%
	Retired	21%
	Looking after family home	11%
Social class	AB	13%
	C1	29%
	C2	21%
	DE	31%
	F	6%
Marital Status	Married or Civil partnership	56%
	Cohabiting	6%
	Single - never married	21%
	Divorced	3%
	Widowed	8%
	Separated	5%
	Refused	1%
Area of Birth	Ireland (including Northern Ireland)	86%
	Outside Ireland	14%
Tenure type	I own this home with a mortgage or loan	26%

	I own this home outright	39%
	I rent here privately	18%
	I rent here from Local Authority	12%
	I live here rent free (can also include living in the family home and paying no rent) ²	3%
	I rent a room under the rent a room scheme	
	I rent as part of a house share with friends or house mates	1%
	I live in a family home and pay rent	1%
	I rent here from an Approved Housing Body or Voluntary or Cooperative Housing Body	*
Type of Dwelling	Bungalow	13%
	House (two or more floors)	83%
	Apartment (within an apartment complex)	3%
	A flat (converted floor within a house)	1%
Housing Support³	Rent Supplement	16%
	Rental Accommodation Scheme (RAS)	2%
	Housing Assistance Payment (HAP)	4%
	Don't know	7%
	None of these	72%
Dwelling Type	Your main residence	99%
	A holiday home owned by yourself or family	1%
	A residence used in connection with work but not main residence	1%
Household Composition	One person	20%
	Couple without children	23%
	Couple with children	36%
	Couple without children but with other persons	2%
	Couple with children and other persons	2%
	One parent with children	9%
	One parent with children and other persons	1%
	Two or more family units	2%
	Non-family household	6%
	Living with others (sharing)	7%
	Living in the family home (with parents)	3%
	Other Please specify	0
	Refused	1%

5 Results

5.1 Housing Satisfaction

The literature review pointed to single-item and multiple-item measures to measure housing satisfaction, that is, satisfaction with the housing unit. For the purposes of this paper, three questions asked in the survey have been analysed, one utilising a single-item measure and the other two multiple-item measurement scales. The first question asked participants to rate their level of satisfaction with their current home on a five-point Likert-type scale with '1' being 'very dissatisfied' and '5' being 'very satisfied'.

The second question was a scale instrument which asked respondents to rate their level of agreement on a series of five-point Likert-type scales where '1' was 'strongly disagree' and '5' was 'strongly agree'. The scale comprised four statements, which were: 'I do not find it difficult to live in this home'; 'my home is suited to my needs'; 'I have chosen to live in this home' and, 'I enjoy living in this home'.

The third question is intended to determine levels of satisfaction with the housing unit, which asked respondents to rate their home on twelve factors on a scale from '1' to '3' from 'not at all a problem', to 'somewhat a problem' or 'a big problem'. The twelve factors were: shortage of space; home being too big for current needs; rot in windows, doors/floors; damp or leaks in walls or roof; noise from neighbouring homes; lack of a bath/shower; lack of downstairs toilet/bathroom facilities; lack of place to sit outside; difficulties with carrying out maintenance/ upkeep yourself; difficulties with cost of upkeep; difficulties keeping home warm and, home not feeling safe/secure.

Housing satisfaction levels for Irish dwellers were found to be very high, with 92% of respondents being either satisfied or very satisfied with their current home. Owners (57%) were almost twice as likely as renters (30%) to say they were 'very satisfied' with their housing. While levels of dissatisfaction were very low in both tenures, with just 4% of renters and 2% of owners 'dissatisfied' or 'very dissatisfied' with their housing.

Table 3: Housing Satisfaction by Tenure

Housing Satisfaction	All Tenure	Owners	Renters
Very Satisfied	49%	57%	30%
Satisfied	43%	38%	55%
Neutral	6%	3%	11%
Dissatisfied	2%	1%	3%
Very Dissatisfied	1%	1%	1%

The average housing satisfaction score for the overall sample was 4.37 (SD =.735) out of a maximum of 5 ('very satisfied'). An independent samples t-test was used to examine statistically significant differences between owners and renters in terms of housing satisfaction. The average housing satisfaction of owners was 4.49 (SD=.681), compared to 4.14 (SD=0.778) for renters. Statistically significant differences were found, suggesting owners and renters differed in terms of housing satisfaction [$t(1197)=8.095$, $p>.001$], with owners more likely to have higher residential satisfaction than renters. The effect was found to be small to moderate with an eta squared of .052.

Four statements were used to understand how satisfied people were with the home they were living in. The scale, as before, was from '1' for 'strongly disagree' to '5' for 'strongly agree'. When respondents were asked whether they agreed with different statements about their house, high levels of satisfaction were again in evidence, as can be seen in Table 4. This shows the percentage of respondents 'strongly agreeing' with each of the statements. As with the results for housing satisfaction, owners were far more likely than renters to 'strongly agree' with each of these statements about their housing.

Table 4 : Housing Satisfaction Statements – Strongly Agree

	Strongly Agree All Tenure	Strongly Agree Owners	Strongly Agree Renters
I find it easy to live in this home	71%	76%	59%

My home is suited to my needs	69%	76%	57%
I have chosen to live in this home	72%	76%	60%
I enjoy living in this home	71%	76%	60%

For the statement 'I find it easy to live in this home' the overall average was 4.54 (SD=.891) out of a maximum of 5 for strongly agreeing. For owners the average score was 4.65 (SD=.782) and for renters it was 4.35 (SD=1.038). An independent sample t-test found statistically significant differences between owners and renters [$t(673.476)=5.255, p<.001$], with owners more likely to have higher housing satisfaction than renters, However, this was a small effect, with an eta squared of .027.

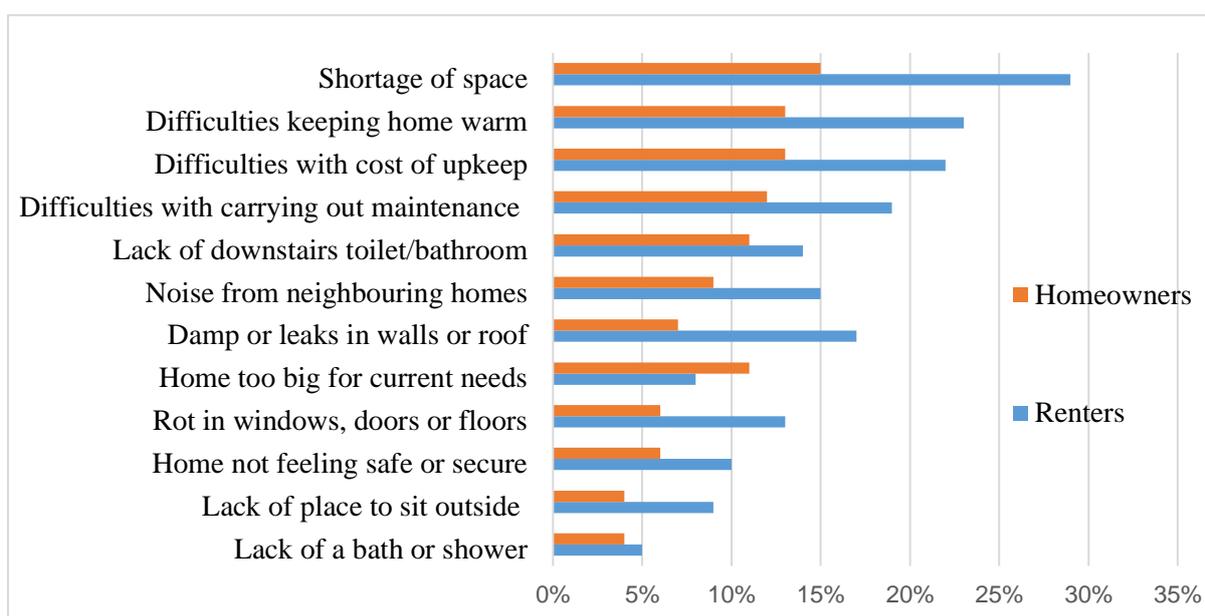
Overall 69% of the sample strongly agreed with the statement that 'my home is suited to my needs', with an average score of 4.58 (SD=.772). For owners the average score was 4.68 (SD=.678) compared to an average score of 4.38 (SD=.892) for renters. An independent samples t-test found statistically significant differences between the two tenure groups, [$t(677.994)=6.020, p<.001$], with owners more likely to rate their home as suited to their needs than renters. The effect size was small however, with an eta squared of .034.

The third statement analysed was 'I have chosen to live in this home'. Overall 72% of respondents strongly agreed with this statement, with an average score of 4.63 (SD=.713) from a maximum score of five. Owners agreed more strongly with this statement with an average score of 4.74 (SD=.605) compared to the renters (average 4.42, SD=.844). An independent samples t-test found statistically significant differences [$t(650.076)=6.734, p<.001$], with owners more likely to have chosen to live in their home than renters. The effect size was small to moderate with an eta squared of .044.

The fourth statement was 'I enjoy living in this house'. Overall 71% of people strongly agreed with this statement, giving an average score of 4.60 (SD=.736). Owners scored an average of 4.70 (SD=.642), compared to renters with an average of 4.42 (SD=.857). An independent samples t-test found statistically significant differences [$t(670.833)=5.854, p<.001$], with owners more likely to enjoy living in their home than renters. The effect was small with an eta squared of .033.

The final question in this analysis asked respondents to rate their housing against twelve factors from 'not a problem', 'somewhat of a problem' or 'a big problem'. A high proportion of all households did not have any issues with a range of dwelling-related problems. A shortage of space was found to be the most common problem, with one-fifth of people reporting this as an issue. The graph in Figure 2 shows where respondents have answered that the factor is 'somewhat of a' or 'a big problem' to them. The only area where owners tended to be less satisfied than renters was with their house being too big for their current needs. While a third of renters compared to 15% of owners said that a shortage of space was a problem. Renters felt less secure, found it harder to keep their homes warm and suffered more from noise from neighbouring homes. Renters are also more likely to lack a space to sit outside and experience dampness or rot in their windows, doors or floors.

Figure 2: Housing Issues – ‘Somewhat of’ or ‘A big Problem’



Significant tests were run. Table 5 contains the results of the independent sample t-tests, with statistically significant results found with $p < .001$ for shortage of space, difficulties with keeping home warm and difficulties with cost of upkeep between owners and renters. Lack of a downstairs toilet or bath or shower was not found to be significantly different between the two tenures.

Table 5: Housing Issues, Independent t-test results owners and renters

Housing Issues	Owners		Renters		<i>t-test*</i>
	M	SD	M	SD	
Shortage of space	1.19	.468	1.40	.676	$p < .001$
Home too big for current needs	1.14	.418	1.09	.336	$p = .031$
Rot in windows, doors/floors	1.08	.306	1.15	.451	$p = .002$
Noise from neighbouring homes	1.10	.364	1.19	.492	$p = .001$
Lack of a bath/shower	1.04	.235	1.07	.338	
Lack of downstairs toilet/bathroom	1.15	.453	1.19	.531	
Lack of place to sit outside	1.05	.265	1.10	.350	$p = .019$
Difficulties with carrying out maintenance/upkeep yourself	1.16	.442	1.27	.581	$p = .001$
Difficulties with cost of upkeep	1.16	.444	1.31	.616	$p < .001$
Difficulties keeping home warm	1.15	.428	1.31	.612	$p < .001$
Home not feeling safe/secure	1.07	.288	1.11	.373	$p = .041$

*Only statistically significant *t*-tests *p* values shown.

M = Mean. *SD* = Standard Deviation

The mean score is based on a range of answers from 1 being 'Not at all a problem' to 3 being 'A big problem'.

5.2 Neighbourhood Satisfaction

For the purposes of this paper three questions asked in the survey have been analysed to examine levels of satisfaction for respondents with the neighbourhoods they live in. The first question asked respondents to rate their level of satisfaction with their neighbourhood as a place to live on a single-item five-point Likert-type scale where '1' was 'very dissatisfied' and '5' was 'very satisfied'. The second question asked respondents to rate their level of agreement on three items each using a five-point Likert-type scale from '1' being 'strongly disagree' and '5' being 'strongly agree'. The three statements were: 'I would like to stay here

long-term; 'I would recommend this neighbourhood to friends looking for a place to live; and, 'My neighbourhood is a good place to raise children'. The third question used a single-item measure to determine levels of satisfaction with the neighbourhood asked participants to say overall if they thought their area was: 'changing for the worse', 'not changing' or 'changing for the better'.

Neighbourhood satisfaction levels for Irish dwellers, like housing satisfaction levels, were found to be very high, with 91% of respondents being either satisfied or very satisfied with their current neighbourhood. Owners (56%) were more likely than renters (32%) to say they were 'very satisfied' with their neighbourhood. While levels of dissatisfaction were very low in both tenures, with just 5% of renters and 2% of owners 'dissatisfied' or 'very dissatisfied' with their neighbourhood.

Table 6: Neighbourhood Satisfaction

Housing Satisfaction	All Tenure	Owners	Renters
Very Satisfied	48%	56%	32%
Satisfied	43%	38%	53%
Neutral	7%	5%	11%
Dissatisfied	2%	1%	4%
Very Dissatisfied	1%	1%	1%

The average neighbourhood satisfaction score for the overall sample was 4.37 (SD =.734) out of a maximum of 5, which was 'very satisfied'. An independent samples t-test was used to examine statistically significant differences between owners and renters in terms of neighbourhood satisfaction. The average neighbourhood satisfaction of owners was 4.48 (SD=.683) compared to 4.16 (SD=0.778) for renters. An independent samples t-test found statistically significant differences between owners and renters [$t(1197)=7.395$, $p<.001$], with owners more likely than renters to have higher levels of satisfaction with their neighbourhoods,

Three statements were analysed to understand how satisfied respondents were with the neighbourhood they were living in, with the measure using a Likert-type scale from '1' to '5' as previously described. High levels of satisfaction were again in evidence, as can be seen in table 7. This shows the percentage of respondents 'strongly agreeing' with each of the

statements. Owners were far more likely than renters to 'strongly agree' with each of these statements about their neighbourhood, though levels in all tenure were high.

Table 7: Neighbourhood Satisfaction Statements – Strongly Agree

Neighbourhood Satisfaction	Strongly Agree	Strongly Agree	Strongly Agree
	All Tenure	Owners	Renters
I would like to stay here long-term	66.9%	74.8%	52.2%
I would recommend this neighbourhood to friends looking for a place to live	65.8%	73.8%	51.0%
My neighbourhood is a good place to raise children	67.1%	73.2%	55.6%

The statement 'I would like to stay here long-term' scored an average for the sample of 4.46 (SD=.938) out of a maximum of 5 for strongly agreeing. For owners the mean score was 4.61 (SD=.806) and for renters it was 4.17 (SD=1.089). An independent sample t-test found statistically significant differences between owners and renters [$t(664.740)=7.319, p<.001$], with owners more likely than renters to agree they would like to stay in their neighbourhood long term. The effect was moderate with an eta squared of 0.051.

The second statement examined was 'I would recommend this neighbourhood to friends looking for a place to live.' The overall average was 4.56 (SD=.707). The average for owners was 4.69 (SD=.599) and for renters was 4.33 (SD=.825). An independent samples t-test found statistically significant differences between owners and renters [$t(655.596)=7.790, p<.001$], with owners more likely than renters to agree that they would recommend their neighbourhood as good place to love. The effect was moderate with an eta squared of 0.058.

Respondents were asked to rate their level of agreement with 'my neighbourhood is a good place to raise children'. The overall score for all tenure types was an average of 4.55 (SD=.755). Owners scored an average of 4.66 (SD=.638), compared to renters scoring an average of 4.34 (SD=.900). An independent samples t-test found statistically significant differences between owners and renters [$t(645.088)=6.520, p>.001$], with owners more likely

than renters to agree that their neighbour was a good place to raise children. The effect however, was small with and eta squared of.042.

The final question in this analysis asked respondents to rate their area on whether they thought it was changing for the worse, staying the same or improving. Almost four times as many people thought their neighbourhood was changing for the better compared to those who thought it was changing for the worse. There were differences between renters and owners; almost half of all owners (47.2%) thought their neighbourhood was changing for the better, while just over a third of renters thought this. Similar numbers of renters and owners perceived their neighbourhood as changing for the worse. Table 8 contains the responses to this question.

Table 8: Perceptions of neighbourhood changing by tenure

Would you say overall your area is....?	All Tenure	Owners	Renters
Changing for the worse	11.9%	12.3%	11.3%
Not changing	45.0%	40.5%	53.2%
Changing for the better	43.1%	47.2%	35.5%

5.3 Affordability

Two questions have been analysed to assess the level of difficulty homeowners with a mortgage and renters experience meeting their rental or mortgage costs each month. Renters were asked to rate on a scale of one to five from a lot of difficulty to no difficulty they had meeting their monthly rental costs. Those answering two, three and four were combined to create 'some difficulty'. Owners with a mortgage were asked if they had any difficulties meeting their monthly mortgage repayments and could answer from '1' being 'lots of difficulty' to '3' being 'no difficulty', with results shown in Table 9.

A high proportion of homeowners with a mortgage are largely untroubled by affordability issues. Two thirds of people with a mortgage said that they had no difficulty repaying their mortgage each month, while a third had some difficulty, and just one in fifty people experienced lots of difficulty repaying their mortgage each month. This is reversed for renters. Just one third of renters said they had no difficulty paying their rent each month

compared to two thirds who experienced some difficulty and one in thirteen who experienced lots of difficulty.

Table 9: Affordability of monthly rental costs or mortgage repayments

Difficulty paying rent/mortgage	Owners	Renters
Lots of difficulty	2.2%	5.8%
Some difficulty	32.6%	62.3%
No difficulty	60.3%	31.9%

5.4 Residential Satisfaction

The literature review pointed to residential satisfaction as a composite theory drawing on satisfaction with the housing unit, the neighbourhood and life in general. This study used both single-item and multiple-item measures to ascertain satisfaction levels. Two single-item measures asked respondents to rate on a 5-point Likert-type scale their satisfaction, firstly with their housing unit and secondly, with their neighbourhood. For this analysis, a composite measure combining responses for both of these questions was created and the answers analysed. For the overall sample, the score for residential satisfaction was 8.74 (SD=1.314) out of a maximum score of 10. Owners residential satisfaction scores were an average of 8.97 (SD=1.191), while renters scored an average of 8.30 (SD=1.420). An independent samples t-test found statistically significant differences in levels of residential satisfaction between renters and owners [$t(732.278)=8.258$], $p<.001$], with owners more likely to have higher residential satisfaction than renters. The effect was moderate with an eta squared of .060.

6 Discussion and Conclusion

The literature review pointed to the substantial levels of research that shows that homeownership is a key factor in determining levels of satisfaction. This research substantiates these findings for Irish householders.

This study used a single-item measurement to measure levels of housing satisfaction, comparing satisfaction levels for owners and renters. While, the majority of all households were found to be satisfied or very satisfied with their housing, there were significant differences found between the two tenure groups.

Significant differences were found in a range of housing issues between renters and homeowners. In particular; shortage of space; difficulties keeping the home warm, and the cost of upkeep were found between the two tenure groups.

The results in this study support the findings of Elsinga and Hoekstra (2005) who found that the higher quality of housing in owner occupied homes than rented homes partly explained the higher levels of housing satisfaction. However, this was only partly, as when tenure-related housing quality differences were controlled for, homeownership still remained statistically significant, except for in Austria.

The overwhelming aspiration of Irish people is still to own their own home, though many will never be able to do so. Ireland has moved from a nation with over 80% of tenure in homeownership in the early 1990s to more recently an ownership rate in line with the European average, with 67.6% of households in homeownership (CSO 2016). Policies have started to reflect this changing reality. Recent legislation has aimed to ensure greater security for tenants and strengthened rights. The strengthened role of the Residential Tenancies Board also aims to improve standards in the rental sector.

The Housing Agency's exploratory focus group research found that renters were likely to be less connected to their neighbourhoods and communities than homeowners. This study found extremely high levels of satisfaction with the neighbourhoods people are living in – with overall 91% either satisfied or very satisfied with the neighbourhood. Significant differences were found between renters' and homeowners' levels of satisfaction, with more

than half (56%) of homeowners very satisfied with their neighbourhoods, compared to just under a third (32%) of renters.

The results from the statements which tried to ascertain levels of attachment to the neighbourhood would substantiate the findings from the Housing Agency focus groups. While three-quarters of homeowners strongly agree that they would like to stay living in their neighbourhoods long-term, this dropped to just over half of all renters. Again, almost three-quarters of homeowners thought their neighbourhood was a good place to raise children while just over a half of renters did. Ensuring renters feel a strong attachment to their neighbourhoods and communities is an important policy consideration as the number of householders in this tenure continues to increase.

Affordability is a key issue in Ireland, driven by a lack of supply, increasing rents, increasing house prices and stricter regulations on credit lending. Housing affordability has also been shown to be a key determinant in housing satisfaction. This study revealed that there were differences between renters and owners in terms of difficulties paying their rent or repaying their mortgage. What was found in this study was that a surprising number of homeowners with a mortgage appear to be largely untroubled by affordability issues. Two thirds of people with a mortgage said that they had no difficulty repaying their mortgage. However, further analysis would be interesting to see when these mortgages were taken out.

In terms of renters it was a very different story. Two thirds of renters experienced difficulties nationally paying their rent each month. Recent research has shown that for young people buying their first property has become more difficult than it was a generation ago (Turnbull, 2017). In the Housing Agency's Statement of Housing Supply and Demand (2018) the issue of affordability was discussed and highlighted. Renters tend to have less disposable income and are more likely to experience affordability problems. A range of policies have been introduced by the government to attempt to address affordability issues. Rent pressure zones were introduced to help counteract high rent increases in certain areas. Where they have been introduced, rent increases have been capped at 4% per annum over a three-year period.

In conclusion, this study has shown that Irish homeowners tend to be a lot more content with their housing and their neighbourhoods than those who rent.

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