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# Divorce, Remarriage and the Housing Market

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- *The rise in the number of divorces has had a significant impact on the housing system. There were 145,200 divorces in England and Wales and 12,200 in Scotland in 1998.*
- *The overall increase in households generated by divorce tripled, from about 35,000 in 1971 to 115,000 in 1991.*
- *Owner-occupier couples are less likely to divorce than tenants, even when allowance is made for age at marriage and socio-economic group.*
- *Overall, about 70% of ex members of divorcing owner-occupier couples remained in owner-occupation after being divorced; 8% became local authority tenants, 3% private sector tenants and 17% lived in someone else's household.*
- *Staying in owner-occupation does not necessarily mean that divorcees remain in similar quality accommodation. Proportionately far fewer divorced lone parents live in detached houses and over 70% of divorced lone parents with mortgages lived in dwellings in the lowest three council tax bands.*
- *The number of new households formed from remarriage or cohabitation following divorce falls far short of the number of marriages dissolved.*
- *With increases in the number of unmarried cohabiting couples that are owner-occupiers estimates derived from the number of divorces give an increasingly incomplete picture of the housing market effects of the break up and reformation of couple households.*

## Introduction

In its report, *Divorce, Remarriage and Housing*, the Department of the Environment, Transport and the Regions (DETR) published the findings from research it had commissioned into the effect of divorce on the number of households formed and dissolved and their housing tenure. These research findings have been drawn on extensively in this article.

One of the original purposes of the research was to assess the effect of divorce and separation on the need for local authorities and housing association tenancies. While the research covered all tenures, for reasons of length this article focuses on moves to and

from owner-occupation and the associated purchases and sales.

Subjects that the research investigated included the housing tenure of divorcing couples; the housing circumstances of the ex-spouses, including the number that lived as independent households and the effect on the number of separate households. Also studied were how many divorcees remained in owner-occupation and was there evidence about whether this involved moves to poorer and presumably cheaper accommodation.

With the increasing prevalence of unmarried cohabitation, analysis of the effect of divorces gives an incomplete picture of the housing effect of the

break up of couple households. But, in contrast to divorces, dissolutions of cohabiting couple households leave no record, so the quantitative framework for estimating the effects of separations of cohabiting couples is much less firm than for divorces of married couples. An array of survey data was used to arrive at an estimate of the number of cohabiting couples and of successor households and their tenure. Approximate estimates with due warnings of uncertainties were considered preferable to omitting cohabiting couples altogether.

The housing effects of dissolutions of couple households can potentially be reversed through new couples being formed by cohabitation and remarriage. An attempt was made to quantify these effects and to assess the overall effect on the number of separate households and their housing. The increase in separate households generated by divorce and separation is only partly reversed by new couple households being formed: in the early 1990s, the net increase in households is estimated at 35-40% of the total net increase in households year by year.

## The research: sources of data

The main component of the research commissioned by the DETR was an analysis of survey data collected through special questions placed in the family information section of the General Household Survey (GHS) in 1991/92, 1992/93 and 1993/94. Three years were considered necessary to accumulate a large enough sample. The GHS family information section collects a marital history of members aged 16 to 59 in respondent households. Those who had divorced in 1980 or later and had not remarried were asked:

- (i) what was the tenure of the house where they had been living immediately before separating;
- (ii) what was the tenure of the accommodation where they had been living 12 months after the divorce decree; and
- (iii) was that the former matrimonial home?

The responses to these questions could be cross analysed by housing circumstances at the time of interview, so that changes of tenure subsequent to 12 months after the decree could be ascertained. The family information section in GHS includes the year when the divorce took place, so the data can be partitioned into groups of years to study changes through time in housing tenure pre and post divorce. This is important owing to the increase in the proportion of owner-occupiers in the 1980s and the rise in the proportion of divorced men and women who live independently.

GHS sample members who had remarried in 1980 or later, subsequent to divorce (and had not divorced again), were asked about their housing circumstances immediately before they began to live with their current spouse. The question had to be in this form and not about tenure before remarriage, because around 80% of divorced men and women who remarry cohabit with the future spouse beforehand. Housing tenure immediately before beginning to cohabit with the new spouse can be cross analysed by tenure at the time of interview, to provide evidence about how far the housing effects of divorce are reversed through remarriage.

## The number of divorces and the housing circumstances of the divorced population

The number of divorces and remarriages year by year are shown in Table 1. The table refers to England and Wales; Scotland has a separate legal system and hence separate statistics of civil justice, including divorce; in 1998 there were 12.2 thousand divorces in Scotland, as compared with 145.2 thousand in England and Wales. In Table 1 the number of males divorcing is necessarily equal to the number of females. But remarriage rates differ, hence there being more divorced women than divorced men in the population.

TABLE 1: DIVORCES AND REMARRIAGES: ENGLAND AND WALES 1971-1978

Year	Males		Females	
	Divorces	Remarriage by Divorced Persons	Divorces	Remarriage by Divorced Persons
	000s	000s	000s	000s
1971	74.4	42.4	74.4	39.6
1976	126.7	67.2	126.7	65.1
1981	145.9	79.1	145.9	75.1
1986	153.9	83.4	153.9	80.0
1991	158.7	74.9	158.7	73.4
1993	165.0	77.0	165.0	75.9
1996	157.1	78.0	157.1	78.9
1998	145.2	74.0	145.2	73.3

Source: *Divorce, Remarriage and Housing*, Table 2.6 and *Population Trends Spring 2000*, Tables 9.2 and 9.3

The number of divorces reached its peak in 1993, so comment about “the soaring number of divorces” is now dated. Of the 20,000 fall in the number of divorces between 1983 and 1988, 80% were explained by the smaller number of married men and women under age 45 and only 20% by the small fall in divorce rates at ages 30-44.

Also very important for housing is the increasing proportion of divorced men and women who live independently and so head separate households. These proportions are shown in Table 2 and are taken from analyses made for the DETR household projections. Divorced men and women who are

cohabiting are excluded as they have already formed new couple households.

TABLE 2: PROPORTION OF NON COHABITING DIVORCED MEN AND WOMEN HEADING HOUSEHOLDS 1971 TO 1998 (%)

	Household Head %	Concealed Lone Parent (a) %	Non Head %	Total (1,000 = 100%) %
<b>Men</b>				
1971	71	2	27	125
1981	75	1	24	417
1991	85	-	14	758
1996 (b)	88	-	12	1,013
<b>Women</b>				
1971	78	5	17	225
1981	86	3	11	619
1991	88	1	11	1,051
1996 (b)	89	1	11	1,302

Note: (a) A lone parent family living as part of someone else's household, for instance a lone mother and child living with her parents

(b) Projected

Source: *Divorce, Remarriage and Housing*, Table 3.2 and Household Projection Service, Anglia Polytechnic University

The increase in the proportion of divorced men and women heading households (Table 2) along with the rise in the number of divorces has increased the impact of divorce on the housing system. In 1971, 71% of divorced men and 78% of divorced women headed separate households, ie, 149 divorced household heads per 100 married couples that divorced. The proportions of 85% and 88% in 1991 resulted in 173 divorced households per 100 couples divorced, while the number of divorces more than doubled. The result was a 150% increase in the number of successor households formed. The overall increase in households (successor households formed minus married couple households dissolved) generated by divorce tripled, from about 35,000 in 1971 to 115,000 in 1991. These are estimates of what may be termed the 'gross effect' of divorce on the number of separate households; the 'net effect' is after subtracting the effects of remarriage and formation of cohabiting couples by divorced men and women.

## Housing tenure of divorcing couples and successor households

Of all types of households, married couples have the highest proportion of owner-occupiers.

Owner-occupier couples are less likely to divorce than tenants, even when allowance is made for age at marriage and socio economic group (see *Divorce, Remarriage and Housing*, pages 55-57).

Nevertheless, the estimated proportion of couples who divorced in 1989-92 that were owner-occupiers was 72% and the number of divorcing owner-occupier households put at 103,000 (*Divorce, Remarriage and Housing*, Table 5.7); these figures

refer to England. There were 31,000 divorcing couples who lived in local authority and housing association housing and 10,000 renting from private landlords. The estimated numbers of divorcing couples according to tenure immediately before separation and numbers of successor households also analysed by tenure, are shown in Table 3.

TABLE 3: ANALYSIS OF TENURE OF MARRIED COUPLE HOUSEHOLDS DISSOLVED AND SUCCESSOR HOUSEHOLDS FORMED (THOUSANDS)

	Year of Divorce			
	1980-82 000s	1983-85 000s	1986-88 000s	1989-92 000s
<b>Married couple households dissolved</b>				
Owner-occupiers	75	81	96	103
Social sector tenants	45	43	34	31
Other tenants	15	15	11	10
All tenures	135	139	141	144
<b>Successor households</b>				
Owner-occupiers	108	119	138	150
Social sector tenants	71	71	62	61
Other tenants	36	36	32	30
All tenures	215	226	232	241
<b>Increase in households</b>				
Owner-occupiers	+33	+38	+42	+47
Social sector tenants	+26	+28	+28	+30
Other tenants	+21	+21	+21	+20
All tenures	+80	+87	+91	+97

Source: *Divorce, Remarriage and Housing*, Table 8.7

The figures in Table 3 are not in reality exact to the nearest thousand, but the main conclusions to which they point are not in doubt. That divorces generate an additional demand and need for rented housing would be expected; but that divorces result in a net increase in the number of owner-occupiers is perhaps a more unexpected finding, especially as 'successor households' do not include cohabitations with new partners. Who among the ex-partners remains in owner-occupation and who is forced out, and whether those who remain in owner-occupation are in difficulty with their mortgages, or have to move to smaller houses and flats, are discussed later in this article. Before that, however, it is useful to cross

TABLE 4: POST DIVORCE TENURE BY PRE DIVORCE TENURE: DIVORCES IN 1989 - 92

Post divorce tenure	Pre divorce tenure			
	Owner-occupiers 000s	Social Sector Tenants 000s	Private Sector Tenants 000s	All Tenures 000s
<b>Owner-occupiers</b>				
In former matrimonial home	81	-	-	81
Other	66	0	3	69
<b>Social sector tenants</b>				
In former matrimonial home	-	24	-	24
Other	17	16	4	37
<b>Private sector tenants</b>				
In former matrimonial home	-	-	3	3
Other	7	16	4	27
<b>All successor households</b>				
Living in someone else's household	35	6	6	47
All members of divorcing couples	206	62	20	288

Note: - means nil by definition

Source: *Divorce, Remarriage and Housing*, Table 8.12

analyse successor households' tenure by tenure before separation. In this analysis the number of ex-partners that remained in the former matrimonial home (12 months after the decree) can be noted.

One of the ex spouses from some 80% of divorcing owner-occupier couples was still living in the former matrimonial home 12 months after the decree. In about 70% of instances it was the former wife who still lived there. The *Consequences of Divorce Survey* carried out by the Office of Population Censuses and Surveys for the Lord Chancellor's Department in 1984 (The *Consequences of Divorce*, HMSO 1990) indicates that in the longer term more of the ex-spouses would leave and the former matrimonial home would be sold. The proportion of 80% of former matrimonial homes still occupied by one of the ex spouses refers to divorces in 1989-92 and so could well have been higher than normal due to the difficulty of selling in the very depressed housing market at the time.

Overall, about 70% of ex members of divorcing owner-occupier couples remained in owner-occupation after being divorced; 8% became local authority tenants, 3% private sector tenants and 17% lived in someone else's household. About one half of these were living with parents. Between 25 and 30% of ex partners in divorcing owner-occupier couples were forced out of owner-occupation, either to become tenants or cease to be independent householders.

### Divorcing owner-occupiers: who stayed in owner-occupation

This part of the article is concerned with ex-members of married couples who stayed in owner-occupation while living independently, ie, not cohabiting with a new partner. (The housing circumstances of those who were cohabiting with a new partner are considered alongside the housing effects of remarriage.) The first distinction to draw is between those living in the former matrimonial home and those that had moved to fresh accommodation.

A small proportion of divorced men and women who lived in the former matrimonial home 12 months after the decree had left owner-occupation by the time of interview, but a much larger proportion of those who had left the former matrimonial home were forced out of owner-occupation. Particularly for women with dependent children, remaining in the former matrimonial home was key to remaining in owner-occupation. Some 52% of women with dependent children stayed in the former matrimonial home, as compared to only 45% of those without dependent children. But of those with dependent children who did not stay in the former matrimonial home, only 43% remained in owner-occupiers. That is only slightly higher than the proportion that became local authority or housing association tenants, no doubt because involuntarily homeless lone parents with dependent children are in priority need under homelessness legislation.

To stay in owner-occupation after divorce is not necessarily to stay in equally good quality housing. The survey did not collect any information about the type or size of the former matrimonial home with which to compare with the accommodation occupied at the time of interview. But some indications of whether divorce is likely to have been followed by moves to smaller dwellings can be gained by comparing the housing of non cohabiting divorced men and women with that of first married couples. Divorced men and women living alone may well have moved to smaller dwellings as a matter of choice rather than financial pressure. But lone parent households in smaller or poorer dwellings are much more likely to have stayed in owner-occupation only through trading down. Data from the Survey of English Housing (SEH) were used to compare the housing of lone parent households with divorced female heads with the housing of first married couples (ie, married couples where neither partner had been married before) with dependent children. Divorced male lone parents are too few to be studied with the sample available. Aspects of housing compared were type of dwelling, number of bedrooms in relation to standard, central heating and

TABLE 5: TENURE AT TIME OF INTERVIEW OF NON COHABITING DIVORCED MEN AND WOMEN WHO HAD BEEN OWNER-OCCUPIERS BEFORE SEPARATING

Tenure at Interview	Men		Women with No Dependent Children at Divorce		Women with Dependent Children at Divorce	
	In Former Matrimonial Home	Not in Former Matrimonial Home	In Former Matrimonial Home	Not in Former Matrimonial Home	In Former Matrimonial Home	Not in Former Matrimonial Home
	%	%	%	%	%	%
Owner-occupiers	88	57	93	65	85	43
LA or HA tenant	4	9	4	15	9	38
Other tenant	4	14	1	10	1	8
Not household head	4	20	2	11	5	11
(sample no = 100%)	(84)	(143)	(84)	(102)	(136)	(125)

Source: *Divorce, Remarriage and Housing*, Table 6.6

council tax bands. Not all can be shown here, for reasons of space. Type of dwelling is shown first, then council tax bands. The comparison is restricted to owner-occupiers with mortgages. Lone parents with dependent children are distinguished from lone parents with only non dependent children, because flats are widely regarded as unsuitable for families with younger children.

TABLE 6: TYPE OF DWELLING OCCUPIED BY LONE PARENT HOUSEHOLD WITH DIVORCED FEMALE HEADS COMPARED WITH FIRST MARRIED COUPLES: OWNER-OCCUPIERS WITH MORTGAGES

	Houses			Purpose Built	Flats Converted	Other	All Dwellings (1000 = 100% %)
	Detached	Semi	Terrace				
	%	%	%	%	%	%	
Lone parents with dependent children	12	43	38	5	1	1	(139)
Lone parents with only non dependent children	10	40	37	9	3	-	(66)
First married couples with dependent children	31	41	26	1	1	-	(2,568)

Source: *Divorce, Remarriage and Housing*, Table 7.3

Proportionately far fewer divorced lone parents than first married couples lived in detached houses; more lived in terrace houses and more in flats, though a minority. The distribution of households between council tax bands is shown in Table 7. Band A is the lowest (under ,40,000) and band H the highest. The valuations reflect a combination of size, condition and location.

TABLE 7: DWELLINGS OCCUPIED BY LONE PARENT HOUSEHOLDS AND FIRST MARRIED COUPLES WITH DEPENDENT CHILDREN THAT WERE OWNER-OCCUPIERS WITH MORTGAGES: ANALYSIS BY COUNCIL TAX BAND

	Council Tax Bands					
	A and B	C	D	E and F	G and H	All bands
	%	%	%	%	%	%
Lone parents with dependent children	44	29	18	8	2	100
Lone parents with only non dependent children	40	31	16	11	2	100
First married couples with dependent children	28	23	22	21	7	100

Source: *Divorce, Remarriage and Housing*, Table 7.6

Over 70% of divorced lone parents who had mortgages lived in dwellings in the three lowest Council Tax bands, compared with only 50% of first married couples with dependent children. The same story is told by the proportion with central heating – 73% of lone parents with dependent children lived in dwellings with full central heating as compared with 84% of first married couples. Central heating is valued as an amenity in itself and has been shown to correlate well with house conditions more broadly defined in older houses.

## Remarriages and new cohabitations

Remarriages by divorced men and women have fallen relative to the number of divorces (Table 1) and in the 1990s were less than half of the number of divorces. Formation of cohabiting unions by divorced men and women has to be added to remarriages. But even so, the number of new couple households formed falls well short of married couple households dissolved. Estimating the number of new cohabiting couples is complex and for detail reference should be made to chapter 9 of *Divorce, Remarriage and Housing*, which also describes the estimates of households formed and dissolved through remarriage and cohabitation by divorced men and women.

Remarriage by a divorced man living as part of someone else's household forms a new household; remarriage by a divorced man living alone transforms a one person household into a married couple household, but does not alter the total of households; but remarriage by a divorced woman heading a lone parent household or living alone dissolves a household. In the 1990s, new cohabitations that did not turn into remarriages are estimated to have added about 20,000 a year to the 75,000 or so remarriages (Table 1). Their effect was to reduce the number of separate households by around 50,000 a year (*Divorce, Remarriage and Housing*, Table 11.1).

The housing tenure of divorced men and women before and after forming new cohabitations and remarrying can be estimated, but the housing effects depend as well on the housing circumstances of the other partner. An estimated 17,000 men, for example, who before remarrying or cohabiting lived as part of someone else's household were owner-occupiers afterwards (*Divorce, Remarriage and Housing*, Table 9.8). But the effect would depend on the circumstances of the new wife or partner. If in all instances she was living as a member of someone else's household, the result would be an additional 17,000 owner-occupier households; at the other extreme, if all the new wives and partners were already owner-occupiers and the men simply moved in with them, there would be no housing effect at all. The survey could not collect information about the housing of new partners or about who moved in with whom. In the absence of this information it was necessary to proceed by inference and assumption. Around 70% of remarriages by divorced men are to divorced women and vice versa. An important topic in assessing the housing effects of remarriage and new cohabitations is therefore the number of owner-occupiers who remarry or cohabit with owner-occupiers, such that one of the residences is no longer

needed and can be sold. The number of owner-occupier households reduces when owner-occupiers remarry or cohabit with other owner-occupiers, which would go to offset the increase in owner-occupiers produced by divorce (Table 3).

How large is the offset depends on the number of divorced owner-occupiers remarrying and how many of them remarry or cohabit with other owner-occupiers. That is not known; all that is possible is calculations on alternative assumptions. One possibility is that the probability that a remarrying divorced owner-occupier will marry another owner-occupier is no different from the proportion of female partners that are owner-occupiers, which would seem to be the minimum assumption for estimating the number of remarriages and new cohabitations where both parties are already owner-occupiers. An alternative assumption is that there is some degree of 'like marries like', that remarriages by owner-occupiers to other owner-occupiers are proportionally more numerous. On the minimum assumption, about 16,000 remarriages between owner-occupiers would take place annually. With an element of 'like marries like', the figure could be 20,000 or rather higher. These figures suggest that somewhat less than half of the net increase in owner-occupiers resulting from divorce (Table 3) is offset by remarriages and new cohabitations.

### Total of house purchases and sales generated by divorces and remarriages

To estimate the number of housing market transactions resulting from divorces of owner-occupier couples, house purchases by successor households and remarriages by divorced owner-occupier couples, it is necessary to allow for some of the ex-spouses shown in Table 4 as remaining in the former matrimonial home to subsequently leave. Settling the ownership of the former matrimonial home was shown by the *Consequences of Divorce Survey* to be often a long drawn out process. That survey suggests that in the long term one or other of the ex spouses will remain in about 40% of instances and in the other 60% both ex spouses will leave and the dwelling will be sold. Where one of the ex spouses remains in occupation, he or she will usually have to buy out the other's interest, except where the former matrimonial home is transferred in a so called 'clean break' settlement. Unfortunately, the *Consequences of Divorce Survey* could not quantify the number of such settlements because it was carried out before the legislation that

permitted such settlements (the Matrimonial and Family Proceedings Act 1984) had come into effect. Table 8 shows the estimated number of purchases and sales annually that resulted from divorces in 1989 - 92 (not all in those years, of course).

TABLE 8: HOUSE PURCHASES AND SALES GENERATED BY DIVORCES AND REMARRIAGES

<b>Purchases</b>	000s
Successor households in fresh accommodation (ie, left the former matrimonial home)	109
Remarriages by divorced men not previously household heads	14
<b>Total</b>	<b>123</b>
<b>Sales</b>	
Married couple households dissolved and former matrimonial home sold	62
Sales due to remarriage between owner-occupiers	23
<b>Total</b>	<b>85</b>
Purchases of ex spouse's interest in former matrimonial home and 'clean break' transfers	41

Source: *Divorce, Remarriage and Housing*, Table 11.6

Due to the amount of estimation needed, the figures in Table 8 do not purport to be exact to the thousand, but they are sufficient to show that the impact of divorce and remarriage on the number of housing market transactions is very substantial.

### Separations of cohabiting couples

With increases in the number of unmarried cohabiting couples that are owner-occupiers (see *Housing in England 1996/97*, chapter 8), estimates derived from the number of divorces give an increasingly incomplete picture of the housing market effects of the break up and reformation of couple households. Information about separations of cohabiting couples is sparse and consists of the number of cohabiting couples in a particular year and longitudinal data about the proportion of men and women who were cohabiting in the starting year but not in the next year in the sequence. Similar longitudinal data are available from the same sources about men and women who were married in the start year but not in the subsequent year, so comparisons may be made which thus far have shown that the proportions of cohabiting couples that separate are higher, age for age, than for married couples. The data source used to estimate the number of cohabiting owner-occupiers couples dissolved and the number of successor households that were owner-occupiers was the OPCS (now ONS) Longitudinal Study, which provided a cross analysis of type of household and tenure in 1991 (from a 1% Census sample) by household type and tenure in 1981. Details of the method used are in Chapter 10 of *Divorce, Remarriage and Housing*, but cannot be gone into here for reasons of space. The

estimated number of owner-occupier cohabiting couples dissolved is put at 38,000 a year at the beginning of the 1990s and the number of successor households at 55,000 (*Divorce, Remarriage and Housing*, Table 10.15). These are necessarily approximate estimates only. They are equal to about 35% of the estimated numbers of owner-occupier married couple households dissolved and successor households formed (Table 3 above). In very round terms the totality of the purchases and sales of owner-occupied dwellings generated by the dissolution of owner-occupier couple households and formation of new households by the ex partners is likely to be about one third higher than the figures in Table 8.

The figuring and calculations are for the housing effect of divorce and remarriage and the cohabitation

equivalents, as of the early 1990s. Since then the number of divorces has fallen, but since this is principally the consequence of the smaller number of married couples in the age groups where divorce rates are highest, it is likely that it has been largely offset by more separations of cohabiting couples. The picture drawn from data for the early 1990s was therefore probably still valid at the end of the decade.

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