

## Young adult graduates living in the parental home: Expectations, negotiations and parental financial support

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In both the UK and the US reports abound of ‘boomerang children’ returning to the parental home having previously moved out for a time. A recurring theme relates to the financial arrangements made by parents and their adult children (e.g., Koslow & Booth, 2012; Bortz, 2012). This article is concerned with one particular group of young adult children, namely graduates in England who live in the parental home, and focuses in particular on expectations regarding parental financial support and how support is negotiated.

Significant proportions of young adults live with their parents in the UK and the US. In the US, a survey carried out by the Pew Research Centre, found that 39% of 18 to 34 year olds were living with their parents or had done so temporarily in recent years; for college graduates under 30 the figure was 42% (Parker, 2012). In the UK, 49% of 20 to 24 year olds and 26% of 20 to 34 year olds were living with their parents in 2013, with the young unemployed being more likely to live in the parental home (Office for National Statistics (ONS), 2014). Since the 2008/09 recession, unemployment rates have risen for all groups including graduates (ONS, 2013); this is significant as finishing full-time higher (postsecondary) education is one of main causes of returning to the parental home (Berrington, Stone, & Falkingham, 2013).

In England, high proportions of young people move away from home to go to university: in 2011/12, 70% of English-domiciled students on full-time 3-year undergraduate programs (the normal duration of a degree course in England) lived away from home (UK House of Commons, 2013). Sage, Evandrou, & Falkingham (2013) surveyed the migration histories of a cohort of students who left one university in the south of England between 2001

and 2007. Migration trajectories were found to be complex in the 5-year period after leaving university. Approximately half the graduates returned to the parental home at some stage and half of those stayed for more than one year.

Likewise, in the US, 76% of full-time students entering 4-year colleges and universities in 2012, reported that they planned to live in a college residence hall (Pryor, Eagan, Palucki Blake, Hurtado, Berdan, & Case, 2012). One study found that 46% of those who lived in colleges returned home on completion of their studies (Mulder & Clark, 2002): parental resources played an important role in the likelihood of returning, providing support for the ‘feathered nest’ hypothesis, namely that young adults are more likely to return to a comfortable home (see also Avery, Goldscheider, & Speare, 1992).

The parental home and support can provide a crucial safety net for graduates who have lived away from home during their undergraduate studies. However, there is a paucity of research about the expectations of parents and adult children regarding financial support, the consistency in their views and the extent and nature of their negotiations. The next sections reviews literature on financial arrangements within families, on the parent-child relationship and on expectations of support; it also presents the research question. The methods, findings and discussion follow.

## **Literature**

### **Financial support by parents and financial contributions by adult children**

Financial resources within the parental home can flow from young adults to their parents and from parents to their offspring. While historical research has explored how adult children contributed to the family economy (e.g., Wall, 2010), adult children are no longer

seen as 'essential economic contributors' (Sassler, Ciambone, & Benway, 2008, p. 680). Thus, Clemens and Axelson (1985) in their qualitative study in the US of 39 adult children aged 18 to 39 found that children of intact families were generally not paying for room or board although where parents were divorced or widowed the likelihood of paying rent and food costs increased. Sassler et al. (2008) found that less than a third of their sample of 30 young adults in Southern New England living in the parental home, made financial contributions to the household, whether by paying rent or sharing in household expenditures; respondents often reported that parents did not ask them to contribute and some resisted making contributions. Survey data have revealed that nearly half of young American adults (aged 25 to 34 years) who were living with their parents, or had moved back in temporarily in recent years, paid rent (Parker, 2012). Comparable data are not available for England, but Sage et al. (2013) in their study of graduates who returned to the parental home found that 33% had made a financial contribution to household costs. Thus, in both countries, research indicates that a minority of young adults living in the parental home make regular financial contributions.

Young people living in the parental home may also be in receipt of financial support from their parents. Financial transfers from older to younger generations are common with those from parents to adult children often being targeted at the most needy and those who are younger (Kohli, 2004; Fingerman, Miller, Birditt, & Zarit, 2009; Hartnett, Furstenberg, Birditt, & Fingerman, 2012). Research has also found that parents are more likely to support financially adult children who are not working full-time (Swartz, Kim, Uno, Mortimer, & O'Brien, 2011). A central theme to emerge in one Canadian study was a desire by parents to help their children build secure lives and futures (Ploeg, Campbell, Denton, Joshi, & Davies, 2004). Such support has become increasingly important with increases in housing costs and

changes to the structure of employment (Goldscheider, Thornton, & Yang, 2001). In the UK, since the 2008/09 recession, the percentage of graduates working in a non-graduate job has increased (ONS, 2013); this is important as graduates in the UK have traditionally had high expectations of faster entry into home ownership as a result of higher earnings (Andrew, 2006).

### **Parent-child relationship and expectations of parental support**

The parent-child relationship is undoubtedly special. Ploeg et al. (2004) found that parents' motivation to help their children was often expressed as being 'strong feelings of love' (p. S119). When children are young, parents conventionally take responsibility for their material and their emotional welfare (Finch & Mason, 1993). Some have presented this as 'part of the "natural" moral order of things', while others have stressed that parental obligations and responsibilities flow from social norms (Eekelaar, 1991) – 'social attitudes of approval or disapproval, specifying what ought to be done and what ought not to be done' (Sunstein, 1996, 914). For others an 'ethic of care' (Sevenhuijsen, 2003) has been invoked. In short, parents' responsibilities toward their children arise from their relationship with them (Bridgeman, 2008) – they look after them, 'affectional' bonds grow (Ainsworth, 1989) and commitments develop that flow into adult life. However, even the parent-child relationship lacks a general consensus on the 'right thing to do' in any given set of circumstances, particularly with respect to financial support to adult children (Finch & Mason, 1993).

Co-resident adult children may also have expectations about nature of parental support. Thus, most of the young people interviewed by Sassler et al. (2008) assumed that the costs of living in the family home should be borne by the parents. However, expectations between parents and their young adult children may differ. Goldscheider et al. (2001) found

that only 15% of mothers expected their child to live for free at home if not studying, compared with 27% of their children. Notwithstanding these differences, a recent US survey found that around 65% of parents expected to support their children financially for up to five years after college graduation and 68% of students expected such support (Sallie Mae, 2015).

These findings appear to indicate greater consistency between parents and their adult children as regards expectations of financial support. Nevertheless, this research does not address how financial arrangements – their nature and purpose – are decided upon within the family. In this context, Finch and Mason (1993) distinguish between different types of ‘negotiation’: explicit negotiations are open discussions between parties prompted by particular needs and aimed at reaching a particular way of proceeding while implicit negotiations involve no open discussion rather there is tacit agreement or understanding between parties.

This article adds to the extant literature regarding parent and graduate children expectations regarding co-residence and financial support and associated negotiations. It focuses on middle-class families: in England, young people from middle-class backgrounds are more likely to attend university and most live away from home. It addresses the following research question: To what extent do parents and their graduate children have consistent expectations regarding co-residence and financial support, and how might the latter be negotiated? The findings reveal that expectations regarding co-residence were broadly consistent across parents and graduate children in the sample. Furthermore, *within* families there was broad consistency regarding expectations of financial support, even though there was variation *between* families. Moreover, the way in which financial arrangements are reached – by negotiation – varies between families, between parents and between children.

Expectations appear to be shaped by a range of factors including the child's circumstances and cultural and family norms, with negotiations of different types enabling a way forward to be agreed.

### **Sample and Methods**

The research discussed in this article is part of a larger study exploring transitions to adulthood and relationships between middle-class parents and their young graduate children. The focus was on middle-class families, a generally under-researched group in the UK and the US (but see Brooks, 2003; Napolitano, Pacholok and Furstenberg, 2014). In-depth interviews were carried out focusing on the relationship between parents and their co-resident adult children and the different types of support given and received. This article explores expectations round co-residence with a particular focus on financial arrangements.

To understand better the relationships of interest, the aim was to recruit parents and adult children who had been to university and so were similar in terms of their social class background and educational level. In the UK participation in higher education by school leavers has increased dramatically from 8% in 1970 to 24% in 2012 (Bolton, 2012; Department for Business, Innovation & Skills, 2014); the expansion has been across all social classes (Bolton, 2010), although the proportion of young people from middle-class backgrounds remains much higher than that from working-class backgrounds (52% versus 27% in 2013/14) (Higher Education Statistics Agency (HESA), personal communication, July 16, 2015). Higher education in England is stratified, with 'old' traditional universities (established before 1992) catering for more advantaged students than 'new' universities (established from 1992).<sup>1</sup> Given that the focus of the study was on middle-class families where both parents and children had been to university, interviewees were approached

through an alumni organization of a long-established university in England with an above-average representation of students from middle-class backgrounds. Contact was made both with recent graduates, identified as being under the age of 30, who gave their current address as their parental home, and with alumni graduating between 1970 and 1985 and therefore potentially of the parent generation. Six dyads (12 interviewees) were contacted via recent graduates and 21 (42 interviewees) via parents.

The research reported in this article uses data from 54 semi-structured interviews<sup>2</sup> carried out separately with parents and co-resident, graduate children between January and September 2013. Each face-to-face interview lasted between 45 and 120 minutes (mean 75 minutes). In each dyad one interview was carried out by one member of the research team and the other interview by another to ensure that the contents of the first dyad interview did not shape the content of the second. Each interview was digitally recorded (with interviewees' permission) and transcribed. Following multiple readings of each account a descriptive summary was created for each member of each dyad and inductively derived categories and themes were developed. Analytical work entailed working within each theme to examine the complexity and variation. Factual accounts of the parent and young adult were compared on a theme by theme basis for consistency, with discrepancies being coded and reported. The analysis reported in this article explores both parents' and graduates' standpoints. There were a number of ethical considerations. Due to the design, interviewees were in effect giving consent not only for their words to be used but also for their situation, as described by the other dyad member, to be discussed. This was explained to interviewees before they were interviewed. Care has been taken to ensure that no material reported in confidence is included. Names of all interviewees have been altered to protect confidentiality.



The sample comprised 27 parents (17 mothers and 10 fathers) and 27 graduate children living in the parental home. Nineteen graduates were female and 8 were male. Twenty were White British, 4 South Asian British and 3 of mixed ethnicity (Asian/White British). The majority had attended long-established universities in England and Wales (e.g., Cambridge, Cardiff, King's College London, Nottingham, Oxford), with two having attended 'new' universities. Graduates had lived with their parents for between three months and seven and a half years (mean 22 months). When graduates first returned to the parental home – 22 returned immediately after completing their undergraduate studies – 7 were in employment (full- or part-time), 5 in unpaid internships or volunteering, 9 were studying and 6 were unemployed. At the time of the interview, 18 were in full-time and four in part-time employment; 3 were studying (and in part-time work); and 2 had no paid work (1 was an unpaid intern and 1 was unemployed). They were aged between 21 and 29 years (mean age 24) (see Table 1).

Table 1 about here

The graduates' backgrounds were predominantly middle class. Of those interviewed, 26 had at least one graduate parent and at least one parent who was in, or had retired from, a professional or managerial occupation. Twenty-two graduates lived with their mother and father, 1 with her mother and stepfather, 3 with a single mother and 1 with a single father. Eight parents had paid for all the tuition and living costs of their children while at university (the tuition fees in England at the time were up to £3,375 (approximately \$5,230) a year).<sup>3</sup> The remaining graduates had taken out a government tuition fee loan and means-tested maintenance loan. None of the graduates had been eligible for a means-tested government grant, available at that time to those from low-income families (defined as having a residual

income of approximately £50,000 (\$77,500) or less a year in 2011/12) (for details see West, Roberts, Lewis and Noden, 2015). All families lived in South East England. There were 12 mother/daughter, 5 mother/son, 7 father/daughter, and 3 father/son dyads. A majority of interviewees in our study were female. This may be related to young women being more willing to participate than young men and, in the case of mothers, to the role that they generally play in caring for their children (see David, Ball, Davies, & Reay 2003).

## **Findings**

### **Parents' and graduates' expectations of return and parental obligations**

Most parents had expected their graduate children to return to the family home as they were not financially independent. Likewise, most of the graduate children had expected to live in the family home given their financial circumstances. In all but one case, the parents felt that they had a large enough house or flat (apartment) to accommodate their child, with the child having a bedroom of his or her own.

In most cases, the graduates had lived at home during the vacations and then returned to the family home having completed their studies, although in a minority of cases, the child had lived away from the family home before returning. Parents often saw it as 'self-evident', 'natural', or 'assumed' that their child would live in the family home. As Sonia's mother's commented: 'I think it was just a natural....she just automatically came back...We just sort of took it for granted that she would...be coming here. She had no job so she had no financial...support for living away'. Katherine also expected to return: 'It was a pretty obvious that that was going to happen...in between uni I came home [and] at the end of uni [I] just didn't leave again'; for her it was 'a natural thing' to come home and try and get a job. Her parents had also expected her to come back 'for a bit'. In some cases the move was not

expected. Thus, Jessica returned home to undertake a postgraduate course having previously been in employment. In contrast, Meera 'never expected' to move in with her mother, and nor had her mother expected this, but it had arisen as a result of her parents' divorce: she was one of a minority of graduates who was explicit about not seeing her mother's home as her home.

Parents expressed feelings of obligation to support their children: Isabella's father felt that he had 'an obligation to put a roof over her head' and Emma's father commented: 'we've never said right you've gone to university, shut the door, throw away the key'. Others were explicit that the obligation was because of the parent/child relationship: as Jessica's mother said: 'Friends of mine that haven't got kids don't feel that obligation and can't understand [it]...if you're a parent you're a parent and you care about them and that doesn't actually end at a certain point'. Norms of differing kinds were also crucial. For Joanna's mother, support for offspring was 'the thing families do'. Norms in the local community could also be important, as Nick's mother explained:

loads of people...I know have had their children back...it is the mentality of everybody around here...I think if I said 'oh we're not having Nick back'...you would be mud... people would think it was very strange that you weren't allowing your son home. You know, there is definitely an expectation.

Samantha's father on the other hand made reference to the norm of children moving out of the parental home:

we want them to feel that they've got every right to see it as their home but weighed against that a sense that they need to recognize that this was their nest and...that they would be expected to leave and leave us to be in our home.

In some cases, specific cultural norms were of paramount importance, as was the case with Rajiv's father (who was of South Asian origin): 'Normally in Indian families...even if [children have] moved out to university, they...come back until they are married and they find their own wings...so that's ... a norm in our culture basically'.

While many parents felt an obligation to support their children, for others an ethic of care permeated their accounts. According to Maria's father it was: 'a loving thing to do and I think that's important...to be there for her in any way that's necessary'. And for Daisy's mother it was 'inconceivable...that I would say... 'well, after uni...you're not coming home''. She went on to say: 'you hold that space for your children, you love them, you nurture them, you keep them safe, you take care of their physical, mental and emotional needs'. In short, most parents felt that they had obligations or responsibilities to support their children and others tended to focus on a more affective sense of love and care.

### **Financial arrangements**

**Parental gifts and loans.** All the parents had contributed towards (or paid in full) the costs of their children's undergraduate degrees. A small number had, in addition, paid for postgraduate degrees or courses (n=6). A range of other gifts and loans were made. Thus, Priti's parents had helped her buy a car which cost £9,800 (\$15,190): they gifted her £2,000 (\$3,100) and loaned her £1,000 (\$1,550) (which she had since paid back). Priti had financed the rest – £1,000 (\$1,550) from savings, and the rest through credit; this was viewed as beneficial by her mother as it would give her a credit rating, which would be needed for her to get a mortgage on a property. Matthew's father had bought his son a car and Matthew (who was in temporary part-time work) was paying back £50 (\$80) month. Whilst Prakash's father had purchased a car for his son, it was also used by the family as a town car. Daisy's parents on the other hand had bought back the car they had given to her as a way of getting funds to her without simply 'giving' her money.

Around a quarter of the parents (n=7) paid for family holidays for their children and the same proportion gave small monetary gifts – such as Joanna's mother who gave her

daughter the ‘odd £20 (\$30)’. Isabella’s father left a much larger sum – £300 (\$465) – for his daughter to buy food when he and his wife went on holiday. Occasional loans were also reported, as in the case of Nick who took £20 (\$30) from his father’s wallet ‘with consent!’ and paid it back later. In two cases, mothers provided help with their daughter’s travel expenses: Joanna reported that her mother ‘occasionally, very generously [helped], with... paying for my tube fares’. Other gifts included paying the cell phone costs (mentioned by three graduates) and ‘one off’ purchases: Jessica’s mother bought expensive items such as a ‘winter coat or winter pair of boots’ although her daughter did not ask for these.

**Financial contributions: expectations and negotiations.** Expectations of parents and their adult children regarding regular financial contributions varied. The following sections discuss these and associated negotiations. Some graduates were either unemployed or in precarious employment (n=9) or studying (n=3) (Group 1, see Table 1); in these cases no regular financial contributions were expected. In some families specific cultural norms meant that contributions were not expected (n=6) (Group 2). In other families it was decided or agreed that their offspring should save in lieu of contributing (n=5) (Group 3); in these cases, expectations varied over time and could vary between parents and their adult children. In a small number of cases, regular financial contributions were demanded by parents as a condition of co-residence (n=4) (Group 4).

*No regular financial contributions: no work, precarious employment, study (Group 1).* Parents did not expect children who were not employed, who were in precarious employment or who were studying to make financial contributions, nor did their children expect to contribute. There was thus consistency in terms of the expectations of parents and their children. However, there were differences in terms of the precise arrangements and the

nature of the negotiations: in 7 of the 12 cases there were explicit negotiations – comprising overt discussions – about the arrangements.

Some graduates received allowances from their parents about which there was no overt negotiation. Priti received £60 (\$90) a month (this was not mentioned by her mother) and Louise, £200 (\$310) a month; in both cases the payment was a continuation of support previously provided by parents. In the case of Bethan and Daisy, however, there were overt negotiations surrounding the allowance. Bethan's mother had given her daughter an allowance while at university. She had considered dropping it when Bethan returned home but did not want to 'make it harder than it is...why make her have to live on the bare minimum?' It was not financially difficult for her, merely a continuation of the earlier arrangement and would continue until her daughter was earning. Bethan, who had an unpaid internship had subsequently discussed the allowance with her mother and explicitly negotiated an increase from £300 to £500 (\$465 to \$775) a month. In return, Bethan offered to do all the shopping (using the money given by her mother) so that her mother – who disliked shopping – would not have to worry about it.

By way of contrast, Daisy's mother stopped the allowance she had been giving her daughter while at university on her return home, so 'she wouldn't have any more money for lattes, for her hair, for going out socially'. She felt that the absence of an allowance would prompt her daughter to get a job. However, this caused her anxiety: she was worried that she was doing 'everything wrong' and that she was 'a terrible parent'. Daisy for her part thought that her mother was right not to give her an allowance; this had stopped when she undertook an unpaid internship on her return to the family home after completing university:

I...felt like they were justified in not giving me an allowance because that would have just...propagated the...leisure time of it. Internships essentially are for...leisured people because if you needed money, you would have to get a job...I was only doing internships because my parents weren't asking for money from me, otherwise I would have had to do something else, so I suppose they weren't giving me an allowance because it was...my choice to do internships. I don't want any of this...I don't want my parents to have to support me, I just wish I had my own money.

In both these cases, mothers and their daughters were in agreement about the financial arrangements, even though the agreed arrangements in the respective cases were contrasting. Both cases were also characterised by overt negotiation, perhaps because there was some kind of change in the arrangements, which had to be discussed.

Gemma's situation was different. She had been unemployed on returning to live with her mother and had since obtained a job at a local chemist (drugstore). She was barely earning on her 'zero hours' temporary contract. Given her precarious financial situation her mother was giving her £100 (\$155) a month to help her with her travel costs and other outgoings. According to her mother she was not earning enough to pay rent, but she and Gemma had agreed that once she was in a more secure job, Gemma would pay her share of the council (property) tax as her older sister had done. Explicit and overt negotiations had taken place to reach an agreement as to how the financial arrangements would work.

As regards *regular* financial contributions, there was often no discussion; rather there was a tacit assumption that no payment would be sought. Francesca studied abroad after graduating but was unable to find work. Her father, who had been paying the rent on her apartment, decided that he would no longer pay and that she needed to move back to the family home. Neither Francesca nor her siblings paid rent. Her mother noted: 'I don't know if we ever discussed it. She's too broke to pay us anything at the moment, frankly'. Francesca

was appreciative of her parents' support which was accompanied by some obligations to contribute to the household, albeit not financially:

they are incredibly supportive...I know I'm very lucky to have parents that don't make me pay rent and...so I am very grateful and I also understand that...I do have to go out and do the shopping and I do have to contribute to this and that because...I'm living under their roof.

There was no expectation that Matthew should make regular financial contributions; there was no overt discussion, merely a tacit understanding that he would not contribute. While his mother thought that he *should* pay money towards his keep, she did not want the confrontation: she could not bring herself to ask him as he was not earning very much nor going out spending a lot. But she thought it was 'crazy' as it did not teach him anything. Matthew for his part thought that his parents would 'see it as cruel asking me for money and I'd see it as cruel...because I can't afford to pay them the money'. In this case there were differences in the perspectives of Matthew and his mother; the tensions were resolved not by overt negotiation but by his mother's decision to avoid any confrontation.

Nor was there any expectation that Joanna would contribute, nor any overt discussion: 'We never really discussed it'. Her mother had refused to pay rent when she was younger – feeling it was 'tawdry' and 'working class'. When her daughter was earning enough she would:

force her to pay into a weekly savings account, a modified rent type concept, and this is to teach her to try to budget for the true cost of living and build up a nest egg...to buy a property...or have some savings in the future.

None of the graduates who were studying were expected to make regular financial contributions. Indeed in two of the three cases parents provided financial support to their children, with overt negotiations having taken place. Rebecca wanted to study for a Master's degree, but the only financially viable option was to live with her parents for the year, for



which she was 'very grateful'. Moreover, her parents had paid two-thirds of the fees for her Master's course (she paid the other third) as they did not want her to deplete her savings account. However, Rebecca's boyfriend, who was also living in the family home, was working and her father had decided that he should pay around £200 (\$310) a month for food and bills.

Jessica's parents, rather than give their daughter money, lent her the money for the fees for a second postgraduate professional course. They opted for a loan on grounds of equity between siblings as they had already financed a Master's degree: 'we need to be absolutely clear that we're loaning the same amount of money or when we're giving that we're giving the same amount to each child'. Jessica would pay back the loan once she was in a permanent stable job. There was, as Jessica said, an implicit understanding that she was not going to 'just be stupid and go on a shopping spree' – the loan was to further her education. While Jessica was, as she put it, 'a free-rider at the moment', if she had a job and was living at home she would have to pay rent. The possibility of paying rent had been discussed explicitly with her father – who was more 'financially minded' than her mother – when she was working previously. Had she continued with that job, she would have had to pay rent. As she was now a student again it had not been raised. 'My mum has always...said that while we're studying it would be ... almost counterproductive'. She commented on the support from her parents as being 'a real big show of generosity and nothing that I...thought they should give me'.

*No regular financial contributions: varying cultural norms (Group 2).* No regular financial contributions were expected by the parents of the four graduates of South Asian origin and two of mixed ethnicity. Similar expectations were expressed by parents and

children of South Asian origin with specific cultural norms being of paramount importance. All were working full-time, with the parents – generally the father – being seen as providers. There was no overt negotiation, rather a tacit understanding that no regular financial contributions would be paid. Nonetheless, some contributions to the household were made by the graduates, for example, replacing broken toasters, buying picture frames, and paying for family meals out.

For Prakash rent had ‘never come up as an issue and it’s...not even on the table, we don’t discuss it. So long as we live in the house we don’t pay rent – and it’s sort of agreed’. Prakash did not want to bring this up with his father: ‘I didn’t want him to feel as if I’ve suddenly become an outsider in his house’. However, if some weekly shopping was needed Prakash’s father commented that his son would pay for this. There were thus understandings about what was expected. In a similar vein, Rajiv noted:

My parents have always had this thing that ‘we are the parents, we provide for you’. And even when I did pay for things...my mum would be like “No” or my dad would be like “No here’s the money”. Even if I refused to take it, it would still end up in my bedroom.

Rajiv’s father stressed: ‘It’s not expected for either of the children to pay anything like rent or anything whatsoever. But that’s the norm in most Indian families and that’s within the culture basically’.

Although Amrita’s father did not expect his daughter to pay rent, he did expect her to save for the future and to make informal contributions to the household. According to Amrita none of her friends of the same caste paid rent: ‘it’s commonly accepted in my culture...that you’ll repay the favor in the future...like my parents may end up...living with their son and his family’. However, there were certain obligations – and expectations – associated with living in the family home with Amrita contributing to ‘daily activities or chores and stuff’

and having to ‘do a lot of picking up and dropping other people from the station...so additional sort of duties’. Swapan likewise commented on obligations associated with not paying rent: ‘Once I’m on my own then I’ll be supporting and helping them, and that’s what I want to do’.

In two cases, where parents were from different ethnic backgrounds, there had been overt negotiations between parents and children about the financial arrangements, with differences in cultural norms being apparent. Although Sonia was not expected to contribute and her parents did not expect her to, there were differences between Sonia’s *parents*. They were openly negotiating with each other about whether Sonia should contribute. Her father, who was of Asian origin had been financially supported by his family until he started work in his mid-twenties. Her mother however, had been brought up in a household where she paid rent as soon as she started working:

I’ve...fallen into [my husband’s] way of thinking but I have questioned it...We haven’t quite come to any conclusions...but I think there are issues around responsibility as adults and...maybe that one of the ways of encouraging responsibility is to encourage contributing to the household budget.

The ongoing parental negotiations were reflected by Sonia: ‘my mum would probably be more inclined for us to pay rent here, but I think my dad’s quite happy for us not to...I don’t know if it’s just something they’ve not quite worked out themselves’.

Explicit, overt negotiations about financial contributions had taken place between Meera (who was of mixed ethnicity) and her mother, who was of South Asian origin and with whom she lived. Her father – who was divorced from her mother – did not provide any financial support ‘My dad refused. He said, “She’s over 18”...and, completely, it’s his legal right’.<sup>4</sup> Expectations regarding financial contributions differed in this case. Meera, who was working full-time when interviewed, had offered to pay half of the household bills, in

addition to paying for her own food, as she was not happy relying on her mother. However, her mother felt that it was her responsibility to provide for her children and did not expect or want Meera to contribute any more.

*Saving money in lieu of financial contributions (Group 3).* For some graduates, all of whom were in employment it had been agreed, or decided by parents, that they should save money instead of making regular financial contributions. There was broad consistency in terms of parent and graduate expectations, although in some cases expectations had changed over time with complex negotiations having taken place to arrive at an agreed way forward.

In the case of Daniel there was no overt discussion. His mother felt it very important that her son: ‘amasses as much savings as he can’ as he was about to embark on buying a property. As Daniel said, there was an ‘unwritten obligation’ that he would save. In other cases overt and explicit negotiations had taken place. Maria, whose parents were divorced, lived with her father, but was soon to get married. Her father reported that the ‘main driver’ for her not contributing was that she was going to need the money to buy a house; but nor did he need the money. However, Maria wanted to contribute to the household expenses. Both father and daughter talked about amicable arguments. Maria elaborated: ‘Sometimes...I’ll take him out for dinner and I’ll be like ‘no, this is my treat now, you’re not allowed to pay’. So we do the food shop and sometimes he lets me pay... but he likes to be the Dad so!’. Maria, who had also taken ‘a bit of a protective role’ toward her father since his divorce, wanted to contribute, but her father wanted to retain the role of provider.

Some parents – all fathers – had imposed or negotiated a compulsory savings scheme on their children with a proportion of the graduate’s income being put aside for savings for a future property. Katherine – and her mother – reported that her father had said she had ‘the

highest disposable income' of anyone he knew. When she first moved home she had an allowance, which Katherine told her father to stop once she got a job. When she got a well-paid job her father thought that she should pay rent, but Katherine disagreed. When the issue was raised again she told her father that she was now saving for a deposit on a flat (apartment). They then worked out how much she was saving. She felt that so long as she was saving a reasonable amount each month her father would not ask her for rent: 'I'm going to save money for a deposit on just a flat [apartment] and then move out and pay a mortgage as opposed to rent'. Whilst there had been differences in terms of expectations as regards the payment of rent, negotiations had taken place and there was a tacit understanding that so long as she saved money Katherine's father would not ask for rent.

The possibility of paying rent was not discussed when Isabella initially moved back to the family home. But as her income from paid work grew, so her parents' expectations around her financial behaviors changed. According to her father she started 'receiving this really quite large amount of money every month...it was about £1300 (\$2015) a month...so suddenly she was rolling in it basically'. He discussed with her 'how she would handle all this wealth that she was suddenly receiving'. The possibility of her paying rent was discussed but Isabella was not comfortable with this and nor was he: 'we didn't want to feel that she was a tenant in our house and so we pretty quickly excluded that possibility'. He then got her to agree to make regular savings. Isabella reported splitting her salary in to thirds:

One for my savings I would never touch...for my house; one for my everyday account that I could...spend on lunch every day and going out for the weekend; and the other third into...a treat savings, so...I can save up for something nice for myself.

In this case the daughter and father were in agreement about the undesirability of the payment of rent; their difference was in their expectations about how she might manage her new

wealth. Overt negotiations were required to reach an understanding about saving money, some of which would be for a future property.

By way of contrast, Rachel's father imposed a compulsory saving scheme on his children. Rachel gave her parents one third of her gross earnings, with the money being put away in a separate account for a deposit for buying or renting a house:

[The children] can use it for setting up on their own...so if they never set up on their own, they'll never get it back...we want them to understand budgeting...you're going to lose a third of your money to me, which is what you would be paying a landlord. ...that's what you...would have left if you were...trying to live...completely independently out there in the big, bad world.

Two graduates in this group felt that their fathers did not need money from them on account of the family income: 'bluntly, he doesn't need it. He's going to be paying the same – I mean, obviously I use a bit more in terms of bills and...food'. Another graduate, who thought that it would be 'ridiculous' to pay rent, commented: 'he's not losing anything and I'm just living here like I was before'.

***Regular financial contributions (Group 4).*** Only four graduates made regular financial contributions. In three cases, this arrangement was imposed by parents and in one it was subject to explicit negotiation over time. The amount of the contribution ranged from £100 to £400 (\$155 to \$620) a month. This was for the most part a nominal contribution to the household costs and would not constitute a 'market rent'. A rented room in a house or apartment in the locations in which the family home was located could cost between £400 (\$620) and £800 (\$1,240) per month.

Samantha returned to the family home straight after she finished her studies, but it was not expected that she should contribute financially as she had an unpaid internship.

However, once she started earning she had to start contributing. Samantha's father described the arrangements with his two daughters thus:

It was £20 (\$30) a week...when they first came back from university...it was...a nominal sum to get them used to the idea of paying something. My partner recently... put it up to £25 (\$40)... I personally would have put it up more so that there was...a bit more consciousness about budgeting.

Samantha felt that she had to give her parents some money: 'It's not much and of course we've got to give them something. I'm not bothered about that. It's completely fair enough'.

David who worked in a consultancy firm, paid his mother £100 (\$155) a month; his mother had 'plucked [the amount] out of the air!' The motivation was to ensure that he realized 'life isn't a free ride really and you've got to pay your way in some way or other'. David recounted that the amount had been suggested by his mother and was 'a kind of contributory amount'. This had started the month after he got his job: 'I don't think they would have asked me to pay that money if I was unemployed'. David commented that when his brothers lived at home they paid something, so this 'seemed fair and I'm quite happy to pay that...that was agreed with no issue at all'. In this case a family norm had been established and David expected to contribute to the household costs.

Ben's parents encouraged him to live at home as they could not see the value of him spending half his wages 'just to have a bed'. His father felt that there was an obligation for Ben to contribute financially; his decision was informed by residual working class cultural norms. He decided that Ben should pay £230 (\$360) a month, which covered the household's council (property) tax and his food. Ben – who reported paying somewhat more £250 (\$390) – felt that this was 'completely fair' and 'pretty cheap anyway for what I get...because I'm earning money I don't mind'.

In sharp contrast, there were explicit negotiations in the case of Bryony. Both her expectations and those of her parents changed over time. When she first came back to the family home her parents said that she could have a year without paying rent. The amount she contributed had increased over time to £400 (\$620) a month following discussions with her father: ‘We’ve kind of negotiated...what is reasonable in terms of rent, so it’s gone up since I’ve been earning more...I don’t think I’d really like...the feeling of not paying rent’. Her mother recounted: ‘the spur [for contributing] came more from my husband, who...tends to be...tougher...he deals with the money with her...but that was difficult, negotiating that money bit’.

### **Discussion**

This study set out to explore the expectations of parents and co-resident graduate children towards parental financial support, the nature and purpose of the financial arrangements, and how these are negotiated. Parents and adult children expressed consistent expectations as regards co-residence (and the financial support this implies) and, *within* families, financial support. Financial arrangements were agreed through negotiations which varied in character and differed between families – these were strongly influenced by norms, especially parents’ ideas as to the ‘proper thing to do’.

Most of the graduates in our sample took it for granted that they would return to the family home as they were not in work and had nowhere else to live. Virtually all of their parents had similar expectations given their child’s financial constraints. Parents felt that they *should* support their adult children – they saw it as an obligation, a responsibility or part of their caring role as parents. The support ranged from providing a ‘roof over their heads’ to monthly allowances. Significantly, in the majority of cases there was no expectation by



parents or offspring that the latter should contribute towards board and lodging. In particular, graduates' circumstances created a frame for expectations and negotiations around finance. Thus, graduates who were unemployed or in precarious employment were not expected to contribute and some continued to receive monthly allowances from their parents, as they had at school or university (cf. Sassler et al., 2008; Swartz et al., 2011). None of the graduates who were studying made regular financial contributions, with some parents also providing financial support towards tuition fees either as a gift or loan: as previous research has found, further study was viewed as worthy of financial support (cf. Fingerman et al., 2009). Nor were regular financial contributions expected in South Asian families due to cultural norms. In some families, parents had explicitly decided – or agreed following negotiation – that their child should save money instead of paying rent. Only four graduates were expected to make regular financial contributions to the household. Expectations of financial contributions towards household costs were broadly consistent *within* families although there was variation *between* families.

Negotiations over financial arrangements were thus occasioned by the economic circumstances of the adult children and influenced by norms of different types. The nature of the negotiations underpinning these arrangements varied. Finch and Mason (1993) differentiate between explicit negotiations – open discussion – and implicit negotiations – tacit, unspoken understandings – as ways of deciding how to proceed. In the case of South Asian families there was a tacit understanding, underpinned by deeply embedded specific cultural norms (cf. Talbani & Hasanali, 2000) with neither parents nor their children expecting rent. In England, Finch and Mason (1993) found those who came closest to talking about the norms governing the notion of obligation were those of Asian descent: the connectedness of family relationships is emphasized more than in English kinship systems

where separateness and the individual are prioritized (Krause, 1995). In the case of the South Asian adult children this was demonstrated by the purchase of household items for the benefit of the whole family (cf. Morgan, 2011). In the majority of cases where graduates were not in paid employment, there was also a tacit understanding that no regular financial contributions would be made: this could be in line with family norms – for example, arrangements made with older siblings or in one case, the mother’s own past experience. However, in some cases there had been overt negotiations about financial contributions once the child had secure employment. When parents were providing support for their children’s postgraduate studies there had been detailed, overt negotiations: in one case the parents agreed to loan their daughter money rather than gift it to her as they wanted to treat their children equitably and they had already paid for her undergraduate and Master’s degrees.

Where graduates were saving money there were examples of both imposed arrangements and explicit negotiations. The most complex negotiations took place where there had been no expectation initially by either parent or adult child that there would be financial contributions. The subsequent explicit negotiations could be difficult with parents wanting regular financial contributions to be paid and graduates not accepting this decision. Compromises were thus reached, with parents agreeing that their children could save money in lieu of paying rent.

In a small minority of cases, parents made return home contingent on regular financial contributions being paid. This was understood and accepted by their child. In one case, detailed overt negotiations had preceded regular contributions being paid, as initially there had been no expectation of rent on return to the family home. Subsequently, the graduate had increased the amount she gave her parents. All graduates who paid rent considered the

arrangements to be fair, with family norms often being invoked. This is in contrast to two graduates who had refused to contribute financially, but had agreed to save money (for themselves) where the view was that their fathers did not need money from them. In a similar vein, Sassler et al. (2008) found that some respondents felt that their return had no detrimental effect on the family economy.

It is important to stress that expectations varied between graduates in different families. Thus one graduate accepted the demise of her allowance, while another asked for an increase; some graduates refused to pay rent, others agreed. In each family, arrangements were negotiated differently. Moreover, within families parents played different roles. Significantly, the 'management' of financial issues by parents appeared to be gendered. While mothers encouraged their children to save, and in some cases monitored savings, it was fathers who enforced savings especially when they felt that their children were not being responsible with money – they could be seen as being 'tougher'.

The study revealed that parents and graduate children in the sample had broadly consistent expectations regarding parental financial support, adding nuance to previous research (Goldscheider et al., 2001; Sallie May, 2014). At the *family* level parents and their adult children tended to have consistent expectations regarding the financial arrangements instituted, at least when co-residence commenced, although this was not invariably the case. The arrangements varied between families and were negotiated in different ways. In some cases, there was a tacit understanding that the young adult would not contribute; in other cases there were overt negotiations especially as regards changes to arrangements; and in one case over negotiation was avoided in order to avoid confrontation. The parents interviewed, who all had sufficient means to provide for their graduate children, had different ideas about

what the financial arrangements should be, which could be tied in with notions of how responsibility should be inculcated (cf. Holdsworth, 2004). For some parents this entailed paying rent, however, this could restrict saving money, which would facilitate moving out of the parental home. In the Asian families, norms determined the financial arrangements. There were no such agreed norms with the White British families – as one mother stated ‘there is no roadmap’ – creating difficulties for some parents in terms of how to proceed with regard to financial support.

While the sample was intentionally biased towards middle-class households with a parental history of higher education, social class backgrounds could inform decisions made by parents. Thus one parent’s residual working-class cultural norms informed his decision to charge his son rent, while another parent, who saw paying rent as being ‘tawdry’ and working class refused to contemplate charging rent. The study has some limitations. In particular, the sample was not representative of the population of parents and adult children living in the parental home. The focus of the research was on graduates whose parents had been to university and the parents were, by definition, highly educated. This limits the generalizability of our findings. There are likely to be different dynamics amongst working-class families where students are more likely to live in the parental home while at university. Further research could usefully contrast expectations regarding financial support – and accompanying negotiations – between families from more diverse social and ethnic backgrounds, where financial circumstances and norms may lead to different expectations by parents and adult children.

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### Footnotes

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<sup>1</sup> In 2013/14, the socio-economic class of English-domiciled undergraduates for pre-1992 higher education institutions was: 62% professional, administrative and managerial; 19% intermediate; and 19%; routine and manual. For post-1992 institutions the percentages were 45%, 22% and 33% respectively (HESA, personal communication, July 16, 2015).

<sup>2</sup> The parents of two graduates were not interviewed due to illness and lack of English respectively; the graduates are excluded from this analysis.

<sup>3</sup> Student tuition fees were introduced in England in 1998/99 and capped at £1000 until 2006/7; they were then capped at £3000 until 2011/12. Means-tested loans and grants were available to cover living expenses (see West et al., 2015).

<sup>4</sup> In England a parent is normally required to support a child until his or her 18<sup>th</sup> birthday.

**Table 1: Characteristics of the sample of graduates living in the parental home**

Group	Name	Age	Year of graduation	Time spent at home	Employment status on return home	Employment status at time of interview
1	Priti	24	2010	4 years	Study	PT work
1	Emma	22	2012	3 months	FT work (temporary)	FT work (temporary)
1	Francesca	28	2007	2 years	Unemployed	Unemployed
1	Jessica	24	2010	5 months	Study	Study/PT work
1	Matthew	23	2011	1½ years	Study	PT work (temporary)
1	Gemma	24	2012	9 months	Unemployed	PT work (temporary)
1	Rebecca	24	2012	8 months	Study	Study/PT work
1	Joanna	23	2012	1 year	Unpaid internship	FT work (just started)
1	Louise	22	2012	1 year	Volunteering	Internship
1	Daisy	22	2012	1 year	Unpaid internship	FT work (just started)
1	Nick	24	2011	1½ years	Study	Study/PT work
1	Bethan	22	2012	1½ years	Study	Unpaid internship
2	Prakash	23	2010	2½ years	Study	FT work
2	Sonia	24	2010	3 years	Unemployed	FT work
2	Rajiv	29	2005	7½ years	Study	FT work
2	Meera	23	2012	1 year	PT work (temporary)	FT work
2	Swapan	23	2011	2 years	Travelling/FT work.	FT work
2	Amrita	25	2011	2 years	FT work	FT work
3	Daniel	24	2010	2½ years	Unemployed	FT work
3	Katherine	25	2010	2½ years	Unpaid internship	FT work
3	Maria	23	2011	2 years	Unemployed	FT work
3	Isabella	21	2012	9 months	PT work	FT work
3	Rachel	27	2007	1½ years	Study	FT work
4	Bryony	27	2007	5½ years	PT work	PT work
4	Samantha	24	2011	1½ years	Unpaid internship	PT work
4	David	23	2012	8 months	Unemployed	FT work
4	Ben	22	2012	4 months	PT work	FT work

Note: FT – full-time; PT – part-time