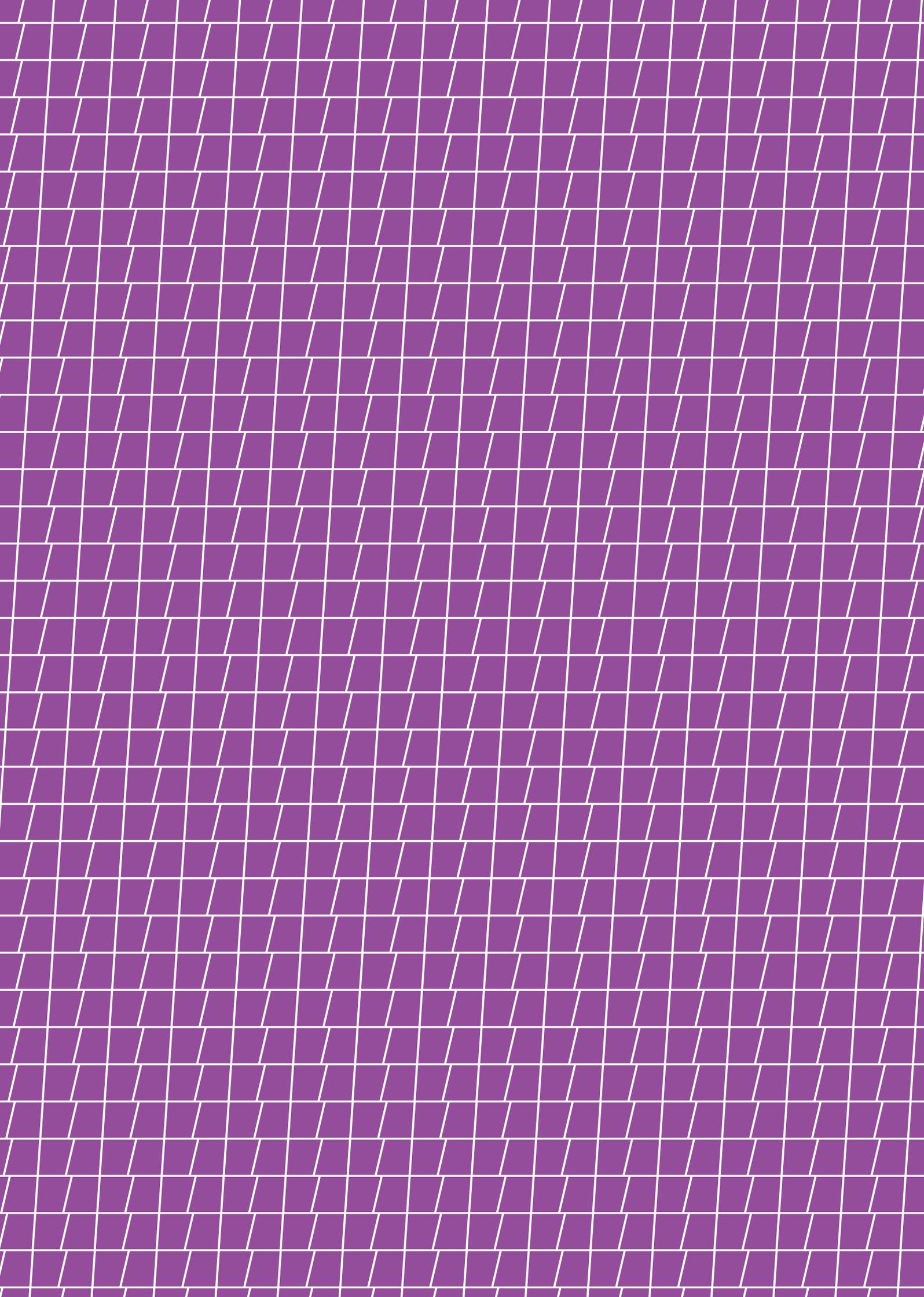


Homes fit for study

The state of student housing in the UK





Foreword

I am absolutely delighted to introduce *Homes Fit for Study*, a groundbreaking piece of research looking at students' experiences of housing. This research is the first project in a number of years to consider student housing on a national scale, start to break down the stereotypes and unpick what housing really means to students.

Too often, discussion on student housing is based on generalisations and assumptions. Students are often regarded as having no care for the condition of their homes and being perfectly happy to live in substandard accommodation. I hope that some of the experiences recounted in this report will help to demonstrate that most of the time this is just not the case. From students spending weeks trying to get essential repairs completed to others being told to just ignore the problem, it is time to tell the other side of the story.

This research comes at a time of real change in the private rented sector. With recent figures showing rapid increases in the size of the sector, this is no longer just about students. It is time for decision-makers to stand up and take notice of the unacceptable practices that are making students and other tenants' lives a misery; sky-high letting fees, spiralling rents and energy bills, health and safety hazards, and unresponsive landlords and letting agents. Too often students and others feel like there is nowhere to turn and nothing in place to protect them.

It is time for both government and universities to take a real look at the plight of student renters and others, and consider what they can do to support them and improve their experiences. We have cited numerous things that we think would make an immeasurable difference to students' lives; an end to letting fees, more effective enforcement of standards and introducing rent guarantor schemes to name just a few. There is also much work to be done on the ground by universities and students' unions to ensure that students are as well-equipped as possible to enter into rented housing and are able to avoid the worst of the sector.

I hope that this research will lead to some real nuanced discussion on student housing and lead to greater co-operation and collaboration between relevant stakeholders on both a national and local level.



Colum McGuire
NUS Vice President Welfare

Executive summary

Executive summary

Introduction and methodology

This research focuses on the experiences of students in higher education, their housing choices and their experiences of the private rented sector in particular. A representative sample of 6,696 responses was gathered from students in higher education, with 2,870 respondents meeting the definition of living in the private rented sector.

Housing choices

- The key factors for respondents in choosing whether to enter into the private rented sector or to choose another option are the location and convenience for place of study (56 per cent), affordability (37 per cent) and ease (32 per cent).
- Respondents from areas with low participation in higher education appear less likely to live in the private rented sector than those from the highest participation areas (46 per cent compared with 55 per cent) indicating that cost may be a barrier to access.

Private rented sector: Looking

- Few respondents had found their accommodation through their institution or students' union, with just 10 per cent having found it through a housing list or students' union letting agent service. More than half (58 per cent) had used an online property search portal or external letting agent.
- The most important criteria when house-hunting were the cost of rent, location and convenience, and property condition.
- A fifth of respondents (21 per cent) had signed for their properties seven or more months in advance of their move-in date, with some signs of panic. The most common reasons cited for beginning house-hunting were thinking that they would be left with no house (40 per cent) or that the best houses would be taken (35 per cent).

- A fifth (20 per cent) of respondents had experienced pressure to sign a contract and almost a quarter (23 per cent) had been asked to pay a holding deposit without having seen a copy of the proposed contract. This was much more common amongst those who had used letting agents.
- Only just over half of respondents (53 per cent) were sure that their deposit had been protected.
- More than half of respondents (58 per cent) reported having to pay one or more fees to secure their property and often they were not aware of these at the time of viewing the property. For example, just 43 per cent of those who had to pay for a credit check knew about this in advance.
- More than half of respondents (51 per cent) had paid £500 or more to secure their property, and more than a fifth of respondents (21 per cent) had paid £1,000 or more. Overall, 37 per cent of respondents reported getting into debt to meet their tenancy set up costs, and this was even higher for those who were required to pay larger amounts.
- Eight per cent of respondents were unable to provide a UK-based homeowner as guarantor when asked and this often resulted in them having to pay large sums of rent in advance.
- Almost a quarter of respondents (23 per cent) did not know whether they had received an Energy Performance Certificate (EPC) and a further 39 per cent could not recall receiving one.

Private rented sector: Living

- Respondents reported paying a wide variety of rent levels, with the mean being £360 per month with a live-in landlord and £366 in the broader sector, and more than half (54 per cent) paying between £200 and £400 per month. Just over half (53 per cent) felt that their accommodation represented good value for money.
- Provision of smoke alarms was not universal, with these being present in 87 per cent of properties. Carbon monoxide detectors were provided to only 32 per cent of respondents.

Homes fit for study

- While three-quarters (75 per cent) of respondents would prefer to rent from an accredited landlord or agent, only 16 per cent were sure that their landlord, agent or property belonged to an accreditation scheme.
- More than three-quarters (76 per cent) had experienced at least one problem with the condition of their rented home – most commonly this was condensation (52 per cent), mould (47 per cent) or damp (41 per cent). Almost a quarter of respondents (24 per cent) reported having slugs, mice or another infestation in their home.
- Half of respondents (52 per cent) reported that they have felt uncomfortably cold in their home and, related to this, 48 per cent felt that their accommodation was poorly insulated and/or draughty.
- More than half of respondents (53 per cent) had experienced delays in getting repairs carried out and more than a third (34 per cent) had had difficulty getting in touch with their landlord or agent. A quarter (26 per cent) reported that their landlord or agent had entered their home without reasonable notice or permission.
- Just over half (51 per cent) felt that they knew where to turn if they had a problem with their housing, but most turned to friends or family (61 per cent) or online information (40 per cent) rather than formal advice services.
- Almost three-quarters (74 per cent) of those who had experienced problems with their property had reported it to their landlord or agent, but almost a third of these (31 per cent) said that this was not at all useful. Almost a quarter of those who had experienced problems (24 per cent) had also reported the issue through other routes.
- Respondents dealing with a management agent on a day-to-day basis were less likely to be satisfied with the management of their home than those who dealt directly with their landlord (51 per cent compared with 67 per cent).
- Respondents living in accredited properties were more likely to be satisfied than those in non-accredited properties (71 per cent compared with 55 per cent).

- More than a third (37 per cent) reported difficulty meeting rent payments and 39 per cent were struggling with energy bills.
- To cope with these struggles with energy bill payments, three-quarters (76 per cent) reported limiting the length of time they turn the heating on. To cope with living in cold homes, two-thirds (66 per cent) reported wearing more than one layer of clothing to bed and 40 per cent reported spending more time in university or college buildings to stay warm.

Private rented sector: Leaving

- Of those who had previously left a rented property as a student, 43 per cent had had some or all of their deposit withheld. While three-quarters of these respondents (76 per cent) disagreed with the deductions and more than half (53 per cent) challenged them in some way, only 16 per cent were able to achieve a change in the amount they received.
- Just four per cent reported using a dispute resolution service, indicating that many may be unaware of this option.
- Half of respondents (50 per cent) who had all or part of their deposit returned reported that it took a month or more to receive their money.

Views of the private rented sector

- Under a third (31 per cent) of respondents thought there was enough support for private renters and less than half (47 per cent) knew their rights as a tenant. Only 28 per cent felt that tenants had enough rights in the private rented sector.
- When asked to choose a top three from a selection of options to improve the sector, respondents most commonly chose a minimum condition standard (66 per cent), a ban on letting agent fees (52 per cent) and more services to ensure landlord and agents fulfil their responsibilities (51 per cent).

Recommendations

Recommendations

Affordability and finance

- Many students reported that affordability was a key concern for them in deciding where to live and many reported that they are struggling financially as a result of the cost of their accommodation.

Universities should consider how their widening participation and accommodation strategies join up and ensure that affordable options are offered within their own accommodation provision, as well as financial support for those living in the private rented sector. Government should address the way in which student support is calculated to ensure that it takes into account rises in the cost of living.

- A small, but significant number of students, particularly those from outside the UK report being unable to provide a UK-based homeowner as guarantor. This means that in many cases their choice in the private rented sector is limited unless they are able to provide a substantial amount of money upfront.

Universities should consider operating guarantor schemes, drawing on best practice from institutions where this has already been established successfully.

- Students are regularly charged upwards of £1,000 to secure a property, once deposits, fees and rent in advance are taken into account. This leads to significant hardship as large numbers of students report borrowing money to meet these costs, and the higher the total costs the more likely they are to get into debt. Fees often bear no relation to the cost of the service provided, and students and other tenants are not in a position to shop around.

Government should take action to ban letting agent fees across the UK, as is already the case in Scotland, to ensure that students have a better idea of overall cost, that expenditure is spread more evenly throughout the year and that they can budget accordingly.

- Only half of students were certain that they had received evidence that their deposit was protected. Very few students made use of the dispute resolution service despite the fact that many disagreed with deductions to their deposit.

Government and the approved tenancy deposit protection schemes should work together to undertake further research into the student sector and establish whether more can be done to ensure that deposits are protected, students understand their rights, that deposits are returned swiftly and that the dispute process is clear and accessible.

Information, advice and guidance

- Most students are signing for properties without having accessed any advice, information or guidance from their university or students' union.

Universities and students' unions should forge collaborative relationships with each other and partners to ensure that they play an active role in supporting students into the private rented sector. NUS should develop student-facing information and resources for students' unions with limited capacity and knowledge of housing to use.

- Many students are signing for properties a long way in advance of the start of their tenancy, and this often results in problems later on if circumstances change.

The Competition and Markets Authority (CMA)¹ should consider investigating whether pressurising students to sign contracts so far in advance of the tenancy start date may be an unfair practice. Universities, students' unions and NUS should work together to advise students of why renting so early may be problematic.

- The coverage of accreditation schemes appears to be patchy and students are often uncertain of whether one is operating in their area and whether their property is covered. Students in accredited properties appear to be more satisfied with the management of their accommodation.

Universities should work with their students' union, local authority, other local stakeholders and specialist agencies to create robust, well-trusted accreditation schemes, building on best practice from cities with established schemes that drive standards of accommodation in the private rented sector upwards. Schemes should be robust and comply with the ANUK four core values.²

Property conditions

- Large numbers of students reported having negative experiences when securing a property through a letting agent, and those whose property is managed by an agent are much more likely to experience problems with the condition of their property.

Letting and managing agents should be properly regulated or licensed to ensure that students and other tenants are afforded protection from poor practice.

- Many students reported not having a working smoke alarm or carbon monoxide detector in their home.

Provision of mains-interlinked smoke alarms and carbon monoxide detectors (where there are gas appliances) should be mandatory across the UK and all landlords should be required to undertake regular electrical safety checks, in addition to those on gas safety to protect students and other tenants.

- Most respondents reported experiencing problems with their property and many said that their landlord or agent was not particularly helpful when they reported these to them. However, not many students accessed advice or support and where they did this was not always regarded as helpful.

Universities, students' unions and external advice agencies should work together to ensure that students access support when experiencing housing issues and when signing contracts. Government should establish a way of making enforcement more financially viable for local authorities and consider

providing funding to enable them to do outreach with students to troubleshoot housing problems and encourage greater reporting.

Energy efficiency

- A significant proportion of students in the private rented sector perceived there to be poor energy efficiency within their property and the majority reported feeling uncomfortably cold. The need to save energy and money while trying to keep warm is adversely affecting students' ability to study, social life and finances while in HE.

NUS and students' unions should act locally to encourage the uptake of energy efficiency improvement schemes among landlords, for example the Green Deal and the Energy Company Obligation. On a national basis, government should adopt, and NUS should campaign for, wide-reaching improvements to the private rented housing stock, for example the wholesale improvement of the UK housing sector put forward by Energy Bill Revolution, to ensure improvements in housing conditions for the student population.

- A third of students reported not having received an EPC. This may be due to exemptions of some homes of multiple occupation and/or landlords choosing not to obtain an EPC for their property.

Government should incorporate all types of houses in multiple occupation (HMOs) into EPC requirements and ensure that the database of EPCs is updated on an annual basis to reflect changes in fuel costs.

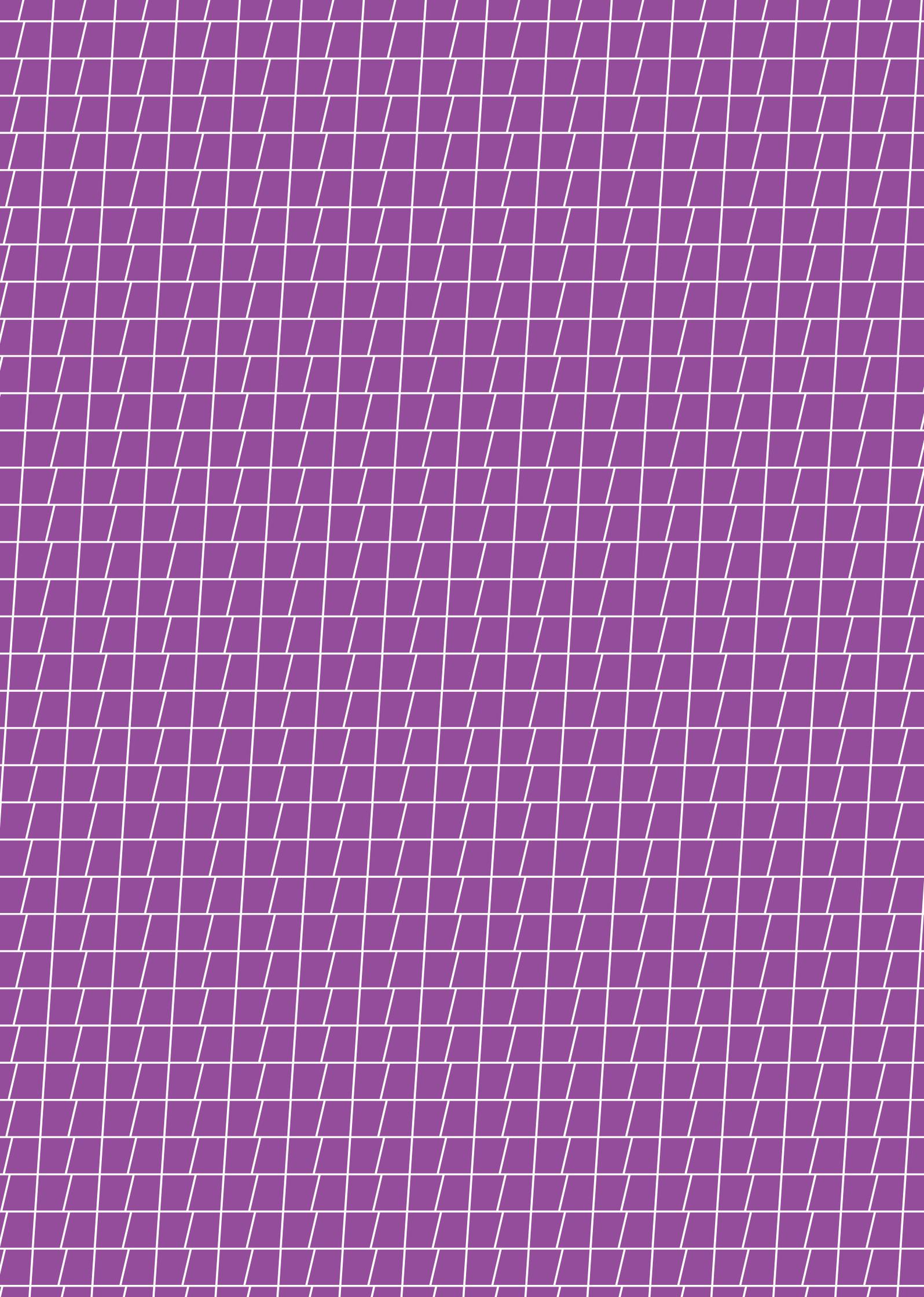
- The minimum energy efficiency standard for the private rented sector, outlined in the Energy Bill 2011, should be introduced without delay and require all properties to be brought up to EPC band E.

NUS, students' unions and universities should work with students to encourage them to demand to see an EPC before renting a property and should also incorporate them into accreditation schemes. Awareness should also be raised on tenant rights around energy suppliers as well as highlighting the negatives of rent inclusive of energy bills (lack of control and potential overpayments).

Endnotes

¹ The CMA replaces the Office of Fair Trading (OFT) and Competition Commission from the 1 April 2014. It will absorb the consumer protection responsibilities formerly held by the OFT.

² Accreditation Network UK (ANUK) (2012). ANUK Core Values for Accreditation. Available at: <http://www.anuk.org.uk/News/corevalues.asp> (accessed 25 February 2014.)



Macadam House
275 Gray's Inn Road
London WC1X 8QB

 0845 5210 262
www.nus.org.uk

nus
national union of **students**