

LIVING AT THE LIMIT

A red silhouette of a house with a chimney, positioned over the word 'THE' in the main title.

GUILDFORD STUDENT
HOUSING **CRISIS**



The University of Surrey
Students' Union



GUILDFORD STUDENT HOUSING CRISIS

Student housing problems are not new.

For decades, there has always been the popular conception of 'The Student House' and all the stereotypes associated with it.

Today however, there is a new student housing crisis, one like we have never seen before; exacerbated by the overall housing crisis. Students who are near the bottom rung of the housing ladder are now hit with increasing rents on substandard housing. On top of this, the student community is being increasingly victimised as the cause of the local housing shortage, and accused of taking away 'family homes'.

The housing market is increasingly occupied with those who are looking for an increasing return on their capital, and squeezing their tenants for everything they can, while doing the absolute minimum to be a legal landlord. Those landlords who had pride in their housing stock, and undertook their business in a socially responsible manner are gradually being replaced by the amateur investor looking to make money. Guildford society is being divided into those with second, third, fourth or more properties and those who are being further oppressed into working longer hours at minimum wage to pay for them.

There is not a problem with the housing market, there is no housing market.

The market system has failed in Guildford, and now it is time for intervention to bring fairness back to the system designed to provide the most basic human need. A roof over our head.

Alex Mackenzie Smith

University of Surrey Students' Union | President

HOUSING MANIFESTO

We believe:

1. 'Light touch' regulation is no longer appropriate for the rental market

Low regulation only works when there is sufficient competition to enforce standards up. With a shortage of available housing, landlords can compete in a race to the bottom. Minimum standards for property rentals need to be revised. There is not even any requirement for a room to have a window for example. We know of students having to sleep in garages, kitchens, basements – and this is all within the law. The Prime Minister believes that further regulation on landlords would be an 'excessive burden'. We say legal protection against exploitation should not be regarded as needless red tape.

2. Purpose built student accommodation is needed

Guildford already has several thousand units of purpose built student accommodation, however many students still cannot access these. Multi storey halls of residence provide an efficient way of providing good quality, practical, affordable student accommodation. The same physical footprint can house many more students in well-designed halls, than the equivalent amount of family housing. This means less space is occupied with student housing and this then frees up more family housing for non-student residents.

3. Students are residents

The simplest definition of a Guildford resident, is one who resides in Guildford. There should be no preference or hierarchy, implicit or implied that those born in Guildford, those who work in Guildford, those who own property in Guildford, come before those Guildford residents who happen to be students. While students live in Guildford, can vote in Guildford, and work in Guildford, then they are residents of Guildford in the same way as anybody else. There should be no discrimination on the grounds of their student status.

4. Houses are for living, not investment

In any area with such a rapid increase in housing prices (almost 600% since 1995) houses inevitably become more attractive as a safe haven for investment and are no longer seen as homes. Guildford needs homes, and cannot just be a safe haven for those needing to keep their money safe.

5. The community is more than housing

While there is a need for more housing, as we have already seen in cities like London, this risks the heritage and culture being swept away in favour of new banal housing developments. A thriving community needs more than just somewhere to live, but community facilities, diverse cultural activities, affordable transport links, and a healthy environment in which to live.

6. Introduce Rent Controls

By the governments own admission the housing market in England is 'broken', and with no functioning market, profiteering is rife amongst the rental sector. This is having the perverse effect of those with the most in our society and who can afford multiple properties, taking as much money as possible from those in our society with the least. To profiteer on such a scale from the most basic human need is shameful and scandalous. The government must act on its own failures by protecting the worst off with mandatory rent controls.

EXECUTIVE SUMMARY

- The rise of property values in Guildford have created a failed rental market, where sub-standard housing is being rented at full market value by landlords.
- Many students are part of a social group on the bottom rung of the housing ladder, and are being forced out of Guildford or to work longer in part time jobs outside of studying just to afford their rent.
- The maintenance loan provided by the Government is not sufficient to cover accommodation costs, let alone full living costs. The London weighting designation is now too crude, cased simply on geography and not economics.
- The landlord accreditation scheme will only work when there is a true rental market.
- Comparable University towns such as Reading, Portsmouth, and Canterbury have multiple private purpose built student accommodation developments, where Guildford has just one (Scape).

**THE AVERAGE
SHORTFALL
BETWEEN A
STUDENT'S
BUDGET AND
THEIR RENT EACH
YEAR IS**
£1,356

**Guildford
has the 9th
HIGHEST
rents in the
UK outside
of London¹**

88.5%
OF STUDENTS
ARE PAYING
**OVER
£400**
PER MONTH
IN RENT
(NOT INCLUDING BILLS)

**THE
AVERAGE
MONTHLY
RENT FOR
ONE ROOM**
£532

**THE AVERAGE
MONTHLY
RENTAL
INCOME
FROM A THREE
BED FAMILY
HOME² IS**
£3000



¹ Daily Telegraph

² Assuming two reception rooms converted to bedrooms

“OUR HOUSING MARKET IS **BROKEN**”

The Rt Hon Sajid Javid MP

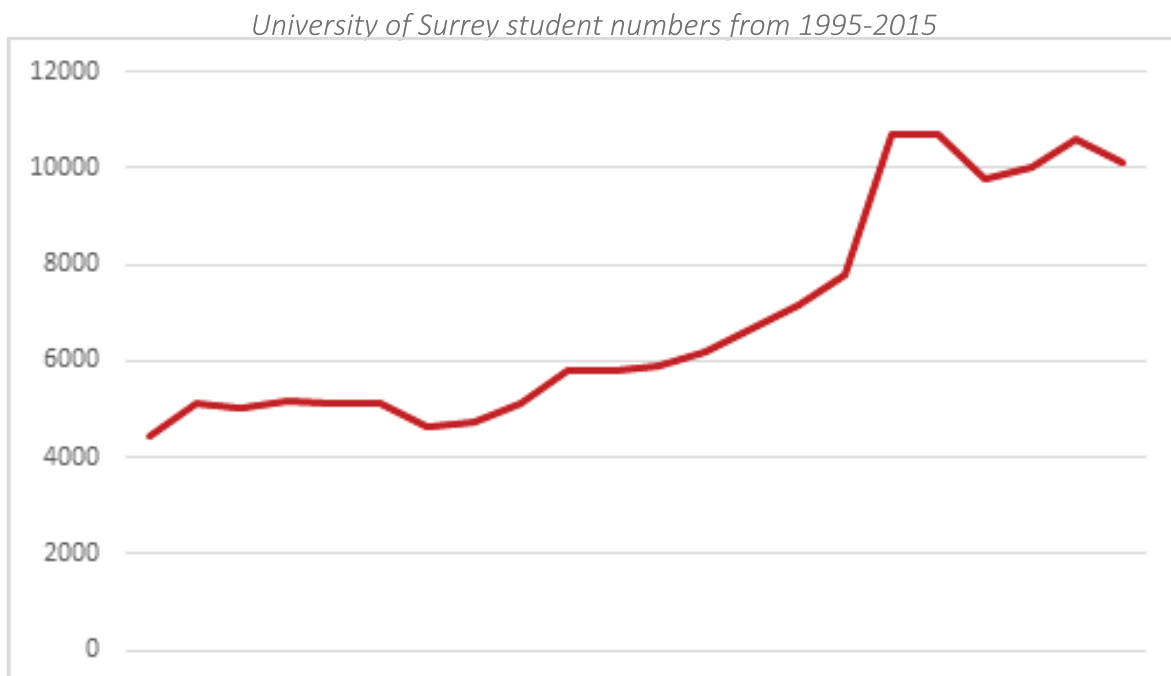


INTRODUCTION

The borough of Guildford has been home to the University of Surrey for fifty years. Guildford is also the home to the University of Law, the ACM, and Guildford College. Combined, these institutions give Guildford the highest student population in Surrey.

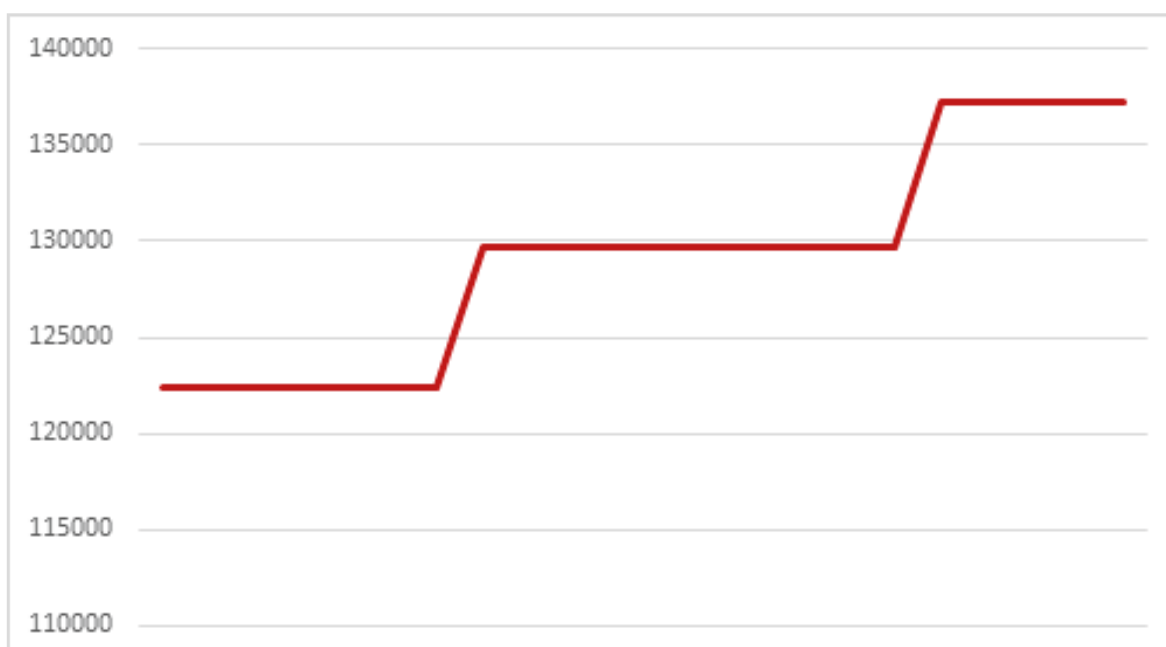
The total number of students aged 16-74 in Surrey in 2011 was 66,224, which represents an increase of 31% since 2001. The boroughs with the highest percentage of economically active students were Guildford (4.9% of the residents aged 16-74) and Runnymede (4.8%), reflecting the presence of the Royal Holloway and Surrey university campuses.

It has always been the policy of the University of Surrey to guarantee on site accommodation to first year students, and therefore as the University has expanded in student numbers so too has the accommodation provision on campus. Guildford has a uniquely low number of privately provided student rooms in dedicated accommodation; with just one commercial development on Walnut Tree Close.



There are over 5,000 rooms available on campus, at a range of rents from £71pw to £170pw all inclusive. The weighted average rent per week is £120.31, and over an academic year £4571.91

Although the accommodation policy allows returning undergraduates to apply for rooms, in practice almost no second year students are allocated rooms in campus accommodation and must therefore find private accommodation within Guildford. Professional Training Year students are also excluded from campus accommodation and if they are working in Guildford, then they too must find private housing within the borough. Final year undergraduates take the remaining campus accommodation places; however, a significant amount continue to live in private rented accommodation in their final year.



Census Population of Guildford Borough 1991-2011

The annual search for private accommodation has always been a part of student life, however, unlike campus accommodation – available housing in Guildford has not kept pace with general demand. Consequently, students are being pushed further afield, and those who do remain in Guildford are facing punishing rents in substandard conditions.

Student Accommodation in the UK

‘Purpose built’ student accommodation (PBSA) refers to halls of residence which have been specifically designed for student living. In the last 5-10 years there has been a revolution in the private sector student housing market fuelled by the rise in student numbers and the attractive investment options afforded by student housing.

PBSA has two major advantages over private housing

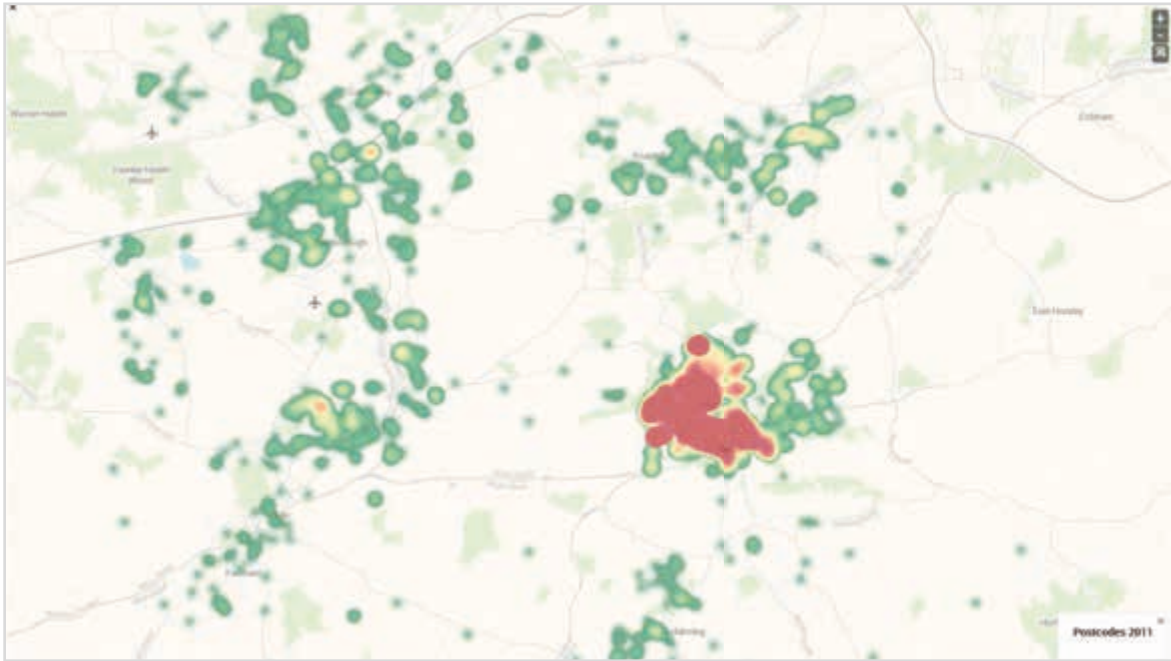
1. It can house more students in a smaller physical footprint as the buildings are predominantly student bedrooms.
2. The experience of the students living in PBSA is arguably much better than living in an HMO as it brings residents together in a community with appropriate facilities.

Normally, PBSA will be designed in units of between 6 and 14 residents around shared facilities such as a kitchen. Rooms will likely be ensuite and of a standard single bedroom size. There has been some developments of ‘luxury’ student accommodation which also incorporates further facilities such as a gym. There may also be specialised developments for specific markets, such as GradPad in London who cater for the postgraduate market. Occupants of PBSA are not tenants, but occupy the rooms on license.

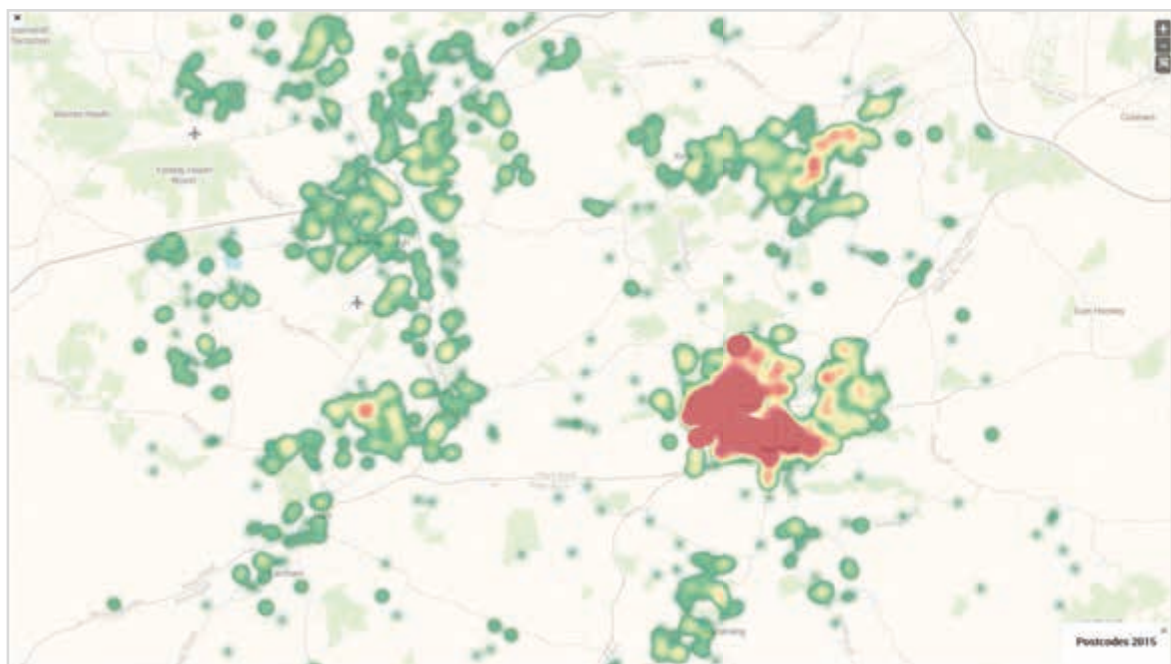
Guildford student accommodation needs are serviced mainly by Houses of Multiple Occupation (HMOs). Student HMOs are attractive to landlords as they can contain more tenants than a normal family or individual let when the landlord converts a second reception room to a bedroom. HMOs are regulated, and planning permission is required to turn a house into an HMO.

THE GUILDFORD PROBLEM

It is widely accepted that the town of Guildford has a shortage of housing through a planning bottleneck. The delays to the local plan have stalled larger scale house building projects in the borough, and as a result the Guildford housing market has risen substantially in the last five years. With more professionals, graduates and families working and living in Guildford; students who have been the traditional tenants of many let properties have been moved further to the fringes of the borough and beyond.



Map of Guildford area, showing location of term time addresses according to the student database. As expected, the highest density of students are living around campus, and in north Guildford.



Over a five-year period, students have moved further to the fringes of Guildford town, including Merrow and Burpham, with markedly more living in Woking.

Living further away from campus brings a new set of problems and challenges for students to deal with, for example -

- **Cost of commuting**

With severe restrictions on car parking at the University, public transport is the only viable option for commuting to campus. The cost of rail and bus travel to campus can be a major challenge.

- **Isolation**

Students who have been unable to afford rented accommodation close to campus find themselves outside of the University environment and become gradually more isolated from their peers. Winter commutes for international students in the darkness, add to what is already a stressful experience.

- **Campus Infrastructure**

With more and more students commuting from further afield and spending longer on campus and without a student bedroom or other communal space to return to between classes, the infrastructure designed to host students during the day is struggling.

Failed Market

The housing market in Guildford has now failed to the extent that any landlord, or property, no matter how poor the standard, is able to attract tenants. Landlords now regularly exploit this fact and can sometimes be found holding rent 'auctions' to see which group of students will pay the most for their property. The recently launched landlord accreditation scheme, whilst worthy in its aims, will only work when there is a genuine functioning market in Guildford to force poor performing landlords to raise their standards.

London Weighting

High rents don't stop at the M25. London weighting is based on an archaic view of student funding, where students in a defined geographical area are granted more than those who are not, regardless of living costs in the area of study. In the county of Surrey, a student studying in Egham will have access to over £2,000 per annum more in maintenance loans than a student studying in Guildford. Students round the fringes of London weighting are suffering the same problem where the London housing market has pushed up rents, but the student finance system has not kept pace.

WHAT STUDENTS HAVE TOLD US

In the Autumn of 2016 the University of Surrey Students' Union ran a housing experience survey with current University students. As part of the survey, students who rent in the private accommodation sector were asked the question:

Is there anything else you would like to tell us about your experience renting in Guildford?

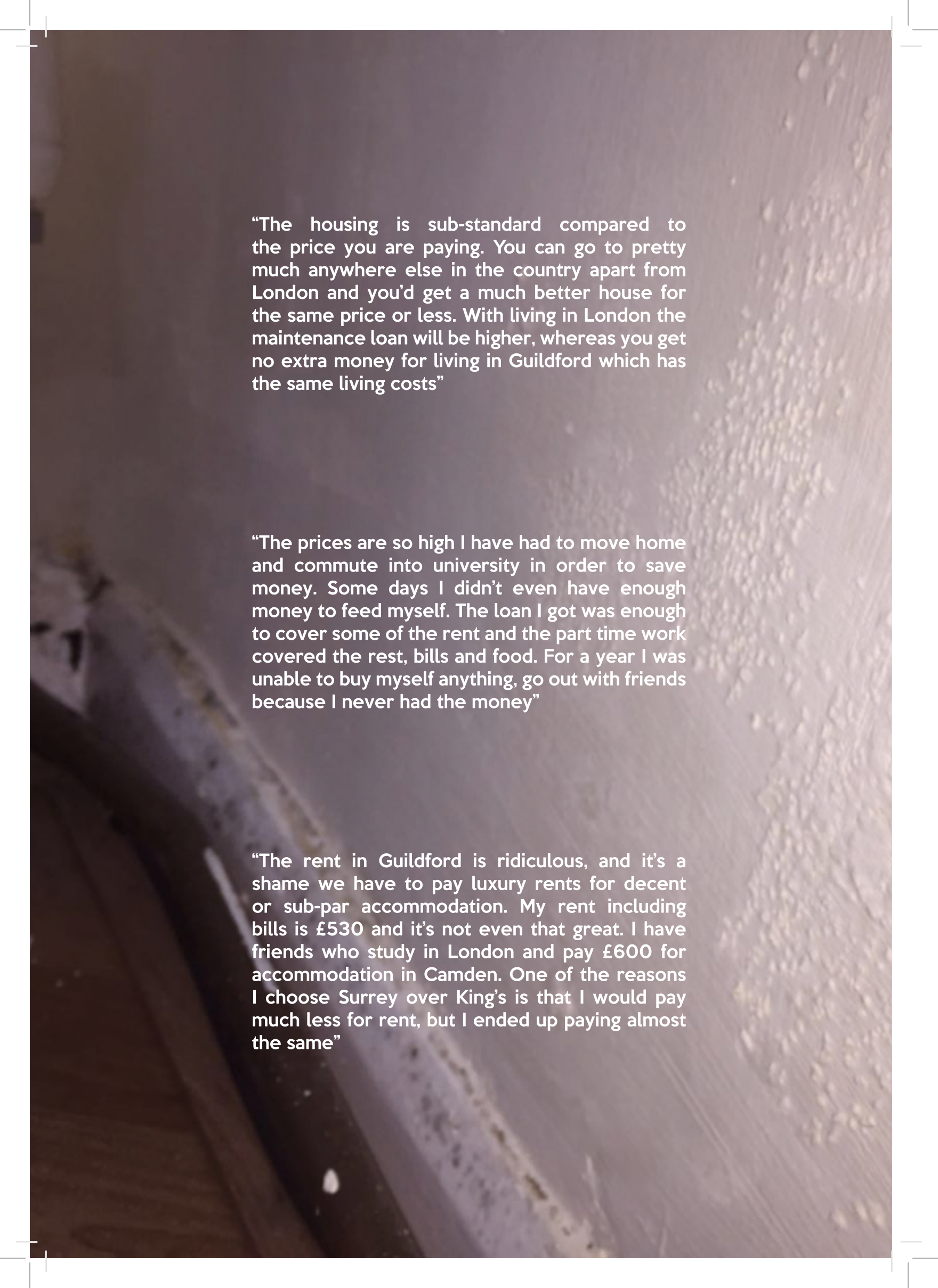
In total, 366 comments were received and these were analysed and coded. In the database that accompanies this report, the comments were coded by the sentiment (positive, neutral or negative) and by subject area.

Overall, 329 of the 366 comments were negative, 29 were neutral and 8 described a positive renting experience. The top five themes to emerge from the comments are: the cost of renting, landlords and agents, the standard and quality of accommodation, maintenance/repairs, and the availability of accommodation in Guildford.

Housing Survey Key Findings

The cost of renting in Guildford is high

- 212 respondents (58%) commented on the cost of renting in Guildford, making it the biggest issue facing Surrey students.
- Almost all comments on this topic made reference to the high cost of renting in Guildford and the surrounding areas.
- Overall, participants are concerned that they are paying London rates of rent, without having a London weighting on their maintenance grant. The majority of students' maintenance loan goes towards paying rent – meaning they struggle through term time with very little money for food and bills.
- Some students complain that their studies are directly affected as a result of high rates of rent because they have to work part time or commute into university from further afield in order to make ends meet. Many students feel that their broader university experience is impacted by higher rents as they are unable to afford to socialise with friends.
- Students are also concerned that the quality of the accommodation they receive is below that of the rate of rents provided to students. Coupled with a perceived lack of availability, this means that students have little choice but to accept accommodation at a high rental cost. They deem this to demonstrate poor value for money.
- A few students even went as far to state that by virtue of being a student, they are charged inflated rates of rent for the same property in comparison to those who are professionals or families.



“The housing is sub-standard compared to the price you are paying. You can go to pretty much anywhere else in the country apart from London and you’d get a much better house for the same price or less. With living in London the maintenance loan will be higher, whereas you get no extra money for living in Guildford which has the same living costs”

“The prices are so high I have had to move home and commute into university in order to save money. Some days I didn’t even have enough money to feed myself. The loan I got was enough to cover some of the rent and the part time work covered the rest, bills and food. For a year I was unable to buy myself anything, go out with friends because I never had the money”

“The rent in Guildford is ridiculous, and it’s a shame we have to pay luxury rents for decent or sub-par accommodation. My rent including bills is £530 and it’s not even that great. I have friends who study in London and pay £600 for accommodation in Camden. One of the reasons I choose Surrey over King’s is that I would pay much less for rent, but I ended up paying almost the same”

There is a poor service provision from landlords/agents

- 131 students (36%) referenced the poor service they receive from landlords and agents, making it the second most important issue highlighted by Surrey students.
- The majority of students that commented on this topic feel that landlords/agencies are uncooperative and take advantage of students in the face of a perceived shortage in housing for students. Many refer to the experiences they have dealing with landlords.
- A large number of students feel that landlords/agencies are slow to respond to enquiries, issues or problems. In addition, landlords also offer a substandard response ('cutting corners') and fail to address students' queries, problems and maintenance issues.
- It was also mentioned that some landlords fail to notify students of any building works before they commence, let themselves into the property without prior notification, and are 'rude' with some of their dealings with students.
- A lot of students complain that landlords add on additional charges and withhold deposits with little justification – sometimes even when the accommodation is left in a better state than when the students' moved in.
- The responses provided by students point out that landlords are at times in breach of their contract with tenants – however a lack of experience, knowledge and support from the university means that these landlords go unpunished.

“Dealing with agencies in Guildford is very difficult. They are dismissive of students and take advantage of our financial commitment to our studies, which is often already in place before we are able to start looking for housing. This is particularly true for postgraduate students, who are unable to start looking for housing until the months directly preceding the beginning of studies. This causes a high level of stress for students who are often moving from other parts of the country or world to attend Surrey”

“Landlords/agencies have been pushy and demanding, expecting huge deposits and definitely know they have more control and there is more demand than there is houses, so can charge ridiculous amounts in rent and fees”

“Agencies see students as a target, they charge a lot of money and don't do their job. They ignore any issues once students have moved in by not responding to emails, not following up phone calls and then when you leave they charge you for the problems the house had when you moved in! Some of the houses wouldn't even meet environmental health standards with problems with mould etc”

The standard of accommodation

- Just under a third of respondents (31%) - comment on the standard and quality of the accommodation available to them.
- Most students describe their accommodation as 'old, 'outdated' and even 'unsafe' against the amount they are paying and comparable to what their peers in other universities (including London) are getting for their money.
- Students feel that the standard/quality of accommodation is the sacrifice often made in order to be closer to the university – some respondents state that there are no other options but to move into a sub-standard property.
- Poorly insulated, damp, ill equipped, and unfurnished properties (that had been marketed to students as furnished) were a few of the comments students make in relation to the properties in which they live. In more extreme cases asbestos was found in the garden shed, and large cracks have appeared in the walls of the property.
- In addition, tired decor/furniture as well a general lack of kitchen/washing appliances is also a complaint made by students in relation to the overall quality/standard of the accommodation.

“I had an awful experience – sub-standard houses that are more expensive than London. When you voice your concerns about the property’s state you get told you are too fussy and lucky to have a house in Guildford”

“Trying to find somewhere to live at a reasonable price, in a reasonable location and with good facilities basically does not happen. You pick two out of affordable, good location, and nice condition”

“I rented a house last year with 3 others and the house was in such poor condition I had to move out before Christmas - the walls in the bathroom were so black with mould you couldn’t see the paint, and there was damp everywhere. The house was impossible to heat because it was so damp and poorly insulated and some nights I couldn’t sleep because I was so cold”



Repairing and maintaining accommodation

- Following on from the previous theme, 80 students (22% of respondents) made comments regarding repair and maintenance of their accommodation.
- Comments from respondents regarding the repair and maintenance of accommodation came in two forms. Firstly, the general maintenance and repair issues students have whilst living in rented accommodation. Secondly, with regards to the response taken to fix issues (both time taken and response taken by landlords).
- Damp/mould, broken heating, flooding, vermin and structural issues are common maintenance issues raised by current students of the University of Surrey.
- However, it is often the response from agents/landlords that frustrates students the most. For example, landlords can take weeks or even months to sort problems out (if at all).
- Further to this, students feel that their maintenance issues and enquiries are not taken seriously by landlords (regarding mould in particular) – students are often told that ‘this is normal’ or ‘leave a window open’ to sort the problem out.

“The landlord didn’t reply to messages and calls at the beginning of the tenancy. We have only met him a couple of times and we have had to sort out problems ourselves even though he is meant to be managing the property. There is damp in the property which has been painted over so when we moved in we couldn’t see it”

“It took us nearly 2 months to get our leaking shower fixed, which had caused holes in the ceiling downstairs, ruined some of our property and mail that came through the door and has caused damp and black mould (especially when they took so long to fix our heating). We were worried it would leak into the electrics as there is a light on the ceiling directly below, so for a while we wouldn’t even use the switch in case we got electrocuted”

“My room was part of an extension, which was coming apart from the house - a giant crack ran along the joining walls and there was a crack in the living room that allowed us to see outside a little. The landlord took a long time to arrange a temporary solution of filling the cracks. When we arrived, the shower was not working, dining table and chairs were not fit for use, kitchen units were falling apart and eventually a mouse had found its way into the house. The issue was raised with the landlords but nothing was done about this”



Availability of accommodation in Guildford

- One in five students - 74 (20%) believe the availability of accommodation in Guildford is inadequate.
- At various points, students discuss what many termed as a 'Guildford Housing Crisis' – where demand for rented accommodation (particularly accommodation at an affordable rate) far exceeds the supply. This has ultimately aided in the rise in rents and a perceived lack of quality.
- Students believe that that they need to act as early as possible in order to secure accommodation – as early as December – as the better properties are rented quickly.
- Several students also comment on the competitive nature of securing accommodation – some comment that they often book to see properties, only to find that when they go to their viewing appointments, the property has already been snapped up.
- Additionally, others comment that bidding wars ensue whilst trying to secure a house - with students up against other students and little communication from agencies to inform applicants of happening.
- Bringing together all these elements – the accommodation finding period is cited by many to be a very stressful period.

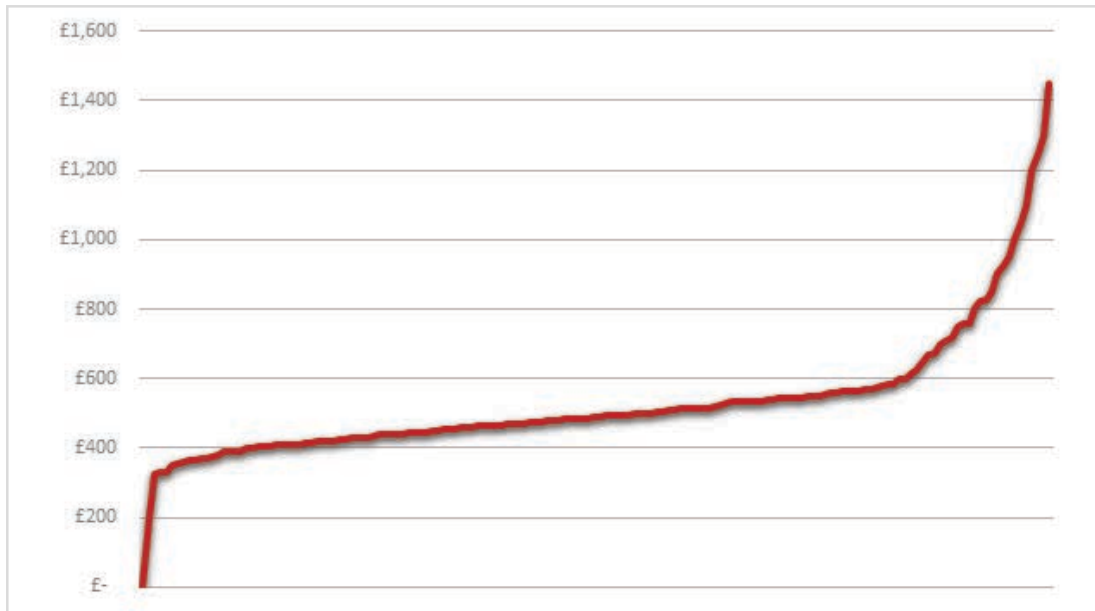
“There is a serious shortage of houses available for students to rent close to university at decent prices. Landlords are now increasing the prices meaning that in order to find anything under £500 you have to be a 20+ minute walk from uni which becomes inconvenient for final year students, especially if you don’t have a car. The university is also short on accommodation due to the high number of students, so I’ve found myself stressing out about where to live”

“Finding a house near the university at an affordable price is really hard. All the good houses at an affordable price are taken by February”

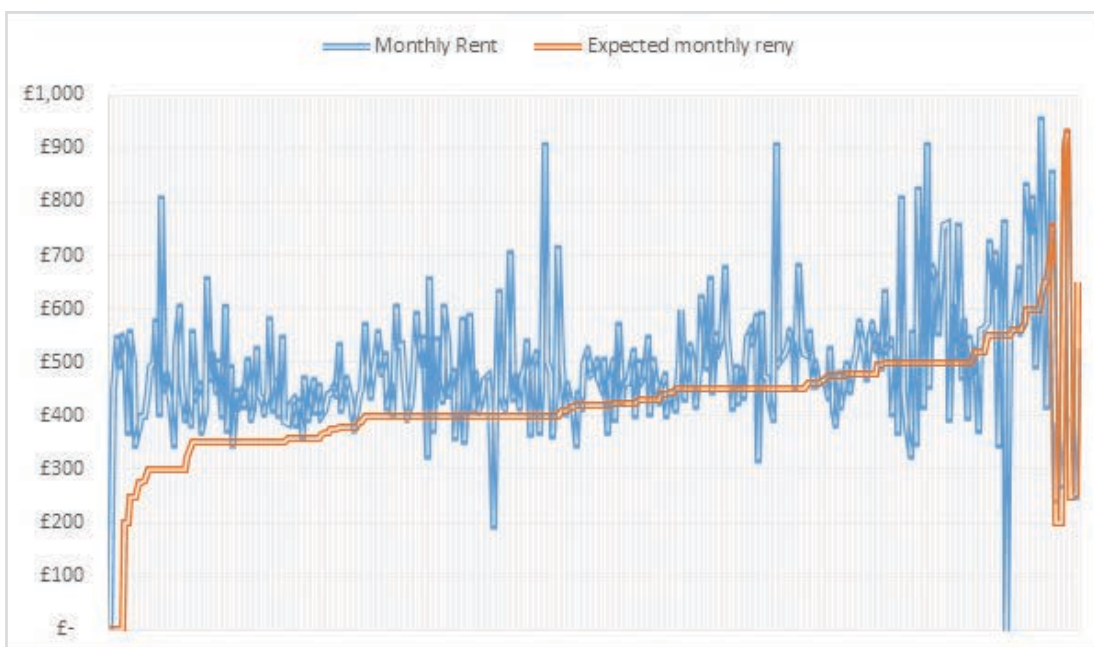
“I made a booking to view a furnished house and wasn’t told it was an open viewing. On arriving at the location, there were about 40 other students waiting outside. We showed our interest by filling out a form. What then ensued was something like a bidding process, which I have never encountered before. Each time we called to ask what was happening, the letting agency would tell us that another group has offered more money for the house, insinuating that in order to secure it, we should do the same”

How much do students pay?

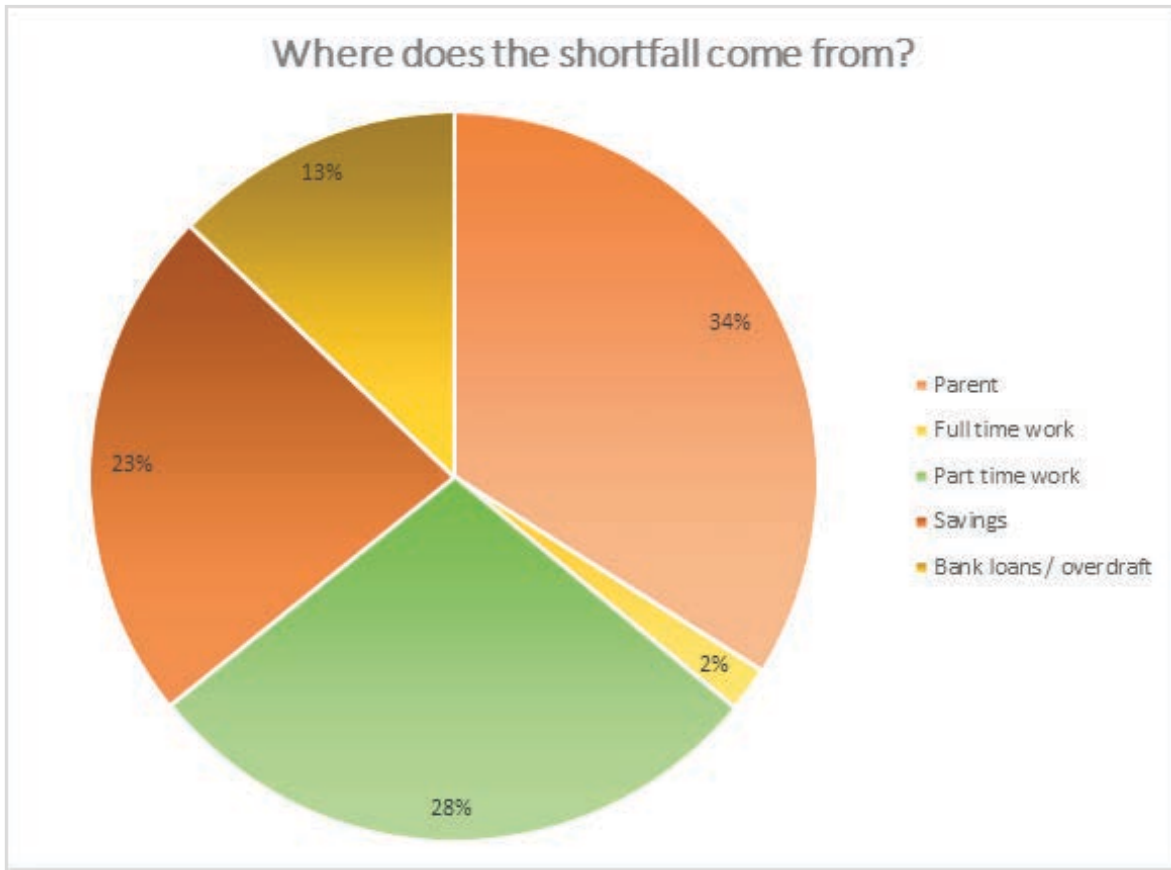
We asked students how much they pay in rent, as well as how much they expected to pay (budgeted) prior to moving into private rented accommodation. This data was further split into demographic group.



The majority of tenants are paying between £400 and £600 each month (excluding bills) for their room.



Almost all students however, were paying more per month for their room in private accommodation than they budgeted.



The shortfall between budget and actual rent is made up from a variety of sources, with 34% of students relying on regular support from their parents to cover the cost of their rent. Importantly, this does not cover living costs – just the rent.

Survey open comment analysis undertaken by



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