

1815 Guarantor Scheme passed 3 December 2015

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Union notes:

1. To secure a tenancy in the private sector as a student, landlords and letting agents are increasingly including requirements that student tenants must have a UK based guarantor.
2. For someone to act as a guarantor they must fill certain criteria, although this can vary. They must be UK based, earn over a stipulated amount per year and/or pass a credit check.¹
3. International students and LGBT+ students who are estranged from their families are faced with additional barriers of securing a property due to the difficulty in finding a suitable guarantor.
4. The government scrapping of the housing benefit for 18-21 year olds has adversely affected LGBT+ young people as they cannot always rely on their parents/guardians to accept their identity leading to family estrangement. In extreme cases this leads to youth homelessness, and according to the Albert Kennedy Trust a quarter of the UK's homeless youth are LGBT+².
5. Due to the Immigration Bill, which was enacted on the 14th of May³, requiring landlords to check the Visa status of any international tenants, there is less incentive for landlords or letting agencies to relax guarantor restrictions to accept an international student tenant.

5(a) That the government refusal to remove international students from the target net migration figures has meant that their unfair targeting of immigrants has also unfairly hit international students. International students already face additional financial pressure due to the introduction of NHS 'health surcharge'⁴ and higher tuition fees.
6. Some international students that are unable to find a UK based guarantor are often requested to pay for 6 months rent up front.
7. There are external companies who can act as a guarantor to student tenants, such as Housing Hand⁵. This company requires the equivalent of

¹ <http://www.leaders.co.uk/pages/tenants-faq#q3>

² <http://www.akt.org.uk/2/spg545/albert-kennedy-trust-helping-young-lgbt-people/can-you-help/youth-homelessness-matters-day.aspx>

³ <http://services.parliament.uk/bills/2013-14/immigration.html>

⁴ <https://www.gov.uk/government/news/uk-introduces-health-surcharge>

⁵ <http://www.housinghand.co.uk/>

one month's rent as payment for use of their service. If, at the end of the tenancy, the student has not defaulted or is not in arrears they receive 20% of this sum back.

8. That the University of East Anglia continues to increase the cost of on-campus accommodation, meaning some students are priced out of student halls. This means that returning students that struggle to find a guarantor cannot afford to fall back on University accommodation.
9. There are a number of universities that have responded to the needs of international students and LGBT+ students who are estranged from their families. These include: Cardiff University⁶, Edinburgh University⁷, Goldsmiths University⁸, UCL⁹ and York University¹⁰.
10. UCL has had a guarantor scheme running for fifteen years guaranteeing rent for, on average, 180 students a year. A £50 administrative fee is charged to the students requiring the service, which is capped to mitigate risk. Only two students have failed to reimburse the University after a rent default during the 15 years that the scheme has been running, ultimately meaning the scheme has been profitable for UCL.

Union believes:

1. That every student has the right to affordable and accessible housing during their time at university regardless of their family situation, economic background or student status.
2. That risk of a guarantor scheme can be mitigated with consideration for:
 - a. a mandatory budget training session for students through AdviceSU of the Dean of Students;
 - b. a maximum rental figure set;
 - c. restricting the scheme to returning students only (non-final years);
 - d. requiring a reference from previous landlords
 - e. the guarantee to be restricted to the fixed term of the agreement and to be used exclusively for rent.

⁶ <http://blogs.cardiff.ac.uk/studentlifecu/guarantor-scheme-for-care-leavers-and-estranged-students/>

⁷ <https://eusavps.wordpress.com/2014/11/07/rent-guarantor-scheme-pilot-not-just-a-flight-of-fancy/>

⁸ <http://www.gold.ac.uk/student-services/guarantor/>

⁹ <http://www.ucl.ac.uk/medphys/prospective-students/international/living>

¹⁰ <https://www.york.ac.uk/students/housing-and-money/accom-help/guarantee-scheme/>

Union resolves:

1. To lobby the University to find more effective ways of informing international students and LGBT+ students who are estranged from their families on housing and guarantor issues.
2. To lobby the University to investigate running a pilot guarantor scheme for students who fail to meet the criteria for a guarantor through private landlords and letting agencies.
3. To ensure that AdviceSU is well equipped to offer practical advice to students who struggle to find guarantors, including but not limited to, the offer of external companies that provide guarantor service until the University agrees to the guarantor scheme.