



Homes Fit for Study International Students

This briefing looks at the findings of the Homes Fit For Study research in relation to the experiences of international students in purpose built accommodation and the private rented sector

Introduction

Homes Fit for Study, published in March 2014, was the NUS Welfare Zone's flagship research exploring the provision of housing for students. The research focused on how students access and experience the private rented sector. Over 7,000 students responded to the Homes Fit for Study survey and just over 2,000 of them lived in the private rented sector. As the majority of students who live in the private rented sector are also enrolled on higher education courses, the main report focused on the experiences of these students in particular. However, the student body is diverse and as a follow up to the main report there are a number of briefings available on the experiences of particular groups who are likely to have markedly different experience to the majority of students.

This briefing will focus on the experience of international students in higher education in the private rented sector. International students form a growing contingent of the student population in the private rented sector and ensuring that these students have a smooth transition into the private rented sector is likely to continue to be a significant issue for institutions, students' unions and policymakers.

International students face a difficult time in the private rented sector and in housing in general. As well as facing the rigmarole of immigration and visa restraints, international students face further challenges when entering the housing market such as the necessity of finding a UK based guarantor (and lack thereof resulting in significant sums of rent being demanded in advance), the challenge of sometimes having to find accommodation while still in their home country and understanding an entirely different rental system. Things look set to deteriorate still further with the introduction of immigration checks by landlords in order to rent property. As a result of these factors, many international students face significant challenges in finding appropriate accommodation.

There were **1468** international students who answered the survey with **528** living in the private rented sector.

Key findings

- **Housing choices** International students tend to choose where they want to live according to location, affordability, ease and ability to meet other students.
- **Housing choices** International students largely want to live in accredited accommodation, but felt that the choice of where to live was limited, as were the rights of tenants.
- **Deposits, non-refundable fees and rent** The average rent paid by international respondents was between £200 and £600 per month although a significant proportion paid larger amounts
- **Deposits, non-refundable fees and rent** International students overwhelmingly use personal savings to pay their rent, with scholarship and savings often covering the remainder of costs.
- **Deposits, non-refundable fees and rent** Those respondents who paid fees, generally paid £100 - £300 in non-refundable fees to secure accommodation.
- **Deposits, non-refundable fees and rent** Of those who had previously left rented accommodation as students in the UK, 40 per cent had some or all of their deposit withheld.
- **Satisfaction with property** Satisfaction levels were roughly comparable to the broader sample, with 60 per cent highly satisfied or satisfied with the management of their property.
- **Satisfaction with landlords** The most common complaint regarding landlords was poor communication, along with delays on repairs to the property.
- **Satisfaction with landlords** The most common issue with landlords before renting was the experience of pressure to sign a contract and being asked for a holding deposit before having seen a copy of the proposed contract.
- **Accreditation schemes** The majority of international students were not aware of accreditation schemes and of those that were, most did not actively look for accredited properties while house hunting.
- **Guarantors** 66 per cent of international students were asked to provide a UK based guarantor for their property and 37 per cent were unable to do so. Over 90 per cent of these were asked for rent up front to compensate for this, and between one and six months' worth of rent was generally requested – six months' rent was the most common requirement.
- **Policy changes** International respondents supported the following policy changes - a minimum standard on private rented sector properties, more regulation on landlords and lettings agents and a ban on letting agent fees.

Demographics of the sample

The demographics of the sample were as below.

Table 1: Demographics			
Gender		Age	
Man	519	16-18	116
Woman	917	19	159
In another way	8	20	150
Prefer not to say	16	21-24	550
		25-29	282
Year of study		Level of study	
Year one	832	Undergraduate	709
Year two	231	Postgraduate	759
Year three	275		
Year four	86	Ethnicity	
Year five or after	28	White	785
		Non-White	623

Disability	
Physical impairment, such as using a wheelchair to get around and / or mobility difficulties	3
Blind or partially sighted	6
Deaf or hard of hearing	3
Mental health difficulties, such as depression or schizophrenia	38
Learning difficulty (such as dyslexia, dyspraxia)	23
Profound and / or multiple learning difficulties	1
Autistic Spectrum Disorder	2
An unseen disability or health condition (e.g. diabetes, epilepsy, asthma, HIV)	28
A disability not listed above (please describe)	17
Prefer not to say	17
No known disability, impairment of long-term health condition	684

Housing choices

More than half of international respondents chose to live in purpose-built student accommodation, with the bulk of these choosing that which is managed by their institution (see table 2). When the reasons they chose the type of accommodation they did are considered, it seems that the priorities of location being convenient for their place of study, being able to meet other students and ease feature prominently, and may lead to the preference for purpose-built, and particularly institution-managed accommodation (see figure 1). However, a significant proportion claimed to have chosen their accommodation at least in part because it was more affordable, and this may be what leads such a substantial proportion to the private rented sector. A slightly higher proportion than in the overall sample were renting with a live-in landlord and this may be due to guarantor requirements in other private rented housing.

Table 2: Current Accommodation		
Which of these best describes your current accommodation?		
Type of Accommodation	EU Student	Non-EU / overseas student
Privately rented house/flat (i.e. rented from a landlord or letting agent)	40%	28%
Privately rented house/flat with a live-in landlord	4%	3%
Student accommodation managed by my institution (e.g. halls, head leased house)	38%	48%
Student accommodation managed by another provider (e.g. private halls of residence)	14%	18%
In my family home (e.g. with parents)	1%	1%
In my own home (i.e. a house you own)	2%	1%
In social housing (i.e. rented from a local authority or housing association)	1%	1%
Other	2%	1%

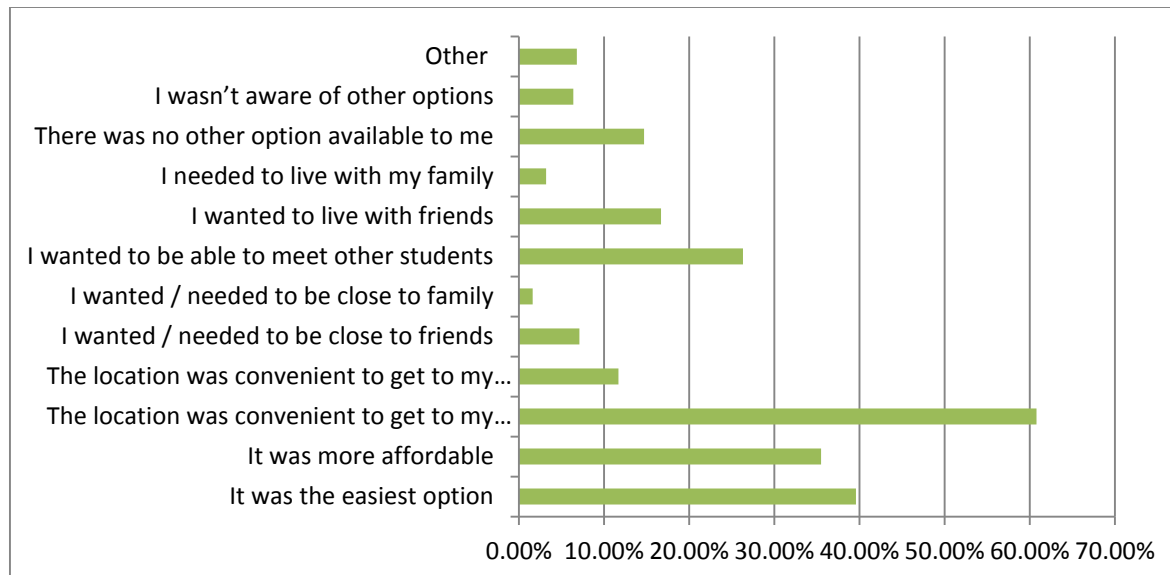


Figure 1 Why did you choose to live in this type of accommodation?

The international students that do enter the private rented sector face a number of extra barriers such as finding a UK-based guarantor, and often trying to secure accommodation from abroad. Additionally, a high proportion of international students only study in the UK for a year on a taught postgraduate course, and as a result, there is little time to acquaint themselves with the structure of renting in the UK or their local housing market.

Respondents' views on the private rented sector were fairly mixed, based on their assessment of a variety of key statements (see figure 2). Similar to the overall findings, international students showed significant preference for accredited landlords and letting agents. A large number of international respondents felt that they were in the dark and unsupported, with less than half reporting that they knew their rights as tenants and very few felt that they had enough rights or support.

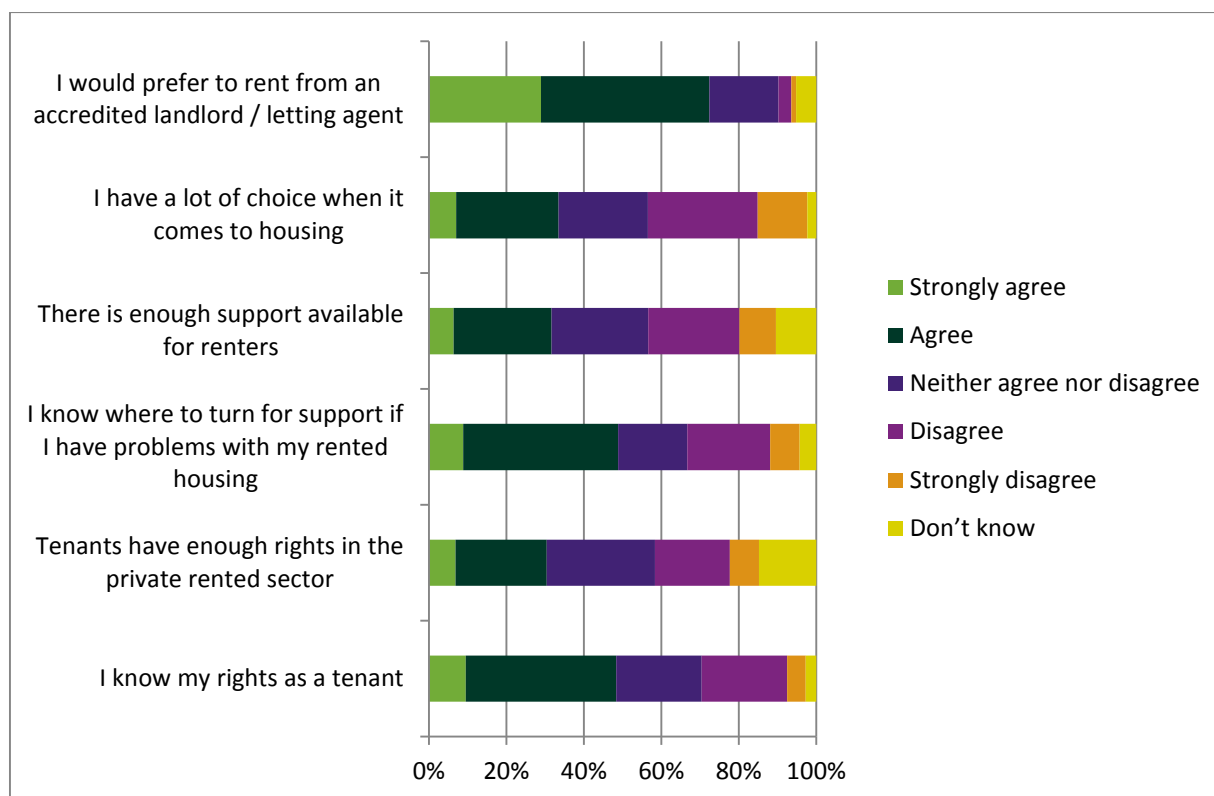


Figure 2 Views on the private rented sector

Rent and deposits

The cost of rent was broadly similar to the overall sample, with most international students paying between £200 and £600 (see figure 3). However, a significant proportion were paying upwards of £600 per month in rent.

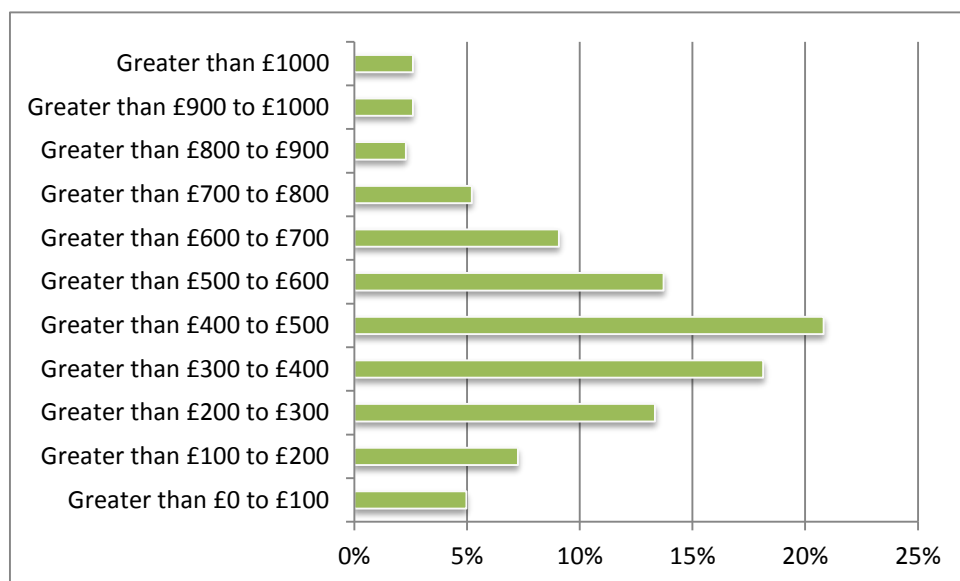


Figure 3 How much do you contribute to monthly rent or mortgage payments?

International students have no access or limited access (dependant on their status as Tier 4 international students or EU students) to student loans, therefore other options were more widely used (table 3). The responses dispel the myth that all international students are financial supported by their families with only 52 per cent of respondents supported in this way. Most international students seem to use a mixture of family support, savings, salaries and scholarship, with many appearing to use a combination of these. The amount that can be contributed to rental costs through salaries may have reduced in recent years due to restrictions on term time working hours.

Table 3: How rent is paid	
Student Loan	14%
Personal Savings	46%
Money given by friends / family / partner	52%
Scholarship	25%
Salary	26%
Social Security Benefits (e.g. Housing Benefit)	1%
Credit Card	6%
Overdraft Facility	3%
Money borrowed from a bank	2%
Money borrowed from friends / family / partner	14%
Money borrowed from a 'payday' lender	0%
Applied for financial support from my university or college	1%
Other	2%

Of those who had previously left rented accommodation as a student in the UK, 60 per cent had their deposit returned in full, though the remainder had their deposit either partially or fully withheld (table 4).

Table 4: Deposit return	
If you have previously left a rented property where you had paid a deposit	
My deposit was returned in full	60%
My deposit was partially withheld	31%
My deposit was fully withheld	9%

Satisfaction

Overall, satisfaction with the management of current accommodation was broadly in line with the wider sample, with 42 per cent satisfied and 18 per cent very satisfied with their current property (see figure 4). This total of 60 per cent is the same as the sample as a whole. Around a fifth were dissatisfied or very dissatisfied, while a similar proportion were non-committal either way.

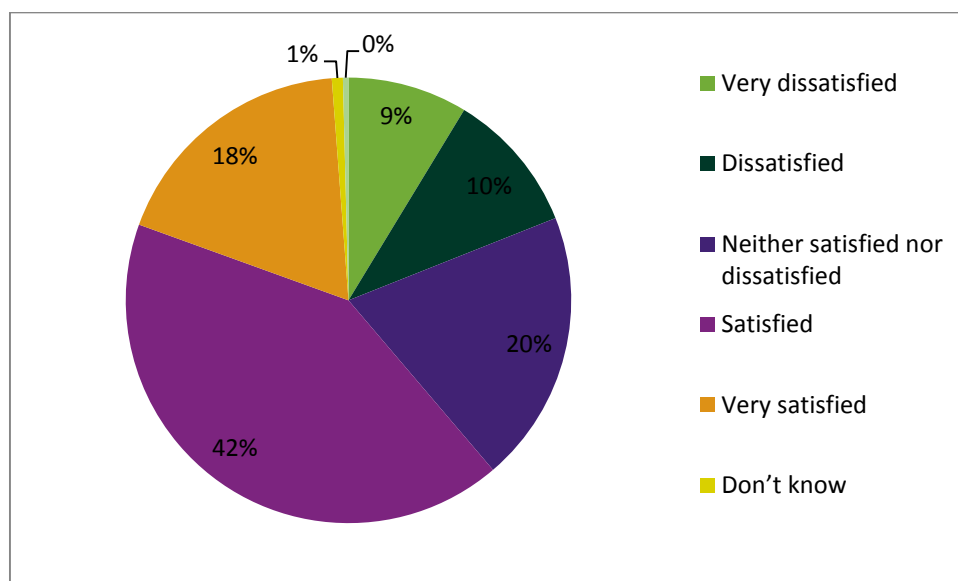


Figure 4 Overall, how satisfied are you with the management of your home?

A recurring theme throughout the main report findings was dissatisfaction with landlords, both in terms of their ability to communicate effectively and in an efficient time frame and the speed of repairs. These were also problems commonly reported by international respondents (see table 5).

Table 5: Experiences with landlords and lettings agents	
Have you experienced any of the following?	
Delays by the landlord / letting agent when carrying out repairs	41%
Difficulty getting in touch with the landlord / letting agent	23%
Landlord / letting agent has unfairly kept my deposit	9%
Landlord / letting agent has entered my home without giving me reasonable notice or seeking my permission (24 hours in England and Wales and as specified in the contract in Scotland and Northern Ireland)	17%
Landlord / letting agent has harassed / threatened me / others in my household	5%
Landlord / letting agent has threatened to ask me to leave my accommodation	4%
My home has been subject to burglary due to lack of security measures in place	2%

Around two fifths of international respondents in the private rented sector also reported problems when securing their property, with being asked to pay a holding deposit before having seen a copy of the proposed contract, and being placed under pressure to sign being the most common problems (figure 5).

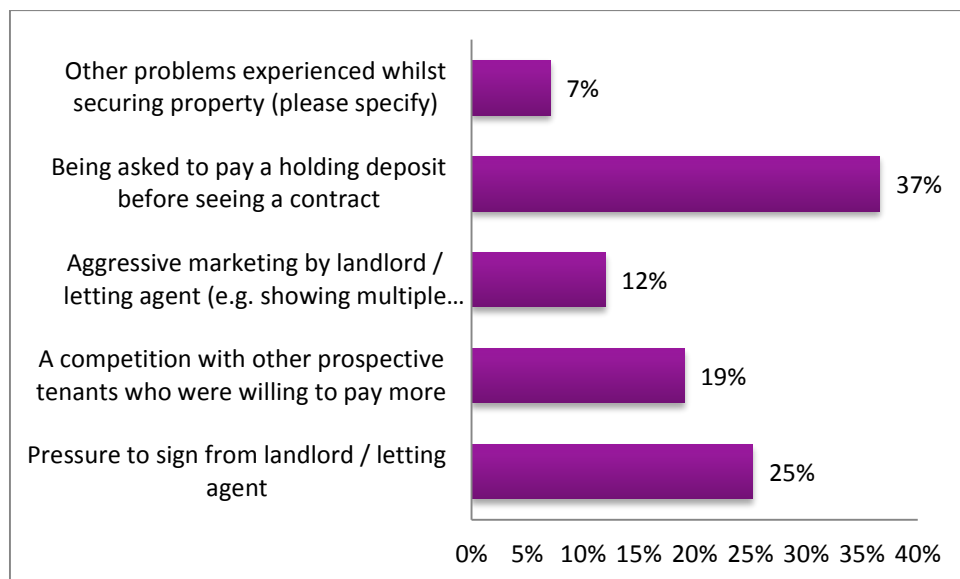


Figure 5 Negative experiences of the private rented sector

International respondents largely reported that their properties had reasonable amenity levels (see table 6). However, the proportion reporting having gas central heating was worrying low, though there is a chance that this is underreported due to lack of understanding of the question (particularly for those where gas central heating is not commonplace in their home country). Health and safety features such as smoke and burglar alarms were also less commonly reported than in the wider sample.

Table 6: Amenities	
Does your property have any of the following?	
Functioning smoke / fire alarm	77%
Functioning carbon monoxide detector	24%
Functioning burglar alarm	15%
Secure doors and windows	64%
Sufficient bins and recycling facilities	72%
Double glazed windows	58%
Gas central heating	65%
Radiator / heaters in every room	88%

Accreditation, guarantors and tenancy agreements

Largely international respondents were not aware of local accreditation schemes and those that were aware did not take advantage of this when house-hunting (table 7). This is despite the fact that many reported that they would prefer to rent an accredited property. Increasing the influence this has on house-hunting behaviours would be useful, as those students who were living in accredited properties in the overall findings were more likely to be satisfied with their property.

Table 7: Accreditation	
Are you aware of an accreditation scheme in your local area?	
Yes, and I looked out for accredited properties when house-hunting	11%
Yes, but I didn't really look out for accredited properties when house-hunting	16%
There is no local accreditation scheme	3%
I am not sure if there is a local accreditation scheme	71%

As with the overall sample, most international respondents reported that they had read through tenancy agreements, although few had their tenancy agreement checked by experts in their institutions or students' unions (table 8).

Table 8: Tenancy Agreements	
Did you read through your tenancy agreement?	
No, not at all	2%
No, but all the other people I am living with read it	2%
Yes, briefly	23%
Yes, I read it thoroughly myself	59%
Yes, I had it checked by students' union or institution	3%
Yes, I had it checked by an advice provider not based at my institution	1%
Yes, I had it checked by my parents / member of my family	10%
Yes, I looked up advice online	1%
I did not receive a written tenancy agreement or contract	0%

Overall, two thirds of international respondents were asked for a UK based guarantor (figure 6). Of these, around three fifths were able to do so, leaving 37 per cent unable to do so (figure 7). For those who are unable to provide a guarantor, many are likely to need to find another property that doesn't have this requirement (often sharing with a live-in landlord), or there are generally two ways in which they can deal with this: an advance payment of rent at the discretion of the landlord (often six or even 12 months) or approaching their institution to act as a guarantor (very few institutions or currently have guarantor scheme in place). Of the latter option only two students had this option available to them (table 10).

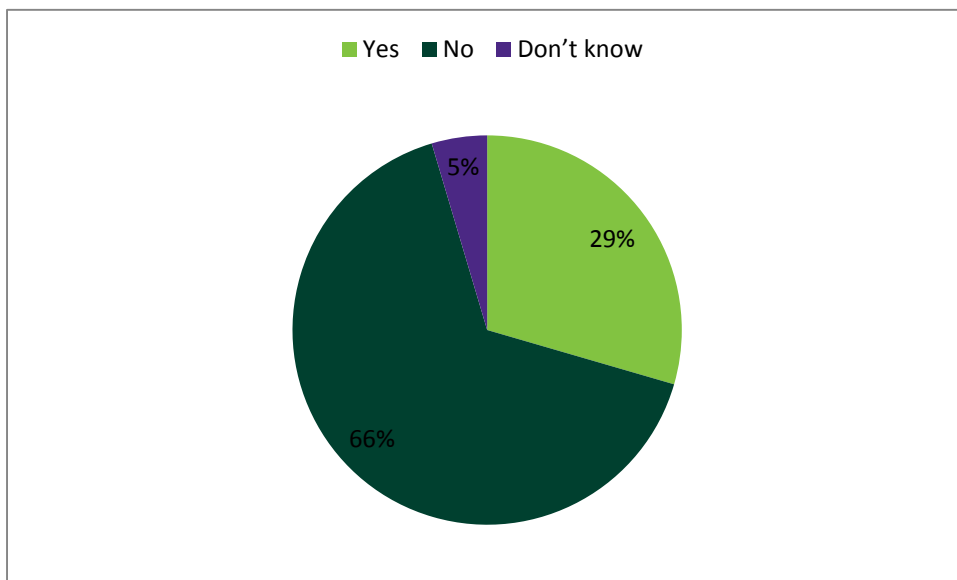


Figure 6 Were you asked to provide a UK based guarantor?

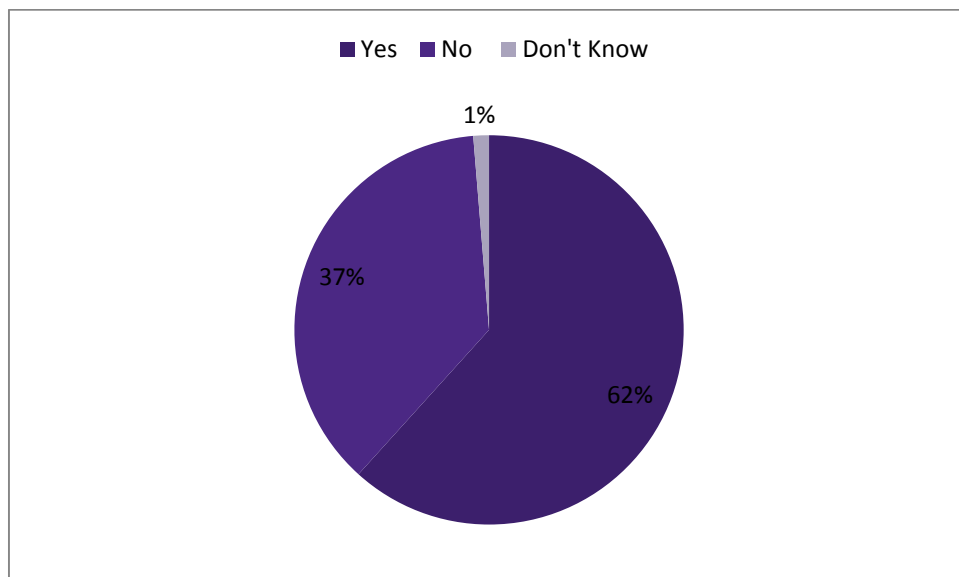


Figure 7 Were you able to provide a UK based guarantor?

Of those that paid rent in advance the most common payment was six months' advance rent (table 9). It is likely that in most cases this will stretch into the thousands of pounds as a down payment, and results in a decrease in the rights of the tenant e.g. the ability to withhold rent, or to get money back should the property be repossessed.

Table 9: UK based Guarantors	
If you weren't able to find a UK based guarantor how much rent did you pay in advance?	
One - two months	14
Three - five months	14
Six months	16
Six to 11 months	3
12 months	4
I was not asked for any rent up front, despite not having a UK guarantor	5
Not applicable, I was able to provide a UK guarantor	1

Table 10: UK based Guarantors	
Did you have the option of using your institution as a guarantor?	
Yes	2
No	33
Don't know	20

Conclusion

More than half of the international respondents to the Homes Fit for Study survey lived in purpose-built student accommodation, often paying higher rents for the security and peace of mind of living close to their place of study, and the ease of this kind of accommodation. Those that decide to rent in the private rented sector face a market which is unfamiliar and puts them at risk of exploitation. International students are often seen as being supported by wealthy parents, however, clearly for a lot of this sample, this is not the case and they face the same financial problems as home students but without a student loan to mitigate some of the costs of living. International students also face additional barriers to living in the private rented sector, with many unable to provide a UK-based homeowner as a guarantor, and often having to pay large amounts of rent upfront to compensate for this.

The figure below shows that international students are keen to see change in the private rented sector, with the most popular options being a minimum condition standard for the private rented sector, more services to ensure landlords and letting agents fulfil their responsibilities, and an end to letting fees. International respondents were also keener than their home student counterparts to see more support from their institution or students' union, and this may reflect differing expectations. We hope that the findings of this research will help institutions and students' unions better understand the areas in which this support is required.

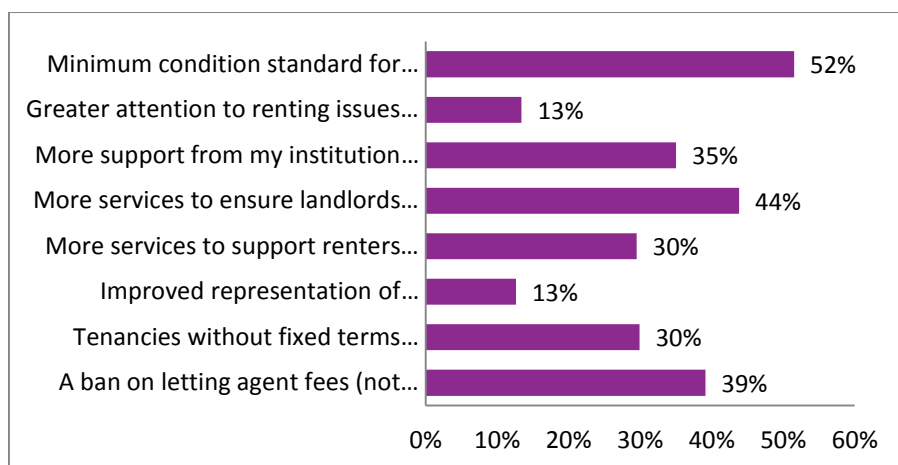


Figure 8 Which of the following would you like to see?