

Submission to the London Assembly Housing Committee's Review into Property Guardianship

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Executive Summary

The first property guardianship (PG) company entered the UK security market in 2001. The growth of the PG market since 2009 has taken place against a backdrop of rising demand for affordable housing in London and elsewhere in the UK. There are over 30 companies now offering guardianship in the UK, with different sizes and models. At least 21 companies have only one single office in London and 12 appear to be exclusively operating in the capital. Official data is scarce, but industry estimates indicate that at least 4000 people lived as property guardians in the UK in 2014; the number is probably greater and a large percentage are likely to live in London. In the capital, primary and secondary data on over 200 property guardians show that guardians tend to be in the age range of 20-45 and precariously employed. Guardians interviewed expressed concern about insecurity of tenure, unsafe living condition and lack of privacy, but welcomed any reduction in their housing costs.

Overall, our research has shown that:

- Guardianship is an exclusionary and highly insecure form of housing.
- Guardianship raises serious questions about housing safety standards.
- As clients, local authorities and public institutions have the opportunity to hold the sector accountable and promote more secure and appropriate forms of temporary housing.

We strongly recommend that:

1. Guardianship schemes meet **rigorous health and safety standards**.
2. Guardianship should **not be exempt from** current housing legislation.
3. Guardians should be able to access **free, appropriate and independent advice** about their housing situation.
4. A **review of public institutions and local authorities using PG schemes** should be undertaken and information be publicly shared.
5. **Tenant-centred models** of short-term housing in vacant properties, such as through short-life housing cooperatives, should be given preference over PG whenever possible.
6. **Further consultation** on this issue is sought from grassroots housing groups in London.

About us

We have been researching PG since 2011. Our field research (2011-5) combined an overview of the sector with detailed qualitative analysis of the experiences of guardians, media representations of the sector, and the role of PG in the wider housing crisis. Our qualitative research has focused on London. Our study has been presented in various academic settings, including conferences of the Royal Geographical Society (with IBG), and has been published in peer-reviewed academic journals such as *Transactions of the Institute of British Geographers* (2017) and *Cultural Geographies* (forthcoming). Our work has been shared on BBC TV's *The One Show*, and has been mentioned in investigative articles in local and national newspapers such as *The Guardian*.¹ Additionally, we have participated in public discussions around the scheme at a range of national and international events by campaigning and civil society groups, and have contributed research, commentary and informal advice for guardians at: propertyguardianresearch.wordpress.com.

The Research

Property guardianship is a challenging sector to study due to its relative novelty and to the lack of reliable and accessibly official data. Companies do not publish information and a large-scale survey of guardians is unfeasible because of their high geographical mobility. Moreover, many guardians sign a licence agreement that forbids them talking to the media, making them reluctant to talk about their experiences for fear of retaliatory evictions. Our mixed methodology has been based on in-depth qualitative interviews, Freedom of Information requests, industry analysis and a review of secondary sources based on original interviews. Our answers regarding guardians' profile is based on a sample of over 200 guardians. We conducted 32 original in-depth interviews in London (2011-14) with past and current guardians living with 7 different property guardian companies. Guardians interviewed were asked to describe people they lived with (this encompasses a further 135 individuals). Further data about guardians' profiles was collected through email contacts by 12 guardians seeking advice; reviews of investigative journalism (interviews with 17 individuals) and unpublished postgraduate research projects in London, which we advised or unofficially mentored over the past three years (30 guardians).

PEOPLE

1. What type of person becomes a property guardian (age range, gender, employment status)?

In London, the majority of guardians are in their 20s and 30s, with a smaller proportion in their 40s. To access guardianship, they need to prove regular income and undergo a vetting process. Most guardians interviewed had university degrees and more than a third had postgraduate degrees; however, they were often on insecure and low incomes that prevented them from entering into home-ownership or the PRS. Their employment status varied, but generally they worked short-term, part-time or freelance in the secretarial and service industry, the creative industry and in the third sector. Our sample may reflect London's own demographic profile and not be representative of guardians across the country.²

¹ See <https://www.theguardian.com/society/2015/dec/24/the-high-price-of-cheap-living-how-the-property-guardianship-dream-soured>, and <https://www.theguardian.com/society/2013/jul/22/live-stately-home-dont-get-settled>.

² We refer to the recent high-profile case of guardianship in Bristol which involved low-waged transport workers (*BBC News Bristol* 2017).

PG is exclusionary: Guardianship companies do not allow children to live on the premises and young families are therefore systemically excluded from the sector. Anecdotal evidence revealed that some guardians live with young children but hide their presence during inspections, which causes high levels of stress for parents and children. A recently reported case alleged discrimination toward a pregnant guardian by the PG company Vacant Property Security in Camden (*Camden New Journal*, 2017).

2. What legal rights do guardians have and how do they differ to those of private renters?

According to PG companies, guardians are not protected by current housing legislation because they are not tenants. Guardians sign 'temporary occupation licenses', which makes them licensees. However, the difference between a license and an Assured Shorthold Tenancy does not rely solely on the phrasing of the license agreement, as noted by legal scholars (Peaker, 2012; Hunter and Peaker, 2013). Camelot's licensing in Bristol has been recently challenged in a preliminary judgement (Peaker 2017a, 2017b), and particularly in relation to the Protection from Eviction Act 1977.

Lack of privacy: Guardians pay a monthly 'license fee' to access the dwellings, but do not have exclusive possession of the living space, which means that inspections to the premises can be carried out at any point and unannounced. Regulations and codes of behaviour are set out by the license agreement, which differ from company to company. There are broad similarities with regards to fire regulations, including a ban on smoking, and restrictions of the use of electric equipment such as electric heaters and toasters. Inspections are usually marked by 'inspection cards' with notes and warnings, which generate a sense of lack of privacy and regular surveillance. Women living alone in particular have reported feeling vulnerable. When rules are breached, guardians may receive fines, lose part of the initial deposit or even have their license immediately terminated. In case of breaches, companies contact guardians by email (in some of our interviews these were described as 'threatening').

Insecurity of tenure and protection from eviction: Guardianship licences initially allowed for as little as two weeks' notice to leave; this has now changed to 28 days (in line with AST notices in the PRS). Many interviewees lived in constant anxiety of their licence being terminated. Some moved into a property and were told to leave after one or two months, in one case after just three weeks. Guardians interviewed have reported fear of and concrete instances of 'revenge evictions' after complaining about living conditions. The Protection from Eviction and Housing Acts should both apply, but in the cases we know of they were only upheld when legally contested.

PROPERTY

3. What impact do guarded properties have on local communities?

Most guardians interviewed expressed the opinion that they could not embed themselves in the neighbouring community because of the lack of tenure security (a problem they share with PRS tenants).

Enforced volunteering: So-called 'ethical' PG companies have developed compulsory volunteering programs in local communities in order to attract contracts. We are critical of such schemes for two reasons: firstly, because access to housing then becomes reliant on unpaid work, which not all can afford, especially if already working in sectors where low or unpaid labour is the norm; secondly, because good community work, especially formal volunteering, requires sustained engagement with a group or local area. This situation could be improved if

guardians had tenure security and/or a commitment, on behalf of the company, to be rehoused locally once their license is terminated.

4. Is there a minimum health and safety standard properties must meet before they are protected by property guardians?

Most PG companies appear to apply voluntary health and safety codes such as those used by building contractors; in addition, some of them have their own codes embedded within the license. However, conditions in PG properties vary greatly. In the Netherlands, where the scheme originated, a 20-year-old woman who lived as a guardian in a Camelot-run property died of electrocution from a faulty shower in 2013. In that case, both the city council and Camelot were found guilty of negligence (Newmark, 2016). In the UK, local and national media have given visibility to a number of cases of malpractice, including overcrowding, poor and outright unsafe conditions (see *BBC News Bristol*, 2017). These cases are extreme examples, but our interviewees in London identified a number of health and safety issues in the properties where they lived, such as damp, hot water and heating not working properly or at all during winter months, windows not closing properly and sporadic fire inspections that revealed prior unsafe conditions. We believe that guardians' fear of retaliatory evictions and the lack of knowledge about their rights often lead to underreporting of unsafe living conditions.

SHAPE OF THE SECTOR

Property Guardian companies and their clients are generally reluctant to release data, with the exception of small companies (Dawson, 2012). In our research (Ferreri et al., 2017), we attempted an overview and identified three types of companies.

Organisation	TYPE	Founded	No. of offices	Office Locations	Property Locations
Ambika Security		1 1988	1	London	UK
* DEX Property Management		1 1999	1	London	
Gallowglass Security		3 1999		Edinburgh and W. Yorks	UK and abroad
* Camelot UK		1 2001	6	London, Manchester, Birmingham, Glasgow, Bristol, Leeds	UK
* Ad Hoc UK		1 2006	10	London/SE, Woolwich, Birmingham, York, Liverpool, Bristol, Glasgow, Peterborough, Cardiff, Newcastle	UK
Newbould Guardians Ltd		1 2009	1	London	London
Live-In Guardians		1 2009	1	London	
Minae Property		1 2009	1	Manchester	UK esp Mids
Property Guardians		1 2009		London	UK - cities
Guardians of London		1 2011	1	London	London
Global Guardians Management Ltd		1 2011	1	London (North)	London
City Guardians		1 2011		London	London
Dot Dot Dot property		2 2011	1	London	London, Cambridge, S.England
Plage Property		1 2012	1	London	
GPP - Guardian Property Protection		1 2012		London	UK
Property Guardians in Cooperation		2 2012		London	London
Blue Door Property Guardians		1 2013		London	London
Intuitive Guardians		1 2014		Brighton and Hove	Brighton and Hove
Cerberus Property Guardians		1 2014		London (South)	London
Acorn Guardians		2 2014		London, Bristol, Brighton	
Orbis		3 2014			Uk-wide
Eddisons		3 2014			
Secure Guardians		1 2012 ?		London	London, Kent, Suffolk
Grandploy		1 2013 ?	1	London	London
Art Guard		2 2015 ?		London (East)	London
Violet Guardians		2 2015?		London (South)	London
Umbrella Guardians		1	1	London	London
London Caretakers Ltd		3		London	London
Clearway Security		3			
Oaksure Security		3		London	
VPS Specialists		3			

Table: companies offering PG in the UK (as at June 2016). Source: own elaboration.

For type 1 companies, the provision of live-in security constitutes their main profit-making activity; this typology comprises both established and newly founded companies. Type 2 companies present themselves as 'ethical' alternatives; they are usually aimed at individuals in the arts and creative sectors and are sometimes registered as non-profit. Type 3 includes security companies that offer PG as a part of a wider portfolio of security options for property owners; these are all large, for-profit organisations. According to a recent industry report (Orbis 2014), PG is projected to grow in the future as a 'professionalised' section of the sector as well as a growing 'niche' market for 'ethical' social enterprise organisations.

5. Are there any examples of best practice or lessons learned from malpractice the property guardian sector could take forward?

Lessons can be learned from the often-complex situations which arise when local authorities terminate guardianship schemes due to the infringement of planning regulations. For example, in Islington in 2015, Peabody, who had bought part of the Whittington Hospital site with the aim of redeveloping it into homes, appointed Global Guardians to move in c. 150 guardians. Having been told that they would stay at least for 12 months, the guardians were suddenly given notice to leave, ostensibly because some had broken the terms of the license. It was afterwards revealed that Islington Council had told Global Guardians to end the scheme because it did not comply with planning permission and because requested changes to improve dwelling conditions, such as installing water heaters and cookers, had not been carried out (Wiles, 2015). In this case, the best practice of inspecting the premises ultimately led to 150 people losing their homes at short notice, as far as we are aware without repercussions for the PG company beyond the loss of income.

6. To what extent and how effectively is current legislation protecting property guardians? Is new/updated legislation required to make the sector operate optimally for all parties? What could the Mayor or local authorities do to help?

In our view, current housing legislation should be applied to protect guardians from unsafe living conditions and unfair evictions. It is worth noting that PG companies in the past have heavily lobbied governments in other countries to create exceptions in existing housing legislation. In France, for example, a law was passed to introduce the category of 'résidents temporaires' (temporary residents).³ Ultimately, the market is dominated by for-profit PG companies whose priority is the property owner; as such, in our opinion, the sector cannot be trusted to regulate itself.

Local authorities and other public institutions who use PG companies should consider more equitable tenant-centred models for temporary housing in vacant properties. London has a long and largely successful history of temporary housing in vacant buildings through short-life cooperatives (Smyth 2012; Williams 1990). These cooperatives abide by housing legislation and give codified rights to their tenants. We believe that the model should be given preference by local authorities and public institutions over the use of for-profit PG companies deploying highly insecure licenses.

7. How can the London Assembly and London public authorities, especially local authorities, effectively hold the property guardian sector accountable?

We used Freedom of Information Requests to understand the extent to which public institutions contracted PG companies and found that public institutions, in particular local

³ See www.legifrance.gouv.fr/affichTexte.do?cidTexte=JORFTEXT000020438861.

authorities, have become frequent clients. PG schemes have been used over the years in a range of properties that include former schools, health facilities, offices and, importantly, council estates undergoing demolition/regeneration. Local authorities, as clients, are therefore in a strong position to exert demands on the sector and hold them accountable, although in practice this has not always happened.

Recommendations

A symptom of wider housing and work precarity in London, Property Guardianship is an exclusionary and highly insecure form of temporary housing which often fails to meet standards of decent, safe and appropriate housing. We thus make the following recommendations to the Mayor and the London Assembly Housing Committee:

1. **Health and Safety:** It is imperative that rigorous health and safety standards are met by all PG companies. Failure to do so should be subject to significant fines or penalties for the companies, with due consideration of the potential impact on guardians.
2. **Guardianship as housing:** The grey area between licensing and housing should be addressed. We believe that the London Assembly should take a clear stance on guardianship as a form of temporary housing provision, thus falling under current housing legislation. The London Assembly should pressure local authorities and other public institutions to ensure the tenancy rights of guardians in publicly-owned properties as well as in those owned by social housing providers such as Housing Associations.
3. **Advice and support:** Guardians should be able to access independent and appropriate legal advice and provision should be made for them to report, in a safe and anonymous way, unsafe and unfair conditions to their local authority of residence. Mechanisms should be in place for local authorities to act upon such reporting.
4. **Review:** We recommend that the Mayor and the London Assembly undertake a comprehensive review of how and where PG is used, and coordinate efforts to ensure that all authorities have a clear legal understanding of how PG companies operate, what fees are charged and what are the living conditions of guardians.
5. **Use and management of temporary housing:** Public bodies should be encouraged to assess what constitutes best practice in terms of the use and management of temporary housing. The cooperative housing sector should be approached to provide more in-depth recommendations regarding assured and contractual forms of temporary housing, such as through short-life housing cooperatives.
6. **Consult grassroots housing groups:** Finally, we urge the London Assembly to seek out and listen to the recommendations of the city's many grassroots housing groups with regards to this issue and its intersections with other aspects of London's housing crises.

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