

# Subject: Property Guardianship in London

Report to: Housing Committee

Report of: Executive Director of Secretariat

Date: 5 September 2017

This report will be considered in public

## 1. Summary

- 1.1 This report sets out the background information for a discussion with invited guests on property guardianship in London.

## 2. Recommendation

- 2.1 **That the Committee notes the report as background to putting questions to the invited guests on property guardianship in London.**

## 3. Background

- 3.1 London is in a housing crisis. An increasing population coupled with a lack of affordable housing has led to problems of affordability for many in the capital. Security companies offering property guardian services have stepped in to fill this gap in the housing market. Guardianship offers accommodation at cheaper costs than the mainstream private rented sector (PRS) in return for protecting vacant property.
- 3.2 Ongoing pressures of the housing crisis have created a growing demand for guardianship opportunities and the number of companies providing guardian services has grown rapidly. The Mayor has the potential to lead policymaking around guardianship, ensuring that this rapidly growing sector does not exploit those with few choices living in London, while seeking to maintain the advantages it can offer.

## 4. Issues for Consideration

- 4.2 The total number of property guardians in London is unknown. In 2015 it was estimated there were approximately 4,000 guardians in the UK.<sup>1</sup> In 2016 there were approximately 1,000 guardians protecting local authority buildings in London alone.<sup>2</sup>
- 4.3 A wide range of people become property guardians. According to written submissions to the committee's investigation, guardians can range in age from 20 to 70 with an equal split between males and females. Guardians also have a wide range of jobs, from key workers to creatives.

<sup>1</sup> [The Guardian, 2015, Property guardians: a solution to the UK's housing crisis?](#)

<sup>2</sup> Sian Berry AM Freedom of Information request  
City Hall, The Queen's Walk, London SE1 2AA

### *The benefits of guardianship*

- 4.2 For guardians themselves, the overwhelming reason given for taking on the role is the lower cost of housing compared to the mainstream private rented sector (PRS). However, the cost of guardianship is increasing, with some rooms being advertised at a similar cost to those in the PRS. For property owners, guardianship is seen as a favourable way to protect vacant property. This model of property protection can be an efficient use of vacant space, beneficial for the community and local authority. A continued presence in the community may mean that shops stay open and there is less chance of anti-social behaviour. The occupation of vacant property also creates an income for local authorities from council tax payments.

### *The legal rights of guardians*

- 4.3 Property guardians are issued with a licence to occupy instead of the Assured Shorthold Tenancy (AST) which is commonplace in the PRS. Like an AST, these licences are protected by the Protection from Eviction Act 1977, requiring that a licensee is given a minimum of 28 days' notice before being asked to vacate a property. However, it appears that some property guardian companies may be evicting guardians illegally, giving them less than the minimum 28 days' notice required.

### *Property conditions*

- 4.4 There are no specific standards or guidance on conditions for guardian properties and how these should be defined and treated by local authority housing enforcement teams.<sup>3</sup> Environmental health officers use the Housing Act 2004 to enforce against properties protected by property guardians.
- 4.5 The Committee has received written evidence from a range of property guardian companies which describe a variety of works that they carry out to make sure properties are 'safe, habitable and secure'.<sup>4</sup> These include cleaning, asbestos and legionella testing, electrical and gas safety tests and fire safety.<sup>5</sup> However, the committee has received responses from current and former guardians highlighting ongoing concerns about the condition of properties.

### *Best practice*

- 4.6 Parts of the property guardian sector have recognised some of these issues and are looking to improve conditions for property guardians. Some guardian companies have formed internal charters or standards, for example, Ad Hoc and Dot Dot Dot, which allow guardians to hold them to account. Several companies within the sector are also looking to form a Guardian Association which will champion best practice and establish minimum standards in the industry. Despite moves to improve the sector, some companies express concerns as to how effective self-regulation will be in improving standards.
- 4.7 The British Security Industry Association (BSIA) has also recognised a need to ensure there are minimum standards in the sector. The BSIA has developed a British Standard Vacant Property Protection code of practice to provide guidance for various methods of vacant property protection, including property guardianship. The guidelines for property guardianship include information on the preparation of properties before guardians move in, for example with respect to fire safety and appropriate facilities, property inspection and compliance, and property guardian conduct. However, this code of practice is not mandatory and only acts as guidance for property guardian companies.

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<sup>3</sup> Chartered Institute of Environmental Health written submission to London Assembly investigation

<sup>4</sup> Global guardians written submission to London Assembly investigation

<sup>5</sup> Numerous property guardian company submissions to London Assembly investigation

#### *Terms or reference*

4.8 The terms of reference for this investigation are:

- To identify the extent of property guardianship in London, highlight good and bad practice and emerging self-regulation in the sector;
- To examine the impact of property guardianship on Londoners, including local authorities, communities, businesses and property security companies; and
- To consider the effectiveness of current legislation and whether it protects property guardians adequately.

#### *Invited guests*

4.9 A panel of guests has been invited to discuss these issues with the committee, including:

- Professor Caroline Hunter and Jed Meers, York Law School, University of York;
- Lord Kennedy of Southwark, Shadow Spokesperson (Communities and Local Government, Housing and Home Affairs) and Opposition Whip (Lords);
- Rubina Nisar, Valuation and Strategic Assets, London Borough of Lambeth;
- Jon Castine, Environmental Health Officer, Westminster City Council; and
- Stuart Woolgar, Representative of the BSIA Vacant Property Protection section, and Director of Global Guardians.

## **5. Legal Implications**

5.1 The Committee has the power to do what is recommended in this report.

## **6. Financial Implications**

6.1 There are no direct financial implications to the Greater London Authority arising from this report.

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### **List of appendices to this report:**

None.

<b>Local Government (Access to Information) Act 1985</b>
List of Background Papers: None
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