



Date: 26/03/18

Release: Immediate

London firms should offer deposit guarantees for employees who rent, says new report

- Help to Rent report calls on Mayor to set up initiative in London
- Scheme could provide vital boost for low income renters
- Boroughs also encouraged to adopt scheme and share best practice

Firms in London should offer deposit guarantees for employees who live in rented accommodation, according to a new report by London Assembly member Shaun Bailey.

'Help to Rent: Improving access to homes in London's private rental market' suggests the initiative would provide a major boost for lower income renters who struggle to gather a typical deposit of four to six weeks' rent.

Fourteen London boroughs already offer such a scheme, or a cash alternative, but Mr Bailey wants to see it expanded by employers and other local councils, who could share best practice with providers of existing schemes.

The points to the London Assembly's own 'Hidden Homelessness' report, which found evidence of people unable to access the rental market due to a lack of deposit, including workers getting their first jobs in Canary Wharf and university students.

It found many people ended up using homelessness relief services, 'sofa surfing' with friends or staying in hostels and more precarious forms of accommodation.

With the percentage of homes privately rented set to grow from 28% in 2016 to almost 40% in 2025, the report calls on the Mayor to include new initiatives in his Housing Strategy.

Report author, London Assembly member Shaun Bailey said: "For many young people, that initial deposit of four to six weeks rent can be a major barrier to finding a place to stay and the London Assembly has already evidenced the consequences of that.

"Some local councils in London are leading the way in helping people overcome that barrier but it is something I'd like to see made more widely available through employers and other local authorities.

“The Mayor has an opportunity to use his influence and encourage employers to support their staff and offer deposit guarantees. By making this part of his wider Housing Strategy, he could make a significant impact for lower income renters in the private rental market.”

ENDS.

Notes

- Shaun Bailey is a London-wide Conservative Assembly Member
- A full copy of the report is attached

Report recommendations

Recommendation 1:

London boroughs should share best practice on rent deposit schemes. Boroughs that do not currently offer deposit guarantee or bond schemes should consider doing so, either themselves or through a third-party scheme.

Recommendation 2:

The Mayor of London should set up an initiative to encourage employers in London to offer rent deposit guarantee or bond schemes for their staff.

Recommendation 3:

The next version of the Mayor’s housing strategy should set out the benefits of deposit guarantee or bond schemes and their potential to help more people access the housing rental market.

For more information or to arrange an interview, please contact the press office below.

Press contacts:

Chris Hewett

Head of Press, GLA Conservatives

E: chris.hewett@london.gov.uk

T: 020 7983 4960 / 07784510256

Lucy Harris

Digital Communications Officer, GLA Conservatives

E: lucy.harris@london.gov.uk

T: 020 7983 4961