



# The Big Student Housing Shakedown

# Presented by:

- Rory Hughes – Housing Policy & Campaigns Consultant
- Email: [Rory\\_hughes@outlook.com](mailto:Rory_hughes@outlook.com)
- LinkedIn: [www.linkedin.com/in/roryhugheshousing](http://www.linkedin.com/in/roryhugheshousing)



# Session Outline

1. The Renters Reform Bill
2. Housing Supply
3. Quick Wins and the PBSA Codes of Standards Reviews
4. Q+A and Discussion

# Renters Reform Bill Recap

Transition to  
Periodic  
Tenancies

Eviction  
Ground  
Reforms

2-month  
tenant-led  
notice to quit

Rent  
stabilisation

Landlord  
Register

New  
Ombudsman

Pets!!

# Delayed!



CAMPAIGNS

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RENTERS EVICTED EVERY 15 MINUTES THIS  
SUMMER AS GOVERNMENT DELAYS  
OUTLAWING UNFAIR EVICTIONS

Renting property

## No-fault eviction proceedings hit highest level for six years in England

Campaigners say the 7,491 claims between April and June show why renters reform bill must become law

Michael Goodier

Thu 10 Aug 2023 15.56 BST



At present it is legal under section 21 of the Housing Act 1988 for landlords in England to ask tenants to leave with two months' notice without having to establish a reason why. Photograph:

Yours sincerely,

- Ben Beadle, Chief Executive, National Residential Landlords' Association
- Candace Davies, Head of Accommodation, Lancaster University
- Cooper Healey, Manager, Manchester Student Homes, on behalf of the University of Manchester and Manchester Metropolitan University
- Ian Robertson, Director of Residential and Catering Services, University of Leeds
- Jan Capper, Executive Director, College and University Business Officers
- Martin Blakey, Chief Executive, Unipol
- Melanie Leech, Chief Executive, British Property Federation
- Neil Young, Investment Chair, Young
- Nicky Blanning, Head of Accommodation Service, University of Cambridge
- Richard Crawshay Jones, Chief Executive Officer, We Are Kin
- Trudi Vout, Director of Residences, Sport and Community Services, University of Southampton
- Vivienne Stern MBE, Chief Executive, Universities UK



INDUSTRY NEWS SALLY WALMSLEY 08/06/2023

## Government considering possession ground for student lets

A possession ground allowing student landlords to take back their properties at the end of an academic year could be in the pipeline.

Housing Minister Rachel Maclean MP has confirmed the Government is considering developing a ground that would guarantee vacant possession to let to students at the start of each academic year, following a campaign by the NRLA.

The news came ahead of a roundtable on student lets today (Thursday) in which NRLA Chief Executive, Ben Beadle, and Head of Policy, James Wood, were joined by sector stakeholders, including Universities UK and Unipol, to discuss the future of student letting in relation to the Government's Renters' Reform Bill.

The recently published Bill outlined proposals to end most fixed-term tenancies, including those currently offered to students in the private rented sector to cover the academic year.

The Government claims the move will bring students' rights in line with other tenants, however student landlords argue that introducing indefinite periodic tenancies will render their business models unworkable, making it near-impossible to operate in the market.

The NRLA believes this will undermine the proper functioning of the student housing market and cast a shadow of uncertainty over the future availability of student accommodation, despite many towns and cities already struggling to house their student populations.

This argument is backed by figures from the University and Colleges Admissions Service (UCAS) which said that by 2030 there could be a million higher education applicants in a single year – a quarter of a million higher than today's figures.

And in Scotland, where similar changes have already been implemented, there has been an exodus of landlords from the student sector, with many universities declaring a student housing crisis and some students unable to take up sought after places as they have nowhere to live.

# Pulling this apart

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Student  
renters are  
diverse

Students as  
2<sup>nd</sup>-class  
renters

What would  
we get in  
return?

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# Student Renters are Diverse

576,629 full-time students (undergraduate and postgraduate) utilise a “term-time rental”

419,825 full-time students are identified by HESA as ‘living in their own-residence’



# Who are they?

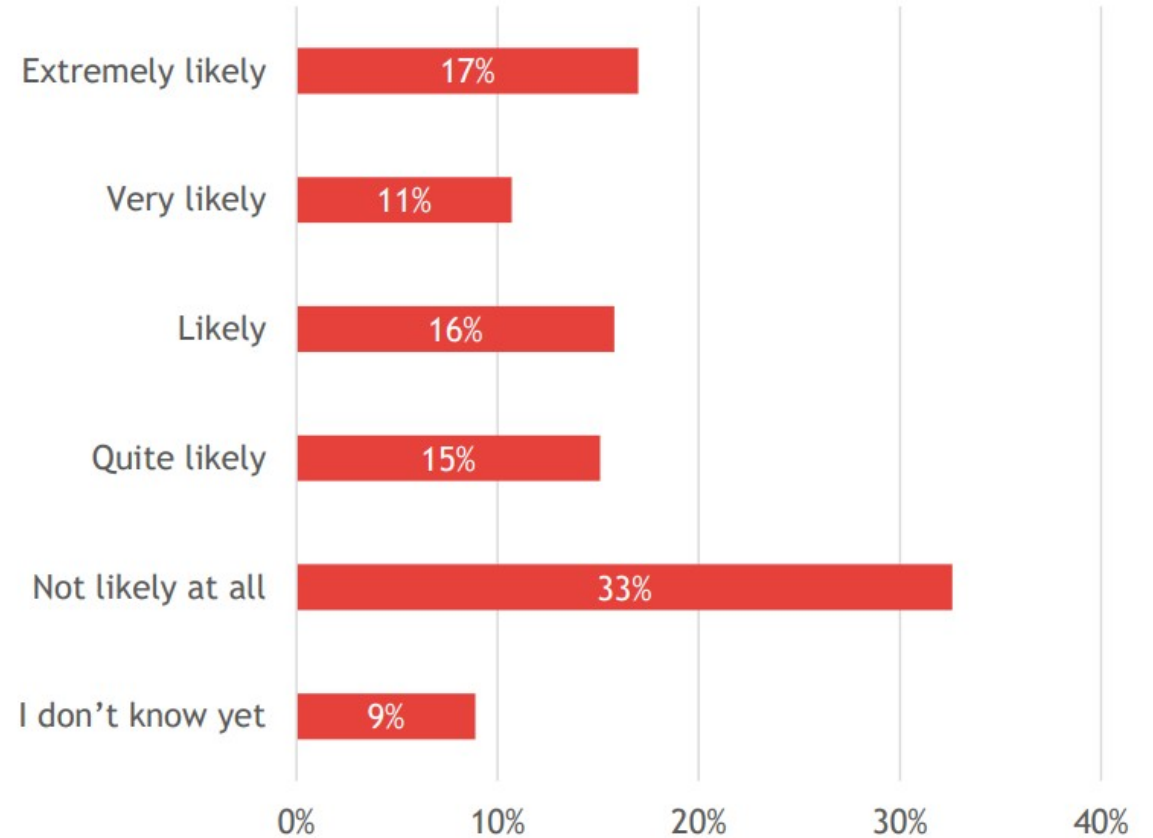
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- 359,610 full-time students domiciled in England who are aged 21-24
- 300,500 over the age of 25
- 61% of students in the PRS lived with people unrelated to them and 27% of these students lived in mixed student/non-student households
- 23% lived only with their partner
- 11% of students lived alone
- 8% lived with dependent children under the age of 18.
- 40% only live with between 1-3 people
- 30% of respondents said their current rental property was, “like the accommodation I can see myself living in in the future”
- 62% said it was, “somewhere I think of as home”.
- 13,183 students Care Leavers or Estranged

# They want the reforms

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- 27% of surveyed student renters selected, “Tenancies without fixed terms which would allow tenants to stay for as long as they need” as their preference for a top policy priority for NUS.
- When asked about things that would improve their experience of renting, 63% of respondents chose, “the use of open-ended tenancies as opposed to fixed-term tenancies”
- Only 1/3 of respondents said they would not be likely at all to continue staying in their accommodation if they were offered greater security of tenure



Q. If allowed, how likely would you be to continue staying in your accommodation on a rolling basis (i.e. longer than your current contract states).

# 2<sup>nd</sup>-class renters?

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Precedent for further  
policy diversion



Rents unrestrained in a  
churning tenancy market



Tenancy security = better  
standards

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# What do we get in return?

- If PBSA is exempt, why aren't we?
- We always wanted it to be
- It is different
- It comes with benefits

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# Supply and demand gap widens in private rented sector

Surging tenant demand coupled with a cooling of interest from buy-to-let investors is set to increase the gap between supply and demand in the private rented sector.

According to new figures from the Royal Institution of Chartered Surveyors (RICS) 44% of its members saw an increase in tenant demand in May, with almost two thirds reporting an increase in landlords looking to sell their properties.

Alongside this, a similar proportion said there has been a decline the level of interest from new UK based buy-to-let investors over the past six months, while 30% also cite a decline in interest from overseas buy-to-let investors.

New landlord instructions were also down 23%.

The organisation, which surveys Chartered Surveyors who operate in the residential sales and lettings markets on a monthly basis warn this could force rents up for tenants.

The report said: “With all of this contributing to the continued mismatch between rising demand and falling supply, rental prices are expected to rise by a net balance of 53% of respondents over the near term.

“Moreover, rental price growth is now expected to average just shy of 6% per annum over the course of the next five years.”

## **NRLA research findings**

These findings echo research commissioned by the NRLA showing the number of landlords planning to sell rented properties has reached its highest rate on record.

Data collected by research consultancy BVA-BDRC found that in the first quarter of this year, 33% of private landlords in England and Wales said they planned to cut the number of properties they rent out.

This is up from the 20% who said they planned to cut the number of properties they let at the same time last year.

By contrast, just 10% of landlords said they plan to increase the number of properties they rent out.

The increased in demand recorded by landlords was even higher, hitting more than 70% in every region of England and



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## Campaign launched to fight policies ‘damaging Scotland’s PRS’

by Property118.com News Team

Text Size

0:02 AM, 6th April 2023, About 4 months ago 2

Landlords in Scotland are being urged to back a National Residential Landlords Association (NRLA) campaign that will challenge policies from the Scottish Government that damage the country’s private rented sector (PRS).

The move follows a decision by the government to develop a rent freeze and ban on repossessions in the PRS without proper consultation with stakeholders.

The campaign, which is being led by a coalition of



# Renters compete with 20 others in battle to find a home

© 26 July



| Demi and Andrew say they have made lots of inquiries

Ain't just students.

# Supply Crisis?

- Tax changes on rental income
- Rising costs due to inflation on things like building and maintenance
- Interest rates making buy-to-let mortgages less viable and other investments safer
- A large number of PRS homes sold during the pandemic
- Landlords shifting homes into unregulated holiday lets
- The great landlord retirement





# Or Demand Shocks?

- The pandemic caused boomerang effect 300,000 more renters post-pandemic
- Letting agents registered 118 new tenants per branch on average, up from 64 in December.
- There has clearly been a high-level of migration in recent years and a lot of it driven by students.
- Universities have in many cases been over-recruiting with no measurement of their housing supply
- A slowing of PBSA development

# So what about regulation?

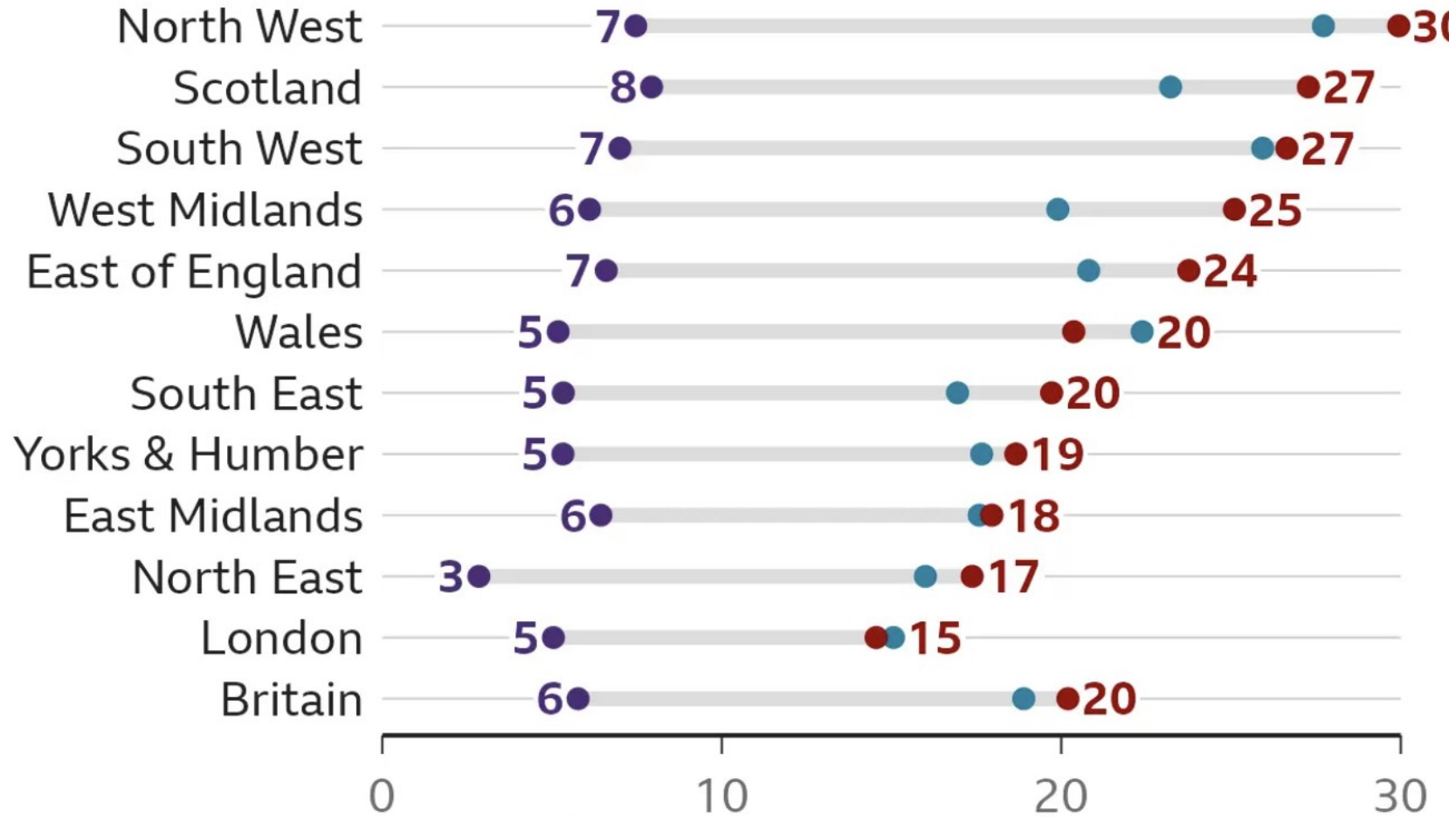
- We have seen some shift in regulation during and after pandemic
- Increasing media-focus on housing sector
- Writing on the wall from all political parties
- Maybe influencing some?


But...

- A lot was temporary
- England has seen basically none
- RRB and other harsher regs across nations look a long way away practically
- Crisis present across nations, and developed world


# Rental enquiries have more than trebled

Enquiries per rental property in May **2019**, **2022** and **2023**






## How are exchange students in Europe navigating the housing crisis?



Find out with the Research Report  
on International Student Housing!  
by ESN and ESU



Co-funded by  
the European Union



# Governments skeptical

- *“The available evidence to date strongly suggests that similar reforms to abolish section 21 in Scotland have not impacted supply, nor changes introduced by the 2019 Tenant Fees Act, despite concerns that they would. The most recent English Housing Survey data shows the proportion of PRS households has remained relatively stable since 2013-14, suggesting that there has been no significant impact on supply to the sector from various reforms. “(DLUHC RRB Impact Assessment)*
- *“there is no strong empirical evidence at present to substantiate the anecdotal claims from some that landlords are leaving the sector.” (Scottish Gov Rent Cap Assessment)*

# Data doesn't support

- The annual number of landlords paying CGT has only increased from 11,000 to 13,000 (out of 2.5 million landlords)
- The property portal Rightmove reports 16 per cent of its listings for sale were formerly rentals, only 3 percentage points higher than in January 2019, while the number of properties to let are up 8 per cent.

## Are buy-to-lets being sold off?

The annual change in the total number of private rented dwellings in England (1,000s)

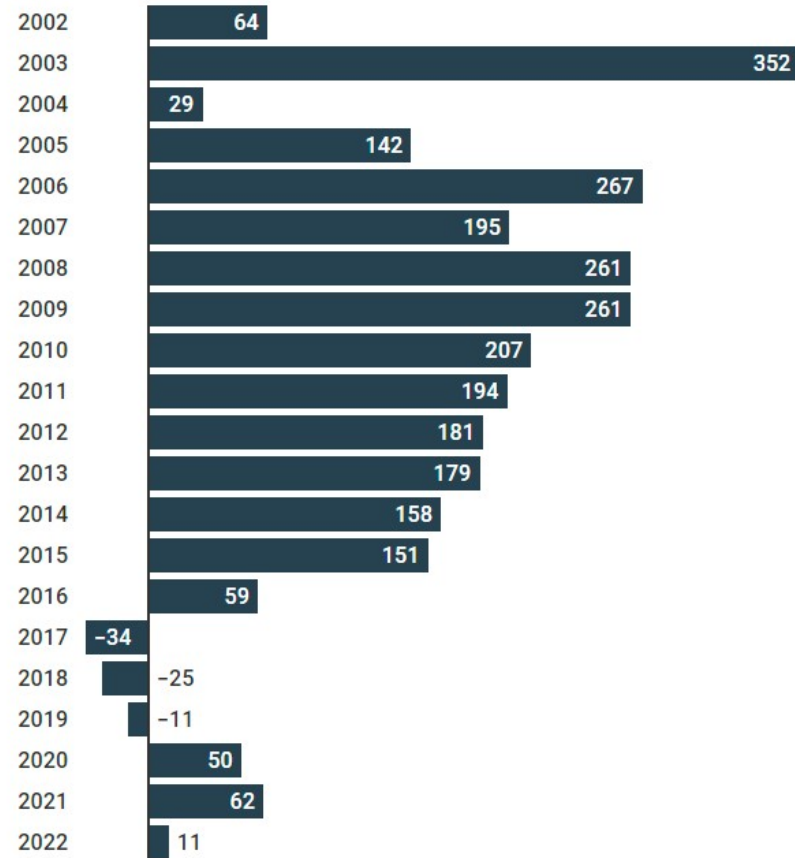


Chart: The Times and The Sunday Times • Source: Department of Levelling Up, Housing and Communities



So what  
should  
we think?

- Students were canaries in the coal-mine
- Supply/demand crisis doesn't seem much worse for students than other renters
- Being used to hike rents and weaken regs
- Will abandoning regs really help?

# Let's chat SUPPLY

- Better data needed
- University and local government mandates
- PBSA slump needs addressing
- Landlords don't take their homes with them
- Selling with tenants in-situ
- Article 4 needs serious examination
- Airbnbs need monitoring and curbing
- Joining up with allies on housing supply



# What else to look for in RRB?

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- Keep an eye on standards
- Improving the other mandatory eviction grounds
- Get rid of joint tenancies
- Banning upfront rent and guarantors
- PBSA ombudsman?

# Get Local-Ready!

## 'Change is coming': Andy Burnham's stark message to rogue landlords as big changes set out to fix rental misery

"This has got to be a complete line drawn on something that should not be happening in this day and age"

**NEWS** By [George Lythgoe](#) Local democracy reporter

18:08, 27 JUN 2023 | **UPDATED** 18:11, 27 JUN 2023

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## It's good news for students in halls in London

This article is more than **2 years old**

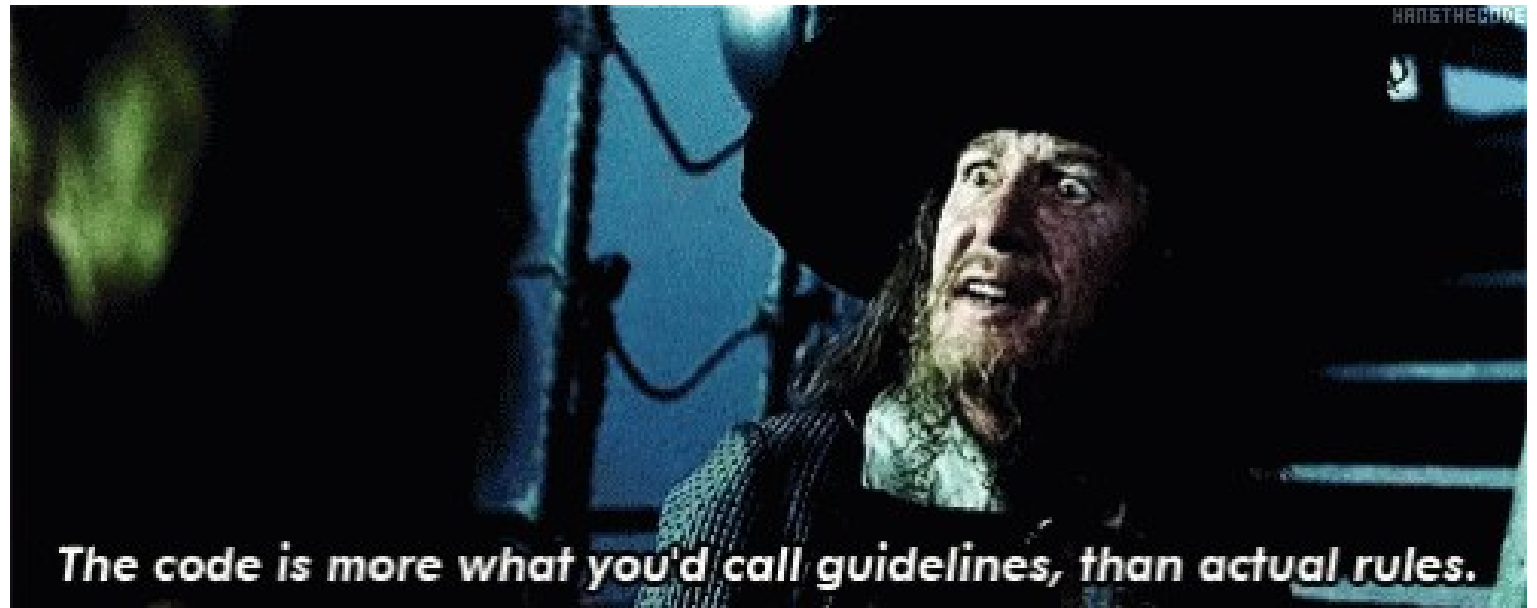
COMMENT | 19/03/21

Larissa Kennedy and Hillary Gyebi-Ababio describe plans that will improve the affordability, ownership and delivery of purpose-built student accommodation both in the capital, and elsewhere



# The Codes?

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# What are the Codes?

- Government-approved voluntary regulation of PBSA
- Three Codes exist (UUK and UNIPOL)
- Almost every PBSA development is a member
- Regulate buildings and management
- Students can complain when standards not-met

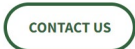
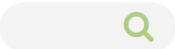
# They're being overhauled

- Improved requirements on fire safety in PBSA to drive change after Grenfell and The Cube
- Improvements to how landlords deal with student mental health and share information with universities
- Improvements to mandatory PBSA staff training on mental health
- Improvements on equality and diversity issues
- Late Buildings and accommodation guarantee policies and compensation
- Disabled students' Rents

# How to get involved?



[ABOUT THE CODES](#) [HOW WE HELP](#) [LIST OF MEMBERS](#) [LIST OF DEVELOPMENTS](#) [MEMBERSHIP](#) [COMPLAINTS](#) [NEWS AND EVENTS](#)



## EDUCATIONAL CODE CONSULTATION NOW LIVE

To ensure the Code remains relevant, every 3-4 years the Code undergoes the review process to update it in line with issues that are important to students, any relevant legislative changes and best practice, whilst at the same time being deliverable by providers.

The consultation on the review of the ANUK/Unipol Educational Code is now live and available for completion here: <https://leeds.onlinesurveys.ac.uk/review-of-the-anukunipol-educational-code-2023>

We are seeking the views of all stakeholders on the proposed changes and updates, and also feedback on the issues important to participants on how University purpose built student accommodation (PBSA) within the Code is managed and regulated. Information provided in response to this consultation may be published and will be shared with the Department for Levelling Up, Housing and Communities (DLUHC).

This consultation closes at 5pm on Wednesday 13th September 2023.

### MOST READ

[DOWNLOAD THE CODES](#)

[INFORMATION AND ADVICE ON CORONAVIRUS IN STUDENT ACCOMMODATION FOR HOUSING SUPPLIERS](#)

[ONLINE TRAINING COURSE](#)





# Q+A and Discussion

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- How can we better utilise local SU data, insight and advice casework to influence housing policy?