

The Rt Hon. Matthew Pennycook
Minister for Housing and Planning
Ministry of Housing, Communities and Local Government
2 Marsham Street
London
SW1P 4DF

13th September 2024

Dear Mr Pennycook,

I am writing to you on behalf of Unipol Student Homes, and our co-signatories who are committed to ensuring and supporting an excellent student experience, through advocating for accessible, safe and adequate housing. Through our services, collectively we support over 400,000 students annually across five cities with housing, through a range of means including free advice services, delivering local and National accreditation schemes, and assisting where problems arise through our independent complaints processes and advocacy work. As key stakeholders with unique missions in the sector, we are all committed to ensuring that housing policy reflects the needs and realities of students across the UK, to support an excellent academic experience.

We welcome the re-introduction of the Renters Rights Bill to the legislative agenda, ensuring that issues in the wider private-rental sector are addressed and to strengthen protections for tenants. However, we are writing to highlight some concerns regarding the proposal to abolish fixed-term tenancies for private rented student accommodation (henceforth referenced as off-street housing), and the unintended impact this would have on the widening access and participation agenda of UK Higher Education, and the overall student experience.

Below we have briefly set out our concerns, and our recommendations for mitigating these:

- The foremost concern relates to the provision for students to be able to serve two-months' notice to quit at any time. Although principally for renters in the wider sector this has limited consequence, for students this could unintentionally result in an increased risk of homelessness¹. The use of joint tenancies would mean if one student served notice, it would result in a whole group being at risk of being left without housing, at a time where students are already time-poor and having to work more hours than ever before to supplement their income.
- With a risk of void periods where notice can be given, the likelihood is that landlords will raise rents to account for this. These increases would come at a time where the maintenance loan support has grown by only 2.8% for the 2023/2024 academic year, when rents rose by upwards of 7%², couple with students working an average of 14.5 hours per week alongside their full time study³.
- The provision of adequate off-street housing is crucial in ensuring an affordable base of student housing, as rents across the sector continue to rise already, particularly in areas of existing accommodation shortage as outlined in the Unipol/HEPI 10 City Rent Survey⁴. This comes at a time where there is a shortfall of 450,000 student beds projected for the 2025/2026 academic year, as the pipeline of new student housing falls to the lowest levels for over a decade.
- In Scotland, where similar tenancy reforms were introduced in 2017, the rental housing market has contracted by 12% between 2016 and early 2020⁵. Time lags in data publication mean this may have increased further.

¹ <https://www.hepi.ac.uk/2024/01/30/students-and-the-renters-reform-bill-the-government-has-listened-but-it-needs-to-listen-some-more-part-ii/>

² <https://explore-education-statistics.service.gov.uk/find-statistics/student-loan-forecasts-for-england>

³ <https://www.hepi.ac.uk/wp-content/uploads/2024/06/SAES-2024.pdf>

⁴ <https://www.hepi.ac.uk/wp-content/uploads/2023/10/Student-accommodation-costs-across-10-cities-in-the-UK.pdf>

⁵ The 2016 Scottish Household Survey estimated the size of the sector to be 370,000 households. Data released by the Scottish Government in February 2020 showed 325,649 properties were privately rented – a drop of around 12%

Some Universities Scotland member institutions estimate that the rental market contraction in their local area over the last two years has been as high as 20-25%. This has put significant pressure on University managed accommodation, with Glasgow University no longer being able to guarantee accommodation for their first year students, and making it even more difficult for students to apply to a University of their choice.

- Ultimately, with UCAS predicting a million applications by 2030⁶, and no centrally devised strategic plan for student accommodation provision, these changes could significantly put at risk the widening participation agenda of Higher Education in the UK, with many students from across all socio-economic backgrounds having their freedom to choose a study destination limited, or restricted completely.

Recommendations

Using our own knowledge and research, we make the following recommendations to ensure student need is at the forefront of any measures:

- A commitment from Government to update their impact assessment of this bill, to include the details of the impacts of abolishing fixed-term tenancies for off-street student housing, using a direct reference to the outcomes of similar legislation implemented by the Scottish Government that has exacerbated the problems of student access to affordable housing.
- Acknowledging the special nature of student housing, and explore aligning tenancies between different types of student housing, across HMOs, University-owned accommodation and private sector PBSA, extending the protection of fixed term contracts across each student housing tenure. This will ensure parity for student renters, ensuring commonality whilst recognising their unique needs
- Looking ahead at additional measures to strengthen the rights of student renters, Government could look at introducing further provisions to ensure students can make secure and informed housing choices. This could take the form of bespoke cooling off periods for tenancies signed over 6 months in advance of its commencement, or minimising penalties for students who withdraw from University whilst still in accommodation.

We would welcome the opportunity to meet with you at your earliest convenience to discuss as to how we can work together to minimise any unintended impacts of the proposed measures, to ensure that access to Higher Education is maintained across all University cities for all University applicants.

As a group, we are eager to engage with you on this matter, and would be pleased to host a roundtable meeting with input from student representatives, and offer our insights to support your ongoing efforts in shaping fair and effective housing policy.

Yours sincerely,

Victoria Tolmie-Loverseed
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Unipol Student Homes

Cooper Healey
Manager
Manchester Student Homes

Irving Hill
CEO
Sulets

⁶ <https://www.ucas.com/about-us/journey-million/what-journey-million>