# APPG for Students: A Bed for Every Student: Finding a way through the student housing crisis

3:30pm-5pm, Wednesday February 21st 2024 Wilson Room, Portcullis House

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## **Background and reasons for the meeting**

The APPG for Students held a meeting to discuss the student housing crisis. A previous meeting had met to discuss the Renters Reform Bill (held on July 5<sup>th</sup>, the transcript of which can be read here: <a href="https://appg-students.org.uk/wp-content/uploads/2023/07/APPG-for-Students-Renters-Reform-Bill-Meeting-Evidence-Submission.pdf">https://appg-students.org.uk/wp-content/uploads/2023/07/APPG-for-Students-Renters-Reform-Bill-Meeting-Evidence-Submission.pdf</a>) and it was felt that there were other matters to do with student housing, which fall outside of the RRB, which needed to be discussed.

## Broadly, the issues to be discussed included:

- Whether students are more vulnerable as renters than other tenants, and if so, why? What can be done about this?
- What can be done to raise the quality of student housing in the UK?
- What can be done about the cost of student housing: does rent rise quicker for students?
- What are the issues with availability of suitable housing stock?

## More detailed talking points considered:

- 1) The student housing shortage overall.
- 2) Competition for housing
- 3) Spiralling student rents, their cause and how they are affecting students.
- 4) Bad/predatory landlords and how to tackle them.
- 5) Uni owned accommodation vs private halls vs private landlords thoughts and what each can learn from the other.
- 6) Student Guarantors
- 7) International students and their issues some lack required payslips/references, needing to pay rent 6 months up front or finding a guarantor with a high income.
- 8) Disabled students and the struggle to find suitable accommodation.
- 9) Substandard housing and how to tackle it.
- 10) Hidden homelessness within the student body sofa surfing, etc.

The meeting was chaired by **Paul Blomfield MP** and heard from a panel which consisted of:

- Natasha Fernandes from UCB Guild. Natasha is an international student and spoke to the special challenges they face, such as the need for guarantors, etc. Like all big cities, Birmingham also has housing shortages and so she also spoke to that.
- Sophia Nasif-Whitestone from University of the Arts, London.
   Sophia is a Masters student, who talked about the post-graduate experience, the London experience (housing in London is particularly expensive). Having suffered eviction, Sophia also spoke to the precarious nature of student housing.
- **Poppy Reid-Pitt for the University of Nottingham**. Poppy is a home student in a city that is increasingly facing a housing shortfall. The city, in partnership with the two universities, has tried to address this with the development of the Student Living Strategy.
- Cerys Evans from the University of Lancaster. Cerys talked about the challenges disabled students face with housing. Cerys also spoke to the wider housing issues Lancaster university has seen.
- **Vijay Pydi, Oxford Brookes University.** Vijay spoke about the problems Oxford has seen. Oxford is also a very expensive city for students to live in. Vijay is also an international student and also spoke to the international student perspective.
- Jonny Moore, Colleges & Student Experience Division Head of Business Management Durham University. Jonny spoke about the measures and strategies Durham University has put in place to address the student housing crisis they have experienced.
- Paddy Jackman, CEO, Unipol Housing. Paddy spoke about the innovative solutions to the student housing crisis Unipol believes are necessary, and what could be done to raise the quality and quantity of student housing in the UK.

#### **Introductory remarks**

**Paul Blomfield MP** opened the meeting and laid out the context; He spoke about the student housing and how housing costs now take up most of the average student's loan. He spoke about how despite this, many students felt that landlords and housing providers took them for granted and they were often forced to live in substandard housing. This meeting will look at the student housing market, and what might be done to fix the myriad of problems that affected it.

#### **Natasha Fernandez**

 Students often struggle with housing challenges like finding guarantors, financial strain, limited options, and risk of exclusion. International students face additional hurdles such as language barriers and visa restrictions, exacerbating the stress. Sustainable university housing promotes environmental, social, and economic sustainability through energy efficiency, waste reduction, and social equity. Collaborative efforts among universities, government agencies, and community organizations are needed to ensure all students access safe, affordable, and inclusive housing.

# **Sophia Nasif-Whitestone**

• The housing crisis in London is severe. Students at UAL are camping outside estate agents to secure housing due to extreme competition and rising rents. Many struggle due to lower income and lack of support. Commuting distances are increasing, impacting student learning. High rent costs, averaging close to £1,000 a month, are unsustainable for students. This leads to students sacrificing study time for work which affects academic performance. Necessities like housing benefits are inaccessible, leaving students in limbo. With an average UK salary at £33k, students face financial strain, unable to meet London's living costs. This highlights just a fraction of the challenges students in London endure.

# **Poppy Reid-Pitt**

 Nottingham has seen growth in Purpose Built Student Accommodation (PBSA), but it's not effective. We need innovative housing strategies, moving away from ineffective structures. Housing co-operatives and not-for-profit models are viable options that need serious consideration. Solving the housing crisis requires more action than discussion. Radical ideas are needed to ensure progressive, accessible, and sustainable higher education.

#### **Cerys Evans**

 I'm a wheelchair user but during my first year of university, I lived in normal student halls without additional accommodations. In my second year, I moved to a House of Multiple Occupancy (HMO). The onset of COVID-19 caused a relapse in my disability, putting me back

in a wheelchair and affecting my health significantly. This illustrates the individual challenges faced by disabled students. It's crucial to recognize disabled students are people who deserve safe housing, which is often overlooked in discussions about student housing.

# Vyjay Pydi

Student rents have significantly increased due to rising living costs, energy expenses, inflation, and landlords raising rent prices. Oxford is an expensive city and faces immense accommodation pressures. As an international student, I initially had a four-month accommodation contract and struggled to find alternative housing due to the lack of options, challenges with guarantors, deposits, and high competition. I exhausted my loans to secure housing but faced difficulties with landlords and rent payments, often having to skip classes to work and pay rent.

# **Jonny Moore**

The accommodation challenges at Durham in 2020/21 and 2021/22 stemmed from unexpected student numbers surpassing the city's housing capacity. To address immediate concerns, we gathered supply and demand data, collaborated with Durham County Council, and established a voluntary code of practice for letting agents. While efforts to regulate early property releases faced challenges, an information campaign reassured students and reduced stress during the house-finding process. This year's cycle saw no overnight queues and ample property availability. Long-term strategies involve collaboration with the County Council to address housing challenges, advocating for additional licensing for all student private rented properties, and striving for better standards and enforcement resources.

# **Paddy Jackman**

• As a charity, we're deeply concerned about the housing issues affecting students, but it's crucial not to overlook the broader systemic challenges within the higher education system. The root of the problem lies in underfunded universities forced to accommodate a growing number of students. While efforts in places like Durham are commendable, not all universities can replicate them due to limitations in planning. We've witnessed a regression in higher education accessibility, where true university experiences are reserved for the privileged few. Universities must take more responsibility in mitigating these risks. There are various avenues for improving accommodation, but systemic change is needed to address the underlying issues.

## The student housing shortage and competition for housing

## **Sophia Nasif-Whitestone**

Our university is taking steps to address housing issues, such as implementing a guarantor scheme for the next academic year. However, government support is crucial to ease these challenges across all London institutions. Mandating involvement in a student guarantor scheme and reviewing benefits eligibility criteria could provide significant relief to vulnerable student populations. While legislation like the Tenants Fees Act 2019 is beneficial, it still presents issues, such as increased costs associated with negotiating a surrender of tenancy when letting agents are involved. Additionally, HMO licensing is positive, but local authorities' powers to introduce "article 4 directions" may limit availability in tight housing markets, affecting students' housing options. This could lead to students residing in unsafe, unlicensed HMOs, as not everyone may pursue rent repayment orders to address issues.

## **Paddy Jackman**

Unipol's Ten Cities Rent Survey last year demonstrated that the student loan system is broken. It doesn't need mere adjusting, but fundamental reform, so that the word affordable comes back to the student loan system. The headline most of the papers picked up on, quite rightly, was that a student who has an average loan has 50p left in their pocket after paying their rent.

## Spiralling student rents, their cause, and the effect students

## **Poppy Reid-Pitt**

The over reliance on PBSAs in Nottingham has led to a growth in luxury accommodation with very high prices attached.

This leaves the development of student accommodation solely down to private providers, which has arguably been one of the biggest catalysts for the affordable sector of the rental market being wiped out in Nottingham. Simply put, we can't PBSA our way out of the student housing crisis.

## Vyjay Pydi

So overall, what I would like to say is there are 75% of students who are unhappy with rent costs compared to facilities and 43.4% of students struggle to pay rent. 21.6% are going to face trouble with rent in the future. And 25% of students have considered dropping out due to their finances. But if a student drops out, then the problem is, the student has a contract and landlord's home can't send a contract. That is another issue.

## **Jonny Moore**

In 2022, there was a perception that there would be a continuation of housing shortages from the previous year, leading to panic among students searching for accommodation. Landlords and letting agents released properties all at once, HMO rents also rose in some cases by as much as 50%, with the average rent hike around 19%. Poor practices by letting agents were reported, such as issuing multiple contracts and pressuring students to sign within unrealistic timeframes, further exacerbating the situation. We swiftly collaborated with partners including the Students' Union, Local Authority, City Parish Council, and MP Mary Foy to address these issues. Immediate actions were taken to mitigate the impact for the following cycle, while long-term priorities were identified for sustained improvement.

#### **Paddy Jackman**

Unipol and NUS are collaborating to define affordability in student housing. It's clear that building more PBSA alone won't solve the housing crisis. With high build and borrowing costs, new properties typically rent for around £200 per week, totalling £9,000 annually, which cannot be considered affordable given the limitations of the current loan system. This leads to students choosing universities based on housing affordability or commuting from home. We need to reconsider the necessity of en-suite rooms and explore cheaper alternatives to enhance the university experience. Educating students is key to managing their expectations with regards to accommodation. We must challenge plans for expensive studio apartments that isolate students from community life and exacerbate mental health concerns.

# <u>University owned accommodation vs private halls vs private</u> landlords

#### **Cerys Evans**

It's very, very difficult to find accessible housing. I don't know how many of you know how many accessible housing units you have on your campus, especially when you have an intersectional experience. So, you have more than one need. I'm an autistic person, and I can't live with people, that would be very difficult and very exhausting. But there was only one wheelchair accessible studio block on campus, which was a postgraduate studio block, and they very kindly allowed me to stay as an undergraduate on campus.

## **Jonny Moore**

We're committed to continuing to build new colleges, which we believe will give us more control over standards and quality in student housing. So, we want to try and help the supply side by building so that we can get 45% of our students living on our own accommodation; we're at 35% now. We've built a good, helpful relationship with the local authority on this from their overall Housing Strategy perspective.

#### **Student Guarantors**

## **Sophia Nasif-Whitestone**

The need for guarantors is a significant obstacle for international students and others. Care leavers, individuals who have been in the foster care system or institutional care, encounter significant difficulties in finding housing due to a lack of support and resources. Challenges they face include limited financial resources, lack of rental history, emotional and psychological trauma, lack of support networks, housing instability, and limited education and employment opportunities. These obstacles make it exceedingly challenging for care leavers to secure stable housing arrangements and transition successfully into independent adulthood.

#### **Natasha Fernandez**

A multifaceted approach is needed that increases access to affordable housing options, provides financial assistance, offers guidance and support in navigating the rental market and legal processes, and fosters supportive communities that promote inclusion and well-being. This is especially important for international, estranged, and other marginalised groups, who often struggle the most with the need for a quarantor.

## **International students**

## **Sophia Nasif-Whitestone**

International students often face more challenges than home students. We've heard stories of students paying months of rent upfront, only to find out they've been scammed and the place they thought they'd secured doesn't even exist. We had one case where some of our international students paid a whole year's rent in advance, only to find out their landlord went bankrupt. While they eventually got their money back, the stress and uncertainty they went through was unbearable.

#### **Natasha Fernandez**

International and estranged students are most at risk of being turned down for accommodation due to having no access to guarantors. International students are often expected to front extortionate costs as an alternative (6-12 months' rent in advance).

#### **Disabled students**

#### **Cerys Evans**

The housing crisis is a national issue, it affects students at every university, and from all backgrounds. But it's an additional level of vulnerability for international students, post -graduate students and disabled students. Not all disabled students need taking care of by someone. But systematically, we are denied access to the resources that allow us to thrive. It's very difficult to exist as a wheelchair user on campus.

## Substandard housing & Bad or predatory landlords

#### **Cerys Evans**

Part of my story is that the home I was living in had quite bad mould. When I got COVID, I struggled with my lungs. I was very breathless. The home I was living in was making it worse because I was involved in the environment. The landlord at the time, the landlord and the letting agent, said they didn't have any responsibility for it, and I should bleach the walls or something. And that was a very difficult thing to do, and I could barely sit up at the time. So, part of my story of disability is founded in housing and part of my story in ongoing trauma, living as a disabled person, is my experience in housing.

## **Sophia Nasif-Whitestone**

It's hard to focus on your studies when you're worried about where you're going to sleep next month. It's devastating to see how vulnerable students are taken advantage of in these situations, even when they have accommodation. For example, we had a group of students living in a rundown Victorian house with heating problems and mould everywhere. Despite asking for help, their landlord was slow to respond, and the place didn't even have the proper licenses for student housing. They were stuck in their lease with an agency, enduring terrible conditions for over a year, all while trying to focus on their studies.

## **Poppy Reid-Pitt**

Poor quality and overpriced housing is not just a risk of the student housing market but an expectation. There's an understanding and acceptance within the student community that poor quality housing is just a part of being a student renter. So little is seen to be done about issues student renters are facing with their properties or landlords, that students are made to feel very powerless. Students and their experiences are also often left out of the conversation when it comes to housing strategies or development plans: indeed, those writing the housing strategies and encouraging students to feel as if university is their 'home away from home' would never live in those the same houses.

# Vyjay Pydi

So, our recommendation is, at least there should be a contract cancellation option for students so that if they want to drop out, at least they can go home peacefully instead of having to fight with the landlords, or have a case made against them. We need to circulate more information through students so that students are aware about how to deal with the landlords. So, awareness programs are to be created. Universities should be partnering with private sectors. We need more private sector participation, and swift escalation and resolution of student complaints. Universities should support students in resolving student issues with landlords.

# **Jonny Moore**

Durham University Student Union want to bring in things like a Rate My Landlord review site to address the information inequality that exists. We think that could help. There are a significant number of beds still available in Durham for next year, which we think is not a bad thing and hope it gets some of the worst HMOs off the market. Overall lessons are that local level partnership work can be effective on some things but for the bigger issues of vulnerability and quality and standards you need initiatives like additional licensing.

# <u>Hidden homelessness within the student body – eviction & the threat of homelessness</u>

# **Sophia Nasif-Whitestone**

It is very hard for postgraduates (or any students in London) to find student house shares in private renting, where the starting rent for 4 in 2022 was £3,000pcm. This January, that price shot up to £4,750pcm, and our landlord used the excuse of renovations to push the price up. This is colloquially known as a 'renoviction' -and the fact it is common enough to have a nickname should tell you that it is happening far too much. That house was my home, and it had a severe effect on my mental and physical health to suddenly not be able to afford to live there anymore. I am now struggling to find anywhere affordable to rent, as most rooms currently being advertised are around £1,000+ before bills. According to the survey that the NUS did last year, I am one of the highest paid Sabbatical Officers in the UK. If I am struggling to find somewhere affordable to rent in London on £31.5k, then it is ten times harder for our students, who are trying do so on far less than I am.

# **OPEN DISCUSSION - QUESTIONS AND COMMENTS**

#### **Tom Scott, VP Student Life, Chester SU**

We've petitioned to set back the date students need to book their accommodation. Students commute far distances because they can't live where they want to and we've had students sleeping in the library, or in the Student Union building, because they don't have anywhere to live. This especially affects international students, as does the guarantor issue. Student loneliness is increasing. Can I just mention the renters reform bill – we need a right to cancel the contract. People fall out with friends and don't want to live with them anymore. There are worse cases, too. A student died and their parent, who was their guarantor, had to pay their whole year's rent.

# Megan UCL Student Union, Policy & Research Manager

We need to ensure affordability, and work with the sector – what are universities doing to ensure affordability?

#### Jason, Manchester Student Renters' Union

Students feel they must unionise, which tells you how bad the situation is. We've helped lots of people in dispute with landlords about their deposits, with problems with disrepair. So can I ask, with so many people having problems with disrepair and their rights, will you keep students and private renters in a one tier system?

#### **Kyle – SU Education Officer, University of South Wales**

There are 20,000 students at USW, which is the second biggest student population in Wales. With Home Office regulations and so many different agencies and loads of personnel, how do you navigate and balance this all to make sure there's enough housing provision? After the Private Renters' Bill in Wales, landlords said they would move out of Wales. So, how do you balance this?

# Chloe – Head of Advice at University of the Arts, and previously at Abervstwyth

While we recognise that there's a lot that's broken, the issue is sometimes not that the legislation isn't there, but that councils don't have the resources to enforce it. How can we support councils to enforce this?

#### **Bobula – Salford University**

Properties are sometimes falsely advertised, so they're not as described. There's a need for flexible contracts.

## **Donal, University of Manchester**

Universities claim to be in talks with landlords to promote better practice. People say they are concerned about PBSAs, but we're concerned about university landlords and PBSAs. We see no real support once students are in their accommodation. What does the panel propose we can do to divert

attention from building expensive accommodation and then onto rent controls?

# Jo, Sheffield University

We have a housing standard that student landlords can sign up to, so why isn't there a national scheme like this and then students across the country could check it and we would know what properties are like.

## **Student from Sheffield Hallam University**

There's an availability of accommodation in Sheffield, but poor-quality housing. People need to be able to see the accommodation before signing a contract, which would help to maintain standards. And students should be able to cancel contracts with one month's notice.

## Alistair, Royal Holloway

Why does it take a crisis for universities to feel like they have a duty of care on student housing? A lot of things Durham has done are good, but why does it take a crisis for a university to do these things?

## **Maria - Sheffield University**

If we are to act on student housing, we need to act nationwide – otherwise landlords will flee the market.

# Rimsha. A postgraduate officer at Leeds

We're working with our university to act as a guarantor for those who can't get one. Making universities a guarantor is vital for international students.

#### PANEL CLOSE & REFLECTIONS

#### **Natasha Fernandez**

Guarantor issues are key and would help international students with their problems. When it comes to dependents, when people bring them, PhD students are still allowed, and I want to flag that with the panel. We need some kind of protection to make sure they have housing.

#### **Poppy Reid-Pitt**

The University of Nottingham and Nottingham Trent University have only really tried to tackle the housing crisis in the city at the last minute, and it seems like it was only when they panicked when they realized it might be putting off students from applying to them.

## **Sophia Nasif-Whitestone**

The situation in London is at a crisis point. The Daily Telegraph published a report that said for someone to live comfortably in the Capital - not in luxury, just not struggling - they need a salary of £60,000, minimum. The London housing crisis is pushing people into poverty and homelessness. £60,000 is a decent salary, which obviously very few students, if any, have. But everything is so expensive in London, with rooms going for £1,000 pcm, and developers only building brand new flats, which go for £3,000 pcm.

# **Cerys Evans**

The student housing crisis is a national issue. Everyone has raised a variety of very real problems in this meeting, but I want to advocate for not forgetting the small details. There is no one solution for every student, or for every sub section of students. Building high spec and expensive studios is not the solution, but we can't demonise an entire class of accommodation.

#### **Jonny Moore**

Durham – we've sought to keep our own accommodation price rises to a minimum - below inflation and only seeking to cover our increased costs. We hope we can exert a positive influence on the student housing market, but it's tough.

#### **Paddy Jackman**

Unipol operates doesn't require a guarantors or ask for deposits. It can be done.

A single government department responsible for student accommodation is needed, rather than the current situation where several departments are responsible and it's not entirely clear who needs to make a decision.

Several people mentioned the need for a national accreditation scheme for student properties. There was one, but it folded because Universities and Student Unions wouldn't only promote properties affiliated with accredited schemes.

In Manchester 95% of PBSA is governed by codes, so again, it can be done.