

BRIEFING PAPER

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Coronavirus: Student accommodation issues



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Summary

The coronavirus pandemic has raised a number of issues relating to student accommodation.

Most students live away from home during term time in university provided accommodation such as halls of residence, or in private purpose-built student accommodation (PBSA), or in private rented accommodation.

Since the pandemic Government lockdowns and coronavirus measures have impacted on student living arrangements in several ways. In March 2020 when the first lockdown was imposed many students chose to move home and leave their term-time accommodation early when teaching moved on-line. In many cases this left accommodation empty and students still liable for rent payments.

In September 2020 most students returned to university and their term-time accommodation, but many found that their living arrangements were restricted due to providers following Government guidance on Covid management. Furthermore, outbreaks of Covid-19 in a number of universities put many students in self-isolation and caused unexpected difficulties. Subsequently at the end of term the Government issued guidance which resulted in most students leaving their accommodation early to return home for the Christmas break.

In January 2021 a further national lockdown has meant face-to-face teaching is restricted to students on future critical worker courses, such as nursing, medicine education and social work. This has left many students continuing with online learning, unable to return to university or their term-time accommodation and paying for accommodation that they are unable to use.

Overall, compliance with Covid measures has caused many students to be unable to live in their term-time accommodation for significant periods and many have had a poorer experience than expected due to Covid outbreaks and restrictions. This has led to students demanding rent refunds or discounts.

Universities and accommodation providers have responded to demand for rebates in different ways.

This paper outlines some to the issues with student accommodation during the crisis and discusses rent rebates.

1. Background

The coronavirus pandemic has raised a number of issues relating to student accommodation.

In March 2020 at the start of the coronavirus pandemic the Government closed universities and colleges and teaching moved online - this resulted in many students leaving their term time accommodation and moving home. In many cases students left their accommodation before their tenancy contracts had expired and this precipitated a number of issues around liability for rent and rent rebates.

In September 2020 students returned to campus for the autumn term. In most cases students were told to that teaching would be a blend of face to face teaching and online learning. The Department for Education (DfE) issued guidance for providers on how to make campuses Covid secure including advice on: student movement, establishing student households and procedures for self-isolating students. As students returned a number of Covid outbreaks occurred on campuses and many students had to self-isolate in university accommodation.

In November the DfE issued guidance on students returning home for Christmas which said that learning should move online by 9 December and that students should leave their universities between 3- 9 December. In many cases this meant that students were leaving their term time accommodation earlier than anticipated.

On 2 December the DfE published arrangements for students returning to campus after the Christmas holidays, <u>Guidance Students returning to</u> higher education for spring term – this document set out plans for a staggered return for students over a five week period from 4 January 2021. This date was subsequently pushed back a week and then on 4 January 2021 the Prime Minister announced a third national lockdown and said that higher education provision should remain online until at least mid- February for all except future critical worker courses. The Department for Education published <u>updated guidance on the return of students</u> on 7 January. This meant that many students were unable to return to their accommodation or an extended period.

The changes in restrictions on movement and repeated lockdowns have caused a lot of students to in the position of paying for accommodation that they have been unable to use. There have been many calls for rent rebates and some students have started rent strikes.

2. Student accommodation

2.1 Student accommodation pre-pandemic

In 2018/19 **1.1 million full-time students in the UK, or 63%, lived away from home**¹.The rate for first year students was 64% compared with 61% for other years.²

Students tend to live in four main types of accommodation: university provided accommodation such as halls of residence, private purposebuilt student accommodation (PBSA), private rented accommodation, or with their family.

The table opposite breaks down the latest data. Across all students living away from home the largest single type was 'other rented accommodation'. These are private rented properties which are not purpose built. **More students were in private rented than purpose built accommodation**, whether it be university provided or private sector halls.

The situation is different for **first year students who are much more likely to live in halls**. In 2018/19 33% were in university provided accommodation and 12% in private-sector halls. Only 15% were in private rented accommodation.³

The majority, 69%, of PBSA beds are owned and operated by universities.⁴ Universities still deliver

the largest number of bed spaces within this, providing 53% of all rooms available in 2018/19.⁵ The number of purpose-built student accommodation bed spaces in the UK has risen to a record 627,115 in 2018/19.⁶

The briefing paper <u>Student Accommodation FAQ</u> gives more background on general accommodation issues.

2.2 Government guidance

Department for Education (DfE) publication <u>Higher education:</u> reopening buildings and campuses, 7 January 2021, provides guidance for higher education (HE) providers in England on opening campuses and minimising risk during the coronavirus (COVID-19) pandemic - it gives advice on student movement, self-isolation and infection control.

When students returned to university in the autumn many moved into university accommodation or shared housing. The DfE guidance offers

6 ibid

Students' term time accommodation Full-time students in 2018-19

		% of
	number	known
Parental/guardian home	368,000	20%
Own residence	316,000	17%
Other rented accommodation	551,000	30%
Provider maintained property	352,000	19%
Private-sector halls	161,000	9%
Other	67,000	4%

Source: <u>Full-time and sandwich students by term-time</u> accommodation 2014/15 to 2018/19, HESA

¹ Away from their own or parental/guardian home.

² <u>Full-time and sandwich students by term-time accommodation 2014/15 to 2018/19</u>, HESA

³ <u>Full-time and sandwich students by term-time accommodation 2014/15 to 2018/19</u>, HESA

⁴ <u>UK student housing update 2017</u>, Knight Frank

⁵ UK Student Accommodation Report, Cushman & Wakefield

HE providers advice on how to manage this situation and minimise the risk of Covid-19 transmission in shared accommodation. The guidance states that students in university accommodation should seek to identify **'households'**, within which routine contact can be managed safely and that frequent temporary changes in household should be avoided.

Following the return of students there were many outbreaks of Covid-19 on university campuses and a number of HE providers returned to online only teaching. This led many students to question the need to be on campus or in rented accommodation.

2.3 Impact of the pandemic on student's accommodation

The Knight Frank & UCAS Student Accommodation Survey 2021 was carried out between February and November 2020 and included responses from around 43,000 applicants and 31,000 current and new students. Some of its key findings were:

- 69% of students living in Purpose Built Student Accommodation (PBSA) felt positive about their providers' response to the pandemic compared to just 25% who privately rented.
- The reasons for positive views about accommodation providers included the ability to terminate tenancy agreements, flexibility over rent/rent refunds and good communication
- Reasons given for negative views "...were predominantly driven by landlords not being prepared to make any allowances for the impacts of the virus." Respondents also mentioned poor communication or lack of understanding about the impact of the pandemic.
- 72% of first year students (most of whom were in PBSA) had stopped paying rent in summer term 2020/21, a further 13% were paying reduced rent.
- 71% of second or later year students (most of whom are in private rented accommodation) were still paying full rent in summer term 2020/21. 11% were paying reduced rent and 19% were not paying any rent.
- Around three-quarters of students had or were planning to move back home (when asked in March-June). First year students and those in PBSA were more likely to have returned home.

A survey of around 2,200 students in April and May 2020 by Save the Student found that 31% had been affected by the pandemic through various 'accommodation issues'. 23% said they were 'really worried' about keeping up with rent and 7% about being evicted. Only around one-third of students had remained in the same accommodation since the lockdown, **55% had moved back in with their parents** and 12% to some other different accommodation.

A <u>follow-up survey by Save the Student</u> of around 2,100 students at the start of academic year 2020/21 found that 23% said they had been affected by 'accommodation issues' related to the pandemic. This was lower than in the previous survey, but more respondents said they were 'really worried' about keeping up with rent (27%) or being evicted (8%) than in the earlier survey. 34% said the pandemic had affected their accommodation choices in some way including **14% who decided to**

stay at home from the start of the year and 6% who moved back home after the year started. A further 5% said they were planning to move home. This survey was taken before the second national lockdown and before the Government published guidance on travel to home over Christmas.

2.4 Accommodation and self-isolation

The DfE has published guidance for providers on students self-isolating in educational settings, <u>Coronavirus (COVID-19): guidance on isolation</u> <u>for residential educational settings</u>, 9 November 2020. The guidance states that students who living in halls of residence or houses in multiple occupation (HMOs) who develop symptoms of coronavirus should **selfisolate in their current accommodation** and universities and colleges should facilitate this.

The Office for Students and Universities UK have also published guidance:

- OfS student panel outlines priority areas for supporting students in self-isolation
- Universities UK publishes advice on students self-isolating

Students in an area with local coronavirus restrictions must comply with those restrictions and this could include **requiring students to remain in their accommodation and not to return to their family home**:

Support for students self isolating

The DfE guidance for providers on self-isolating states that institutions should "ensure that self-isolating students have food and medicines that they need".

Institutions and building managers of private halls will need to design procedures with their staff to ensure that self-isolating students can receive the food and medicines they need for the duration of their isolation.

3. Refunds of accommodation costs

Many students have suggested that they should be refunded for their accommodation costs during lockdowns.

Information on student accommodation concerns during the coronavirus pandemic are discussed in library briefing paper, <u>Coronavirus: implications for the higher and further education sectors in</u> <u>England, 17 April 2020</u> p12-14. The briefing explains that **refunding accommodation costs is an issue between the accommodation provider (the university, or accommodation owner) and the student** – the Government has no role in the area of student accommodation.

Students' liability for rent charges will be determined by contracts between the student and the accommodation provider. Students may be entitled to refunds from certain accommodation providers depending on the terms of their contract and their particular circumstances. University websites should give information on individual universities' refund policies.

At the start of the first lockdown in March 2020 many students left their accommodation and returned home before their tenancy agreements had expired. In this situation a number of privately run Purpose-Built Student Accommodation (PBSA) providers allowed students to **terminate their contracts early without any charges** and **some universities waived rent due** on their own accommodation.

Since the return to campus in September there have been more issues with the impact of restrictions on accommodation and some individual universities **have offered students rent rebates or refunds**. In September the University of Glasgow offered to refund one month's rent, to be reimbursed as compensation after a coronavirus outbreak led to new restrictions on campus⁷. The University of Manchester announced a two-week rent reduction for students in their accommodation in November,⁸ this was subsequently extended and a 30% reduction will be applied to direct debit payments in January 2021 (students who have already paid for the whole year will get a refund).⁹ Manchester Met also announced a two-week rent rebate.

The current lockdown measures announced on 4 January 2021 have prevented students from returning to their universities and taking up their accommodation; this has caused a new wave of demands for rent

⁷ "Covid: Glasgow University to refund students ordered to self-isolate" The Guardian, 26 September 2020

⁸ "University of Manchester announces two-week rent reduction, with strikers saying move 'isn't good enough", The Independent, 18 November 2020

⁹ "University of Manchester students offered further rent reduction", BBC News, 25 November 2020

discounts or rebates and in some universities students have started rent strikes.

On 5 January 20201 the Prime Minister was asked during a Downing Street <u>press conference</u> how students would be supported to meet the costs of accommodation that they were not able to live in - the Prime Minister in his answer said that the **Government would look into the issue**:

But clearly there are going to be issues to do with the cost of that accommodation, that we will have to look at, as a government and see what arrangements universities are making to deal with the reasonable concerns of many, many students.

MoneySavingExpert has a webpage<u>. Can students claim a rent refund as they're told not to return to uni? What you need to know</u>, 4 January 2021 which has some further information on refunds.

3.1 Universities' responses on rent rebates

Institutions have responded to students' demands in different ways and some have given rent rebates or discounts - an <u>article</u> in *The Guardian* on 6 January 2021 discussed the actions being taken by some universities:

Financial support for students is patchy across universities. Some, such as Newcastle, have said no students will pay rent for the halls it operates until they return to campus. Universities where there has been pressure from student activists withholding rent as part of a growing wave of rent strikes, including Bristol and Manchester, have introduced 30% discounts on rent until face-to-face teaching resumes.

Other universities have no plans for rebates at present. Lancaster is instead offering some hardship bursaries, while Middlesex is considering requests on a case-by-case basis.

The All Party Parliamentary Group (APPG) on students has launched an inquiry¹⁰ into the impact to the pandemic on students' accommodation, and the case for compensation. The Russell Groups' submission to the inquiry set out some of the actions taken by their members and stated that "all of our members have announced policies to either reduce rent this term; to not charge students who are not using their accommodation; or to provide rent rebates on the basis of when students return to their accommodation":

Accommodation and student hardship

Many universities were forced to reduce in-person teaching in December as a result of the introduction of the student travel window and many students who expected to be back on campus for the start of the new term this year have not been able to return due to national restrictions and the ensuing guidance from the Department for Education.

Russell Group universities have been considering how best to support students in light of these changes and the differential impacts they will have on students depending on their course of

¹⁰ APPG on students, <u>Inquiry into the case for compensation for university students</u>

study. All of our members have announced policies to either reduce rent this term; to not charge students who are not using their accommodation; or to provide rent rebates on the basis of when students return to their accommodation.

These policies are in addition to the flexible options and support our members have been offering students with regard to accommodation this year, for example, allowing them to easily defer and cancel their accommodation contracts, providing accommodation to students affected by family breakdown, and arranging support such as food and care packages during periods of self-isolation or quarantine.

Unite Students' announcement to offer a 50% rent discount to students who have been prevented returning to their studies due to coronavirus restrictions has been welcome. However, whilst our members have been liaising with provider partners, private landlords and city councils to see what more can be done, many students renting rooms or houses from private landlords are unlikely to receive such compensation. It is therefore the case that depending on their accommodation and the provider, some students will experience less support in terms of rent flexibilities and rebates than others.¹¹

The Russell Group submission also said "we therefore think there is a **strong case for centralised support from Government**" in this area.

3.2 Other providers' responses

On 11 January 2021 <u>Unite</u>, the UK's largest provider of privately-run purpose built student accommodation, announced a 50% rental discount for eligible students for a four week period from 18 January to 14 February 2021. In addition, eligible students will also be able to participate in a four-week extension to the end of their tenancy at no "a refund for six weeks' worth of rent. Unite estimated that its offer, would cost it £8m in lost revenue.¹²

Michelle Donelan, universities minister, welcomed the action by Unite and said:

"we would encourage all universities and accommodation providers to review their accommodation policies to ensure they are fair, transparent and have the best interests of students at heart"¹³

Another private provider <u>Student Roost</u> has also offered students who are currently away from their accommodation the opportunity to apply for a discount of up to 6 weeks of rent payments.¹⁴

However the majority of students who rent from private landlords on the open market or from other speciality providers are still having to pay full rent.¹⁵An article on *BBC News* discussed the impact on landlords:

¹¹ Russell Group, <u>Russell Group response to APPG for Students inquiry on the</u> <u>impact of Covid-19 on students' tuition and accommodation</u>, January 2021

¹² Thousands of UK university students offered 50% rent reduction" Financial Times, 11 January 2021

¹³ ibid

¹⁴ Student Roost, <u>Rent Discount Scheme</u>

¹⁵ Thousands of UK university students offered 50% rent reduction" Financial Times, 11 January 2021

Many landlords are reliant on rental income "for their livelihood and pension and cannot afford just not to be paid", the chief executive of the National Residents Landlords Association said.

Ben Beadle said the association has "encouraged landlords to show whatever flexibility they are able to provide".

But he added: "If the desire is for students not to be required to pay rent where they are temporarily not occupying their housing but want this to be kept available to them when they return, then the government needs to provide a package of compensation."¹⁶

3.3 Student action

The <u>National Union of Students</u> (NUS) is demanded that all students renting accommodation should be offered refunds and the option to leave their tenancy agreement early. They have also said that it is "unacceptable there had been no financial support for students and landlords".¹⁷

There are at least 40 **rent strikes** currently under way or being organised on university campuses. One of the largest rent strikes has been held at Bristol University where more than 1,400 students asked for rent cuts, more support and no-penalty contract releases¹⁸. Bristol University said it would be offering students a 30% rent rebate for seven weeks to reflect the staggered return in 2021, along with penalty-free contract releases for students whose health has been impacted.¹⁹

3.4 Parliamentary debate

The All Party Parliamentary Group (APPG) on students has launched an inquiry²⁰ to investigate the impact of the Covid-19 pandemic on students' tuition and accommodation, and the case for compensation:

Over the last ten months, universities have sought to maintain the best possible learning experience for students through the difficult and changing circumstances caused by the pandemic. However, there is some feeling from students that the offer has fallen below their expectations with regard to teaching and learning, access to facilities, and to resources.

There is also a specific concern about rent payments, acknowledged by the Prime Minister, from those who are contracted to pay for accommodation that they do not need due to Covid-19 restrictions as of 4th January.

Since the introduction of the further national lockdown this week, there has been growing pressure for some form of financial compensation. Our inquiry aims to examine the case for compensation, taking account of the widely varying experience faced by both undergraduate and postgraduate students, and to consider how it might be addressed.

¹⁶ "<u>Covid-19: Student union calls for help over private rent</u>", BBC News, 15 January 2021

¹⁷ NUS <u>, NUS Calls for Rent Refunds</u>, 18 January 2021

¹⁸ "<u>University of Bristol students set to withhold rent</u>", *BBC News*, 23 October 2020

¹⁹ "'<u>We won't be cash cows': UK students plan the largest rent strike in 40 years</u>", *The Observer*, 6 December 2020

²⁰ APPG on students, <u>Inquiry into the case for compensation for university students</u>

Many students have lost an essential component of their income, through the lack of part-time work available in the hospitality and retail sectors. The Government has provided additional hardship funds to support students in need and suggested that those who are dissatisfied with their experience should raise the issue with their institutions, or through the Office for Students.

Submissions closed on 18 January 2021.

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