

USI Student Accommodation Position Paper

2024-2027

USI Campaigns Strategy Committee

1. Table of Contents

<u>1. INTRODUCTION4</u>
THE UNION OF STUDENTS IN IRELAND (USI) IS THE REPRESENTATIVE BODY OF 374,000 STUDENTS
ACROSS THE ISLAND OF IRELAND AND IS AN ENTIRELY STUDENT-LED ORGANISATION. WE ARE COMPRISED OF FURTHER AND HIGHER EDUCATION MEMBER STUDENTS' UNIONS ACROSS THE
ISLAND, BOTH NORTH AND SOUTH, AND SEEK TO PROTECT AND ENHANCE EDUCATION, THE
RIGHTS OF STUDENTS, AND THE ABILITY OF ALL TO ACCESS THIRD-LEVEL EDUCATION4
2. NATIONAL STUDENT ACCOMMODATION STRATEGY
USI POSITION
PURPOSE-BUILT STUDENT ACCOMMODATION (PBSA)9
USI POSITION
CAPITAL GRANTS FOR HIGHER EDUCATION INSTITUTIONS (HEI) TO BUILD PBSA
USI POSITION
TECHNOLOGICAL UNIVERSITIES BORROWING FRAMEWORK
LUXURY STUDENT ACCOMMODATION
USI POSITION
NOMINATION AGREEMENTS
USI POSITION
AFFORDABILITY OF STUDENT ACCOMMODATION14
USI POSITION
CHANGE OF USE FOR PURPOSE BUILT STUDENT ACCOMMODATION
USI POSITION
COMPULSORY LEASE LENGTHS
USI POSITION
STUDENTS AS LICENSEES
USI POSITION
PRIVATE RENTAL
RENT FREEZES AND RENT REDUCTION
USI POSITION
Social Housing for Students

USI POSITION
SOCIAL HOUSING FOR STUDENTS
USI POSITION
TRANSPARENT RENT REGISTER
USI POSITION
RENTAL DEPOSIT PROTECTION SCHEME
USI POSITION
FRAUD/SCAMS
USI POSITION
AirBnB
USI POSITION
STUDENT HOUSING ACTION
USI POSITION
Rent Strikes
USI POSITION
USI POSITION
APPROVED HOUSING BODIES
STUDENT ACCOMMODATION AGENCY21
USI POSITION
Approved Housing Bodies (AHBs)21
USI POSITION:
STUDENT ACCOMMODATION CO-OPERATIVES
USI POSITION
Cost Rental Housing
USI POSITION:
DIGS-STYLE ACCOMMODATION23
RIGHTS FOR STUDENTS IN DIGS ACCOMMODATION23
USI POSITION
RENT-A-ROOM RELIEF - MINIMUM ROOM REQUIREMENTS
USI POSITION24

DRAFT

MINIMUM ROOM SIZE REQUIREMENTS FOR STUDENT ACCOMMODATION	24
USI POSITION:	24
HOUSING ASSISTANCE PAYMENT (HAP)	24
USI POSITION	24
VULTURE FUNDS	25
USI POSITION	25
Self-Contained Room:	25
WI-FI:	25
PROXIMITY TO COLLEGE/FACILITIES:	25
ON-SITE FACILITIES:	25
MINIMUM SIZING:	26
ELECTRICITY METERS:	26
FACILITY DESIRABILITY / DEMAND	26
OTHER POSITIONS	26
SALE OF PUBLIC LAND	26
USI POSITION	27
SITE VALUE TAX	27
USI POSITION	27
RAISE THE ROOF	27
USI POSITION	27

1. INTRODUCTION

The Union of Students in Ireland (USI) is the representative body of 374,000 students across the Island of Ireland and is an entirely student-led organisation. We are comprised of further and higher education member students' unions across the Island, both North and South, and seek to protect and enhance education, the rights of students, and the ability of all to access third-level education.

This position paper sets out the USI view on the current state of student accommodation availability and market distribution. The living crisis gripping the country requires clear and sustained action to ensure those who are being faced with spiralling rents, unsafe conditions and homelessness are protected. The Government's housing strategy, Housing for All (2021) fails to adequately set out a plan for the development of new and affordable student accommodation.

Furthermore, the Student Accommodation Strategy (2016) was written in line with the Government's lapsed housing policy, Rebuilding Ireland. While the Student Accommodation Strategy makes projections up to 2024, a quarterly progress report on the strategy has not been published since Q3 of 2019. The lack of up-to-date data on the progress of the strategy, especially considering the effect that the COVID-19 pandemic has had on student access to affordable accommodation, has allowed the Government to avoid being held to account on the failures of the strategy.

This paper sets out the position of students, through their national representative body, on aspects of the contemporary accommodation situation, with the intention of informing ongoing and future campaigns run by the USI. The research conducted to produce this paper will form the basis for the lobbying efforts of the unions on issues relating to student accommodation. We believe students should have the right to safe, suitable, and affordable accommodation while attending college and we will continue to lobby and campaign to ensure that goal is achieved.

2. NATIONAL STUDENT ACCOMMODATION STRATEGY

- [2.1] The National Student Accommodation Strategy (NSAS) is the primary document that outlines the Government's measures to resolve what is described as the 'unprecedented demand for suitable, affordable housing supply'. The strategy was in operation from 2017, until the beginning of 2024. The programme for Government, particularly its housing programme 'Housing for All' provides a promise for the provision of an updated NSAS during its term.
- [2.2] The 2017 strategy focused on reducing 'excess demand' by streamlining new Purpose-Built Student Accommodation (PBSA). The strategy focuses on two options for student accommodation; PBSA and Digs. Digs is a living situation where a resident rents a room in the same dwelling as the homeowner. Legal protections offered to tenants under the Residential Tenancies Act 2004 do not cover those living in Digs.

[2.3] In describing the state of the student accommodation market, particularly the demand by students for PBSA, it is noted in the strategy that '[the student housing market] has the world's leading global investors investing heavily here'. On describing the need for more student accommodation, a 'significant opportunity for investors and developers alike' is presented. At the time of publication, the total figures for existing PBSA bed spaces are outlined as follows:

HEI Owned	Privately Owned	Total
11,760 (35.2%)	21,681 (64.8%)	33,441

- [2.4] The projected number of students who wished to live in PBSA at the time of publication was 57,075 students, which indicates that 23,634 students were unable to secure PBSA in 2017. It is noted that, according to the latest data available at the time of publication, 179,354 students were enrolled on a full-time basis in HEIs.
- [2.5] It was estimated in the strategy that, in 2024, 75,640 students would be attempting to live in PBSA, and that 20,986 of those students would not be able to secure a bed space in PBSA. Therefore, the tangible effect of achieving the 7-year strategy is taken to be (2017 to 2024) reducing the unmet demand for PBSA by around 2,648 students to make it 20,986.
- [2.6] The NSAS sets out to increase the supply by around 21,000 by the end of this year (2024). However, while the NSAS was initially followed up by quarterly strategy updates to inform the progress of these builds, a strategy update has not been provided since Q3 2019. As a result, a comprehensive evaluation of the success of the strategy is not quite possible. However, secondary sources that estimate the delivery of bed spaces through projects under the scope of the strategy estimate a total delivery of 14,000 with around 2,000 more under construction in 2024.
- [2.7] This presents a shortfall of around 5,000 beds aimed to be delivered by the NSAS. If applied to the figures mentioned above, this should leave us with an unmet demand of around 25,986 students. However, the latest figures provided by the Government in its Funding the Future Options Paper, published in August 2023, provide that 30,000 students sought, but were unable to secure, PBSA for the academic year 2023/24.
- [2.8] The approach of relying on private providers for the delivery of purpose-built student accommodation is dealt with in below sections in detail. The failure of this approach is twofold; it is a significant factor in the lack of delivery of affordable PBSA spaces, but also enabling large corporations who own such accommodation to exploit the students who have been left without an alternative. Both of these consequences highlight the inability of the Government to influence such providers and their policies in the best interests of students.
- [2.9] In relation to the focus on Digs as a solution to the student accommodation crisis, the NSAS outlined an intention to increase the number of students taking up Digs accommodation to around 4,000 per year by

2019. There is no further mention of the number of students living in Digs beyond 2019. There is no update by the Government in relation to this target.

[2.10] It is noted that the mechanism by which the Government intends to increase the number of students living in Digs is by increasing the ceiling exemption from income tax under the Rent-a Room scheme to €14,000. This is viewed by USI as a one-sided incentive for homeowners to take-up the opportunity presented. The target, however, cannot be achieved without making the option better for students, in line with the calls of the Union for years. Particularly, the scrutiny of tenure offered to students under the current theme is simply inadequate and is the reason for many disputes arising from the use of Digs.

USI Position

- 1. USI has a number of concerns about the NSAS which are outlined below, together with USI's view on rectifying the situation for each area: The Strategy outlines its ultimate goal in respect to PBSA to reduce the unmet demand to 21,000 students USI's Position:
 - a. This is a flawed policy objective that discounts the fact of having an unprecedented excess in resources that could be used for a long-term investment to resolve this issue and is indicative of the immediate need for building affordable PBSA.
 - b. Any response to the student living crisis, a national strategy or otherwise, should outline a complete, long-term plan for resolving the unmet demand outright.
 - c. The strategy completely lacks any consideration for the affordability of the beds it provides for. The absence of any examination of the cost barrier that faces many students who are seeking out accommodation is reflective of it being out of date. The strategy was written at a time where the primary issue facing students was the lack of availability. We are now facing a twofold crisis with the primary issue intersecting at the lack of availability of accommodation, and the high rents seen with available options.
 - 2. The approach to building student accommodation relies on outsourcing the planning and construction of such projects to private providers USI's Position:
 - a. The solution to the student living crisis must be publicly funded, and publicly provided. This is only way to ensure both the delivery of accommodation, and the affordability of it.
 - b. Outsourcing planning and building to private providers simply allows for no control over the progress of achieving any goals set out in the policy document, and any influence over the pricing of such accommodation.

3. The lack of any consideration for the affordability of the projects delivered – USI's Position:

- a. Public funding for student accommodation should yield affordable accommodation for students, and such affordability may not be guaranteed under a privately provided solution to the accommodation crisis.
- b. USI has repeatedly raised the need for a framework that ensures the affordability of student accommodation provided for by public funds, which should ensure the monthly rates of such accommodation that is described by the government as 'affordable' do not exceed 30% of the monthly national minimum wage rate.
- c. The government must provide the solution and ensure its adequacy for students.
- 4. Digs 'rent-a-room' as an accommodation option for students USI's Position:
 - a. Taking into consideration the current state of student accommodation, the option, like all other options, shall be made available for students, but is in need of immediate regulation with an outlook to the wellbeing of those who live in Digs.
 - b. Instead of solely focusing on making the option more appealing for homeowners through taxbased incentives, the strategy must outline how the option will be made adequate for students.
 - c. Enacting the Residential Tenancies (Amendment) Bill 2024, effectively granting students living in Digs the fundamental level of tenancy protection.

5. Lack of progress reports – USI's Position

- a. The strategy promises the delivery of a quarterly progress report, and such a report has not been reported since Q3 of 2019. A comprehensive progress report must be immediately made available in the lookout for the 2017 Strategy's successor.
- b. All plans and strategies for resolving the student living crisis shall be transparent and regularly updated.

- 6. The suitability of the NSAS USI's Position
 - a. The NSAS is absolutely out-of-date and is not suitable for resolving the crisis in its current stage for the following reasons:
 - 1. It predates the existence of the Department for Father and Higher Education, Research, Innovation and Science (DFHERIS).
 - 2. It is part of an outdated government programme for housing, Rebuilding Ireland, and is not suitable for the current state of living for students.
- 7. The promised new Student Accommodation Strategy must be immediately published as per 'Housing for All' where such strategy was promised for the summer of 2023, and at the time of writing this paper is inexistent.

PURPOSE-BUILT STUDENT ACCOMMODATION (PBSA)

- [2.11] Purpose Built Student Accommodation (PBSA) is accommodation specifically built to meet the needs of students. In Ireland, PBSA is either built using public funds and owned by a Higher Education Institution (HEI) or built by private providers that have no association with any HEI. Where public funds are granted to HEIs to build PBSA, the condition of affordability, although ambiguous and in need of clarity (see below for USI's definition of affordability), is attached to such funding. Meaning that PBSA, funded by the State is to be offered at affordable rates to students, whether that is an entire project or a portion of it.
- [2.12] PBSA exists in various forms ranging from studios to cluster apartments (large apartments with several rooms), sometimes shared by up to 14 residents. The standard design of PBSA means that it has been traditionally cheaper to build new Student Accommodation than other forms of accommodation in the Private Rental Sector (PRS). The government announced a policy for the standardization of PBSA design to ensure faster streamlining of such projects and a baseline cost for their development.
- [2.13] PBSA is subject to the provisions of the Residential Tenancies (Amendment) Act 2019 which prescribed certain statutory protections for students renting PBSA and has brought PBSA under the remit of the RTB. The 2019 Act expressly categorizes students renting PBSA to be licensees which places them outside of the scope of the Residential Tenancies Act 2004 for the purpose of protections prescribed in that Act.

USI Position

- 1. Public PBSA is the primary option for student accommodation and is the primary method for resolving the student living crisis and can be defined as 'purpose-built student accommodation that is built using public funding and is publicly owned, whether through HEIs or direct state ownership'.
- 2. Public PBSA is the only type of accommodation where affordability can be enforced by the government.
- 3. PBSA is the **only** long-term solution to the student living crisis and must be outlined as such.
- 4. A significant state investment into the construction of PBSA is urgently needed and such an investment must be reflective of two factors:
 - a. The unprecedented budget surplus at the disposal of the government; and,
 - b. The unprecedented difficulty faced by students looking for somewhere to live.
- 5. The time for incremental objectives in the form of 'reducing unmet demand' is over the need for a comprehensive plan for **eliminating** unmet demand must be immediately worked out.

Capital Grants for Higher Education Institutions (HEI) to build PBSA

- [2.14] A capital grant is a contribution made by the government to an independent public body or authority to cover part of the cost, in this case it would be towards building PBSA accommodation. The grant is provided for the HEI to meet the costs for building PBSA with ownership of the project transferred to the government over a number of years. Capital grants for building PBSA has been historically provided by the DFHERIS upon the application of the HEI for such funding for a PBSA project that it holds a planning permission for.
- [2.15] Following the lack of capital funding for the development of PBSA in Budget 2023, the Minister for Further and Higher Education announced a €434m student accommodation funding initiative that has been agreed with the European Investment Bank (EIB) and the Housing Financing Agency (HFA). The initiative was expressly described by the Minister to be focused on the delivery of affordable student accommodation, through providing 'finance directly to Irish public higher education providers to develop student accommodation'.

DRAFT

- [2.16] It was said that the initiative intends on supplying 2,700 beds that are HEI-Owned through capital grants made available for such HEIs. USI has asked for a capital investment of €1.8 bn for the development of public-PBSA in its pre-budget submission for 2023, which would have delivered an estimate of 30,000 bed spaces, effectively doubling the current supply of PBSA, and directly addressing the 2:1 ratio of students to PBSA spaces in the country.
- [2.17] While the announcement from the Minister and other communication in relation to publicly funded PBSA to be on the premise of 'affordability', no framework for assessing the affordability of such bed spaces has been published at any stage. This impacts the planning of such projects, which is conducted in isolation of such considerations, and the return on the public investment for the delivery of affordable student bed spaces.
- [2.18] The Knight Frank Ireland Student Housing Report completed in Q3 2023 provides the breakdown of ownership of PBSA in Dublin, Cork, Galway and Limerick. In Dublin, 44% of the current student bed spaces are owned by HEIs, while in Cork, only 18% of the bed spaces are HEI-owned. In Galway and Limerick respectively, 36% and 56% of student bed spaces are HEI-owned. In the four aforementioned cities, the majority of PBSA is HEI-owned only in Limerick.

City	HEI-Owned Bed Spaces in 2017 of Total PBSA)	HEI-Owned Bed Spaces in 2023 of Total PBSA)
Dublin	57 %	44 %
Cork	22 %	18 %
Galway	24 %	36 %
Limerick	38 %	56 %

- [2.19] The market share of HEI-owned PBSA has been diminished in the two cities with the highest number of PBSA bed spaces in the country over the 7 year period. This shows the private sector overtaking the government in developing PBSA. While the increase in the percentage of HEI-owned student accommodation in Galway is noted, this simple change accounts for most students living in PBSA in Dublin, Cork and Galway to be doing so in private PBSA.
- [2.20] When looking at the increasing number of students who are unable to find affordable student accommodation, the domination of the market by privately provided student accommodation is a clear driver of such increases. The focus here is the on the availability of affordable PBSA. Privately-owned PBSA is simply out of the reach of students and cannot be posed to be part of the solution for the student living crisis.
- [2.21] The overreliance on private providers for the supply of student accommodation is directly related to the ever rising prices for student accommodation, the increase in reports of exploitative practices by such providers, and the inadequacy of the current supply of student accommodation for the needs of students. When a privately-owned PBSA project is granted the planning permission, considerations of affordability and suitability are nowhere to be seen.

USI Position

- 1. Capital funding for the building of publicly owned student accommodation is the only funding solution for the absence of affordable and suitable student accommodation.
- 2. The provision of such funding must only be done on the stipulation of affordability, and a framework for the affordability of PBSA must be immediately worked out to ensure the intended return on public investment.
- 3. Capital funding enough for the development of 30,000 student beds must be streamlined from the unprecedented budget surplus at the disposal of the government, which is due to reach around €65bn by the end of 2024. Funding of such a development is estimated to cost €1.8bn.

Technological Universities Borrowing Framework

The transformation of Institutions of Technology to Technological Universities (TUs) was a step that the student body welcomed. As the process involved the combination of a number of Institutions to form a single university, Technological Universities by nature are geographically spread out with several satellite campuses. This means that while one issue might seem 'local' in the sense that it is affecting a single institution, in fact, it is not local. It is an issue that could be affecting a number of students that is larger than the number of students enrolled in a 'legacy university'. Having been granted the 'University' title, TUs are still not viewed as universities in certain legal and economic contexts. The main issue here is that the borrowing capacity of TUs is non-existent unlike what is offered to 'legacy universities'.

TUs do not receive Capital Grants or even funding in the form of a long-term loan, for the purpose of building PBSA. This currently leaves a very large gap in the abilities of institutions for catering for the needs of its students. While structures and statuses are relative to the institution, the needs of students are unanimous amongst institutions and students. We submit that this practice is an oversight at best, and discriminatory at worst. Additionally, we submit that the Government has to amend its funding policies around the development of PBSA to include TUs and under the same terms as funding provided to other universities, except in cases where it is more favourable to students attending a TU to have the terms changed and adapted for the case of the specific TU.

Ultimately, we urge the Government to establish a lending framework for Technological Universities with terms no less favourable than those attached to funding to other universities. Such framework shall concern the loans Tus are eligible to receive, including loans provided at an EU level, for the purpose of building PBSA.

Luxury Student Accommodation

[2.22] Privately-owned and developed student accommodation complexes are being developed in a way resemblant of premium accommodation that is not suitable for students. Newer developments are including

amenities that are not needed for the basic functioning of student accommodation that ultimately drives the cost of development upwards, which is reflected in multiples on the rates for renting such bed spaces.

[2.23] The developments move away from the development of student accommodation that is needed by students, to those that could be charged premium rates for their rental. Amenities seen in some recently developed privately-owned student accommodation include cinema rooms, rooftop terraces, bowling allies and modern on-site gym facilities.

USI position

- 1. While USI welcomes all new accommodation for students, USI views resources such as land, planning space and construction services to be better spent on the development of affordable student accommodation that is needed by students.
- 2. Where planning permission is being sought for the development of luxury student accommodation, USI will assist the member organization in filling an objection to the planning permission on the basis of the expected rental costs of the accommodation.
- 3. The standardization of design of student accommodation announced by the Minister for Further and Higher Education, and the Minister for Housing must be applied to all future developments of student accommodation in Ireland through the mechanisms of An Bord Pleanála.

Nomination Agreements

- [2.24] A nomination agreement is an agreement between a HEI and a private PBSA provider that allows the HEI to nominate a number of its students to fill a number of bed spaces in the PBSA. The agreement usually prescribes a minimum number of students that must be nominated by the HEI to the contracted provider, and the HEI is liable for the bed spaces it has agreed to nominate students for. This means that if the bed spaces that the HEI agreed to nominate students for are not filled for a specific year, the HEI must cover the cost of such unfilled rooms.
- [2.25] This mechanism has been seen widely in the UK and has been gaining traction in Ireland. The premise of this mechanism is that HEIs can access bed spaces without having to build or manage them themselves. For the HEI, this means that it is able to increase the number of PBSA beds it has to offer for its students without making such spaces.
- [2.26] While the HEI might be able to provide its students with more to rent from, they are compromising any long-term gain by relying on such mechanisms. This option is beneficial for securing immediate accommodation

for the short-term where the need arises, or indeed in such a crisis. But it should not be mistaken for the compromise it makes on public-ownership or as a long-term solution.

USI Position

- 1. This option does not increase the supply of student accommodation whatsoever. It might increase it for the student body of one HEI that manages to secure such an agreement, but it does not bring us any closer towards reducing the shortage of student accommodation nationally.
- 2. The option is supported insofar the nomination agreements result in unlocking supply that would otherwise not be available for the renting students.

Affordability of Student Accommodation

- [2.27] The premise of affordability is allegedly attached to any capital grant given by the government for the development of PBSA. The condition is not enforced, and the gap between the rates for public and private PBSA is getting smaller. HEIs profit from student accommodation during a student living crisis. Some claim that it is the result of the funding gap outlined in the third-level sector, and others view it as the natural practice when owning a revenue-generating asset.
- [2.28] Affordability is affected by many factors, including the area of the development, the nature and scale of the development, and the percentage of the cost being covered by public funding. Thereby, a framework for determining the 'affordable' rate for all developments is the only way to ensure any consistency in the pricing of student accommodation. The mechanism for ensuring that a new development is truly affordable is through funding the projects and attaching a condition of affordability to such funding.

USI Position

- 1. Whilst several factors impact what might be perceived as affordable accommodation, USI views affordable monthly rental rates not to exceed 30% of national monthly minimum wage.
- 2. USI views the premise of affordability that is attached to capital grants for the funding of student accommodation completely redundant without a framework for calculating and enforcing affordable rates at such developments.

Change of Use for Purpose Built Student Accommodation

[2.29] Both privately and publicly-owned PBSA are used for purposes other than housing students in times when students are in term. This can be in the form of renting such bed spaces for tourists akin to a hotel during the summer period, or in the form of being temporarily used for a purpose other than housing

students. Most recently, the use of PBSA as housing for persons seeking international protection caught some media attention.

- [2.30] The only case of actual use of PBSA for that purpose was in the case of a private provider of PBSA. Upon the surfacing of this agenda by the owner, neither the HEI which most residents are students at, nor the government were able to the secure the facility for use by students initially. Additionally, at a number of occasions, rumours of plans for the government to temporarily repurpose PBSA for housing people seeking refuge and protection to Ireland have surfaced on the news.
- [2.31] This is an attempt that pits the interest two marginalized groups, namely, students and those seeking international protection, against each other. With the recent atmosphere fuelled with far-right rhetoric, such stories were spun to draw an illusion of students not finding accommodation due to the alleged change of use.

USI Position

- 1. The government must secure vacant and derelict properties around the country to truly represent the housing supply in Ireland.
- 2. The sole cause for the continuing student living crisis, and indeed the wider housing crisis, is the reliance the flawed government housing policy, that overlies on the market to provide housing during the worst housing crisis in the country.
- 3. The lack of public investment in our public services is no fault of any person seeking protection in Ireland.
- 4. Such attempts are divisive and relieve the government of its duty to resolve a public-services crisis.

Compulsory Lease Lengths

[2.32] The legal definition of student accommodation is provided under the Residential Tenancies (Amendment) Act 2019. 'Student Accommodation' is defined under the Act as 'a building, or part of a building, used for the sole purpose (subject to paragraphs (a), (b) and (c)) of providing residential accommodation to students during academic term times—

(a) whether or not the building or part of the building concerned is used for any other purpose outside of those times,

(b) whether or not any such students are permitted to reside there outside of those times, and

(c) whether or not any person other than a student resides there, provided that the purpose of the said person's residing there serves the first-mentioned purpose

[2.33] PBSA has traditionally been offered to students under a license agreement with a duration ranging from 39-42 weeks depending on the provider of the PBSA. This period covers the term times for most students

enrolled in undergraduate third-level studies in Ireland. Students are also allowed to extend the period in certain cases under different license agreements.

- [2.34] Recently, a practice of only offering students a license agreement that is 51-weeks in length has been highlighted by Member Organizations (MOs) to USI. Once raised through parliamentary questions to the Minister for Further and Higher Education, and the Minister for Housing, the issue appeared to fall outside the scope of current legislation. The Minister for Further and Higher Education promised to bring legislation to put an end to this practice.
- [2.35] The legislation is expected to reinforce the legal definition of student accommodation, introduce a procedure for handling such practices, and a penalty for providers who penalize students for terminating their license or escalating the issue to the Residential Tenancies Board (RTB).

USI Position

- Student accommodation licenses must be offered for the length of the academic year, ranging between 39-42, on an equal footing with any offers for licenses for longer periods. This includes offering rooms at the same rate regardless of the length of the license they are being rented under, and only offering the chance for students willing to rent the room for a longer period to do so, without favouring them to those who may not need such extension.
- 2. Any rental of student accommodation that exceeds the period of 39-42 weeks is considered an extension and must, by no means, be considered the standard license on offer by any provider.
- 3. Legislation to crack down on exploitative practices by student accommodation providers must be immediately introduced, and must cover the following:
 - a. A prohibition on compulsory lease lengths as described above
 - b. Penalizing the use of any punitive measures against students for terminating their lease earlier than its end date or escalating any matter to the RTB.
 - c. A clear definition for the academic year for the purposes of student accommodation renting.
- 4. PBSA must be publicly owned to put an end to the exploitative relationship between private student accommodation providers and students.

Students as Licensees

- [2.36] Students living in PBSA are classified as a licensee, not tenants. This leaves them in a precarious and unbalanced position when dealing the providers of such accommodation, which in some cases could be the HEI in which the student is enrolled. Licensees have substantially less rights than tenants in a residential tenancy relationship.
- [2.37] Differences in the level of protection for renters renting under a lease as opposed to those renting under a license include shorter minimum notice periods, the ability to impose restrictions on the use of the property in the form of no-guest policies and curfews, and looser procedures for inspections and the imposition of fines and other punitive measures.

USI Position

- 1. Licensing a property for rent has its appropriate uses including in the cases of hotels, AirBnBs and other short-term accommodation. Licenses must not be used for the renting of PBSA to students.
- 2. Student renters in PBSA must enjoy the same protections as those enjoyed by a tenant, and this distinction must be abolished.

PRIVATE RENTAL

Rent Freezes and Rent Reduction

[2.38] A rent freeze is a price ceiling on rents charged to tenants. Price ceilings prevent the price of rent from rising above a certain level. While the average cost of student accommodation varies, many complexes charge up to and over €1,000 per month for a private room in a privately owned PBSA complex. This is unaffordable for many in Irish society – but even more so for students who have limited opportunities to work and earn money due to their studies.

USI Position

The government should, effective immediately; introduce a rent freeze to the rental market and lobby for a reduction in rent until such a time where market prices fall to a level in line where the average Living Wage salary would only be spending 15-25% of their monthly wage on rent.

Social Housing for Students

- [2.39] Social housing is cheaper to rent than privately rented housing. Part V refers to the requirement that within new builds of a certain number of units must contain 10% social housing. This rule does not apply to Purpose Built Student Accommodation (PBSA).
- [2.40] PBSA is not subjected to Part V housing even in large builds despite many students coming from backgrounds where their families already live/qualify for social housing. This creates another barrier to accessing higher-level education for students from lower socio-economic backgrounds and is contradictory to the efforts of institutions to improve access and to ensure that students have equal and equitable opportunities to take full advantage of their education.

[2.41] The rational from the Department of Housing is that student accommodation builds, shared accommodation in apartments, will not normally be subject to Part V requirements in relation to the reservation of 10% of the units as social housing because shared accommodation would not be suitable for social housing given that they are not provided as individual self-contained residential units.

USI Position

- USI opposes this line of thought. Students do not require individual self-contained residential units, however many students – specifically those who access college through the HEAR and DARE schemes, or those who qualify for SUSI – would benefit from a designated proportion of student accommodation beds that are at a lower price point.
- We believe PBSA should have Part V provisions, and that social housing should be offered within PBSA builds specifically for students who access college through HEAR and DARE schemes.

Social Housing for Students

- [2.42] Social housing is cheaper to rent than privately rented housing. Part V refers to the requirement that within new builds of a certain number of units must contain 10% social housing. This rule does not apply to Purpose Built Student Accommodation (PBSA).
- [2.43] PBSA is not subjected to Part V housing even in large builds despite many students coming from backgrounds where their families already live/qualify for social housing. This creates another barrier to accessing higher-level education for students from lower socio-economic backgrounds and is contradictory to the efforts of institutions to improve access and to ensure that students have equal and equitable opportunities to take full advantage of their education.
- [2.44] The rational from the Department of Housing is that student accommodation builds, shared accommodation in apartments, will not normally be subject to Part V requirements in relation to the reservation of 10% of the units as social housing because shared accommodation would not be suitable for social housing given that they are not provided as individual self-contained residential units.

USI Position

 USI opposes this line of thought. Students do not require individual self-contained residential units, however many students – specifically those who access college through the HEAR and DARE schemes, or those who qualify for SUSI – would benefit from a designated proportion of student accommodation beds that are at a lower price point. • We believe PBSA should have Part V provisions, and that social housing should be offered within PBSA builds specifically for students who access college through HEAR and DARE schemes.

Transparent Rent Register

[2.45] A rent register shows the address of a property and the number of bedrooms. It does not show the identity of the landlord or the tenant, or the amount of the rent. Landlords must register their accommodation and tenancies with the Residential tenancies board (RTB) and update any changes they may have with their tenants. The RTB uses this information to create a public register. The Residential Tenancies (Amendment) Act 2019 sets out a requirement for landlords to register tenancies annually. However, many students have found that their tenancy has not been registered with the RTB by their landlord, and as a result are not able to avail of the renters' tax credit outlined in Budget 2023.

USI Position

- USI are requesting a rent register that's published annually and has to be backdated so tenants can compare rent of previous years, as well as provide increased transparency and analytics from the rental sector
- USI believe that there should be more resources invested into the Residential Tenancy Board (RTB) so that they can proactively investigate cases and to ensure properties are registered with RTB
- USI will provide resources to MO's annually to assist students with ensuring their tenancy is registered with the RTB to ensure all students can avail of tax credits on rental accommodation.

Rental Deposit Protection Scheme

[2.46] A deposit is a sum of money that acts as a pledge for a contract / property, which is normally paid back later. A deposit protection scheme is a way of having your deposit protected by a third party. It is kept by them until the end of a tenancy. At that time the money will either be paid out to the tenant or landlord as agreed between them, or the money could be paid out as decided by arbitration/mediation. This scheme has been promised for over a decade, with no updates since 2017.

USI Position

• USI echo Threshold's call to establish a deposit protection scheme which would see deposits lodged with an independent third party, such as the Residential Tenancies Board.

Fraud/Scams

[2.47] Rental fraud and scams have seen a significant increase over recent years, and international students are especially vulnerable. While it is difficult to fully issue sanctions and fines to those involved in fraudulent activity (as many of the more recent student accommodation scams are conducted from overseas), the RTB should be adequately resourced to clamp down on any domestic providers who engage in fraudulent behaviour.

USI Position

• USI to provide <u>MO'sMOs</u> with resources aimed at students entering into the rental market on how to spot a rental scam. These resources should be developed in collaboration with Threshold or the RTB to ensure that they contain up-to-date information.

AirBnB

- [2.48] AirBnB is an online website which allows people to let out a spare room/apartment/house to someone for a short period of time. Lack of regulation in the sector of letting has led to a high concentration of properties available for short term let, meaning less properties are available for longer term tenancies. This has a major impact on the supply of property in the rental market, which is pushing prices upward.
- [2.49] People who own the properties are incentivized to use Airbnb over using a typical tenancy as theirthere isare typically increased profits to be made on tourist accommodation.
- [2.50] While the Department of Housing has introduced regulations which require people renting out entire properties on a short-term basis for more than 90 days per year to seek planning permission from their local authority to do so, there hashave been major issues enforcing this. Authorities have called on the government to provide financial resources to enforce these regulations.

USI Position

- The over saturation of AirBnB properties is pushing up rental prices in areas, this is pushing people out of the rental market making them homeless.
- The government need to allocate resources to local authorities to enforce regulations on short-term lets.
- The government should adopt the "Berlin" model, where landlords can only rent out their properties for up to 90 days per year, with permission from their local authority.

STUDENT HOUSING ACTION

Student Housing Groups

[2.51] Student housing activist groups and student tenants/rentersrenters' association/union are other groups that may organise around student accommodation, within SUs structures of outside of that. These groups are typically grassroots led and offer peer to peer support and advocacy.

USI position

- USI believe these types of groups should be supported and assisted wherever possible.
- USI should work with Member Organisations to assist in the development and creation of tenants' unions where none exist.
- USI should actively seek to form partnership with existing tenants' unions.

Rent Strikes

- [2.52] Rent strikes involve the withholding rent, typically from the college in college-owned student accommodation, in a form of protest of the cost of student accommodation with the objective that the college would reduce the rent.
- [2.53] Collective action and rent strikes have proven extremely effective. Victories include a 1.2 million rent cut at UK based colleges UCL and a 35% backdated rent cut at Goldsmiths, UK. Focusing on collegeowned student accommodation, brings the fight for affordable student accommodation to the campus, creating a college that is more affordable and accessible for future students who otherwise wouldn't be able to attend college. Colleges should be working to remove barriers to attending college and the cost of accommodation is a huge barrier currently.

USI Position

- USI are supportive of students conducting rent strikes.
- Where a rent strike is taking place, USI will work with the member organisation involved to provide assistance and support where necessary.

APPROVED HOUSING BODIES

Student Accommodation Agency

[2.54] The creation of a not-for-profit vehicle such as the local authority, a dedicated state-back student accommodation agency, approved housing body (AHB) or a voluntary agency with support from the educational institutions would mean student accommodation could be provided for a slightly lower cost depending on the level of state subsidy.

USI Position

• USI supports the progression of an AHB developed specifically for student accommodation.

Approved Housing Bodies (AHBs)

- [2.55] Approved Housing Bodies (AHBs) (also called housing associations or voluntary housing associations) are independent, not-for-profit organisations. They provide affordable rented housing for people who cannot afford to pay private sector rents or buy their own homes; or for particular demographic groups, such as older people.
- [2.56] AHBs also include housing co-operatives, which are housing organisations controlled by their members/tenants who actively participate in setting their policies and making decisions. The Housing Alliance a collaboration of AHBs is campaigning for AHBs to be moved "off balance

sheet"; meaning, off the Government's yearly budget balance sheet, which would have limited resources.

DRAFT

- [2.57] In 2018, it was deemed that large AHBs are now considered part of the General Government sector and, as a result, on the Government's Balance Sheet. This may have significant negative consequences for the funding of AHBs in the medium to long-term, limiting the capacity of Housing Alliance members to source funds from Government or external sources. We believe AHBs should also look to the provision of student accommodation as an 'off balance sheet' model of building affordable/social student accommodation.
- [2.58] Approved Housing Bodies (AHBs) (also called housing associations or voluntary housing associations) are independent, not-for-profit organisations. They provide affordable rented housing for people who cannot afford to pay private sector rents or buy their own homes; or for particular demographic groups, such as older people.
- [2.59] AHBs also include housing co-operatives, which are housing organisations controlled by their members/tenants who actively participate in setting their policies and making decisions. The Housing Alliance – a collaboration of AHBs - is campaigning for AHBs to be moved "off balance sheet"; meaning, off the Government's yearly budget balance sheet, which would have limited resources.
- [2.60] In 2018, it was deemed that large AHBs are now considered part of the General Government sector and, as a result, on the Government's Balance Sheet. This may have significant negative consequences for the funding of AHBs in the medium to long-term, limiting the capacity of Housing Alliance members to source funds from Government or external sources. We believe AHBs should also look to the provision of student accommodation as an 'off balance sheet' model of building affordable/social student accommodation.

USI Position:

- USI supports the Alliance in their lobby to allow them to borrow off balance sheet.
- USI to lobby AHBs to consider the provision of affordable student accommodation.

Student Accommodation Co-operatives

Student housing co-ops (or co-operatives) are permanently affordable homes formed by students who democratically manage the property they live in. Members live in alternative cooperative housing that they personally own and maintain. These houses are specifically designed to lower housing costs while providing an educational and community environment for students to live and grow in. They are, in general, non-profit, communal, and self-governing.

Many student housing co-operatives share operation and governing of the house. These homes are isolated from the housing market and offer lower rents and better-quality accommodation than the private sector. They allow for students to pool their resources to create community style homes where everyone collaborates for their mutual benefit.

The rent students pay is only used to cover the upkeep of the house (lease, bills, repairs, etc.) and not to enrich landlords. Any surplus generated from the students' pooled funds are reinvested into the co-op in

the way the members decide. Typically, it can be used for improving energy efficiency, erecting greenhouses, or converting parts of the building.

Student housing co-operatives are being developed in Belfast and Cork. While they are still in the early stages, these projects have the potential to offer a radical new alternative approach to student housing.

Other advantages include:

- Improved student wellbeing, rents and living conditions,
- Live in affordable homes that students manage and control,
- Gain valuable life skills and learn co-operative values,
- Contribute to building a sustainable co-operative economy.

USI Position

- USI should actively support this type of housing as a positive housing solution for students.
- USI should seek to form a working relationship with existing student housing co-operatives.

Cost Rental Housing

Cost rental housing is housing where the rents charged cover the cost of delivering, managing and maintaining the homes. As the rent paid by the tenant in a cost rental tenancy is designed to only cover the actual costs, rents will not be driven by market movements. While still a cheaper model of housing, there are still significant costs due to the increased price of construction. However, due to this type of housing being outside of the market (not being affected by rent increases) it is a more financially predictable form of housing. It removes the profit driven private developers from the equation and this would greatly benefit students in any new student accommodation builds.

USI Position:

• USI support cost rental builds but proceed with caution due to rising costs of construction and land increasing the cost of building over what may be considered affordable for students.

Digs-Style Accommodation

Rights for Students in Digs Accommodation

Digs are a type of housing where a student stays in a family home, usually with the homeowner and pays a flat rate for lodgings and meals (optional). There are currently very little rights for students right now who are living in digs style accommodation. However, despite the very few rights afforded to students in digs tenancies, the Government has opted to encourage digs-style accommodation as a temporary solution to the student accommodation crisis.

USI Position

• USI support the rights for students living in digs to obtain a license agreement.

- USI to lobby for increased protections for students in digs tenancies
- Until such a time as tenancy protections are guaranteed for students in digs-style accommodation, the government should stop presenting digs as a solution to the student accommodation crisis.

Rent-A-Room Relief - Minimum Room Requirements

If you rent out a room (or rooms) in your home to private tenants, the rental income you earn will be exempt from income tax, provided this income does not exceed a certain limit in a tax year. This is called the rent-a-room relief. Currently, the total rent that you get, which includes money that the Tenant pays for food, utilities, laundry or similar goods and services, cannot exceed €14,000 in the tax year, however this could be based off one room or three rooms.

USI position

- USI suggests the rent-a-room relief scheme should be aligned with the number of rooms that landlord provides.
- This means that landlords must have a minimum amount of rooms so that they can claim tax free income.

Minimum Room Size requirements for Student Accommodation

According to the *"Sustainable Urban Housing: Design Standards for New Apartments Guidelines for Planning Authorities"* every single occupancy bedroom should be, at a minimum, 2.1 meters in width and 7.1 square meters. However, Purpose Built Student Accommodation and rooms in digs-style accommodation are not currently included in these minimum requirements.

USI Position:

- USI believes that there should be minimum room size requirements in PBSA and digs, that allows a comfortable space for a desk, wardrobe and a bed.
- Students should not be subjected to below the minimum standards.

Housing Assistance Payment (HAP)

The Housing Assistance Payment (HAP) is a form of social housing support for people who have a longterm housing need. At the moment, HAP cannot be used for Purpose Built Student Accommodation putting many people at a disadvantage of being able to attend their institution as they cannot pay for accommodation.

USI Position

• The government should adjust the regulations around Housing Assistance Payment to allow it to be used for Student Accommodation.

Vulture Funds

Vulture funds are investment firms that buy up properties from banks. These funds buy up a large collection or "portfolio" of properties that are deemed as bad debts. Ultimately, the net result of this is that the investment firms want to make a profit on their purchase, which causes inevitable evictions. After evictions, many properties re-enter the market at a significantly higher rent rate. This leads to an increase in homelessness and gentrification.

USI Position

- USI believes vulture funds have been the vehicle in which this country's assets have been sold off and regrets the human impact they have had on society.
- USI supports the resistance of evictions and
- USI to lobby for the introduction of legislation that ends evictions into homelessness.

Minimum Specifications on Student Accommodation

Research taken from the USI Homes for Study Program's National Student Accommodation Survey.

Self-Contained Room:

Students place a premium, above all, on a self-contained room on their own in accommodation. This does not rule out shared rooms, but this option yielded the most consensus both in importance for the student and the premium the student would be prepared to pay to secure it. There are a small number of people indicating that this is not a major issue for them, and they may be indicating that they would enjoy sharing – but in this study, this amounted to less than 2% of the respondents.

Wi-Fi:

Wi-Fi (particularly high- speed Wi-Fi) is considered a <u>basic necessitya necessity</u> by students, but students are not prepared to pay more for it in their rooms. As an essential basic facility for students today, it is considered very important but not worth a premium. This may be due to the availability of fast 4G mobile services.

Proximity to college/facilities:

Proximity to college and to shops are important to students, but the availability of dedicated study facilities or social areas in the accommodation complex are significantly less important. Access to reliable transport routes to college is necessary to ensure students can easily access their campus and are safe doing so if their living arrangement is further away.

On-Site Facilities:

The presence of an onsite social area is deemed relatively unimportant for students – too much concentration on it may be a mistake for developers. The presence of an on-site gym also polled poorly as an important aspect of student accommodation – there seemed to be an active rejection of them by many students – although of course a cohort did report it as being important. It's necessary for students to have access to good-quality cooking and cleaning facilities.

Minimum Sizing:

According to the 'Sustainable Urban Housing: Design Standards for New Apartments Guidelines for Planning Authorities' it outlines that for every Single bedroom, the minimum should be 2.1 meters in width and 7.1 square meters. PBSA and digs should be included in the minimum sizing requirements, and allow a comfortable space for a desk, wardrobe, and a bed.

Electricity Meters:

Individual metering/monitoring should be provided for each student room to make them aware of their energy usage and incentivize energy waste reduction. The cost of bills and rent is a huge factor for students deciding on their accommodation. It's important to keep the bills and rent as low as possible.

Self-contained room on my own	9.02
Wi-Fi	8.39
Closeness to College	8.36
Closeness to Shops	8.16
Onsite Dedicated Study Area	6.67
Closeness to Entertainment	6.15
Living with only students from my college	5.8
Onsite Social Area	5.18
Onsite Gym	3.5

Facility Desirability / Demand

Other Positions

Sale of Public Land

There is an indisputable need for public housing in this country, which should be built on publicly owned land. This is further qualified by the need for student accommodation built by HEIs on campuses. The sale of public land to private developers has negative effects on not only the price of rents in an area, but also diminishes the numbers of public housing beds available.

USI Position

- USI opposes the sale of public land to private developers, in the middle of a housing crisis.
- USI believes public land should be used for public housing, that student accommodation should be built on campus land by institutions/the state.

Site Value Tax

Site Value Tax (SVT) is a charge on the value of land without considering the value of physical capital built on the land. In this way, the charge is related to the value of the location.

The tax is calculated as a percentage of the value of the site. The value of any property has two components: (A) the land, and (B) what's on the land. Subtract (B) from (A), and you have the value of the site, and thus the base for the SVT. It is differentiated from a vacant site tax as it concerns the value of the site itself, due to the factors surrounding the site.

The core argument for this is that the reason why properties have value is because of what is beside them. The value is generated by society and facilities surrounding it, as ultimately the site is the value, not the house. This would, firstly; give the value back to the people who created the value in the first place via their taxes. Secondly; it prevents hoarding because if the tax on the site is high landlords will be encouraged to bring it into use.

USI Position

• The Irish government should replace the current Local Property Tax with that of a site tax. A Site tax would be a much fairer way of taxing property fit for residential use.

Raise the Roof

USI are founding members of the Raise the Roof campaign. The full Raise the Roof manifesto is available <u>here</u>.

USI Position

- USI will work with the Raise the Roof campaign on actions and represent the student perspective in Raise the Roof committee meetings.
- USI will promote Raise the Roof events with our members.
- USI promotes the principles of the Raise the Roof manifesto.