Scottish Government
Riaghaltas na h-Alba
gov.scot

Purpose Built Student Accommodation (PBSA) - scoping survey findings

CHILDREN, EDUCATION AND SKILLS

social research

Contents

1. Executive summary 3
   1.1 Introduction and background 3
   1.2 Method 3
   1.3 Overview of findings 3
   1.4 Summary of recommendations 4
      1.4.1 Mental health and wellbeing 4
      1.4.2 Accessibility and adaptability 4
      1.4.3 International students 5
      1.4.4 Regulation 5
      1.4.5 Affordability and widening access 5
      1.4.6 Contractual arrangements between HE/FE institutions and private PBSA providers 5
      1.4.7 Local authorities and PBSA 6
      1.4.8 The future and PfG review recommendations 6
2. Introduction 7
   2.1 Background 7
   2.2 Purpose and scope of the research 8
   2.3 Method 8
3. Quantitative findings: overview of PBSA in Scotland 9
   3.1 Overview of PBSA provision 9
   3.2 Rental costs and contracts 9
   3.3 Tenancy agreements 10
   3.4 Planning and regulatory frameworks 11
   3.5 Support for students 12
4. Qualitative findings and recommendations 14
   4.1 Student needs and welfare 14
      4.1.1 Mental health and wellbeing findings 14
      4.1.2 Mental health and wellbeing recommendations 15
      4.1.3 Accessibility and adaptability findings 15
      4.1.4 Accessibility and adaptability recommendations 16
      4.1.5 International students 17
      4.1.6 International students recommendations 17
   4.2 Regulation, affordability, contractual arrangements and the role of local authorities 17
      4.2.1 Regulation findings 18

4.2.2 Regulation recommendations 19
4.2.3 Affordability and widening access findings 20
4.2.4 Affordability and widening access recommendations 21
4.2.5 Contractual arrangements between HE/FE institutions and private PBSA providers findings 21
4.2.6 Contractual arrangements between HE/FE institutions and private PBSA recommendations 22
4.2.7 Local authorities and PBSA findings 23
4.2.8 Local authorities and PBSA recommendations 23
4.3 The future and PfG review 23
4.3.1 The future and PfG recommendations 24
Annex 1: Costs of PBSA provision in Scotland 25
Annex 2: PBSA and private landlords 29

1. Executive summary

1.1 Introduction and background

This summary describes scoping research carried out to inform the development of a review of Purpose Built Student Accommodation (PBSA). PBSA is a specialised form of housing build for students, which has become more common in recent years. The 2020-2021 Programme for Government (PfG) commits to a review of PBSA:

> "*In the context of the significant growth in purpose built student accommodation and COVID-19, we will conduct in 2021 a review of purpose built student accommodation, in partnership with stakeholders. This will be taken forwards in parallel with work to ensure rent affordability and improving standards across the Private Rented Sector*."[1]

To meet this PfG commitment, in January 2021 the Scottish Government carried out scoping research to identify key themes that the review could consider. The aim of this research was to provide evidence to assist the PfG review of PBSA in:

- Establishing a clear and constructive scope
- Providing data that the Scottish Government currently does not hold and that can inform the PfG review.

1.2 Method

A Research Steering Group was created to oversee the research. A scoping survey, drafted in collaboration with Group members, was used to gather data on PBSA in Scotland. The number of responses received was 46: 42 responses were submitted via the online survey portal and an additional four respondents provided evidence via email. Most respondents were either student representative groups, FE or HE institutions, or private PBSA providers. Quantitative data were analysed on the survey platform, while a thematic coding framework was used to analyse qualitative responses.

1.3 Overview of findings

The survey collected quantitative data on PBSA provision in Scotland, which is documented in the report. This includes information about: cost, contract terms, tenancy agreements, planning and regulation, specialist accommodation, and support for students.

Qualitative data was gathered on a range of topics. The report firstly focusses on qualitative findings related to student needs and wellbeing, sharing survey respondents' views on issues such as:

[1] Scottish Government, Protecting Scotland, Renewing Scotland: The Government's Programme for Scotland 2020-2021, Protecting Scotland, Renewing Scotland: The Government's Programme for Scotland 2020-2021 - gov.scot (www.gov.scot) , p.106

- Mental health and wellbeing support for students.
- Equal access to PBSA.
- The experiences of international students.

The report then focusses on regulation, affordability, contractual arrangements, and the role of local authorities. Topics covered by respondents in relation to these issues include:

- Possible approaches to the regulation of PBSA tenancies.
- Ensuring policies such as widening access are embedded in the provision and regulation of PBSA.
- Contractual arrangements between HE institutions and private PBSA providers.
- The role of local authorities in regulating PBSA planning and development.

Finally, the report briefly shares respondents' views on the future of PBSA and the PfG review. Themes raised by respondents include:

- Future models of PBSA provision.
- Differences between institution and privately provided PBSA.

1.4 Summary of recommendations

Evidence gathered from the scoping survey suggests the review of PBSA should consider a number of issues, although it is likely that this list will need some prioritisation.

1.4.1 Mental health and wellbeing

- The delivery of consistent mental health and wellbeing support for students living in PBSA.
- The way in which relevant codes of practice and guidance, such as ANUK/Unipol codes, can support the delivery of such support.
- How to encourage joined up working between institutions and private PBSA in relation to student mental health and wellbeing.
- The delivery of a minimum liveable standard in PBSA.

1.4.2 Accessibility and adaptability

- The needs of disabled students, including those with ambulatory disabilities, and ensuring equal access to suitable accommodation.
- The cost of accommodation for students who required accessible or adapted rooms.
- How accessibility and equality can be embedded within the regulation of PBSA, ensuring the public sector equality duty is consistently upheld.
- How to ensure flexibility and adaptability in PBSA provision for estranged and care experienced students.
- How PBSA providers can be best supported to meet the needs of the diverse student population.

1.4.3 International students

- The needs and perspectives of international students in more depth, given the range of different perspectives provided in the scoping survey.
- How to ensure international students have access to suitable accommodation and are not placed at risk of financial disadvantage.

1.4.4 Regulation

- The current mechanisms by which PBSA is regulated, for example, in relation to health and safety and HMO licencing
- The fair regulation of PBSA provision in the future, potentially including a specific regulatory regime for PBSA tenancies in Scotland that takes into account the specifics of the PBSA sector, but ensures students have access to the rights enjoyed by other renters.
- The issue of notice periods in more depth, seeking to find a balance between providing students with more flexibility to exit tenancies and the administrative and operational requirements of PBSA.

1.4.5 Affordability and widening access

- How to ensure Scottish Government policies, such as widening access, are reflected in the provision and regulation of PBSA, to ensure fair access to education for students from all backgrounds.
- How affordability is defined and measured in relation to student accommodation
- Current approaches to affordability among PBSA providers
- The alignment of student accommodation costs with student income and expenditure, taking into account average student loan values, as well as the different levels of access to work and family support that students may have.
- The involvement of students and student representative organisations in PBSA rent setting decisions.

1.4.6 Contractual arrangements between HE/FE institutions and private PBSA providers

- The process by which institutions tender contracts with private providers of PBSA, seeking to ensure a greater degree of transparency in this process.
- The issue of contract tendering and whether a more consistent approach would be beneficial, given the mixed views expressed on this topic and the lack of detailed input from institutions.
- The maintenance of student wellbeing and high standards of pastoral support when institutions contract accommodation provision to private providers.

1.4.7 Local authorities and PBSA

- The better engagement of a range of stakeholders in the development of local authority housing strategies and local development plans, including PBSA providers, institutions and student representatives.
- How to include factors such as affordability and community cohesion in local authorities' approach to PBSA, considering whether percentage based models such as the London Plan may enable this.

1.4.8 The future and PfG review recommendations

- The future of PBSA provision and the implications of this upon the review in more depth, given the uncertainties and differing views expressed by respondents at the time of the scoping survey.
- The specifics of private and institution provided PBSA, seeking to find a fair approach to regulation that involves a range of key stakeholders in decision making.

2. Introduction

This report presents the findings of scoping research carried out to inform the development of a review of Purpose Built Student Accommodation (PBSA).

2.1 Background

PBSA is a specialised form of housing built for students to live in, generally taking the form of either:

- 'Cluster' flats, which have multiple private ensuite bedrooms and shared kitchen/living areas
- Private studio flats

In both types of PBSA there are often attached communal facilities, such as gyms or leisure spaces.

PBSA has become more common in recent years, particularly that built and managed by the private sector. At present, Higher Education (HE) institutions and the private sector are the main providers of PBSA in Scotland. The share of PBSA built and managed by the private sector has increased in recent years, with some providing accommodation through contractual arrangements with institutions.

PBSA is excluded from the Private Residential Tenancy (PRT) regime in Scotland. This generally means that PBSA tenancies are common law tenancies, regulated by the contract between landlord and renter, rather than a specific law.

The expansion of PBSA has been accompanied by stakeholder concerns regarding a range of issues such as affordability, tenant's rights, and student mental health and welfare. The COVID-19 pandemic further highlighted issues such as the ability of students to give notice to leave PBSA, although this has been temporarily addressed through the provisions of the Coronavirus (Scotland) (No2) Act 2020 in relation to student tenancies in halls and PBSA.

The 2020-2021 Programme for Government (PfG) commits to a review of PBSA:

> "*In the context of the significant growth in purpose built student accommodation and COVID-19, we will conduct in 2021 a review of purpose built student accommodation, in partnership with stakeholders. This will be taken forwards in parallel with work to ensure rent affordability and improving standards across the Private Rented Sector*."[2]

[2] Scottish Government, Protecting Scotland, Renewing Scotland: The Government's Programme for Scotland 2020-2021, Protecting Scotland, Renewing Scotland: The Government's Programme for Scotland 2020-2021 - gov.scot (www.gov.scot) , p.106

2.2 Purpose and scope of the research

In order to meet the PfG commitment to undertake a review of PBSA, in January 2021 the Scottish Government carried out scoping research to refine the parameters and key themes that the review could consider. The aim of this scoping work was to provide an evidence base to assist the PfG review of PBSA in:

- Establishing a clear and constructive scope
- Providing data that the Scottish Government currently does not hold and that can inform the PfG review.

2.3 Method

A Steering Group comprising stakeholder representatives was set up to inform the scoping research.[3] The Group agreed to gather evidence through an online survey, which was drafted in collaboration with members. The survey contained a combination of multiple choice questions, as well as free-text questions to enable the collection of qualitative data.

In January 2021, the survey was shared with key stakeholders, including universities and colleges, university and college student associations , local authorities, and PBSA providers and representative bodies. The survey remained open for one month.

The majority of respondents were either student representative groups, institutions, and private PBSA providers. Other respondents included local authorities and unions. The overall response rate from local authorities was low.

The total number of responses received was 46: 42 responses were submitted via the online survey portal and an additional four respondents submitted evidence via email. The survey platform generated quantitative data based on responses, while qualitative answers were analysed using a thematic coding framework.

The low sample size achieved for this survey should be noted. Results from this study should be considered indicative only and cannot be generalised to the wider population or sector. The quantitative findings in particular should be treated with caution and have been reported using numbers rather than percentages.

[3] Steering Group membership: ASRA (Association for Student Residential Accommodation), CUBO (College and University Business Officers - the professional association for senior managers of commercial and campus services in higher education), NUS Scotland, SG Officials: Advanced Learning and Science, Housing, Advanced Learning and Skills Analysis

3. Quantitative findings: overview of PBSA in Scotland

The survey collected a range of quantitative data relating to PBSA provision in Scotland. The findings shared in this section are based upon data submitted with PBSA providers via the online survey portal. This section provides a brief overview of key findings in relation to the characteristics of PBSA provision, with further details available in Appendices 1 and 2. Full survey data is available upon request.

3.1 Overview of PBSA provision

Half (23) of survey respondents were PBSA providers. Of those, 10 were university/HE providers, 5 were college/Further Education (FE) providers, and 10 were private providers[4].

Eight respondents managed at least 46 PBSA properties, eight managed between 2-15 PBSA properties, four managed 16-30 properties, and three providers managed a single property. The majority of PBSA properties managed by respondents were based in Edinburgh, Glasgow and Aberdeen.

Of the 23 providers, 20 said that over 200 rooms were available in the properties they managed.

3.2 Rental costs and contracts

Current average weekly costs of room provision (excluding additional services) ranged between £100 - £225, as detailed in the table below:

Table 1: Current average weekly cost of PBSA in Scotland

Please provide details on the current average weekly cost of the rooms you offer, excluding additional services (e.g. laundry, additional internet connectivity)[5]	**Number**
£100	6
£125	6
£150	9
£175	7
£200	2
£225	1
Total	**22**

Details of PBSA room provision costs in 2016 and 2018 are available in Appendix 1.

[4] The question was multi-code so some may fall into more than one category
[5] As above

13 providers reported that they charged additional costs for laundry, in most cases between £1-£5. A small number of providers also charged for additional services including internet connection, gyms and car parking. Full details of additional costs are included in Appendix 1.

The types of contract offered to students varied among PBSA providers, as detailed below:

Table 2: PBSA contract lengths

What contract lengths do you offer students? (tick all that apply)	**N**
Semester tenancies (approx. 16 weeks)	12
Academic year tenancies (approx. 39 weeks)	21
Calendar year tenancies (52 weeks)	13
Other	7
Total	22

The majority of providers (18 out of 21) did not offer non-term time or holiday rent reductions.

Out of 23 providers, 8 reported that they offered bursary schemes to students, such as for care experienced students or students who found themselves in unexpected hardship, while 13 did not and the remaining 2 did not know.

Out of the 21 providers who answered the question, 5 reported that they included students or student representative groups in rent setting, while 15 did not know and one did not know if this was the case.

Out of the 21 providers who answered the question, 9 reported that they had a policy on rent affordability, 10 did not, and 2 did not know if this was the case.

3.3 Tenancy agreements

The types of tenancy agreements offered to students varied among PBSA providers, as detailed below:

Table 3: PBSA tenancy agreements

Please indicate which tenancy agreements apply to students resident in your properties (tick all that apply)	**N**
Regulated tenancies	0
Assured tenancies	4
Short assured tenancies	7
Private residential tenancies	3
Common law tenancies	2
HMOs	10

Lease	2
Short term lease	1
Holiday let (for those with appropriate planning permissions)	1
Other	2
Total	**21**

Six (out of 22) providers also reported that they acted as managing agents for private landlords. Further detail is contained in Appendix 2.

3.4 Planning and regulatory frameworks

PBSA providers reported that a wide range of codes or regulatory mechanisms applied to their businesses:

Table 4: Codes/registration mechanisms applicable to PBSA providers

Please indicate which of the following applies to any of your properties or parts of your business (tick all that apply)	**N**
Letting Agents Code of Practice	4
Register of Landlords	11
Accreditation Network UK	5
Unipol	11
National Code for Large Student Developments	10
Other	1
Total	**18**

Providers were also asked for details about the planning permission attached to their properties, with just over half (12 out of 22) reporting that permissions allowed for non-student use:

Table 5: Planning permission attached to PBSA

Does the planning permission attached to any of your properties allow for non-student use?	**N**
Yes	12
No	6
I don't know	4
Total	**22**

Table 6: PBSA use of planning permission

If you answered yes to the previous question on planning permission, how do you make use of this? (tick all that apply)	**N**
Accommodation for tourists	12
Business lets	2
Other	6
Total	**13**

Finally, providers reported on the percentage of PBSA rooms covered by a contractual or other arrangement:

Table 7: Contractual partnerships, nomination agreements and relationships

Approximately what percentage of your rooms are covered by a contractual partnership, nomination agreement or relationship?	**N**
None	9
1 - 10%	0
11 - 20%	5
21 - 30%	2
31 - 40%	2
41 - 50%	0
51 - 60%	1
61 - 70%	0
71 - 80%	0
81 - 90%	0
91 - 99%	0
All rooms	2
Total	**21**

3.5 Support for students

PBSA providers reported offering a wide range of mental health and wellbeing support for students, as detailed below:

Table 8: Mental health and wellbeing support for students in PBSA

What types of mental health and wellbeing support do you offer to student residents? (tick all that apply)	**N**
Engagement via social media	17
Referrals to university-provided services e.g. counselling	20
Activities to build more supportive communities in residences	19
Provision of information about local and NHS services	21
Staff trained in Mental Health First Aid	17
Student wellbeing check-ups through Res Life	15
Community chat facilities / meeting opportunities	18
Joint projects with Student Associations	14
Joint projects with institutions e.g. collaboration with Student Services at a University	12
Provision for religious observance / festivals	10
Employability support, careers guidance	12
Volunteering opportunities	10
Financial support e.g. rent discounts	12
Other	4

Total	**21**

Providers generally offered some types of specialist or alternative accommodation, with adaptable rooms the most commonly offered:

Table 9: Specialist or alternative accommodation types in PBSA

Do you offer any specialist or alternative accommodation types? (tick all that apply)	**N**
Adapted rooms	18
Adaptable rooms for ambulatory disabilities	11
Adaptable rooms (other)	10
Single-sex halls	4
Accommodation for families	4
Vegetarian or vegan accommodation	3
Quiet blocks	6
Safeguarding accommodation	4
LGBTQ+ flats	1
Other	4
Total	**22**

When providers were asked for more detail about why they did not provide certain types of specialist accommodation, the majority (16 out of 21) said this was because there was not demand.

4. Qualitative findings and recommendations

This section of the report provides an overview of the main themes raised in the free-text response questions in the scoping survey and makes recommendations on the scope of the PBSA review. The findings in this section are based on responses submitted by student representative organisations, HE and FE institutions, private PBSA providers, and others, through the online survey portal and via email.

The section is split into three sub-sections, covering student needs and welfare, regulation, affordability, contract and planning arrangements, and the future of PBSA and the PfG review.

4.1 Student needs and welfare

This section explores findings in relation to mental health and wellbeing, as well as the provision of PBSA to students with specific needs, including disabled students, estranged or care experienced students, and international students.

4.1.1 Mental health and wellbeing findings

Respondents recognised the important role that PBSA providers played in maintaining good mental health and wellbeing among students. Most acknowledged that the nature and quality of support varied between the institutional and private sector, as well as between individual providers.

Respondents from HE/FE institutions outlined that mental health and wellbeing support available within institution-run PBSA was usually aligned with the wider support services available through institutions. Both institutional respondents and student representative organisations generally reported that this resulted in a good level of mental health and wellbeing support for students living in institution-run PBSA.

Respondents shared mixed views on the levels of support available for students in private PBSA. PBSA providers reported steps taken to ensure student wellbeing, particularly around staff training on mental health. However, student representative organisations cited concerns in relation to student mental health and wellbeing, for example, around crisis response (especially out of hours) and signposting to other support services.

PBSA providers noted the dedication and commitment of staff to maintain student wellbeing, particularly during the COVID-19 pandemic. The dedication and caring of frontline staff in PBSA was also acknowledged by several student representative organisations.

Several student representative organisations and PBSA providers reported that a key barrier to provision of effective mental health and wellbeing support in private PBSA was a lack of joined up working between institutions and private providers. Private PBSA providers expressed a strong desire to establish better partnership working with institutions in relation to student wellbeing. Some respondents

suggested institutions could be more proactive in enabling joined up working with private providers.

Student representative organisations highlighted the impact that poor living conditions could have on mental health. Some reported that students experienced a variety of living conditions in PBSA, including issues such as mould and disrepair, and called for the establishment of a minimum liveable standard in PBSA. Student organisations noted that the COVID-19 pandemic had exacerbated mental health and wellbeing among students, particularly when living conditions were sub-optimal and crowded.

Respondents from all sectors highlighted relevant codes and guidance on mental health support for students, including the British Property Federation Student Wellbeing guidance and ANUK/Unipol codes.

4.1.2 Mental health and wellbeing recommendations

Evidence suggests the review should consider:

- The delivery of consistent mental health and wellbeing support for students living in PBSA.
- The way in which relevant codes of practice and guidance, such as ANUK/Unipol codes, can support the delivery of such support.
- How to encourage joined up working between institutions and private PBSA in relation to student mental health and wellbeing.
- The delivery of a minimum liveable standard in PBSA.

4.1.3 Accessibility and adaptability findings

PBSA providers reported different approaches to room/accommodation allocation, with many providers stating that they offered a variety of different options depending on a student's needs, lifestyle, and budget. Affordability is discussed more fully in the next section, and so is not considered in depth here.

Several providers outlined the ways in which PBSA could be reasonably adjusted to meet the needs of disabled students. However, concern was raised by student representative organisations regarding the extent to which PBSA met the needs of disabled students and, in particular, those with specific ambulatory requirements. Quantitative survey data found that, while 81.8% of providers said that they offered adapted rooms, only 50% said that they offered adapted rooms for ambulatory disabilities.

While student representative organisations expressed concern about all PBSA providers with regards to meeting the needs of disabled students, this was particularly highlighted in relation to private provision. Student representatives noted that the provisions of the Equality Act 2010 and, in particular, the public sector equality duty, does not apply to private providers. However, they also highlighted that when institutions provided accommodation via nomination agreements with private

providers, the equality duty did still apply and noted that institutions should ensure that this was upheld.

Respondents from student representative organisations suggested accessibility and equality should be embedded with the regulation of PBSA, particularly in relation to development and planning. Some providers noted that regulatory regimes in some local authorities already required a percentage of accessible rooms to be included in new developments (see section 4.2 for further discussion of the role of local authorities). The provisions of the ANUK/Unipol codes in relation to adapted and adaptable rooms were highlighted by both student and provider representatives.

Student representative organisations drew attention to the high accommodation costs often incurred by students who required adapted rooms. They noted that disabled students already faced additional financial pressures, such as additional travel and equipment costs, and the cost of accommodation added to this. Student representatives suggested that accessible rooms were most often available in newer, more expensive developments, noting that providers often charged higher rates for adapted rooms.

Some institutional and private providers highlighted the high cost of adapting rooms, with some reporting that rooms with significant adaptations would not necessarily be suitable for future tenants and would require further adaptation at cost. Some providers said it would be helpful to have additional financial support to enable adaptations. Others noted that it would be beneficial to have further clarity on what constituted ‘reasonable adjustments’ when considered alongside cost implications.

Respondents shared a variety of perspectives in relation to meeting the needs of care experienced or estranged students. Student representatives emphasised the vulnerability of students in these situations and the challenges they could face finding a guarantor. Respondents noted that PBSA providers sometimes offered flexibility in relation to lease terms and other adaptations, but called for a compulsory guarantor scheme at institutions, to ensure equitable access to student accommodation.

Institutional and private PBSA providers reported a diverse range of different measures in place to support estranged or care experienced students, including flexibility in lease terms to provide accommodation over holiday periods, flexibility around payments, access to hardship funds, and, in two cases, a guarantor scheme. Approaches were not consistent across providers and some providers did not include details of any support measures in place.

4.1.4 Accessibility and adaptability recommendations

Evidence suggests the review should consider:

- The needs of disabled students, including those with ambulatory disabilities, and ensuring equal access to suitable accommodation.
- The cost of accommodation for students who required accessible or adapted rooms.

- How accessibility and equality can be embedded within the regulation of PBSA, ensuring the public sector equality duty is consistently upheld.
- How to ensure flexibility and adaptability in PBSA provision for estranged and care experienced students.
- How PBSA providers can be best supported to meet the needs of the diverse student population.

4.1.5 International students

Respondents provided mixed views on the extent to which PBSA met the needs of international students. In general, private PBSA providers and some institutional providers reported that PBSA was well suited to, and popular among, international students, citing high occupancy rates. Private providers noted the benefits of PBSA for international students, including the ability to organise accommodation remotely and a perceived level of reliability if PBSA was linked to an institution through a nomination agreement.

Institutional and private providers said that the needs of international students could be different to domestic students for a variety of reasons, including that students were often older, may be travelling with family, and may be looking for shorter term accommodation. However, providers also acknowledged that international students often had many of the same needs and requirements as domestic students, especially in terms of affordability.

Some student representative organisations and other respondents highlighted the barriers that international students could face to accessing PBSA, particularly around securing a guarantor. One student representative organisation reported that, as students could often not supply a UK based guarantor, they could be asked to provide 1-6 months' rent (approx. £2000 – £9000) upfront. This was not a viable option for many and could leave students vulnerable to fraud or unable to access a refund if the tenancy ended.

4.1.6 International students recommendations

Evidence suggests the review should consider:

- The needs and perspectives of international students in more depth, given the range of different perspectives provided in the scoping survey.
- How to ensure international students have access to suitable accommodation and are not placed at risk of financial disadvantage.

4.2 Regulation, affordability, contractual arrangements and the role of local authorities

This section outlines findings and recommendations in relation to the regulation of PBSA, affordability and widening access, contractual arrangements between institutions and private PBSA providers, and the approach of local authorities towards PBSA.

4.2.1 Regulation findings

Respondents expressed mixed and complex views on the regulation of PBSA in Scotland. As noted in the introduction, PBSA is excluded from the Private Residential Tenancy (PRT) regime in Scotland. This generally means that PBSA tenancies are common law tenancies, regulated by the contract between landlord and renter, rather than by a specific law.

Student representative organisations and some institutional PBSA providers expressed concern that the exclusion of PBSA from the PRT regime meant that students did not enjoy the rights available to private tenants. These include rights such as: a reasonable state of repair, notice about rent increases, 48 hours' notice of landlord entry to the property to carry out repairs, and the right not be discriminated against. Private residential tenants are also protected from illegal charges and are able to give 28 days' notice to end the tenancy.

The issue of notice periods was raised by student representative organisations as a particular concern in relation to the regulation of PBSA. Respondents said the COVID-19 pandemic had highlighted that those living in student accommodation were unable to leave their accommodation early, in many cases paying several months' rent for accommodation they were not using. While respondents noted that the Coronavirus (Scotland) (No.2) Act 2020 had enabled students to leave accommodation contracts for reasons relating to COVID-19, student representatives raised concerns regarding obstructive practices from some PBSA providers. A student representative organisation cited reports of providers asking for a doctor's note or evidence that a course would be exclusively delivered online, before allowing students to end their tenancy. However, student representatives also praised the impact of the Coronavirus (Scotland) (No2) Act 2020, noting that it had enabled over 6000 students to end their tenancies early.

Providers expressed concern about the possibility of enabling students to give notice on PBSA tenancies in the same way as would be possible in a private tenancy. Private providers noted that the right to give 28 days' notice afforded to students in the Coronavirus (Scotland) (No.2) Act had led to financial losses for the sector and expressed concern about the impact this change would have if made permanent. Both institutional and private providers highlighted that the PBSA model operated on the basis of students renting accommodation for the whole term time and that if this was changed, it would be both administratively challenging and costly. Some providers said this would make PBSA a less attractive investment option and undermine the viability of some PBSA schemes, as well as potentially leading to increased rent costs. An institutional provider said that it would be beneficial if a middle ground could be found where the exit options available to renters could be balanced with the needs and operational requirements of PBSA.

Institutional PBSA providers and several student representative organisations often differentiated institutional PBSA from private PBSA when discussing regulation. Respondents noted that institutions and students had a different relationship than that between private providers and students, because institutions had different obligations in terms of student wellbeing, provided a greater range of support services, and provided a more effective safety net for students at risk.

In general, respondents from all sectors said that the regulatory approach used for private residential tenancies would not be appropriate for PBSA. Providers highlighted several differences including: the need for term limited tenancies, the higher support needs of students when compared with private renters, and the expectation that PBSA would include communal areas and additional facilities. While student representative organisations also acknowledged that PRT would not necessarily work for PBSA, many strongly emphasised that the different needs of students did not mean they should be wholly excluded from the rights available to other renters. Student representative organisations suggested a specific regulatory regime for PBSA was required, which took into account the specificities of student accommodation, but also ensured students had access to the same protections as private renters, particularly in relation to quality of accommodation, availability of recourse when things went wrong, and the right to give notice.

Several private providers noted that, in certain regards, PBSA providers were regulated to a higher standard than the private rental sector. Some respondents noted that, as PBSA were generally modern, purpose built developments, they were regulated to a high standard in terms of planning and health and safety, especially when compared to the private rental sector. Some respondents cited issues of poor quality and maintenance in the private rental sector. Some respondents noted the responsibilities placed on PBSA providers during the COVID-19 pandemic in relation to delivering food parcels and ensuring student wellbeing, which were not applicable to private landlords.

Several private providers and representatives of the property sector highlighted that PBSA providers were often signed up to relevant ANUK/Unipol Codes, which provided rigorous oversight and annual inspection. Providers also highlighted that the sector was further regulated by HMO licencing.

Respondents were asked to comment specifically on HMO licencing in relation to different approaches across local authority areas and the impact of this on rental costs. Private providers highlighted that approaches to HMO licencing differed across local authorities and that this could be confusing and overly bureaucratic. Providers varied in their views as to whether HMO licencing impacted on rent costs – some said that it did, because higher costs had to be recouped via rent, while other said that rent pricing was primarily market driven.

4.2.2 Regulation recommendations

Evidence suggests the review should consider:

- The current mechanisms by which PBSA is regulated, for example, in relation to health and safety and HMO licencing
- The fair regulation of PBSA provision in the future, potentially including a specific regulatory regime for PBSA tenancies in Scotland that takes into account the specifics of the PBSA sector, but ensures students have access to the rights enjoyed by other renters.

- The issue of notice periods in more depth, seeking to find a balance between providing students with more flexibility to exit tenancies and the administrative and operational requirements of PBSA.

4.2.3 Affordability and widening access findings

PBSA providers were asked for details of factors that influenced decisions on rent setting. The majority of providers cited market rates and/or the Retail Price Index (RPI). Other factors mentioned included: age/condition of the property, additional services provided (such as laundry and internet), operating costs (such as maintenance, insurance, licences and staffing), and comparison with competitors. Several institutional PBSA providers said that student feedback or input from student representative organisations influenced rent setting decisions. Two institutional providers cited affordability as a factor.

As described in section 3.2, 23.8% of providers said that they involved students or student organisations in rent setting, while 71.4% did not. When those who reported they did involve students in rent setting were asked for more detail, they generally reported that representatives from student unions were involved in the process, in many cases via a rent setting group or forum. One provider said that they did not 'officially' involve students in the process, but took on-board feedback from residents.

Student representative organisations were unanimously of the view that PBSA rent costs were too high for many or the majority of students. Respondents pointed out that the cost of PBSA generally exceeded the value of the average student loan, as well as exceeding inflation. Students renting PBSA therefore required financial help from family or a part time job to subside living costs. Some respondents expressed concern that PBSA rental costs would increase significantly in the future, as a result of the financial losses experienced by providers during the COVID-19 pandemic.

Several institutional and some private PBSA providers echoed comments that the cost of PBSA was too high for many students, noting that those renting PBSA often had financial support from family or supplemented their income with part time work. Institutional providers talked about steps taken to try and ensure PBSA was available at a range of price points, to meet different budgets. Some institutional providers noted that they tried to keep accommodation in line with student financial support rates. One private provider respondent referred to a practice of ring-fenced 'affordable' rooms being ineffective, as these could be and were often taken up by more affluent students. However, student representatives made reference to the London Plan as a good practice example of room ring-fencing. The Plan requires all affordable rooms to be owned by a university or under a nomination agreement, enabling universities to allocate rooms to students most in need, using widening access and other data. The London Plan is discussed further in section 4.2.7.

Both private and institutional providers explained the cost of PBSA with reference to the additional services available in such accommodation, like gyms and communal facilities. Several providers noted that PBSA offered better value than privately rented accommodation, because it was of a higher quality, more transparent about rental costs, and often included additional services. Private and institutional

providers also noted that rates could vary between cities, with market rates informing rent costs.

Student representative organisations highlighted that many students sought basic, affordable accommodation, and did not necessarily desire extra services such as gyms. One respondent suggested that there was a gap in the market for a ‘Premier Inn’ style accommodation provider, offering high-quality, no frills accommodation at an affordable price point.

Respondents were asked about their knowledge of other relevant Scottish Government policy areas, such as widening access, and how PBSA provision supported this. Student representative organisations highlighted the relationship between affordable accommodation and fair access to education, noting that unaffordable rents presented a barrier to students from poorer backgrounds attending university. Respondents noted that this could increase the likelihood of students from poorer backgrounds taking on more debt, or being priced out of their institution of choice.

Student representative organisations noted that many students did not have access to familial support, particularly if they were from low income families, were estranged or care experienced. There was concern that this limited the opportunities available to young people from deprived or low income backgrounds, because they could not afford to live away from home to attend university, or would need to work excessive hours to cover costs. These concerns were shared by some institutional respondents.

Institutional and some private providers displayed an awareness of Scottish Government policy around widening access, with some institutional and one private provider noting that they offered financial support to students experiencing hardship.

4.2.4 Affordability and widening access recommendations

Evidence suggests the review should consider:

- How to ensure Scottish Government policies, such as widening access, are reflected in the provision and regulation of PBSA, to ensure fair access to education for students from all backgrounds.
- How affordability is defined and measured in relation to student accommodation
- Current approaches to affordability among PBSA providers
- The alignment of student accommodation costs with student income and expenditure, taking into account average student loan values, as well as the different levels of access to work and family support that students may have.
- The involvement of students and student representative organisations in PBSA rent setting decisions.

4.2.5 Contractual arrangements between HE/FE institutions and private PBSA providers findings

Respondents were asked to comment on current contractual arrangements between HE/FE institutions and private PBSA providers, including in relation to tender processes. In general, respondents reported that a wide variety of contractual relationships existed between institutions and private providers and that a range of tender processes were followed. Respondents had mixed views on whether this variation in approach was desirable.

Private PBSA providers generally responded that the current approach to tendering contracts worked well, although some said that they had limited understanding of decision making processes within institutions. There was acknowledgement that approaches varied between institutions and providers, but respondents said this offered a positive and necessary degree of flexibility. Few institutional respondents supplied answers to this question, but one noted that the relationship with private providers could be complex to manage and that further guidance on this area may be beneficial.

Student representative organisations called for greater transparency around the contractual relationships between institutions and private PBSA providers, to ensure that: best value for money was achieved, student wellbeing was addressed within contractual arrangements, and affordability was considered as part of the process. Respondents noted that the COVID-19 pandemic had highlighted inconsistencies in approaches, with students living in institution run PBSA able to withdraw from their tenancies, whereas this was initially not the case for those in private PBSA contracted by institutions.

Student representative organisations raised concerns in relation to student wellbeing, noting that students were not always aware that they would be living in accommodation delivered by a private provider, rather than their institution. Respondents emphasised that students in their first year (and their parents) generally had an expectation that institutionally provided PBSA would offer higher levels of pastoral support. Respondents suggested that, if institutions did not house students exclusively in institution run accommodation, they should ensure robust nomination agreements were in place with private providers.

4.2.6 Contractual arrangements between HE/FE institutions and private PBSA recommendations

Evidence suggests the review should consider:

- The process by which institutions tender contracts with private providers of PBSA, seeking to ensure a greater degree of transparency in this process.
- The issue of contract tendering and whether a more consistent approach would be beneficial, given the mixed views expressed on this topic and the lack of detailed input from institutions.
- The maintenance of student wellbeing and high standards of pastoral support when institutions contract accommodation provision to private providers.

4.2.7 Local authorities and PBSA findings

There was a consensus among respondents that approaches towards PBSA varied between local authorities. Some institutional providers said that they currently worked in effective partnership with their local authority. One private provider cited the approach of Edinburgh City Council as a positive example, explaining that larger PBSA developments had to ensure 50% of the accommodation was mainstream residential/affordable housing. The provider noted that this helped build a sense of community and provided accommodation that met local needs.

Other providers were less positive about their relationship with local authorities, and some were critical of approaches whereby a percentage of a development was allocated to affordable or mainstream housing. One noted that the types of sites suitable for student accommodation may not be suitable for mainstream housing, particularly in smaller, less central locations. Some providers were also critical of approaches whereby institutional support was required before planning permission would be granted for a PBSA development, suggesting this undermined fair competition.

Several respondents from all sectors said that they would welcome more engagement from local authorities around planning, housing strategies and local development plans, and this should involve a range of stakeholders (including PBSA providers, institutions, and student representatives). Student representative organisations said that better engagement from local authorities around planning and housing strategy would lead to better community cohesion and could also help to address affordability concerns. Some respondents cited the example of the London Plan whereby, to secure planning permissions in Greater London Authority, PBSAs had to commit to having 35% of their rooms available to rent at an ‘affordable’ rate (55% of the maximum possible maintenance loan available to a UK undergraduate living away from home). The plan also stipulated that all new PBSAs had to be delivered by a university, or, if delivered by a non-university provider, had to have at least 50% of bed-spaces governed by a formal ‘Nominations Agreement’ with a university. All ‘affordable’ bed-spaces had to fall within the nominated 50% to ensure the university could allocate those rooms to students most in need of affordable accommodation.

4.2.8 Local authorities and PBSA recommendations

- The better engagement of a range of stakeholders in the development of local authority housing strategies and local development plans, including PBSA providers, institutions and student representatives.
- How to include factors such as affordability and community cohesion in local authorities’ approach to PBSA, considering whether percentage based models such as the London Plan may enable this.

4.3 The future and PfG review

This final, brief section of the report provides an overview of respondent feedback in relation to the future of PBSA and the PfG review. In many cases, answers to this

section reiterated topics that had been addressed elsewhere in the survey, so only issues not already covered in the report are highlighted.

Respondents expressed mixed views on the future of PBSA. Several student representative organisations and some institutional respondents suggested that full time accommodation would be in less demand in the future, as blended and online learning became more commonplace. As a result, respondents suggested students would seek a greater degree of flexibility in tenancy arrangements, such as short term contracts.

Some providers said that they anticipated a need to integrate a greater degree of flexibility into their approach to accommodate demand, and that this could potentially include a greater shift towards co-living. However, other institutional and many private providers highlighted that students still desired a full 'student experience' on campus, including living away from home and with other students, even when learning was not face-to-face. Some providers noted that it was too early to fully appreciate the impact of COVID-19 on the sector and therefore to comment in detail on what the future may hold.

Commenting on the potential outcomes of the PfG review, institutional and private PBSA providers expressed different views on the way in which their respective sectors should be considered. Some institutional providers noted that institutional PBSA played a distinct role in the functioning of universities, particularly in relation to recruiting and retaining students, as well maintaining student wellbeing. One provider noted that institutional PBSA should be therefore be differentiated from private PBSA, given the breadth of wellbeing and pastoral support provided by institutions and the way in which this was linked to wider support structures within institutions.

Several private PBSA providers suggested that private and institution run PBSA should be treated equitably in future regulatory arrangements, with both involved in housing and planning policy alongside student representatives, local communities and institutions. Council tax liability was highlighted as an area of discrepancy between institutional and private providers, which private providers suggested should be addressed if a genuinely equitable relationship between providers was to be achieved.

4.3.1 The future and PfG recommendations

Evidence suggests the review should consider:

- The future of PBSA provision and the implications of this upon the review in more depth, given the uncertainties and differing views expressed by respondents at the time of the scoping survey.
- The specifics of private and institution provided PBSA, seeking to find a fair approach to regulation that involves a range of key stakeholders in decision making.

Annex 1: Costs of PBSA provision in Scotland

Table 10: Average weekly cost of PBSA rooms in 2018[6]

Please provide details on the average weekly cost of the rooms you offer, excluding additional services (e.g. laundry, additional internet connectivity) as it cost in 2018.	**N**
£50	1
£75	1
£100	6
£125	6
£150	9
£175	7
£200	0
£225	0
£250	0
£275	0
£300	0
more than £300	0
I don't know	1
Total	**21**

Table 11: Average weekly cost of PBSA rooms in 2016[7]

Please provide details on the average weekly cost of the rooms you offer, excluding additional services (e.g. laundry, additional internet connectivity) as it cost in 2016.	**N**
£50	0
£75	3
£100	8
£125	6
£150	8
£175	1
£200	0
£225	0
£250	0
£275	0
£300	0
more than £300	0
I don't know	2
Total	**20**

[6] The question was multi-code so some may fall into more than one category
[7] As above

Table 12: Additional Costs – Laundry

Laundry	**N**
£1 - £5	7
£6 - £10	5
£11 - £15	1
£16 - £20	0
£21 - £25	0
£26 - £30	0
£31 - £35	0
£36 - £40	0
£41 - £45	0
£46 - £50	0
Over £50	0
Total	**13**

Table 13: Additional Costs – Internet

Internet	**N**
£1 - £5	1
£6 - £10	0
£11 - £15	0
£16 - £20	0
£21 - £25	0
£26 - £30	0
£31 - £35	0
£36 - £40	0
£41 - £45	0
£46 - £50	0
Over £50	0
Total	**1**

Table 14: Additional Costs – Internet connectivity

Additional internet connectivity	**N**
£1 - £5	0
£6 - £10	1
£11 - £15	0
£16 - £20	0
£21 - £25	0
£26 - £30	0
£31 - £35	0
£36 - £40	0
£41 - £45	0
£46 - £50	0
Over £50	0
Total	**1**

Table 15: Additional Costs – Car parking

Car parking	**N**
£1 - £5	1
£6 - £10	0
£11 - £15	1
£16 - £20	0
£21 - £25	0
£26 - £30	0
£31 - £35	0
£36 - £40	0
£41 - £45	0
£46 - £50	0
Over £50	0
Total	**2**

Table 16: Additional Costs – Gym

Gym	**N**
£1 - £5	0
£6 - £10	1
£11 - £15	0
£16 - £20	0
£21 - £25	0
£26 - £30	0
£31 - £35	1
£36 - £40	0
£41 - £45	0
£46 - £50	0
Over £50	0
Total	**2**

Annex 2: PBSA and private landlords

Those respondents who did act as managing agents provided further detail about the proportion of rooms owned by private landlords, tenancy arrangements, and relevant practice codes:

Table 17: Proportion of PBSA rooms owned by private landlords

If you answered yes to the question of whether rooms within your properties are owned by private landlords, approximately what proportion of rooms within your properties are owned by private landlords, for whom you are the managing agent?	**N**
0 - 10%	1
11 - 20%	1
21 - 30%	0
31 - 40%	0
41 - 50%	0
51 - 60%	1
61 - 70%	0
71 - 80%	0
81 - 90%	0
91 - 100%	3
Total	**6**

Table 18: Tenancy agreements in PBSA rooms owned by private landlords

If you answered yes to the question of whether rooms within your properties are owned by private landlords, please indicate which tenancy agreements apply to students resident in rooms/properties that are owned by private landlords, for whom you are the managing agent (tick all that apply)	**N**
Regulated tenancies	0
Assured tenancies	1
Short assured tenancies	1
Private residential tenancies	1
Common law tenancies	1
HMOs	2
Lease	0
Short term lease	0
Holiday let (for those with appropriate planning permissions)	0
Other	0
Total	**5**

Table 19: Codes/registrations mechanisms applicable to rooms owned by private landlords

If you answered yes to the question of whether rooms within your properties are owned by private landlords, please indicate which of the following applies to those properties or rooms which are owned by private landlords, for whom you are the managing agent (tick all that apply)	**N**
Letting Agents Code of Practice	5
Register of Landlords	5
Accreditation Network UK	3
Unipol	3
National Code for Large Student Developments	3
Other	0
Total	**6**

social research

© Crown copyright 2022
You may re-use this information (excluding logos and images) free of charge in any format or medium, under the terms of the Open Government Licence. To view this licence, visit http://www.nationalarchives.gov.uk/doc/open-government-licence/ or e-mail: psi@nationalarchives.gsi.gov.uk.
Where we have identified any third party copyright information you will need to obtain permission from the copyright holders concerned.

The views expressed in this report are those of the researcher and do not necessarily represent those of the Scottish Government or Scottish Ministers.

This document is also available from our website at www.gov.scot.
ISBN: 978-1-80201-884-4

The Scottish Government
St Andrew's House
Edinburgh
EH1 3DG

Produced for
the Scottish Government
by APS Group Scotland
PPDAS1000418 (01/22)
Published by
the Scottish Government,
January 2022

GSR
GOVERNMENT SOCIAL RESEARCH
Social Science in Government

Social Research series
ISSN 2045-6964
ISBN 978-1-80201-884-4

Web Publication
www.gov.scot/socialresearch

PPDAS1000418 (01/22)