

14 April 2020

Alistair Jarvis  
Chief Executive  
Universities UK  
Woburn House  
20 Tavistock Square  
London  
WC1H 9HQ

Dear Mr Jarvis

As the body representing private sector landlords I write regarding the position of students and their rental accommodation in light of the coronavirus outbreak.

Over recent weeks we have received correspondence from a number of deeply concerned members about universities pressing landlords to waive the rent owed by students in cases where properties have been vacated early. Our concern is that in doing this they are indirectly encouraging students to walk away from rental contracts without paying the rent due without properly highlighting the serious consequences of unilaterally breaking a legal contract.

Our advice to landlords has been clear and is guided by the Government's position. Ministers have repeatedly confirmed that where they have the means, tenants should pay the rent due and abide by their contracts. We have counselled our members that, where tenants face difficulties in paying their rent because of a loss of income resulting directly from the impact of the pandemic, they should be as flexible as possible in helping them but are acutely aware that not all providers of student accommodation are equally able to absorb unexpected losses.

For those landlords with mortgages, the three months deferral of payments agreed with lenders will help them offer that flexibility to some tenants. However, given that the mortgage payments are only deferred, any commensurate deferral of rent offered to tenants would require a suitable rent repayment plan to catch up on the missed payments. This would clearly not be easy to achieve in cases where students are nearing the end of their contract.

We know from reports from members that many are doing as much as they can to support their tenants. That said, not all landlords are in a position to simply waive or cut rents for a period of time. As the Government's most recent landlord survey for England showed:

- 94% of landlords rent property as an individual.
- 45% of landlords have just one rental property.
- The average (median) gross rental income is £15,000 per annum. From these they have to meet several costs like insurance, licensing, management fees, maintenance and renewals.
- The average (median) non-rental income for landlords was £25,000 per annum. 39% of landlords reported a gross non-rental income of less than £20,000.

The reality is that the majority of landlords, contrary to public perception, are not well-off and indeed, many rely on their rental income for their livelihood.

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If properties were to be left unexpectedly empty by students, there are a number of additional costs landlords still need to meet including insurance, council tax, utilities, tenancy management fees and compliance with licensing schemes.

In light of all this we would please ask that UUK writes to its members as a matter of urgency to:

- Remind them of the Government's clear guidance that: *"Tenants should continue to pay rent and abide by all other terms of their tenancy agreement to the best of their ability."* We note that students are continuing to receive their maintenance loans in full at a time when many other outgoings, such as shopping and leisure activities are likely to have fallen.
- Encourage universities to take a more collaborative approach to working with landlords. Just as we are asking landlords to show as much flexibility as they are able, we would hope universities will understand the financial difficulties that will be caused if students walk away from contracts without paying their rent.

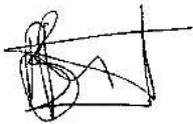
Clearly there are no easy answers at a time like this, but underpinning it all is a need to ensure the supply of sufficient accommodation when students return. Unless landlords have the confidence to remain in the rental market, access to such housing will become increasingly difficult for students, increasing costs and building up a considerable housing crisis.

I am copying this letter to the ministers for housing and universities and I should be happy to discuss these issues with you further.

Given the widespread interest in this matter we will be making this letter publicly available.

I look forward to hearing from you.

Yours sincerely,



**Ben Beadle**  
Chief Executive