



Northern Ireland
Assembly

Committee for Communities

OFFICIAL REPORT (Hansard)

Private Tenancies Bill: National Union of
Students - Union of Students in Ireland

9 November 2021

Ms Armstrong: Perhaps turn up your microphone, Ellen.

The Chairperson (Ms P Bradley): What are we going to do here? It is not the first time that this has happened. You could try dialling in, Ellen, if you have access to a phone. We will not see your face, but we will hear you.

Members, take your ease again.

Ellen, can you hear us?

Ms Fearon: Yes, I can hear you. Can you hear me?

The Chairperson (Ms P Bradley): I can indeed. That is brilliant. Thank you, Ellen, for doing that.

Ms Fearon: I am sorry about that.

The Chairperson (Ms P Bradley): You are all right. We have technical difficulties every week. All Committees do, so this is nothing unusual.

I thank you for coming to brief the Committee. Do you want to go ahead and start?

Ms Fearon: Thank you so much for having me.

Housing is one of the key issues for student populations. You have our consultation response to the Bill in your papers. It provides more in-depth information on each clause. During my presentation, I will address the main housing challenges that students face. They are supply, affordability and quality. I will briefly consider each in turn.

Typically, Northern Ireland students have been more fortunate with supply than others on this island, in that housing has generally been more readily available. Although it is still unaffordable when compared with what is offered by student finance, at least rent is set at a lower rate here than we see elsewhere. However, that is changing, and, in the past few months, we have seen it change quite drastically. While much of the Bill considers quality of housing and rental protection, it is important to consider the pressure on supply. For us, the supply pressure is often what forces student tenants into accepting poor conditions and makes them unwilling to upset a landlord for fear of eviction.

PropertyPal has estimated that there has been a 51% drop in available rental properties compared with 2019. HomeLet has estimated that Northern Ireland has seen an increase of 11.6% in average rental values between October 2021 and the same time last year. As a bit of a case study on this, one Ulster University student told us:

"I have been trying to get a house since March. Originally, we were looking for four people. That went down to two around June time due to the lack of HMO housing. I was working in the city centre in a retail job I absolutely loved. Over the summer, my housemate and I viewed no less than 15 or so houses and, to date, maybe 30-plus houses. Nowhere will accept me. Most letting agents will not reply with reasoning and they will not tell me if I have been denied or accepted. Many people asking to apply who are only in full-time employment and they will not accept any students. At the end of August, I had to place myself on sick leave from my job and, by two weeks into the month, I had to quit as there was simply no housing available. My current commute sees me travelling an hour-plus each way, with close to 100 miles a day. I have been displaced from the place I have lived for almost four years."

Many students have been left in that position this year, and, according to Queen's students' union, the main type of student that it is currently supporting is international students with families, who have arrived with their children and ended up with nowhere to live. While preparing this presentation, we were told by the union that, in the past week, three or four students have told the union that they will have to drop out of their course and return to their home country if they cannot find accommodation here.

When it comes to affordability issues, students in Northern Ireland have access to the lowest levels of student finance in the UK. Grants, loans and bursaries in higher and further education have not increased in line with inflation for about 10 years, meaning that students today are roughly 20% worse off than their counterparts were a decade ago. Many students supplement their income with part-time

work, and the Ulster Bank student living index found that students in Northern Ireland work the second-highest number of hours across the UK. That can have serious mental and physical health implications as many students are, in order to survive, working long hours on top of studying full-time courses. In that context, it is really easy to see why rent can place a significant financial burden on students. In our paper, we have outlined several figures that show the high proportion of student income that goes on rent payment and the high number of students who experience continuous worries about meeting their basic living expenses. With rent costs across Northern Ireland rising substantially and student finances still not rising in line with inflation to match those rent increases, the pressure that students are under when it comes to rent affordability is likely to continue or get worse.

Lastly, I will mention quality. As we all know, student housing and poor-quality housing are so synonymous that it has almost become a bit of a running joke and something that many people think they simply have to accept when they move into student housing. Very often, students live in houses owned by landlords who rent to students year-on-year, meaning that they do not have to develop a long-term relationship with their tenants. They can more or less be guaranteed that their houses will be filled and that their tenants will be fairly new to renting and may not be fully informed of their renter rights. What is more, most students do not have a good understanding of the mechanisms available to them if they complain if they are having problems with their landlord, and, if they are on short-term fixed tenancies, they may decide that the effort of fighting their landlord is simply not worth it. In recent months, we have heard the story of a student who had a leak that the landlord did not get repaired for some time, which resulted in damp and mould. When it did get fixed, it was done in the most economical way possible, rather than the correct way. The leak returned, and the same thing happened again and again. We have heard from a student who paid for a furnished property that had a broken bed frame and a mattress that was not able to be slept on, but the landlord simply refused to replace the items and the issue took several months to be resolved.

Speaking from personal experience, I have been through it all. I have had mice in my student housing. My kitchen roof caved in in the middle of the night, and it rained in our apartment for eight hours. I have had a landlord refuse to fix the lock on our front door, and that resulted in a man walking in on me sleeping in the middle of the night, which was beyond terrifying. There are so many more stories like that. We also recently ran a student "house of horrors" campaign, and we heard hundreds of similar stories from students. Those issues cause significant stress to students, who do not usually have the financial means to resolve housing problems themselves.

The overall point of the presentation is that supply, affordability and quality are, and have been for some time, the most prominent challenges that students face when it comes to housing. Our consultation response shows that a lot of the issues addressed by this Bill are very positive, particularly for low-income student tenants who deal with the most insecure and inadequate housing. However, the Bill does not go far enough to tackle any of those issues very extensively. It is a welcome first step, but we definitely need to see more. I am happy to take any questions from the Committee.

The Chairperson (Ms P Bradley): That is brilliant, Ellen. Thank you so much. We are fully aware that there are another level of issues faced by you and your cohort when it comes to student housing. It is a bit scary. You said it there: it is guaranteed that these houses will be filled, so there really is no pressure put on landlords to have housing that is fit for people to live in. It is interesting that almost 30% of student renters are asked to pay a deposit before they have seen their tenancy agreement. You also brought up the issue that international students may not have a bank account and, therefore, they are paying in cash. You have raised various other issues as well. Have you any ideas for amendments that you think that we could put forward and look at to help with the many issues that student renters face?

Ms Fearon: I am happy to send over something that lays this out a bit more. There is a range of things that are not covered in the Bill that we would like to see. First, when it comes to evictions, it was suggested that there should be a four-week eviction period for those who are on a lease of a year or less, and that is mainly students. It is very rare for a student to have a tenancy agreement for more than a year. We would like to see that extended to 12 weeks, in line with current emergency legislation.

The Bill fails to provide any restriction on the level of rent increases a landlord can implement. While it is welcome that there is a limit on rent increases to only once in a 12-month period, there is no limit on how much the rent can increase by, and that is really worrying. We would like to see more measures put in place not only to limit the deposit paid by a renter to one month's rent but to limit the amount of rent that can be charged in advance. Often students, particularly international students, are asked for

three or four months rent up front. We would like to see that included in the Bill. There is a list of issues that are included in the briefing. If it is helpful, I am happy to lay out some more information on exactly what steps we would like to see.

The Chairperson (Ms P Bradley): Absolutely, Ellen. If you could do that, we would really appreciate that. We want to help and make things better for students and for all renters. Certainly, we want to help with that.

I am going to talk about something a wee bit different: we do have the HMO legislation. I sat on the Committee several years ago when it looked at HMO legislation. Just on the side, how is that working for students?

Ms Fearon: To be honest, I am not sure. I do not think that much has changed for student renters. The introduction of that legislation has not seen any improvement, but, to be honest, I do not have the information available. I do not even have anecdotal evidence to answer that question. Again, I am happy to get back to you on that. Overall, student renters have not seen any positive changes in the past few decades. Things are only getting worse, and we have really seen that in the past four months with the lack of supply and rent increases in particular.

The Chairperson (Ms P Bradley): Thanks for that. I know that it was not part of this briefing, but it would be interesting to know.

You made a very good point about the notice to quit. As you say, many of those student renters will not have that full 12 months. There are issues about protection for those students as well that I had not taken into account. Thank you for that. I will open up to the floor for questions.

Ms Armstrong: Ellen, thank you very much for your presentation. I will declare an interest at this stage as the mum of a student who is living in student accommodation, but also as a person who lived in some dumps in my time when I was a student. It does not sound as if it has got too much better if you cannot open your kitchen cupboard because it is full of black mould.

Ellen, I want to pick your brains on a few things. Based on the research that you guys have done, what is the average length of contract for students? Is it still 12 months, or are landlords pushing it to 56 weeks or more?

Ms Fearon: It is still 12 months. In the private sector, it is usually 38 weeks for purpose-built properties. More often than not, it is still a 12-month lease.

Ms Armstrong: From what you know so far, is there any ability for landlords to extend a contract month-by-month? I am thinking in particular of students being asked to leave at a time when they are going through exams at the end of their year of study, which is an issue that you brought up.

Ms Fearon: To be honest, it is very rare. How student housing normally works is that, for example, if a student starts their lease in August, by February time, landlords will want to know who is taking over the house next. If they are staying, the landlord will want that set in concrete by March time. At that stage — six months before a student even leaves — they have to sign on to that lease again or declare that they are leaving. There is usually very little room for students to extend their lease by a month or two.

Ms Armstrong: My next question was going to lead on to that. In my first and second year, I stayed in the same house. Thankfully, for that house, I had a good landlord. Sadly, I left in third year and went into a dump. Are you saying that, where a student wants to extend their contract by a further 12 months, the landlord will ask for another deposit?

Ms Fearon: No. If they are staying in the house, usually the deposit will just carry over into the next tenancy agreement. However, an issue arises if the student leaves that tenancy and has to sign up to another tenancy, say, six months before they have left their current one, because they have to pay a deposit and one month's rent, which, on the current levels of student finance, has been really problematic.

Ms Armstrong: On the deposit return, when I was a student — I dread to think that it may happen again with my daughter — deposits were like hen's teeth to get back. Based on the research that you

guys have done, are deposits being returned, or is the same thing happening whereby every excuse under the sun is used not to return a deposit?

Ms Fearon: You probably will not be surprised to hear that not much has really changed. As a student, it is incredibly difficult to get your deposit back. Again, that largely comes down to the fact that there is a bit of a power imbalance, because students maybe do not know their rights. Also, because they are on such short-term contracts, they are a bit afraid to challenge landlords. I got £100 taken off my deposit one year because I forgot to brush under my bed. Stuff like that is so common. Again, in a huge number of properties, landlords do not register the deposits under the tenancy deposit scheme, and students, again, are not really aware that that is meant to happen. So there is an awareness problem, and, again, landlords will sometimes do anything under the sun not to give back a full deposit.

Ms Armstrong: Just thinking about that, as part of this legislation, there is a proposal that a receipt be given for any rent that is paid in cash. We are thinking about possibly amending that so that a receipt would have to be given for any cash payments. Am I right in thinking that a lot of those deposits are being paid in cash?

Ms Fearon: Yes. It is quite likely that, if the rent is being paid in cash, the deposit that is paid as part of the tenancy agreement will be paid in cash as well. We are supportive of the proposal for landlords to have to give a receipt.

Ms Armstrong: Thank you very much for your answers. Just finally, I am thinking about communications. Say a first-year student goes into university or further education college. They are heading off. How aware do universities and students' unions make student tenants aware of the landlord register and support for students, even after their first year? Does something need to be done on communication to make sure that you know your rights as a renter?

Ms Fearon: Absolutely. We would be very supportive of the Department and universities running a public information campaign on the rights of student renters. We have included some research on that in the pack. For example, over 57% of student renters feel that they know where to seek advice on housing issues. That means that 43% have no idea. Sometimes, mechanisms to report housing problems are not very clear and easily accessible, particularly, again, because students are a unique cohort. When they are moving to or starting university for the first time, there are so many massive changes in their lives that they have to get used to and so many different things to be aware of. That definitely comes into it.

We would definitely support a public information campaign. I suppose that it would need to be year-long, from the stage when students first pay their deposits and sign their tenancy agreements to the stage around February or March when that happens again. That is where a lot of issues come up when students are still in a tenancy agreement and have to sign up for a new one for six months' time. That is when we see a lot of problems arise. A lot more awareness is definitely needed.

Ms Armstrong: Thank you very much. Ellen, in the past 12 months, there was an enormous problem with student housing, especially in Belfast. A lot of the students who chose to move into multiple accommodations — for instance, the high-rises that are particularly for students — will be moving out and trying to find properties across Belfast. Has any support been given to students by the students' union or other bodies to alert them to the pressures that there will be with the lack of student accommodation? Given that this Bill may receive Royal Assent in advance of the next student year, has there been any discussion of it through students' unions or through your own union?

Ms Fearon: We run a campaign on student housing that brings light to a lot of those issues. However, to be honest, the responsibility lies with the universities to have such direct contact with students. I have not seen too much of that, but those awareness bits usually come in the second semester, when students are looking for houses and maybe stepping out of purpose-built student accommodation (PBSA) for the first time. To date, I have not seen much about it. We are very worried about that, because we see next year being a lot harsher than this year, and the supply does not seem to be growing. For a lot of students, the choice is not there between purpose-built student accommodation and private student rentals. The price difference is so drastic that a lot of students cannot afford PBSA. That is definitely an issue.

Ms Armstrong: Thank you very much, Ellen. I will not tell you how many years it has been since I was at university, but it does not sound like the situation has changed. Hopefully, this legislation will make things somewhat better, especially on the points that you raised about people who have 12-month contracts. Thank you very much.

Mr Frew: Ellen, thank you very much for your presentation. I want to ask you about clause 11 and the requirement for notices to quit that are given by landlords and tenants. I could be reading it wrong, but it strikes me that clause 11 does not cater for 12 months or less. It seems to cater for 12 months, 10 years and everything in between, but not for 12 months or less. Is that your understanding?

Ms Fearon: I perhaps misspoke earlier. We saw in the Bill that there was maybe 12 months and that that would be a four-week eviction period as opposed to 12 weeks. That part of the legislation may have been updated, but, in any case, we would be very supportive of the notice period remaining at 12 weeks in any sort of eviction legislation.

Mr Frew: Twelve weeks. That would seem reasonable even if it is for under a year. Quite simply, tenancies that are under one year only really cater for students, not for anyone else. I am talking generally, I suppose; there will be individual circumstances that are peculiar. Having listened to you and read your submission, it strikes me that we may need to do something to cater for that cohort of people who, like you, are students. It seems to be a blind spot in the Bill.

I declare an interest as a father of a student who is living in accommodation in Belfast. I think that the Chair's words were that it is on a different level altogether with regard to properties. I get that, and we need to cater for that in the Bill and afford some sort of protection for students with regard to secure tenancies. Even though they may be in a property for fewer than 12 months, that strikes me as being reasonable. First of all, it is reasonable that you would only have a 12-month tenancy agreement, which could be extended for further years, depending on your studies. It strikes me that it is common to have 12-month tenancy agreements, and they need to be catered for in the Bill. That was more of a comment than a question, Ellen. Thanks very much for your presentation.

The Chairperson (Ms P Bradley): Does anyone else want to ask anything of Ellen?

Mr Durkan: This is not so much a question, but I concur with what Paul said about shorter tenancies. Those are points that some of us made during the Second Stage debate in the Assembly; if not there, we have definitely made them at the Committee. It is good to know that we are on the same page as Ellen and the students' unions on that. It is important that we work together on this to get the best deal for our students and everyone out there who is availing themselves, or being forced to avail themselves, of private rented accommodation.

The Chairperson (Ms P Bradley): Thanks, Mark. That is grand. Ellen, thank you so much for your briefing and your very detailed briefing paper. If there is anything that you can send on to us to help us shape the legislation so that it better protects students, please forward it to the Committee Clerk. This has been another invaluable witness session, so thank you so much for your time today, Ellen.

Ms Fearon: No worries. Thank you so much.