



Student Housing and the Renters Rights Bill

Smaller rental properties and their important role in accommodating students: Briefing note by Universities UK and Unipol Student Homes

4th September 2025

The Renters Rights' Bill has implications for higher education students which are set out in this briefing from Universities UK and Unipol ahead of the 'Consideration of Lords amendments on 8 September. Accommodation forms an integral part of many students' experiences of university; over 1.2 million full-time students in the UK (close to 60%) live away from their own home or family home¹. It is therefore crucial that all students have access to safe, good quality and affordable accommodation throughout their higher education.

The aims of this Bill are welcome, and we support increased attention on where improvements to the student accommodation market can be made. However, steps should be taken to ensure there are no unintended consequences that result from this Bill, in particular a further reduction in supply of accommodation resulting from the bill's new ground for possession 4a, which is currently only applicable to student houses with at least three bedrooms.

We are therefore calling on MPs to vote in favour of Amendment 53 when the Bill returns to the Commons on 8 September which would remove the restriction of Ground 4a to accommodation of three or more bedrooms only.

Introduction

Smaller student houses and flats (with 1 or 2 bedrooms) play a vital role in housing students, enabling a broad range of students to attend university. Limiting the availability of this type of housing through the measures set out in the Renters' Rights Bill could result in student housing shortages and therefore an increase in the number of students affected by homelessness.

Current student housing provision:

- Full time students at university: 1.64 million
- Students living away from the family home: 1.23 million
- Students living in private rented houses: 690,000

[Source, Higher Education Statistics Agency 2023 – 2024]

There is a mixed model of student housing in the UK, with the private rented sector houses providing 56% of accommodation. Other reports evidence a current shortage of student housing, with 7% of students experiencing homelessness in 2025 [Source: Save the Student National Student Accommodation Survey 2025].

As of July 2025 **26% of rental properties** listed on the national advertising platform 'Accommodation For Students' are smaller houses with 1 or 2 bedrooms (excluding purpose built student accommodation). A credible estimate of the number of students living in smaller houses each academic year is 179,000.

Smaller student houses are a necessary and appropriate form of housing for many students in their second and third year of study. Protecting the cyclical nature of this provision through the expansion of Ground 4A will ensure stock is available for incoming students in areas convenient for their study. This type of accommodation is also often cheaper than alternatives such as purpose-built student accommodation (PBSA) with the average rent in a private rented house being £532 pcm, compared to £650 in private halls and £615 in university halls [Source: Save the Student National Student Accommodation Survey 2025]. PBSA is unaffordable for many students, consuming nearly 100% of the average maintenance loan in 2023-24 [Source:

Unipol Ten Cities Rent Survey 2023). This has resulted in a significant rise in the number of hours students are working to make up for a shortfall in their maintenance loans compared to rent.

As stated above, any disruption to the student housing market caused by the exclusion of one or two bed properties from Ground 4A risks exacerbating supply issues and potentially risks increasing homelessness amongst students.

The impact of the Bill on available stock of smaller properties

The Bill's proposal to introduce a Ground 4A for possession for student properties, enabling landlords to re-offer them to the new incoming cohorts of students each year, is welcomed. However, the exclusion of smaller houses risks creating unintended consequences for the student rental market that result in reduced supply. Landlords renting one- and two-bedroom flats to students will not have the means to re-offer these houses to new incoming cohorts of students and therefore will be more likely to rent to other tenant groups

There is no affordable or easy replacement for this stock in the student market due to supply side constraints, including strictures on creating new shared houses under Article 4 planning rules in place in most university towns. PBSA will not provide a swift replacement, with only 16,000 new PBSA beds added to the stock in 2025 [Source: Unipol National Codes Membership data 2025]. It is therefore unlikely that any loss of existing housing will be quickly or easily replaced.

With supply side constraints limiting new supply, a reduction in existing housing will have consequences for students and risks could include:

- A reduction in supply driving up rents
- An increase in student homelessness
- An increase in stress associated with looking for housing

Why should Ground 4a be extended to smaller properties?

Student housing is a specialist mixed sector where supply is not expanding significantly due to supply side constraints. Ground 4A will ensure the cyclical nature of the student housing market can be protected, ensuring properties are available for students when they need them. Including smaller houses within the scope of Ground 4a would ensure that what limited stock there currently is remains in place to meet future needs for an annual supply of housing.

Recommendation

We would therefore ask that you vote for Amendment 53 when the Bill returns to the Commons on 8 September which would remove the restriction of Ground 4a to HMO accommodation of three or more bedrooms only.

About the Authors

Universities UK

At Universities UK, we harness the power of the UK's universities and create the conditions for them to thrive. We are the collective voice of 141 universities, bringing them together to pursue a common cause: Thriving universities, serving society.

This mission forms the core of our strategic plan which runs to 2030 and sets out our ambitions for the sector. We will use our unique role to ensure our universities can transform the lives of more individuals, drive greater growth and create flourishing places through the knowledge and skills they generate, and be globally competitive centres of research making ground-breaking discoveries. We will help them achieve more by securing sustainable funding and building pride in our universities.

Unipol Student Homes

Unipol Student Homes is a national student housing charity that operates two Government approved National Codes for PBSA and also houses over 3,000 students. Its mission is to support education through the provision of affordable and professionally operated student housing and it provides student advice, research and sets standards to achieve this www.unipol.org.uk