

## Rent Freeze Policy Proposal

Date: February 2023

Audience: Welfare and Community Zone

### What is the current situation at UCL related to this proposal?

UCL has 44,440 full-time students most of whom are renting properties from private landlords/agencies or living at home, while just under a quarter are living in UCL owned accommodation.<sup>1,2</sup>

Aside from tuition fees, accommodation is one of the largest costs that a student will incur during their time at university. Over the past few years rental prices have been increasing rapidly both across London and at UCL owned accommodation. Since 2019 national rental prices for new listings have increased by nearly a third, with some people facing increases of up to 60%.<sup>3</sup> Within London, a report by the real estate company Rightmove found that the average advertised rent in October 2022 had increased by 16.1% from the year before<sup>4</sup>.

London's average advertised rent now stands at £2,342 a month (£1,000 more than that in the South West and £1,564 more than in the North East).<sup>5</sup> Despite these substantial increases, the student maintenance loan is set to rise by only 2.8% for the 2023/2024 academic year. Analysis from the Russell Group suggests that this will lead to a £1,523 shortfall for students living away from home outside London.<sup>6</sup>

The current cost of living crisis is exacerbating financial challenges for students, with NUS research outcomes from Summer 2022 revealing that housing is a number one pressure in finances for one in three students. This is also something that concerns UCL students, supported by the first 1,345 UCL responses to the Russell Group Cost of Living survey, with 84% agreeing or strongly agreeing that they have had to adjust their expectations to keep housing affordable.

Student accommodation costs have also risen 16% in the last three years. In London, the average rent would consume 88% of a full student maintenance loan, leaving just £38 per week to cover other expenses. In UCL owned halls accommodation costs have increased by up to 6% in the past year alone. The rent negotiations with UCL for the 2022/23 year are ongoing.

### What would change if the policy was successful?

Students' Union UCL would publicly support the Mayor of London's campaign for a London-wide, two-year rent freeze by seeking out collaboration opportunities, and writing evidence-based open letters. The policy would also commit the Students' Union to lobby for a rent freeze within UCL owned student accommodation.

---

<sup>1</sup> <https://www.ucl.ac.uk/srs/student-statistics> (full time stats year 2022/2023)

<sup>2</sup> <https://www.ucl.ac.uk/accommodation/> (how many beds available)

<sup>3</sup> <https://www.theguardian.com/society/2022/dec/01/soaring-rents-making-life-unaffordable-for-private-uk-tenants-research-shows>

<sup>4</sup> [Private rents in Britain hit record highs, with 20% rise in some areas | Renting property | The Guardian](https://www.theguardian.com/property/2022/oct/10/private-rents-in-britain-hit-record-highs-with-20-per-cent-rise-in-some-areas)

<sup>5</sup> <https://www.cityam.com/sadiq-khan-tax-confusion-could-hit-londons-investment-appeal/>

<sup>6</sup> <https://www.theguardian.com/education/2023/jan/09/students-face-inflation-shortfall-maintenance-loans-universities-warn-england>

The UK Government have the power to introduce rent controls. Rent controls are a form of state intervention in the housing market that increase the regulations which private and social landlords must abide by. A rent freeze is a form of rent control where landlords are banned from increasing rents while a tenant continues living in their property. It does not apply to new listings, as the rent can be changed before the start of a new tenancy, but applies to all private residential tenancies, assured tenancies, and short assured tenancies, as well as private student accommodation providers and university owned accommodation.

The Mayor of London does not have the power to introduce rent controls but has been calling on the UK government to devolve those powers to the London assembly level so that he is able to introduce a rent freeze across London.

## What is the relevant national / international context to this situation?

As with rising accommodation prices, inflation across the UK has reached a 40 year high. The Retail Price Index (RPI) reached 13.4% in December 2022, while the Consumer Price Index (CPI) reached 11.5% in November.

The Scottish Parliament and cities of Berlin, Paris and New York have all introduced a two-year rent freeze in response to inflation. The Mayor of London Sadiq Khan has been pushing for a two-year rent freeze in London since March last year<sup>7</sup> to ease financial strains on tenants, who are already dealing with surging bills and costs of household essentials. The National Union of Students are also calling for rent controls to be introduced that freeze rents for all students<sup>8</sup>.

Proponents of introducing a rent freeze argue that it would ease financial pressures on tenants and students. This would allow students to reallocate their spending to retail goods and services that have soared in price due to the cost-of-living crisis. This would also discourage students from working more than the recommended 15 hours a week, in part-time jobs to afford housing, instead allowing them to allocate more time to extra-curricular activities. This could have knock-on positive effects on student mental health and wellbeing due to improved financial security, personal development, and sense of belonging.

Opponents of introducing a rent freeze argue that a rent freeze on private rented properties may lead to a potential lack of maintenance upkeep in rented properties. They also argue that it could incentivise landlords to sell their properties due to the inability to continue increasing rent prices, potentially reducing the total number of rental properties on the market. If UCL were to introduce a rent freeze this would impact the revenue they generate from accommodation, and they may choose to make savings in other areas to compensate for this.

## Are there any legal implications to this policy proposal?

No

## Does this relate to any existing SU policy?

No

---

<sup>7</sup> [Mayor calls for rent freeze to combat cost of living crisis | London City Hall](#)

<sup>8</sup> [NUS sets out Cost of Living policy proposals to support students - National Union of Students UK](#)

## Are there any financial, resource or stakeholder / public relations issues with this policy proposal?

This policy could create positive media coverage as it is a strong ethical stance on an issue that has received a high amount of press coverage recently. It could, however, impact the Students' Unions relationship with the University's accommodation team.

## Are there any sustainability implications to this item for discussion?

No.

## Are there any equity and inclusion implications to this item for discussion?

The policy, if implemented, would be of particular benefit to working class students and students in precarious financial situations who are impacted more by rising rent prices.

## What would the next steps be if the proposal passed?

The Students' Union would support the Mayor of London's campaign for a rent freeze, likely by seeking out collaboration opportunities, writing evidence based open letters and putting out a public statement. The Students' Union would lobby for a rent freeze to be implemented at UCL student accommodation.