



**The Submission of the Union of Students in Ireland (USI) to  
The “Public Consultation – Review of the Private Residential Sector**

## The submission of the Union of Students in Ireland to the Review of the Private Rental Sector

The Union of Students in Ireland (USI) is the representative body of 374,000 students across the island of Ireland and is an entirely student-led organisation. We are comprised of further and higher education member students' unions across the island, both North and South, and seek to protect and enhance education, the rights of students, and the ability of all to access third-level education. The Union of Students in Ireland is a member of the Irish Coalition to End Youth Homelessness.

This submission is intended to provide the perspective of students who are living in the Private Rental Sector (PRS) in Ireland. The issues arise in many contexts, the most significant being the affordability of student accommodation and the supply of options to meet the demand on student accommodation.

We believe that the issues we have seen in student accommodations year after year critically and negatively affect the student experience in Ireland, and we hope that our submission will be taken into consideration as a voice of students. Amongst the main issues we explore and make submissions on are the lack of any protective frameworks for those living in multiple forms of accommodation, and mainly those living in the Rent-a-Room style of living, the ineffectiveness of the National Student Accommodation Strategy (NSAS) and the main composition of the sector being heavily reliant on properties that are not serving the purposes of affordability and security for students. Additionally, we point out to certain issues with the protections afforded to student renters and our main issues with the current National Housing Framework.

While USI welcomes this consultative approach to issues in the PRS, we submit from the outset that such an approach is incomplete without immediately holding a Constitutional Referendum for Expressly Establishing a Constitutional Right to Housing for the people of Ireland. We believe that the constitutional protection for property rights is a question ought to be posed to the people of the country, and indeed extend this public consultation to the members of the public most affected by it, that may not be in a capacity to make submissions through such processes.

Finding accommodation, and interacting with the PRS, is one of the first and most significant steps students take to interact with the economic framework of the country. Often, and dictated by the current policies and conduct the State employees on student accommodation, such interactions leave lasting bad first impressions. It is due to such issues in our economic framework that are pushing students to aim to leave the country at the earliest possible opportunity. We aim to provide with you with such insight, and we hope that our recommendations aid in the production of a comprehensive policy on housing, including the voice of students throughout.

*The Union of Students in Ireland*

## Composition of the Sector

### 1. Holding a Referendum for Establishing the Constitutional Right to Housing

It has been made clear through various modes of public discourse that the issue of holding a constitutional referendum to mandate the associated amendments of the Constitution for establishing a right is an area of critical concern for the public. This is a measure that is need to strike an accurate social balance between the right to own and enjoy property and the right to have the most fundamental of needs catered for, and protected by, the Irish Constitution.

**We submit that the executive and legislative branches of the State have reached a point where the question ought to be put to the public through referendum. We are not in a position to outline the legal arguments for the constitutional amendment, but we are in position to testify to the asymmetric balance of power in our society between landlords and renters. This system is one that houses thousands of families and individuals across the country, and the need to incorporate their say into this issue of critical social importance.**

### 2. Renting as a Temporary State of Living

***“Traditionally the private rental sector, catered for mobile workers, students and young adults. Should the rental sector cater to lifelong renting? If so, should such a reorientation be a reason for a different approach to the regulation of the sector?”***

The Union of Students in Ireland (USI) views the rental market as a set of temporary options made available with the end goal of enabling individuals to own their own home. With the temporary nature of the Private Rental Sector (PRS), students across the country seek to rent properties for various stages of their early lives. USI views the PRS as a facilitator of a transitional period in the lives of individuals and families, ultimately viewing owning a home as the only long-term option that our national policies should be working towards. Viewing renting as a lifelong option and the message that it sends to individuals and families, is simply ensuring that current and upcoming generations live in a state of perpetual insecurity about the satisfaction of their most fundamental needs.

Additionally, such a view creates an unfavorable dynamic of power and encourages decisions that are unfavorable to various stakeholders in the market, including students. So, while we think about renting as an option for people at a particular stage of their lives, we place the end goal beyond the line of renting and into the borders of owning. Such a view is imperative to ensure that our future policies reflect such an intention and ensure the consideration of stakeholders in future policy decisions. This is a preemptive requirement for policies to move away from a landlord-centered attitude and to emphasize the true and actual role of the PRS.

USI believes that viewing the PRS a lifelong option, is a significant factor driving young people and students to plan their futures outside of Ireland. The values of the welfare state must be upheld and reflected in all of our housing policies to ensure that young people and students have reasons to plan their future in Ireland.

### 3. Student Renters as ‘Licensees’

Any student availing of options provided under properties described as PBSA, is classified as a licensee, leaving them in a precarious and unbalanced position when dealing the providers of such accommodation, which in some cases could be the Third Level Institution. This issue allows such providers to not abide by the minimum notices that are imposed by law, and that apply to other areas options of tenancies. The main issues include:

1. Licensees are more prone to non-fault evictions.
2. The ability of the provider to terminate the licenses without reason, and under unfavorable notice periods, even for those who have stayed in the property for more than six months.
3. A property being let out under a licensing model is able to skirt the laws relating to restrictions on rent increases and Rent Pressure Zones (RPZs).
4. Limitations on the enjoyment of the property include the ability of the provider to not allow guests to stay at the property for short, and non-continuous periods.
5. The ability of the provider to conduct unannounced inspections and impose high fines and punitive measures against students, that any other landlord would not be able to do.

In summary, licensing the use of property has its appropriate uses, such as staying in a hotel or other forms of short-term accommodation. For the reasons outlined above, they are not appropriate for student accommodation, and we call for the revocation of their applicability to PBSAs.

## The Cost of Renting

### 1. The Costs of Purpose-Built Student Accommodation and Capital Grants to Higher Education Institutions

While USI's utmost priority is ensuring the availability of options for student renters, a non-negotiable condition of this priority is for such options to be affordable. It is often the case, that in the description of any strategies for increasing the supply of student accommodation or briefs of funding made available to Third Level Institutions to build PBSA, **that a condition of 'affordability' is attached to such funding.** The National Student Accommodation Strategy set out to provide 28,000 beds by 2024. We tackle the issue of delayed timelines below, and for this section we would like to shed light on our concerns with the costs posed on students when availing themselves of rooms built under this strategy.

Projects funded by the strategy, or otherwise through capital grants to Higher Education Institutions (HEIs), have a condition of 'affordability' attached to the funding when made available. The condition is not defined and there is no indication of what affordability entails in an official capacity. This leaves room for inconsistency in the approach for rent setting in PBSA funded through capital grants, potentially leaving room for abuse of State funds, and ultimately student renters. For this condition to be effective in ensuring the supply of affordable student accommodation, it must be properly and strictly defined. **We ask for more clarity relating to what the term of affordability entails, with a specific reference to the price ceiling associated with the funded property, and the enforcement mechanism of this condition.**

USI believes that the terms of affordability should be outlined as a percentage of the minimum rate of remuneration (minimum wage), and only until the living wage rate replaces minimum wage, as a percentage of such rate. As students are often in part-time employment, governed by zero-hour contracts, USI asks that, when setting this threshold, policymakers take into consideration a realistic level of income available to students to ensure that the stipulation of affordability is effective in practice. Expectedly, as such projects yield different units, coupled by the stark geographical differences in property prices, a standardized rent would not be an accurate representation of affordability. The rent of beds in PBSA in Central Dublin would differ in price, naturally, then a property in a less densely populated area of the Country. **As such, we ask for the publication of an Affordability Framework that provides the criteria for affordable rents associated with each project.**

Such a framework must entail the appropriate criteria for setting the rents of such properties, which may include, guidance on spending by the executors of such funded projects to ensure efficient use of such funds, and a rent price-setting strategy that would place rents at a percentage of the minimum wage, and agreeing as part of the funding to set aside a certain percentage of the rooms to be offered at a discounted rate for students on SUSI.

### 2. The Introduction of a Rent Freeze

USI holds the position that, given the cost-of-living crisis, and its symptoms, the Government shall take a more interventionist stance in the PRS by placing a nationwide rent freeze. The current market dynamic is one that allows landlords and property owners to exploit the 'shortage in housing' to their own

benefit, knowing that an existing tenant will accept any increases in rent payments to keep the place they have. A tenant is often placed in a precarious position due to market conditions beyond their control, and such a temporary measure is needed until such a point where the market stabilizes and the crisis is resolved by an increase of the number of available properties, or until a proper enforcement mechanism of rent Pressure Zones (RPZs) is proven to be effective. We expand on issues relating to RPZ in the following point.

This measure is one that cannot be adopted in isolation and must be coupled with proactive policies on ensuring the affordability of first-time market listings and effective enforcement mechanisms. However, we submit that this measure shall be adopted until such long-term policies are in place and the results thereof start to be felt in the market.

**Policy Ask:** the introduction, with immediate effect, of a rent-freeze until the stabilization of the rate of inflation, the full implementation of the National Living Wage Decision by the Tánaiste, and a proven enforcement mechanism that places the protection of tenants at its core is established.

### 1. Rent Pressure Zones

Prior to the enactment of RPZ Legislation, existing student accommodation providers operated Artificial Price Caps to increase their prices to match luxury student accommodation introduced to the market, ultimately treating the rates charged by such providers as a baseline when setting their rent. Artificial Price Caps existed primarily due to the lack of regulation associated with the new buildings and the rent they can charge. In this instance, increasing the supply of student accommodation was allowed to be abused to increase the rent prices of existing properties.

USI recognizes the benefits brought by the RPZ legislation, however, the practice outlined above survives, albeit in a more indirect form. By allowing free reign for privately built PBSA when setting their rents, coupled with the fact that such providers are incrementally becoming the default option for student accommodation, the baseline for student renters is being set at unreasonable and extortionate rates despite RPZ Legislation. Such properties not only enter the market at highly unreasonable rates, but they are also ensured the option of raising their prices by RPZ rates yearly, exacerbating the issue even more on an annual basis.

Consequently, and in line with the submission of the Irish Coalition to End Youth Homelessness (ICEYH) to this consultation, **we submit that further monitoring and implementation of the RPZ Legislation by the RTB is needed to crack down on cases of noncompliance and ensure that tenants do not jeopardize their position when they file complaints of such instances.** Further, section 14 of the Residential Tenancies Act should be reviewed to assess whether the provisions contained offer the RTB sufficient powers to properly deter non-compliance.

### 2. The Regulation of First Time Rents

Following from our points above, we believe that RPZs as a concept do not reach their potential and we argue that they are an ineffective measure if not coupled with adequate regulation for first time entrants to the market. We call on the establishment of checks and balances to ensure the affordability

and reasonableness of PBSA at the planning permission stage. The market is being pushed towards conforming to a baseline for student accommodation that is not remotely attached to reality.

There is now an acceptance amongst the PBSA industry that the “going rate” or artificial price cap is around 255-280 per week or at the cheapest, €800 per month. Some rooms at the higher end come in at over €410 per week. This is unaffordable for most in Irish society – but even more so for students who have limited opportunities to work and earn money due to their studies. It is essential we push the government to address this new build price. This brings in the need to **define affordability**, and to introduce regulation to ensure all new builds are made affordable.

Such a policy shall be catered towards the different categories of properties in the PRS, setting price caps to the various types of accommodation, whereby the concept of properties labelled ‘student accommodation’ shall be placed under one category to ensure the **eradication of the practice of luxury student accommodation**. In that effect, the introduction of such a policy will push property developers away from the development of luxury complexes once not allowed to go over a certain cap for student accommodation. This is ultimately what is needed, as the student body is not seeking luxury accommodation, rather, it is seeking realistic and practical options that are affordable.

Only after alleviating such immediate concerns, will the Government be in such a position to create and implement comprehensive & sustainable housing policies aimed at addressing long-term supply & affordability concerns and the issues behind such concerns.

### **3. Issues arising out of the National Student Accommodation Strategy (NSAS)**

The Government has a heavy reliance on the private sector to build student accommodation with only 4 out of 32 sites being built by third-level institutions. More than 90% of these are only available for 840 € per month or more. Even when Third Level Institutions’ student accommodation is funded by the government, they are forced to act like a business, setting prices in a similar range of privately owned properties. Amongst the factors causing this, a significant role is played by the underfunding of such properties from the Government, which often causes delays in developments, developments being cut short of their intended objectives and overpricing by those institutions that have decided to continue developing their properties in the absence of the appropriate funding. While the government has made some progress in financing the building of PBSA to institutions that already have planning permission, it is clear that the commitment does not go the full way. For example, DCU has planning permission for the building of 1240 beds, but only received government funding for the delivery of 405 of these.

As such, we submit the following proposals for the amendment of the NSAS, to allow for achieving its objective of increasing the amount of affordable student accommodation nationally:

- **Exempting such projects from paying VAT when purchasing raw materials and seeking any other services relevant to the development of the project.**
- **The Establishment of the Affordability Framework as described above.**

- Ensuring that the Government, and its agencies, have adequate oversight over the development of such funded properties.
- Full funding to be made available for the building of student accommodation in institutions that are ready to build
- Help for TUs to build:

## The Subsidisation of Households Renting Market Units

### How best should the State deploy subsidies to assist those dependent on the private rental sector?

In accordance with the NSAS, funding is made available to Third Level Institutions to undergo new projects and provide more beds for students. The strategy here does not extend to providers that are already in the market to reduce their costs and ultimately their prices. This is an area worth exploring, although falling beyond the ‘Household Renting Market Units’.

As we evaluate the Rent-a-Room scheme, the tax exemption provided through it and its main ability at effectively solve the issue of affordable and adequate housing for students, we have a few issues with the way the Government is supporting the scheme and we submit that a few changes to the supports provided by government could go a long way. The scheme has recently been focused at those who need it the most including students and young people. However, the scheme does not attach any conditions to the tax exemption, and cases of abusing the scheme in financial and non-financial ways has been widely documented.

Given the general intention by the Government not to legislate or regulate this scheme, we ask that the benefit is limited to homeowners that pledge affordability and agree to terms of fair use, including a set of minimum standards that a homeowner would need to provide to the tenant. For this to work, homeowner will need to be required to register their tenancies with either the RTB, or any other body that the Government may nominate instead. Issues of non-compliance must be dealt with immediately and in this case by removing the exemption threshold and treating the relationship as a normal tenancy relationship bound by the provisions of the Residential Tenancies Act 2004. Our asks related to the regulation of digs are outlined under the section “Quality of Homes”.

In summary, we believe that the relief available for homeowners taking part in the scheme shall be offered only on affordable and fair use basis for those who make pledges to that effect and stick to their



pledge. As this is a practice that long existed, and has always been an option to students, mainly due to a shortage in other options, we do not believe there is any merit in a counterargument relating to such changes acting as disincentives for homeowners. It is also important to establish mechanisms to monitor the effectiveness of subsidies in achieving their goals and to regularly evaluate the program to make necessary adjustments and improvements.

### **Housing Assistance Payment (HAP)**

The Housing Assistance Payment (HAP) is a form of social housing support for people who have a long-term housing need. At the moment, HAP cannot be used for Purpose Built Student Accommodation - putting many people at a disadvantage of being able to attend their institution as they cannot pay for accommodation. USI believe that the government should adjust the regulations around Housing Assistance Payment to allow it, or a version of it to be used for Student Accommodation.

## **The Quality of Homes**

- Should the standards regulations which currently apply be changed and, if so, why and how?

### **Minimum Room Size requirements for Student Accommodation**

According to the *“Sustainable Urban Housing: Design Standards for New Apartments Guidelines for Planning Authorities”* every single occupancy bedroom should be, at a minimum, 2.1 meters in width and 7.1 square meters. However, Purpose Built Student Accommodation and rooms in digs-style accommodation are not currently included in these minimum requirements. USI believes that there should be minimum room size requirements in PBSA and digs, that allows a comfortable space for a desk, wardrobe and a bed. Students should not be subjected to below the minimum standards.

### **Minimum Standards to be Set and Enforced for Digs**

Furthermore, we emphasise the need for minimum standards of living to be created and enforced for digs. This includes access to kitchen facilities, a right to have a lock on your bedroom door, a right to privacy, access to bathroom facilities, etc. As is the case in the private rental market, we also want notice periods to be set and enforced for digs arrangements, to guarantee students some security during the college semester. This should be done through legislation, as the current DFHERIS policy of providing “guidelines” for digs arrangements means that there are zero accountability mechanisms or safeguards in place for students in a vulnerable position.

- Are landlords and tenants sufficiently aware of the standards and enforcement processes and, if not, how can awareness be raised?

Awareness of housing standards and enforcement processes among landlords and tenants in Ireland can vary, and there is much room for improvement. Raising awareness is crucial to ensure that both parties understand their rights and responsibilities, leading to better living conditions and more harmonious landlord-tenant relationships.

### **Issues Arising of Landlord Noncompliance**

The way of dealing with issues of noncompliance by landlord to requirements of registration with the RTB, leaves tenants in precarious positions due to the asymmetric balance of power in the tenant-landlord relationship. **We submit that since the burden of identifying unregistered tenancies is shifted to renters, there ought to be a more robust protection framework to those who come forward and make disclosures relating to issues of landlord misconduct. Further, we submit that the State ought to take a more proactive role in identifying such landlords that are running unregistered tenancies and ensure that no punitive measures are taken against tenants who demand their rights of having their tenancies registered.**

**Running an Educational Campaign** – using various media outlets such as television, radio & social media targeted specifically. These campaigns should focus on housing standards, tenants' rights & the enforcement process.

**Clear and easily accessible information:** Create user-friendly guides, pamphlets, and use of online resources that clearly explain housing standards, maintenance requirements, and how to report issues. Make this information available in multiple languages to cater to diverse communities.

**Tenant Information Packs:** Provide tenants with comprehensive information packs when they move into a new rental property. These packs can include details about housing standards, maintenance expectations, and how to contact relevant authorities.

**Online Portals & Apps:** Develop user-friendly online portals or mobile apps where both landlords and tenants can access information about standards, regulations, reporting procedures, and enforcement actions.

**Regular Updates:** Keep both landlords and tenants informed about any changes to housing standards or enforcement procedures through regular updates via email, newsletters, or social media.

Awareness of standards and enforcement processes is of paramount importance; however, this needs to be coupled with actual enforcement so that tenants have trust in the system. We have outlined key areas regarding this below.

### **Are the mechanisms which govern disputes among tenants and landlords concerning standards working well; if not, how and why should they be changed?**

Mechanisms governing disputes between tenants and landlords concerning housing standards in Ireland have experienced challenges. While efforts have been made to improve these mechanisms, there have

been ongoing concerns about effectiveness, accessibility, and timeliness. The lack of robust enforcement mechanisms for landlords to register with the Residential Tenancies Board (RTB) poses a significant challenge to achieving transparency and accountability within the private rental sector.

While registration is a fundamental requirement designed to ensure a fair and regulated rental market, the absence of strong enforcement measures undermines the effectiveness of this crucial mandate. Unregistered tenancies can lead to disruption in the landlord-tenant relationship, potentially leaving tenants unaware of their rights and leaving landlords unaccountable for maintaining proper standards. To address this issue, a task force should be created that focuses on the implementation of fines and other penalties. Although fines are in place, it seems unconstructive as many landlords today still escape punishment. It is also important to provide resources and training for landlords about their obligations and best practices for maintaining housing standards can prevent disputes from arising in the first place.

Secondly, under the current system the onus seems to be on the tenant to “report” the landlord for not being registered with the RTB. In a market with high housing scarcity for tenants, this puts the tenant in a very uncomfortable situation. A tenant is not going to ask the landlord if they are registered with the RTB before commencing the tenancy as this frames them as a “difficult” tenant, and the tenant generally feels that they are unlikely to be offered a room in that house. If they ask after commencing the tenancy and it is still under 6 months, it is very easy for the landlord to give a week’s notice for an unspecified reason. When the issue of the RTB comes up, we have many incidents of the landlord offering the tenant the equivalent of the €500 renters’ tax credit off their rent, to cajole the tenant into keeping quiet about their lack of RTB registration. This defeats the purpose of RTB registration and highlights how the government need to be aggressive in enforcing RTB registration, instead of relying on tenants to report. This should not be the tenant’s role and we have expanded on this in the “Which other changes should be made to improve the governance of the private rental sector?” section.

### **Should standards be differentiated, depending on the scale of the landlord, the age of the dwelling and so forth?**

Differentiation should never compromise tenant well-being. We would be very cautious and have serious reservations about introducing a system such as this. Ultimately, the focus should be on uplifting the entire housing stock and ensuring affordable and safe housing stock for all.

Which other changes should be made to improve the governance of the private rental sector?

#### **1. Transparent Rent Register**

A rent register shows the address of a property and the number of bedrooms. It does not show the identity of the landlord or the tenant, or the amount of the rent. Landlords must register their accommodation and tenancies with the Residential tenancies board (RTB) and update any changes they may have with their tenants. The RTB uses this information to create a public register. The Residential Tenancies (Amendment) Act 2019 sets out a requirement for landlords to register tenancies annually. However, many students have found that their tenancy has not been registered with the RTB by their landlord, and as a result are not able to avail of the renters' tax credit outlined in Budget 2023. USI are requesting a rent register that's published annually and must be backdated so tenants can compare rent of previous years, as well as provide increased transparency and analytics from the rental sector. We also believe that there should be more resources invested into the Residential Tenancy Board (RTB) so that they can proactively investigate cases and to ensure properties are registered with RTB.

#### **2. Rental Deposit Protection Scheme**

A deposit is a sum of money that acts as a pledge for a contract / property, which is normally paid back later. A deposit protection scheme is a way of having your deposit protected by a third party. It is kept by them until the end of a tenancy. At that time the money will either be paid out to the tenant or landlord as agreed between them, or the money could be paid out as decided by arbitration/mediation. This scheme has been promised for over a decade, with no updates since 2017.

#### **3. Fraud/Scams**

Rental fraud and scams have seen a significant increase over recent years, and international students are especially vulnerable. While it is difficult to fully issue sanctions and fines to those involved in fraudulent activity (as many of the more recent student accommodation scams are conducted from overseas), the RTB should be adequately resourced to clamp down on any domestic providers who engage in fraudulent behaviour.

#### **4. Minimum Specifications on Student Accommodation**

Research taken from the USI Homes for Study Program's National Student Accommodation Survey.

**a. Self-Contained Room:**

Students place a premium, above all, on a self-contained room on their own in accommodation. This does not rule out shared rooms, but this option yielded the most consensus both in importance for the student and the premium the student would be prepared to pay to secure it. There are a small number of people indicating that this is not a major issue for them, and they may be indicating that they would enjoy sharing – but in this study, this amounted to less than 2% of respondents.

**b. Wi-Fi:**

Wi-Fi (particularly high- speed Wi-Fi) is considered a necessity by students, but students are not prepared to pay more for it in their rooms. As an essential basic facility for students today, it is considered very important but not worth a premium. This may be due to the availability of fast 4G mobile services.

**c. Proximity to college/facilities:**

Proximity to college and to shops are important to students, but the availability of dedicated study facilities or social areas in the accommodation complex are significantly less important. Access to reliable transport routes to college is necessary to ensure students can easily access their campus and are safe doing so if their living arrangement is further away.

**d. On-Site Facilities:**

The presence of an onsite social area is deemed relatively unimportant for students – too much concentration on it may be a mistake for developers. The presence of an on-site gym also polled poorly as an important aspect of student accommodation – there seemed to be an active rejection of them by many students – although of course a cohort did report it as being important. It’s necessary for students to have access to good-quality cooking and cleaning facilities.

**e. Minimum Sizing:**

According to the ‘Sustainable Urban Housing: Design Standards for New Apartments Guidelines for Planning Authorities’ it outlines that for every Single bedroom, the minimum should be 2.1 meters in width and 7.1 square meters. PBSA and digs should be included in the minimum sizing requirements, and allow a comfortable space for a desk, wardrobe, and a bed.

**f. Electricity Meters:**

Individual metering/monitoring should be provided for each student room to make them aware of their energy usage and incentivize energy waste reduction. The cost of bills and rent is a huge factor for students deciding on their accommodation. It’s important to keep the bills and rent as low as possible.

**g. Facility Desirability / Demand**

Self-contained room on my own	9.02
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Wi-Fi	8.39
Closeness to College	8.36
Closeness to Shops	8.16
Onsite Dedicated Study Area	6.67
Closeness to Entertainment	6.15
Living with only students from my college	5.8
Onsite Social Area	5.18
Onsite Gym	3.5

## 5. Digs Legislation

It is important to ensure that individuals offering these accommodations uphold specific standards of safety, hygiene, and tenant rights. This legislation helps protect vulnerable lodgers, usually students from substandard living conditions or unfair treatment. By establishing clear guidelines and responsibilities for both homeowners and lodgers, digs legislation promotes safe and decent housing arrangements, contributes to tenant well-being, and maintains a level of accountability within the rental market. Some of the following points is what we would recommend as priority in DIGs Legislation.

### a. Agreement

- Adequate notice periods for DIGs renters.
- Keeping the same price for the duration of the agreement, and if a price raise is to take place to be in line with regulation in place. (Rent pressure zones: this is used to keep raises at 2% annually in rent pressure zones such as Dublin).

### b. Self-contained space and private enjoyment of room:

- The right to lock your room.
- For the homeowner to give reasonable notice for room entry.

### c. Private enjoyment of the room if advertised as such.

- Access to essential facilities such as the Kitchen & Bathroom.

### d. Protection against false advertisement

- Same terms as advertised.

### e. Extend the remit of the RTB to include DIGs to offer further protection to tenants.

## Supply and Investment, Institutional Investment, Subsidizing Investors and Student Housing

### **Should the State play an active role in managing the size of the private rental sector and, if so, how?**

Yes. At the time-being, the market is not operating at a level where supply meets demand, or at stage that results in options that are adequate to solve the housing crisis amongst the student body. Intervention from the state is necessary, and we believe that this needs to come from both increasing supply in the general rental market for student housing, as well as government capital grants for PBSA. This issue is one that has been repeated for years, coupled by the fact that the majority of the casework resulting from student homelessness is left for Students' Unions to deal with, there is a clear need for a specialized body to be set up by the State to tackle this issue and the associated consequences on students.

The establishment of such a body shall extend on the work of the Student Accommodation Unit at the Department of Further and Higher Education, Research Innovation and Science. Such an agency shall be set in a way that incorporates cross-departmental communication and policy work to be in a capacity to collate data relating to the issues of student accommodation, facilitate casework by being given the authority to allocate emergency accommodation to students, and to make policy recommendations based on the data collated and the casework dealt with.

#### **1. Approved Housing Bodies (AHBs)**

Approved Housing Bodies (AHBs) (also called housing associations or voluntary housing associations) are independent, not-for-profit organisations. They provide affordable rented housing for people who cannot afford to pay private sector rents or buy their own homes; or for particular demographic groups, such as older people.

AHBs also include housing co-operatives, which are housing organisations controlled by their members/tenants who actively participate in setting their policies and making decisions. The Housing Alliance – a collaboration of AHBs - is campaigning for AHBs to be moved “off balance sheet”; meaning, off the Government's yearly budget balance sheet, which would have limited resources.

In 2018, it was deemed that large AHBs are now considered part of the General Government sector and, as a result, on the Government's Balance Sheet. This may have significant negative consequences for the funding of AHBs in the medium to long-term, limiting the capacity of Housing Alliance members to source funds from Government or external sources. We believe AHBs should also look to the provision of student accommodation as an ‘off balance sheet’ model of building affordable/social student accommodation.

#### **2. Dual-Purpose Strategy for Properties used for Airbnb – Incentivising Smaller-Scale:**

Airbnb an online website that allows people to let out a spare room/apartment/house to someone for a short period of time. Lack of regulation in the sector of letting has led to a high concentration of properties available for short term let, meaning less properties are available for longer term tenancies.

This has a major impact on the supply of property in the rental market, which is pushing prices upward. Owners of such properties are incentivized to use Airbnb over long-term letting as the profit margin associate with short-term lets is one that allows charging higher premiums on a ‘*per night*’ basis.

We propose the government work on a strategy that would make these properties have a dual-purpose, by allowing the smooth transition by landlord of the property from an ‘*Airbnb*’ to affordable student accommodation at certain times of the year. Like any developments in student accommodation, the government would need Students’ Union input as a part of a consultation process at all stages of the strategy to ensure that this meets the needs of students.

While the Department of Housing has introduced regulations which require people renting out entire properties on a short-term basis for more than 90 days per year to seek planning permission from their local authority to do so, there has been major issues enforcing this. Authorities have called on the government to provide financial resources to enforce these regulations. We would like to see a model in which such that owners of short-term lets such as those listed on Airbnb are incentivized to offer their properties over the course of the academic year for students. As Airbnb often see higher levels of demand in times where students are not in need of accommodation, such as the Summer and Christmas periods, such a model would allow for the mutual existence of the properties, only when each type is needed. This is similar and comparable to the practice of various student accommodation providers that often make use of their properties at certain times of the year when students are not in term for other uses including offering tourist accommodation.

### **3. Change of Use for Purpose Built Student Accommodation**

Section 50, Finance Act 1999 provides for a scheme of tax relief for owners of rented residential accommodation for third level students. It was designed to encourage investment in rented self-catered accommodation for students. It is now no longer in practice. As we have recently seen, certain PBSA providers with buildings over ten years old is changing use to non-student accommodation. Section 50 states that PBSA must remain specifically for rental to students for ten years from the date the property is first let to students.

Change of use is typically with the intention of tourist or co-living accommodation, however in areas where there is an existing accommodation shortage, PBSA may convert to a non-student specific rental property.

### **4. The Ability of Technological Universities to Qualify for Capital Funding for PBSA**

The transformation of Institutions of Technology to Technological Universities (TUs) was a step that the student body welcomed. As the process involved the combination of a number of Institutions to form a single university, Technological Universities by nature are geographically spread out with several satellite campuses. This means that while one issue might seem ‘local’ in the sense that it is affecting a single institution, in fact, it is not local. It is an issue that could be affecting a number of students that is larger than the number of students enrolled in a ‘legacy university’. Having been granted the ‘University’



title, TUs are still not viewed as universities in certain legal and economic contexts. **The main issue here is that the borrowing capacity of TUs is very limited relative to what is known as ‘legacy universities’.**

TUs do not receive Capital Grants or even funding in the form of a long-term loan, for the purpose of building PBSA. This currently leaves a very large gap in the abilities of institutions for catering for the needs of its students. While structures and statuses are relative to the institution, the needs of students are unanimous amongst institutions and students. **We submit that this practice is an oversight at best, and discriminatory at worst. Additionally, we submit that the Government has to amend its funding policies around the development of PBSA to include TUs and under the same terms as funding provided to other universities, except in cases where it is more favourable to students attending a TU to have the terms changed and adapted for the case of the specific TU.**

**Ultimately, we urge the Government to establish a lending framework for Technological Universities with terms no less favourable than those attached to funding to other universities. Such framework shall concern the loans Tus are eligible to receive, including loans provided at an EU level, for the purpose of building PBSA.**

## 5. Social Housing for Students

Social housing is cheaper to rent than privately rented housing. Part V refers to the requirement that within new builds of a certain number of units must contain 10% social housing. This rule does not apply to Purpose Built Student Accommodation (PBSA).

PBSA is not subjected to Part V housing even in large builds despite many students coming from backgrounds where their families already live/qualify for social housing. This creates another barrier to accessing higher-level education for students from lower socio-economic backgrounds and is contradictory to the efforts of institutions to improve access and to ensure that students have equal and equitable opportunities to take full advantage of their education.

The rationale from the Department of Housing is that student accommodation builds, shared accommodation in apartments, will not normally be subject to Part V requirements in relation to the reservation of 10% of the units as social housing because shared accommodation would not be suitable for social housing given that they are not provided as individual self-contained residential units.

**Additionally, as it has been made best practice that figures like ‘Average Rent’ and ‘Median Rent’, are used when setting the rents of affordable and social housing, such properties fall short of their objectives. As mentioned, and explained above, the need for an Affordability Framework, that is based on percentages of the minimum level of remuneration, is imperative for the success of such initiatives. We submit that the use of median and average rent figures for setting the rates for social and affordable housing is not an appropriate practice.**

While USI opposes this line of thought. Students do not require individual self-contained residential units, however many students – specifically those who access college through the HEAR and DARE schemes, or those who qualify for SUSI – would benefit from a designated proportion of student accommodation beds that are at a lower price point. We believe PBSA should have Part V provisions, and that social housing should be offered within PBSA builds specifically for students who access college

through HEAR and DARE schemes. This should be in proportion to the number of students accessing college through HEAR and DARE schemes on an institution-by-institution basis.

### **Should general subsidies or tax measures to incentivise greater rental sector supply be considered?**

#### **1. Rent-A-Room Relief - Minimum Room Requirements**

If you rent out a room (or rooms) in your home to private tenants, the rental income you earn will be exempt from income tax, provided this income does not exceed a certain limit in a tax year. This is called the rent-a-room relief. Currently, the total rent that you get, which includes money that the Tenant pays for food, utilities, laundry or similar goods and services, cannot exceed €14,000 in the tax year, however this could be based off one room or three rooms. USI suggests the rent-a-room relief scheme should be aligned with the number of rooms that landlord provides. This prevents exploitation of students living in digs and encourages landlords to not over-charge tenants.

#### **Should measures be targeted at specific types of accommodation, specifications, locations or landlords, such as small scale or larger landlords?**

#### **2. Sale of Public Land**

There is an indisputable need for public housing in this country, which should be built on publicly owned land. This is further qualified by the need for student accommodation built by HEIs on campuses. The sale of public land to private developers has negative effects on not only the price of rents in an area, but also diminishes the numbers of public housing beds available.

#### **3. Site Value Tax**

Site Value Tax (SVT) is a charge on the value of land without considering the value of physical capital built on the land. In this way, the charge is related to the value of the location.

The tax is calculated as a percentage of the value of the site. The value of any property has two components: (A) the land, and (B) what's on the land. Subtract (B) from (A), and you have the value of the site, and thus the base for the SVT. It is differentiated from a vacant site tax as it concerns the value of the site itself, due to the factors surrounding the site.

The core argument for this is that the reason why properties have value is because of what is beside them. The value is generated by society and facilities surrounding it, as ultimately the site is the value, not the house. This would, firstly; give the value back to the people who created the value in the first place via their taxes. Secondly; it prevents hoarding because if the tax on the site is high landlords will be encouraged to bring it into use.

While many developments emphasize lavish facilities such as gyms and bowling alleys, it's crucial to shift the primary focus towards providing a secure haven for students. Striking a balance between safety and extravagant facilities is vital, as overemphasis on the latter can increase rent prices, exacerbating affordability issues. Moreover, recognizing the unique challenges students face, such as the delayed release of leaving cert results, necessitates proactive measures like offering emergency housing for the initial six weeks of the academic year. To incentivize the creation of purpose-built accommodation,

offering tax relief to institutions, such as DCU, which receive funding but face substantial VAT returns, can further bolster the availability of affordable, secure student living spaces.

### **Property Tax Breaks on College-Owned Student Accommodation**

A tax break means the government is offering you a reduction in your taxes. A tax break can come in a variety of forms, such as claiming deductions or excluding income from your tax return. The Irish Universities Association (IUA) have called for tax breaks on college. USI Believe that colleges should receive a tax break on college-owned student accommodation, but only under the condition that this money is to be ring fenced, so that it's to go directly back into the student accommodation.

## International Examples

### **What rental policies and policy measures used in other countries ought to be considered for Ireland?**

The following are some rental policies and measures used in other countries that could potentially be considered for Ireland:

#### **1. Rent Control and Rent Stabilization:**

Several countries have implemented rent control or stabilization measures to limit rent increases and provide stability for tenants. These policies can help prevent excessive rent hikes and provide affordable housing options. However, it's important to strike a balance to avoid unintended consequences, such as reduced maintenance and investment in rental properties.

Examples:

- a. **Sweden:** has a system of rent controls that include both first-hand (newly built) and second-hand (existing) rentals. These controls aim to ensure fair and reasonable rents for tenants.

#### **2. Tenant Protections:**

Strong tenant protections, such as extended notice periods, restrictions on eviction, DIGS legislation and regulations against retaliatory actions by landlords, can help ensure housing security for renters.

Examples:

- a. **France:** strong tenant protections, including extended notice periods and regulations on grounds for eviction, providing stability and security for renters.
- b. **United Kingdom:** The UK has specific regulations for houses in multiple occupation (HMOs), which include shared houses where three or more unrelated people live together and share facilities. These regulations ensure that shared housing meets safety and living standards.

#### **3. Hospita Housing in the Netherlands:**

In the Netherlands, "Hospita" housing refers to a shared housing arrangement where individuals, often students or young professionals, rent a room within a larger home or apartment owned by a landlord.

- a. **Contractual Arrangements:** In Hospita housing, tenants typically have a separate rental agreement for their room and shared facilities. This arrangement often includes a set monthly rent and may cover utilities and other expenses.
- b. **Rights and Responsibilities:** Both tenants and landlords have rights and responsibilities.

For example, landlords must provide a safe and habitable living environment, and tenants must follow house rules and contribute to the maintenance of shared spaces.

- c. **Privacy and Shared Spaces:** Hospita housing often involves sharing common areas such as kitchens, bathrooms, and living rooms. Clear agreements regarding the use of shared spaces and respect for each other's privacy are important.
- d. **Rent Control:** The regulations around rent control for hospita housing can be complex and may depend on factors such as the number of rooms rented out and the landlord's status. Rent increases may be subject to certain limitations.
- e. **Tenancy Protection:** Tenants in hospita housing may have certain protections under Dutch rental law, which can include notice periods for ending the tenancy and regulations against unjustified eviction.
- f. **Local Regulations:** Municipalities in the Netherlands can have additional regulations or zoning rules that may impact hospita housing arrangements. It's important to be aware of any local requirements.
- g. **Student Housing:** Given its popularity among students, hospita housing may also have specific guidelines set by universities or student housing organizations

#### 4. Security of Tenure

Implementing laws that grant tenants greater security of tenure, including longer-term leases or automatic lease renewals, can provide stability and reduce the risk of displacement.

Examples:

- a. **Scotland:** has introduced indefinite tenancies, providing tenants with long-term security and reducing the risk of short-notice evictions.
- b. **Sweden:** has a strong tradition of tenant rights, and tenants generally have strong protections against eviction without just cause. Rent regulations and eviction procedures are designed to provide security for long-term tenants.
- c. **New Zealand:** introduced a significant rental law reform in 2020, which includes changes to tenancy termination rules. Landlords are required to provide specific reasons for ending a tenancy, and no-cause evictions have been largely abolished.

#### Concluding Remarks and Contact

This document has been created by the USI Coiste Gnó (Executive Team), on behalf of the Union of Students in Ireland. All enquires and follow up is welcomed at the following:

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