

Progress review and forward look

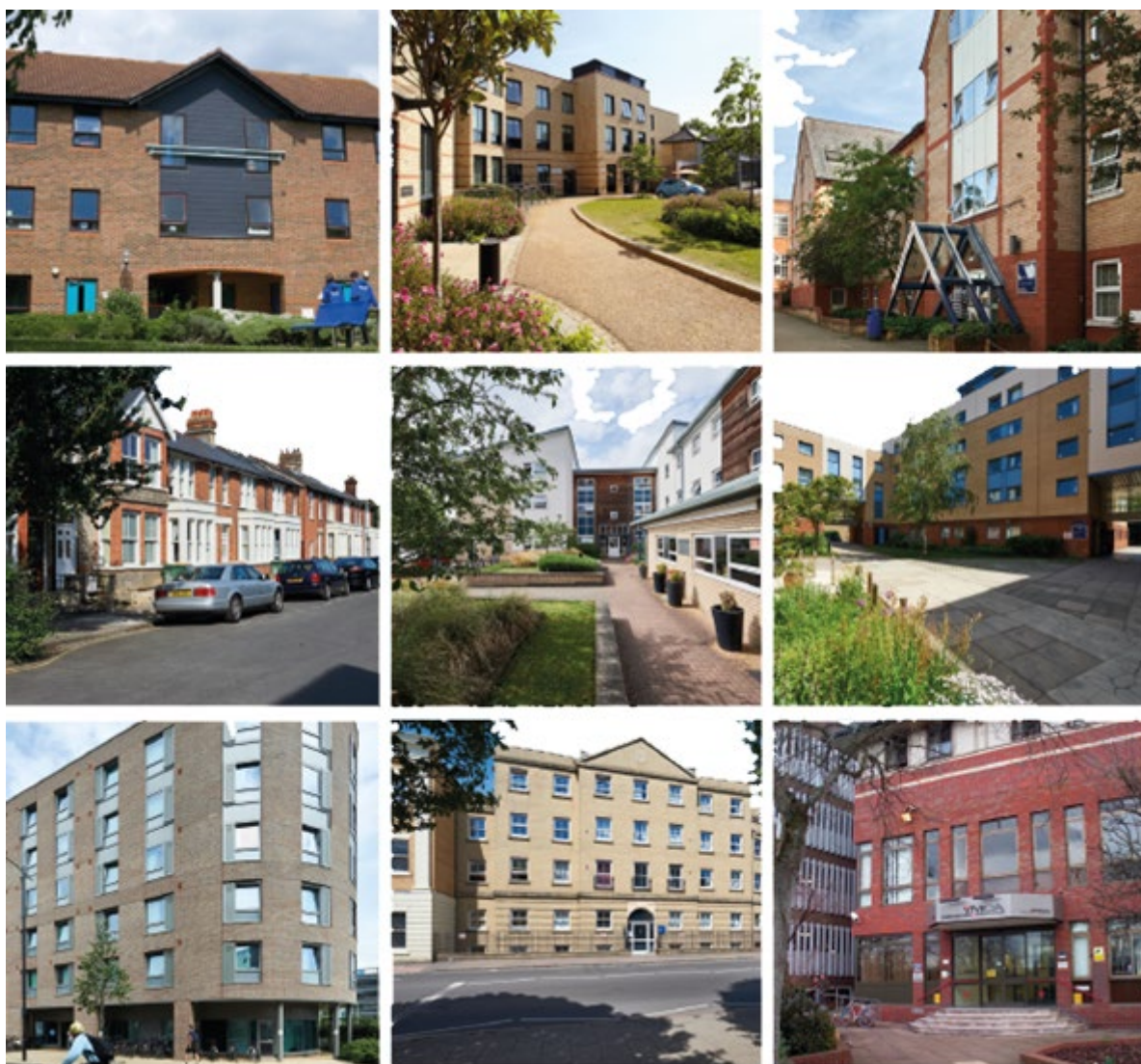
ARU Residential Service

April 2021



Introduction

The previous Residential Service Review and Forward Look was published in January 2019. Since this time there have been numerous changes affecting the service, including staff turnover, the global COVID-19 pandemic and Brexit.



Milestones review

The 2019 Residential Service Review and Forward Look set key objectives:

1) Refurbishment plans

At the Student Village we continue with our ongoing programme of complete flat upgrades including lighting, flooring, bathrooms, bedrooms and kitchens. 6 flats have been refurbished since Summer 2018 (28 bedrooms). In Cambridge £960k has been spent on new kitchens, bathrooms and flooring since September 2019. Prioritisation remains important in the context of an ongoing refurbishment backlog.

2) New accommodation for Chelmsford

A private investor plans to deliver the first 103 (of an eventual 300) direct-let rooms on the "Island site" for the 2021-22 academic year.

3) Portfolio review

We continue to have approximately 80% uptake of rooms for first-year Medical School students in Chelmsford each year, and around 20-30% uptake in subsequent years, so availability for new non-medical students is declining. With the expansion of the Medical School and plans to introduce new public sector courses at the Chelmsford Campus, we will keep reviewing the need for new accommodation. The aforementioned "island site" will likely meet demands for accommodation in Chelmsford in the short term, assuming planned delivery is met.

In Cambridge, we have ceased 7 of our head lease agreements (totalling 44 rooms) since January 2019, with the aim of reducing the amount of less desirable stock. Private sector accommodation in Cambridge remains plentiful, providing 1832 rooms in Purpose Built Student Accommodation (PBSA), and over 500 rooms in shared houses on Studentpad on the House Hunting "launch day" in February 2021.

One of our Nomination Hall agreements is due to expire in 2022 and a "referral agreement" tender exercise is proposed to maintain the number of rooms available for new students via ARU.

4) Peterborough Campus

Since the last Progress Review, it has been announced that a brand-new ARU campus in Peterborough will be opening in 2022. Residential accommodation will not form part of the campus development as it is predicted there will be a high proportion of local students. We have an existing Studentpad listings site for Peterborough, but this has limited options. Therefore, further work to source Agencies/Landlords will be needed, potentially by a member of staff based in Peterborough, supported by the existing Tenancy Support Team.

5) Flexibility to meet evolving customer needs

When creating the Progress Review and Forward Look in 2019 we couldn't have predicted the level of flexibility required to support students through the COVID-19 pandemic. This included working with the wider University to negotiate terms for contract releases and rent rebates, making our offices and the student accommodation COVID secure, providing additional support such as food parcels to those self-isolating and moving all our in-person events online.

Back in 2019 we suspected the introduction of 2-year degrees may mean that we needed to alter our contract lengths; at present the demand for 2-year degrees hasn't materialized, however it remains a possibility. A great deal of flexibility is required with ever changing ideas around course start dates for different courses, changes to study patterns due to the pandemic and a sharp rise in the number of International Students choosing to study courses starting in January rather than the traditional September intake date.

The team

20 staff (14 full time, 6 part time) located in Cambridge and Chelmsford.

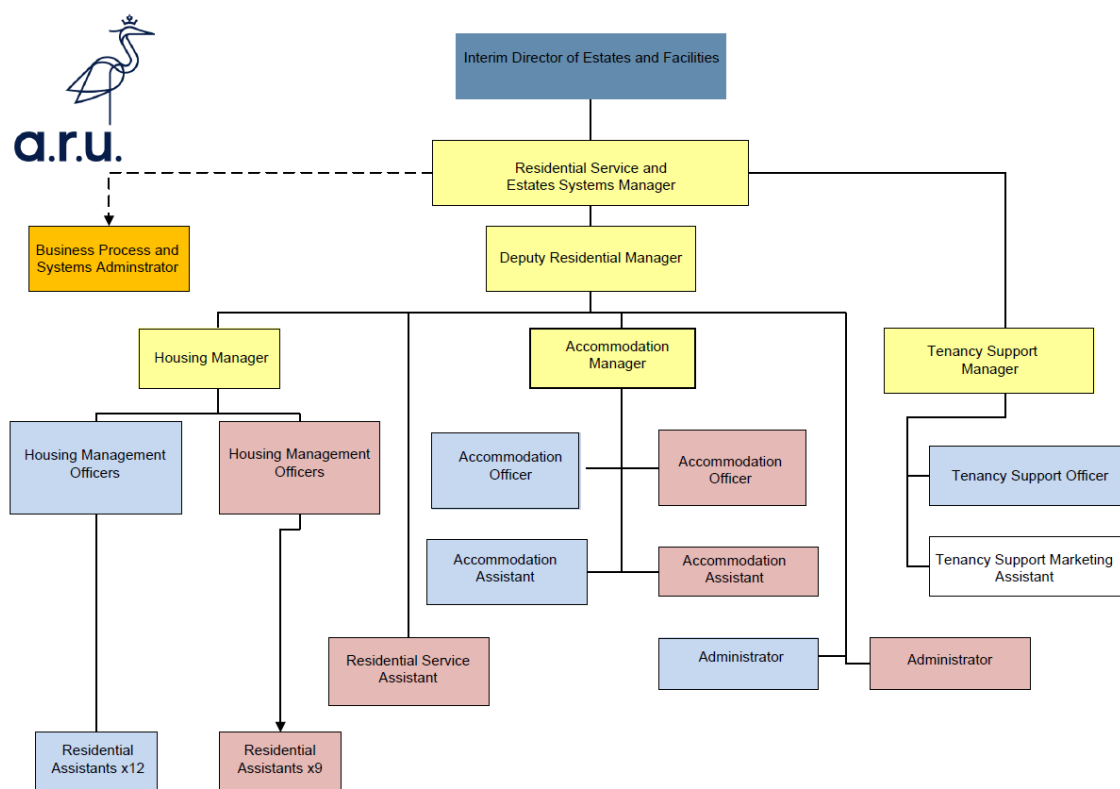
21 "out-of-hours" Residential Assistants (trained student staff) ensuring 24/7, 365 day support.

Temporary "Summer Crew" staff to assist with Summer Let and Commercial activities outside of standard contract dates (noting numbers were greatly reduced in Summer 2020 due to COVID-19).

Ad-hoc student staff to assist the Tenancy Support team, "clearing", and arrival activities.

Outreach service provided in Peterborough from Cambridge, with attendance when required.

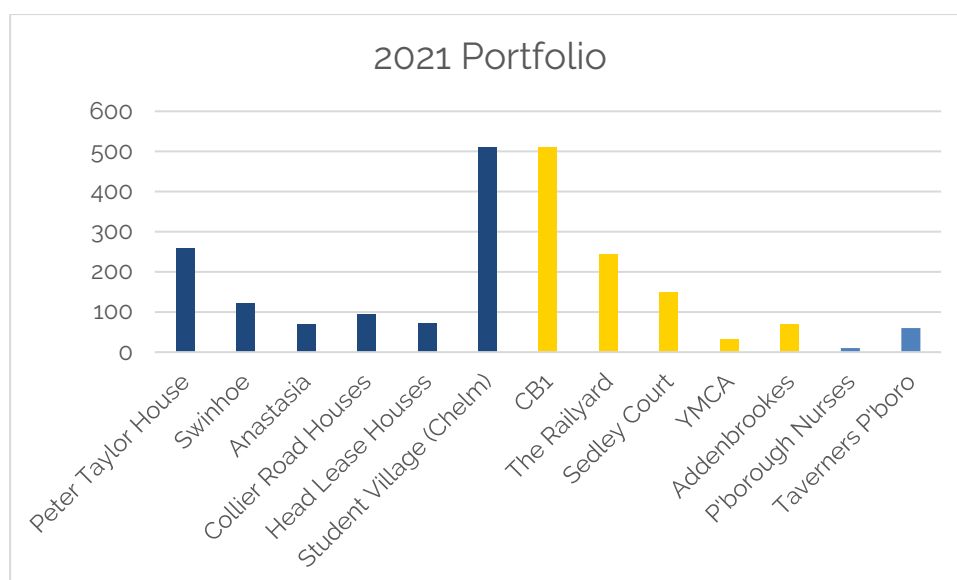
The Chelmsford Team have moved from their office in Chelmer Building to a bright, purpose-designed agile working space in Queen's, where they will be closer to colleagues in Student Services, the iCentre, the Library and ARU Temps.



Our Portfolio

For September 2021, we will have 2204 bed spaces in Cambridge and Chelmsford. 1126 are owned or head leased by us. 1078 beds are through PBSA nomination agreements or less formal referral agreements.

University Managed	Nomination	Referral
Peter Taylor House	CB1	Peterborough City Hospital
Swinhoe House	The Railyard	Taverners Hall
Anastasia House	Sedley Court	
Collier Road Houses	YMCA	
Head Lease Houses	Addenbrooke's Hospital	
Student Village (Chelmsford)		



Total number of rooms: 2019/20 2258 rooms, 2020/21 2204 rooms

Income and expenditure

Our income and expenditure budget is circa £6 million (2020/21), with additional nomination liabilities in Cambridge approaching a further £6m.

Our main income sources are: student lets, summer bookings and term time short-term lets (including student and commercial trade), car parking and laundry commission.

The COVID-19 pandemic had a significant impact on our income from Summer and commercial bookings (a loss of around £250,000 compared to previous years) and we offered a mix of contract releases and rent rebates to students unable to use their rooms due to travel restrictions in both Semester 2 of the 19-20 academic year and across the 20-21 academic year. We have now issued more than £1.5m in rent waivers and tenancy releases to date.

Our expenditure includes rents and leases, operational costs such as repairs, refurbishment and cleaning costs. Staff costs represent approximately 12% of income which is a competitive figure when compared to sector averages (as per CUBO Performance indices 2019).

We have created a pie chart which represents a £1 coin, to explain to our tenants how their rent is spent. See Appendix 1.

Service area reviews

Accommodation Team (Application and allocations)

September 2020: The team processed 1677 online bookings (1294 in Cambridge and 383 in Chelmsford). The number of bookings was significantly affected by the COVID-19 pandemic as many students chose to study online from home.

The team continued to develop StarRez and in March 2020 launched our new 'Portal X' online booking portal which required months of work to set up. This portal makes our booking process more user-friendly for students and allows the Accommodation Team to make changes to the portal content without needing intervention from external IT experts.

In February 2021 we adapted StarRez to allow current students to self-select rooms for the majority of our nomination halls (The Railyard, CB1 and Sedley Court) via our booking portal for the first time.

Multiple cohorts of Medical School students can now book rooms online for the Student Village in Chelmsford, rather than the team having to do this manually.

Between March and May 2020 we processed refund requests for 463 students in Cambridge and 408 in Chelmsford who had returned home due to the pandemic.

Subsequently, between January and March 2021 we have processed further refund requests for 355 students in Cambridge and in 174 Chelmsford for students who were not able to return to their accommodation due to the further National Lockdown.

Looking ahead, we need to continue to balance the complex demand and supply equation - ensuring the right number of rooms in our portfolio to achieve full occupancy in a constantly changing Higher Education environment and changing student demographic.

Housing Management Team

(Day to day management of our accommodation)

After a few years with several changes, our team has remained consistent for the past 12 months. We welcomed a new full-time HMO in Cambridge in summer 2019 and our part-time HMO in Chelmsford was promoted within Residential Services in late 2019, becoming Tenancy Support Manager. We recruited a new part-time HMO in Chelmsford who started in January 2020.

The first COVID-19 lockdown in March 2020 meant students left their rooms to go home and were unable to return before tenancies ended in June 2020. Belongings had to be packed and shipped to some international students and collection dates and times scheduled for UK students to return within tight government restrictions.

We have witnessed an increased number of incidents in halls throughout 2020, mainly linked to students breaching COVID-19 restrictions. Disciplinary meetings were held online to ensure those breaking the rules understood the restrictions in place, and how student "households" work. Updating of student messaging within the evolving COVID-19 rules framework has been relentlessly ongoing.

Another addition to our workload caused by the pandemic was the introduction of the provision of food parcels for students who needed to self-isolate in their accommodation. This has required significant liaison with Catering and Student Services, with new operational processes implemented.

We have continued to carry out termly room inspections throughout COVID-19 restrictions with strict risk assessments in place to protect staff and students. Maintenance work and redecoration has been undertaken in vacant rooms to improve the condition ready for the next tenants.

We successfully recruited a team of Residential Assistants (RA's) for each campus in September 2020, adapting the way we work to be COVID secure by conducting interviews via "Teams". We are now planning recruitment of Summer Crew for Summer 2021 and Residential Assistants for September 2021, which will again be completed virtually.

We are looking forward to the vaccination roll-out and the safe, gradual return to the "new normality" with more students on campus. Our team's focus for the future is improving the condition of the portfolio, within resource constraints, and we have several projects and maintenance works lined up for this summer and beyond across both campuses.

Tenancy Support Team

(Tenant Events, marketing & private renting support)

The Tenancy Support Manager left in Summer 2019, and the full-time hours are now split between 2 pre-existing RS team members, who have also welcomed a new full-time Tenancy Support Officer.

Looking ahead – a Residential Service Marketing Officer is being recruited to assist with updating and developing our various communication channels. It is also hoped a Peterborough Tenancy Support Assistant to be recruited prior to the new campus opening in 2022.

Events

2019 events included: outdoor cinema night, wood-fired pizza event, pumpkin carving, Christmas present wrapping and Valentine's card making with the SU.

2020 events (all moved online due to the pandemic): Cook-alongs with ingredients provided, Rock and Roll Bingo nights and "Pumpkin Carving at home". Attendance at online events was initially good but as the pandemic continued engagement dwindled, which was a pattern seen throughout the institution and the sector.

Looking ahead - As the vaccine is rolled out across the country, we are tentatively beginning plans to reintroduce face-to-face activities from September and resuming our teamwork with the SU, Environment Team, International Office and Team ARU to deliver a range of events.

Private housing support

January 2020: we booked rooms at the Travelodge in Cambridge as temporary accommodation for a new large International student intake whilst we helped them search for private sector accommodation. In Chelmsford we investigated using accommodation at Writtle University College in the event extra accommodation was required.

February 2020: Annual Housing Fair held at Kelsey Kerridge.

July 2020: virtual house hunting event due to the pandemic. StudentPad added the option for landlords to include "COVID-19 flexible contract clauses" which many utilised.

2021: House Hunting Season all online with students signing up for "Teams" information events and house hunting packs, which were posted to them.

Looking ahead – New PBSA due to open in Chelmsford proposing to offer the first 103 rooms in September 2021, this will increase PRS options in the City. We also need to source suitable accommodation across Essex due to a planned increase in placements for Medical/Nursing students outside of Chelmsford.

Other key achievements

Peer Mentors: Working with Student Services, Peer Mentors have been introduced, offering increased wellbeing support for students in University accommodation.

Income: Income generated by selling banner adverts on the StudentPad website and advertising space in the House Hunting guides. Commission payments now being received from Unikit out and LoveSpace.

Looking forward

We remain in a period of significant change. Since summer 2020 we have had an interim Director of Estates (following a relatively short tenure 2019-20) with a recruitment process for a substantive postholder ongoing.

An Accommodation Strategy Group has now been established as a formal University committee (with UET representatives taking forward recommendations for full UET sign off) to determine RS operational priorities, review the Allocations Policy (particularly priorities and conflicting demands), as well as steer the development of the next RS five-year strategy, in the context of the current Corporate Plan.

In the interim, our immediate short-term priorities can be summarised as:

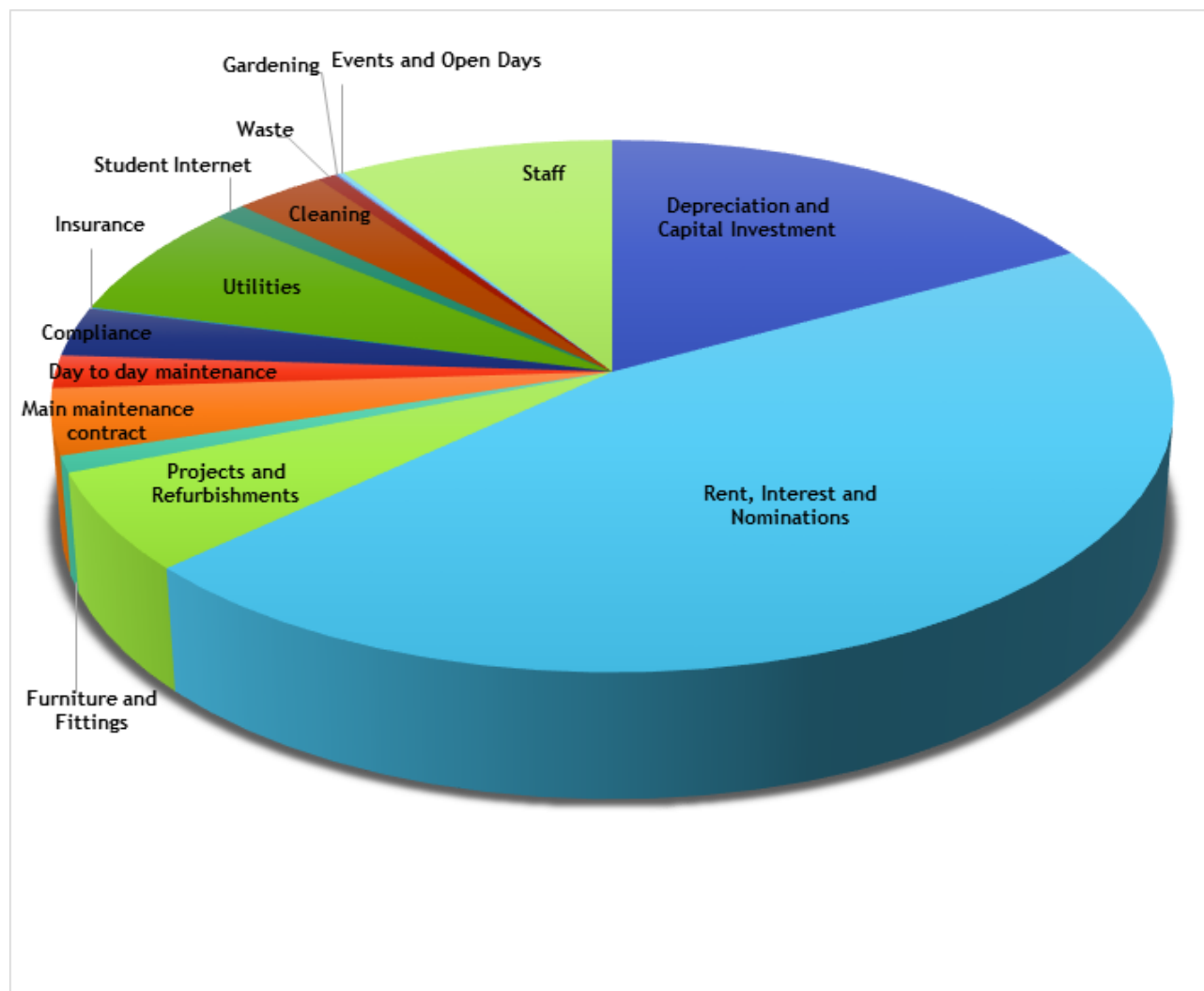
- COVID recovery – Ensuring required ongoing Health & Safety compliance, rebuilding commercial activity such as summer schools, and ensuring relevant wellbeing support.
- Altered marketing and recruitment arrangements, including revised post A-Level results timetable and activity.
- Supporting the new University of Peterborough project – by establishing and embedding house hunting and associated support for those seeking accommodation in Peterborough. This will include working with existing landlords, and potential PBSA providers.
- Balancing the demand and supply equation in the context of increasingly flexible customer demands and new intake dates of International students.
- Working to ensure the availability of new Chelmsford Accommodation ("Island site", Writtle etc.). Longer term we also need to start investigation options for redevelopment of the Student Village in the context of the expiry of current finance lease in 2025.
- Formulating a plan to replace the Cambridge nominations deal expiry covering 244 beds (expiring summer 2022) – possibly using a "referral agreement" as an alternative.
- Ongoing prioritisation of refurbishment resource to ensure both portfolio compliance and improvements with the biggest impact for customers, in the context of a significant maintenance backlog.

Appendix 1

Your rent

So, you've moved into your accommodation and have been paying your rent, but have you ever thought about where your rent goes and what it pays for?

If you think of the diagram below as a pound coin, it shows how your rent is split and how much of it goes towards the services we provide, and operating costs.



Depreciation / Capital Costs – 17p

This relates to the costs of paying back capital, and refurbishment costs.

Rent, Interest and Nomination payments – 45p

We don't have enough of our own accommodation to house all our new students which means we have to rent additional accommodation and enter into "nomination agreements" with the private sector, which come with financial exposure. We are also still paying long-term finance charges associated with the acquisition and construction of our owned residential portfolio.

Minor Projects and refurbishments – 6p

We prioritise works to try and keep the accommodation in good condition – recent projects include replacement kitchens, bathrooms, flooring and redecorations.

Furniture and fittings – 1p

We replace broken, damaged and worn out furniture, including mattresses, desk chairs and kitchen furniture.

M&E (Mechanical and Electrical) maintenance – 4p

The team of staff employed under this contract have specific trades like an electrician or plumber and deal with both routine and emergency jobs, including out of hours.

This service was formally "contracted out" but is being brought in house in April 2021.

Day to day responsive maintenance – 2p

The day-to-day maintenance team cover the tasks which support the upkeep of our properties - from tightening a loose shelf in your room, fixing the cupboard door that's come off in the kitchen, replacing carpet tiles, or inspecting and maintaining fire doors.

Other Compliance – 3p

We must comply with various safety regulations relating to the properties we rent to our students. This includes testing and documenting water safety (to protect against legionella), electrical testing (both fixed installation and portable appliance testing – PAT) and fire alarm maintenance. We are audited annually to ensure we meet the requirements.

Insurance - 1p

We've got buildings insurance for the properties that we rent to cover any structural damage and repairs and also arrange "core" possessions insurance for your belongings, with optional cover available directly via the provider for high value items and bikes etc.

Utilities – 7p

Utility bills continue to rise each year, we collaborate with the Environment Team to improve the energy efficiency of our buildings, and come up with ways we can try to reduce these costs – including user behaviour campaigns and competitions.

Student Internet – 1p

The internet is managed by an external company, and the service and costs are regularly reviewed. We currently have 100MB wired and wireless service throughout the on-campus accommodation (including Anastasia and Collier Road) with high-speed commercially procured services to Cambridge leased houses.

Cleaning – 3p

Before moving into your accommodation both the rooms and communal areas are cleaned. Throughout the year we provide rubbish disposal from most of our properties, ad-hoc cleaning, cleaning of communal areas including the external windows and we provide cleaning materials, mops, buckets and dustpan and brushes, all of which you can find in the communal areas of your accommodation.

Other, including Waste disposal, Gardening, and Student Events – 1p

We incur costs associated with the disposal of end of life and non-recyclable items.

The gardens and surrounding areas are regularly maintained, the grass and hedges are cut and seasonal flowers are planted.

We run two main events, our Welcome and Leavers event, however if you miss these, don't worry as we run several smaller events throughout the year at which everyone is welcome. We're always represented at the Recruitment Events too.

Staff – 9p

The staff who work hard within the Residential Service include the office "Accommodation Team", "Housing Management Team" and "Tenancy Support Team", When the office isn't open we still have staff onsite – our Residential Assistants who provide 24/7 assistance, 365 days.