



LANDLORD GUIDE:

How Covid-19 has affected the student rental market in London

SEPTEMBER 2020

Despite drop in demand, the student renters' market is recovering well

The landscape of higher education in the UK is undergoing changes due to the impact of COVID-19. Most of the universities in the UK and London will be taking the 'blended learning' approach, allowing only some students to come back to auditoriums once they open their doors for 2020/2021 academic year. This, undoubtedly, has already altered the behaviour of overseas and domestic students within the residential London property market as well.



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"The demand in July was significantly impacted from international students, but it recovered well in August to about a quarter down in the month of August in comparison to the same period last year," says Daniel de Abreu, Area Director for London-based agency LiFE Residential, which has closely examined the student renters' market ahead of the start of the new academic year in September.

However, the agency, who has been letting properties across the capital for 20 years, has concluded that despite a drop in student renters' numbers this year due to COVID-19, there are still plenty of professionals from other sectors that London landlords can rely on to take on tenancies.

Students returning to campuses

The Government has released guidance regarding the re-opening of university campuses in the UK. It is currently expected that universities will be able to open for the academic year 2020 to 2021, albeit with modifications and differences made to ensure compliance with health measures in place. Detailed government guidance can be found [here](#).

London's top 10 universities' response to COVID-19 and the incoming academic year 2020/21 (Accurate as of August 25, 2020)

LiFE have looked into the top 10 London universities more closely to see how they are planning to implement government advice regarding students' return to education. All universities will begin the academic year 2020/21 as scheduled in September - October. All universities will also be following the 'blended learning' approach, a combination of campus-based learning (wherever possible) and remote online learning.



University College London (UCL):

①

Confirmed start date:

- Campuses will be re-opened on September 20, 2020.
- Term will start on September 28, 2020.

UCL has advised students to travel to London if they are able to. It is expected that the autumn term of 2020 will be flexible with the possibility of virtual classes available, so that UCL can gauge how the rest of the academic year will pan out. Further details and updates are outlined [here](#).



King's College London (KCL):

②

Confirmed start date:

- The academic year begins September 1, 2020.
- Term starts September 28, 2020.

KCL has stated it expects students to travel to London wherever possible. Numbers of students on campus at any one time are to be limited in line with safe distancing guidelines and the institution will take the 'blended learning' approach. Large teaching events including lectures will be held online for 'at least the first semester'. Further details and updates are outlined [here](#).



Imperial College London:

③

Confirmed start date: October 3, 2020.

Programmes are scheduled to begin at the institution as expected, and campuses will open for students when the academic year begins. The 'blended learning' approach is to be adopted with a combination of on-campus and remote teaching, and remote learning is available for students who are unable to make it to London. Further information and updates can be found [here](#).



London School of Economics (LSE):

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Confirmed start date: September 21, 2020.

LSE is due to re-open with a skeleton schedule running consisting of socially distanced physical classes and lectures. Remote learning is also available for students who are unable to travel to London. It is expected that remote study should go no further than the end of the first term, situation permitting. Further information and updates can be found [here](#).



Queen Mary University of London:

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Confirmed start date: September 14, 2020.

Queen Mary will adopt the 'blended learning' approach between September 2020 to January 2021 as a transitional period. All Queen Mary housing is open from September, and students are being encouraged to move in as soon as they can. Further information and updates can be found [here](#).



Greenwich, University of London

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Confirmed start date: September 14, 2020.

Greenwich has stated that the term will begin as planned in September, but main lectures will most likely be delivered online for the autumn term. Students will have the opportunity to 'attend seminars on campus as soon as it is safe to do so.' However, Greenwich is encouraging all of their students to join them on campus in September, to 'make the most of the whole student experience.' There are a range of socially distanced activities that will run, including seminars and tutorials. Student accommodation will be open as normal. Greenwich are following government and industry health guidelines. Further information and updates can be found [here](#).



Goldsmiths, University of London

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Confirmed start date: October 5, 2020.

Goldsmiths reports they are working hard to reopen the university buildings and campus for October when the majority of students return to studying. Teaching is being adapted for 'blended learning,' so students can expect a mix of in-person and online studying. It is made very clear that there is a lot of effort being made to ensure some on-campus teaching will be possible. On-campus teaching will follow safety measures including social distancing, changes to campus structure and enhanced cleaning procedures. Further information and updates can be found [here](#).



University of West London (UWL)

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Confirmed start date: September 21, 2020.

UWL has confirmed that their sites will re-open in September with ‘80% of the educational experience provided on campus (subject to government regulation.)’ This means all learning activity, except ‘large lectures, master classes and large group work’ will take place on campus in person. Students will also have the choice to study online if it is preferred. UWL is following all government guidance to keep students safe when returning or beginning university. Further updates to this information can be found [here](#).

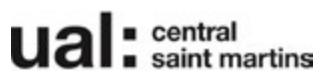


London Metropolitan University

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Confirmed start date: October 12, 2020.

London Metropolitan has confirmed that the autumn semester will start in October. There will be online and in-person options on campus for all students. Students may start their studies online but join in on campus later. The institution will take the ‘blended learning’ approach. All government guidelines are being followed. There is also the option for new and incoming students to start a number of degrees in January, to allow things to settle. Further information can be found [here](#).



Central St. Martins

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Confirmed start date: October 19, 2020.

All students, new and returning, will be expected to attend teaching and all in-person sessions at UAL buildings. ‘Blended learning’ will be in place and some teaching online, but there will be access for all students to campus facilities. All buildings will be operated according to government guidelines. Students unable to attend teaching on campus in the UK must have an approved extenuating circumstances request to be excused from the in-person part of their course. Further information can be found [here](#).



Home Office allowing flexibility on student visas

Flexibility on Tier 4 student visas

The UK Home Office has confirmed that it will allow Tier 4 sponsors to sponsor their international students on study visas for ‘blended learning’ in the 2020/21 academic year, as long as there is an intention within the institution to eventually transition to face-to-face learning as soon as possible.

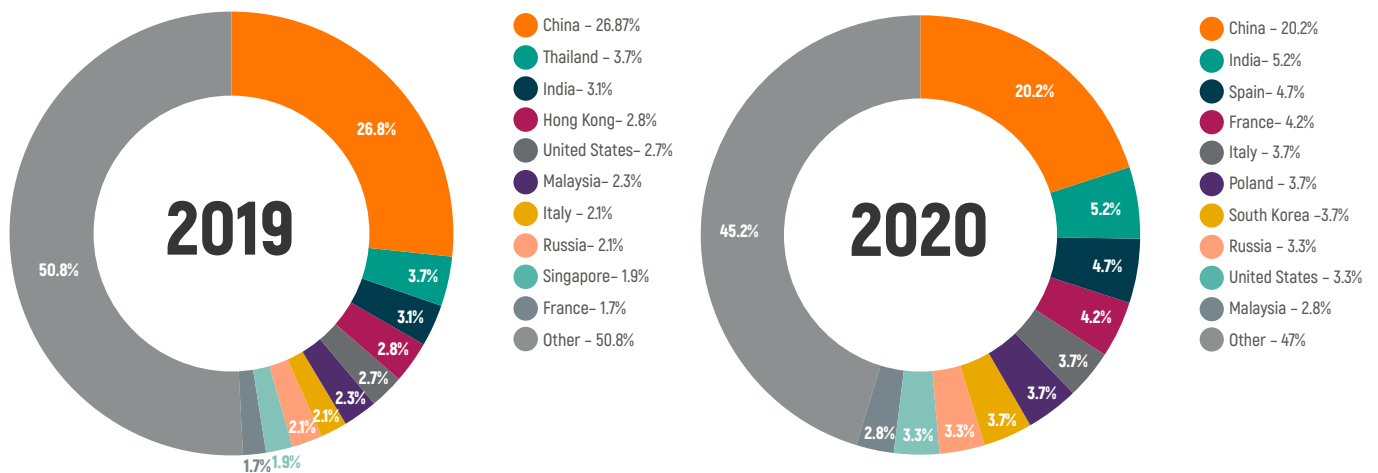
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‘Blended learning’ or distance learning is not usually permitted to Tier 4 students because study has to take place on the premises of the Tier 4 sponsor, whilst online learning can take place anywhere. This concession will run for the entirety of the 2020/21 academic year. More information can be found [here](#).

This concession due to COVID-19 suggests that international students will be able to receive a Tier 4 visa to enable a move to the UK even when their chosen institution has adopted the ‘blended learning’ approach.

Students, particularly international, travel to London for the cultural experience as well as the educational experience, and this exception may motivate students in this circumstance. LiFE Residential receives rental applications from students of a number of different international nationalities, as shown in the years 2019 and 2020 below.

Top 10 International Tenant Nationalities



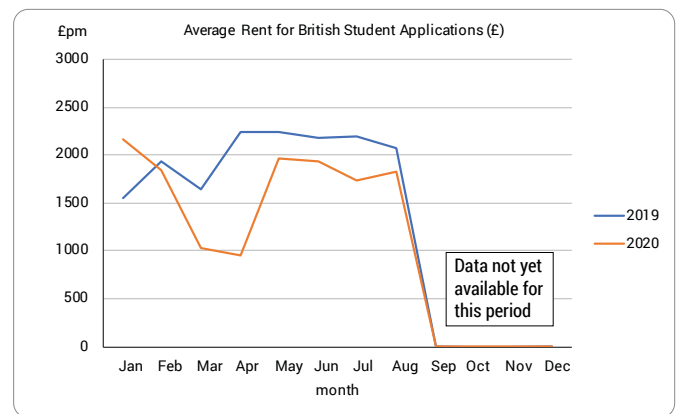
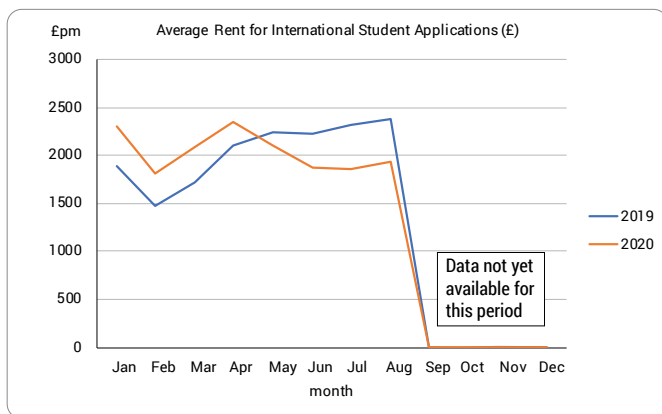
This change may also suggest that more students will look to move in the near future once there is further transition to face-to-face teaching and also further government and Home Office advice.

Tenant-friendly market for domestic students

The analysis of rental applications on the LiFE tenant on-boarding platform shows that despite the disruption of COVID-19, the summer 2020 property market remains as busy as usual.

Although the interest in London property from international students has dropped by almost a quarter, domestic students aren't hesitant to fill this void, with only a 5% drop in applications from British students 2019-2020.

“The behaviour of domestic students seemingly hasn't been impacted in the summer months” says De Abreu, “Domestic students are enjoying a more tenant-friendly market, as an average rent on those student properties is down about 11% for August, local market dependent.”



LiFE sees the international student demand in London property coming back in Q4, as a lot of universities are offering remote study options for the first term only.

“The dilemma landlords have on hand is to weigh up the calculations of adjusting their expectations to the new market conditions and take the less rent or holding out in the hope that there's a big wave of students in Q4 and they achieve something close to what they were achieving before,” says LiFE Area Director.

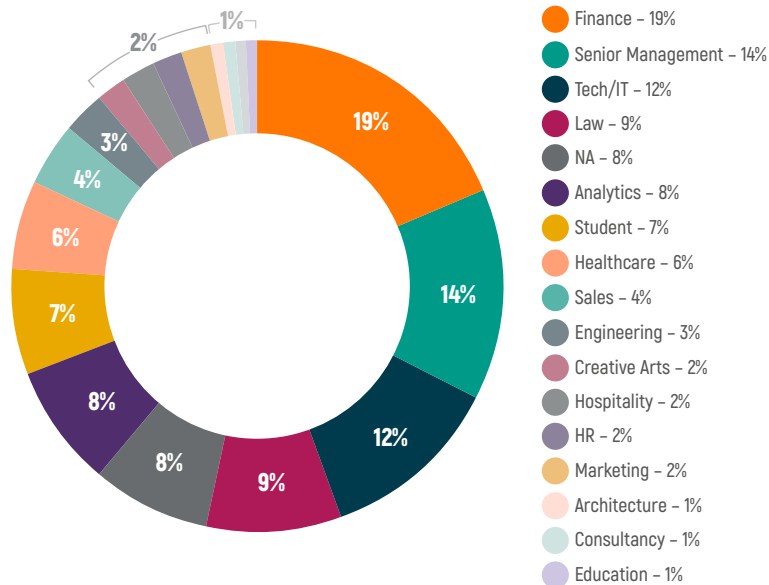
Big pool of tenants out there

Another thing to bear in mind for landlords, according to LiFE Managing Director Jonathan Werth, is the diversity of active tenants in the market.

“Students aren’t necessarily taking as much accommodation as they did in previous years, but there are dozens of other sectors in London taking it up,” says Werth.

Looking at the make-up of LiFE tenants this year, students have only comprised 7% of the entire pool. Almost one fifth of LiFE tenants have come from the finance industry, 14% from the senior management field, 12% from tech/IT and 9% from law backgrounds.

Most Common Sectors of Tenant Employment



“The sectors we’re seeing tenants come from are very much known to us, but what isn’t as widely known to us is their job descriptions. There are new jobs and new parts of the businesses created due to regulations or technologies that are emerging,” says Werth, reassuring landlords not to fear the drop in student demand.

“If you think your flat will soon become vacant, don’t panic. There is a big market out there for people looking to rent, not just because people have split from sharing to non-sharing, but because a lot of professionals are looking to cut the commute times and live even nearer to work, now, in addition to the whole mixture of circumstance,” assures Werth.



Example of some newly created job titles

With universities planning to adopt a 'blended learning' approach as the start of the academic year 2020/2021 approaches, the demand from international and British students looking renting in London prior to term commencing stays lower than usual.

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The London university experience is not just limited to studying and academics. Studying forms just a small part of the overall university package, with students from all over the world eager to experience the popular London lifestyle. The cultural side of things continues to open up in the bustling UK capital. With the Tier 4 student visa concession in place, international students have the chance to move to London and begin their new LiFE, despite the availability of online remote learning. We are likely to see this function as a motivating factor for student renting, particularly as London continues to open-up and recover after the lockdown. As the top 10 London universities also all show signs that learning will not just take place online in the new academic year, students may grow to feel more confident to begin renting again, particularly as we move towards further relaxations of restrictions in the autumn and winter period.

