

# UK students face severe housing shortage amid cost-of-living crisis

Sanya Perera  
13 January 2023

University students face an unprecedented housing crisis, with more than three students for every bed available in purpose-built student accommodation. The shortage and soaring rents have forced students into poor-quality accommodation, couch-surfing, or commuting to university from parents' homes and nearby cities.

Last September, hundreds of first-year students across Britain were denied any accommodation on campus due to lack of space. This includes 127 students at the University of West England (UWE) in Bristol, told they had to find accommodation in Newport, Wales, over an hour away from their university. For the immense cost in travel expenses, lost time, and isolation from their peers, the UWE only offered a refund of a £70 rail card.

In the months since, hordes of students have been seen queueing outside estate agents, with some in Durham waiting overnight, for the release of rental homes for the next academic year.

Student news web site The Tab reported last August that “one in seven students are scared of being homeless.” Their concerns are justified. A survey by the National Union of Students (NUS) found that 12 percent have actually experienced homelessness since starting their studies.

Universities have responded pathetically, offering “support” which in reality amounts to nothing more than keeping libraries open and offering free tea and coffee to help students stay warm this winter. Student union services, including advice about money and accommodation, are overburdened and for the most part only handing out automated replies.

The crisis has been building for years, caused by universities farming students as cash cows without providing adequate infrastructure, private owners slowing down the building of new residences, and the

worsening cost-of-living crisis.

While the rate of admissions to higher education has reached record highs, increasing by nearly two thirds since 2000, provision of accommodation and all other services has not kept pace. A process of marketising higher education that began with the Labour government introducing tuition fees in 1998 has produced a system of competition for student numbers, while cutting the resources available to staff and students, to make up for government funding shortfalls and to fund exorbitant executive salaries.

Encapsulating both the financial pressures on universities and the greed of university vice chancellors, who view their student bodies with contempt, the *Times* reported last year that “University bosses are calling for tuition fees to be raised closer to the £24,000 a year average that foreign students pay,” nearly treble the current £9,250 rate.

Vice chancellor of the University of Sunderland Sir David Bell, with a salary of £260,000, described the “financial imperative” to “recruit” foreign students, adding, “If you want to keep running universities even at the level we have now, you have to increase the tuition fee at some point.”

Higher education providers have increasingly washed their hands of any responsibility to maintain accommodation, outsourcing university residences to private companies. Out of the 700,000 student beds available nationally, more than half were built by other providers like Unite. Their profits are reaching new heights, with Unite predicting growth of 5 percent in 2023. The number of beds in university-built student halls decreased by 5 percent from 2018 to 2021.

The supply of accommodation is therefore increasingly at the whim of the market and has been falling in recent years. According to industry magazine

*The PIE News*, “Analysts predict that growth will continue to stagnate given rising inflation, escalating building costs and land availability, among other factors.” Even the inadequate existing stock is being reduced, with 11,000 student spaces converted to more profitable uses in the past year.

Prices, however, have continued to increase—by 61 percent in the last decade according to the National Union of Students (NUS).

Older students renting in the open private market are at the mercy of exploitative landlords. Renters describe being locked into tenancy agreements, paying extortionate prices for uninhabitable living conditions. It is common to live in cold, cramped, and damp-ridden houses.

Structural and fire hazards are rife. Just two months ago, the ceiling fell through into the living room of seven students in Cardiff, after them having voiced their concerns about the cracks in the ceiling. One of the students explained that the letting agent, CPS homes, took no notice since “this was a big job which would have cost a lot of money.”

Real estate firm Cushman and Wakefield estimates that student private rents have nonetheless increased 19.3 percent since 2016-17.

Students have to pay these rates with maintenance loans of up to a maximum £9,706 a year, well below annual living costs. The loan, which is meant to cover rent, bills and food, has rapidly declined in real value, with the government granting a 2.3 percent increase as inflation topped 14 percent last year. As a result, students have had to make do with a shortage of £439 a month on average according to Save the Student, up from £340 in 2021.

The NUS found that 96 percent are restricting spending, including on basics like food, heating and sanitary products. But even these cutbacks are sometimes not enough, with more than one student in every 10, relying on food banks.

According to the Office for National Statistics (ONS), the mental health and wellbeing of nearly half of all students has worsened since the start of the academic year. A quarter are taking on additional debts and three in 10 are skipping lessons to save money. Many are working close to full-time hours to pay their way.

More than 100 students have reportedly signed up to a rent strike at the University of Manchester in protest

against these conditions.

Neither the Conservative government nor opposition Labour Party will address this crisis. One of Prime Minister Rishi Sunak’s first major policy moves was to lower the salary threshold at which students begin repaying their loans, saving the Treasury £35 billion in the next 5 years and costing poorer students between £10-28,000 over their lifetimes.

Labour leader Sir Keir Starmer has put the party’s pledge to abolish tuition fees under review, saying last week, “I have to be honest about it, the damage that has been done to our economy means that... we will cost everything as we go into that election and we will do that with discipline.”

Both parties have worked seamlessly together in and out of government to commodify and marketise higher education, turning it into a playground for private investors.

The trade union bureaucracy has helped pave the way, with the University and College Union (UCU) sabotaging years of struggles by tens of thousands of staff against cuts to pay and pensions and allowing insecure work to spread throughout the sector. The NUS long ago abandoned the fight against tuition fees. In its latest cost-of-living campaign, it offers a worthless petition.

In place of these bureaucracies, students must form their own organisations to coordinate strikes and protests for fully funded, high quality housing and education as a social right. This struggle cannot be won by students alone, but only as part of a joint fight with the working class to defend living standards against the cost-cutting and profiteering of the government and private corporations. Students who agree with this programme should contact the International Youth and Students for Social Equality (IYSSE).



To contact the WSWS and the  
Socialist Equality Party visit:

**[wsws.org/contact](https://wsws.org/contact)**