

King's Residences Rent Setting Policy

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Introduction

King's Residences provides accommodation to over 6,000 students currently studying at King's. Rents must be confirmed prior to the beginning of each year to enable new applicants to be fully informed on the cost of accommodation for the subsequent academic year.

The purpose of this policy is to guide the rent setting process and to provide transparency in how rents are set.

Aims

This policy aims to provide the key principles which will guide the rent setting process. These key principles are as follows:

- There shall be a range of rents, which reflect the affordability requirements for students currently studying at King's, or anyone who wishes to study at King's in the near future. This is in the spirit of the university's commitment to widen participation for students from low-income backgrounds.
- The income generated by King's Residences, including the rents it charges students, should aim to meet the operating costs of King's Residences. Any surplus generated from rents must be reinvested within King's Residences, for refurbishment of current sites or acquisition/development of new sites.
- The accommodation provided should be value for money, and rents should reflect both the quality and location of accommodation.
- Accommodation prices shall aim to meet the needs of the full-range of the student body and recognise that some types of students, including care leavers, postgraduates and nursing students, will have different requirements in terms of length of contracts, and hence affordability, than other students.

Definitions

Affordable Accommodation

Based on the students' differing requirements in terms of affordability of accommodation, for the purpose of clarity in this policy, affordable accommodation at King's is seen as the number of rooms priced based on:

- the maximum maintenance loan available from Student Finance England
- greatest value King's Living Bursary available
- the average living costs for a full-time student studying in London excluding accommodation (as determined by the latest 'Student Income and Expenditure Report' produced by the government)
- the rent levels found in similar accommodation in the private sector

King's Affordable Accommodation Scheme (KASS)

The King's Affordable Accommodation Scheme, or KASS, was introduced at the beginning of academic year 15/16 in order to address some of the concerns relating to unaffordable accommodation in Residences.

The scheme is a central part of the rent setting process, to ensure that King's is fulfilling its widening participation agenda. The key principles which will guide this scheme are:

- The rate of rent shall be set in accordance with the affordability definition outlined in the 'Definitions' section of this policy to ensure that the rate is affordable for those students on the lowest incomes. Different rates for different lengths of contracts should be considered to ensure that KASS is affordable for those students who require longer than standard 40-week contracts.
- The number of rooms available via KASS should be maximised. This maximisation principle needs to take into account that the rent setting process as a whole needs to meet the general principles of the rent setting process outlined in the 'Aims' section of this policy.
- The students who access KASS should be those students most in need of the affordable accommodation provided. This shall take into account income background and location of family home, with priority given to those students from outside the London postcode area.

Rent Setting Process

The rent setting process is a collaborative process between King's management and students. The process for setting rents is as follows:

- There shall be a rent setting working group populated with the most appropriate members of King's staff and student representatives, including but exclusively from KCLSU. This group will be tasked with working together in January of the relevant years to propose rents for the next academic year, but with long-term view which may result in suggesting a guide rent range for future years.
- Ahead of discussions starting, a revised Terms of Reference will be agreed with KCLSU and an information session will be held with all students taking part in the discussions to detail the scope of the process, limitations and market drivers that will influence the outcome.
- A proposal arising from this group must be put forward for approval of King's Finance by mid-December at the latest.
- Once the proposal is been approved, the rents for the following academic year only will be released on the King's website for prospective students to access. This should be achieved by early January each year so that prospective students' can be informed and make their decision in regards to their accommodation ahead of applications being open that same month.
- Any guide rent ranges proposed in addition to the next academic year's rent proposal will be subject to reviews ahead of publication each year, where and when it is applicable.

New Developments

The impact on the ability of the rent setting process to meet the affordability requirements outlined must be a key factor in any developments providing additional rooms to the Residences portfolio.

Any new developments should aim to minimise operational costs, to allow rents in a number of bedrooms to be priced as low as possible, whilst also meeting King's Residences' commitment to providing a safe and vibrant living and learning environment.