



The Forward Look 2023 – 2026



Introduction

What Unipol does

As a student housing charity of nearly 50 years' standing and the largest not-for-profit student housing organisation in the UK, Unipol:

- ▲ develops, takes into ownership and manages refurbished properties, and lets them directly to students. Unipol is currently responsible for housing some 3,000 students plus around 210 student families. Of these, 2,250 students are in Leeds, 649 in Nottingham and 59 in Bradford. Its direct housing function sits at the heart of the charity's operations and is a beacon of good practice and innovation for others working in the sector
- ▲ runs local accreditation schemes in Leeds, Nottingham and Bradford, and operates two Government-approved Codes of Practice for larger student developments UK-wide. Within these, Unipol sets professional standards for purpose-built student accommodation (PBSA) and its management. Owners and agents who are scheme members voluntarily commit themselves to meeting these standards. Unipol undertakes compliance checks in order to give students assurance and confidence about the quality of what they are signing up for when they rent a Code property. The accreditation schemes also give students a robust complaints process to use if things go wrong. Unipol currently accredits around 440,000 bed spaces
- ▲ runs three Housing Hubs which give students (and their parents) information and advice on finding a suitable home. The Hubs also provide a forum in which owners (including Unipol) can advertise their properties. Although Unipol charges a fee for services to owners, services for students are free. The Housing Hubs are part-funded by educational institutions and local authorities. Unipol also runs a *Rate Your Landlord* review site (jointly with Leeds University Union), which provides an effective platform for the student voice to influence housing choice in Leeds and in Coventry (University of Warwick)
- ▲ provides help and training, both locally to support landlords, and nationally to improve policy, management and the development of student accommodation. As part of this set of activities, Unipol runs the *UK Student Accommodation Forum*, an online conferencing facility that enables member practitioners to meet regularly and talk about issues of the moment.

Purpose of the Forward Look 2023-2026

The *Forward Look* gives the charity a strategic and operational framework to shape and guide its direction over a three-year horizon. Not intended as a precise blueprint, it combines aspiration and vision with the practical demands of staying viable and making further operational improvement. For the student housing sector generally, the big lesson of the past three years has been that buy-in to organisational purpose and mission needs to be coupled with operational agility and adaptability.

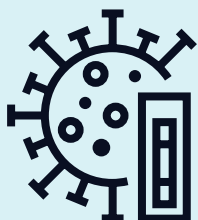
Over the course of around a year, the process of putting together this document has involved trustees, all staff, as well as senior managers and partners.

This *Forward Look* establishes a sound basis for the charity to:

- ▲ maintain its financial sustainability
- ▲ take up the opportunities it has
- ▲ grow and widen its impact in its portfolio areas of Leeds, Nottingham and Bradford
- ▲ exert greater influence in the genesis of student housing policies and standards throughout the UK.

Executive summary

Over 2023-2026, Unipol will use this Forward Look as a strategic and operational framework to shape and guide its direction; use its recently-refined values as a touchstone; and maintain its agility and adaptability. The document will be the basis on which the charity retains financial viability; exploits available opportunities; expands its presence in Leeds, Nottingham and Bradford; and deepens its contributions to policy-making. The big external challenges will be the cost of living crisis, further waves of covid, and tenure reform.



Covid

The charity has had to make significant budgetary adjustments as a result of covid-related rent rebates. The coincidence of post-covid economic recovery and a period of post-Brexit acclimatisation has produced important labour and skills shortages. *Unipol's services must be developed and run so that they can reflect any changes in student living patterns, and cope with peaks in staff absences.*



Cost of living crisis

Against significant headwinds, the charity achieved financial break-even in 2021-2022, but rising inflation and interest rates over the next two years will mean higher operating costs restricting future loan financing capacity. *The importance of maintaining a strong cash flow is essential. While the current policy of ring-fencing additional investment through bespoke lending will continue, funding for off-street acquisitions will be limited.* Over 2023-2026, how the charity funds energy cost hikes will significantly determine its financial performance and the level of investment it can make.

The recent surge in energy costs is reflected in the charity's planned deficit of just under £1m in 2022-2023. In 2023-2024, the charity will reset its rents to absorb the cost pressures applied by inflation, interest rates and energy costs. *Unipol's overall rental revenue will likely need to rise by 10-12 per cent to respond to cost pressures already in the system for 2023-24.* It will be important that the charity is transparent in communicating the need for rent rises to its users. General economic pressures will dominate the charity's decision-making and financial performance for the next two, possibly three, years.



Tenure reform

The Government is set to try and improve conditions for renters. A new White Paper proposes replacing Assured Shorthold Tenancies with two-month periodic tenancies, including for student off-street housing. Because there would be no contractual fixed-term for students, Unipol would not know when its off-street properties could be let to incoming tenants. PBSA would be unaffected by this proposed legislative change. The draft provisions would also mean the charity could not guarantee everyone it was housing were students, which would raise particular difficulties for family housing. *Although new proposals are unlikely to come into effect within this Forward Look, the charity still needs to make appropriate preparations.*



The next three years

The portfolio

The general view is that Unipol should seek to step up from housing about 3,000 students to housing around 4,000 students. Developments already in the pipeline will add 1,029 to the portfolio, but this will be offset by some restructuring of the portfolio. The restructuring of the portfolio will allow for further growth of an additional 600 bed spaces to meet this target.

The accommodation environment

Because the proportion of students living in PBSA is set to continue rising across the sector, Unipol will need to strike the right balance between PBSA and off-street housing, and take account of the prospect of off-street housing losing viability under proposed legislative changes. In providing PBSA, Unipol will look to differentiate its offer to maintain appeal among tenants as their preferences evolve through their study cycle

Regulation

Post-Grenfell, the *Building Safety Act 2022* will require, from April 2023, all high-rise buildings (including most PBSA) to be certificated through a new system of checks carried out by a Building Safety Regulator. Unipol has already done considerable work to be ready for the compliance process.

Future development

Unipol has successfully opened two new PBSA developments in the past two years at *Sandhills* in Nottingham and *Oak House* in Leeds. Taking advantage of favourable conditions, Unipol has committed to leasing three new PBSA buildings. Tailored to specific types of student, *Carlton Hill* in Leeds and *Cotton Mills* and *Ilkeston Road* in Nottingham will strengthen Unipol's portfolio mix from 2023-2024. Beyond this pipeline, Unipol is looking to move from housing 3,000 students to 4,000. The growth rate in leased properties will likely slow over 2023-26. Portfolio restructuring will allow for further growth of around 400 bed spaces, more if educational partners take on some of the risk. This expansion is likely to take place in 2025 or the next Forward Look.

Transfiguring the portfolio

Because of cost of possible works under the Building Safety Act and meeting new energy rating thresholds, *Grayson Heights* will leave the portfolio when its lease expires in August 2023. *New York Buildings* in Leeds may also leave over summer 2023, depending on the outcome of discussions with the owners.

Family housing

Long-term arrangements are already in place for *Argie Avenue* and *Woodsley Terrace*. The family housing budget is set to remain in significant deficit, most notably for houses leased from LCC and *Grayson Heights*. Family housing is not viable without subsidy, and economic, administrative and legislative pressures will compound the challenge. Meantime, demand for family accommodation is increasing, driven by growing international student intakes. Unipol must be careful not to find itself in the front line of increased demand it cannot meet, and must now consider the extent of the burden it is taking on in making direct provision of family housing.

Redefining the portfolio through risk

Unipol will continue to aim for a balanced portfolio, but, in response to economic realities, must now start to weigh the balance of risk rather than the type of property. A new risk-focussed framework will be used to evaluate development opportunities.



Sustainability

Work already undertaken on sustainability includes a number of studies with consultant involvement, procurement of carbon-neutral electricity, a portfolio insulation programme, and achievement of the BREEAM excellence standard in all its new-build PBSA. Over the next three years, in working towards carbon neutrality, Unipol will focus on the promotion of sustainability through a range of energy-saving and energy efficiency initiatives and will reduce its use of gas heating.



Public realm and policy

The National Codes, influencing accommodation suppliers and government

Parliament approved a new National Code for Private Providers with effect from March 2022. Over this *Forward Look*, aims include developing a new self-assessment system for members; exploring with government a fuller redress system; and reviewing governance arrangements. The Scottish Government is in discussion with Unipol about a separate Code for Scotland.

Building on the role of the Codes, Unipol will seek to establish a new advice service for students to give better information on students' housing options and costs, capitalising on Unipol's unique expertise in this area.

ANUK

The *Accreditation Network UK* will be restructured and retained as an important national umbrella for UK-wide accreditation. Its website will be reviewed and a new ANUK Advisory Committee established. Unipol will seek external funding to pay for a *Landlord Handbook* update.

Local accreditation

Unipol will continue to operate existing Codes, and to subsidise the operational costs itself, so long as existing funders continue to contribute.

Rent, affordability and student finance

The growing national profile of the *Unipol/NUS Accommodation Costs Survey* will help the charity lobby on affordable accommodation and widening participation. Unipol will publish the findings of further work on the student maintenance system, and explore the growth of housing demand from international student families.



Student support, organisational change and staffing

Student support and well-being

Since the pandemic started, a successful living environment has become central to students' residential *and* educational experience. The charity has responded by developing houses and flats with good communal spaces and social programmes to promote communality and reduce isolation. Plans are in hand to continue building on progress already made in supporting student mental health. Unipol ran a successful experiment last year to give students in its off-street properties access to the communal areas in a specific PBSA. This initiative will be taken forward.

Organisational change

In *IT*, investment in Unipol's technological infrastructure will continue, and off-street internet services will be reviewed and improved. By 2025, most services will be migrated to the Cloud and the IT team will aim to have completed compliance with *Government Cyber Security Essentials*. In *Finance*, aims include DMS software renewal, improvements to the purchase ledger and fixed asset register, strengthened arrangements for client money protection, and tighter procedures on money laundering and due diligence. Unipol will also review and refine the role of the Hubs.

In *Governance*, committee membership and structures will continue to be strengthened; and trustee review will be taken forward. The charity will seek to re-connect with the University of Nottingham and with the University of Bradford, as its international student intakes and residential requirements pick up.

Staffing

Unipol will bolster staffing in the context of covid peaks, recruitment challenges and a growing portfolio, and will review security services and staff development and appraisal. Significantly transfigured, the Senior Management Team is now highly effective and flexible. The Chief Executive has announced he will step down in November 2023, retaining some link with the organisation to ease succession.

Conclusion

By 2026, the charity aims to have:

- ▲ **laid the foundations of a national student advice system, developed as part of Unipol's National Codes regulatory role**
- ▲ **made significant progress in enhancing sustainability**
- ▲ **a strong base for future decision-making about tackling climate change**
- ▲ **re-invested and made changes in working practices**

It will stay true to its values and will rely, as ever, on its critical partners and on the talent it can draw on from its friends and its staff

The operational context

Like many organisations, Unipol is emerging from the effects of the coronavirus pandemic and into 'the cost of living crisis', characterised by spiralling energy costs and inflation levels not reached since the 1970s. The difficult operating climate of the last three years is likely to be followed by a further three challenging years covering the period of this *Forward Look*.

External challenges for the organisation



The coronavirus pandemic

Beginning in earnest at the point of the first lockdown in March 2020, the effects of the pandemic were felt throughout the period covered by the *Forward Look 2019-2022*. After lockdown in 2020/21, covid significantly affected the 2021/22 academic year, with new restrictions introduced as recently as November 2021. There was a possibility in 2022 that only students who had been double-jabbed with the vaccine would be able to return to campus. In order to escape any impending restrictions, most students returned to their place of study to live in January 2022, much earlier than they might otherwise have done,

Throughout 2020-22, the course of the pandemic disrupted normal patterns of staff working and student living. An ONS survey showed that by May 2022 six per cent of the population in England were infected. These waves of infection affected students, contractors, Unipol's staff and supply chains.

Coronavirus has not gone away. Epidemiologists anticipate further spikes in transmission over the next three years, driven by the emergence of new variants. *Unipol's services must be developed and run so that they can both reflect any changes in the pattern of student living, and cope with peaks in staff absences, as attending workers absorb additional workload.*

Nationally, the coincidence of post-covid economic recovery and a period of post-Brexit adjustment has produced serious labour and skills shortages. Unipol is no exception: the success of staff recruitment processes is getting harder to predict and the average recruitment period is getting longer. In order to increase resilience in the charity's staffing establishment, more flexible patterns of working will be necessary and expertise will need to be shared more widely throughout the organisation. Achieving greater resilience also means that reducing staffing levels to 'just managing' would be a misstep.

Unipol will respond to skills and staffing challenges by:

- streamlining some administrative routines
- continuing to invest in technology
- identifying where current service delivery is unnecessary or redundant and remedying this.



The cost of living crisis

The planned budgeted surplus for 2021-22 of £176,000 became unachievable, as a direct result of higher cleaning costs and a big rise in energy use as students spent more time in their residences. Additionally, revenue from Unipol's latest leased building, *Oak House*, was below-plan because of a depressed international student market (although it was fully let). The charity did well to achieve a financial break-even year in 2021-22. The overall outcome was that only one year out of the last three posted a budget deficit, notwithstanding the significant covid-related rent refund made to students during this period.

Forecasts put inflation at between 10 and 18 per cent over the next two years. Twelve months ago, the rate increased to four per cent, but this followed a period of stable and relatively low levels. Inflation affects Unipol in the same way it affects everyone else: services and materials get more expensive and cost of living salary increases for staff are set to rise. It also affects the lease fees Unipol pays. Although, collectively, the leases are designed to form a basket of risk, higher inflation generally means higher lease fees, raising the cost of its buildings to the charity.

In its attempts to lower inflation, the Bank of England will continue to put up interest rates. New increases will again drive up Unipol's costs and deter the organisation from extending loan financing much beyond what it is at present. *The importance of maintaining a strong cash flow is essential. While the current policy of ring-fencing additional investment through bespoke lending will continue, funding for off-street acquisitions will have to be limited and Unipol's procurement objectives placed on hold.*

How the charity funds the rapid rise in energy costs will be a significant determinant of its financial performance across the next three years, and will, in turn, determine the level of investment the charity can make.

In 2020-21, Unipol's electricity costs rose by 28 per cent, while its gas prices were fixed under a contract. Two factors have combined to push energy prices to unprecedented and unforeseen levels:

- a global energy shortage created by the reboot of the world economy as a result of the lifting of covid restrictions
- Putin's weaponisation of energy supplies following Russia's invasion of Ukraine on 24 February 2022.

The immediate effect of these economic pressures was to increase Unipol's energy costs by 110 per cent when its energy contracts were consolidated and renewed back in late May 2022. Because Unipol lets its properties on an energy-inclusive basis and because the bulk of its lettings are made between November and March, most tenancies were already contracted to tenants and institutions at pre-Ukraine energy price levels. This energy cost-income gap is reflected in the charity's planned deficit of just under £1m in 2022-23.

Unipol is not immune from general economic pressures and these will dominate both the charity's decision-making and its financial performance for the next two, and possibly three, years.



Tenure reform

The current housing crisis is set to continue, as shortages in supply worsen and property prices keep rising. It is against this background that the Government is trying to improve conditions for renters: many people will be renting for longer before they can buy their own property; others will never move out of the private rented sector, as the supply of social housing continues to decline.

The Government published its White Paper A Fairer Private Rented Sector shortly before the leadership contest to replace the Prime Minister began. It is difficult to second-guess whether these proposals will survive a change in administration, or, if they do, what priority they will be given. But, if implemented as published, they would cause considerable disruption to the student housing sector.

The current proposals would end Assured Shorthold Tenancies and replace them with two-month periodic tenancies. These new arrangements would extend to off-street housing, which accounts for around 45 per cent of student housing supply or approximately 570,000 students. Under the proposed changes, students living in off-street properties would be treated the same as any other renting tenant: they could rent and stay when they wanted, and could give two months' notice and leave at any time. Because there would be no contractual fixed-term for students in off-street housing, Unipol would not know when its properties could be let to incoming tenants.

The White Paper confirms that PBSA would be exempt from the proposed changes, and tenancies in this sub-sector would instead continue to be governed by the Protection from Eviction Act 1977, as long as the provider was registered in a Government-approved National Code. PBSA currently accounts for around 550,000 students.

The proposals to create periodic tenancies would affect about 40 per cent of Unipol's portfolio.

The draft provisions would also mean that the charity could not guarantee that the people it was housing were students. While generally problematic for Unipol, this change would raise particularly difficult challenges in the charity's family housing portfolio, where low rents are charged for a fully furnished and serviced flat or house precisely to serve the educational needs of their student tenants. *Without the assurance that occupation could be restricted to students, the charity would have to take measures to avoid drifting outside its charitable objects that link its housing directly to education. The uncertainty inherent in the Government proposals will inevitably affect the type of accommodation that Unipol seeks to develop over this next period.*

It is likely that any new proposals will not come into effect within the span of this *Forward Look*, but *the charity will need to take into account the possibility of any significant changes, as it develops over the next three years.*



Unipol's values: underpinning the charity's operations

The values of the charity have always been important and have always been placed at the centre of its operations and aspirations. The values are a touchstone by which Unipol can assess what it is doing and why.

Over the years, the charity has avoided using its values to produce 'organisational adrenalin' in order to launch heroic efforts, because these are inherently unsustainable. Instead, its values have been used to define Unipol as an organisation that is different from any other: Unipol knows what it is and what it stands for. During the pandemic, the charity based its actions on these values and messaged its culture to those it worked with and for. Organisational culture and values may seem invisible during trouble-free, prosperous times, but in moments of trial and crisis they help pull people together and get things done – they link directly to agility, adaptability and leadership.

Trustees have recently reviewed the charity's seven core values and have identified four themes which place additional emphasis on these values:

- *standards*: the charity sets high standards which match its values
- *responsibility*: both now and in the longer term
- *student focussed*: caring about its services, trusted and reassuring
- *leadership*: using its expertise to create impact in the sector and innovate.

These themes were all placed under the holistic banner of 'promoting community'. In this *Forward Look*, the values have been reordered and reaffirmed as:

- to be trusted
- to be impartial experts
- to provide value for money
- to promote safety and wellbeing
- to promote community
- to be ethical
- to be transparent and accountable.

Unipol's values underpin everything it does. They will remain at the core of the charity's actions over the next three years.

The next three years

There are four main parts to the charity's plans for the next three years:

- ▲ portfolio development
- ▲ sustainability
- ▲ public realm and policy
- ▲ student support, organisational change and staffing.



The portfolio

The ambitious aim of the previous *Forward Look 2019-2022* was to grow the portfolio by around 1,250 bed spaces. Over that three-year period, an additional 616 bed spaces were added to the portfolio:

- 95 bed spaces in the managed portfolio in Nottingham
- 333 purpose-built bed spaces at Sandhills, also in Nottingham
- 188 bed spaces in Leeds at Oak House.

Other than some minor churn in the Leeds and Nottingham managed property portfolio, there was only a limited loss of bed spaces over the timeline of around 100.

The target from the previous *Forward Look* saw a shortfall of around 636 bed spaces.

As part of the *Forward Look* process, considerable thought has been given to future growth (and further details of this are provided within this section). The general view is that Unipol should seek to step up from housing about 3,000 students to housing around 4,000 students. The developments already in the pipeline will add 1,029 to the portfolio, but this will be offset by some restructuring of the portfolio. The restructuring of the portfolio will allow for further growth of an additional 600 bed spaces, either in Leeds, Nottingham or Bradford and this should be the aim for the period of the *Forward Look*.

This level of development is based on a calculation of the charity's need and risk, but if educational partners were to take on some of that risk, growth could be extended further. This kind of expansion is likely to take place after 2024 and is likely to fit within either 2025 or the next *Forward Look 2026-2029*.

The accommodation environment

The accommodation environment is changing:

- Elite universities are taking more interest in considering how all their students are housed
- The sector is increasingly reliant on PBSA and partnering with private sector providers
- Longer-term arrangements for financial partnering are diminishing as institutions seek greater flexibility in meeting their future accommodation needs – a process that has been accelerated by covid uncertainties and fluctuating intakes at institutions working in a competitive environment
- Increasingly, risk is being passed on to the private sector.

In its early years, the business model of the PBSA sector was focussed on Year 1 students (normally in partnership with an educational institution) and international students (mainly taught postgraduates). However, latterly it has expanded its target market to include returning students through direct letting. The figures from the *Unipol/NUS Accommodation Cost Survey* (covering 68 per cent of the PBSA sector) show how rapid that change has been: in 2018 127,842 bed spaces were directly let. By 2021, the figure had risen to 273,522, up 114 per cent.

The paradigm of where students choose to live across their study cycle is changing. Previously, it was assumed that students opted for university halls in their first year and thereafter moved into smaller houses in the community. The latest findings show just how misplaced this assumption now is: in 2021, 55 per cent of students lived in PBSA (the majority of this provided by the private sector) and 45 per cent in smaller houses. This trend is set to continue as PBSA stock grows apace and supply declines in the off-street sector, where any market impulses to growth are removed by increased planning regulations and as business pressures build on owners to switch their student properties into the professional rental market. The shift away from off-street housing would receive added impetus, if the White Paper proposals were enacted.

Unipol has always taken a distinctive approach by providing a complete range of housing that holds appeal for students in all years and at all levels of study. To maintain this approach, Unipol will need to ensure that it strikes the right balance between PBSA and off-street housing. At the same time, it will need to take proper account of the vulnerabilities associated with off-street housing losing viability as a result of proposed changes to tenure becoming law.

An important part of the charity's letting model has been to provide for Year 1 and 2 students to move from one Unipol property to another in successive cycles, as their housing requirements evolve.

The success of this approach is reflected in the figures: 30 per cent of Unipol's direct-let bed spaces go to previous tenants (and many more come to Unipol by word-of-mouth recommendation from ex-tenants). As the PBSA sector grows, scope for Unipol tenants to transition in this way must be catered for within its PBSA provision, and not just across accommodation types.

Unipol currently has in place a number of letting arrangements with partner educational institutions. These have been a regular feature of Unipol's operations historically and help to reduce the charity's direct lettings risk. The percentage of 'pre-let' accommodation has hovered around 50 per cent of rental revenue in recent years, and will continue to do so. In Leeds, underwrites tend to provide commitments that are longer term than in Nottingham. This point of difference reflects different accommodation markets and the particular priorities of the educational institutions involved.

Regulation

Regulation and health and safety requirements for high-rise residential buildings have become significantly more rigorous in the wake of the Grenfell tragedy. Unsurprisingly, a key focus has been in the area of fire safety. Most PBSA falls within the categories of building affected. Further extending the regulatory regime, the *Building Safety Act 2022* will require each building to be certificated through a new system of checks carried out by a Building Safety Regulator every five years. Registration for existing buildings will open in April 2023. All new buildings after that date will need to comply on completion.

These enhanced obligations will result in additional overhead expenditure that will only make economic sense if they can cover a critical mass of buildings.

Unipol has already done considerable work to be ready for the compliance process – it has:

- reviewed all its *Fire Risk Assessments (FRAs)*
- had intrusive surveys undertaken for *Mill Street* and *Sandhills*
- obtained EWS1 certification, showing that these buildings are properly fire-separated and constructed.

This process will need to be extended to other new high-rise buildings, where hand-over documentation will ensure the correct standards have been met and verified.

Unipol has also committed itself to a major review of all fire doors in its high-rise buildings (which is mid-way through). This exercise will be repeated every five years, supplemented by yearly visual inspections and any remedial work identified.

Future development

Over the last couple of years, Unipol has been in a window of opportunity to partner with private developers, leasing properties from them long term, and taking control of the buildings for student occupancy. Based on Unipol's strong covenant – it has successfully leased properties since 1992 – this window is now more attractive for the organisation, as universities throttle back on their underwrites and developers see some added value for their Environmental, Social, Governance (ESG) rating in partnering with a charity.

This window of opportunity will not, however, be open indefinitely. Indeed, it may well be closing already, as pressure is applied by ongoing economic shocks and by inflation in build-costs, now nudging 30 per cent.

Unipol has taken advantage of this window to commit to leasing three new PBSA buildings. These will strengthen Unipol's portfolio mix, when they come into commission during the life of this Forward Look. Each new building is a major commitment for the charity and each one exemplifies the charity's focus on adding value by targeting specific types of students to specific buildings and ensuring high quality design to reflect that targeting.

It is worth recording here that *Sandhills* has been a great success with students in Nottingham since it opened in September 2020, and has raised Unipol's profile in the city, as planned. Over the last three years, Unipol has had a short-term rolling underwrite agreement with *Nottingham Trent University*, and the charity wants this important partnership to grow and thrive over the next three-year period. The building was designed for an occupancy profile of mainly Year 1 students (75 per cent) plus a significant presence

of returners (around 25 per cent), and this mix has worked well. Unipol is confident that, if the underwrite arrangements came to an end, the broad appeal of the building design to all types of student in the city would help sustain full letting in the future.

Oak House (for 188 students) opened in Leeds in September 2021 and has just completed its first year of operation. The building was specifically geared to appeal to older undergraduates and postgraduate taught students who wanted a full year let. Understandably, the University of Leeds decided not to take on the level of risk attached to a longer-term underwrite, given the recent turbulence in their recruitment of international students, who make up 80 per cent of their taught postgraduate cohort. The University did, however, help Unipol in the building's first letting year by allocating 30 per cent of its bed spaces to their undergraduates. This meant that the building was fully let, despite a late start in difficult circumstances.

Feedback on *Oak House* has been good and it has let without difficulty (and without an underwrite) for its second year. Unipol will look to enter into an arrangement with the University of Leeds at some stage over the next three years. This intention is more about trying to strengthen the partnership with the University across a wider range of accommodation than it is about anticipating difficulties in direct letting.

Unipol needs to complete a defects procedure for *Oak House* and *Sandhills*, where the original builders went into liquidation. The charity is on schedule to do this by summer 2023.

Carlton Hill (for 604 students) will open in Leeds in September 2023. The building is on the site of the earlier Carlton Hill development for 234 students, demolished in 2020. It has been specifically designed to house students in their first year at the University of Leeds. Carlton Hill will be the subject of a long-term sub-leasing arrangement between Unipol and the institution.

Cotton Mills (for 274 students) in Nottingham is a refitted Grade II-listed building, due to open in September 2023. To extend its partnership with Nottingham Trent University, Unipol is hopeful that an arrangement can be reached with them to underwrite this development. If not, the building design should appeal to both first-year and returning undergraduate students.

Ilkeston Road (for 155 students) in Nottingham is a part-restoration of an Edwardian school and part-new-build. It has been designed to appeal specifically to older students who might previously have lived in off-street housing. The character of the building has been an important consideration in providing some transition for its occupants away from a larger and more traditional high-density 'student hall'. It will also include 12 studios, based on the success of the 10 studios in *Oak House*. The building will open over summer 2024.

All three of these new buildings are high-rise (over 18 metres) and all of them will offer a distinctive residential experience to different cohorts of students.

Significant growth is therefore already in the pipeline for 2023 and 2024.

It is anticipated that the rate of growth in leased properties will slow over the 2023-26 period. Discussions are at an advanced stage on the Student Hideout in Nottingham, (housing 88 students). Unipol has managed this building for over five years. Leasing it would secure the development as a longer-term stock for Unipol. This should proceed if final terms and a refit can be agreed with the owner.

Transfiguring the portfolio

Unipol's lease and management agreement on *Grayson Heights* expires in August 2023. The development comprises 110 rooms in shared student flats and 25 two-bedroomed family flats. The shared student flats were underwritten by the University of Leeds for international postgraduates until summer 2022 and the family flats are underwritten to the end of the current agreement. This is a complex arrangement, consisting of a building leased to *Home Housing Association* by *Leeds City Council* and then to Unipol.

Unipol had hoped to retain *Grayson Heights* and convert the shared student provision into family accommodation, but there are significant risks involved in keeping the building on. *Grayson Heights* is a high-rise tower block. Unipol is not responsible for the structure of the building, nor would it wish to take on the responsibilities of the building under the forthcoming *Building Safety Act*. *Grayson Heights* may also fall foul of energy requirements in the next few years. In 2018, rented properties had to have an EPC rating above bands F and G. *Grayson Heights* was the only building in Unipol's portfolio to fail to meet this standard at initial assessment. After the charity has undertaken remedial work to lift the property to an E, the Government announced in 2021 that, from 2025, rented properties would need to have an EPC rating of C or above. Without very significant expenditure, this threshold cannot be reached. It is therefore planned that *Grayson Heights* leave the portfolio over summer 2023.

New York Buildings is a 69-bed space development in a Grade II-listed building next to the historic Kirkgate Market in Leeds. The current lease expires over summer 2023. Unipol has now agreed with the building owners, *Connect Housing Association*, terms which will allow the retention of the building for a further 20 years allowing for significant upgrading and modernisation with refurbishment works will taking place across 2023-26.

The remaining churn within the portfolio takes place in family housing rather than in shared student housing.

Family housing

Family housing was a major focus of the previous *Forward Look*, and is so again. Unipol provides housing for families in Leeds only.

In the previous *Forward Look*, the charity aimed to regularise the tenant experience for students with families: Unipol provided a standard product with utility and service arrangements wrapped into the lettings package. Online representation of the properties and a better allocations system were put in place. To meet enhanced tenant expectations, rents were raised at that time by around 25 per cent in real terms. The relative success of these changes is indicated by a rise in the overall tenant satisfaction rating from 82.4 per cent in Unipol's 2018 survey to 83.1 per cent in 2021.

Apart from *Dyers Court* and a few family units at *Tannery Square*, Unipol owns no family houses. The family stock outside the charity's ownership is only viable if favourable leasing arrangements can be extended or reached with various housing associations or Leeds City Council. A failure to do this – or to have the resources required to lobby for this – could result in the loss of some family accommodation over the next three years, specifically at *Shay Street/Holborn Terrace*, *Cardigan Road*, *Argie Avenue Phase II* and some smaller houses leased from Leeds City Council.

The leased property at Woodsley Terrace is viable and underwritten by the University of Leeds for a further eight years. It has had a recent upgrade. An arrangement was reached with Leeds City Council to lease Argie Avenue for 15 years, and this is also viable.

Family housing is still not covering its revenue costs. The two areas where there remains a significant subsidy are:

- houses leased from the local authority (where there is a £50,000 deficit in the current year)
- *Grayson Heights* (where there will be a £165,000 deficit in 2022-23).

Staff support levels for family housing are increasing and this is not currently reflected in the deficits shown above. For 2023-24, because it will contain more accurate levels of the cost of actual staff support, the budget will show that the majority of family accommodation is still producing a significant deficit.

Family housing is not viable without some direct or indirect subsidy. It is interesting to note that the burgeoning private PBSA sector fails to provide a single family unit in either Leeds or Nottingham.

Unipol will find it increasingly difficult to stand the combined burden of additional legislative and administrative challenges and finances squeezed by rising energy costs and spiralling inflation. Maintaining current staffing levels to bear this load will incur an unacceptable fiscal and opportunity cost.

Demand for family accommodation is increasing, driven by institutions' success in developing their recruiting grounds for one-year postgraduate taught courses in India and Nigeria. Many students with families from these domiciles are on a low budget and less able to enter the mainstream rental market. More of them are therefore reliant on cheaper sources of suitable housing, where these exist. However, Unipol must be careful not to find itself in the front line of an increased demand it cannot possibly meet. Many institutions 'resolve' their family housing issues simply by not providing any accommodation and thereby avoiding the challenges that come with making such provision. The charity is not advancing this as an option, but it must consider the extent of the burden it is taking on in making direct provision of family housing.

As family housing demand increases, Unipol's role in providing advice and assistance will increase through:

- an additional post (0.4 FTE) to provide specialist advice to international students
- greater investment in web-based advice.

Unipol will need to change the way it thinks about, and provides, family accommodation. Lobbying to retain some family provision from *Leeds City Council* will be important, but Unipol cannot do this alone. Partnership working with the *University of Leeds* and *Leeds Beckett University* will be a big part of any option which Unipol wants to pursue. The Council is likely to be as supportive as it can be in difficult times, but they will want to see their commitment matched by the educational institutions.

At present Unipol has around 234 houses or flats that can be used by families. Unless arrangements can be made with *Leeds City Council* and a number of housing associations to extend the current arrangements, it is estimated that 158 of these units could leave the portfolio within the span of this *Forward Look*.

As a charity, Unipol is doing its best to assist housing supply and will continue to invest in a few additional flats at *Dyers Court and Tannery Square*, which it owns.

Redefining the portfolio through risk

Hitherto, achieving a balanced portfolio has been core to Unipol's portfolio development. This will remain the case, but it is time to recognise that, of necessity, the charity's focus over the next three to five years should move to weigh the balance of risk rather than the type of property.

In line with the national trend, PBSA's share of the market continues to grow in Leeds and Nottingham, although its preponderance is more marked in Nottingham. Part of Unipol's risk-management – particularly on managed properties and leasing – is that, over time, it is possible to shed properties that are no longer popular or economically viable. Although disposing of properties has some impact on overall overhead expenditure, its staged impact is comparatively limited and can be absorbed year-on-year. In some cases, scarce staffing resources and expertise can be released for other development purposes.

A new risk-focussed evaluation framework to support Unipol's portfolio development will incorporate these specific risk factors:

- enhanced health and safety measures, particularly the *Building Safety Act 2022* and its effect on high-rise residential buildings
- the effect of any tenure reform by the Government
- rising energy efficiency requirements
- ability to increase rents in future to cover operating and staff costs
- Unipol fails to let rooms and has to cover the cost of voids and certain properties become unviable
- the likelihood of any partnership underwrite.



Sustainability

Over the last three years, Unipol has undertaken a number of studies to help map out its options to respond to climate change. Over the next three years, the charity will commit itself to a more detailed plan for a more comprehensive response.

The consultants commissioned to provide advice noted that Unipol 'can build on their existing foundation of strong community and influence to create huge impact in the student housing sector.' They also observed that Unipol had 'positioned themselves well to embed long-term sustainability into their organisation.'

Unipol has benefitted from purchasing carbon-neutral electricity and from undertaking significant insulation within its own portfolio to reduce energy costs. All its new PBSA buildings meet the BREEAM excellence standard.

In this *Forward Look*, the charity aims to concentrate on the promotion of sustainability through energy saving. It is not, at this stage, putting carbon reduction or neutrality at the centre of the strategy, although improved sustainability will cut carbon output by a planned reduction in the use of gas heating. The next *Forward Look*, from 2026, should seek to identify targets and a timespan to achieve specific levels of carbon reduction. From the improved sustainability measures proposed here, it should be in a good position to do so.

The current high cost of energy has put sustainability into even sharper focus, and anything Unipol can do to reduce consumption will be of benefit. The downside, however, is that Unipol's development finances will be restricted and so inward investment will be subject to those funds being available.

The portfolio

Unipol already uses only sustainably generated electricity and the charity will seek to reduce gas usage at the point of design. The increased number of PBSA high-rise buildings will contribute significantly to a shift towards renewable energy. In smaller houses, where correctly installed gas condenser boilers are still a highly efficient method of heating, gas cookers and hobs will be phased out in favour of more sustainable electrical appliances.

Unipol will continue, when refurbishing properties, to dry-line external walls and ensure that high quality double glazing is installed. When listed building features do not permit double glazing, secondary glazing will be installed, where appropriate.

Lower energy use will be supported by a blend of direct control, tenant information and tenant messaging. Many of the achievable gains in sustainability will rely on tenant behaviour and messaging. To ensure efficient and targeted tenant information and messaging over this period, Unipol will dedicate an additional member of staff (0.7 FTE), working within the existing communications team. Better tenant information will be provided using in-property QR codes that give direct access to relevant instructions for heating and other domestic appliances.

Unipol is already trying out individual room thermostats that can centrally monitor and control in-room heating. The outcomes of two trials at Cliff Road and Royal Park Flats will help determine how Unipol intervenes to achieve the optimum balance between individual choice and central action. If this approach is successful, it will be rolled out to other developments.

Unipol will seek to move its portfolio of off-street houses to Smart meters over the period of this *Forward Look*, and to educate tenants in how to monitor their own energy use.

Timer switches are being fitted to most wall-mounted radiators in PBSA. They are being set to restrict energy use to blocks of four hours at a time. The switches do save energy and will help keep rents lower. The four-hour option is more user-friendly than the hour-at-a-time heating controls so disliked by students.

Corridor lights and bathroom lights will increasingly be activated by PIR sensors (as they already are in the newer buildings). At present, much of the communal lighting – particularly in bathrooms and corridors – remains on through the day.

The switch to low-energy LEDs throughout the portfolio should be completed by 2026.

Unipol has already taken steps to contain increased water usage and to reduce flooding.

Unipol currently provides energy-efficient condenser washer/dryers but, where possible, external washing lines will be fitted to encourage traditional drying.

Unipol already has a good track record on repairing, refurbishing and upscaling furnishings where possible.

The charity already uses sustainable wooden-framed furniture and avoids the use of plastics where possible. Good progress is being made on reducing single-use plastics. Over the next three-year period, these will be phased out, wherever possible. Some utensils and bins will be replaced with recyclable metal alternatives.

The charity already places high priority on external planting, and maximises the use of outside spaces for tenants – something that stood it in good stead during covid isolation periods. Biodiversity will be an important consideration for future planting schemes. Wildflower planting, bird boxes and insect hotels will be part of any significant new planting scheme, following a successful pilot at Oak House. Unipol will also install supported herb beds in larger PBSA developments and complexes. Tenants will be invited to help explore the possibility of encouraging planting schemes at larger complexes where there is enough outside space.

Although partly in the hands of local authority waste collection systems, Unipol will encourage greater recycling through the provision of bins in kitchens and at central waste collection points. Tenants will be given bespoke recycling facilities for plastic tea, coffee and hot chocolate sachets. Wherever possible in its PBSA, Unipol will make available a dedicated cardboard recycling facility to minimise waste in parcel and delivery materials.

Unipol will also put in place and promote end-of-tenancy reuse systems, so that unwanted items can be used by incoming tenants. It will seek to expand its clothes recycling arrangement with the *British Heart Foundation* following successful pilot schemes at Sandhills and Oak House

Offices

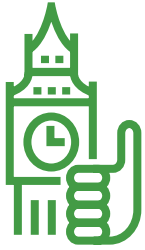
For Unipol's own offices, sustainability will be supported by:

- a post-covid reduction in physical viewings
- the continuing use of Teams and Zoom to cut transport to and from meetings
- the replacement of Unipol's three pool cars with electric vehicles
- the installation of onsite car charging points in the office car park and at key property locations within the portfolio
- investment in two ebikes for staff transport
- an upgrade to Unipol's shower facility at the Leeds office and the possible installation of a unit at the Nottingham office.

Preparing for carbon neutrality

Throughout this next three-year period Unipol will:

- trial a small number of heat pumps in suitable off-street properties
- fit at least 20 properties with solar panels (Carlton Hill will already have some solar panels when it opens), and explore the advantages of having battery storage within each property (even though batteries are currently hard to procure)
- check that any remaining high-energy lighting is removed from its properties.



Public realm and policy

The National Codes, influencing accommodation suppliers and government

The Government-approved National Codes continue to gain in importance and are seen by Government and accommodation suppliers as forming the regulatory framework for private sector suppliers and PBSA.

As of August 2022, the two National Codes combined:

- had 154 members (105 private providers and 49 educational establishments)
- covered 405,328 bed spaces, up from 378,846 bed spaces in 2021
- accounted for 2,252 different developments, compared to 2,166 in 2021.

After much work spanning two years, a new National Code for Private Providers was approved by Parliament on 1 March 2022 under *The Housing (Approval of Code of Management Practice) (Student Accommodation) (England) Order 2022*. It came into effect on 22 March 2022.

A lot of changes were made to the Code, but three stand out:

- a) changes to the way in which students with disabilities and specified characteristics are charged for their rooms. These will financially benefit all those students affected, but those who require serious alterations to their rooms will see rents falling to the lowest rent possible, making a real difference to their disposable income and helping them with living costs that are much higher than for most students
- b) automatic compensation to students who suffer disruption because of late construction
- c) better help and support for students with mental health problems, and improved staff training and information.

These three areas address the residential concerns of the moment: access to education, disruption to education and mental health and well-being issues. They stress and – for the first time – codify the private sector's obligations in these areas. The new Code preamble was changed to emphasise that Members must *act in the best interests of students* in running their accommodation.

As the National Codes have gained in profile, the number of enquiries and complaints have increased and it has become clear that students and potential students do not have access to impartial information about the cost of housing and its availability in their chosen place of study. Building on the role of the Codes, Unipol will seek to establish a new advice service for students to give better information on students' housing options and costs, and to offer advice on housing rights, using WebChat and other electronic communication systems, capitalising on Unipol's unique expertise in this area.

In addition to this, over the period of this *Forward Look*, Unipol will:

- ensure that accommodation suppliers comply with these new conditions
- continue to monitor any problems with late construction
- keep Code complaints processes under review to identify the emergence of any systemic problems.

In the same timeline, for the National Codes, Unipol will:

- develop a new self-assessment system and integrate this more effectively with the verification and audit processes overseen by the Audit Panel
- discuss with the Government the possibility of extending the current complaints system into a fuller redress system (something for which the Government has left the door open in its recent White Paper), and evaluate whether Unipol should comply with the *Ombudsman Association Service Standard Framework*
- look to widening out awareness of the National Codes and its strengths
- undertake a governance review to strengthen the role of the Consortium in taking the Codes forward
- widen the membership of the Committee of Management to ensure greater involvement from members in the day-to-day running of the Code
- establish a *National Codes Students Advisory Group* which, together with the NUS, will be shaped to give students a wider role in developing and helping to run the Codes
- establish a *National Codes Leaders Advisory Group*, designed to give senior staff from larger suppliers a wider role in developing the Codes
- work with CUBO, UUK and the recently appointed *Student Support Champion* to improve communication between accommodation providers and educational institutions, so that concerns about well-being and mental health within residences can be responsibly shared to enable better and timelier mental health interventions
- continue to campaign for the special nature of PBSA student accommodation – specifically, to argue, along with the *British Property Federation*, that licensing should not apply to suppliers who have
 - already agreed to meet higher than regulatory standards on a voluntary basis and
 - been shown, by an expert panel of verifiers, to have complied with their obligations
- take a more active part in providing a service for press and other enquiries about the sector
- actively participate in the CUBO review of the UUK National Code for educational establishments to ensure that
 - there are no inconsistencies between the two educational Codes and
 - they too are used to drive forward standards in that sector
- upgrade the annual report submitted to the *Department of Levelling Up, Housing & Communities*, so that its contents have greater relevance and attractiveness to policy-makers, and so that it is seen as a document of national importance.

If taken effectively, these actions will help to broaden the appeal of the Codes to students. As importantly, they will help mine the useful information available to the Codes in order to drive forward higher standards in PBSA, both directly with suppliers and indirectly by extending Unipol's policy influence. This work will be funded sustainably through an enhancement of the existing Code fees.

As part of its review of PBSA, the Scottish Government is in discussion with Unipol about the possibility of a separate Code for Scotland based on the Unipol/ANUK Code (which is still UK-based). The intention is that this would then be recognised in Scottish legislation.

ANUK

The *Accreditation Network UK*, which is run by Unipol, will be restructured and retained as an important national umbrella for accreditation throughout the UK. The ANUK website is still popular and frequently used by housing professionals and local government workers. Its resumé of all operational accreditation schemes will be updated annually. The ANUK website will be reviewed and its content more closely integrated with the National Codes website.

A new *ANUK Advisory Committee* will be formed, working closely with *Decent and Safe Homes (DASH)* and the *British Property Federation (BPF)*.

Once the regulatory agenda has settled, Unipol will seek external funding to meet the cost of revising and reissuing the *Landlord Handbook*.

Local accreditation

Unipol will continue to operate the Leeds, Nottingham and Bradford Codes, and will carry on subsidising the operational costs itself, so long as financial contributions are still forthcoming from existing funders: *Leeds Beckett University*, *Leeds City Council* and the *University of Leeds* (for Leeds), and *Nottingham City Council* and *Nottingham Trent University* (for Nottingham). The Bradford Code is already funded under a five-year arrangement with the *University of Bradford*.

The verification systems have been refined for both the Leeds and Nottingham Codes. Sampling has been made more effective and *Rate Your Landlord reviews* in Leeds will be used as a diagnostic tool to help determine the most efficient use of physical inspections.

Rent, affordability and student finance

The 2021 *Unipol/NUS Accommodation Costs Survey* is now generally accepted as the definitive source and reference publication for PBSA accommodation costs. This recognition will help Unipol to take forward its case that maintaining affordable accommodation is integral to the widening participation agenda, and to addressing the current cost of living crisis likely to hit students from 2023. Unipol will also press institutions and their students' unions to develop transparent affordability policies and student living strategies for their own local housing markets. The *Accommodation Costs Survey* recommendation that accommodation bursaries could be used effectively to widen participation and give housing choice to poorer students is also gaining traction.

Unipol will undertake additional work on the student maintenance system with a view to publishing its conclusions.

Working in partnership with others, Unipol aims to explore the growth of housing demand from international students in the UK with dependants (families) and to explore how, and if, their needs are being met.

Subject to funding, Unipol will update the student housing market assessment it first undertook in Leeds in 2012 to further understanding the changing market.



Student support, organisational change and staffing

Student support and well-being

In the previous *Forward Look*, Unipol gave a commitment that it should provide students with a place to live that feels like home. Students live in a shared environment in high-density houses or flats. For many of them, going to university means moving away from home for the first time, and, later, living with friends. Some students are from overseas and want to share and experience cultural differences with their peers. It is important that Unipol eases these important transitional periods.

A successful living environment underpins the educational experience, providing a residential base that is safe, secure and welcoming. During the pandemic, with the ending of face-to-face teaching and the closure of much of the campus, the students' living environment was at the centre of both their residential and their educational experience. There is evidence that students (and university staff) are currently spending less of their time on campus and more in their residences. This may change at some point, but there is a convincing argument that, for now at least, the student base has decisively shifted more towards where they live.

Unipol has responded to these needs by developing houses and flats with good communal spaces, both in communal lounges in new PBSA buildings and, where decent social space is provided, in off-street houses.

The charity has also increased the support it offers to students living in its properties by running welcome events and an ongoing social programme designed to promote communality and to reduce loneliness and isolation.

Mental health is a growing issue among the student community. To help address it, Unipol has established *Tenant Support and Wellbeing Coordinators* and given social events and messaging as inclusive a focus as possible. Over this *Forward Look*, the resources in this area will continue to increase. Mental health and suicide awareness training for all staff is already in place so that recognition of emergent problems happens sooner and signposting help can be more effective.

In 2021-22, Unipol undertook an experiment to give students in its off-street properties access to the communal areas in a specific PBSA. Most students (over 80 per cent) took up the offer and many of them paid regular visits. By opening up these resources, the residents involved were given further opportunities to meet a wider range of people. At the same time, it made the social spaces more active. The experiment will be extended to other PBSA buildings and their surrounding off-street properties. Part of Unipol's offices in Leeds and Nottingham will be refitted for similar purposes. The aim is to create a number of social hubs where students can meet, mix and thrive.

Organisational change

Unipol has a good technological infrastructure and it is important that this continues to receive proper levels of investment so that it can meet new challenges. The existing technology team will be retained but inessential functions (such as the monitoring of CCTV and in-house internet services) will be moved to the housing team, so that the small band of in-house technology professionals can use their expertise to best effect. As part of this shift, Unipol will review the quality of its off-street internet services and see whether improvements can be made.

Unipol will continue to migrate many of its services to the Cloud. Although its own server rooms will remain for some local services and switching, most services will be migrated to the Cloud by 2025.

The IT team will aim to comply with Government *Cyber Security Essentials* by 2025. Meeting this standard will offer the organisation further protection against a whole range of the most common cyber-attacks.

In the finance area, a number of improvements will be made. The Document Management System will be renewed with new software that will allow for greater integration with existing systems. The purchase ledger will be improved so that invoice authorisation can be more effectively managed from within the finance system. The current fixed asset register will be cleansed and integrated with the purchase ledger.

The charity will strengthen its arrangements for Client Money Protection, although the removal of deposits from shared student housing has significantly reduced the scope of CMP. Money laundering procedures will be tightened and due diligence strengthened to avoid providing services funded through high-risk countries as identified in the Treasury's Schedule 3ZA. Cash transactions will be removed from Unipol's financial systems.

The potential of the existing StarRez and Meridian systems will continue to be mined to improve services.

Unipol values the universities and colleges which support it through Board involvement and through the funding of the advice and accreditation mission. Over the next three-year period, the future role of the Hubs as important sources of advice for students will be reviewed and refined to meet developing priorities.

In Nottingham, Unipol's presence now has a much higher profile in the city, and it has a closer relationship with Nottingham Trent University than previously. Over the next three years, Unipol hopes that it will be able to re-connect with the University of Nottingham. Unipol should be an important part of Nottingham's Student Living Strategy, as it develops.

In Bradford, as the University increases its intake of international students after a long period of declining residential requirements, accommodation is becoming a much more significant issue. Unipol hopes that a University member can join its Board at some point. The relationship with Bradford College has been very low key over the last three years. In the near future, it will either become an active member of the charity or step down from that role.

In *Governance*, the recently re-established trustee review system will be continued. Under the new Chair, Mr Ian Robertson, several new members with wider experience of the higher education sector are due to join the Board over the course of 2023. To retain important knowledge and provide continuity, the Board will also benefit from the outgoing Chair staying on as a member.

It is in the Committee structures where much of the non-trustee lay expertise is fed into the charity's decision-making processes. These will continue to be strengthened. The Board will review:

- the *Statement on the Maintenance of the Board*
- the *Skills Statement*, so that it is fully up to date and properly reflects the importance of getting the right skills and diversity into the governance structure.

The charity continues to be fortunate in having nominated trustees from the students' unions. Their contribution ensures a student-focussed and fresh input into the Board.

Staffing

Unipol's existing team-based structures have served the organisation well. There is a strong team identity within the charity which is reflected in a can-do attitude.

There are no plans to change the staffing structure. However, it has, for good financial reasons, been streamlined, but to a point where surplus capacity for implementing change is hard to identify. As previously mentioned, this leanness has put staff under considerable pressure, compounded by:

- periods of turnover
- recruitment challenges
- peaks of staff absence caused by waves of covid (likely set to continue).

Some of these drags on capacity can be mitigated by making increased use of part-time (mainly student) staff in Assistant Housing Management Officer and Residents' Assistant roles. As a *Living Wage employer*, Unipol has few difficulties in recruiting people to these jobs. However, more generally, Unipol needs to increase its permanent staffing establishment to ensure proper levels of service can be provided and additional workload can be absorbed.

As its portfolio expands, Unipol will need to grow its staffing resources in housing management both in Nottingham and in Leeds. At the same time, services that are no longer sustainable will be discontinued. Additional capacity will be needed across summer 2023, as new buildings come into commission – either through an additional core staff member answerable to the Assistant Chief Executive (Development), or through bought-in expertise to cover specific tasks. The recent economies made in the finance team (through the cutting of a senior post) will need to be reversed. Health and safety systems continue to be more onerous and will need additional bought-in expertise and assistance. Unipol will reassess the post of Conferences and Visits Organiser, first furloughed and then cut as face-to-face conferences ended. If Unipol wishes to see a higher profile for more conference and training events, this post will need to be reinstated.

Unipol adapted well to the stresses of covid and never closed its offices or services. Staff who were moved to home-working returned on a planned programme (albeit interrupted by various new variants and infection waves). Staff are now working between three and four days out of five from the office. The enhanced home-working technology and virtual meeting facilities enable more flexible patterns of work. But it is essential, in a facilities management operation, that staff visit and manage properties which form the core of the charity's work. The Staff Forum, facilitated by the Deputy Chief Executive during covid measures, will be retained.

As the charity's portfolio expands, it will be spending just under £500,000 on security services. At present, the whole security service is outsourced, but its quality is variable, affected as it is by high staff turnover and the inability of supplier companies to attract good staff. Unipol will carry out a review of its security services and will explore in-sourcing certain functions to create more meaningful jobs for staff. Part of this process will explore the integration of security with the function operated by the Residents' Assistants and Housing Management Officers. Some security will continue to be outsourced, but this increase in critical mass presents a real opportunity to improve services in this area.

The attractive public areas of Unipol's offices in Leeds and Nottingham are now little used by students, who generally prefer to communicate through electronic means. This provides an *opportunity* to review the use of these spaces and turn them into social hubs for Unipol's tenants and for others who may benefit from the facility. The Nottingham office is being re-leased for a further 10 years and will undergo a refit to help repurpose the space.

Over the next three years, the staff development function will receive greater attention. More systematised and documented appraisal will be implemented. The use of *Teams* will be reviewed to ensure best and proper use, consistent with Unipol's operational culture.

The Senior Management Team has been significantly transfigured over the last three years. The organisation is now run operationally by a cross-functional network of teams with a central Hub of senior managers who themselves form a team. This structure is effective and skilled, and the team is constantly flexed to ensure that Unipol's services function properly.

The Chief Executive has announced he will step down from his role in November 2023, giving trustees' time to handle a proper succession process. Because Unipol is a unique organisation, the role of Chief Executive should be attractive to many with real expertise in the sector. After stepping down, the outgoing Chief Executive will retain some link with the organisation in order to maintain institutional memory over a transitional period. He will undertake specific project work and essential archiving of documents: this should make the daunting task of his successor a little easier.

Conclusion

The pervasiveness of the effects of covid and the shocks now being felt in the UK economy have constrained development and services over the last three years. Although they will continue to be a brake on development, the *Forward Look* makes it clear that this does not mean the charity should stand still.

Over the next three years, there will be significant changes in Unipol's portfolio, coupled with growth. By 2026, the charity aims to have:

- ▲ laid the foundations of a national student advice system, developed as part of Unipol's National Codes regulatory role
- ▲ made significant progress in enhancing sustainability
- ▲ undertaken exploratory work to provide a strong base for future decision-making about tackling climate change
- ▲ re-invested and made changes in working practices.

All of these are aims that are achievable, desirable and exciting.

The Board of Trustees remains ambitious in its plans for the charity's future. Unipol will stay true to its values and will rely, as ever, on its critical partners and on the talent it can draw on from its friends and its staff. Most importantly of all, it will never forget the central importance of students and their needs in the work that it does.

Next year will mark the 50th anniversary of Unipol's foundation back in 1973. This will be a good time to look forward and also to reflect on the development of the organisation from small beginnings – a modest but visionary partnership between two students' unions and two universities in Leeds, established to tackle poor quality student housing – right through to today's charity, the largest student housing resource in the UK.



Unipol's values in full:

To be trusted - as a source of help and advice to both students and landlords who want to rent and provide good quality student accommodation that contributes to student support and offers reliability, reassurance, straight dealing and no sharp practices.

To be impartial experts - giving student consumers information and advice with no hidden agenda, profit motive or background commercial relationships, based on 50 years' experience in the sector, and empowering them to make good housing choices and get the best deal available.

To provide value for money - providing a first-class service that makes use of the latest technology to allow online global accessibility, that recognises the importance of meeting the diversity of student needs and that provides value for money and choice throughout the housing process.

To promote safety and wellbeing - setting and checking standards to make student accommodation as safe and secure as possible, creating opportunities for students to get together, providing appropriate support and providing a good quality living environment that is such an important part of the learning process.

To promote community - encouraging independence alongside positive attitudes to equality, cultural diversity and the internationalism integral to higher education.

To be ethical - valuing and investing in staff; valuing tenants, partners and local traders and working at the forefront of sustainability practice.

To be transparent and accountable - having open management and governance processes and being answerable, as a charity, to our Board of trustees and to users of the charity in order to make our agenda and operations as clear and open as possible.