

National Codes Annual Report to Communities and Local Government 2014

Introduction and Background

This is the eighth Annual Report to Communities and Local Government (CLG) on the operation and development of the ANUK/Unipol National Approved Codes for student accommodation controlled and managed by both educational establishments and private sector providers.

Previous Annual Reports have focused mainly on the ways in which the ANUK/Unipol Codes for Larger Developments were meeting with the objectives set out in the Government's consultation document concerning Approved Codes of Practice. These were that:

- the development of the Codes should be an on-going process
- an annual review would take place based upon regular monitoring of compliance with the Codes' terms
- the review and progress of the Codes will be guided by committees of management.

Although this seventh report references these objectives, it also focuses on activities that have taken place during the course of the year (July 2013 to June 2014) in managing, developing and promoting the Codes. This also outlines the benefits that have been derived from the self-regulation of this important sector of the student housing market and highlights that members of the Codes (who play an active part in their on-going development) have volunteered to meet higher than statutory standards *and* be accountable for their performance as a clear sign to student consumers that they are fully committed to provide the best service and standards possible.

Format of the Annual Report

The objectives set by the Government provide a framework when compiling an Annual Report and this report therefore includes the following sections:

- Membership Report 2013-2014
- Committee of Management Meetings 2013-2014
- Meeting the Challenges of the eighth Year
- Assessment and Verification Process: Procedures and Visits
- Complaints and Tribunal Procedures: The number of complaints received and how they were dealt with
- Conclusion – including a list of challenges for the ninth year of operations

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Section 1: Membership Report 2013 - 2014

- The Codes currently cover 194,720 bed spaces from 133 suppliers. Further details are given below.

The total number of private providers and educational establishments signed-up to both of the ANUK/Unipol Codes, as of 30th June 2014, was 133. 85 of these are members of the Code for non-educational establishments, whilst 48 are members of the Code for educational establishments.

There has been a net increase of 4 providers signed-up to these Codes since June 2013 (a 3.1% increase), which has mainly resulted from a number of smaller new private providers joining. Future increases in membership is more likely to come from these smaller providers, many of whom are looking to offer well managed, but lower cost, accommodation than their larger competitors can.

The National Codes Administrator is currently dealing with applications for membership from another eight providers, most of whom are small private providers managing less than 350 bed spaces. Five out of the 13 developments are situated in Nottingham, three are in London, two in Glasgow and then there is one each in Bangor (North Wales), Liverpool and Norwich. If all of these applicants are granted membership then it would add a further 1,972 bed spaces to the overall total.

In terms of the number of bed spaces covered by both Codes, the total at June 30th 2014 was 194,720 bed spaces - 14,543 more than in June 2013 (an 8% increase). The bed space numbers signed-up to the Educational Establishment Code was 32,847, down by 1,527 on the figure for the end of June 2013 (-4.4%). The main reason for which being the loss of one member of that Code (South Nottingham College) as a result of the sale of their accommodation to a private provider, and a decrease in the number of bed spaces operated by other educational institutions.

As for the number of bed spaces covered by the Code for Non-Educational Establishments, the total was 161,873 - up by 16,061 on the figure for the end of June 2013 (+11%). The reason for this increase was due to a combination of the acceptance of new members as well as the addition of developments and bed spaces by existing members; more of the latter than of the former. However, this increase masks some fluctuation in overall bed space numbers accredited under this Code as a result of two particular factors.

The first of these is a relatively high turn-over in the operational management of developments, either between existing members or involving new applicants for membership. As it has been agreed that developments undergoing such changes of management platform cannot be accredited under this Code until a re-verification visit has taken place, which in turn requires the new platform to be operating the site, the bed spaces concerned 'fall out' of the overall totals until the visit has occurred and the verifier has recommended that the development be re-accredited. As of the end of June 2014, a total of 3,826 bed spaces were not included in the totals due to this reason.

The second factor that is depressing the overall bed space numbers is the suspension from membership of a small number of providers, either as a result of the findings from a verification visit OR a complaint being upheld against them. Once a member is suspended then their bed space numbers are also taken out of the overall total, until their suspension is lifted. A total of three providers

remained suspended from the Code as of the end of June 2014, resulting in the 'loss' of a further 633 bed spaces.

An analysis of the geographical spread of developments belonging to the Codes reveals that, as of June 30th 2014, 70 different towns and cities in the UK have a least one building signed-up to either Code, a net increase on 2012-2013 of two. Most of these towns and cities are in England (62), but four are in Scotland and four are in Wales.

As of June 30th 2014 there were a total of 1,428 large student developments in the UK covered by either of the two ANUK/Unipol Codes, which is a net increase of 23 more than at the end of June 2013; an increase of 1.6%. Most of these were added by existing members of the Code for non-educational establishments, and as has been noted earlier, some developments previously managed by educational establishments have been sold or changed management.

Table1 (below) shows the ten towns and cities that have the most bed spaces covered by the two Codes, along with the number of developments operated under them.

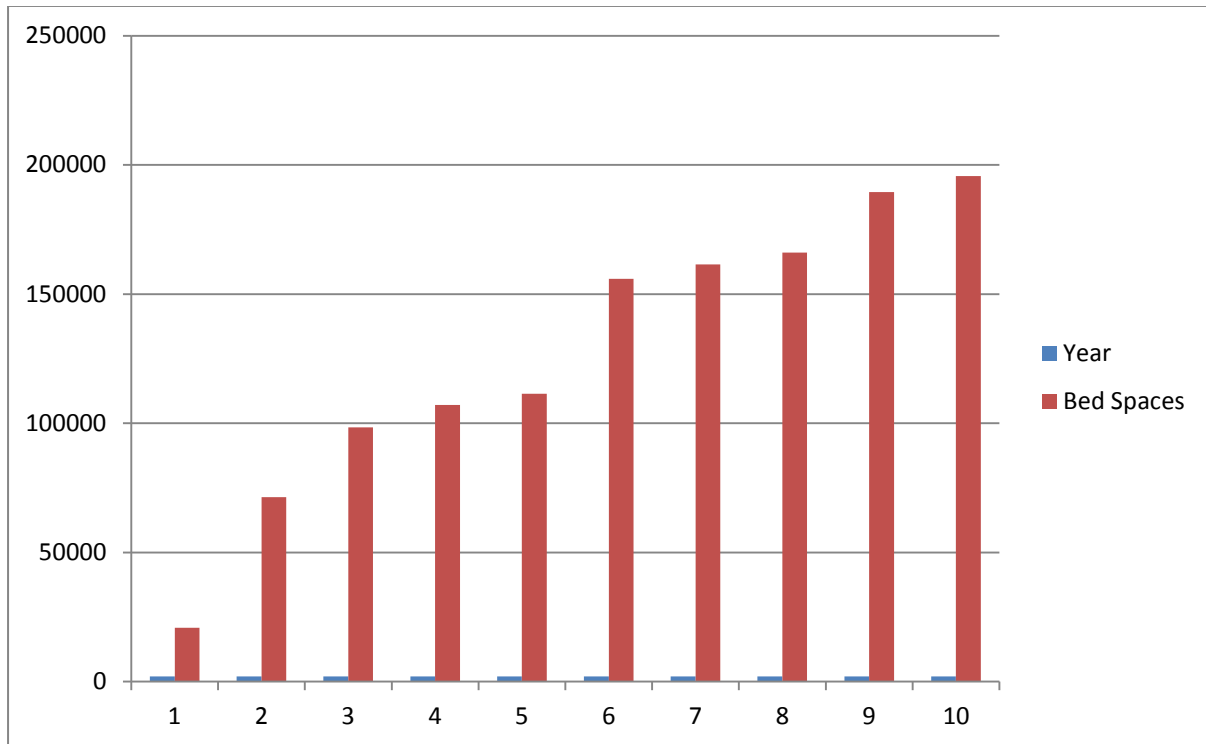
TABLE 1: Top Ten Place with Student Developments Covered by the Two ANUK/Unipol Codes, as of June 30th 2014

Position	Location	Total Number of Bed Spaces	Total Number of Developments
1	London	33,114	144
2	Leeds	16,829	71
3	Cambridge	16,338	765
4	Nottingham	14,083	45
5	Sheffield	10,261	26
6	Manchester	8,905	25
7	Birmingham	7,855	20
8	Liverpool	7,849	23
9	Leicester	6,080	15
10	Glasgow	4,723	16

Unsurprisingly, London contains most of the bed spaces that are operated under the Codes and London is also where most of the new bed spaces have been added since 2013 (a net increase of 7,721 bed spaces, or 30%). However, the numbers are not likely to continue to grow as significantly as restrictions on planning permission for student accommodation will be implemented as a result of an initiative from the London Mayor.

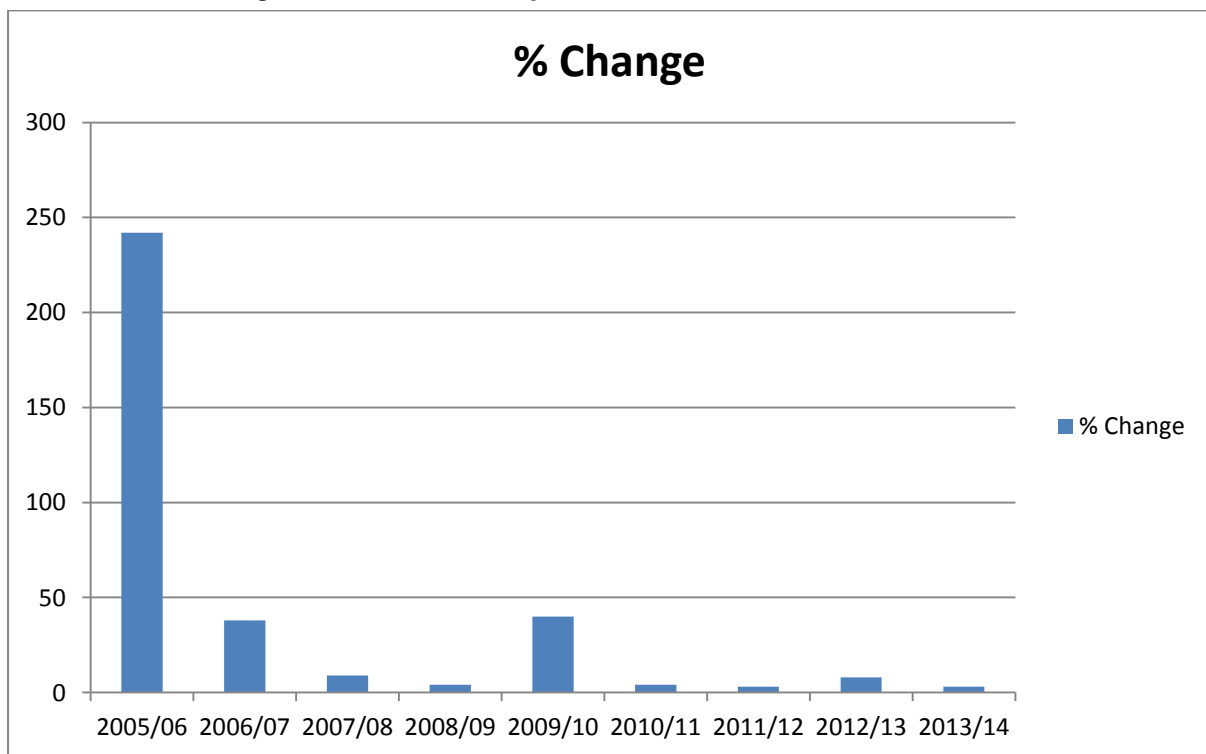
With the exception of Cambridge, bed space numbers have also increased in the other cities included in Table 1, albeit much more modestly than in London. The other change that needs to be noted is the appearance of Glasgow in the top ten, at the expense of Bristol, which has actually fallen down the league table to 12th, behind Newcastle.

GRAPH 1: Number of Bed Spaces Covered by the ANUK/Unipol Codes - 2005 to 2014



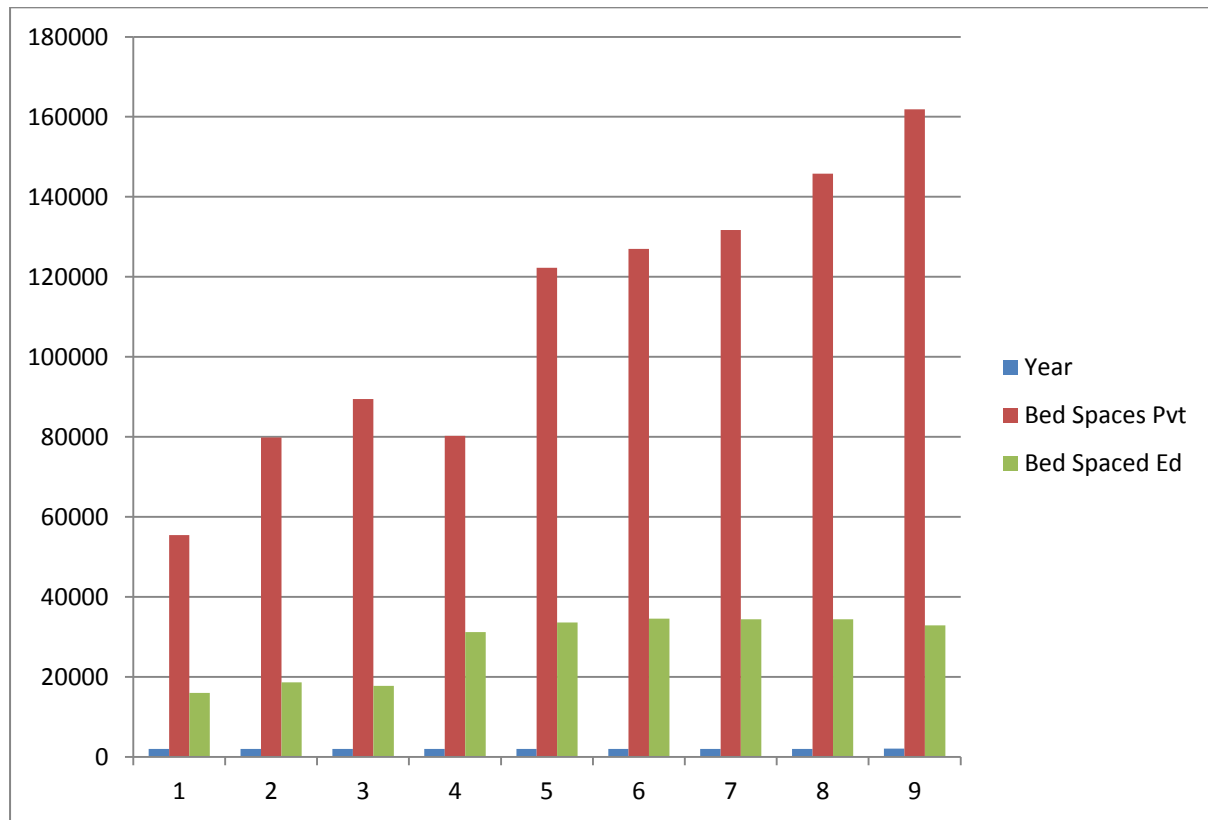
Graph 1 depicts the increase in the number of bed spaces covered by both Codes since 2005, when the Codes were first launched. The numbers have increased year on year in a more or less steady manner, especially since the large increases in both 2007(3) and 2010(6).

GRAPH 2: Percentage Increases in Bed Space Numbers - 2005/06 to 2013/14



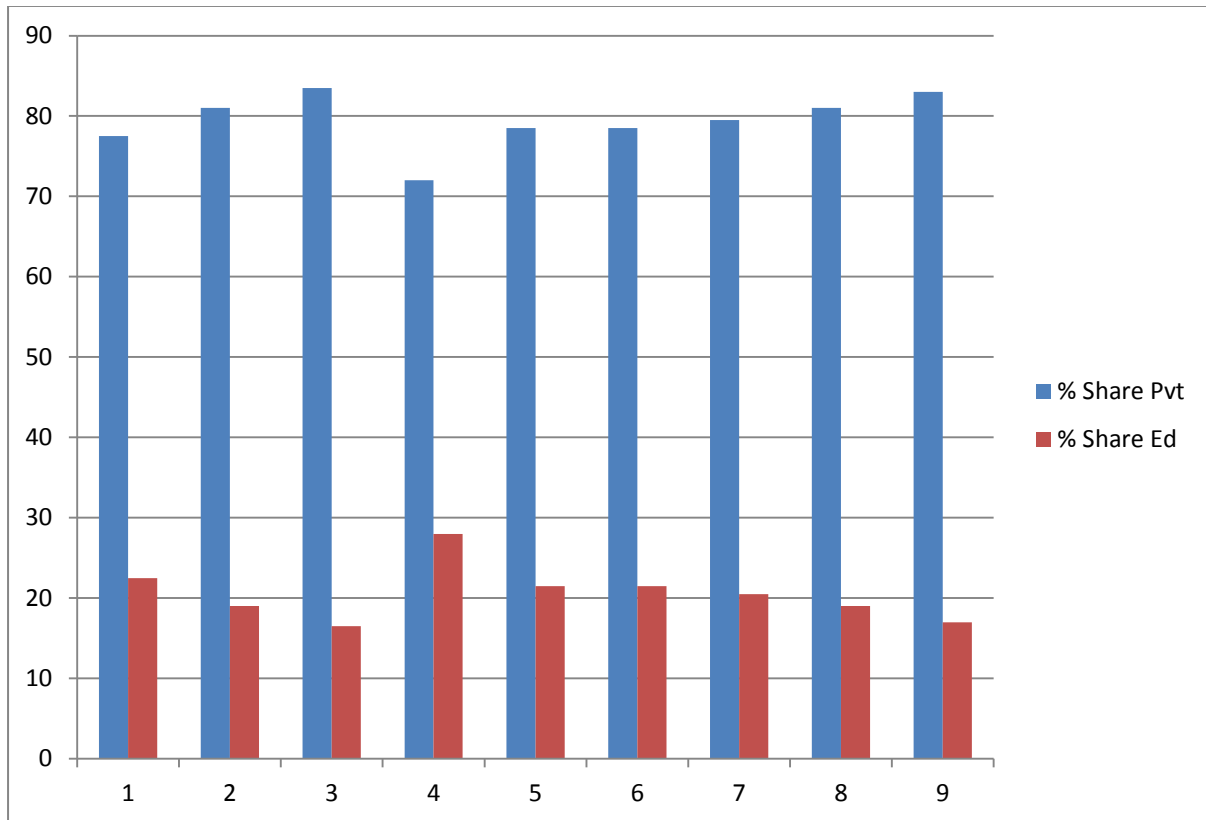
Graph 2 reveals the large percentage increase that occurred in bed space numbers between the first year of the Codes in 2005 and the following year. Whilst it was not likely that such percentage rises would occur again, some more modest but significant ones did happen between 2006/7 and 2007/8, as well as between 2009 and 2010.

GRAPH 3: Comparative Bed Space Coverage by Code - 2006 to 2014



Graph 3 aims to show the relative size of the two Codes in bed space numbers and serves to highlight the comparative changes in membership of the two Codes since 2006(1) - when the Code for Educational Establishments was first approved by the Government. The overwhelming dominance of the private sector is demonstrated clearly in this graph, although the inclusion of the Cambridge colleges within the Code for Educational Establishments in 2009(4) is also apparent.

GRAPH 4: Percentage Share of Bed Space Numbers by Code - 2006 to 2014



Graph 4 shows how the Codes compare in terms of percentage share. Although there was an increase during 2009 in the percentage of bed spaces within the educational establishment Code - with the addition of the Cambridge colleges - the overall percentage share for that Code has been falling back since then, to the extent that it is almost at the low level it was in 2008.

Section 2: Committee of Management Meetings 2013 - 2014

The Committee of Management (CoM), which is comprised of all the Codes' key stakeholders, continues to provide an effective forum for members where information, good practice and any concerns can be raised in a mutually helpful and co-operative environment. The CoM also sets the fees to join the Codes and approves an annual budget for the operation of both. Fees are therefore set by those who pay them.

The CoM has met on three occasions since July 2013: 1st November 2013; 10th February 2014; and 16th June 2014. Attendance at meetings continues to be buoyant, with an average of 22 attending the last three meetings (at a similar level as in 2012/13), although at the June 2014 meeting 28 members attended, the largest number ever recorded. Meetings are generally lively, well-informed and last for about two and a half hours.

A number of changes to the membership have occurred over the period from July 2013 to the end of June 2014.

Andrew Griffiths' period of office as Chair came to an end in November 2013 and he has been replaced by Ian Fletcher from the British Property Federation. Ian's elevation resulted in a vacancy arising for one of the ANUK representatives, which has been filled by Linda Selvey. The vacancy for the representative of the Cambridge Colleges, caused by the retirement of Chris Blencowe, has been filled by Wendy Evans. The demise of the Opal Group led to the creation of a new provider, called Frathouse Ltd, and they are represented on the CoM by Vincent Bradbury.

Changes have occurred to two out of the five co-opted places, with Chris Holt being deemed to have resigned for failure to attend the number of required meetings, and the Student Housing Company acquiring sufficient bed spaces to award them an automatic place on the CoM. The other changes to note in this section is the re-engagement of two key stakeholder organisations, the Association of Managers of Student Services in Higher Education (AMOSSHE) and the UniversitiesUK Code. The former organisation is now represented by Brian Hipkin, and the three representatives of the UUK Code are Alan Baser; Margaret Hunter and Trevor Wills.

In addition to the above, the following members were replaced as the nominated representative of their organisations: Lynn Bennett (Derwent Students) - replaced by Katie Styles; Paul Rowlinson (Sanctuary Students) - replaced by Alene Campbell and Celia Partridge (UKCISA) - replaced by Julie Allen. It should also be noted that Jo Hynes (University of Leeds) is currently on maternity leave and that she has been temporarily replaced by Mike Leonard.

Despite these changes there remain vacancies on the CoM for one ANUK representative, one representative from Local Government Regulation (LGR), and three out of the five co-opted places also need to be filled. The CoM has agreed a strategy for addressing this situation over the 2014/15 period.

CoM meetings continue to be hosted by members, so thanks need to be recorded to: Viridian; The University of Greenwich and the University of Leeds for hosting the last three meetings.

Current Members of the CoM:

Julie Allen (UKCISA)
Mark Allen (UPP Projects Ltd)
Andy Attewell (Victoria Hall)
Michael Ball (ASRA)
Alan Baser (UUK Code)
Martin Blakey (Unipol)
Vincent Bradbury (Frathouse Ltd)
Alene Campbell (Sanctuary Students)
Jane Crouch (Fresh Student Living)
Cheryl Darnell (Association of Colleges)
Martin Duguid (Nido Student Living)
Wendy Evans (Cambridge Colleges)
Ian Fletcher (Chair)
Bill Francisy (University of Greenwich)
John Gautrey (IQ)
Joanna Goodman (NUS)
Linh Hawke (Viridian)
Allan Hilton (Cass and Claredale)
Brian Hipkin (AMoSSHE)
Margaret Hunter (UUK Code)
Victoria Johnson (Leeds Metropolitan University)
Simon Jones (Unite)
Charles Kerr (South Street)
Mike Leonard (University of Leeds)
Sasha Marshall-Ocana (Royal Veterinary College)
Paul Martin (DCLG)
Bob Mayho (CIEH)
Colum McGuire (NUS)
Huw McLean (Welsh Assembly Government)
Robert Moyle (Campus Living Villages)
Joanne Pollard (Mansion Group)
Mike Poole (Evenbrook)
Ian Robertson (Unipol)
Linda Selvey (ANUK)
Frances Stone (CUBO)
Richard Stott (Kexgill)
Kate Styles (Derwent Students)
Terry Waide (Northern Ireland Housing Executive)
Geraldine Ward (University of Hertfordshire)
Paul Watson (Liberty Living)
Brian Welsh (Knightsbridge Student Housing Ltd)
Keith White (CRM)
Trevor Willis (UUK)

Section 3: Meeting the Challenges of the Eighth Year

The last Annual Report set a number of challenges for the eighth full year of the Codes' operation. These were:

- Completion of changes to the online training course so that it reflects the recent amendments made to the Codes and applies to both of them ;
- Recruitment and training of four additional verifiers in order to provide sufficient coverage to ensure capacity in the event of a substantial increase in the need for verification visits resulting from changes of operation management in buildings already accredited under the Codes;
- Appointment of a new Chair of the Committee of Management and the Audit Panel, and selection of a Deputy Chair for the Audit Panel;
- Ensuring all current members of both of the Codes have completed the new on-line Self-Assessment Questionnaire by the end of September 2013;
- Collecting copies of tenant satisfaction surveys from all members of the Codes;
- Organising a fourth joint National Codes conference;
- Reaching the 200,000 mark in terms of the number of bed spaces covered by the Codes.

All of these objectives were either achieved, or are in the process of being so, but it may be helpful to provide some more detail on each of these areas of work.

Online Training Course Changes

Although some minor amendments have been possible to the content of the online course, the more substantial rewriting of sections has been delayed by technical and logistical problems. However, it is expected that the course will be revised over the summer of 2014 so that it applies to both of the ANUK/Unipol Codes, and this should be available - along with new video material - for the start of 2015.

Recruitment of New Verifiers

Three new verifiers have been recruited, trained and are now fully functioning members of the verification team. Karen Burke, Derek Goss and Richard Lord all attended a one-day training event held in Leeds in November 2013, they were then assigned to shadow more experienced members of the team to an actual visit. Since the start of 2014 all three of the new team members have undertaken at least two visits on their own and they will attend their first meeting of the Audit Panel in August 2014 to report on these.

Appointment of New Chairs for Key Committees

Since the issuing of the 2013 Annual Report, the Chairs of both the Committee of Management and the Audit Panel have changed. Andrew Griffiths' term of office as Chair of the CoM came to an end at the start of November 2013, and he has been replaced by Ian Fletcher (formerly Chair of the Audit Panel). Ian's move meant that a replacement Audit Panel Chair was required, and so in Paddy Jackman was appointed and took charge of his first meeting in December 2013.

In addition to the appointment of these Chairs, the Audit Panel took the view that it would be useful to have a Deputy Chair who was able to cover in the event that the Chair was unable to OR that they

were unable to discuss a matter relating to a provider due to conflicts of interest. Stephen Battersby (MBE) has duly been appointed Deputy Chair.

Completion of Online Self-Assessment Questionnaires

All existing members were able to complete the relevant online SAQs by the start of February 2014, (with most managing to do so well before that date), within the timescales agreed for them to do so by the Audit Panel.

The questionnaires themselves are in need of some minor amendments making to them, work that should be completed by the end of July 2014.

The National Codes Administrator has produced some guidance to assist both providers and verifiers to complete the SAQs, and all new applicants are currently sent the relevant guidance at the same time they are notified of the location of the online questionnaire.

Collecting Examples of Tenant Satisfaction Surveys

The November 2013 meeting of the Committee of Management instructed the National Codes Administrator to ask all members to provide examples of their current tenant satisfaction surveys, a requirement included in both of the ANUK/Unipol Code of Standards. When making this request, the NCA informed members that the examples were not to be used for any benchmarking of scores, but to provide the Audit Panel with some idea of the different approaches being taken by members to the surveying of tenants.

The NCA reported to the February meeting of the CoM that the response rate to the original request had been low, with less than 20% of members responding. The meeting therefore agreed that members be asked once again for the information, which resulted in a slightly improved rate of response. However, further work is likely to be required by the NCA in order to ensure that every member has complied by the end of 2014.

Organisation of a Fourth Joint National Codes Conference

This event, held on Friday 29th November in Central London, attracted a total of 84 delegates - a 20% increase on the number that registered for the 3rd Joint Codes Conference.

As with the previous joint conferences, all delegates were invited to complete an evaluation form following the event, rating both the individual sessions that made up the conference as well as providing scores for the event as a whole, the venue and the food. The ratings are expressed numerically and range as follows: 1 = Excellent; 2 = Very Good; 3 = Good; 4 = Average; 5 = Poor.

Table 2 (below) details the results from the evaluation forms for the last three joint conferences, in respect of the general ratings, venue and food aspects of the events. It shows that the most recent event received the highest scores in relation to all of the given aspects, with significant improvements in the scores for the venue, its location and the food.

Table 2: Average Scores for Constant Evaluation Form Questions for the Last Three Joint Codes Conferences

Question	2nd Joint (2011)	3rd Joint (2012)	4th Joint (2013)
Overall Rating	2.50	2.21	2.14
Overall Relevance	2.20	2.51	2.30
Rating of Venue	2.90	2.62	1.88
Location of Venue	2.20	2.05	1.69

Rating for Food	2.80	2.71	2.30
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Table 3 (below) sets out the average scores for each of the sessions at the 4th Codes Conference, in respect of the relevance of the sessions to delegates and their judgements as to the quality of the presentations. As can be seen, although the scores for all remained within the 'very good' category, the spread of these in relation to relevance was fairly narrow - with the exception of the session on the ANUK/Unipol Code Audit Process. This may indicate that delegates would prefer sessions which are much more directly related to the content of the Codes, something which is commented upon later in this paper.

Table 3: Average Scores for the Different Sessions at the 4th Joint Codes Conference

Session Title	Speaker/s	Presentation Rating	Relevance Rating
Taking the Codes Forward	Margaret Hunter and Simon Kemp	2.36	2.40
What are the Big Players Doing?	Mark Allen, Simon Jones, Jenny Shaw, and Keith White	2.53	2.65
The ANUK/Unipol Tribunal: How Would it Operate?	John Martin, plus Tribunal members	1.96	2.36
Effective Student Feedback: How to Generate and Make Use of It	James Curtis and Colum McGuire	2.59	2.44
Networking and Identification of Training Needs	NA	2.41	2.45
Parallel Session A: ANUK/Unipol Code Audit	Mary Bright and Jane Crouch	1.16	1.16
Parallel Session B: UUK Code Audit	Lyndon Brown, Ian Dodkin and Stuart Kemp	2.75	2.58
Coping with a Change to the Management Platform	Micha Fell	2.06	2.66

Because the content of the last three conferences have differed from each other, it is difficult to provide a direct comparison between the evaluation responses for the various sessions that have been delivered. However, if the scores are combined for the sessions in terms of both relevance and presentation, it becomes possible to generate an overall score. Table 4 (below) depicts the findings from this exercise. These suggest that the 2013 event was regarded as better in terms of both aspects in comparison to the previous two conferences.

Table 4: Average Combined Scores for Different Sessions at the Last Three Joint Codes Conferences

Year	Presentation Rating	Relevance Rating
2011	2.60	2.42
2012	2.62	2.57
2013	2.22	2.33

Reaching the 200,000 Bed Space Mark

Whilst it had been anticipated that the overall level of membership of the Codes, in terms of bed space numbers, would reach the 200,000 figure before the summer of 2013, this is now not expected to occur until the start of 2015.

The reasons for the shortfall have mostly been dealt with under section 1 of this report, but there is clearly some volatility within the private rented sector as owners of large developments look to change the managers they employ to run them on a regular basis, and some new players enter the market by

buying up developments being managed by existing members rather than building new blocks of accommodation.

Additional Achievements of the Eighth Year

As well as meeting the challenges set for the eighth year, some other successes are worth reporting.

Convening the First Meeting of the Full Codes Complaints Tribunal

Whilst the Codes' complaints procedure, which has been in operation since 2005, includes an option for serious complaints to be determined by a meeting of a 'Full' Tribunal - consisting of up to as many as a dozen members from various stakeholders - it had not previously been deemed necessary to convene a meeting of that group. However, in April 2014 the Chair of the Complaints Tribunal took the decision that a meeting of the Full Tribunal was required to deal with a complaint relating to a Bradford-based provider.

In line with the stated requirements of the procedures, the National Codes Administrator informed the parties to the complaint of the Chair's decision and gave at least 15 working days' notice of the chosen date (June 16th). The NCA then informed all named members of the Tribunal about the decision, and also contacted the relevant local authority, educational establishments and students unions requesting from them a representative to attend the meeting. Once the membership of the Tribunal for the meeting had been confirmed, all members and the parties to the complaint were posted a set of papers outlining the background to the complaint.

Following the meeting, the parties were written to and informed of the outcomes and notes from the meeting were posted onto the website. In addition, a press release was issued to both the local and student media detailing the decision and explaining the implications it would have for the provider concerned.

Raising the Profile of the Codes in Scotland

Although there are a number of developments in Scotland that are currently accredited under the ANUK/Unipol Code for Non-Educational Establishments, the different approaches taken by Scottish Local Authorities to the registration of student accommodation deemed to be in multiple occupation - especially the licensing process - has led to some questions being raised as to whether the National Codes are of relevance in Scotland; especially so when currently the UUK Code is regarded as not being applicable north of the border.

Whilst the fact that developments in Scotland have to be compliant with the requirements of the relevant HMO licensing authority is readily acknowledged, it is ANUK/Unipol's view that those requirements do not set the sort of benchmark standards for the day to day management of the type of student accommodation which falls within the remit of the National Codes. Most importantly, whereas in the National Codes the standards required are transparent and readily available to anyone who reads the Code documents, this is not always the case when it comes to determining what requirements have been set by the local authority; neither is it possible to say that those requirements are the same for all geographical locations within Scotland, unlike those for the Codes which apply regardless of location.

Following some exchanges with policy officers from NUS Scotland, concerns were raised as to whether students studying in Scotland were receiving sufficient information about the existence of the Codes and the relevance of these to them. The National Codes Administrator, at the invitation of NUS Scotland, spoke at an event for newly elected officers of Students Associations in October 2013 and provided those attending with some background into why the Codes had been created and how they were intended to provide students with a better standard of accommodation.

In February 2014, and in response to the provision of notification to all Codes members about the availability of a one-day course introducing the National Codes to staff working within developments, a group of staff from developments within Scotland contacted the NCA expressing a need for such a course to be delivered in Scotland. Further investigations established that there would indeed be sufficient interest in such a course and, following the kind assistance of UNITE in agreeing to host the event at one of their sites in Edinburgh, the training day was delivered on May 19th. The immediate feedback from the evaluation forms was positive.

Further work to raise the profile of the ANUK/Unipol Codes in Scotland is likely to happen in 2014/15. This may include an advertising campaign in publications aimed at new and existing students (as well as their parents), designed to promote the provision available by existing members of the Code for non-educational establishments. It is also possible that a joint conference on student accommodation matters in general, as applied to Scotland, may be held with NUS Scotland, which will focus on the Codes at the same time. Equally, another training event for staff based in developments located in Scotland may also take place.

Development of Guidelines on WiFi Provision

From time to time the National Codes' Consortium (ANUK, NUS and Unipol) takes stock of the latest innovations within the purpose-built accommodation sector to determine in what areas the Codes may need to be refreshed so that they properly reflect existing management practices. It has become increasingly apparent that the provision of WiFi within student accommodation is one area that providers are using as a main 'selling point' when marketing their accommodation. However, it is equally apparent that the exact nature of this provision - especially how it is experienced by the end user - can vary quite significantly.

The Committee of Management, at its November 2013 meeting, devoted some considerable time to discussing a paper suggesting a number of ways in which the information about WiFi provision within a development could best be accurately described to tenants. On the basis of that discussion some draft guidelines were devised, a final version of which was accepted at the June 2014 CoM meeting.

As well as being placed onto the National Codes Website so that all who wish to view these guidelines may, they are likely to be incorporated into the content of the Code for Non-Educational Establishments when it is reviewed in 2014/15.

Production of Guidance on Dealing with Administration and Receivership

As a result of the Opal Property Group being placed in Administration in 2013 (full details of which were included in the 2013 Annual Report), and of the decision to put into Receivership two developments in Bradford that were being managed by an existing member of the non-educational

establishment Code (in January 2014), it was agreed that it would be beneficial for some guidance to be devised which sets out the procedures that will be followed where similar event occur in future.

The Committee of Management discussed a draft version of the guidance when it met in February 2014, which was subsequently up-dated in the light of the findings arising from the situation which occurred in Bradford the month before, and this revised version was debated at the June 2014 CoM meeting. The result was that some further alterations were proposed and the NCA was instructed to draft some proposed wording and then circulate it to members.

It is likely therefore that the final version of his guidance will be agreed by the end of 2014 and, once it has been, it will be posted onto the National Codes website and also circulated to all of the main insolvency practitioners operating within the sector.

Section 4 – Assessment and Verification Procedures

Verification Visits and Re-Visits

Two rounds of verification visits have been completed since the start of July 2013. Between July and the end of December 2013 a total of 62 verification visits or re-visits were completed, whilst between January and the end of June 2014 a further 58 were conducted. This is 47 more than for the same period in 2012/13, an increase of 64%, and is the result of three factors. The first is that the 2013/14 period coincides with the cyclical visits to the Cambridge Colleges; the second is the additional work undertaken as a result of the requirement to revisit developments when a change of operational management occurs; the third is the decision by the Audit Panel to conduct a city-wide round of visits to developments in Bradford.

Table 5 (below) details the different categories of the visits made, up to the end of June 2013. A further nine visits have been scheduled for July and August 2013 - most of which fall within the category of change of operational management.

TABLE 5: Visits by Type, July 2013 to end of June 2014

Category	Number of Visits July-Dec 2013	Number of Visits Jan-June 2014	Totals
New Applicant	4	11	15
New Development of Existing Member	10	3	13
Cyclical Revisit	38	25	63
Change of Operational Management	8	6	14
1st revisit	2	4	6
2nd revisit	0	0	0
One-off city-wide	0	9	9
Totals	62	58	120

All new applicants for membership continue to be subject to a verification visit before they can be regarded as being accredited under the relevant Code, with visits taking place within two months of the application being made. Table 5 suggests that most new applications for membership are received in the first half of the calendar year.

Those existing Codes members who have a medium to large portfolio of student developments are subject to annual verification visits, usually to sites which have not previously been subject to a visit. Because these sites are already known to the National Codes Administrator they tend to be scheduled for a visit in the second half of the calendar year.

More than half of the visits completed in the second half of 2013 and first half of 2014 fell into the category of cyclical revisits, in other words providers who were due for their 3 yearly visit. The reasons why so many needed to be undertaken is partially explained by the fact that the Cambridge Colleges needed visits, but 2009/2010 was the last time there was a significant increase in new members being admitted into membership of the Codes.

In circumstances where an existing member takes over the operational management of a development that was previously managed by another member of the Codes, arrangements are made to verify that development as a matter of course, regardless of whether the development was recently verified under the previous provider. Table 5 indicates a very 'steady' stream of visits of this type needed to take place throughout the academic year.

Decisions about whether it is necessary for a member or applicant to be re-visited following the initial verification visit are determined by the verifier concerned, in consultation with the Audit Panel and the National Codes Administrator. Only in situations where action points are identified during a verification visit would it be necessary to consider such a revisit and, even then, the verifier may deem it appropriate for the provider concerned to offer documentary evidence that the points have been addressed, rather than there being a need for the verifier to check this in person. However, verifiers are charged with ensuring that action points have been addressed within their given timescales and they can determine how soon after the original visit any re-inspection should occur. Where such revisits reveal that some or none of the action points have been addressed, a verifier can require a second re-visit to take place - the costs of which would need to be met by the provider.

TABLE 6: Outcomes from Verification Visits Undertaken between 1st July 2013 and June 30th 2014, by Category

Category	Number of Visits Finding One or More Action Points	Number of Visits Finding No Action Points	Totals
New Applicant	14	1	15
New Development of Existing Member	11	2	13
Cyclical Revisit	51	12	63
Change of Operational Management	10	4	14
1st revisit	4	2	6
2nd revisit	0	0	0
One-off city-wide	5	4	9

The findings outlined in Table 6 require some commentary in order to provide a clearer indication of the outcomes from the visits undertaken.

The significant proportion of new applicants who are shown as needing to address one or more action point is not unusual, and these findings are similar to those from previous years. Although applicants will have self-assessed the extent of their compliance with the Code in advance of the visit taking place, it is anticipated that they may not immediately fully comply with all requirements of the relevant Code. The verifier uses their judgement to determine whether they appear capable of completing the actions within the timescales allowed, in which case membership will be recommended. However, in other cases the verifier may take the view that membership should be delayed until the action points have been completed, and/or confirmed via a re-visit.

Whilst the fact that only two out of the 13 visits to a new development of an existing member resulted in the finding of no action points, analysis of the actions which were identified indicates that none

were regarded as being sufficiently serious as to lead to a recommendation that membership be removed from that provider.

However, in terms of the findings for cyclical re-visits, whilst no action points were identified in almost one fifth of these, in a number of cases the failings identified were seen to be so significant as to warrant the recommendation that the member be suspended from the Code. This occurred in the case of four out of the 63 visits of this type, and in a further two visits the verifier recommended a re-visit was required to check that works had been completed. The reasons for the suspension of each of the four members varied, although at the heart of them was a perceived weakness in management systems that had been exposed by the verification process during the visit.

Although the majority of the visits caused by the change of operational management related to former Opal sites, a number of smaller providers have either sold on the developments to existing larger suppliers, or owners of developments have decided to appoint new managers to run the accommodation on a day to day basis. Table 6 indicates that at the time of the visits only around a third were deemed not to have any action points. However, in each of the other visits the verifier's recommendation was that the sites should be re-accredited, so the action points identified were not regarded as being so serious as to preclude this.

The fact that it was not deemed necessary for any second re-visits to take place, due to failures by a provider to be found at the first re-visit to have significant outstanding action points, could be regarded positively. On the other hand, the failure of four out of the six providers to complete all action points in time for the first re-visit is less so. Closer scrutiny of the outcomes from these four visits reveals that in two cases the provider was referred to the Audit Panel by the verifier, but permitted additional time to complete the actions (or provide information that would satisfy the Audit Panel), whilst in the other two cases the outstanding actions were not deemed to be significant by the verifier to warrant a second re-visit.

Finally, the Audit Panel - following a discussion about the problematic nature of the student letting market in Bradford - agreed to undertake a one-off series of verification visits to all developments covered by the Codes that operate in that City. The verifiers were given a specific brief on the issues to look at - which included the provider's mechanisms for repair reporting, deposit protection and complaints handling, as well as general health and safety matters. Although five out of the nine visits revealed some action points, in only two cases was action deemed necessary and the process resulted in those providers being removed from membership.

TABLE 7: Number of Verification Visits Undertaken 2007 - 2014

YEAR	No. of Developments Visited	No. of Different Applicants/Members Visited
2007	37	26
2008	37	31
2009	49	35
2010	60	65*
2011	72	58
2012	50	37

2013	106	77*
2014	57**	

*This includes the 18 Cambridge Colleges verified by the peer to peer system up to the end of June 2010 and 22 verified using the same system in 2013

** Up to the end of June 2014

Table 7 shows that, with the exception of 2012, the number of verification visits undertaken each year has increased, substantially so in the case of 2013. The programme of visits for 2014/15 will be agreed at the August 2014 meeting of the Audit Panel, however, on the basis of known cyclical re-visits and visits to new developments of exiting members that will be required, at least 25 more visits will take place in the remaining months of 2014. That does not include visits to new applicants, of which there will be a few, or visits due to changes of operational management, and at least 18 of those will be required in the summer and autumn of 2014. It is therefore possible that the final figures for 2014 will be close to, or even exceed, those for 2013.

The Audit Panel

The Audit Panel has met on three occasions between the start of July 2013 and end of June 2014. The first meeting was hosted by the Student Housing Company, the second by Unipol Student Homes, and the third by CRM Students.

The membership of the Audit Panel has changed since the last annual report, with the appointment of a new Chair and the creation of the post of Deputy Chair. In addition, three new members of the verification team have been added and they are required to attend meetings when the Panel is due to discuss one or more of their visit reports.

The membership is as follows:

Mr Paddy Jackman, Chair;
Dr Stephen Battersby - Vice Chair (and Verifier);
Ms Mary Bright - Verifier;
Ms Karen Burke - Verifier;
Ms Wendy Evans - Cambridge Colleges;
Ms Joanna Goodman - National Union of Students;
Mr Derek Goss - Verifier;
Mr Richard Lord - Verifier;
Ms Victoria Love seed - Unipol;
Mr Philip Moxon - Verifier;
Mr David Robertson - Verifier;
Mr Nick Stanton - Verifier
Vacancy - ANUK:

Section 5 – Complaints and Tribunal Procedures

Code Complaints

Table 8: National Code Complaints Received, by year and status

Year	Total No. contacting the NCA	No. of formal complaints submitted	No. of formal complaints referred to the Tribunal
2005	1	0	0
2006	5*	0	0
2007	5*	2	1
2008	20*	3	2
2009	21	7	6
2010	17	3	1
2011	27	6	2
2012	45	18	5
2013	40	14	4
2014	21** (to end of June)	7**	3
TOTALS	202	60	24

* one of these concerned a development that was not covered by the Codes

** One is on-going

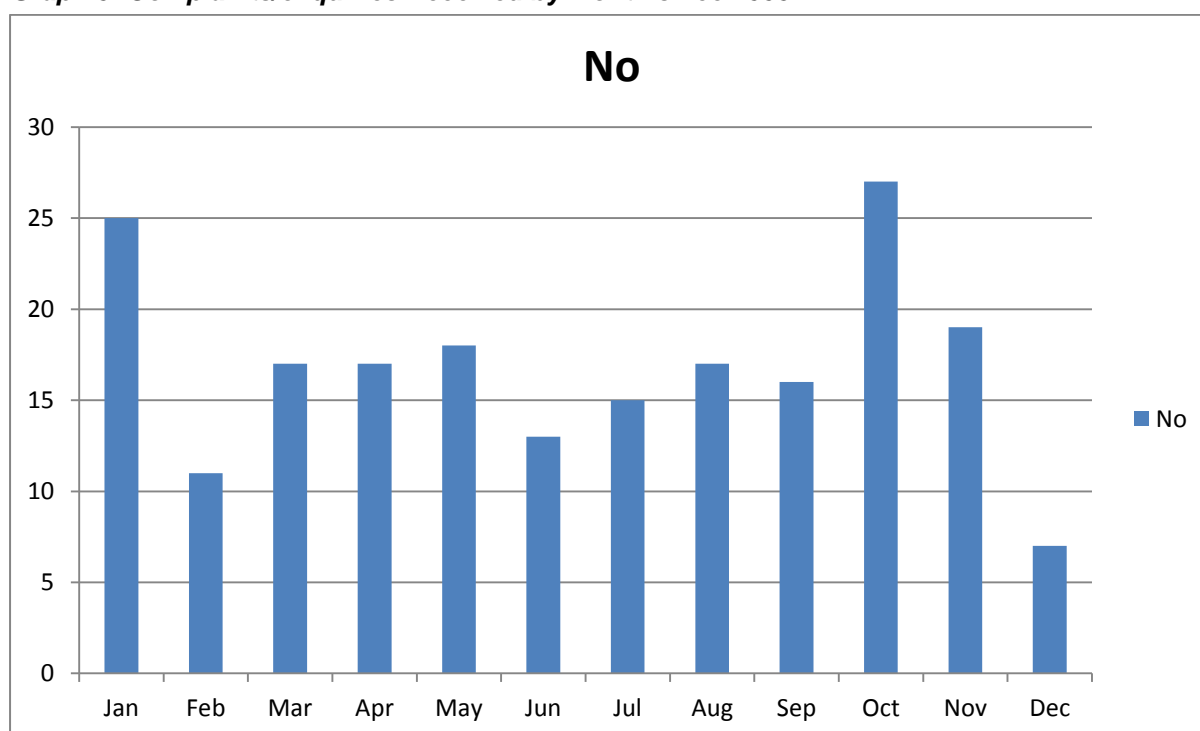
Table 8 indicates very clearly the extent to which the Codes' complaints procedures have been accessed since the Codes were first launched, and provides a sense of the increased awareness amongst tenants (and their representatives) about the Codes and the complaints process related to them.

The National Codes Administrator records all contact made by tenants or former tenants (or their representatives) of developments covered by the Codes that may be regarded as a complaint about a member not complying with the relevant Code. The number of such contacts steadily increased from 2005 to 2009, and then (with the exception of 2010) significantly increased in 2012 and 2013. The figure for the half-year of 2014 are 50% greater than the same point the previous year, which suggests that this year might witness the greatest number of complaint contacts ever received.

Table 8 also makes clear that less than 30% of all of the complaint-related contacts made with the NCA develop into formal complaints, defined as complaints either issued on the prescribed complaints form or deemed as requiring a reply from the relevant member as a result of information provided by the complainant. Even if the proportion of complaints to formal complaints is looked at year-on-year, the greatest proportion has never exceeded 40% - which was in 2012.

Finally, the proportion of formal complaints that have needed to be referred to the Tribunal process is exactly 40% of the number submitted. Whilst this proportion was much greater in 2007, 2008, and 2009, it was around a third or less for each of the subsequent years.

Graph 5: Complaints/enquiries Received by Month since 2005



In terms of when during the year complaints/enquiries are made to the National Codes Administrator, Graph 5 reveals some interesting patterns of spikes and troughs. Looked at on the basis of an academic year, there are significant spikes in October and January which could be explainable in terms of the cycle of the tenancy. The October ones often relate to dissatisfaction with property conditions when the tenants moved in; the January ones to problems that existed in the first term and have not been resolved, and/or perceived poor conditions following maintenance work undertaken during the Christmas vacation.

Table 9: Outcomes from Non-Formal Complaints

Outcome	Numbers
Not pursued any further	40
Issues resolved by provider	11
Still to be dealt with under the provider's own complaints procedures	86
Concerned non members	3
On-going	2
Total	142

Table 9 reveals that, in the majority of cases, non-formal complaints tend not to have been dealt with by the provider's own complaints procedures at the time they are raised with the National Codes Administrator. Either that or, having received an initial response from the NCA - which may simply be a request for additional information - the complainant does not pursue the matter following that original contact. In a small number of cases the provider, having been made aware a problem has been raised, will undertake to resolve the situation without the need for it to be taken to any formal stage. However, it is possible that the reason the majority of these contacts do not turn into formal

complaints is because the provider makes an intervention, thus ensuring that the complainant either does not pursue the matter further OR gets satisfaction via the provider's own complaints procedures. Unfortunately it is not possible, given the way information about complaints is currently compiled, to determine the extent of such provider inputs.

Table 10: Outcomes from Formal Complaints

Outcome	Numbers
Referred to the Tribunal and Up-held	16
Referred to the Tribunal and NOT Up-held	8
Resolved by Provider before the matter was referred	17
NOT referred as no additional information was provided to support the complaint	9
NOT referred as the matter had not been subject to the provider's own complaints procedures	5
NOT referred at request of complainant	2
Complaint was made more than 6 months after end of tenancy so could not be considered	1
Concerned non-members	1
On-going	1
Total	60

Table 10 is a much better indicator of the extent to which providers respond to complaints that have been received against them, and reflects the fact that - once a formal complaint has been made - the provider is required to respond to the allegations that are being made; it is only where the matter remains un-resolved after that contact has been made (or is disputed) that the complaint would be referred to the Tribunal procedures. This table shows that a provider is more likely to resolve a matter once they have been contacted by the NCA, however, it also reflects the fact that where the Tribunal is asked to adjudicate on a matter the complaint is more likely to be up-held than not. In a small number of cases the complainant either does not provide any additional information to assist the NCA complete the initial assessment of the complaint, or it is clear that they have moved to the second stage of the complaints procedure before the first stage (the provider's own complaints process) has been entered into.

Table 11: Most Common Issues Included in Complaints - In General and in Formal Complaints

Issue/s	No. of Times Raised in General Complaints	No. of Times Raised in Formal Complaints
Disrepair	43	8
Deposits	28	8
Dealing with disputes	23	4
Disrepair and dealing with disputes	13	2
Contractual matters	10	4
Tenant issues and dealing with disputes	7	4
Contractual issues and disrepair	7	3
Misleading advertising and disrepair	5	3
Access to rooms/flats issues	5	2
Misleading advertising	5	2
Dealing with disputes and responding to complaints	5	1
Tenant issues	3	1
Dealing with disputes and not responding to correspondence	3	0
Insect Infestations	3	0
Disrepair, not dealing with disputes and not responding to correspondence	2	3
On-Going External Building works	2	2
Alternative accommodation not acceptable	2	1
Not acting professionally	2	1
Not responding to correspondence	2	1
Room not ready at start of the tenancy	2	1
Harassment	2	0
Misleading advertising and dealing with disputes	2	0
Security issues	2	0

Table 11 lists the most common themes that have been cited as the reason for why a complaint -both general and formal - has been made (taking only those that have been given in at least two separate complaints), and makes a comparison between general complaints and formal complaints.

It is not surprising that disrepair is the most commonly cited cause for a complaint, but the fact that deposit issues are second in the table - given the existence of the deposit protection scheme - might be. However, this is a very broad heading and covers situations where a provider failed to protect

deposits through to a complaint about whether advice on cleaning was given at the end of a tenancy; it should also be remembered that some providers covered by the ANUK/Unipol Codes do not use Assured Shorthold Tenancies and, as such, are therefore exempt from the need to protect deposits.

A similar table was produced for the last Annual Report, but since then some changes have occurred - with issues moving up and down in the table as well as new ones coming in. Deposits rose one place over dealing with disputes, whilst disrepair and dealing with disputes leapt over contractual matters into fourth place. There were four new entries as well: Inspect infestation; On-going external building works; Alternative accommodation not acceptable; and Room not ready at the start of the tenancy.

Relationship Between the Audit Panel and Complaints Tribunal

All decisions concerning the removal of membership from either of the Codes are matters for either the Audit Panel or the Complaints Tribunal to consider, who will then make a recommendation to the Committee of Management. Both the Audit Panel and Complaints Tribunal have powers to suspend the member whilst the matter is considered more fully.

Complaints Tribunal Membership

The Tribunal Chair, Mr John Martin (a Barrister and acknowledged expert in the field of housing law) was re-appointed in 2012 for a further three years, although he indicated at the time that he would not be seeking a third term. The Chair is supported by two Vice Chairs, who each represent student and provider interests: Mr Colum McGuire (NUS) is the student Vice Chair, whilst Mr Keith White (CRM) is the Vice Chair representing providers. Keith was re-appointed for a 3 year period in 2012 and Colum will serve until the end of his period in office, which will not exceed 2 years.

There are five other Tribunal members and these are:

Mr Mark Allen (UPP)
Ms Jane Crouch (Fresh Student Living)
Ms Joanna Goodman (NUS)
Ms Victoria Loveseed (Unipol)
Mr Brian Welsh (The Student Housing Company)

All five will serve until 2015. There is also currently a vacancy for a representative of ANUK.

Section 6 – Conclusion

Achievements in the Eighth Year

- Undertaking some changes to the online training course so that it reflects the recent amendments made to the Codes and applies to both of them ;
- Recruitment and training of four additional verifiers in order to provide sufficient coverage to ensure capacity in the event of a substantial increase in the need for verification visits resulting from changes of operation management in buildings already accredited under the Codes;
- Appointment of a new Chair of the Committee of Management and the Audit Panel, and selection of a Deputy Chair for the Audit Panel;
- Ensuring ALL members of the Codes completed the new online Self-Assessment Questionnaire;
- Collecting copies of tenant satisfaction surveys from all members of the Codes;
- Organising a fourth joint National Codes conference;
- Almost reaching the 200,000 mark in terms of the number of bed spaces covered by the Codes;
- Convening the first ever meeting of the Full Complaints Tribunal;
- Undertaking activities in Scotland aimed at raising the profile of the Codes;
- Development of guidance on WiFi provision and guidance for dealing with situations where members are placed into Administration or Receivership.

Challenges for the Ninth Year

There are a number of challenges for this year which are summarised below:

- Completion of changes to the on-line training course so that it reflects the recent amendments made to the Codes and applies to both of them ;
- Reaching the 200,000 mark in terms of the number of bed spaces covered by the Codes;
- Reviewing the content of the Code for Non-Educational Establishments;
- Delivery of a fifth joint Codes conference;
- Further raise the profile of the Codes in Scotland through targeted publicity and running events;
- Investigate ways of recruiting more educational establishments to membership of that Code;
- Collecting examples of tenant satisfaction surveys from all members of the Codes.

The Codes continue to make a real difference to the rising standards of management in student housing and are held in high regard by universities and colleges, and by the private sector, as setting transparent and verified benchmark standards and promoting best practice. This has only been possible by the support of the Codes members and the efficient administration of an increasingly large membership managing very substantial portfolios.

Accreditation Network UK/Unipol Codes of Practice of Student Accommodation Managed by Higher Education Institutions and for Student Accommodation Managed by Undertakings subject to HMO Licensing

Annual Report to Communities and Local Government (CLG)

Actual Budget to Comparison 1st August 2013 to 30th April 2014 and Year End Prognosis

Forecast 31 July 2014 £	2013-2014 Annual Budget £		2013-2014 Period 9 Actual £	2013-2014 Period 9 Budget £	Variance £
		INCOME			
206,500	215,000	Fee income	201,621	209,700	(8,079)
4,947	0	Conference income	4,947	0	4,947
1,000	2,000	Income from revisits	350	1,000	(650)
20	30	Interest	14	23	(9)
212,467	217,030	TOTAL	206,932	210,723	(3,791)
		EXPENDITURE			
26,774	26,774	Office costs	18,722	20,081	(1,359)
28,993	28,993	IT Expenditure	19,440	21,745	(2,305)
79,701	86,886	Staff costs	54,233	65,165	(10,932)
0	1,000	Marketing costs	0	750	(750)
4,500	10,000	Travel costs	2,917	7,500	(4,583)
750	3,492	Publications	644	2,619	(1,975)
0	0	Merchandising	0	0	0
50,000	38,000	Consultancy and Verification	42,272	33,000	9,272
5,000	7,000	Tribunal & Honoraria expenses	3,911	5,250	(1,339)
5,600	7,500	Joint Codes Conference	5,576	5,625	(49)
1,200	4,000	Legal	1,080	3,000	(1,920)
2,000	2,500	Website costs	2,000	1,875	125
2,000	500	Miscellaneous	1,874	375	1,499
(1,750)	(4,000)	VAT	(1,280)	(2,000)	720
3,400	4,009	Depreciation	2,318	3,007	(689)
208,168	216,654	TOTAL	153,707	167,992	(14,285)
4,299	376	Surplus/(Deficit)	53,225	42,731	10,494

DCLG are reminded that the financial year runs from August 1st 2013 to July 31st 2014 but fees are due on January 31st 2014 and runs for a calendar year. The cash flow for the National Codes is heavily in the negative until the half year point, when it moves into surplus.

Overall, the Codes are working within their current budget and, with some flex on staffing and administrative costs, have been able to absorb the additional attention necessary following a period of considerable change in the student purpose build market.

The ANUK/Unipol Codes are run by the national student housing charity, Unipol Student Homes. Registered Office: 155/157 Woodhouse Lane, Leeds LS2 3ED. Registered in England and Wales No. 3401440. Registered Charity No. 1063492. VAT Registration No. 698 8456 49.

