

Submission

No 28

INTERNATIONAL STUDENT ACCOMMODATION IN NEW SOUTH WALES

Organisation: University of Western Sydney
Name: Mr Peter Pickering
Position: Deputy Vice-Chancellor, Corporate Strategy and Services(Acting)
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Locked Bag 1797
Penrith NSW 2751 Australia



Office of the Deputy Vice-Chancellor (Corporate
Strategy and Services) and University Provost
Rhonda Hawkins
T +61 2 9678 7819 F +61 2 9678 7880
E r.hawkins@uws.edu.au

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Mr Bruce Notley-Smith MP
Chair, Legislative Assembly Social Policy Committee
Parliament of New South Wales
Macquarie Street
Sydney NSW 2000

Dear Mr Notley-Smith

RE: Inquiry into International Student Accommodation in New South Wales

The University of Western Sydney (UWS) is pleased to submit a response to the Inquiry into International Student Accommodation in NSW.

UWS is a major urban university spread over six campuses - Bankstown, Blacktown, Campbelltown, Hawkesbury, Parramatta and Penrith - in Greater Western Sydney (GWS) a region of great opportunity, diversity, challenges and growth. The University shares many of the characteristics of the region and we closely identify and work with local communities and businesses. 73% of our students are from GWS and we have the highest number of low SES students of any Australian university.

The Metropolitan Plan identifies that Sydney's population will grow to 6 million by 2036 and 50% of the total population will live in GWS. Commonwealth targets for higher education include an increased number of 25-35 year olds completing bachelor degrees and higher participation of students from low socio economic backgrounds. UWS is forecasting growth to over 50,000 students by 2020 (including some growth in International students).

UWS provides quality, affordable and safe on-campus student accommodation for each of its six campuses. Five of the six accommodation facilities are directly operated by the University (UWS Residential Colleges). Our Parramatta campus facility is managed by Campus Living Villages, an external dedicated student accommodation provider.

Of the five on-campus facilities operated by UWS, 67% of the residents are domestic students and 33% international (2010). At the Parramatta campus it is the reverse - 67% are international students and 33% local students – a reflection of the high proportion of international students studying at the campus.

Accommodation comprises a mix of studio and multi-bedroom self catering apartments with shared kitchens, bathrooms and living space. Resident Agreements are for fixed terms of 48 weeks and students are eligible for renewal for a further term.

Our student accommodation facilities are situated within dedicated residential precincts within reasonable distance to the centre of campus enabling residents to walk to classes and a wide range of educational, social, commercial and recreational facilities available on campus, such as libraries, student commons with informal gathering spaces and computer pods, cafes and retail outlets, gymnasiums and sporting fields. The student residences precincts include a range of spaces for social activity and entertainment. Together these facilities provide an enriching and fulfilling residential experience for students and contribute to the overall student experience at UWS.

UWS provides a comprehensive and well established pastoral and student support system for residents. Our on campus facilities are patrolled by Campus Safety and Security teams which operate 24 hours 7 days per week. Our survey results show a very high level of resident satisfaction.

UWS actively encourages our students to live on campus. Recognising that not all students will live on campus, the University has developed *UWS Living Local* a dedicated web based matching service managed by Student Welfare Services. Our International Office has established an externally hosted International Student Assistance line which operates 24/7. This service provides an additional means to assist students with accommodation matters. Feedback from students about this service has been very positive.

Comments specific to the terms of reference of the Inquiry are provided below:

(1) The objectives of the Private Member's Bill introduced by the Member for Ryde in the last Parliament (Environmental Planning and Assessment Amendment (Boarding Houses) Bill NSW 2010)

- UWS provides on-campus accommodation, a web-based matching service and other support mechanisms as described above so that students have access to affordable, appropriate and safe accommodation.
- UWS supports measures which provide greater protection to local and international students and the wider community in relation to accommodation arrangements.
- The objectives of the Private Member's Bill (Environmental Planning and Assessment Amendment (Boarding Houses) Bill NSW 2010) proposes stricter controls to premises unlawfully used for boarding houses and shared accommodation. UWS strongly supports these objectives as means to safeguard students and the wider community.

(2) Factors affecting the supply of and demand for affordable student accommodation and other accommodation used by students, particularly in relation to international students and implications for the export education industry.

- UWS undertakes regular and detailed demand analysis to determine whether the supply of on-campus accommodation is meeting demand and to plan for student growth. In 2010, UWS engaged an external specialist consultant to conduct a detailed assessment of existing and forecast demand for accommodation. The report considered student load projections, impact of Commonwealth high education policies, census data on local government areas where our campuses are situated, prevailing market rents and vacancy rates, comparative cost analysis of UWS versus private rental rates, student surveys and benchmarking against four peer universities. The report will be regularly reviewed and updated.
- UWS has a rolling five year capital plan for student accommodation and has commenced construction of additional facilities on three of its campuses (which will deliver over 500 new beds). UWS has sufficient land for further expansion of residential accommodation at all campuses.
- Affordability is a key consideration for UWS in determining appropriate rental rates for our on-campus student accommodation.
- The provision of accommodation is not driven by profit and returns from rental income are invested back into operating our accommodation facilities. Our accommodation rental rates are at least 25% below the market rate (and eligible for Commonwealth Government GST tax free threshold). A full suite of other services are provided free of charge to residents including furniture, internet connection, electricity, communal areas and facilities, residential support services, pastoral care and academic support.
- Construction cost per student residences bed is higher for UWS than metropolitan universities which are able to achieve economies of scale due to location and number of beds developed. UWS's accommodation pricing must compete with lower rental rates of the local area. Inner metropolitan universities accommodation pricing is comparatively higher yet is still competitive as local rents are much higher.
- The ability of the University to plan and implement student accommodation within a speedy timeframe is often impacted by the varying application of planning controls by different Councils, in particular the imposition of section 94 levies. While the University has been able to negotiate a waiver, or reduction of levies with many Councils, generally this process of negotiation involves a diversion of time and resources. The University considers that on-campus student accommodation should be expressly exempted from section 94 levies in the relevant planning instruments.
- A proportion of international students studying at UWS choose to live in inner Sydney rather than close to the campus where they study. Rental accommodation is generally more expensive in inner Sydney and students may be more inclined to enter into inappropriate share arrangements to reduce costs.

(3) The appropriateness of existing standards for affordable student and other accommodation used by students.

- The designs of our on-campus facilities meet national construction guidelines and are compliant with relevant State and local planning and development policies. The University engages qualified professionals with proven track records to design and construct facilities.
- The University has developed design guidelines for on-campus student accommodation based on our understanding of student requirements. Our design approach is to maximise the amenity of the facility while minimising costs to students.
- The University's web based matching service, *UWS Living Local*, requires that housing providers must register and agree to our terms and conditions to be eligible to list accommodation on our database. Students must also register and agree to terms and conditions to search accommodation listings. Our administrator has the right to remove accommodation listings from the register should it be considered appropriate to do so. Our website also publishes links to important information such as the Residential Tenancies Act, Office of Fair Trading, guides for renting and landlords.

(4) Appropriate or minimum standards for student accommodation, and the adequacy of current legislation in ensuring that such standards are achieved.

- It would be expected that rental housing available in the private market should also comply with these standards. Stricter requirements for real estate agents in determining what is eligible for rental may be a further means to address standards.
- The current Residential Tenancies Act 2010 sets out extensive controls over off-campus residential tenancies. Currently, the Act does not apply to agreements where a person "boards or lodges with another person". Consideration might be given to whether off-campus student accommodation is already covered by the controls set out in the Act, or defining the "boards" exemption to ensure the Act applies to the unsatisfactory arrangements targeted by the subject Bill.

(5) The current extent of unauthorised student accommodation operations in NSW.

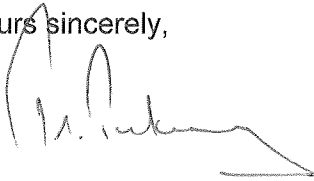
- UWS is not aware of unauthorised student accommodation in local areas where our campuses are situated.

(6) The appropriate framework for the on-going operation of affordable student accommodation and other accommodation used by students, including the adequacy of local government powers to identify unauthorised operations and enforce compliance with the relevant laws.

- UWS supports additional measures to increase powers to identify unauthorised operations and enforce compliance with relevant statutory provisions.
- UWS will continue to provide quality, affordable on-campus student accommodation and encourage students to live on campus. The reality is that some students will choose not to live on campus for a range of reasons. UWS will continue to provide guidance to students in their accommodation choice in terms of safety, amenity and enabling them to successfully complete their studies.

Should you have any queries in relation to the University's response please do not hesitate contacting me.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'P. Pickering', with a long horizontal stroke extending to the right.

Peter Pickering
Deputy Vice-Chancellor, Corporate Strategy and Services (Acting)