

Mergers and Changes Policy

The Universities UK/Guild HE Code of Practice for University Managed Student Accommodation (hereinafter referred to as the Code of Practice or the Code), allows Higher or Further education establishments (hereinafter referred to as H/FEEs) to be exempted from licensing under the Housing Act 2004.

This policy is designed to provide guidance to any H/FEE accredited under the Code of Practice in the event of a merger with another University or another change. The policy is designed to explain the point at which accommodation stock must be audited to remain compliant with the Code in the event that the accommodation becomes part of another H/FEEs portfolio. The principles of this policy will apply when there is any confusion about when accommodation stock requires audit in order to be compliant with this Code.

The Code applies to all student housing managed and controlled by an H/FEE. Please see Annex A or the [Code documentation](#) for a definition of what is classed as “managed and controlled”. Each H/FEE must undertake a compliance review every three years and provide the Code Administrator with a report outlining the audit findings and management responses by the 30th April for consideration by the Sector Advisory Group in June.

In a situation where there is a merger between H/FEEs, where both are managing accommodation which is covered by the Code, it is likely that the 3 year audit cycle will be different for each institution. This policy provides clarity about when the combined stock requires a further audit.

Policy statement:

All accommodation managed and controlled by an H/FEE must be audited every 3 years minimum. Where a University takes management or control of accommodation which has previously had differing audit dates, the entire stock will be due for audit at the earliest date.

HESA records the details of any [Provider Mergers or Changes](#) within the sector. There are a number of ways in which an H/FEE may gain additional accommodation via mergers, acquisitions, transfers and any other changes. It would be difficult to specifically address all possibilities but the principals of the above policy statement will apply in each case. Some examples to support H/FEEs to understand how this policy will work in practice are provided in Appendix A.

Approved by Governance Board on 23/03/2021

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Appendix A

Case study 1

University A merges with University B but keeps the name of University A

- University A owns and manages 2,500 bedspaces which were last audited in 2018.
- University B manages 10,500 bedspaces which were last audited in 2017.

The new University A now has 13,000 bedspaces and must be audited in 2020.

Case study 2

University C merges with College D to become University E

- University C manages 3,000 bedspaces which were last audited in 2019.
- College D owns and manages 50 bedspaces which were last audited in 2017.

The new University E now has 3,050 bedspaces and must be audited in 2020.

[Due to new policies and procedures being in place for University E. All of the bedspaces will be required to have an audit undertaken in 2020]

Case study 3

Institute F merges with a campus of University G and College H to become University J

- Institute F owns and manages 300 bedspaces which were last audited in 2018.
- University G has no accommodation on this campus.
- College H owns and manages 4,000 bedspaces last audited in 2019.

The new University J now has 4,300 bedspaces which must be audited in 2021.

Case study 4

University K changes its name to University L

- University K makes a change to the name of the institution but the number of owned and managed bed spaces remains unaffected.

Where there is no change to the ownership and management of bed spaces the audit date remains unchanged. University L must inform the Code administrator of the name change.

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Appendix A

Case study 5

University M acquires College N and remains as University M

- University M has 1,000 bed spaces which were last audited in 2019.
- College N has 25 bed spaces in the form of 5 individual 5 bedroom houses which have previously been classed as HMOs and licenced by the local authority. The licence is due to expire in 2023.

University M has 2 options:

1. It can include the 5 houses in the building list for the code and therefore in the following audit in 2022 which would cover all the accommodation stock.
2. It can exclude the 5 houses from the building list but will need to ensure that the HMO licence is renewed before the expiry date with the local authority if it is continuing to let the houses.

Due to the costs involved, if University M is planning to continue to use the houses to let to students the first option would be recommended.

Case study 6

University O joins the sector as a new provider

- University O is a new provider and will manage 300 new bed spaces which have never previously been audited under the Code.

In order to be covered by the Code University O would need to join by providing a first audit. More information on joining the Code is available [online](#).

Case study 7

University P loses designation with the sector

- University P owned and managed 200 bedspaces which were last audited in 2019. However, University P lost designation within the sector.

Once the University lost designation the accommodation was no longer covered by the code. University P would need to apply to the local authority to meet HMO standards if they wished to continue to let the accommodation. If the University gained designation again at a later date they would need to apply to join the code again providing a new audit.
