Academic Forum
Meeting 31 May 2013: notes

attendees - Jagdeep Bhogal (Unite); Peter Shadbolt (City of London Corporation); Jonathan Seager (London First); Emma Powell (NUS); Ian Butcher (Waltham Forest); Sophie Donaldson (LB Newham); Paul Watson (Liberty Living); Brian Welsh (Knightsbridge Student Housing Company); Kimberley Hopkins (LB Westminster); Dick Johns (LB Ealing, consultant); Dave Carroll (LB Brent); William Wilson (UCL); Roland Shanks (University of London Housing Services); Colin Plank (UCL); Warren Forsyth (Middlesex University); Paresh Shah (London Higher); Naomi Pomfret (LB Barking and Dageham); Elliot.Kemp (LB Islington); Angela Steward (LB Lewisham); Simone Williams (LB Tower Hamlets); Randall Macdonald (LB Hackney); Robert Farnsworth (LB Camden).

The second forum meeting addressed:
- the scale of growth in future student numbers;
- translation of this to accommodation requirements; and
- the geographical distribution of these requirements

It discussed in further detail issues related to non-HESA student numbers; alternative student housing options; methodology for student housing projection; Article 4 Directions; distinguish between 'strategic' and 'local' needs in the London plan and dispersal options.

1. Non- HESA Student Numbers

The group discussed about methods to pick up the non-HESA student numbers who also need student accommodation, e.g. students studying at private and 'new' universities, English Language students and approved Tier 4 colleges (see attached files). It was noted that there had been an increase of some 5% pa in non-HESA students in London over the last five years.

HESA Full time students (London)

2011/12	Student No.
Undergraduates	219,735
Postgraduates	74, 820
Total	**294,555**

Full time students not covered by HESA (London)

After the meeting, university representatives provided an update of their estimates on full time students not covered by HESA for London:

2011/12	Estimated Student No.
Private and alternative providers	23,000
Erasmus	3,500
Association of American Study Aboard Programme	5,000
Campus Branches (approx. 20 campuses branches) e.g. UEA London, Glasgow Caledonian London, Coventry London, Northumbria London	15,000
Total students not covered by HESA for London	**46,500**

<u>English Language Students</u>

Approximately 10% of Wimbledon School of English (WSE) students go on to Higher Education (as opposed to 30% pre Tier 4) and virtually none go on to Further Education.

English language students in London (British council accredited) – 11, 000 host families and 3,800 residential beds with private provider. (Source: English UK)

2. Student numbers projections

It was noted that rolling average based methodologies which sought to extrapolate the potential effects of very recent changes in trends in student numbers which might or might not be ascribed to the effects of changes to fee structures or visa arrangements were illuminating in themselves but probably not a robust basis for a 'base scenario' to estimate future student numbers. Historic data showed that similar changes had appear in the past but that growth had tended to revert to long term trend.

Relatively sophisticated regression based methodologies produced similar outputs to the more basic but transparent average/rolling average based sensitivity tests used for the 2011 Plan. It was therefore agreed that the present project should also use this methodology.

3. Alternative Student Housing Options

The group discussed alternative housing options for students, including the potential to match students with social housing tenants who may offer rooms to rent due to the impact of the 'bedroom tax' or schemes that encourage 'sharing with elderly people' .The "bedroom tax" affects social housing tenants who claim housing benefits by reducing the amount of housing benefit they receive if their property is deemed to be larger than they need. Sharing with elderly people helps student who pays little or nothing towards household expenses in return for taking care of the elderly, providing help around the house.

The new Permitted Development right that allows office to be converted to residential without the need for planning permission could, in principle, be applied to student housing. However, it was thought that there was no appetite for converting 'cheap' office blocks into student housing because they tended to be in less suitable locations.

4. Methodology for Student Housing Projection

On the basis of current housing preferences, 21% of total students live in purpose built accommodation or 27% of overseas and non-London domiciled students. Everyone in the group agrees the percentages.

Student housing developers suggested that the housing market and the location impact the number of students who seek to rent in purpose built accommodation, but a maximum of 40% of total student numbers moving into purpose built accommodation seems to be a trade consensus. While acknowledging that demand for purpose built accommodation is different in different places, the group agreed that the use of the 27% of total overseas and non-London domiciled students as a bench mark requirement for purpose built housing was acceptable.

5. Article 4 Direction

There was a discussion of the use of Article 4 Directions which require planning permission to convert homes into houses of multiple occupations. There was some concern from the university sector about the potential impact of this on student housing supply. Borough representatives however suggested that the approach will not necessarily lead to less HMO's but can help address the quality of the accommodation when tied to a landlord accreditation scheme as the approach in Newham. The university accommodation sector supported this type of approach.

6. Distinguish between the 'Strategic' and 'Local' need

There was some borough concern about the lack of clarity around what constitutes strategic and local need, with other group members arguing that as the Plan requires boroughs to meet both there is no need for the distinction. Others felt that more explanation in the housing SPG about the definitions of strategic and local need and what constitutes compromising the capacity for conventional homes would improve the effectiveness of the student policies in the London Plan.

7. Dispersal options

The group discussed potential geographical approaches to meeting student need in FALP. The current London Plan deals with student accommodation provision in two ways – by setting monitoring benchmarks for non-self-contained accommodation as part of a borough's overall annual housing provision monitoring targets (policy 3.3) and by requiring boroughs to ensure that "strategic and local requirements for student housing meeting a demonstrable need are addressed by working closely with stakeholders in higher and further education without compromising capacity for conventional homes" (policy 3.8).

The monitoring target is based on past trends, which means that those who have delivered large amounts of student housing in the past are expected to do so in the future. It was acknowledged that the cumulative impact of this may have exacerbated the tendency for new provision to be tightly clustered – some 90% was concentrated in only 7 boroughs. Some inner London boroughs have been particularly affected by this trend, some others in 'middle London' are concerned that it may affect them in the future. Both feel that it may undermine capacity to deliver conventional homes.

Boroughs also found that for individual applications, proving the impact on the delivery of conventional homes could be difficult and moreover, as non-self-contained units are part of the overall housing provision figures, appeal decisions have not supported the idea of student housing preventing housing delivery.

It was noted that the London Plan EIP panel had accepted the argument that the current approach provided the flexibility for student provision to 'take up the slack' in terms of overall housing capacity during economic down turns and, because few boroughs positively identified sites for student development, the current approach only impacted on one element of the SHLAA/housing targets: 'potential sites'. According to the NPPF it was for boroughs to identify as much capacity for conventional homes as possible on a site by site basis where they would be much less likely to be 'lost' to student provision. More generally, it was noted that the established approach had underpinned delivery of student provision within the Plan's target range through the economic down turn, and that, at this stage of the housing/economic cycle,

it was not possible to assess whether conventional housing output had been compromised or not by this, at least at strategic level.

There was some appetite for targets among some boroughs (those where student development is currently concentrated) as this would provide a framework to support more equitable distribution of provision. Depending on how they were constructed, targets would also provide a more transparent framework to address strategic need. However, there was no guarantee that an 'equity' based distribution would actually support delivery – current market/student preferences may not support it. However, some of the boroughs with existing or emerging student accommodation concentrations thought that 'equity' based targets could be used to provide a justification to refuse student development where the numbers had been met and further development was felt to be inappropriate. It was noted that use of targets in this way might not resonate with the NPPF dictum to plan positively for sustainable development.

The group discussed other options for identifying borough level targets. While there was general support for the concept of dispersal providing it was workable/met student needs, it was not at all clear that a target based approach to dispersal would achieve this satisfactorily. It had originally been thought that a 30 minutes traveling time isochrone could provide a basis for such targets. The universities considered this represented a reasonable commute for most students, bearing in mind that they may travel to and from their accommodation a number of times a day due to lecture schedules. Some other group members suggested that students might wish to spend their non-lecture time in the library.

However, isochrone maps produced by TfL showed that 30 minute travel time broadly coincided with the existing area of concentration and might not lead to significant dispersal.

The realism of the 30 minute isochrone was challenged - a sounder basis for 'reasonable' travelling time might be to look not at where specialist accommodation based students lived but where others lived (especially those in PRS). It was argued that these had effectively traded off additional travelling costs against the costs of bespoke accommodation, resulting in a more dispersed geographical distribution. If specialist accommodation providers could develop in these locations, the lower cost of land might lead to cheaper specialist accommodation, addressing a major student concern, as well as leading to greater dispersal.

The universities have produced maps from HESA and Council Tax data showing the distribution of students by accommodation type (attached). Relative to students living in halls, and especially those from overseas, those living in PRS are more widely distributed across the boroughs. This applies particularly to UK domiciled students, and also, to a lesser extent, those from overseas. It suggests that even without a target based approach to dispersal, students are willing to live further away from the central universities than is commonly assumed.
It was generally agreed that for dispersal to be encouraged, it would need to be demand led. There is some evidence that this is already happening, with places like Hammersmith, Newham and Ealing seeing student housing applications and developments.

Another option discussed was to provide targets for the "hot" boroughs only, which would allow them the potential to use these as a cap on student development. However the same difficulties apply in identifying what that target should be, with the trend based target being the simplest approach.

It was concluded that a targets based approach would be methodologically challenging; was unlikely to be supported by all constituencies of interest; might constrain rather than encourage development (a Mayoral objective) and might well not be found sound at EIP. It will be more

practical to develop the current strategic approach with a greater emphasis on criteria which will encourage geographic dispersal. The GLA agreed to draft some policy options based on the discussion for the next meeting (attached).

The group felt that a dispersal approach would be more successful if it was part of a new campus, including teaching facilities, or research and development labs etc, rather than student accommodation alone.

There was support for this from University representatives, who suggested that they would be happy to explore the development of schemes that delivered:
- Smaller 'off-site' research centres;
- Office space for business engagement units (for skills training and regeneration),
- SME incubator space,
- Working with community arts organisation, and
- Improving schools outreach.

Many of these interactions are being done already but would benefit from being better coordinated.