

BATH AND ORT EAST SOMERSET CORE STRATEGY (DECEMBER 2010)

STUDENT NUMBERS & ACCOMODATION INFORMATION PAPER

INTRODUCTION

- 1.1 This Information presents the evidence that has led to the policy approach presented in the Draft Core Strategy and its likely impact.
- 1.2 The Council seeks to enable the continued success of The University of Bath and Bath Spa University and the contribution they make to the city's identity and profile. The development of new academic space and student accommodation are matters that require policy direction in the Core Strategy. The Council is mindful that the growth in student numbers during the last decade has not been accompanied by sufficient on-campus managed accommodation and that the associated expansion of the student lettings market has diminished the 'normal' housing stock of the city. This is particularly significant given the relatively small size of Bath as a host city for two universities. The proliferation of Houses in Multiple Occupation (HMOs) in the Oldfield Park/Westmoreland area is the most visible consequence of the mismatch between the growth in students and on-campus development.
- 1.3 The Council also understands that each institution needs to invest its academic estate in order to continue provide high standards.
- 1.4 A strategic planning approach is needed that enables the realisation of a better balance between the aspirations of each university, the concerns of communities and the overall functioning, performance and environmental quality of the city and its setting.
- 1.5 This Information Paper establishes the current position with regard to the demand and supply for accommodation for students studying at the University of Bath and Bath Spa University and how this might evolve during the next 10 years to 2020.
- 1.6 For each university the Information Paper presents information concerning the growth in student numbers since the mid 1990s; the current demand for student accommodation; the supply of managed accommodation (on-campus and off-campus), and the role of students lettings market.
- 1.7 It then considers how these relationships might change having regard to current planning policy, future policy options, the aspirations of each institution for on-campus development and expectations of future student numbers.

THE UNIVERSITY OF BATH

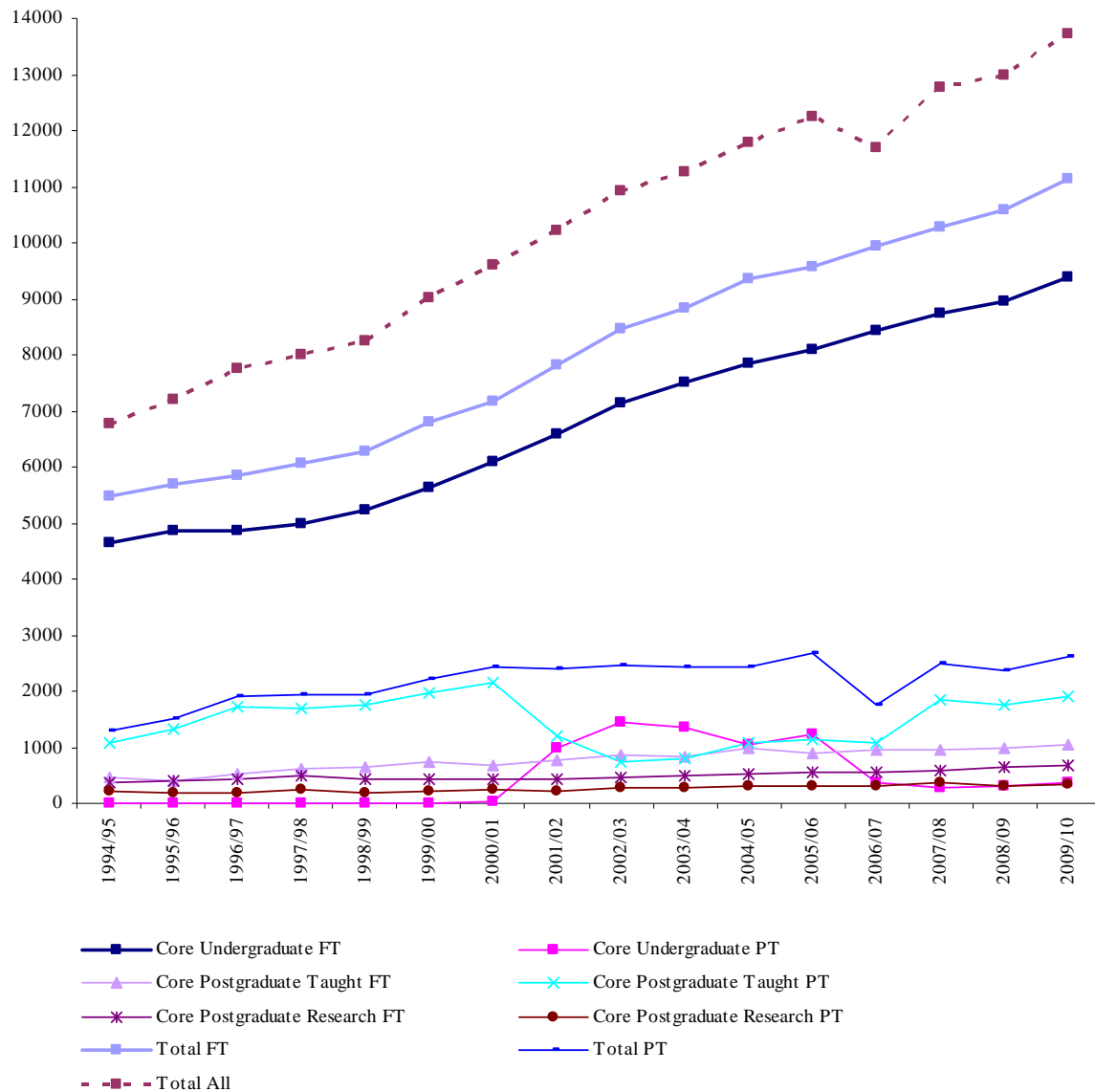
University of Bath - Student Numbers and the Demand for Accommodation

2.1 Table 1 and Figure 1 set out how the number of students enrolled at the University of Bath has increased during the last 15 years. For the 2009/10 academic year there were a total of 13,738 students, up from 6,776 in 1994/95. This represents a doubling in the size of the student body, and a compound annual growth rate of 4.82%. For full time undergraduates the growth rate peaked at 7.8-8.4% between 1999/00 - 2002/03. The compound average annual growth rate has slowed to 3.84% since this time.

Table 1: University of Bath Student Numbers

| | Core Undergraduate | | Core Postgraduate | | | | All Students | | |
|---------|-----------------------------|------|-------------------|--------------|-----|----------------|--------------|-------------|--------------|
| | FT | PT | FT | Taught PT | FT | Research PT | Total FT | Total PT | Total All |
| 1994/95 | 4656 | 0 | 449 | 1086 | 379 | 206 | 5484 | 1292 | 6776 |
| 1995/96 | 4865 | 0 | 411 | 1310 | 414 | 187 | 5690 | 1497 | 7187 |
| 1996/97 | 4876 | 0 | 533 | 1730 | 443 | 170 | 5852 | 1900 | 7752 |
| 1997/98 | 4977 | 0 | 609 | 1684 | 482 | 240 | 6068 | 1924 | 7992 |
| 1998/99 | 5222 | 0 | 643 | 1750 | 422 | 196 | 6287 | 1946 | 8233 |
| 1999/00 | 5641 | 9 | 746 | 1965 | 421 | 228 | 6808 | 2202 | 9010 |
| 2000/01 | 6086 | 36 | 678 | 2147 | 420 | 243 | 7184 | 2426 | 9610 |
| 2001/02 | 6599 | 977 | 781 | 1194 | 430 | 224 | 7810 | 2395 | 10205 |
| 2002/03 | 7147 | 1450 | 874 | 735 | 447 | 269 | 8468 | 2454 | 10922 |
| 2003/04 | 7494 | 1365 | 831 | 793 | 503 | 288 | 8828 | 2446 | 11274 |
| 2004/05 | 7844 | 1052 | 979 | 1068 | 536 | 316 | 9359 | 2436 | 11795 |
| 2005/06 | 8099 | 1222 | 901 | 1144 | 554 | 315 | 9554 | 2681 | 12235 |
| 2006/07 | 8430 | 363 | 952 | 1078 | 564 | 317 | 9946 | 1758 | 11704 |
| 2007/08 | 8751 | 277 | 943 | 1844 | 595 | 360 | 10289 | 2481 | 12770 |
| 2008/09 | 8968 | 321 | 971 | 1749 | 647 | 314 | 10586 | 2384 | 12970 |
| 2009/10 | 9394 | 369 | 1060 | 1896 | 682 | 337 | 11136 | 2602 | 13738 |
| 2010/11 | Available from January 2011 | | | | | | | | |

Figure 1: University of Bath Student Numbers



2.2 Not all students enrolled at the University of Bath are present within the city and/or require dedicated accommodation during term time. Only full time students (not including those on an industrial placement) are considered to be in need of accommodation. In 2008/09, 2,500 students were on an industrial placement (23.6% of total FT students). Industrial Placement data for 2009/10 and 2010/11 has yet to be sourced. For now it is assumed to be 23.6% of the total student population.

2.3 This means that in 2009/10, out 13,788 total students, of which 11,136 were FT, 8,636 were estimated to have required accommodation i.e. 11,136 FT minus (11,136 x 0.236).

2.4 Since 1994 there has been a significant differential in growth of the fee status of enrolled students. This is shown at appendix x

University of Bath - Current Supply of Student Accommodation

2.5 It is estimated that the University of Bath generated a need for 8,508 study bedrooms in 2009/10. The University maintains 2,372 study bedrooms at its Claverton Campus. Elsewhere in the city the University maintains a total of 887 study bedrooms, resulting in a total stock of 3,259.

Table 2: University of Bath Study Bedrooms

| Accommodation | Beds | Location |
|------------------------------------|------|-----------|
| Woodland Court | 353 | Claverton |
| Marlborough and Solsbury Court | 463 | Claverton |
| Westwood | 632 | Claverton |
| Brednon Court | 107 | Claverton |
| Norwood | 139 | Claverton |
| Eastwood Complex | 563 | Claverton |
| Polden Court | 79 | Claverton |
| Osborne House | 36 | Claverton |
| John Wood Court, Avon Street | 176 | City |
| John Wood, Main Building | 60 | City |
| Carpenter House, Broad Quay | 133 | City |
| Pulteney Court, Pulteney Road | 131 | City |
| Thornbank gardens | 217 | City |
| Clevelands Buildings, Sydney Wharf | 149 | City |
| Canal Wharf, Sydney Wharf | 21 | City |

- 2.6 The University of Bath's policy on the allocation of study bedrooms is to accommodate in managed accommodation:
- All new to Bath, full-time students in their first year studying Bachelor's and Master's undergraduate programmes on the Claverton Campus.
 - All new Foundation Year students based at the City of Bath College.
 - All new full-time Foundation Degree in Sports Performance students
 - All new overseas fee-paying postgraduates.
 - A limited number of visiting/exchange students as determined by reciprocal agreement negotiated through the Study Abroad Department at the University of Bath
 - Students with specific medical conditions.
- 2.7 In 2009/10 the stock of managed accommodation catered for 38.3% of the total estimated need for accommodation, leaving 5,249 students to find accommodation in the private rented market. It is estimated that this requires about 1,200 properties, assuming an average student household size of 4.5 per property. The Oldfield Park and Westmoreland areas of the city have the highest concentration of HMOs.

University of Bath - Future Plans for the Claverton Campus

- 2.8 In October 2008, in response to Policy GDS.1/B11 of the B&NES Local Plan (see appendix A), the University of Bath published a draft master plan for the Claverton campus that looks forward to 2020. The draft master plan is the third phase of consultation and follows previous engagement in November 2007 and April 2008 that provided the background to the issues faced and invited comments on the future of the campus.
- 2.9 The draft masterplan seeks to increase the number of bed spaces on campus by 2,358 by the year 2020. This would double the number of on campus bed space from 2,342 to 4,700 and alongside the existing 942 off campus, bed space result in a total supply of 5,642.
- 2.10 The University of Bath anticipates a reduced growth rate in student numbers due to demographic changes, global economics and changes to government spending. The emerging masterplan for Claverton Down assesses the implications of student growth of between 1% and 3% per annum to 2020.
- 2.11 Table 3 projects the existing student population forward to 202/21 at an average annual growth rate of 2%. It indicates the likely full time / part time split, industrial placements and the projected additional demand for additional bedrooms. It shows the demand for bedrooms demand growing by 2,493 to 2020/21.
- 2.12 Viewed in relation to the proposed masterplan for the Claverton Campus (2,358 additional bed spaces) it can be seen the University Bath would just about 'consume its own smoke' under a 2% growth per annum scenario. However, this level of development / growth scenario would mean that the existing level of HMOs would likely to remain at current levels.
- 2.13 Calculations presented at Appendix X show that under a growth rate of 3% per annum the increase in the demand for study bedrooms could not be matched by deliverable on-campus development. Growth at 1% per annum would mean a greater number of study bedrooms theoretically enabling a contraction in the student lettings market (subject to the housing preferences of students).

Table 3: University of Bath, Demand and Supply for Student Accommodation

| | 2008/9 | 2009/10 | 2010/11 | 2011/12 | 2012/13 | 2013/14 | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 | Change |
|---|--------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|--------|
| | | | | | | | | | | | | | | |
| Total Students | 12970 | 13738 | 14013 | 14293 | 14579 | 14870 | 15168 | 15471 | 15781 | 16096 | 16418 | 16747 | 17081 | 4,111 |
| Full Time | 10586 | 11136 | 11359 | 11586 | 11818 | 12054 | 12295 | 12541 | 12792 | 13048 | 13309 | 13575 | 13846 | 3,260 |
| Part Time | 2432 | 2602 | 2654 | 2707 | 2761 | 2816 | 2873 | 2930 | 2989 | 3049 | 3110 | 3172 | 3235 | 803 |
| Placements | 2,500 | 2,628 | 2,681 | 2,734 | 2,789 | 2,845 | 2,902 | 2,960 | 3,019 | 3,079 | 3,141 | 3,204 | 3,268 | 768 |
| Housing Need (FT minus placements) | 8,086 | 8,508 | 8,678 | 8,852 | 9,029 | 9,209 | 9,393 | 9,581 | 9,773 | 9,968 | 10,168 | 10,371 | 10,579 | 2,493 |
| Beds On campus | 2,342 | 2,342 | 2,342 | 2,582 | 2,822 | 3,062 | 3,302 | 3,542 | 3,782 | 4,022 | 4,262 | 4,502 | 4,700 | 2358 |
| Beds Off campus | 952 | 952 | 952 | 952 | 952 | 952 | 952 | 952 | 952 | 952 | 952 | 952 | 952 | 0 |
| Beds Total | 3,294 | 3,294 | 3,294 | 3,534 | 3,774 | 4,014 | 4,254 | 4,494 | 4,734 | 4,974 | 5,214 | 5,454 | 5,652 | 2,358 |
| Private Sector Demand & Supply of bedrooms | 4,792 | 5,214 | 5,384 | 5,318 | 5,255 | 5,195 | 5,139 | 5,087 | 5,039 | 4,994 | 4,954 | 4,917 | 4,927 | 135 |
| Private Sector Demand & Supply of HMOs | 1,065 | 1,159 | 1,196 | 1,182 | 1,168 | 1,154 | 1,142 | 1,131 | 1,120 | 1,110 | 1,101 | 1,093 | 1,095 | 30 |

BATH SPA UNIVERSITY

Bath Spa University - Student Numbers and the Demand for Accommodation

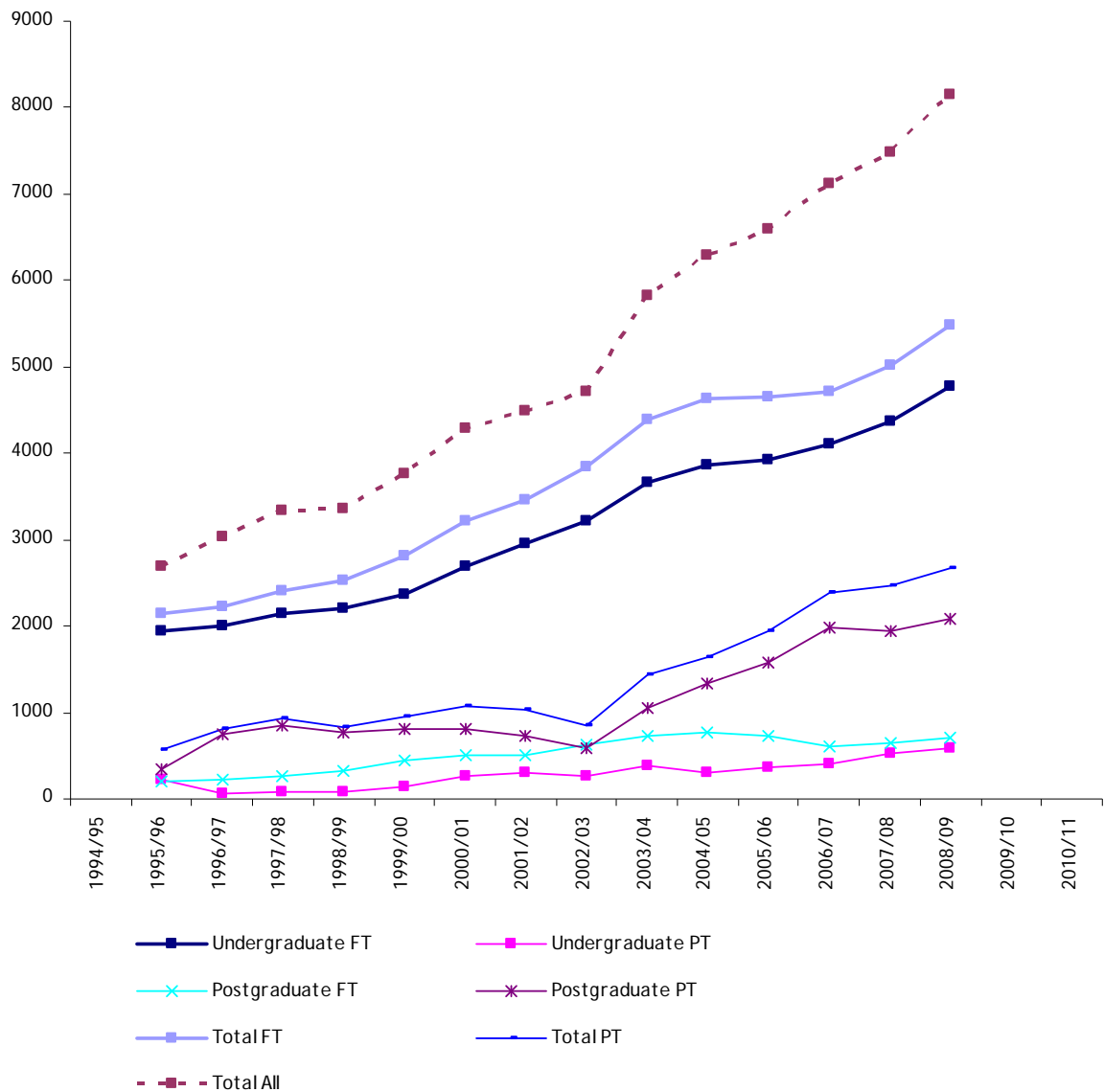
3.1 Table 4 and Figure 2 set out how the number of students enrolled at the Bath Spa University has increased during the last 13 years. For the 2008/09 academic year there were a total of 8,160 students, up from 2,696 in 1995/96. This represents a 202% increase in the size of the student body, and a compound annual growth rate of 8.9%. Of the 2008/09 total, 5,485 students were studying on full time courses¹. Full time undergraduates have grown at a CAGR of 7.2%.

Table 4: Bath Spa University Student Numbers

| | Undergraduate | | | Postgraduate | | | Total FT | Total PT | Total All |
|---------|---------------|------|-------|--------------|-------|-------|----------|----------|-----------|
| | FT | PT | Total | FT | PT | Total | | | |
| 1994/95 | | | | | | | | | |
| 1995/96 | 1937 | 219 | 2156 | 200 | 340 | 540 | 2137 | 559 | 2696 |
| 1996/97 | 1997 | 60 | 2057 | 225 | 747 | 972 | 2222 | 807 | 3029 |
| 1997/98 | 2144 | 76 | 2220 | 264 | 847 | 1111 | 2408 | 923 | 3331 |
| 1998/99 | 2201 | 75 | 2276 | 325 | 764 | 1089 | 2526 | 839 | 3365 |
| 1999/00 | 2370 | 150 | 2520 | 440 | 800 | 1240 | 2810 | 950 | 3760 |
| 2000/01 | 2695 | 260 | 2955 | 515 | 810 | 1325 | 3210 | 1070 | 4280 |
| 2001/02 | 2945 | 295 | 3240 | 515 | 730 | 1245 | 3460 | 1025 | 4485 |
| 2002/03 | 3220 | 270 | 3490 | 630 | 585 | 1215 | 3850 | 855 | 4705 |
| 2003/04 | 3660 | 375 | 4035 | 730 | 1060 | 1790 | 4390 | 1435 | 5825 |
| 2004/05 | 3870 | 305 | 4175 | 770 | 1335 | 2105 | 4640 | 1640 | 6280 |
| 2005/06 | 3925 | 370 | 4295 | 725 | 1575 | 2300 | 4650 | 1945 | 6595 |
| 2006/07 | 4105 | 400 | 4505 | 615 | 1990 | 2605 | 4720 | 2390 | 7110 |
| 2007/08 | 4360 | 525 | 4885 | 655 | 1935 | 2590 | 5015 | 2460 | 7475 |
| 2008/09 | 4775 | 595 | 5370 | 710 | 2080 | 2790 | 5485 | 2675 | 8160 |
| 2009/10 | | | | | | | | | |
| 2010/11 | | | | | | | | | |
| Change | 2838 | 376 | 3214 | 510 | 1740 | 2250 | 3348 | 2116 | 5464 |
| CAGR | 7.2% | 8.0% | 7.3% | 10.2% | 15.0% | 13.5% | 7.5% | 12.8 % | 8.9% |

¹ Higher Education Statistics Agency

Figure 2: Bath Spa University Student Numbers



3.2 This data has been compared with that presented in the Newton Park campus Masterplan (June 2010), partly prepared within the context of LP Policy GB.3 (Major Existing Developed Sites in the Greenbelt). The masterplan states that:

- Current student numbers total 6,000 (Full Time Equivalents) of which approximately 4,100 FTEs are based at Newton Park Campus (page 4).
- There are: 3,818 students based at Newton Park, 690 at Sion Hill (School of Art and Design) and 47 based at The Fashion Museum. There are a further 545 PGCE students based at Newton Park.
- This totals 5,100 (Figure 1, Page 3).and is considered to represent the number of students requiring dedicated accommodation during term time.
- In addition, Somerset Place (139 units) closed in September 2009 and this loss is accounted for in the total current stock.

Check data with Bath Spa University as it is hard to reconcile their data with that of the HESA.

- 3.3 In 2009/10 the stock of managed bedrooms catered for 19.2% of total estimated need, leaving 4, 432 students to find accommodation in the private rented market. It is estimated that this required about 985 properties, assuming an average student household size of 4.5 per property.

Bath Spa University – Future Plans

- 3.4 Bath Spa University is establishing an overall Strategic Development Framework for its accommodation needs for the period from 2008-2028. The Framework investigates the twelve sites that the University owns or leases and sets out the likely future of these sites and proposed development. Within this overall strategy the University is producing a Newton Park Campus Masterplan, to guide development here to 2028. There is an increasing need to provide enhance academic facilities at Newton Park Campus, as well as to provide further residential accommodation for students. The masterplan states that student numbers are subject to government policy and approval and cannot be predicted with certainty but that Strategic Development Framework assumes no growth in student and staff numbers per annum over the next 10 years.

Bath Spa University - The Current Supply of Student Accommodation

- 3.5 Bath Spa has 1,053 units of accommodation (on and off campus). The University maintains 394 bed spaces at Newton Park. Off campus accommodation comprises:
- Waterside Court, Lower Bristol Road (316 units)
 - Charlton Court, Lower Bristol Road (300 units)
 - Bankside, Lansdown (43 units), T
 - There are a further 50 Homestay units which are attractive to overseas students.

Table 5: Bath Spa University, Demand and Supply for Student Accommodation

| | 2008/09 | 2009/10 | 2010/11 | 2011/12 | 2012/13 | 2013/14 | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 | Change |
|--------------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|--------|
| Total Students | 8160 | 8160 | 8160 | 8160 | 8160 | 8160 | 8160 | 8160 | 8160 | 8160 | 8160 | 8160 | 8160 | 02 |
| Full Time | 5485 | 5485 | 5485 | 5485 | 5485 | 5485 | 5485 | 5485 | 5485 | 5485 | 5485 | 5485 | 5485 | 0 |
| Part Time | 2675 | 2675 | 2675 | 2675 | 2675 | 2675 | 2675 | 2675 | 2675 | 2675 | 2675 | 2675 | 2675 | 0 |
| Placements | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Housing Need Students | 5,485 | 5,485 | 5,485 | 5,485 | 5,485 | 5,485 | 5,485 | 5,485 | 5,485 | 5,485 | 5,485 | 5,485 | 5,485 | 0 |
| Beds On campus | 394 | 394 | 394 | 394 | 494 | 694 | 894 | 1,094 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | 806 |
| Beds Off campus | 659 | 659 | 659 | 659 | 659 | 659 | 659 | 659 | 659 | 659 | 659 | 659 | 659 | 0 |
| Beds Total | 1,053 | 1,053 | 1,053 | 1,053 | 1,153 | 1,353 | 1,553 | 1,753 | 1,859 | 1,859 | 1,859 | 1,859 | 1,859 | 806 |
| Private Sector Deman&Supply of beds | 4,432 | 4,432 | 4,432 | 4,432 | 4,332 | 4,132 | 3,932 | 3,732 | 3,626 | 3,626 | 3,626 | 3,626 | 3,626 | -806 |
| Private Sector Demand&Supply of HMOs | 985 | 985 | 985 | 985 | 963 | 918 | 874 | 829 | 806 | 806 | 806 | 806 | 806 | -179 |

² The Strategic Development Framework assumes no growth in students during the next 10 years

THE COMBINED PICTURE

Student Numbers and the Demand for Accommodation

- 4.1 Table 3.1 shows that the total number of students and total number of full time students enrolled at the University of Bath and Bath Spa University has increased markedly since 1995/96.

Table 3.1: Supply of Student Accommodation

| | Total Students | | | Full Time Students | | |
|---------------------|----------------|---------|--------|--------------------|---------|--------|
| | 1995/96 | 2009/10 | Change | 1995/96 | 2009/10 | Change |
| University of Bath | 7,187 | 13,738 | 6,551 | 5,610 | 11,136 | 5,526 |
| Bath Spa University | 2,696 | 8,160 | 5,464 | 2,137 | 5,485 | 3,348 |
| Both Universities | 9,833 | 21,898 | 12,065 | 7,747 | 16,621 | 8,874 |

Supply of Managed Study Bedrooms and Private Renting

- 4.2 In combination the University of Bath and Bath Spa University provide 4,312 study bedrooms, with 2,766 on-campus and 1,546 off-campus. The total stock of study bedrooms accommodates 30.82% of estimated need, leaving 9,681 students to rent privately.
- 4.3 It is estimated that this requires about 2,150 properties, assuming an average household size of 4.5 students per property. Students are eligible to apply for exemption from Council Tax if everyone in the household is a student. There were 2,064 properties registered as exempt from Council Tax in 2008/09 (Check). This broadly validates the assumption of average student household size. There are approximately 40,000 residential properties in Bath meaning that 5.38% of the stock caters for students who are not in managed accommodation.
- 4.4 Records show that there are about 1150 accredited properties in Bath.....

Table 3.2: Supply of Managed Study Bedrooms and

| | Study Bedrooms | | | 2008/09 | 2008/09 |
|---------------------|----------------|------------|-------|------------|-----------|
| | On Campus | Off Campus | Total | Accom Need | Shortfall |
| University of Bath | 2,372 | 887 | 3,259 | 8508 | 5,249 |
| Bath Spa University | 394 | 659 | 1,053 | 5,485 | 4,432 |
| Total | 2,766 | 1,546 | 4,312 | 13,993 | 9,681 |

On Campus Plans for the Future and the Student Lettings Market

- 4.5 In combination the universities presently aspire to develop 3,150 new on-campus study bedrooms. If student numbers were held constant at 2008/09 levels this programme would theoretically enable the

contraction of HMOs by about 700 or about 1/3 (subject to the locational housing preferences of students).

4.6 Bath Spa University has stated that no growth in student number is expected during the next 10 years. This means that the additional 800 study bedrooms it aspires to deliver on campus could enable the contraction of HMOs by about 175.

4.7 The University of Bath could use the additional 2,300 study bedrooms to enable growth of 2% per annum, resulting in a largely neutral impact on HMOs. Appendix 2 shows that 1% growth per annum might enable the release of 200 HMOs.

4.8 A high impact scenario could therefore enable the release of 700 HMOs, a medium impact scenario 375 HMOs and a low impact scenario 175 HMOs.

| | 2010 | 2020 | 2020 | 2020 |
|----------|---------|---|---|--|
| Scenario | Current | High Impact (-700) Zero growth at Bath Spa and Bath | Medium Impact (-375) Zero growth at Bath Spa, 1% per annum at Bath | Low Impact (-175) Zero growth at Bath Spa, 2% per annum at Bath |
| HMOs | 2,150 | 1,450 | 1,775 | 1,970 |

Bath Western Riverside

4.9 The outline planning permission for Western Riverside (06/01733/EOUT) as currently negotiated (October 2010) proposes 345 student bedrooms. This could, release an additional 75 HMOs within each scenario.

| | | | | |
|--------------------------------------|--|-------|-------|-------|
| BWR (-75) | | 1,375 | 1,700 | 1,895 |
| % Reduction in HMOs from 2010 levels | | 36% | 21% | 12% |

Additional off campus Development

In order to enable further contraction of the student letting market, additional off-campus development would be required during the next 10 years. A 300 bed space student accommodation block over four storeys (such as the two built on the Lower Bristol Road and managed by UNITE) could enable the release of 65 HMOs.

By way of illustration the land take of a policy to reduce the 2010 level of HMOs (2,150) by half to 1,000 is set out below. It sets out the number of additional 300 unit blocks needed to reduce the stock of HMOs to 1,000 under each scenario

| | 2010 | 2020 | 2020 | 2020 |
|--|------|------|------|------|
| | | | | |

| | | | | |
|------------------------------------|--|----|----|------|
| No. of 4 storey 300 unit Blocks | | 21 | 26 | 29 |
| Land Take (Ha) | | 13 | 16 | 17.5 |

HOUSES IN MULTIPLE OCCUPATION

April 2010 Regulations

- 5.1 A large concentration of Houses in Multiple Occupation (HMO) can have a significant and potentially damaging impact on the amenity of a local area, especially if too many properties are let to short term tenants with little stake in the local community. This can be of particular concern in areas with a large student population, number of migrant workers or in coastal areas. After years of campaigning by communities new regulations came into force in [April 2010](#) (pdf) requiring planning permission to be obtained for all new HMOs.
- 5.2 However concern by the new government that these regulations would "create unnecessary costs for landlords, which puts the supply of rented homes at risk", led to plans for a [reversal of the regulations](#) being announced on 17 June by Housing Minister, Grant Shapps.

The Changes

- 5.3 A short and informal [consultation](#) (pdf) with key interested parties took place between 17 June and 9 July on [proposals](#) (pdf) for amending the planning rules for HMOs . An [announcement](#) regarding the new regulations, largely unchanged from the proposals, followed on 7 September.
- 5.4 The ministerial announcement was accompanied by a letter from Steve Quartermain to [Chief Planning Officers](#) clarifying that "changes of use from family houses to small HMOs will be able to happen freely without the need for planning applications. Where there is a local need to control the spread of HMOs local authorities will be able to use existing powers, in the form of article 4 directions, to require planning applications in their area."
- 5.5 Two statutory instruments giving effect to the changes have been laid before Parliament.

[The Town & Country Planning \(General Permitted Development\) \(Amendment\) \(No 2\) \(England\) Order 2010 \(2010 No. 2134\)](#) will make changes of use from Class C3 (dwelling houses) to Class C4 (houses in multiple occupation) permitted development.

[The Town and Country Planning \(Compensation\) \(No. 3\) \(England\) Regulations 2010 \(2010 No. 2135\)](#) will reduce local authorities' liability to pay compensation where they make article 4 directions:

- 5.6 The changes came into effect on 1 October 2010.

Introduction of Article 4 Directions - Minister Update

- 5.7 An informally given update on Article 4 Directions was reported to the RTPI on 17 September 2010.

- 5.8 In respect of councils using Article 4 Directions to limit further HMO development in designated areas, the Minister has advised that the consent of the Secretary of State will not be required.
- 5.9 Most importantly the Minister is also advising that councils with policies already limiting HMO development in parts of their locality, can bring in Article 4 Directions straightaway, without notice, to coincide with the national policy change.
- 5.10 Although the notice period would not be given, it is the Minister's view that for councils that already have policies in place which clearly state where they stand on further HMO development, landlords already know their position - so a 1 October Article 4 Direction would not constitute a new policy unknown to potential applicants, and in the Ministers' opinion would carry little risk (RTPI emphasis) of successful challenge.

Introduction of Article 4 Directions - CLG clarification

- 5.11 The following clarification was issued by CLG on 28 September. "It does not matter whether a local authority has an existing policy restricting HMO development or not for the purposes of compensation liability. Under the planning system there is a general principle that once permission has been granted, either by a specific grant of planning permission or by means of a development order, the right to develop is guaranteed and can only be withdrawn upon payment of compensation. It is that principle that is being adhered to here. Local authorities will, therefore, be liable to pay compensation in all instances where Article 4 Directions are made with less than 12 months' notice.
- 5.12 However, it may be that where a local authority has had a clear policy limiting HMOs in place for some time there are likely to be fewer planning applications and so the number of compensation claims is likely to be reduced."

Milton Keynes Judicial Review

- 5.13 Milton Keynes Council made a request for a judicial review into the new regulations for HMOs and an application for an interim injunction to the High Court on 29 September 2010, with the support of Leeds City Council and a number of other university and seaside towns. The request was adjourned, meaning that the regulations came into force as planned on 1 October. However, there was found to be sufficient merit in the case to require the Government to enter a defence to all matters raised by 8 October.
- 5.14 The application for a review was refused, the reasons given were: the defendant was entitled to rely on the consultation exercise conducted in May 2009, which set out the 3 options the defendant was considering. Accordingly the defendant was under no obligation to reconsult; the impact assessment demonstrates that the financial impact on local authorities, such as the claimants was considered; it is not for the courts to impose additional procedural safeguards when the primary legislation establishes the means by which the statutory instrument is to be scrutinized by parliament; a high level political

agreement cannot give rise to a legitimate expectation enforceable in public law proceedings; there is no error of law.

Manchester City Council - Introduction of Article 4 Direction

5.15 [Manchester City Council](#) is to introduce an Article Four Direction to control the number of HMOs, covering the whole of the city. It will come into effect in October 2011.

5.16 Manchester City Council's executive member for the environment Nigel Murphy, said, "we need to be able to tackle the problems caused by the uncontrolled growth of shared lets, making sure communities retain the identity of their neighbourhoods, and that is why we are now introducing this order."

Industry Response

5.17 The [RTPI response](#) to the consultation said, "the Institute completely supports the principles behind the current proposals We are however concerned that the proposals – effectively the blanket removal of councils' ability to manage controversial developments in their own areas – will in practice have the opposite effect."

5.18 The RTPI-CIH Planning for Housing Network met to discuss the proposals in detail, where concern was expressed about the rigidity of Article 4 Directions in comparison to the fluid nature of HMOs.

5.19 Full [Notes of the meeting](#) are available to Network members ([free to join](#)).

5.20 The [Planning Officers Society](#) also responded to the consultation, saying "that the current (April 2010) planning regime regarding HMOs is the best way to control the spread of HMOs."

Suggested Practice Advice

5.21 Research published by CLG in 2008 "[Evidence Gathering: Housing in Multiple Occupation and Possible Planning Responses](#)", gives a useful insight into the issues and possible responses to high concentrations of student HMOs, pre-April 2010 changes.

5.22 The [National HMO Lobby](#) website gives details of local planning policies and plans that have been developed by local authorities to control the concentration of HMOs in a particular area.

5.23 An Article 4 Direction would still require planning policies to be in place to support and justify the removal of permitted development rights

5.24 Proactive partnership working, with the formation of working groups or forums with representation from all key stakeholders is important in addressing the issues surrounding high concentrations of HMOs;

- 5.25 A “Houses in Multiple Occupation Subject Plan for the Belfast City Council Area” was developed to influence and shape the market for HMOs positively, rather than simply controlling further development in areas of high HMO concentration. It seeks a wider distribution of HMO accommodation across the city, with the aim of creating balanced communities;
- 5.26 Some higher education institutions have taken responsibility for producing their own housing and accommodation strategies to complement those produced by local authorities. More institutions could be encouraged to take this approach;
- 5.27 An area of restraint policy identifies and designates an area whereby restraints are placed on certain forms of development. E.g. the Leeds Area of Housing Mix places a restraint on various forms of student housing;
- 5.28 A threshold policy uses a ceiling approach to restrict HMOs. The ceiling is generally set at 5-10 percent for the proportion of HMOs in a neighbourhood;
- 5.29 Threshold policies which take into account the different characters of areas could be used and easier to justify. For example, it may be that the areas near to a city centre have a higher threshold than areas further out;
- 5.30 A purpose built accommodation policy has been used by some local authorities working in partnership with higher education institutions to designate and promote the development of purpose built accommodation for students. Usually located close to university facilities, as part of a wider regeneration initiative they aim to draw students out of the private rented sector;
- 5.31 Charnwood Borough Council has produced an SPD, which provides a local policy response based on the adopted policies of the local plan. This includes an encouragement to develop purpose built student accommodation within the expanded town centre where residential numbers are low and commercial uses predominate;
- 5.32 Non-specific policies mean that each application can be determined on its own merits, however this can cause problems for elected members in deciding what is an unacceptable concentration, or even how to define the area;
- 5.33 The policies and mechanisms developed to address high concentrations of HMOs must be tailored to local circumstances;
- 5.34 Local authorities and communities need to recognise that addressing the issues surrounding HMOs through the planning system is only part of the answer;

5.35 The [Residential Landlords Association](#) has launched an accreditation scheme which creates a new partnership between local authorities and responsible landlords who are committed to raising professional standards and providing good quality accommodation.

Appendix X

Table A1 Fee Paying Status of Students

| | Home | Overseas | Total |
|---------|-------|----------|-------|
| 1994/95 | 6606 | 425 | 7031 |
| 1995/96 | 6937 | 453 | 7390 |
| 1996/97 | 7466 | 507 | 7973 |
| 1997/98 | 7589 | 582 | 8171 |
| 1998/99 | 7802 | 638 | 8440 |
| 1999/00 | 8505 | 726 | 9231 |
| 2000/01 | 9056 | 792 | 9848 |
| 2001/02 | 9485 | 946 | 10431 |
| 2002/03 | 9762 | 1366 | 11128 |
| 2003/04 | 9970 | 1614 | 11584 |
| 2004/05 | 10198 | 1915 | 12113 |
| 2005/06 | 10477 | 2007 | 12484 |
| 2006/07 | 9751 | 2214 | 11965 |
| 2007/08 | 10675 | 2348 | 13023 |
| 2008/09 | 10918 | 2300 | 13218 |
| 2009/10 | 11567 | 2392 | 13959 |
| 2010/11 | | | |
| Change | 4961 | 1967 | 6928 |
| CAGR | 3.81% | 12.21% | 4.68% |

Figure A1 Fee Paying Status of Students

