

Planning Policy Comments in relation to the need for student accommodation in respect of:

James Street West (14/02412/FUL) - 190 student bedspaces. The Johnsons Group Ltd

1-3 James Street West (14/01896/FUL) - 115 student bedspaces

Key Documents

- Core Strategy Inspectors Report, Paragraphs 59-65
- Core Strategy, paragraph 1.26d and Policies B1(7a), B2 and B5
- Student Numbers and Accommodation Requirements

- 1) One of the main assumptions underpinning the SHMA (Strategic Housing Market Assessment) and the adopted housing requirement of 13,000 dwellings, is that will not be any increase in the demand for student accommodation with the general housing market during the plan period (2011-29)
- 2) This means that new dedicated accommodation for students needs to be provided to match the additional demand arising. If insufficient accommodation is provided to match demand then the logic is that more students will have to meet their accommodation needs in additional HMOs. This would mean that the general housing stock is diminished from 2011 levels and would impact on the suitability of 13,000 as the housing requirement for BANES
- 3) The strategy of the Development Plan is not to achieve a substantive contraction of the HMO market. This would require more land than a strategy of containment and impact upon the capacity of the city accommodate other new uses. Some including private accommodation providers may think that this should be the strategy, but it is not and that is an important point as it sets part of the framework for decision making.
- 4) There is no specific target in the Development Plan for the amount of student accommodation to be provided, but the Student Numbers and Accommodation Evidence Base provides forecasts of likely future demand. This is based on advice from both Universities.

University of Bath

- 5) Growth forecasts for the University of Bath are for 1%-3% growth per annum from 2009-26. To the end of 2013/14 academic year growth has been above this rate, However, the University maintains that the number of students in the future will fall within the range of forecasts made in 2009. We discount the bottom end of this range as it has already been reached and instead focus on the top end as being the most probable scenario that should be planned for. This means that a further 2,330 students will need to be housed from 2011-2021. From this point the size of the University will stabilise. The details of this are in the attached paper.
- 6) Against this background a campus master plan to 2026 identifies, 2,400 units of accommodation capacity. The first 704 (the Quads) will be occupied in September 2014. However, it is not realistic to expect all of the remaining capacity to be built 2021. That would not reflect the pace of recent waves of new accommodation that have been built in 2003, 2008 and now 2014.
- 7) It is reasonable to assume one more cycle of accommodation before 2021 and this would be not more than half of the remaining capacity on the campus (i.e. $(2,400-700)/2 = 850$). This means that by 2021 up to about 1554 bedspaces could be built on-campus. It follows that there could be shortfall of 927 bedspaces (2,330 need less 704 built and 700 to follow) unless there is supplementary in-city provision before 2021.
- 8) 776 bedspaces is equivalent to a likely increase in the demand for about 200 HMOs. In simple terms the University has the capacity, on-campus to consume its own smoke. However it won't or can't build this out at the rate that is required to ensure that the number of HMOs does not increase to 2021. The time period for implementation will likely extend beyond 2021 and HMOs will rise unless more immediately deliverable sites are developed in the city.

Bath Spa

- 9) Bath Spa had been clear in the supporting planning statement to recent planning applications that there will be no further growth, but has since entered into a programme to attract more international students (mostly from the US). Reports in the Press of 2,000 over four years (from September 2014) are wide of the mark. Discussions with the Director of International relations at Bath Spa suggest that a figure of about 500 is more reasonable over the 5 years from 2014/15 and that the maximum number they envisage is 1,000 (presumably taking another few years to achieve). 100% of these new students will need accommodation. This is the only additional growth that is forecast

and could impact upon the number of HMOs in the city. The first intake for 2014/15 will be 40. To achieve 500 over the following 4 years could materialise by way of a stepped increase of 80, 100, 130, 150. To achieve a further 500 thereafter we assume 250 per annum for the next two years. It could be or slower or not at all. We use the accelerated pathway to account for the greatest 'risk' trajectory in order to be able to plan for /absorb this eventuality.

- 10) Because the University enrolment contracted by 690 between 2011/12 and 2012/13 net growth will be 310 students, although the net accommodation need will be 885 as the contraction was in part-time enrolment, whereas growth will be full time enrolment.
- 11) Against this, 561 new bedspaces at Newton Park begin will be ready for occupation in September 2014. There will be a subsequent stage of residential development on the northern part of campus but this will largely replace stock rather than add to it. There may be a small net increase as a result of redevelopment. We do not budget for this yet though, as it is too early to say. It might around 45 in order to reach the University's target of 1,000 on campus bedspaces 'on the nose'. We do not know when this phase will take place or how the University will manage it yet. In our forecast we assume demolitions of 394 in 2019/20 and completions of 394 in 2020/21.
- 12) So, with the need rising by 885 and the stock rising by 561 there is therefore a potential deficit to 2020/21 of about 324 units currently forecast (assuming Bath Spa is successful in attracting up to 1,000 new international students by this point).

Summary of Additional Demand & Supply

Demand

- 13) We are currently 5 months into year 4 of the plan period. Looking forward to the end of year 10, (2020/2021), nearly 7 years hence, the following is forecast.
- 14) By the end 2020/21 the need for bedspaces due to the growth of the University of Bath is forecast to be 2,330. Against this, 704 bedspaces have already been built. There will be a need for a further 1,626 bedspaces to 2021 to ensure no additional growth in HMOs. It is reasonably probable that about a further 450 units could be completed on-campus by then as a second phase. This leaves a shortfall of 776. It may be necessary to deal with this in the short term off-campus but this might important not to prejudice the delivery of the later phases of on campus delivery. Further too much off-campus development I the short term would likely also prejudice the delivery of the second phase.

- 15) The need for bedspaces due to the growth of Bath Spa University is forecast to be 885 to 2020/21. Against this, 561 bedspaces have already been built. There may be a need for a further 324 bedspaces to 2020/21, if the university achieves its target of 1,000 new students by then. If these additional bedspaces are not provided there will likely be an increase on HMOs to compensate. There is no further capacity on campus to achieve this.
- 16) We are left with a combined forecast shortfall of 1,100 bedspaces to 2021, after completed and reasonably probable on-campus developments are accounted for. No further growth is currently forecast after 2021, although it took take longer for this level to be reached.
- 17) Forecasts will be reviewed at next plan review stage. If there is a growing need, beyond that which is assumed, the Inspector's Report (para 64) advises that this is a matter to be addressed at plan review. The consequence of a mismatch between new demand and new supply would be an additional need for dedicated accommodation, or an alternative strategy of making good any losses to the general housing stock by increasing housing provision (or a mixture of the two).

Off-Campus Supply

- 18) Completed off-campus accommodation blocks since 2011 comprise 'The Ambury' (48 bedspaces).
- 19) There are currently 1,232 off-campus units on five sites that have permission. There is a high degree of confidence that the first four sites will be completed by 2021 and that these will yield 857 units. There is more uncertainty about the implementation of the BWR capacity of 375 by 2021. These sites play the supplementary role for off-campus development that is identified in 1.26d and Core Strategy Policy (B1.7a).
 - **Twerton Mill:** In April 2014 planning permission was granted for 327 bedrooms (266 in studio/cluster flats and 61 in 10 townhouses (13/01876/EFUL).
 - **Green Park House:** in May 2014 planning permission was granted for 461 bedspaces (14/00480/FUL)
 - **1-3 Westgate Buildings:** in February 2014 planning permission was granted for 29 bedspaces

- **Widcombe Social Club:** in November 2013 planning permission was granted for 40 bedspaces (12/03234/FUL) as part of a mix use retail, social club and student housing scheme.
- **Bath Western Riverside:** The Crest outline application (06/01733/OUT) proposes up to 675 student bedrooms or 375 bedrooms and a primary school. A minimum of 375 bedrooms can be relied upon and this is the Council's preferred scenario as it wishes to see a primary school built on this site

20) Taking the 40 bedspaces that have been built and the 857 that are likely to 202 (i.e. excluding BWR), leaves a shortfall of 203 (50 HMOs) against the identified need for about 1,100 (275 HMOs).

Evaluation of the Proposals in this Context

General matters

- 21) In principle, further in-city provision to 2021 would have pros and cons. It could help keep demand absolutely in step with growth on a year-on-year basis. But, if the numbers are too high but it could prejudice the fuller realisation of on-campus capacity at Claverton Down both before and after 2021. This needs to be weighed in terms of its significance and risk. It would be acceptable for additional demand and supply to be slightly out of sync for a short while, so long as there was evidence that this could be made good by the implementation of a third phase of on-campus accommodation within a short period of time. We note the Inspector's comments in paragraph 63 of his report that there is some leeway for such factors to be out of sync without significantly affecting the housing market. A shortfall of bedspaces is about 70 HMOs
- 22) The realisation of a primarily on-campus is significant. The Core Strategy (1.26d) maintains that forecast additional need is to be accommodated mainly on-campus, supplemented by off-campus provision, where appropriate. We consider that off-campus provision is appropriate where it is shown that on-campus provision cannot meet the need, in a timely manner, and also where off-campus provision would itself not adversely affect the prospect of delivery on-campus. There is a sequential test of sorts to be applied.
- 23) If accommodation (that was available to students at the University of Bath) was to be provided to a greater level than was necessary in the city, it could undermine the on-campus focus. This matter is relevant to current applications, as decisions by the

University of Bath on the implementation of the next and subsequent phase of on-campus provision at Claverton Down will be made against the background of what is happening in the city.

- 24) The 850 further units that could realistically come forward by 2021 may not come out of the ground if there is too much alternative off-campus development. This would disincentivize the University of Bath to build, sooner, or at all. A recent meeting with the Director of Estates (July 2014) has confirmed that the University is monitoring off-campus applications and pre-applications and that the granting of /implementation of development of off-campus may affect the University intent and timetable for on-campus projects.
- 25) This would affect the realisation of the student accommodation strategy and overall housing strategy. Too much off-campus development in the Central Area/ Enterprise Area would fail part of the test of Core Strategy Policy B5 as it would adversely affect the realisation of the vision and spatial strategy in relation to for housing in Bath. This includes the strategy for delivering new student accommodation that is needed, mostly on-campus. The on-campus focus for Bath Sap/Newton Park is not at risk, but for Claverton Down it is at risk. Of course if new accommodation in the city was not available to University of Bath students then there would be no conflict. However, I do not know if this could be an enforceable condition of a planning permission.
- 26) However, as set out in paragraph 15 there may well be as shortfall of about 200 bedspaces to 2021, and there is a case for dealing with that sooner rather than later, in principle.
- 27) However, there are further pros and cons to be considered
- 28) In addition to the potential for too much off-campus accommodation to slow or stop the implementation of an on-campus strategy, Policy B5 could also be offended in respect of the opportunity cost of using a site in the Central Area or Enterprise Area for student housing as opposed to another housing or economic development use. This is because off-campus sites would be used for student housing rather than other uses, and these other uses could not simply be accommodated on the land that is left undeveloped on campus. The significance and potential role of the site in question matters.
- 29) The question of whether further 283 off-campus units be permitted now (on top of existing consents) so the city can arrive at 2021 without any increase in HMOs, or whether to accept a small increase and anticipate that the University of Bath will develop

its final phase of capacity post 2021 to ultimately make good any expansion of the number of HMOs that might arise in the short term.

- 30) Of course another way of looking at this is that the less developed or undeveloped parts of the Claverton Campus are valuable to its character and if the need for accommodation on-campus fell to less than the capacity identified in the masterplan the scope for development in campus to harm that character is reduced.
- 31) We consider it preferable if new accommodation keeps pace with new demand, (following the Sedgefield approach taken to general housing needs re 5 year land supply). The capacity on-campus is useful if can be phased/delivered as required. That is not quite the case at the moment. The temporal dimension is an important one, but the potential implications of permitting accommodation in the city for the full realisation of on campus delivery need to be understood. If the long term growth assumptions do not increase the campus masterplan might not be fully realised. We would draw the line after upto about 250 more units have been permitted and object to any further large off-campus accommodation blocks.
- 32) So, at the moment, in principle, we would entertain further student bedspaces off-campus to 2021. The issue then moves onto the site specifics and the opportunity costs.

Site Specific Matters

- 33) Both sites are within the Central Area and so Core Strategy Policy B5 is applicable to decision making. This deflects student accommodations where there would be adverse impacts on the realisation of other aspects of the vision and spatial strategy for the city re housing and economic development. We have addressed the potential impact on the implementation of the Bath University master plan /on-campus focus. The remaining issue is the alternative use of the site and whether it is needed for other uses.
- 34) Addressing 1-3 James Street West first as this most straightforward, this is not identified in the SHLAA as a potential housing site. We do not budget for any housing on this site during the plan period and its capacity would be quite low. By virtue of its immediate context it is not really an office site and this use is unlikely to be viable. The site is in close proximity to existing student accommodation on Milk Street and adjoins Bath Spa College. There is therefore some synergy with its surroundings and it is a suitable student housing site. Further, the scheme rightly includes space for ground floor town centre uses. We have no objection to this site being a student block. However, the height scale and massing and visual appearance of the structure needs some adjustment to make it permissible. This will reduce likely the number of bedspaces.

- 35) James Street West is more complicated. This site is allocated within Policy GDS.1/B1 of the Local Plan and is addressed in the BWR SPD (not as a specific site but as part of a larger BWR East city centre extension area). It also forms part of the large BWR East large SHLAA site for which 300 dwellings are anticipated alongside other uses. This estimate reflected the Sainsbury's application that was 'on the table' at the time of the latest version of the SHLAA. The intention from Sainsbury's seems to have fallen away somewhat since its application was withdrawn. There is some likelihood that it will remain in its present location for a long time. This means that the JSW site could only come forward a discreet opportunity. It also means that when the lease of Homebase is up in 2021 on the British Land site, an alternative scheme to that recently presented by Sainsbury's may come forward. That area is unlikely to stay the same by the end of the plan period.
- 36) As a discreet site JSW could perhaps yield 40-50 flats at most if parking was provided on a 1:1 basis. If this site didn't yield housing it would be possible for that to be made up elsewhere on BWR East. I do not think that the use of this site for student accommodation site would harm the housing capacity to be realised in the Central Area.
- 37) This is currently a defunct office site that detracts from the Conservation Area and WHS. It is not a prime location of office redevelopment in the current market and I doubt whether office redevelopment is viable. It is highly probable that there will be no change on the neighbouring Sainsbury's site for at least the next 5 years until Homebase's lease ends on the 'British Land site'. There may well be no change at all. I do not think that it is reasonable for this site can be left 'on the shelf'; waiting for Sainsbury's to do something, as there is no guarantee that it will. It is reasonable for something to happen at JSW now.
- 38) In the numerical context that has been presented we have to this site being used for student accommodation. However, it currently looks like it is being overdeveloped and that the urban design response to the rear of the site, particularly the footpath does not take the opportunity to create a new active frontage. I expect that further adjustment will be needed to make this permissible in design terms e.g. against NPPF:64. This will reduce the number of units that this site can yield.

Conclusions

- 39) There is a forecast shortfall in deliverable supply to 2021 of 203 bed spaces.
- 40) Both sites area acceptable in principle in the forecast demand/supply context.

- 41) In combination both sites would yield 305 units.
- 42) If both sites are to be student housing projects then the capacity of the sites, in term of built form, should be optimised and if this results in slightly more than 203 units then that would be acceptable.
- 43) However, both sites are being overdeveloped in design terms and there are other design matters to address. These can be addressed and permissible schemes can be achieved but this will reduce the number of units, perhaps to nearer 200-250.
- 44) Planning Policy would be unlikely to any further large student accommodation projects in the Central Area or Enterprise Area, or elsewhere if these two sites are permitted.
- 45) Para 36 would apply to additional large sites are on our 'radar'
- **Transport Depot, Brougham Hayes:** (14/03415/PREAPP) 103 bedspaces
 - **Site of Old Gas Works, Upper Bristol Road** (14/00004/PADEV) 404 bedspaces
 - **Hartwells, Upper Bristol Road** (14/01688/PAHWDC) 431 bedspaces
 - **Kingsmead House** (TBC but likely at least 250 and up to 500)

Richard Walker, Planning Policy

Attachment: Student Numbers and Accommodation Requirements.