

CABINET ITEM COVERING SHEET PROFORMA

AGENDA ITEM

REPORT TO CABINET

6 NOVEMBER 2008

**REPORT OF CORPORATE
MANAGEMENT TEAM**

CABINET DECISION/COUNCIL DECISION/ KEY DECISION

Regeneration and Transport – Lead Cabinet Member – Councillor Cook

LOCAL DEVELOPMENT FRAMEWORK: INTERIM STUDENT ACCOMMODATION POLICY GUIDANCE

1. Summary

This report seeks member approval of policy guidance on student accommodation in the Borough, produced to inform decisions on student accommodation planning applications. This effects applications currently under consideration and provides a longer term view to include policies on this issue in the Core Strategy and Regeneration Development Plan Documents.

The recommended policy for the Core Strategy is “Major planning applications for student accommodation will have to demonstrate how they will meet a proven need for the development; are compatible with wider social and economic regeneration objectives; and are conveniently located for access to the University and local facilities.”

The North Shore development is considered to be the preferred location for further purpose built accommodation for students. This site is recommended to be identified for student accommodation in the Regeneration Development Plan document as it already has planning permission.

2. Recommendations

Members are recommended to: -

- i) Accept the Draft Student Accommodation Study as an accurate reflection of the current position and provision of Student Accommodation in Stockton and projected student growth.
- ii) Accept the Draft Student Accommodation Study as interim policy guidance, which can be used to determine planning applications with immediate effect.
- iii) Endorse the policy recommendations for the Core Strategy as outlined in paragraph 18.
- iv) Endorse the policy recommendations to identify North Shore as the preferred location for future student accommodation in the Regeneration Development Plan Document as outlined in paragraph 21.

3. Reasons for the Recommendations/Decision(s)

It is recommended that the Draft Student Accommodation Study is adopted as interim policy guidance which can be used to determine planning application decisions with immediate effect. This is because, as part of the LDF process, the Core Strategy policy could not be adopted until Autumn 2009, as it has to be assessed as part of an independent examination.

Durham University and private letting agents in Stockton indicate that there is a sufficient supply of student accommodation over the short to medium term.

If purpose built accommodation is not taken up then problems may arise in the future from difficulties adapting the layouts into accommodation for non- students and also with car parking provision associated with the developments.

The Core Strategy policy is considered to be flexible enough to respond to increasing student numbers, as the University is expected to grow over the longer term, and this will impact on both the type and quantity of student accommodation required over this longer time frame.

The policy addresses sustainability issues, by including the requirement that major applications are conveniently located for access to the University and local facilities, and are compatible with wider regeneration objectives.

The North Shore planning approval is considered to be the preferred location for further purpose built accommodation for students over the longer time frame as it will be well integrated with the future development of the campus and also with the existing site via a foot bridge. It is a mixed use site which is of strategic importance to the Borough.

4. Members Interests

Members (including co-opted Members with voting rights) should consider whether they have a personal interest in the item as defined in the Council's code of conduct (**paragraph 8**) and, if so, declare the existence and nature of that interest in accordance with paragraph 9 of the code.

Where a Member regards him/herself as having a personal interest in the item, he/she must then consider whether that interest is one which a member of the public, with knowledge of the relevant facts, would reasonably regard as so significant that it is likely to prejudice the Member's judgement of the public interest (**paragraphs 10 and 11 of the code of conduct**).

A Member with a prejudicial interest in any matter must withdraw from the room where the meeting considering the business is being held -

- in a case where the Member is attending a meeting (including a meeting of a select committee) but only for the purpose of making representations, answering questions or giving evidence, provided the public are also allowed to attend the meeting for the same purpose whether under statutory right or otherwise, immediately after making representations, answering questions or giving evidence as the case may be;
- in any other case, whenever it becomes apparent that the business is being considered at the meeting;

and must not exercise executive functions in relation to the matter and not seek improperly to influence the decision about the matter (**paragraph 12 of the Code**).

Further to the above, it should be noted that any Member attending a meeting of Cabinet, Select Committee etc; whether or not they are a Member of the Cabinet or Select Committee concerned, must declare any personal interest which they have in the business being considered at the meeting (unless the interest arises solely from the Member's membership of, or position of control or management on any other body to which the Member was appointed or nominated by the Council, or on any other body exercising functions of a public nature, when the interest only needs to be declared if and when the Member speaks on the matter), and if their interest is prejudicial, they must also leave the meeting room, subject to and in accordance with the provisions referred to above.

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GUIDANCE**

SUMMARY

This report seeks member approval of policy guidance on student accommodation in the Borough, produced to inform decisions on student accommodation planning applications. This effects applications currently under consideration and provides a longer term view to include policies on this issue in the Core Strategy and Regeneration Development Plan Documents.

RECOMMENDATIONS

Members are recommended to: -

- i) Accept the Draft Student Accommodation Study as an accurate reflection of the current position and provision of Student Accommodation in Stockton and projected student growth.
- ii) Accept the Draft Student Accommodation Study as interim policy guidance, which can be used to determine planning applications with immediate effect.
- iii) Endorse the policy recommendations for the Core Strategy as outlined in paragraph 18.
- iv) Endorse the policy recommendations to identify North Shore as the preferred location for future student accommodation in the Regeneration Development Plan Document as outlined in paragraph 21.

DETAIL

BACKGROUND

1. At present Stockton-on-Tees Borough Council does not have any planning policies to guide officers when dealing with planning applications for student accommodation. The Local Plan contains no specific targets or precise allocations for this particular use and previous applications for student accommodation indicate that there is no clear consensus about the amount and type of accommodation that is required. It was uncertain what impact student accommodation is having on existing residential areas around the Borough, but this study has shown that it is not a significant issue.
2. National Government policy on housing does not offer any particular guidance on student accommodation. The adopted Regional Spatial Strategy (RSS) emphasises the importance of the region's further and higher education establishments to the economy but offers no direct guidance on the provision of student accommodation.

3. Therefore, the purpose of this report is to consider the evidence on student accommodation and to set a policy for guiding planning officers on how to deal with current applications for student accommodation and give clear guidance for prospective developers through statutory planning policy in the future.
4. It is recommended that the Draft Student Accommodation Study is adopted as interim policy guidance which can be used to determine planning application decisions with immediate effect. This is because, as part of the LDF process, the Core Strategy policy could not be adopted until Autumn 2009, as it has to be assessed as part of an independent examination.

EVIDENCE

5. The Draft Student Accommodation Study sets out the full evidence base which has been used to inform the conclusions and policies, and is available in the members library and on the intranet should members wish to view. The document can be accessed from: <http://sbcintranet/library/64521/109707/109714/125042.doc?view=Display>
6. Queen's Campus, which is part of Durham University, is considered to be the main generator of need for student housing in the Borough. However, other educational establishments such as Stockton Riverside College, University of Teesside and The Open University may also generate a need for student accommodation. Although this latter element is difficult to quantify, it is unlikely to be significant.
7. An example of bespoke student accommodation is the new Rialto Court purpose built development on Bridge Road, open for the 08/ 09 academic year with 382 bed spaces. The Rialto Court development is around 90% let, 50 of the bed spaces are being let to first year students at Queen's Campus. Private sector letting agents in the area have noticed a drop in the take up of properties for this academic year and have higher vacancy rates as a result. They indicate there is a sufficient supply of student housing in the short to medium term. The University accommodation office currently has a higher vacancy rate than in previous years.
8. At present an approximate total of 1,700 students require accommodation, 512 of whom are in university accommodation, leaving 1,188 students using the private sector. As there are a potential of 382 bed spaces in Rialto Court this leaves a remaining maximum demand, at the moment, for a further 806 students to be accommodated. In addition, there are currently two planning permission for purpose built student accommodation; at North Shore, an outline permission for 520 bed spaces, and at Dovecote Street; a full planning permission for 36 bed spaces. If both of these applications are implemented, there will be an additional 556 bed spaces in purpose built accommodation. Added together with the existing purpose built accommodation (existing in University accommodation and Rialto Court = 894), a total of 1,450 purpose built bed spaces will be available to students. This will leave a maximum of 250 students to be accommodated elsewhere.
9. The following applications for student accommodation are currently under consideration:
 - phase 2 of the Rialto Court (226 bed spaces);
 - the Rocket building (204 bed spaces); and
 - the outline application at the Former Supreme Knitwear (260 bed spaces).

Subject to planning approval, these developments would result in a further 690 bed spaces coming forward. Whilst it is by no means guaranteed that they will all be approved and built out, it is worth considering the impact on supply if they did. Adding these potential bed spaces to the bed spaces already granted planning permission will result in a total supply of purpose built student bed spaces of 2,140. Taking away the number of students currently requiring accommodation (1,700) gives an excess of bed spaces of 440, if every student

rented a purpose built bed space based on current student numbers. Therefore, it would be a real cause for concern should any further applications for student accommodation be made.

10. Student numbers are predicted to grow incrementally to an extra 200 over the next five years. Self evidently there may be further demand for student accommodation at that time, but not at present. It is unlikely that every student would want to rent a room in a purpose built flat, as there will always be an element of the student population that wants to live in a privately rented house, due to cost, car parking and personal preference. At the start of the house hunting season in the academic year 08/09, 900 bed spaces were advertised through the University Accommodation Office, all of which meet the University's accreditation scheme standards (this figure does not include those houses retained by students from 07/08 to 08/09). Although there is no way to quantify the size or percentage of students who will chose to rent private houses in the future, for the academic year 08/09, 620 students opted to live in the private rental sector through the University Accommodation Office. This is about 36% of the total student population who required accommodation, although the actual figure of students living in private rental houses is likely to be higher because of students retaining houses over two years, or letting rooms through private estate agents.
11. Durham University has in place a strategy designed to meet its own needs and the North Shore Outline approval contains provision for student accommodation for the University. Planning permission was granted to English Partnerships in June 2002 for two linked planning applications relating to the North Bank area of the River Tees, application number 01/1790/EIS. This application was made up of the following uses:
 - 57,750m² prime office space
 - 4,650m² University Academic
 - 13,900m² University Residential (520 bed) and Conference
 - 25,000 sq ft of leisure space
 - 100 bed room hotel
 - 480 residential units
 - 1,802m² car showroom
 - 2,188m² A3/ Leisure
 - Iconic pedestrian and cycle bridge
12. TVR took over the project from English Partnerships and a further planning permission was sought in 2005, under the Section 73 under the Town and Country planning act 1990 to vary the original outline application to allow an additional three years for the submission of detail plans, application number 05/1544/VARY which was granted. The submission of the detailed application is imminent.
13. Clearly, Durham University would like to continue and expand the university accommodation provision. However, it must be noted that the University does not have a statutory requirement to provide accommodation for its own students and government guidance advises that it is not the role of the planning system to restrict competition between different types and/ or providers of accommodation.
14. The impacts of students moving into new build developments on current areas of private rental in Stockton are difficult to quantify. In the opinion of the Council's Head of Housing while smaller properties could be converted into accommodation for non students other larger properties are more difficult to let and could fall into disrepair. Although there is no proof or evidence that if students moved out of these wards there would be problems with obsolete stock, as properties could be absorbed into the non-student housing market. Additionally Council Tax exemptions indicate that even in the most popular ward for students, Mandale Victoria, students only make up 2.75% of the total population.

15. The final draft (September 2008) of the Tees Valley Strategic Housing Market Assessments highlights the concerns of local landlords about the movement of students into purpose built accommodation. However, the concerns of private landlords losing lets to purpose built accommodation is a competition issue, which the planning system cannot get involved in.
16. Purpose built student housing is often in the form of individual units of accommodation consisting of a relatively small bedroom and en-suite bathroom, with several units sharing a kitchen and sometimes a living room. Such buildings are generally not easily converted into other uses such as mainstream housing. Furthermore, as parking requirements are lower for student housing, then problems could arise if they were to be converted to accommodation for non- students. Although developers would have to re- apply for planning permission should they decide to adapt the buildings, and these factors would be considerations for case officers.
17. Other Local Planning Authorities have approached this issue in different ways. Some such as Salford, Scarborough and Preston have developed policies based around need for purpose built accommodation. Whereas others like Newcastle, Nottingham and Charnworth have much greater student populations and different issues, leading them to propose area restraint policies to rebalance communities. In the case of Newcastle purpose built accommodation in appropriate sites has been promoted to reduce the pressure on existing residential areas.

POLICY RECOMMENDATIONS

18. Based on these conclusions the following policy is recommended for inclusion in the Core Strategy Development Plan Document in Core Strategy Policy 8 Housing Mix and Affordable Housing Provision:

“Major planning applications for student accommodation will have to demonstrate how they will meet a proven need for the development; are compatible with wider social and economic regeneration objectives; and are conveniently located for access to the University and local facilities.”

The reasoned justification for this will be:

“Queen’s Campus which is part of Durham University is located on Teesdale south of the river Tees from Stockton Town Centre. There are around 2,000 students currently based here. The University is of key strategic importance to the Borough, and it is important that the need for student accommodation is satisfied, but only in appropriate locations, which have good access both to the educational establishments they serve and to local facilities such as shops to be in accordance with the wider sustainability objectives of the LDF. Furthermore, it must be ensured that these developments are compatible with the character of the area and do not impact negatively on the amenity of neighbouring developments. The overall number of applications for student accommodation has increased recently and the Council wishes to avoid an oversupply of provision.”

19. This policy is considered to be flexible enough to respond to increasing student numbers, as the University is expected to grow over the longer term, and this will impact on both the type and quantity of student accommodation required over this longer time frame. The policy addresses sustainability issues, by including the requirement that major applications are conveniently located for access to the University and local facilities, and are compatible with wider regeneration objectives.
20. The timescale for the adoption of the Core Strategy is that it will go out for first publication at the end of October which will involve a consultation period of eight weeks. Submission of the Core Strategy and supporting documents to the Secretary of State is anticipated to take

place in February 2009. There will then be an Independent examination and adoption of the final Core Strategy is expected to be in Autumn 2009.

21. The North Shore development is considered to be the preferred location for further purpose built accommodation for students as it will be well integrated with the future development of the campus and also with the existing site via a foot bridge. It is a mixed use site which is of strategic importance to the Borough. This site is recommended to be identified for student accommodation in the Regeneration Development Plan document as it already has planning permission.
22. Additional to the identification of North Shore, the number of applications for student accommodation will be monitored closely and if there is still considered to be an issue then a more detailed criteria based policy may be included in the Regeneration Development Plan Document.

FINANCIAL AND LEGAL IMPLICATIONS

Financial

23. The cost of the study has been met from existing resources. However, this document will provide an evidence base for the emerging documents as part of the Local Development Framework with Planning Delivery Grant being based on meeting the timetable set out in the Local Development Scheme for these documents. Missing the target dates could result in the council being penalised.

Legal

24. The contents of this report will form the evidence base for the development of planning policies to be incorporated into the Local Development Framework, which is being prepared under the 2004 Planning and Compulsory Purchase Act.

RISK ASSESSMENT

25. "This exercise is categorised as low to medium risk. Existing management systems and daily routine activities are sufficient to control and reduce risk."

COMMUNITY STRATEGY IMPLICATIONS

Economic Regeneration and Transport

26. The recommended Core Strategy policy states that applications for student accommodation will have to be in accordance with wider regeneration objectives. The policy emphasises that major applications for student accommodation will need to be located for convenient access to the University and other local facilities, emphasising the need to travel by sustainable means.
27. The identification of North Shore in the Regeneration DPD is a key strategic regeneration site, which will aid economic regeneration in the Borough.

Safer Communities

28. The policies do not specifically promote the creation of safer communities. Safer communities are a key principle of the Core Strategy and this will be replicated within other emerging policy documents as part of the LDF.

Children and Young People

29. The policies do not specifically mention children and young people.

Healthier Communities and Adults

30. As an evidence base document for the LDF the report does not specifically promote the creation of healthier communities and adults. It is a key principle of the Core Strategy to create healthier communities and this will be replicated within other emerging policy documents as part of the LDF.

Liveability

31. As an evidence base document for the LDF the report does not specifically promote the creation of healthier communities and adults. It is a key principle of the Core Strategy to improve liveability and this will be replicated within other merging policy documents as part of the LDF.

CONSULTATION INCLUDING WARD/COUNCILLORS

32. The report was taken to Planning Committee on 15 October 2008, and Councillors had the opportunity to put forward their views prior to submission to Cabinet. Comments arising from the meeting included making reference to “social and economic regeneration” in the Core Strategy policy outlined in paragraph 16 in order to emphasise that student accommodation developments should be used as both a social and economic means of regeneration for the benefit of the Stockton-on-Tees Borough.
33. Further comments were made on the identification of the North Shore site as the preferred location for further student accommodation development. The reference to this site has been strengthened by including the application number of the outline application and the second application to extend this beyond the three year period, as well as the details of the exact composition of the site in paragraphs 8 to 10. To ensure that it is clear that this site has consent, and is part of Durham University’s strategy for further accommodation development.

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Background Papers: None

Ward(s) and Ward Councillors: **N/A**

Property: **N/A**