

NEW PURPOSE BUILT STUDENT ACCOMMODATION & RESIDENTIAL COLIVING DEVELOPMENT

HEAVITREE ROAD POLICE STATION AND MAGISTRATES COURT, EXETER, EX1 2LR

Statement of Development Benefits

Overview

- A planning application has been submitted on behalf of The Police and Crime Commissioner for Devon and Cornwall and Nixon Homes Limited to Exeter City Council to redevelop the Heavitree Road Police Station and Magistrates Court.
- The surrounding area is primarily residential, with the site lying adjacent to a Waitrose supermarket and directly opposite the University's St Luke's campus.
- The submission of the application has followed a period of consultation with officers in the City Council. A period of public consultation will take place and we hope to gain a strong level of support for redeveloping the site.

The Scheme

- The planning application will seek permission to develop a new purpose built 399 bedroom student accommodation facility directly opposite the University of Exeter's St Luke's campus and 414 CoLiving studios.
- The facility will meet a need identified and cater for demand for accommodation across the city.
- The accommodation will provide a safe, secure environment as well as an attractive location and facility for students and young people, key workers, and professionals.
- Resident students will be managed through an occupational management plan and structure to control all aspects of the students' tenancy. This will reduce problems that can otherwise occur in private rented houses with no management or restrictions on behaviour.
- A management team will be present on site to deal with any complaints and behavioural issues.
- A warden/ caretaker will be employed to maintain the development and control issues such as noise, nuisance, littering and parking.
- A Travel Plan strategy will be prepared to minimise the use of private cars whilst promoting more sustainable modes of travel such as public transport, walking and cycling.
- Parking off site and on street will be controlled through the management plan and will not be permitted.
- The sustainable location of the accommodation is directly opposite the University's St Luke's campus and all the facilities that are provided for recreational use.

PBSA/ CoLiving or Market Housing?

- Speculative housing sites are increasingly difficult to finance and deliverability is questionable, even in areas with higher residential values.
- A market housing scheme on this site would provide approximately 50-70 terrace houses (40-55 dwellings per hectare), which would generate 15-21 affordable houses based on 30% (30-50% non-viable).
- A market housing scheme would potentially generate 60-80 vehicles based on 50-70 houses.

What are the Benefits?

- Student related accommodation makes up a high proportion of the HMO housing mix and thus exempt from Council Tax.
- The provision of purpose built student accommodation can clearly increase the proportion of Council Tax payers in this part of the City.
- If 399 student bedrooms are approved on this site then it would equate to 199-133 dwellings being released back onto the market, based on 2 & 3 bedroom houses.
- The houses released will tend to be the lower quality houses and therefore at an affordable level, landlords are then faced with either selling or renting (non HMO) to cope with voids.
- As a result of an increase in supply, while demand remains the same, the increased supply of purpose built accommodation to a much higher standard than currently exists coupled with competitive rents will migrate students from lower standard stock and result in less demand for those properties. This in turn will make them less attractive as an investment let and result in sale or rent to a different profile of occupier.
- This level of provision can be contrasted sharply with the level of market housing that could be achieved on the site; somewhere between 50-70 terrace houses. Based on this there would be between 15-21 affordable units provided on site and an increase of 60-80 cars on the local highway network.
- Purpose built student accommodation will consequently release a far greater proportion of low cost housing than could be developed on site, leading in turn to greater choice for first time buyers, more affordable family housing and family housing that will be eligible to pay Council Tax.

Further Benefits

- Environmental and sustainability standards of the purpose built accommodation will be considerably higher than much of the existing stock in the private rented student market. With deficiencies in cavity wall construction, insulation, inefficient plumbing and heating systems etc, these old properties are expensive to run and landlords are often reluctant to spend large amounts of capital on refurbishment until it is absolutely necessary. The energy rating of these properties is consequently very low.
- Economic benefits for local businesses.
- Reduction in the effects of studentification in residential areas.
- An increased profile for the University of Exeter due to the provision of high quality facilities for second, third year and post graduate students within close proximity of the campus and City Centre.

- Provide a managed, safe and secure environment with controlled access and CCTV monitoring.
- CoLiving will provide affordable housing in line with national planning policy.

Drivers for ‘Purpose Built’ Versus Conventional Houses

- New legislation preventing private dwellings becoming student HMOS without the need to apply for planning permission.
- Shortage of housing stock resulting in non-availability for first time buyers.
- Government concern over ‘studentification’ of residential areas.
- There is a clear national trend to Purpose Built ‘cluster flats’ in all major university cities.
- Government supports this initiative partly from the Rugg Review of the private rented sector in the UK.
- In 2020 there were an estimated 687,093 student bedspaces in purpose-built halls of residence, there are 1.9 million full –time students in the UK, and demand is outstripping supply. New supply has been dominated by private sector development with 52% of purpose-built being provided by the private sector.
- According to statistics released from HESA (the Higher Education Statistics Agency) for the 2019/20 academic year the total number of students at Higher Education institutions in the UK was 2,532,385 an increase of 9.4% in five years, highest number of students recorded.
- Participation by overseas students at UK universities, which is a key driver of demand for high quality accommodation, has increased by 67% over the past decade. There are now 397,000 students from outside the UK, making up nearly one quarter (23%) of the student population. The number of students from the EU Countries was 134,890 this has risen by 5.6% since 2015/16 and the Non- EU Countries 383,430 a rise of 23.6%.
- The top 15 countries provide around 329,011 students 66% of the 498,149 international student population within the UK. The following table shows this breakdown.

China	134,611
India	48,437
United States	17,265
Hong Kong	15,416
Malaysia	12,760
Italy	12,446
France	12,438
Nigeria	11,532
Germany	10,696
Spain	10,031
Romania	10,022
Greece	8,741
Poland	8,578
Geographic region - Africa	8,098
Cyprus	7,940

- The increase in private sector provision is a direct response to increased demand from overseas and domestic students for better quality accommodation. In addition, universities

have realised that to attract overseas students they need good quality accommodation but they do not have sufficient levels of funding to invest in non-core areas of their educational business.

SUPPLEMENTARY PLANNING GUIDANCE FOR DEVELOPMENT RELATED TO THE UNIVERSITY OF EXETER 19th JUNE 2007

- The City Council supports the intention of the University to expand. The City Council, where appropriate, will impose planning conditions or seek a planning obligation to ensure that expansion in the University's teaching, research and general facilities is accompanied by the provision of significant increases in purpose-built student residential accommodation, such that 75% or more of the additional student numbers are accommodated.
- Seeks the provision of as much purpose built student housing as possible to reduce the impact on the private sector housing market.
- Recognises that relatively high density managed accommodation on appropriate sites will need to make a significant contribution to meeting future needs. Developments will be permitted subject to management and supervision arrangements appropriate to the size, location and nature of occupants of schemes. A standard form of planning obligation relating to management arrangements is available from the Council. The planning obligation is enforceable against owners of the land and they will be required to ensure through terms of tenancy agreements that tenants adhere to the management scheme.
- Seeks the investigation of student accommodation as a priority for use of any surplus land at St Luke's campus.

Exeter's Student Demand Profile

- Exeter has 27,999 full time students and only 6,628 bedrooms in university halls of residence. This indicates that 76.33% of students cannot obtain university accommodation.
- The private sector operators currently provide 5,460 direct let bedrooms. This represents 19.5% of full-time student numbers.
- A total of 12,088 (43%) students can access purpose built university or private sector accommodation, which indicates that 15,911 (57%) of students must obtain accommodation elsewhere. This shortfall is broadly made up from either HMOs or from students living with parents.
- Current supply if all the development pipeline is built out would be 14,413 beds.
- When the development pipeline under construction is completed, the proportion of existing students unable to access PBSA would be 51%. This projection is dependent on a number of implicit assumptions; in particular, that the student population remains unchanged.
- (Not every pipeline scheme will be built out, due to factors including location and viability, developments below 300 beds is very difficult to make management costs viable as % of rent is too high).
- The above student numbers do not reflect any further growth of the University whereas in last 4 years student numbers have increased by 21% with St Luke's campus seeing a 40% growth.
- Since 2016, student numbers at St Luke's have increased by 1,184. Therefore, 680 bedspaces are required to meet current student numbers and the development is providing 399, which would assist in addressing these bedspace requirements.