

**From:** Alan Pearce [REDACTED]  
**Sent:** 27 March 2023 19:25  
**To:** localplan@york.gov.uk  
**Cc:** [REDACTED] [REDACTED]  
**Subject:** York Local Plan - Main Modifications  
**Attachments:** 230327\_York City Council Local Plan Reps - Fusion.pdf

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Dear Sir/Madam

Please find attached a copy of the submitted representations which have also been made online via the form attaching this letter.

Please acknowledge receipt.

Kind Regards,

Alan Pearce  
Managing Director  
BA (Hons) BTP (Dist) MRTPI



Mobile: [REDACTED]  
Email: [REDACTED]



25 March 2023

Tel [REDACTED]  
Email [REDACTED]

City of York Council  
West Offices,  
Station Rise,  
York,  
YO1 6GA

Pearce Planning Ltd



Our Ref – AP/Fusion

Dear Sirs

## **REPRESENTATIONS TO THE CITY OF YORK PLAN CONSOLIDATED MAIN MODIFICATIONS – JANUARY 2023 MM5.18 POLICY H7: STUDENT HOUSING**

Pearce Planning Ltd have been appointed to submit representations to the City of York Local Plan Consolidated Main Modifications January 2023 consultation on behalf of Fusion Students in connection with potential sites that are in their interest regarding delivery of Purpose-Built Student Accommodation (PBSA) in the City of York.

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Paragraph 35 of the National Planning Policy Framework (NPPF) currently states that plans are considered 'sound' if they are:

- **Positively prepared** – providing a strategy which, as a minimum, seeks to meet the area's objectively assessed needs;
- **Justified** – an appropriate strategy, taking into account the reasonable alternatives, and based on proportionate evidence;
- **Effective** - deliverable over the plan period, and based on effective joint working on cross-boundary strategic matters that have been dealt with rather than deferred, as evidenced by the statement of common ground; and
- **Consistent with national policy** – enabling the delivery of sustainable development in accordance with the policies in this Framework and other statements of national planning policy, where relevant.



## Student Accommodation Context

We have not examined in any detail the identified student population and consequent demand for PBSA in the city as we know others with greater resource and expertise in this field have made representations to the above consultation document in this regard. However, we have reviewed the background documents to this consultation, particularly in relation to student accommodation need in the city and note the following.

‘CYC Student Housing Policy Note’ (August 2022) acknowledges students form an important element of the community and the presence of a large student population contributes greatly to the social vibrancy of the city and to the local economy. It also states that the Council are committed to ensuring their needs are met and that it encourages purpose-built student housing where there is a proven need and it is designed and managed in a way that attracts students to take it up. This can free up housing suitable for wider general housing needs, taking pressure of the private rented sector and increasing the overall housing stock.

Appendix 1 to this document is a ‘Review of PBSA Market Information’ (Porter Planning Economics). Within this it is referenced how Knight Frank reported (Jan 2022) that the 2021-2022 academic year saw average occupancy levels of over 90% as students return to campus after the Covid 19 pandemic, which was better than expected. Also, their review of the latest applications data from UCAS suggests student numbers have recovered to higher than pre-covid levels. A report by Cushman and Wakefield (2022) also notes that student enrolments have recovered and that the UK universities have enhanced their global positioning, with PBSA rents increasing at unprecedented rates. Similarly, a Savills report (2022) notes that student demand is currently at an all-time high while the supply of stock in the private rented sector, like HMOs, is constrained and contracting. As such the investment opportunity for the private sector to invest in PBSA to meet that demand is becoming stronger.

The above document also references the fact that at the local plan hearings, it was commented by Professor Jeffery from the York St. John University that the university was booming despite covid, but its future plans could be hindered without room to grow. Along with this growth, the university is experiencing growing demand for managed accommodation among home students and especially international students beyond the traditional first years that they live in the halls of residence provided by the University. Forecasts suggest that by 2025/26 demand for University controlled accommodation for York St John students, mainly for undergraduate and international postgraduate students will increase by around 32%, with demand for other student accommodation, in HMOs and purpose built stock increasing by 53%.

All the evidence therefore points to significant increased demand for student accommodation within York, both from UK and international students, supporting the longer term outlook for demand, and that the private sector will need to play a role in meeting this. At present the policy focus is on delivery on campus which is not practical to meet the level of demand predicted and so any policies dealing with off campus provision need to be supportive of growth in a viable and effective way.

Policy H7: Off Campus Purpose Built Student Housing as currently drafted allows proposals for off campus PBSA where all of the criteria under this policy can be satisfied. The criteria are as follows:

- i. *it can be demonstrated that there is a need for student housing **which cannot be met on campus**; and*
- ii. *it is in an appropriate location for education institutions and accessible by sustainable transport modes;*
- iii. **The rooms in the development are secured through a nomination agreement for occupation by students of one or more of the University of York and York St. John University; and**
- iv. *the development would not be detrimental to the amenity of nearby residents and the design and access arrangements would have a minimal impact on the local area.*
- v. **The accommodation shall be occupied only by full-time students enrolled in courses of one academic year or more and conditions or obligations shall be imposed to secure compliance with this requirement and for the proper management of the properties**



**For new student accommodation a financial contribution should be secured towards delivering affordable housing elsewhere in the City. The contribution will be calculated on a pro rate basis per bedroom using the following formula:**

**Average York Property price – Average York Fixed RP Price x 2.5% = OSFC per student bedroom**

**The contribution will be required only from the number of units creating a net gain. For mixed-use developments of student accommodation with general housing a pro-rata approach will be used to determine whether a contribution is required, and how much this should be. Contributions towards affordable housing provision from new student accommodation will not be sought where the student accommodation site which at the date of adoption of the Plan is owned by a university and which will continue to be owned by a university to meet the accommodation needs of its students. Where a developer considers the contribution cannot be fully met they should justify the level of provision proposed through an open book appraisal to demonstrate to the Council's satisfaction that the development would not otherwise be viable.**

**Developers may not circumvent this policy by artificially subdividing sites, and are expected to make efficient use of land.**

The text in bold and underlined above are the proposed Main Modifications to this policy compared to the previous version and make it significantly more onerous and restrictive for private PBSA providers to deliver PBSA within the city.

#### **Clause i**

The imposition of the additional text which effectively adds a sequential test to the delivery of PBSA is unnecessary, negative, and not justified. The test should be to define there is a need. Whilst many first-year students wish to be on campus, beyond the first year it is common place for many students to wish to live off campus and experience life living in the city of their choice. Provided the site is in a sustainable location which will encourage movement by foot or cycle or other non-motorised means it should be encouraged and supported in policy terms. Clause ii applies that test already.

To only permit off campus development when on campus development has been exhausted effectively places all the power to delivery in the hands of the Universities who are not capable of delivering the choice or amount of accommodation demanded. This additional text should be removed to allow choice and meet the needs of the students.

#### **Clause iii**

Imposing a blanket requirement for a nominations agreement with the Universities is an unnecessary and onerous requirement that will delay and stifle the amount of PBSA that will come forward in the City as developers will seek locations elsewhere where policies are more supportive of PBSA and less onerous. It is clear from the evidence that the private sector will need to play a key role in delivering the amount of additional PBSA required, but it is also important to remember that in order to make this an attractive place to invest, development needs to be viable and PBSA suppliers able to charge a reasonable level of rent that reflects market rates.

The planning process is already a complex and multifaceted process and the requirement for a nominations agreement only adds to this, when conversely, policy should be more supportive of additional PBSA in the city given the current and expected increase in demand for this type of accommodation, which is demonstrated in the supporting evidence documents. Effectively, it is stifling housing growth and availability and not allowing developers to provide accommodation without the blessing of the universities when it is students that will select where they want to live. Beyond the first year this is often off campus so students enjoy experiencing living in the city of their choice and all that it has to offer including learning to live more



independently. Private developers of PBSA are very experienced in that market and would only propose accommodation in appropriate locations and built forms that they would be confident would be let.

The likely outcome of the current policy is that there would be a reduction in the amount of PBSA schemes coming forward in the city which will push students more towards the HMO market as a result of undersupply, which could in turn have a significant impact on the York housing market in the future, potentially taking away housing which would otherwise be available for family use or first-time buyers. Or worse, no delivery of bedspaces at all.

The two Universities would still be able to offer support for PBSA developments and comment on any schemes coming forward without the need for a formalised nomination agreement. There could be for example a percentage applied to each scheme to secure terms with the developer at an agreed rental level but to unilaterally require a nominations agreement for all bedspaces effectively ransoms private developers and is not reasonable or positively prepared, justified or effective. At best, the policy should encourage but not require engagement with the Universities to input to the need and bedspace type but there should be no obligation to require a nomination agreement.

#### **Clause v**

Similarly, the proposal to add additional criteria that the accommodation shall be occupied only by full-time students enrolled in courses of one academic year or more also places unnecessary restrictions and does not provide sufficient flexibility to meet the differing needs of students. It is too prescriptive and outside the scope of what planning policies should be seeking to control. As a result, it is not in our view justified or positive to overly restrict summer lets or students attending shorter courses. This clause is not effective in supporting PBSA in the city or the growth of education providers.

The requirement for a condition or obligation to secure the proper management of the properties is though considered acceptable and a standard requirement usually expected with this type of development elsewhere. Our client prides themselves on first class management of their developments to provide the best possible experience for students and to ensure the surrounding community is not adversely affected by the operation of a PBSA development. This is notably not the case with HMOs and therefore without providing a flexible policy PBSA developers will be more reluctant to invest.

#### **Summary**

The need for additional PBSA in the city is only expected to increase and demand will only be met if PBSA is proactively encouraged. Policy H7, as well as other policies within the draft local plan, can still be used as a mechanism to adequately control where and how much PBSA comes forward but should be more positively worded.

If provision of additional PBSA is unnecessarily constrained it will continue to increase the cost of student accommodation within the city due to insufficient supply and will not help to alleviate the pressure on HMOs.

Continued lack of supply will mean that average rents will continue to increase. To reduce inequalities and enable more students to attend university without financial pressure, more PBSA needs to be built. By restricting supply, planning policy is stabilising high rental prices for limited student accommodation, making it only viable for those financially supported. This could potentially be undoing the work of universities to reduce inequalities.

#### **Financial Contributions - Affordable**

In relation to the proposed modification adding a requirement for new student accommodation to provide a financial contribution towards delivering affordable housing elsewhere in the city, this is placing an additional financial burden on private PBSA providers, which will in turn affect the viability of a scheme and the amount



of PBSA that is likely to come forward. It could also lead to an increase in rental levels in order to offset such a contribution and make a development viable which would be counterproductive.

Paragraph 65 of the NPPF confirms that PBSA is one of the exemptions to the requirement for at least 10% of the total number of homes to be affordable and as such a policy should not be introduced to require this. It is not common place for student development to provide affordable units, which again, is likely to deter PBSA providers from looking at York as a place to invest when there are many other UK cities where this is not a requirement.

#### **Required Action**

As currently worded the policy is not considered to meet the tests of soundness as it does not in its current form provide a strategy which seeks to meet the area's objectively assessed need. It is not therefore positively prepared. It is also not considered to be justified as there are other reasonable wordings of this policy (such as the previous wording) which would achieve the objectives of placing a certain amount of control of PBSA developments but without being so restrictive. There is not considered to be any compelling evidence as to why these additional requirements are needed within the policy wording.

Finally, it is not considered to be consistent with national policy as it does not support the Government's objective of significantly boosting the supply of homes and goes against the advice in the NPPF for PBSA to be exempt from providing affordable housing. The NPPF makes it clear that it is important that a sufficient amount and variety of land can come forward where it is needed and that the needs of groups with specific housing requirements are addressed. This includes students.

It is therefore requested that the proposed Main Modifications are not agreed and that the proposed additional criteria to draft policy H7 are not included in the final policy wording.

We would be happy to meet with you to discuss this further or to have a virtual call or telephone call if this would be of assistance.

Yours faithfully

A black rectangular redaction box covering the signature of Alan Pearce.

**ALAN PEARCE MRTPI**  
**Managing Director**

Two black rectangular redaction boxes covering contact information, likely a phone number and email address.



SIGN UP FREE



# City of York Local Plan Modifications Consultation 2023

QUESTION SUMMARIES

DATA TRENDS

INDIVIDUAL RESPONSES

All Pages ▼

Respondent #352 ▼



COMPLETE

**Started:** Monday, March 27, 2023 4:42:54 PM  
**Last Modified:** Monday, March 27, 2023 4:47:06 PM  
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**IP Address:** 82.35.131.125

Page 1: Survey Information

### Q1

Do you confirm that you have read and understood the privacy notice? You must select 'Yes' in order to take the survey.

Yes

Page 2: Register for consultation

### Q2

Your name:

Mr Alan Pearce MRTPI

### Q3

Contact details: Please provide email and/or address

Organisation (optional) Pearce Planning Ltd (on behalf of Fusion Students)

Address

Address 2

City/town

Post code

Email address

### Q4

Do you wish to be notified when the City of York Local Plan is adopted by the Council? If yes we will use contact details provided above

Yes

Page 3: Your response

### Q5

To which consultation document does this response relate? Please note, links shown beside each option are for associated documents.

Share Link



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459 responses



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**Q6**

To which section does this response relate?

Section 5: Housing

Page 5: Section 2: Vision

**Q7**

To which modification does this response relate?

Respondent skipped this question

Page 6: Section 3: Spatial Strategy

**Q8**

To which modification does this response relate?

Respondent skipped this question

Page 7: Section 4: Economy and Retail

**Q9**

To which modification does this response relate?

Respondent skipped this question

Page 8: Section 5: Housing

**Q10**

To which modification does this response relate?

MM5.17 Policy H7: Student Housing

Page 9: Section 6: Health and Wellbeing

**Q11**

To which modification does this response relate?

Respondent skipped this question

Page 10: Section 7: Education

**Q12**

To which modification does this response relate?

Respondent skipped this question

Page 11: Section 8: Placemaking, Heritage, Design and Culture

**Q13**

To which modification does this response relate?

Respondent skipped this question



**Q14**

To which modification does this response relate?

Respondent skipped this question

Page 13: Section 10: Managing Development in the Green Belt

**Q15**

To which modification does this response relate?

Respondent skipped this question

Page 14: Section 11: Climate Change

**Q16**

To which modification does this response relate?

Respondent skipped this question

Page 15: Section 12: Environmental Quality and Flood Risk

**Q17**

To which modification does this response relate?

Respondent skipped this question

Page 16: Section 14: Transport and Communications

**Q18**

To which modification does this response relate?

Respondent skipped this question

Page 17: Section 15: Delivery and Monitoring

**Q19**

To which modification does this response relate?

Respondent skipped this question

Page 18: Proposed Policy Map Modifications

**Q20**

To which modification does this response relate?

Respondent skipped this question

Page 19: New evidence documents

**Q21**

To which evidence document does this response relate?

Respondent skipped this question

Page 20: Comment Form

**Q22**

Do you support or object to the proposed modification(s)?

Object

**Q23**

If you object, please select your reason from the list below (select all that apply):

Not positively prepared - i.e. strategy will not meet development needs

Not justified - i.e. there is no evidence to justify the modification

Not effective - i.e. it won't work

Not consistent with national policy - i.e. doesn't comply with the law

**Q24**

Please set out the reasoning behind your support or objection:Please note there is a 1000 character limit, therefore if your reason for support or objection is longer than this, please summarise the main issues raised.

Respondent skipped this question

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25 March 2023

Tel [REDACTED]  
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#### **Required Action**

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Yours faithfully

**ALAN PEARCE MRTPI**  
**Managing Director**