

REF: MR/BH/DB/R00150

BY EMAIL ONLY: EIP.programme.officer@southwark.gov.uk

2nd February 2021

Dear Sir / Madam,

**NEW SOUTHWARK PLAN EXAMINATION IN PUBLIC
HEARING STATEMENT IN RESPONSE TO QUESTIONS (MIQ) RAISED BY THE INSPECTOR IN
DOCUMENT EIP88 REGARDING MATTER 3 'MEETING SOUTHWARK'S HOUSING NEEDS
ROK PLANNING ON BEHALF OF UNITE GROUP PLC (RESPONDENT NUMBER NSPPSV198)**

I write on behalf of our client, Unite Group Plc, to submit a Hearing Statement in response to the Matters issues and questions (MIQ's) raised by the Inspector within document EIP88 dated December 2020 regarding the New Southwark Plan (NSP) Examination in Public (EiP).

Unite Students is the UK's leading manager and developer of purpose-built student accommodation (PBSA), providing homes for around 74,000 students in more than 177 purpose-built properties across 27 of the UK's strongest university towns and cities.

This hearing statement has been prepared further to the representations made throughout the preparation of the draft NSP, and specifically the representations made to the NSP Amended Policies version of the plan dated August 2020. This statement responds to the MIQs in relation to Matter 3 'Meeting Southwark's Housing Needs', and specifically issue 3, parts 3.39 and 3.40 regarding policy P5 'Student Homes'.

MATTER 3 – ISSUE 3 – STUDENT HOUSING

3.39 – Is the requirement for wheelchair adaptable rooms justified and viable?

Part 1 of policy P5 states that PBSA developments must:

“Provide 10% of student rooms as easily adaptable for occupation by wheelchair users.”

Unite object to the 10% requirement for adaptable rooms for the following reasons:

1. The requirements for conventional residential accommodation should not be applied to student housing as, in reality, the typical demand from students per annum falls significantly below the 10% mark. This is a steady and consistent trend as evidenced by Unite's longer term experience;
2. Indeed, Unite have over 117 PBSA properties across the UK with 27 buildings in the London portfolio. Of these c.9,500 bedrooms, they have provision for 528 students that may need a wheelchair room. This is over 5.5% of the total London rooms. Over the last 5 years, Unite have provided 41 students with these rooms. For the 2018-2019 academic year, Unite had 7 students in need of wheelchair sized rooms out of an approximate total of c.9500 bedrooms. This equates to a 0.07% take up and thus demonstrates the exceptionally low need for accessible bedrooms;

3. The majority of wheelchair students are housed by the universities close to campus for ease of travel;
4. The 10% requirement was introduced in order to help meet a shortfall in wheelchair accessible housing within conventional housing. Generally, those who live in conventional dwellings are of an older demographic thus the percentage of those who have a disability and require wheelchair accessibility is far greater than the demographic affiliated with student accommodation. The normal age range of students is between 18 and 25, explaining why there has never been a shortfall in wheelchair provision within student housing;
5. It should be noted that the above points have been taken into account within the draft London Plan Publication Version, December 2020 (the draft London Plan). Policy D7 of the draft London Plan has been updated over the course of the plan's examination period to clarify that the 10% requirement for wheelchair accessible rooms relates only to dwellings which are created via works to which Part M volume 1 of the Building Regulations applies – i.e., to new build dwellings. PBSA developments do not constitute dwellings and therefore the 10% requirement does not apply to these developments. On this basis the 10% requirement proposed by draft policy P5 is in conflict with the draft London Plan; and
6. In any case, Unite operate a policy of meeting the needs of an individual user and not applying a one size fits all policy. Indeed, should individual bedrooms need to be adapted; this can be done quickly and relatively easily to meet requirements. Unite have undertaken such additional alterations in discussion with the end user and provided a bespoke solution to a student's needs.

Given the above, it is not considered necessary to over provide on wheelchair accessible units which will not be used. Indeed, these units are required to be larger and thus an over-provision will unnecessarily reduce the number of student bedrooms able to be delivered within a scheme. This will in turn reduce the level of contribution a proposal can make towards housing supply. Notwithstanding this, the requirement is in conflict with the draft London Plan.

Recommendation: The required level of student rooms to be provided as easily adaptable for occupation by wheelchair users should be reduced from 10% to 5%.

3.40 – Is the requirement for affordable housing provision sought by the policy justified, consistent with the London Plan and is it viable? Is the level of affordable student accommodation set out in P5(2) justified and in accordance with the London Plan?

Parts 2 and 3 of policy P5 state that PBSA developments must:

“When providing direct lets at market rent, provide the maximum amount, with a minimum of 35% as conventional affordable housing by habitable room subject to viability, as per policy P4, as a first priority. In addition to this, 27% of student rooms must be let at a rent that is affordable to students as defined by the Mayor of London; or

When providing student rooms for nominated further and higher education institutions at affordable student rent as defined by the Mayor of London, provide the maximum amount with a minimum of 35% as conventional affordable housing by habitable room subject to viability, as per policy P4.”

Unite raise objection to the requirements of parts 2 and 3 of the policy for the following reasons:

1. The overarching approach of draft policy P5 is in direct conflict with the approach of draft London Plan 'Publication Version' dated December 2020 (the draft London Plan), as set out in draft policy H15, which is in the final stages of adoption and considered by the GLA to carry weight, for the following reasons:
 - a. Regardless of whether rooms are provided for via nominations agreement, Draft policy H5 requires a minimum of 35% conventional affordable housing in addition to affordable student rents. This is clearly in conflict with draft policy H15 of the draft London Plan which is explicit that where PBSA provides a policy compliant level of affordable student rent, "boroughs should not require on-site provision of, or a contribution towards, conventional Use Class C3 affordable housing";
 - b. For direct let student rooms, draft policy H5 requires 27% of the student bedrooms to be let at affordable student rent. This is in addition to the 35% conventional affordable housing requirement. This approach is in conflict to draft policy H15 of the draft London Plan which requires the majority of rooms, including all of the affordable rent rooms, within a student development to be subject to a nominations agreement with a minimum of 35% provided at affordable student rent;
 - c. For rooms let via nominations agreement, draft policy P5 requires all rooms to be let at affordable student rent. This is in addition to the 35% conventional affordable housing requirement. This approach is in direct conflict with draft policy H15 of the draft London Plan which requires only at least 35% (50% on public land) to be delivered as affordable student rent, and only where this is not met should the maximum amount be provided as determined via viability testing;
 - d. Reasons 1 and 2 of the supporting reasons for the policy set out a justification for the Council's approach to PBSA, particularly with regards to the requirement for conventional affordable housing, stating that allowing too much student accommodation will restrict the delivery of family and affordable housing. However, this is contradictory to the draft London Plan which acknowledges that new flats, houses or bedrooms in PBSA all contribute to meeting London's housing need. The completion of new PBSA therefore contributes to meeting London's overall housing need, and is not in addition to this need;
2. Notwithstanding the conflicts with regional policy outlined above, this approach will significantly hinder the viability and deliverability of student schemes. The requirement for 35% affordable housing, which is not compliant with the draft London Plan, in addition to a requirement for a level of affordable student rent beyond that of the level required by the London Plan, will undoubtedly have an effect on the viability of schemes. This should be further considered in the context of borough and mayoral CIL contributions which student schemes are also subject to;
3. The hindered viability of student schemes and the subsequent effect on their deliverability will have numerous knock-on effects. Firstly, in accordance with the NPPF and draft London Plan which set out that PBSA contribute to overall housing, a hinderance on the delivery of student housing is equally a hinderance on the delivery of housing as a whole. Notwithstanding this, a lack of student accommodation, and particularly affordable student accommodation, will place additional pressure

on family housing as students will be forced to occupy conventional dwellings. Increased delivery of PBSA in fact relieves pressure on family housing, which the Council itself notes is a typology highly needed across the borough;

4. Indeed, the requirement for affordable housing from purpose-built student accommodation is ultimately in direct conflict with national policy. The NPPF clearly states that exemptions to affordable housing should be applied where developments propose specialist accommodation, including purpose-built accommodation for students. It is notable that a similar diversion from national policy was proposed through policy 10 of the Draft Westminster City Plan 2019-2040 which sought to require affordable housing contributions from commercial development in the CAZ. Following the close of the examination, the Inspectors concluded that this policy was not justified, effective or consistent with national policy and instructed that it be removed in its entirety. Unite argue the same inconsistencies with national policy are clearly apparent in policy P5 of the proposed Southwark Plan and such a diversion from national policy has not been sufficiently justified, as evidence by points 1 to 3 detailed above.

Recommendation: Parts 2 and 3 of draft policy P5 should be updated to reflect the draft London Plan position. The requirement for conventional affordable housing is in clear conflict with regional policy and should be removed. Additionally, requirements for affordable student rent should be revised in accordance with the draft London Plan.

In addition, reason 5 of the supporting text to policy P5 goes on to address affordable housing requirements arising from co-living developments. It states:

“Development proposals for ‘co-living’ will be considered in the same way as direct let student accommodation and similarly trigger a requirement for self-contained affordable housing for 35% affordable housing. However, where this requirement can be exceeded additional affordable housing will be conventional affordable housing rather than affordable student rooms.”

Unite object to this on the following basis:

1. Co-living is a form of purpose-built shared living targeted largely at young professionals but available for all types of occupier. It is not a form of accommodation intended to be occupied by students alone. On this basis, co-living developments should not be assessed on the basis of draft policy P5 which applies specifically to PBSA;
2. The above is evidenced by the draft London Plan, whereby draft policy H16 of this plan sets out a series of policy requirements for co-living which are entirely separate from PBSA considerations;
3. In any case, the requirement for at least 35% affordable housing as part of co-living developments, which would be required by draft policy H5, is in fact in conflict with draft policy H16 of the London Plan. Draft policy H16 requires a contribution (payment in lieu) towards affordable housing equivalent to 35% of the co-living units – it does not require the delivery of 35% affordable housing.

Recommendation: Reason 5 of the justification for policy P5 should be removed. A separate policy should be added which applies to purpose built shared living (co-living), as per the draft London Plan. In addition, the requirement for at least 35% affordable housing should be revisited in the context of draft London Plan policy H16, which requires a contribution equivalent to this value only.

We trust this Hearing Statement will be considered for the Examination in Public. If you should have any questions in the meantime please do not hesitate to contact Bethan Hawkins on 07849 848236 or (bethan.hawkins@rokplanning.co.uk), or myself at this office.

Yours faithfully,



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