Medway Council

Understanding the Housing Requirements of Students in Medway

Report of Study Findings

8th June 2010

Opinion Research Services

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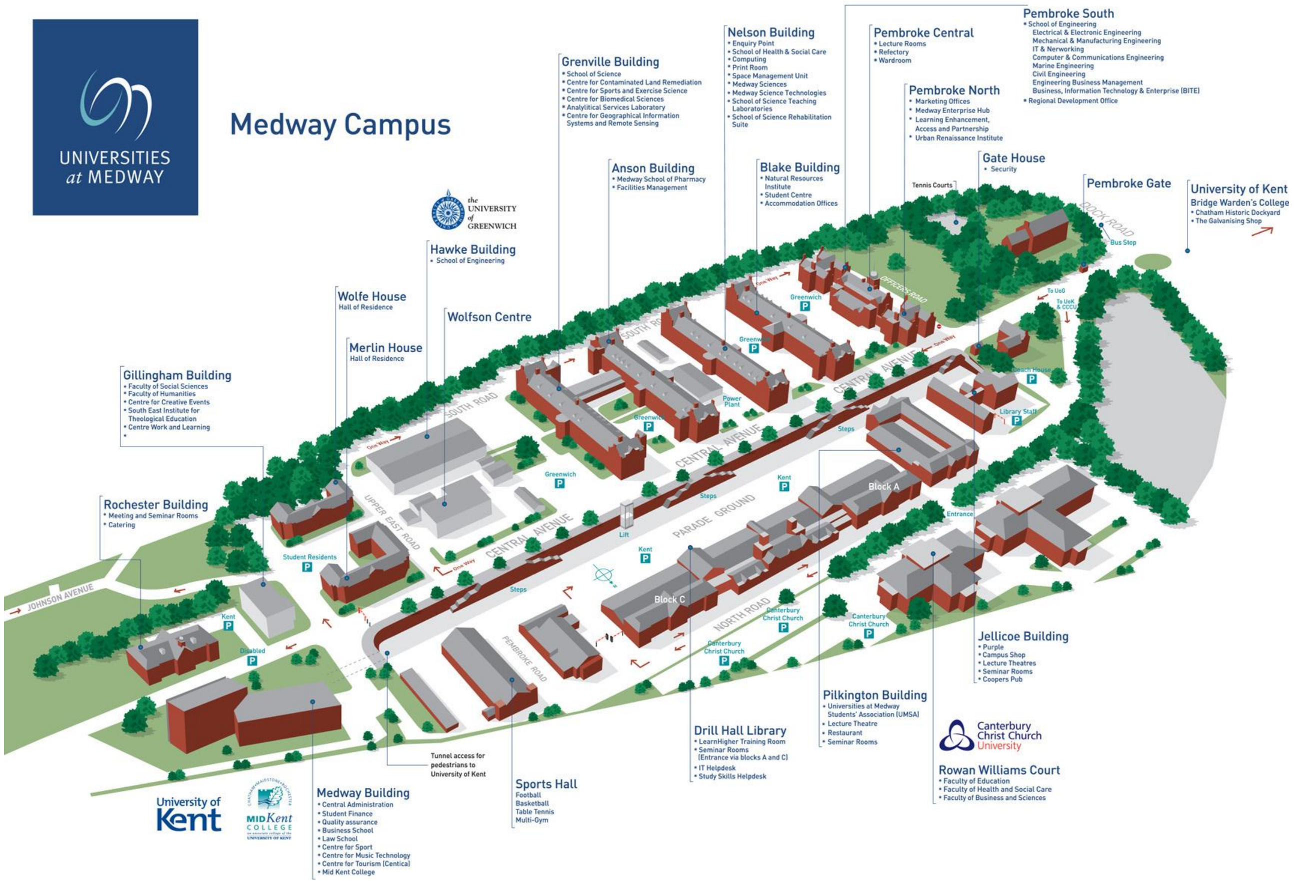
Introduction

1. Universities at Medway is a unique partnership which has brought together the University of Greenwich, the University of Kent, Canterbury Christ Church University and Mid-Kent College at a shared campus at Chatham Maritime. The £120 million scheme is the first of its kind in the country and aims to increase student numbers in Medway to more than 10,000 by 2012. In addition the University of Creative Arts is established in Rochester.



2. Medway's housing strategy states that:

> The provision of a new integrated university campus in Medway will quadruple existing student numbers to about 16,000 by 2016. Medway has a lower than average private rented sector and the influx of student needing accommodation will create further pressure on an already limited market. We will work with the universities and partners to address these issues
>
> *Abstract from Medway's housing strategy 2007-11*

3. Medway Council commissioned ORS Ltd to undertake research into the student market in parallel with the North Kent Strategic Housing Market Assessment (SHMA).

The study brief

4. Medway Council issued the following brief

- Establish the history and development of higher education in the Medway

- Understand the recent and future trajectory of student numbers (local/in-migrant students, ethnic origin)
- Examine the impact on the housing market
- Examine the impact on the neighbourhood economy
- Establish options for meeting future housing requirements of students

Methodology

5. The study was undertaken using a combination of desktop research involving secondary data and a literature review. In addition there were interviews with;

   - Local Authority housing, planning and environmental health officials
   - University officials
   - Estate and letting agents

The Literature review

Introduction

6. The rationale for this review stems from the fact that student accommodation is a niche market within the private rented sector. The private rented sector in Medway has limited capacity and therefore growth in one niche of the market will lead to reduced supply in other niche markets and the mainstream market for assured shorthold tenancies. It is economically advantageous for landlords to service the market for shared accommodation as they can charge per room and obtain higher rental yields than for letting dwellings to individual households especially if they are housing benefit claimants, subject to the Local Housing Allowance.

7. Since the student market is based upon private renting rather than social renting or home ownership our approach to the study is to consider student housing in the context of the private rented sector as a whole.

8. Note that some of the issues identified below have been raised with Council and University Officials to provide local context. To avoid repetition we have incorporated the local context to the issue.

9. This study is in the context of a remarkable achievement in establishing higher education in Medway. In 1997 the sector did not exist. Since then 10,000 student places have been established. This has had and will have in future a profound positive effect on the local economy, environment and image of the Medway towns.

The Rugg Report

10. The Private Rented Sector: its Contribution and Potential (Julie Rugg and David Rhodes Centre for Housing Policy, University of York 2008), (The Rugg Report) is widely accepted as the most recent and comprehensive study relating to the private rented sector. It makes numerous references to student housing in the context of the private rented sector. We have summarised the content of the Rugg report to focus on the issues most relevant to Medway and those that are capable of being evidenced using local data. Note that citations within the following summary are referenced to the Rugg Report unless stated otherwise.

The niche markets of the private rented sector

11. The private rented sector market mainly consists of assured shorthold tenancy lettings that meet demand from a diverse group households. However the private rented sector is complex, and perhaps best understood through its constituent niche markets;

- young professionals,
- the housing benefit market, where landlord and tenant behaviour is largely framed by housing benefit administration;
- temporary accommodation, financed through specific subsidy from the Department for Work and Pensions;
- students, whose needs are increasingly being met by larger, branded, institutional landlords;
- slum rentals at the very bottom of the PRS, where landlords accommodate often vulnerable households in extremely poor quality property;
- immigrants whose most immediate option is private renting;

12. The Rugg report highlights that aspects of the niche markets also fulfil a role in providing affordable housing to those unable to access social housing or intermediate affordable housing due to eligibility or supply shortages. This issue is returned to below when findings of the SHMA are considered.

The student housing sub-market

13. According to the 2001 Census, full-time students comprised 16 per cent of all people in households in the private rented sector across England (Rhodes, 2006). The comparable proportion in 2001 for Medway was 5 per cent. Of those people aged 16 to 24 living in households in the private rented sector in Medway, full-time students accounted for a quarter (25.2%). More recent exact figures are not available on student numbers and their accommodation. Estimates (for England and Wales) indicate that despite an increase in the proportion of students studying from home, 1.6m students had a 'residential demand' and, roughly, between 45 and 50 per cent of students were living in the private rented sector (Blakey, 2008).

14. The student sub-market constitutes a conspicuous component of the private rented sector and has been subject to substantial change in recent years. The number of individuals in full time education increased from about 1.4m to about 1.9m between 1995/96 and 2005/06. There are indications that more full-time students are studying from home, so reducing the need for them to live in separate accommodation. However, the number of overseas students has increased by 72 per cent, from 11 per cent to 14 per cent of all higher education students, and these will require some form of accommodation. Higher education institutions (HEIs) sometimes view themselves as having some responsibility in terms of being able to offer residential places to first-year and overseas students; other students study from home or find accommodation in the local private rented sector. Student presence in the private rented sector has been a notable feature of many university towns and cities. Education policy aimed at increasing student numbers has not been accompanied by any understanding of consequent housing outcomes, and it has been generally assumed that the private rented sector will expand accordingly.

15. Large-scale corporate student landlordism emerged in the early 1990s and has developed rapidly. In 2007, Savills Research concluded that student housing constituted a substantial asset class, worth

£6.6bn; between them, the top ten providers of commercial halls of residence had over 100,000 bedspaces.

16. The stereotype of student rental housing has been shared houses, not always in the best condition, or institutional halls of residence. The commercial sector has largely transformed the student housing experience, offering 'luxury' blocks with en suite facilities, broadband internet connections and gym facilities.

17. Thus a new student housing 'product' has been developed, and a new kind of student landlord has emerged. Student housing is becoming very big business, but it remains to be seen how far this development serves the interests of students seeking to minimise their accommodation costs and so reduce the level of indebtedness on graduation. Where the PRS is generating new property, the property tends to be in sub-markets where high density build is appropriate. For example in the student sub-market, institutional investments are bringing new bedspaces through the building of large private sector halls of residence.

18. It has been estimated that, between 2005 and 2008, bedspaces in this kind of provision increased by a total of 32,382 units (King Sturge, 2008). Not all these units will have been new-build. In some instances, the landlords will have acquired and redeveloped existing halls of residence in agreement with the relevant HEI. Nevertheless, King Sturge notes the accelerating trend of developer-operators that concentrate on the purchase and developments of sites and often offer strongly branded premium accommodation (King Sturge, 2008). The question of the availability of suitable sites for future development was raised with Medway Council Officials. Officials confirmed that further suitable sites were potentially available.

The impact of student housing

19. It has long been the case that housing in the vicinity of HEIs has been absorbed by the private rented sector in shared lettings to students. Policy objectives to increase student numbers has intensified the concentration of students in some neighbourhoods. Some commentators believe that student renting alters the characteristics of particular areas:

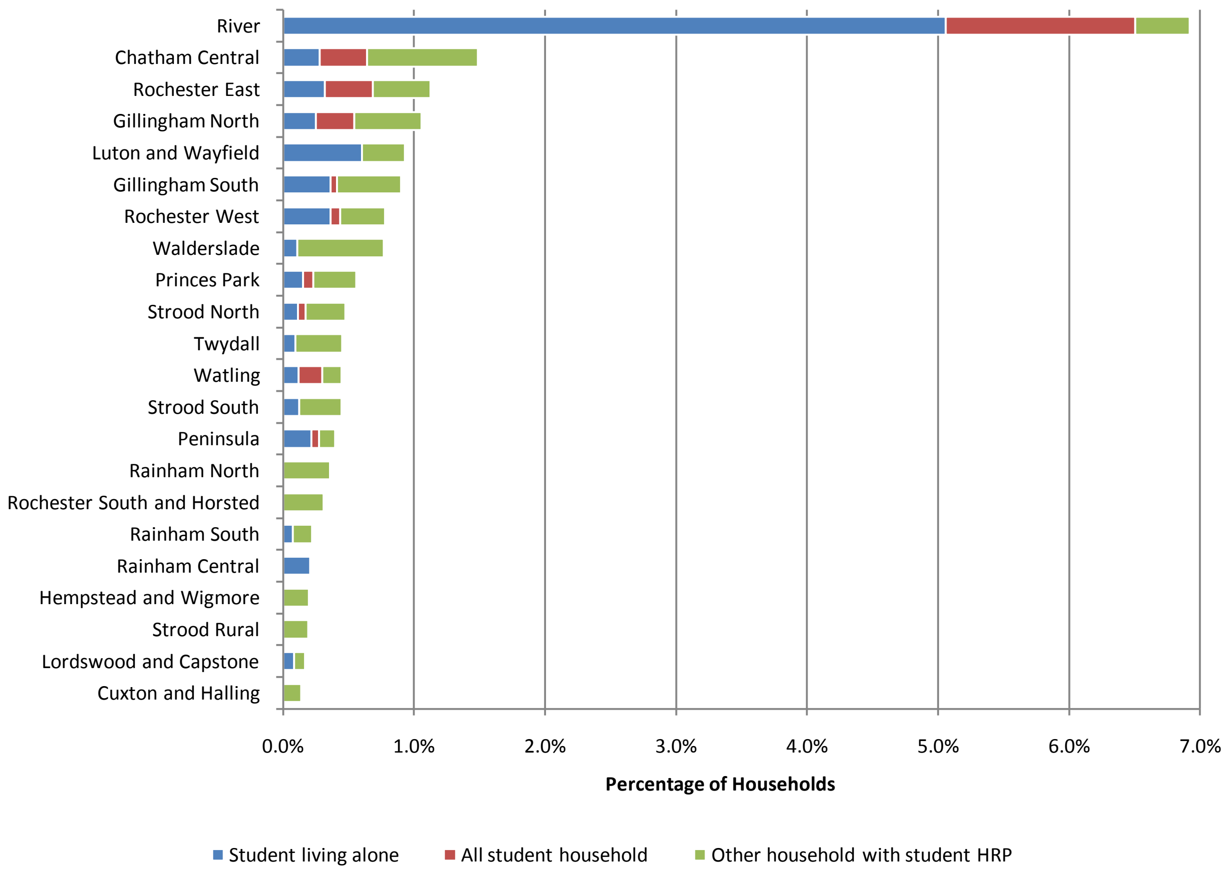
- poor management of the shared property means that external areas become unkempt, with litter and discarded larger items;
- burglary rates increase since student houses are likely to contain valuable portable electrical items such as laptop computers;
- pressure on space for car parking increases;
- the population mix affects local amenities, which become more closely aligned to the needs of the student population;
- demand for housing from landlords for student lettings 'prices out' owner occupiers;
- and in student areas, neighbourhoods are empty in the summer and over-busy during term periods.

20. In some places, student numbers comprise a substantial addition to the long-term resident population.

21. There are around 8,000 English wards, and the 2001 census data indicated that 59 wards had student densities where a student household reference person (HRP) comprised ten per cent or more of all HRPs in all tenures: it could be judged, therefore, that student concentration is an issue in 0.7 per cent

of wards in England. If a lower percentage is applied of, say, five per cent or more of all HRPs in all tenures being students, then 165 wards fitted that category, which is 2.1 per cent of all English wards. At the time of the 2001 Census, only one ward in Medway had five per cent of more of all HRPs in all tenures being students. This ward was River, where 6.9% of households were students – 5.1% being students living alone, 1.4% being all student households and 0.4% being other households where the HRP was a full-time student.

Figure 1 Students by household type within Medway wards (Source: UK Census of Population 2001)



22. Full-time student numbers have increased but there has also been an increase since that time in bedspaces in private sector halls of residence, which will have reduced student reliance on more traditional terraced HMOs. This kind of problem can evidently be felt very acutely at street by street or neighbourhood level, but is thought not to be a widespread issue.

23. Lobbyists consider that the most effective measure for dealing with intensive concentrations of shared student housing is to change planning regulations with regard to the Use Classes Order. This change would mean that HMOs would be assigned a distinctive use class, so the planning authority could impose tighter controls on HMO numbers. Medway council officials did not perceive the need for this at this time.

24. The three most commonly voiced issues are the anti-social behaviour of students; inflationary pressures on the local housing market as landlords compete for properties to serve the student market; and wider community impacts.

25. With regard to anti-social behaviour, shared student houses are considered to be poorly controlled in terms of noise pollution and litter at front entrances and in gardens or yards. It is clear that the

anti-social behaviour of some students can cause substantial distress to their neighbours, and there is a sense in some communities that powers are simply unavailable to deal with the problem. It is worth considering whether this problem is indeed a housing problem or a policing issue. However, there is a general understanding that student behaviour – however threatening, damaging or disruptive – should stand outside the law.

26. It could be argued that many of the 'environmental' anti-social behaviour problems appear to stem from local authority's failure to manage the outcomes of intensive property habitation. Shared properties generate more rubbish and student houses have markedly more items to dispose of, particularly at the beginning and end of term times, as a large number students move into or out of property all within a matter of days. Noise nuisance is again an environmental health issue and should be dealt with through the normal frameworks of controlling environmental nuisance. There is no reason why student housing should be regarded as standing outside these regulatory frameworks, although some universities are contributing to the policing task: for example, Canterbury Christ Church University joint funds a police community support officer post for the area around its campus (Canterbury City Council, 2006).

27. Finally, there are arguments that intensive student settlement brings change to the nature of the local community. Perhaps the most problematic issue here is the pace of change. In some locations, student populations have increased rapidly, which has driven a rush to broaden the PRS in locations close to the HEI concerned over a relatively short period.

28. Research on the student housing market published in 2000 found that between 1989 and 1999, the number of students living in the private rented sector doubled (Rugg et al., 2000). The level to which this change is deemed problematic depends on the attitude of the 'host' community to in-migration. In many locations, this change has taken place and has not been regarded as problematic.

29. The last few years have seen the development of more localised responses to the intensive student settlement, including the definition of Areas of Student Housing Restraint. This policy establishes a boundary within which any development likely to increase student numbers would be refused planning permission. These are highly artificial interventions in the operation of the local housing market and underline prejudice against student households, which this kind of policy deems innately problematic. Medway council officials did not perceive the need for this measure at this time.

<u>The quality of student housing in the private rented sector</u>

30. Poor quality multi occupied housing can present health and safety risks to students and indeed any other group of occupants. Aside from fire risk and risk of fumes from heating appliances there are the normal concerns over decency and energy efficiency.

31. Student housing is note exempt from legislation concerning HMO licensing however universities are becoming more proactive in enabling their students to have access to accommodation that meets minimum standards.

32. At the present time, accreditation schemes do not have sufficient penetration to guarantee market advantage to landlords, but there is evidence of scheme potential. The student housing market is one area where accreditation has covered a substantial proportion of a local niche market, and in doing so has improved management and property standards in the area. Medway Council operates a scheme. The scope of the scheme is all dwellings in the private rented sector not just those occupied by

students. The lead page of Medway Council's website is appended to this report for further information.

Medway's Housing strategy

33. In relation to Medway's private sector stock the strategy aims to target poor conditions in private housing and their occupants. It concentrates on improving the personal circumstances of residents, particularly vulnerable people, improving the condition and management of their homes and the surrounding environment. It will be achieved by pursuing sustainable initiatives and solutions and in partnership with a range of agencies. Action will range from advice and assistance to use of enforcement powers where necessary. The detail is set out in the Private Sector Housing Strategy 2008-11.

34. In order to strengthen the private sector renewal programme Medway Council is working in partnership with 7 neighbouring district councils to increase the level of investment in improving housing conditions. The Partnership has successfully attracted £9.73m of funding of which Medway will receive £2.48m over 3 years.

35. There are specific policies with respect to student housing Medway Council plans to work with the universities to develop an accreditation scheme to ensure good standards of accommodation and management are maintained and the impact on local communities managed.

Target areas for intervention

36. In line with good practice and building upon experience of successfully targeting resources priority, areas for private sector renewal activity have been identified using a range of data sources. This approach complements the council's social regeneration strategy which identifies target areas for more widespread action.

37. Agreed priority areas for private sector intervention are:

- All Saints Neighbourhood Renewal Initiative, Chatham;
- Marlborough Rd/ North Gillingham;

38. These areas have a high incidence of priority indicators and are considered as suitable for the development of targeted initiatives and interventions that will bring about improvements in housing conditions and management.

Medway's Private Sector Housing Renewal Strategy

39. Medway's Private Sector Housing Strategy 2008 – 2011 is the first dedicated strategy of this nature for the Medway Area.

40. The strategy notes the planned growth of Universities Medway. It anticipates that students are expected to compete directly with those in low incomes in the private rented sector. Medway has a lower than average private rented sector and the influx of students needing affordable accommodation will create further pressure on the market.

41. The strategy states that Medway Council will work with the Universities Medway's partners to address the issues raised.

Information from Published Reports

Information from the stock condition survey

42. A household survey was undertaken in 2006 and the report was published in 2008. The report provides information that is more up to date than the census and contains useful information about the condition of the stock at a sub area level.

43. Of particular interest to this study are the 3 wards in Gillingham that are close to the campus;

- Gillingham North (6,043 households)
- Gillingham South (6,093 households)
- Watling (3,362 households)

44. In this area

- 78% of the stock is pre World War 2 compared to the average for Medway of 35%
- 60% of the stock was built before 1919 compared to the average for Medway of 22%
- 75% of the stock is end or mid terraced compared to the average for Medway of 37%
- 6.3% of the stock is a converted flat compared to the average for Medway of 2.4%
- 18.1% of the stock was in the private rented sector compared to the average for Medway of 8.2%

Information from the SHMA

45. The SHMA provides a profile of Medway's housing stock and estimated the future housing requirements needed to 2026. It is an important evidence base and in addition it helps readers to understand the dynamics of the whole housing market and how factors such as future supply and future requirements as yet unmet are sensitive to factors such as price.

46. Firstly it is helpful to establish the size of the private rented sector in relation to other tenures. Information from the census is presented in terms of number of dwellings and the proportion of the dwelling stock.

Figure 2 **Number of dwellings in each tenure** (Source: UK Census of Population 2001)

	Owner occupied	Social Rent	Private Rent	Total
England and Wales	14,054,122	3,940,728	2,456,577	20,451,427
North Kent	311,450	48,299	34,011	393,760
Medway	142,845	19,033	15,826	177,704

Figure 3 **Proportion of dwelling stock by tenure** (Source: UK Census of Population 2001)

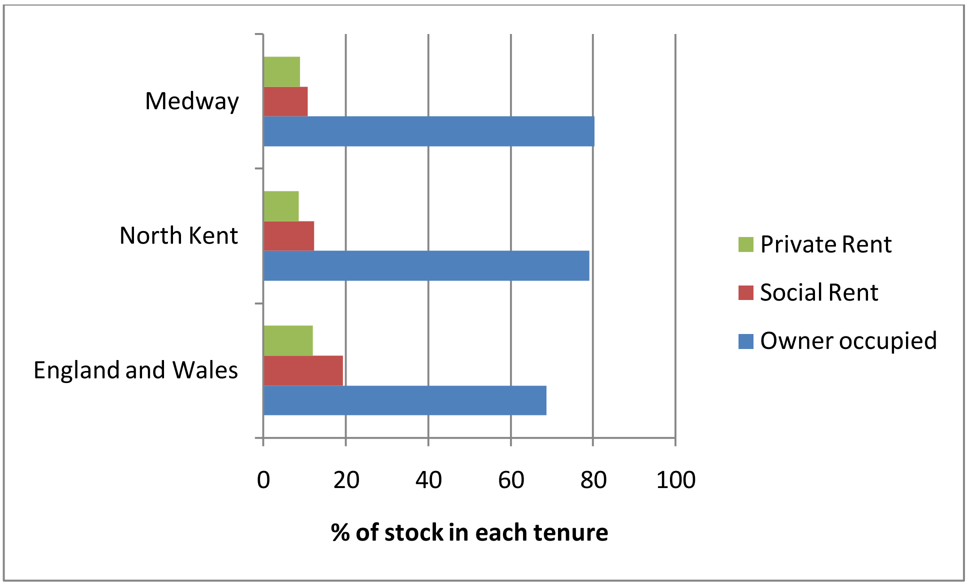


Figure 4 **Data table: Proportion of dwelling stock by tenure** (Source: UK Census of Population 2001

	Owner occupied	Social Rent	Private Rent
England and Wales	69	19	12
North Kent	79	12	9
Medway	80	11	9

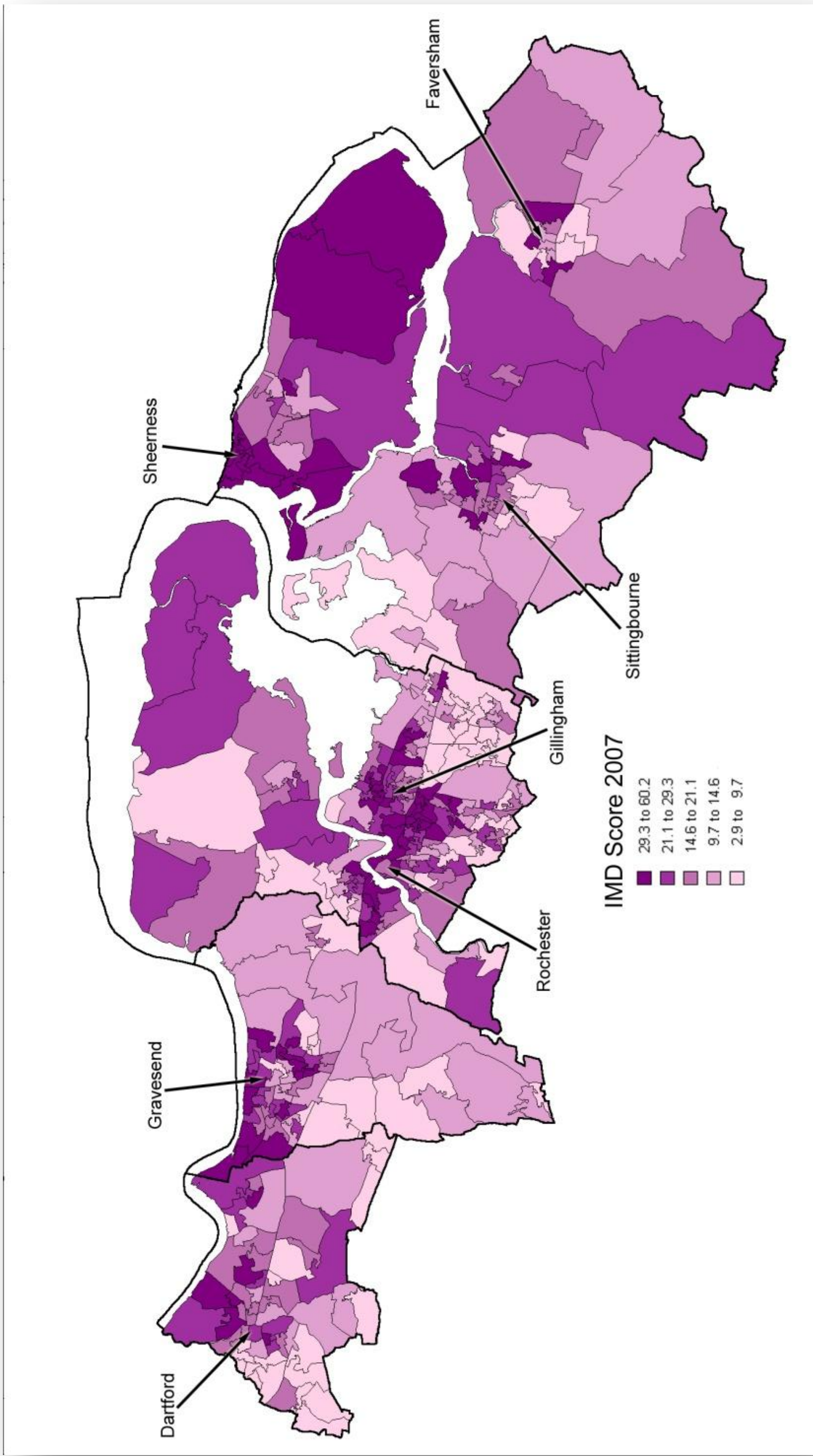
47. Figures 3 and 4 demonstrate that a relatively small proportion of Medway's dwelling stock is in the private rented sector compare to England and Wales. It consists of around 15,000 dwellings but this number is expected to have grown when data from the next census is published.

Mapping Unsuitable Housing

48. The SHMA shows the relative concentrations deprivation and unsuitable housing. This provides further information about the characteristics of some of the areas identified in this report as having high concentrations of private rented housing and or students. It is apparent that areas with high student housing populations also have multiple problems associated with deprivation and unsuitable housing.

Figure 5
Modelled Unsuitably Housed by Output Area (Source: ORS Unsuitably Housed Model, North Kent SHMA 2009)

Figure 6
Index of Multiple Deprivation for 2007 (Source: CLG. Note: Data shown at lower-level Super COA. Higher levels of deprivation shown in darker shading)



Future Housing Requirements

49. The SHMA estimates the housing requirement to be an additional 15,803 dwellings will be required in Medway between 2008 and 2026. To arrive at this estimate and in order to break down the requirement into market and affordable housing requirements a number of assumptions have been made that are fully explained in the SHMA report. These assumptions are mostly to do with future price and affordability trends. They are grouped into scenarios within the SHMA report and the estimate quoted here is believed to be the most realistic scenario. There are a number of points surrounding the estimate of future requirements that need to be understood in order that the conclusions of this report can be fully understood;

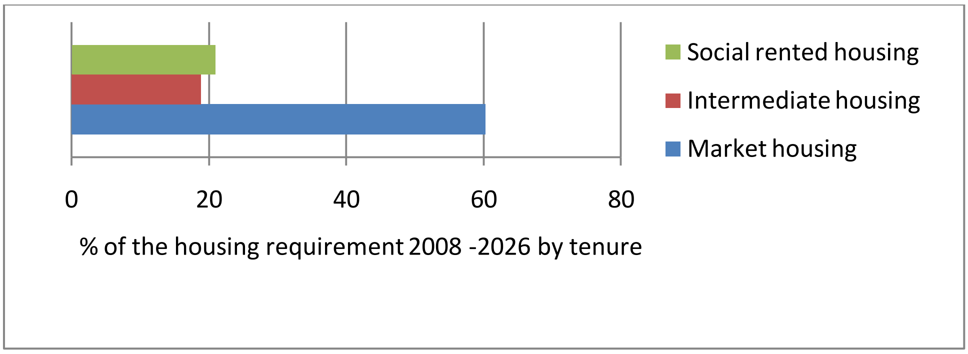
- 15,803 is the number of additional dwellings needed to restore the balance between dwellings and households as at the reference point of the last census taking into account demographic and socio-economic trends that are assumed to apply between 2008 and 2026. It is not an absolute estimate of need or demand for housing. It estimates net requirements taking account of changes in households (and their characteristics) minus the likely supply of suitable housing from all sources affordable to those households. The supply issue is crucial to this paper;
- As is identified in the Rugg report (and supported by the National Housing Planning Advice Unit) the supply of affordable housing consists of dedicated products such as social rented housing and the contribution made from the private rented sector where households receive housing benefit support or otherwise occupy the cheapest housing assumed to be lower quartile rents. The latter is assumed to meet part of the gross requirement for intermediate affordable housing
- The future requirement can be achieved through any combination of new build or existing dwelling conversion;
- In accordance with PPS3 the term market housing does not distinguish between private rented or owner occupied housing. However within the term affordable housing social rented housing and intermediate affordable housing is distinguished and separate requirements are estimated

50. It is apparent that any change affecting the housing market other than the assumed trends will change the balance of requirements within the whole housing market. The action of private rented sector landlords in responding to demand from the student market may have consequences for the whole housing market and the future housing requirement. If they let a dwelling previously let on the open market to a non market tenant (some of the niche groups identified in the Rugg Report) this will alter the balance within the whole housing market as the dwelling would not be regarded as part of the market supply. The point being that if there is a significant increase in the number of student households living in the private rented sector then the supply of open market or niche market rented housing would reduce.

51. The following figures are taken from the SHMA report. Some have been adapted to ensure that they are easily reconciled to the aims of this study.

Figure 7

Chart of the SHMA estimate of the Total Housing Requirement by Tenure 2008-2026 (Source: North Kent SHMA 2009) (Note: based upon assumptions described as scenario 4 within the SHMA report)



52. The SHMA also estimates the size mix of the future housing requirement by tenure. Note that around half of the future requirement is for 3 bedroom homes or larger.

Figure 8

Size Mix of Housing Requirement 2008 to 2026 for intermediate affordable housing for Medway (Source: North Kent SHMA 2009)

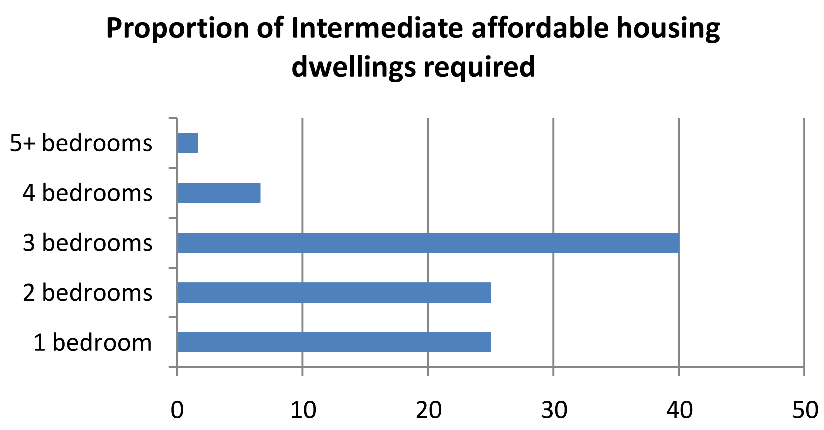
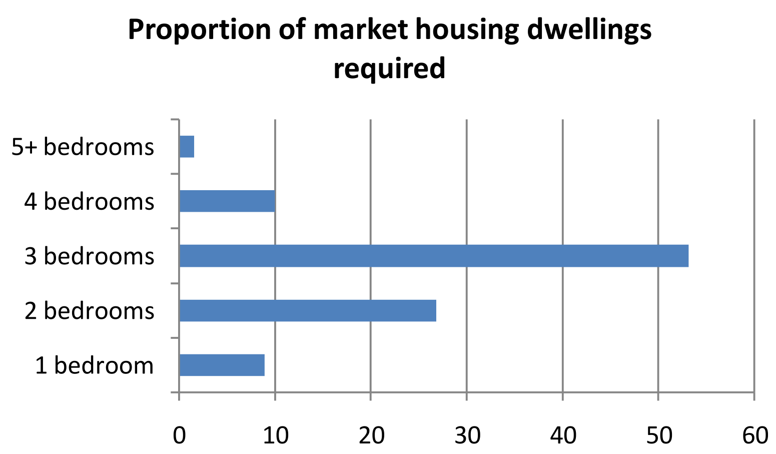


Figure 9

Size Mix of Housing Requirement to 2008 to 2026 for market housing for Medway (Source: North Kent SHMA 2009)



53. Three bedroom homes or larger are attractive to landlords who aim to let to the multi-occupancy market. The impact of landlords letting a greater proportion of the stock has already been explained at the start of this section, but here we note that the housing requirement for larger dwellings will mb affected.

54. We also note that much of the existing dwelling stock in areas local to the universities is family sized terraced housing. If a larger proportion of the stock is used as student housing (or any other niche group requiring cheap multi-occupied housing) the housing requirement estimated by the SHMA will need to be revised.

Profiling the student population of Medway

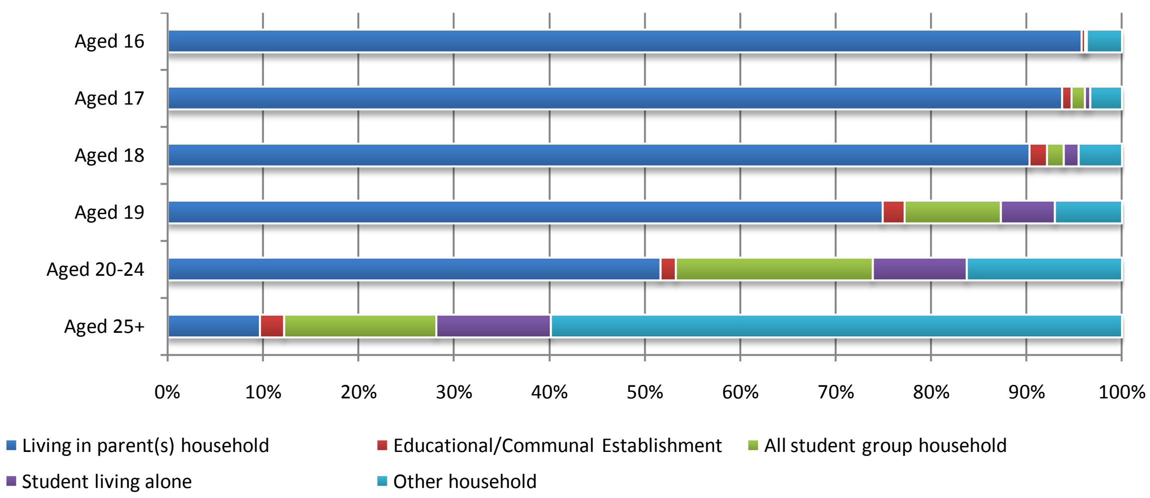
Introduction

55. Government guidance on local housing planning policy - Planning Policy Statement 3 (Housing)(CLG 2004) (PPS3) recognises that students are a distinct group who are likely to have their own housing requirements. Student housing can be related to the age of the student.

56. The 2001 Census identified a total of 9,850 full-time students aged 16 or over resident in Medway. 5,280 were aged 16 or 17, which would typically include sixth form students and those in further education colleges and not studying at Higher Education Institutions. Of the remaining 4,560 students, almost a quarter (23.4%) were aged 25 or over. Only 3,490 full-time students were aged 18-24. Of all of the full-time students aged 16 or over, 4,050 were economically active with the remaining 5,800 being economically inactive.

57. When considering the housing circumstances of full-time students at the time of the 2001 Census, the significant majority were living in their parent(s) household – 77.7% of all students aged 16 or over (7,650 students) and 72.5% of those students aged 18 to 24 (2,630 students).

Figure 10
Student Housing Circumstances by Age (Source: 2001 Census of Population)



58. Students are a diverse group and their housing circumstances vary considerably by age. The majority of those aged 16, 17 and 18 were living with their parents (96% and 94% and 90% respectively). The highest proportion of those living in all student group households were aged 20-24, but living with parents still formed the majority (52%) for this group, while 75% of students aged 19 lived in the

parental home and 10% lived in all student households. Students aged over 25 are most likely to be living in another type of household, i.e. with a partner with or without children or with other adults.

59. A total of 332 students in Medway were recorded as living alone. A further 578 students were living in all-student households, of which there were 116 households recorded – so there was an average of 4.98 students in each household where groups of students were living together. When considering all student-only households (including students living alone), the average household size was 2.03 students.

60. The Census recorded a total of 1,158 students living in "other" households (i.e. not living with their parents, living alone, or living in an all-student household). Of these, more than half (55.1%) were aged 25 or over – equivalent to 638 students.

61. Very few students lived in communal establishments in Medway at the time of the Census (either educational establishments or other communal establishments), with only 124 residents recorded.

62. All of Medway's universities have other campuses situated outside of Medway and therefore data relating to student numbers for these institutions will not reflect a true picture of the number of students in Medway.

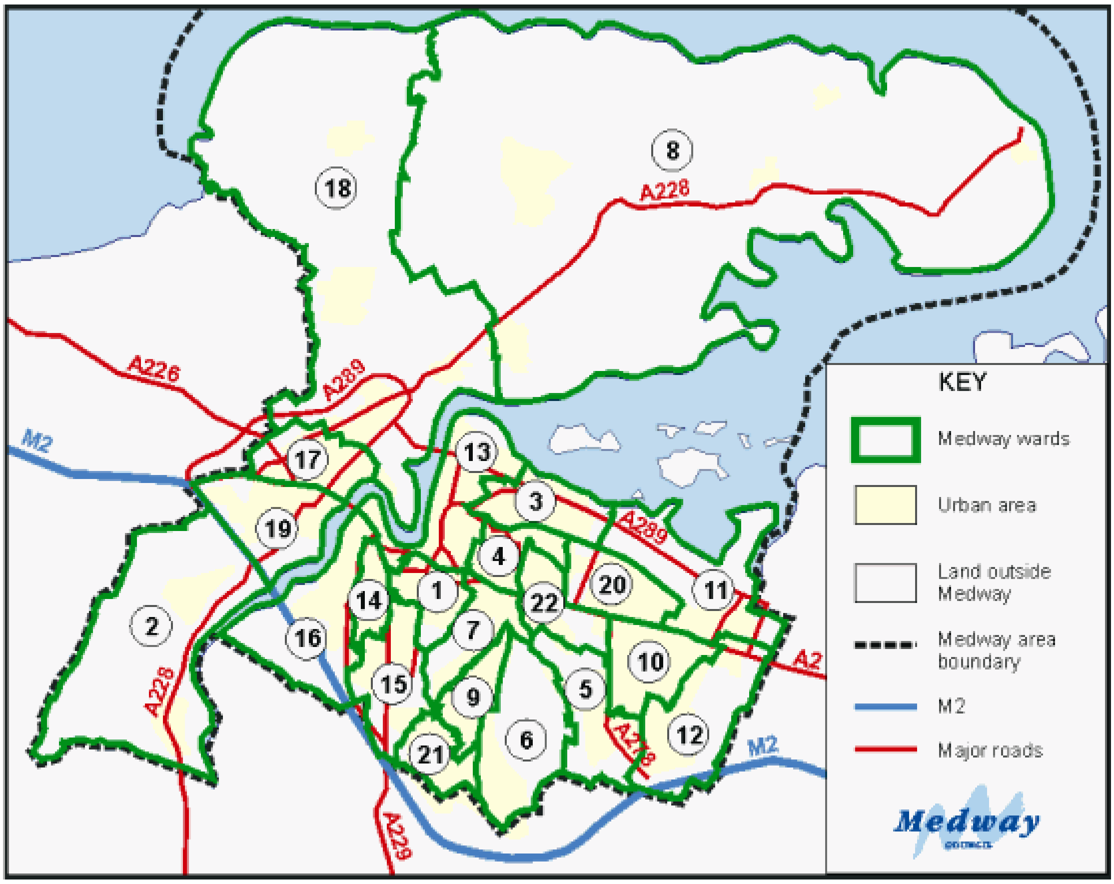
63. However, Council tax exemption data lists 523 properties as occupied only by students. Of these, 144 are listed as being part of a student hall of residence or are otherwise owned by the HEI and are not regarded here as being part of the private rented sector. The remaining 379 are all student households. Of course it should be remembered that, as shown above, many students living in the area do not live in all student households and many live with parents or other non-students.

64. We have analysed the location of the 379 student households by ward. Using information supplied by the Private Sector Manager of Medway Council we have also analysed their list of non registerable Houses in Multiple Occupation (HMO) by ward. Although these are not necessarily occupied by student households they add to the information obtained from the 2006 stock survey. The identity of wards is also provided below.

Figure 11
Comparison of main residential location of students, non registerable HMOs and student council tax exempt dwellings (Source: 2001 Census of Population, 2010 Medway Council management information and 2009 Council Tax Register)

Ward	Map ref	Non registered HMOs	Student Council Tax exempt dwellings (not owned by an HEI)	Census 2001: Number of all-student households
Chatham Central	1	40	-	39
Gillingham North	3	53	106	33
Gillingham South	4	26	49	25
Watling	22	4	3	10
River	13	45	156	189
Luton and Wayfield	7	9	23	35
Rochester East	14	17	11	28
Strood South	19	11	11	7
Others		11	20	85
Total count		**216**	**379**	**451**

Figure 12
Key to Medway Electoral Wards (Medway Council website)



65. With the exception of Strood South and Rochester East it is apparent that both HMO and student dwelling exempt from council tax other than Halls of residence exempt are clustered around the Universities Medway site in the north/central part of Medway District. Around 40% of each classification for Medway District is found in the 3 wards of Gillingham North, Gillingham South and Watling. The growth of the student population since the census in certain wards other than River Ward can be inferred if student council tax exempt dwellings are assumed to be occupied by several students even if students living in other households are ignored

Information from the universities

66. The following information has been obtained from the universities. We were unable to collect the information in a consistent way so the presentation of data varies between universities. The information is summarised and analysed in a later section of the report.

Greenwich University Medway Campus

67. The university provided the following information about full time student numbers.

Figure 13
Full time students at studying at Greenwich university Medway campus (Source: Greenwich university 2010)

Course	Number of Students	Of which are overseas students
Foundation	120	(-)
Undergraduate	1,838	444
Post Grad (taught)	1,031	987
PHD	141	81
Total	**3,130**	**1,512**

68. The university has been highly successful at recruiting from Indian subcontinent and is now thinking of targeting China.

69. All first year students are offered accommodation but there are only 350 places on Medway campus. Others are bussed in from the campus at Avery Hill Eltham, (London SE9) where there is an oversupply of student accommodation (1,200 bedspaces).

70. About 55% of UK students commute as it is cheaper to live at home and study. Greenwich is considered to be a local university. About 35% of students commute to Medway from London. 800 bussed in from Greenwich by means of a well used subsidised bus service. A high proportion of UK students live at home and high numbers of overseas students live in London with family. Many are working part time in family businesses.

Canterbury Christchurch University Medway campus

71. The Medway campus has about 1,500 students. These are mostly teaching and nursing students. They are mainly mature students (with families) and most commute from areas within North Kent, and beyond mostly by car. Most funding for Medway is via bursaries from through the NHS.

72. The university has limited student accommodation amounting to 26 rooms in Cherry Tree House. This is occupied mainly by first year students who are guaranteed a place if they live beyond 25 miles from campus and for a small number of international postgraduates. This accommodation is considered to be adequate for current needs. The lease is coming to an end at the end of this academic year (2009/10) and the university is planning to take 50 rooms in the newly completed Liberty Living scheme.

The University of Kent

73. The university provided the following information about full time student numbers.

Figure 14
Full time students at studying at the University of Kent Medway campus (Source: University of Kent 2010)

Course	Year	Number of full time students
Undergraduates:	1	700
	2	470
	3	400
Postgraduate		25
Total		**1,595**

74. The policy of the university is for all first year students to be offered university accommodation. The campus used to be mainly for local students but the proportion has declined with increasing accommodation provision being necessary. The university does not know how many students live in their parent(s) households and commute. However, the university is aware that the number commuting from London is on the increase.

75. The university is increasingly drawing in students from further both national and international students.

76. Dedicated student accommodation is provided in Liberty Quays. Known as Liberty Living it provides 582 rooms. It came on stream in this academic year and is full. The Liberty Quays development has its own social area, launderette, Tesco Express store, Subway and Domino Pizza food outlets.

The University of Creative Arts (UCA)

77. Figure 15 shows the current student population of the UCA at its Rochester campus, split by type of student and living arrangements. It can be seen that the majority of further education (FE) students live at their parental home, while the majority of undergraduate students are either living in halls of residence or in private rented accommodation. There are 215 hall places at Rochester and therefore it can be estimated that approximately 438 students are living in student households in the private rented sector.

Figure 15
Number of Students Attending University of Creative Arts (UCA) Rochester Campus by type of student and living arrangements. (Source: University of creative Arts)

	Total Population	International students	Living at home	Living in halls/private accommodation
Further Education	342	7	324	18
Undergraduate – 1st year students	454	45	195	259
Undergraduate – not 1st year students	601	78	254	347
Post Graduate	48	27	19	29
Total Student population	**1,445**	**157**	**792**	**653**

Summary of student numbers studying in Medway based universities

78. We have summarised the above information on full time student numbers as follows.

Figure 16

Number of full time students by type and institution. (Source: Medway Universities)

	Greenwich university	Canterbury Christchurch	University of Kent	UCA	TOTAL
Further Education	-	-	-	342	342
Foundation	120	-	-	-	120
Undergraduate – 1st year students	1,838	-	700	454	1,962
Undergraduate – not 1st year students		-	870	601	2,501
Post Graduate	1,172	-	25	48	1,245
Mature	-	1,500	-	-	1,500
Total Student population	**3,130**	**1,500**	**1,595**	**1,445**	**7,670**

Summary of dedicated student housing supply (non private rented sector)

79. Summarising the detail above;

- Greenwich University Medway Campus: 350 bedspaces (plus 1,200 bedspaces at Avery Hill Eltham Campus – 800 occupied by students bussed to the Medway campus)
- Canterbury Christchurch University Medway campus: 26 bedspaces
- The University of Kent: 582 bedspaces at Liberty Quays
- The University of Creative Arts: 215 bedspaces at Rochester
- **TOTAL = 1,173 bedspaces in Medway**

80. Therefore assuming 800 Medway students are housed at Avery Hill there is estimated to be a total of 1,973 students that live in communal housing provided by the universities specialist companies. This closely correlates to the number of 1st year students but some first year students live in the parental home and the number is likely to be made up by foreign students.

Estimate of Students in Rented Housing

81. Summarising the demand side;

- Greenwich University Medway Campus: 3,130 students, of which around 890 are UK students living in their parent(s) household or at another permanent address. There are 1,512 students from overseas, a high number of which live with family in London. Assuming that a further 1,150 are in halls (350 in Medway + 800 in Avery Hill) there is local housing demand of around 700-800 students;
- Canterbury Christchurch University Medway campus: almost all students are mature and commute locally. 26 bedspaces are provided for first year students living more than 25 miles from campus – so local housing demand is created from up to 50 second and third year students (assuming three-year courses);
- The University of Kent: all first year students are offered bedspaces. Of the remaining 895 students, many will live with parents and there is increased commuting from London. There may be local housing demand from around 300-350 students;
- The University of Creative Arts: There is local housing demand from an estimated 400-450 students;

- **TOTAL LOCAL HOUSING DEMAND = 1,450-1,650 students**

82. Summarising the supply side;

- currently there are 379 all student properties exempt from Council Tax compared to 451 all-student households at the time of the 2001 Census if we exclude any HEI owned dwelling from the council tax register exemption list;.
- the number of students occupying each student properties is unknown. At the lower end of an estimated average occupancy range, say 3 per dwelling, numbers are slightly in excess of those recorded by the census 2001 at around 900 students. If the average is at the higher end of the range say 4 per household then numbers approximate to the demand total estimated above
- if the HEI owned properties are counted, then the number of student only dwellings becomes 523 ; an increase of 72 households;

Conclusion: Best estimate of the current student population resident in the private rented sector

83. It is very difficult to estimate the current student population resident in the private rented sector in Medway. This is because;

- the information is not systematically collected;
- other student households may choose to live in Medway but commute to other universities e.g. in Canterbury.

The future student population

84. As noted previously Universities Medway has been created and expects to achieve a critical mass of around 16,000 students by 2016. Further the University of Creative Arts (UCA) has announced an intention to create a new Kent campus in Medway, which would eventually replace the existing three Kent campuses including the one currently located in Rochester.

85. In this section we present the information provided by the universities regarding future student numbers.

<u>The University of Creative Arts (UCA)</u>

86. It is expected that the areas in which UCA intend to increase student numbers are areas where students are more likely to live in halls of residence, i.e. international students. Although no official figures are currently available it is expected that UCA will need to provide around 500-750 additional bedspaces.

<u>Greenwich University Medway Campus</u>

87. As mentioned above many international students choose London and the university is the only one offering a set of niche courses in SE London. Many students attend from the Indian subcontinent who choose to live in within their community in London. Marine Engineering is a new addition which is getting interest from across the UK.

88. The university does not otherwise have a large pull on students outside of the geographical reach. Its policy is to pursue slow expansion in niche programmes. Nevertheless their halls have been full for the last 2 years.

89. Its view is that it would be risky to develop more hall accommodation in Medway in the event of a change in government policy such as lifting cap on fees or a move toward part time courses aimed at working students. This is likely to mean that more students will choose to study from home. However the failure to build more hall accommodation may increase demand for and pressure on existing accommodation and the private rented sector.

90. The university applied for planning permission two years ago for 250 bedspaces and were allowed to develop 150. It considers that there is insufficient hall accommodation for existing need. However if more international students study at Medway some might look at commuting cost and choose to move nearer.

91. The university believes that private accommodation for rent is mainly in lower cost areas Gillingham and Luton and that private accommodation at the moment is relatively plentiful and cheap.

<u>The University of Kent</u>

92. The university expects the number of full time postgraduates to increase to 140 by 2020. This will be an equal mix of domestic and international students. The number of undergraduates is expected to grow between 2008/09 and 2014/15 by another 1000. The Funding Council has made this site a priority.

93. It is thought that growth in student numbers will be harder to come by owing to Government Policy. For example an increase in fees will have impact on numbers choosing to become students in the future especially if graduate jobs are on the decrease.

94. The university does not know how many students live at home and commute. However, they are aware that the number commuting from London is on the increase.

95. The university is looking at the accommodation issue carefully. It believes that a key problem is that the private rented sector is not well developed for the student market. Students find it difficult to find housing in the private rented market. The main area for private rented accommodation is located no more than 15 minutes from campus in the town.

96. Local Council is very positive and highly supportive of the university and the economic benefits it brings however. There are conflicts with local community which is why they aim to contain as many students on campus as possible.

97. Interviews with Council officials conducted by ORS leads to the conclusion that such conflicts as may have occurred are not widespread.

<u>Canterbury Christchurch University Medway campus</u>

- Canterbury is keen to develop more accommodation so that can attract more students from further afield including international postgraduate students. It is envisaged that this will increase its appeal and competitiveness –
- The university is aware that there is some private rented accommodation likely to be available locally but is concerned that it is of low quality.
- It finds that the Local Planning Authority and the local community is generally supportive of students.
- The university identifies the following threats to its plans for growth:

- Cuts in University numbers – however, Canterbury is OK in this round and would generally like to grow student numbers – funding is mainly from NHS.
- Government policy impacts on number of teachers and nurses required.

Conclusion: Estimated growth in the future student population likely to live in the private rented sector.

98. The estimate is based upon a number of assumptions based upon current practice of students and the universities;

- the planned growth of the Universities Medway campus to 16,000 students is understood to include part time students and an is felt to be a reasonable starting point for an estimate of impact on the private rented sector;
- the relocation of UCA is an unknown at this time and is not considered further;
- Canterbury Christchurch University growth is not considered further as is unlikely to be based in the private rented sector.

99. We believe the best estimate is to be achieved based upon the growth scenario of 1,000 full time students planned by the University of Kent. If 25% are assumed to be first year students living in Halls and half of the remainder plus the half of the 140 post graduate students choose to live in council tax exempt student housing in the private rented sector, on this basis approximately 400 additional students may choose to live in the private rented sector.

100. It is likely that a minimum of 100 further dwellings will become council tax exempt student households based upon an average occupancy of 4 students per household

Overall Conclusions

101. There appears to be sufficient land capacity close to the universities to develop additional halls of residence to keep pace with any growth in first year students.

102. Research demonstrates that student accommodation other than halls of residence relies upon a market response from private landlords.

103. Estimates demonstrate that growth in the number of full time students in Medway is likely to result in increased demand which will fall disproportionally on a small number of wards surrounding the universities

104. This is significant for housing policy because of relatively small size of Medway's private rented sector and the multitude of niche markets it serves. Specifically growth in the use of cheaper private rented sector housing for will impact on Medway's capacity to house the future requirement for social and intermediate housing in addition to open market housing without additional dwellings being built to compensate. This would be in addition to the SHMA estimate of requirements as no growth in council tax exempt student housing was assumed.

105. The Council, the universities and their respective partners should collaborate as a matter of urgency to accurately and periodically assess the quantity of student housing that is currently within the private rented sector and estimate future requirement and the impact on other potential users of the private rented sector. Unlike other universities, as Universities Medway do not compete for students on the basis of the courses offered there would appear no grounds for lack of co-operation in this area.

106. There is considerable uncertainty about whether and in what form growth in student numbers will occur and if current patterns of accommodation occupancy will be sustained. This is due to the current economic crisis and re-evaluation of the cost of traditional university education by the government, the HEIs and students alike.

107. Nevertheless it would be appropriate and timely to devise and introduce monitoring systems for the supply and demand of the demand for council tax exempt student housing in Medway.

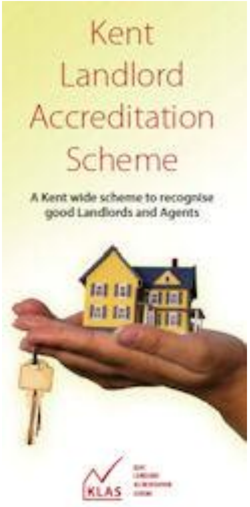
Appendix

List of questions asked of HEI officials

- Number and location of main campuses
- Current no. of students (by undergrad and graduate)
- How many first year students
- Number of students continuing to live at home and commuting
- Accommodation policy for 1st year students
- Existing provision of Halls or managed accommodation Location and number
- Planned additions/reductions in managed accommodation
- The location of the main student areas in private sector housing (just main examples)
- In the opinion of the HEI is there enough or too little accommodation for students and can they quantify it.
- Does the HEI plan to expand or consolidate, such that a change will occur to how many students need accommodation and the location of the accommodation?
- Is the HEI* aware of any other HEI in the sub-region with significant plans for change?
- Can we have a contact in these HEIs please
- Does the HEI consider that in 10 years time the HE system will have changed such that there will be an impact on the need for student housing and its pattern of provision?
- Are there disputes or liaison type issues that are under discussion with the Local Authority or local communities?

Medway’s Landlord Accreditation Scheme

Landlords accreditation scheme



The Kent Landlords Accreditation Scheme (KLAS) is a Kent-wide scheme to recognise good landlords and agents who have the skills needed to run a successful rental business and provide good quality, safe accommodation.

Individuals, partnerships, companies or agents who are landlords or thinking of becoming landlords can be accredited, as can letting or managing agents.

To become accredited, you must:

- attend a one-day development course; find out about the next course by visiting www.londonlandlords.org.uk/accreditation/apply
- be aware of the rules and regulations covering landlord and tenancy issues, health and safety, contracts and property management;
- agree to follow a code of conduct that requires that you comply with the law and carry out urgent works promptly, drawing up a plan of action if there is work that needs to be done;
- not act in a manner that brings the KLAS into disrepute;
- be a fit and proper person, which means that you have not committed any offences or have had actions taken against you as detailed in the Housing Acts - convictions for harassment, discrimination and legal orders may disqualify you.

The benefits of accreditation include:

- recognition across Kent that you are a good landlord and agent;
- access to the Landlord Accreditation Improvement loan to improve your premises;
- reduced fees for licensing;
- preferential treatment by universities;
- regularly updated reference material;
- regular updates.