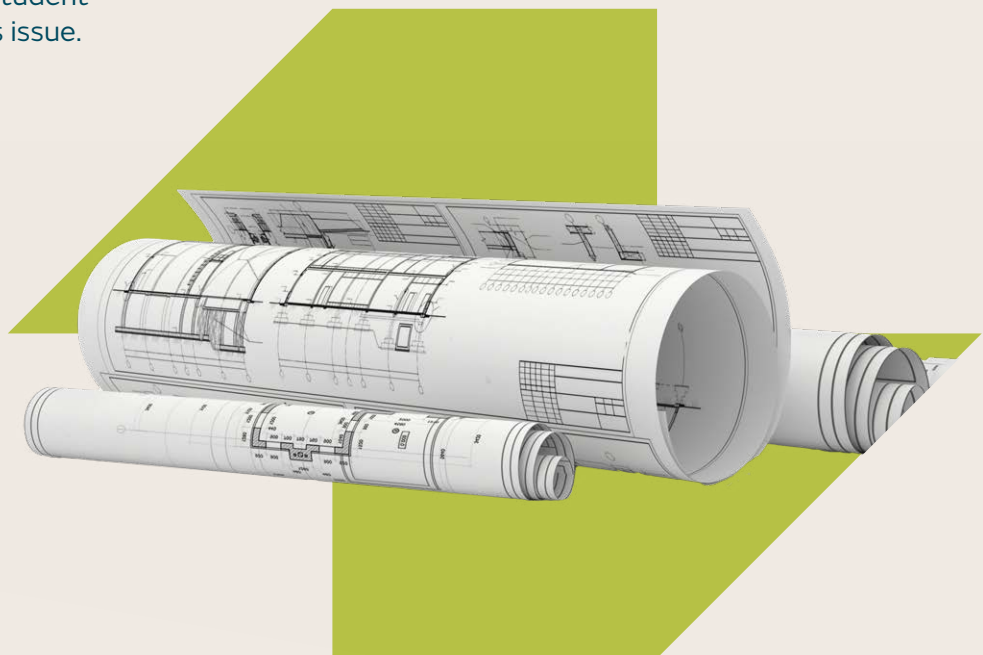


Planning considerations for student accommodation

Whilst student accommodation is fundamentally residential in nature, the use and occupation of student properties generates differing material considerations from a planning perspective. As a result, local authorities in areas with high numbers of student residents will often adopt specific planning policies to control the development of student accommodation, including the location and number of units.

Planning issues which often arise in relation to student accommodation include use classes, temporary use of accommodation, affordable student accommodation and flexibility in the use of the accommodation outside of term times. Politically, the growing cost of student accommodation is becoming a serious issue.



Affordable student accommodation

The London Plan 2021 introduced policies to try and address issues around affordability, with a number of Boroughs following suit at a local level. Policy H15 of the London Plan entrenched the concept of affordable student accommodation which many local planning authorities in London are seeking to build on. We expect policies relating to affordable student accommodation to continue to develop across the country, and in scope and complexity.

The definition of affordable student accommodation for the purposes of the London Plan refers to purpose built student accommodation that is provided at a rental cost for the academic year equal to or below 55% of the maximum income that a new full-time student studying in London (and living away from home) could receive from the Government's maintenance loan for living costs for that academic year. It is important to understand this requirement at the outset of a proposed development, particularly from a viability and delivery perspective.

Many London Boroughs have their own policies in relation to affordable student accommodation and the specific proportion of units which will need to be provided as affordable accommodation. Policy H15 of the London Plan refers to the 'majority' of bedrooms in a student development being secured by a nominations agreement. In some instances, there may be a disconnect between this policy and the applicable policy of the relevant London Borough. It will therefore be important to engage with the position as early as possible in the planning process to understand the mix of accommodation tenures that will need to be delivered.

Planning agreements will be used to secure provisions to ensure affordable student accommodation is available to those who need it, via a nominations agreement (where required). Some individual Boroughs will however have different requirements, potentially over and above the London Plan. The level of flexibility in relation to the private units will inevitably be key to viability and consequentially the attractiveness to investors.

Use class

It is generally easiest to consider three different types of student accommodation for the purposes of planning:

- Small scale properties (class C4) – three to six residents as a house of multiple occupation. Small scale student properties benefit from far more flexibility with permitted development rights than a larger student property classified as sui generis.
- Larger properties (sui generis) – more than six residents.
- Purpose built student accommodation ("PBSA"), generally much larger in scale. Depending on the design of the PBSA and the applicable local planning policy, purpose built student housing blocks can be treated within the planning system as a 'sui generis' use, meaning it sits outside any formally defined use class. Equally, PBSA can be classified within class C3 as a residential use.

Planning permission is required for a material change of use, either to or from, a sui generis use. Likewise, there are no permitted development rights allowing a change of use to or from PBSA classified as sui generis. As a result, if for example an existing building is being redeveloped into student accommodation, planning permission will be required for change of use (irrespective of any building operations which may also be required). It should not be assumed that the use classification of existing residential properties and proposed PBSA are the same, this will not necessarily be the case. It is therefore important to establish the position of the relevant local authority from the outset, to determine the nature of the planning permissions which will be required.

Use by other classes of occupier

It is not unusual for planning conditions or obligations to be imposed which seek to restrict the occupation of PBSA to students only.

Increasingly, planning control will permit PBSA to be occupied by those other than students on a temporary basis for fixed periods of the year. If occupation of the PBSA in this manner is anticipated as a core aim of the development of the property, negotiating the specific parameters of this period of temporary occupation will be important to establish with the local authority from the outset.

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