

**Cambridge** Centre  
for Housing &  
Planning Research

# **Assessment of Student Housing Demand and Supply for Cambridge City Council**

## **Executive Summary to Cambridge City Council**

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## **The research**

- 1.1 Cambridge City Council commissioned this study to help to inform planning policy with regard to the provision of student accommodation and its impact upon housing need. The aim is to provide evidence to inform discussions about the need for, and supply of, student accommodation in relation to the emerging Local Plan.
- 1.2 The report includes a baseline analysis of the current structure of the student population, the current accommodation of students, and the future plans of the different educational institutions. It analyses what the level of purpose-built student accommodation (PBSA) could be if all current and potential future students were to be accommodated in PBSA, rather than, for example, in shared housing in the private rented market. The report also reviews relevant planning policies adopted or proposed by other local authorities experiencing particular pressure from student numbers.

## **The sources of data**

- 1.3 The data used in the analysis comes from two main sources. The first source is the Higher Education Statistics Agency (HESA) returns made by the University of Cambridge and Anglia Ruskin University. For the purposes of this research, part-time students are excluded from the analysis of the HESA data based on the assumption that they are already housed for the duration of their part-time studies.
- 1.4 The second source of data is an online survey that was used to collect data from individual institutions about their student profile, current accommodation provision, and future planned provision. The University of Cambridge Colleges and wider University of Cambridge were included in the study, as was Anglia Ruskin University. The non-university institutions excluded the standard school sector but included the Further Education (FE) colleges (e.g. Cambridge Regional College), language schools (e.g. Bell Educational Services Ltd), performing arts colleges (e.g. Cambridge School of Visual and Performing Arts), theological colleges (e.g. Wesley House), independent sixth forms (e.g. Mander Portman Woodward) and summer schools (e.g. Reach Cambridge).

## **Counting the number of students is not straightforward**

- 1.5 One issue that needs highlighting is that student numbers can appear to vary, quite legitimately, depending on what source or definition is used. Counting students, even for institutions, is quite difficult. There are discrepancies between the data provided through the online survey and the data extracted from the HESA returns. This relates in part to which students are included in the data. It also reflects the self-reported nature of the HESA data. A key issue identified is that the analysis suggests that some students who select 'Own permanent residence owned or rented by you' are in fact occupying shared houses.

## Key assumptions and projections

- 1.6 The data analysis made assumptions about the average number of students in a shared property. According to Cambridgeshire County Council's research team, one dwelling provides accommodation for 3.5 students, on average. However, the data collected from the University of Cambridge Colleges showed that shared houses that are rented for use by students in the open market house an average of 5 students per property. The data analysis therefore estimates the number of shared houses based on the average of both 3.5 and 5 students per property, and provides a range.
- 1.7 The analysis of the future potential for PBSA has a projection for 10 years to 2026. Although the Local Plan period runs to 2031, there is a considerable lack of certainty about potential future growth in the universities which means that 10 years is the maximum projection that can be made using realistic data.
- 1.8 **The current and future potential for PBSA is the amount of PBSA that would be needed to accommodate all of the students who are not currently housed by their educational institution or living in existing family housing, and those students generated by the future growth proposals of the institutions.**

## Full-time and part-time students

- 1.9 A quarter of all the students in Cambridge, 12,714 out of a total of 49,426, are studying on part-time courses, defined as ones that last for less than an academic year (Table 1).
- 1.10 These cover a very wide range of courses, from apprentices on day release at Cambridge Regional College to managers studying for an Executive MBA and in Cambridge for a number of long weekends spread over a two-year period.
- 1.11 In nearly all cases, part-time students will be living in either their parental home or their own home, in homestay accommodation, or accommodated in existing PBSA during the vacation periods.
- 1.12 This report assumes that part-time students do not therefore create any demand for accommodation in excess of that provided for full-time students. Part-time students at the two universities are therefore not included in any of the analysis of the current and future potential for PBSA later in this report. Part-time students at the other educational institutions are included in Table 2, and discussed in detail in the report, because their accommodation is more diverse than that of the university student population.

<b>All full time and part time students</b>				
	Full time		Part time	
	Undergraduate	Postgraduate	Undergraduate	Postgraduate
University of Cambridge	11,815	9,412	310	1,549
Anglia Ruskin University	8,153	1,332	574	861
Subtotal	19,968	10,744	884	2,410
Other educational institutions	6,000		9,420	
<b>Total</b>	<b>36,712</b>		<b>12,714</b>	
<b>Overall total</b>	<b>49,426</b>			

Table 1: All full-time and part-time students

## Current student housing profile

1.13 The table overleaf (Table 2) summarises the data for each of the two universities (based on HESA returns), the total position for the two universities together, the data for the non-university educational institutions (based on the online survey conducted for this research), and overall totals for the student population in Cambridge.

1.14 The table classifies the seven types of accommodation used for HESA returns, plus a category for 'homestay' students, into four broad groups:

- PBSA, which includes University/College maintained accommodation and private halls.
- Shared existing housing, which includes both 'Own permanent residence either owned or rented by you' and 'Other rented accommodation (shared with others on a temporary basis)'.
- Existing family housing, which includes the parental home and 'homestay'.
- No information, which includes the 'other' and 'not known' categories in the HESA data.

<b>Baseline: 2015/16 student accommodation: numbers of students</b>										
		Purpose Built Student Accommodation		Shared existing housing		Existing family housing		No information		
		University/College maintained	Private halls	Other rented	Own home	Parental/guardian home	Homestay	Other	Not known	<b>Total</b>
<b>University of Cambridge</b>	Undergraduate	10745	44	503	226	22		13	262	<b>11815</b>
	Postgraduate (1 year)	2240	59	212	220	68		26	277	<b>3102</b>
	Postgraduate (2+ years)	2890	241	1278	1293	78		105	425	<b>6310</b>
	<b>Subtotal</b>	<b>15875</b>	<b>344</b>	<b>1993</b>	<b>1739</b>	<b>168</b>		<b>144</b>	<b>964</b>	<b>21227</b>
<b>Anglia Ruskin University</b>	Undergraduate	901	435	2090	2195	2091		347	94	<b>8153</b>
	Postgraduate (1 year)	156	50	295	219	131		41	28	<b>920</b>
	Postgraduate (2+ years)	45	18	132	139	45		27	6	<b>412</b>
	<b>Subtotal</b>	<b>1102</b>	<b>503</b>	<b>2517</b>	<b>2553</b>	<b>2267</b>		<b>415</b>	<b>128</b>	<b>9485</b>
<b>Total Universities</b>	Undergraduate	11646	479	2593	2421	2113		360	356	19968
	Postgraduate (1 year)	2396	109	507	439	199		67	305	4022
	Postgraduate (2+ years)	2935	259	1410	1432	123		132	431	6722
	<b>Total Universities</b>	<b>16977</b>	<b>847</b>	<b>4510</b>	<b>4292</b>	<b>2435</b>		<b>559</b>	<b>1092</b>	<b>30712</b>
<b>Non-university institutions</b>		750	3836	355	0	5304	4390	0	785	15420
	<b>Total all institutions</b>	<b>17727</b>	<b>4683</b>	<b>4865</b>	<b>4292</b>	<b>7739</b>	<b>4390</b>	<b>559</b>	<b>1877</b>	<b>46132</b>

Table 2: Number of students and accommodation in Cambridge 2015/16

1.15 The table below (Table 3) shows a summary of the overall student numbers by the four broad categories of accommodation type.

Baseline: 2015/16 student accommodation: numbers of students by broad category of accommodation					
	Purpose Built Student Accommodation	Shared existing housing	Existing family housing	No information	Total
University undergraduate	12125	5014	2113	716	19968
Postgraduate (1 year)	2505	946	199	372	4022
Postgraduate (2+ years)	3194	2842	123	372	6531
<b>Total university</b>	<b>17824</b>	<b>8802</b>	<b>2435</b>	<b>1651</b>	<b>30712</b>
Non-university institutions	4586	355	9694	785	15420
<b>Total all institutions</b>	<b>22410</b>	<b>9157</b>	<b>12129</b>	<b>2436</b>	<b>46132</b>

Table 3: Number of students by accommodation type in Cambridge 2015/16

1.16 Key points:

- a. **There are an estimated 46,132 students in Cambridge with a need for some form of accommodation.** Of these, 22,410 are housed in PBSA, an estimated 9,157 are in shared housing, 12,129 are in existing family housing (either in the parental home or 'homestays'), and there is no information for 2,436 students.
- b. 91% of undergraduates and 55% of postgraduates at the University of Cambridge are in University or College maintained accommodation, compared to 11% of undergraduates and 15% of postgraduates at Anglia Ruskin University.
- c. **Anglia Ruskin University is therefore currently dependent upon housing 4,285 undergraduates and 785 postgraduates in shared housing,** a total of 5,070 students, occupying at least 1,000 shared houses, assuming an average of 5 students to each shared house.
- d. The position is reversed for **the University of Cambridge, where only 729 undergraduates are housed in shared existing housing, but 3,003 postgraduates are accommodated in shared existing housing,** occupying at least 600 shared houses, again assuming an average of 5 students to each shared house.
- e. The non-university institutions have very little directly owned accommodation (750 bed spaces among 15,420 students), but make extensive use of private halls (3,836 bed spaces, or 82% of all student accommodation in private halls).
- f. **The non-university institutions also house 4,390 students in 'homestay' accommodation,** and a further 5,304 are living in the parental home (mainly Cambridge Regional College students).
- g. **The non-university institutions also make relatively little use of shared housing,** with only 355 students accommodated in shared housing, or only 2% of the total number of non-university institution students.

## Existing and future projections for PBSA

1.17 This section of the study discusses the amount of PBSA that could be needed to accommodate all of the students who are not currently housed by their educational institution or living in existing family housing.

1.18 The table below (Table 4) summarises the overall position for university student accommodation in the city. It presents an estimate of the level of PBSA that, if built, could absorb all students currently living in shared houses in the city (including in this category both 'other rented' and 'own home'). The estimate is calculated by deducting from the total number of students:

- All those already living in PBSA.
- All those currently living in the parental home.
- All those for whom there is no information.

1.19 This would result in 8,802 bed spaces, which if provided in PBSA could allow the return of all shared houses currently occupied by students to the open market.

Two universities: summary of existing accommodation and potential for PBSA									
	Total	Purpose Built Student Accommodation		Estimated number of houses currently shared		Existing family housing	No information		PBSA level
		University / College	Private halls	Other rented	Own home	Parental home and homestay			
Undergraduate	19968	11646	479	2593	2421	2113	360	356	<b>5014</b>
Postgraduate (1 year)	4022	2396	109	507	439	199	67	305	<b>946</b>
Postgraduate (2+ years)	6722	2935	259	1410	1432	123	132	431	<b>2842</b>
<b>Total Universities</b>	<b>30712</b>	<b>16977</b>	<b>847</b>	<b>4510</b>	<b>4292</b>	<b>2435</b>	<b>559</b>	<b>1092</b>	<b>8802</b>

Table 4: Maximum potential level of PBSA to address current student numbers for the university sector

## Taking account of the increasing diversity of the student population

1.20 The estimate in the table above is clearly a 'maximum' position, which assumes that all students, irrespective of their age, type of course, or personal preferences, would choose to live in PBSA if it were available. It also assumes that the students who self-reported that they live in 'other rented' accommodation and their 'own home' currently share housing. The two universities have different characteristics, and the research developed estimates for Anglia Ruskin University and the University of Cambridge separately, based on their different student profiles and future growth plans.

1.21 This reduced the estimate of the level of PBSA, by excluding, for example, mature students who are less likely to be living in shared housing. **This resulted in a figure**

of 6,085 bed spaces, which if provided in PBSA could allow the return of all shared houses currently occupied by students to the open market.

## The implications of potential future growth in student numbers

1.22 The research then analysed the impact of the growth plans of the universities. Anglia Ruskin University is planning to remain at the same student numbers in Cambridge over the next five to ten years. The University of Cambridge’s current planning framework envisages an expansion in undergraduate numbers of 0.5% per year for the next ten years, and in postgraduate numbers of 2% per year.

1.23 The table below (Table 5) summarises the current and future potential for PBSA for the university sector.

<b>Overall potential for PBSA in university student accommodation</b>		
	Potential level of PBSA to house current students @ 2016	Potential additional level of PBSA to house growth in students @ 2026
Anglia Ruskin University	2803	
University of Cambridge	3282	2874
Total	6085	2874

Table 5: Overall potential level of PBSA to address current and future potential student numbers for the university sector

1.24 Table 5 suggests that a total of **8,959 student rooms would need to be built in PBSA by 2026** if both the current and the future potential levels of student accommodation were to be met. This would accommodate all of the students who are not currently housed by their educational institution or living in existing family housing, and would allow the return of all shared houses currently occupied by students to the open market.

### The numbers of existing houses that could be returned to the open market

1.25 Meeting the current student numbers through provision of PBSA **might release between 1,200 (based on 5 students per shared house) and 1,700 houses (based on 3.5 students per shared house), currently occupied by students sharing, into the open market.**

1.26 **If PBSA is not available to meet future growth, then by 2026, between 656 (based on 5 students per shared house) and 821 (based on 3.5 students per shared house) additional existing houses would need to be converted into shared student accommodation in order to meet demand.**



- 1.27 As at the 31st of March 2016, there were 1,281 student bed spaces in the planning pipeline. Once completed, and provided they are occupied by students, this will reduce the current level of students outside PBSA from 6,085 to 4,804, and reduces the future potential level of students outside PBSA from 8,959 student bed spaces to 7,678.
- 1.28 These estimates are dependent upon the assumptions concerning: the numbers of students actually occupying 'Own permanent residence owned or rented by you'; the average numbers of students actually occupying shared houses; the actual growth rate of the universities, and the quality of the self-reported HESA data. Data were triangulated using different sources (e.g. HESA data, data from the online surveys and data from interviews). The estimates are as robust as possible based on the available data.

## Local authority review

- 1.29 The research conducted a review of the relevant planning policies adopted or proposed by local authorities that experience particular pressure from student numbers. However, the review shows that there are few existing consistent policy options in use by other local authorities that could be adopted by Cambridge City Council.
- 1.30 The most common area in which there is mention of student housing is policy around Houses in Multiple Occupation (HMO). Most local authorities have concerns about the impact of greater volumes of HMO and, in particular, concerns about the concentration of HMO in certain areas. Most local authorities want to actively manage the location of new HMO using Article 4 Directions. There are tensions around whether to allow/accept geographic concentrations of students or whether students should be dispersed across the whole residential market.

## Policy discussion

- 1.31 The research highlighted some key issues that should be considered in relation to determining a policy for student housing.

### Student housing as a part of the wider housing market in the city

- 1.32 It is apparent that the number of students in the city is so large, and the universities in particular are so central to the city's economy, that **in future assessments of housing need, students should be treated more transparently as part of the overall housing need profile**. Land allocation needs to balance the competing demands of the different groups within the city's overall housing market.

## The increasing diversity of student housing needs

- 1.33 The research shows that students are very diverse both within and across different institutions, as are their housing needs. There is an undergraduate population of students who reside in Cambridge during term time and who are likely to want some form of institutionally provided accommodation. However, there is a large postgraduate population in Cambridge, some of whom will desire a more 'home-like' form of accommodation.
- 1.34 There is also a diverse student population using the non-university education institutions in the city. Many of these are accommodated in homestays, in existing accommodation facilities such as the University of Cambridge Colleges over the summer, and in some PBSA. It is clear that many of these students are only resident in the city outside of university term time (e.g. students at summer schools).

## Student housing that meets the needs of the different institutions

- 1.35 Policy 46 of the emerging Local Plan includes the requirement for student accommodation to meet the identified needs of an existing educational institution providing housing for students on full-time courses of an academic year or more. It expands the existing policy position, which restricts accommodation to the University of Cambridge and Anglia Ruskin University, to include other institutions. However, the current policy situation has led to problems, primarily in tying the accommodation to particular institutions. This has occurred where new student accommodation is proposed and is in theory for students at Anglia Ruskin University, for example, but is not developed in discussion with Anglia Ruskin University, does not meet the affordability needs of these students, and is subsequently occupied by single people who may not be students or may be students of other institutions.
- 1.36 The research suggests that the policy position should be **to require the proposed accommodation to be tied to a specific educational institution, or a group of institutions, through either a long-term lease or long-term nomination agreement**. The system seems to work well where the details of the development are specified in partnership with an education institution, and is further strengthened where applications are made jointly.

## The location of new PBSA

- 1.37 **The report estimates that some 6,000 rooms would have to be delivered in new PBSA if existing housing stock shared by students was to be returned to the open housing market.** There is an issue about the location of any new PBSA. There is a strong case for defining the areas in which new PBSA will be acceptable, rather than allowing speculative developments to become 'pepper potted' across the city. Having defined areas for housing students, within walking or cycling distance of teaching facilities, enables efficiencies in transport and service provision. This would enable greater control over issues such as car parking.

### **The role of HMO in the wider housing market in the city**

- 1.38 This would not necessarily mean that permission for new HMO should then be refused, because so many other groups are reliant on HMO for affordable housing in the city. It should also be borne in mind that some students will always prefer to live in shared housing rather than PBSA. Any development of PBSA is also not guaranteed to release into the open market accommodation currently occupied by students, because there is no guarantee that the properties would not be purchased by private landlords and continue to operate as HMO.

### **The policy challenge**

- 1.39 The Council needs to make a decision **about the extent to which the current and future student population should be housed in PBSA, rather than in shared housing**, and therefore which windfall sites should be granted permission and which sites should be allocated in the future for student housing.