

DP4724

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Dear Matthew,

**PLANNING APPLICATION 181849
FORMER PRIVATE CAR PARK, EAST STREET, READING**

Further to the submission of the planning application concerning redevelopment of the above site, we write to provide an update. This letter comments on the developing circumstances surrounding the provision of student accommodation within Reading, the emerging Local Plan, and other material considerations considered relevant, such as the St Patrick's Hall appeal.

Draft Local Plan Policy H12

Within the submitted Planning Statement (October 2018), we demonstrated that the current application complies with draft Policy H12, as proposed within the submission version of the New Local Plan. Policy H12 seeks to direct new student accommodation to, or adjacent to, existing education campuses, or as an extension or reconfiguration of existing student accommodation, to maximise the potential of these sites first, before other sites which may be suitable for C3 residential housing are considered.

As officers are aware, since the submission of the current application in October 2018, several applications have been submitted to discharge the pre-commencement conditions pursuant to the existing consent. The majority of these have been approved, with the final two due to be determined by the Council imminently. The applicant has also submitted the required CIL notices to enable the existing permission to be implemented and built out.

As the existing site is cleared and has an implementable planning permission for new student accommodation, it remains the case that the current proposals are consistent with draft Policy H12 of the New Local Plan. The applicant will develop the site for student accommodation, therefore the current application offers the Council the opportunity to determine the application in a manner which is consistent with the approach set out under draft Policy H12, which is to prioritise and maximise increased provision on existing sites, rather than looking to other sites which may be suitable for C3 residential dwellings.

St Patrick's Hall Appeal, Local Plan Examination & Current Shortfall in Supply

The University is appealing the Council's decision to refuse permission for development at St. Patrick's Hall and appeared at the Local Plan examination. To assist the Local Plan examination, the Inspector requested that the Council and the University prepare a Statement of Common Ground (SoCG).

Within the submitted Planning Statement, we referred to the current PBSA supply and demand imbalance felt within Reading, evidenced within a Demand & Impact Assessment report prepared by Cushman and Wakefield (2017) on behalf of the University of Reading.

The SoCG (November 2018) contains further information relating to the current undersupply of student accommodation in Reading, and references a second report prepared by Cushman and Wakefield on behalf of the University titled 'Accommodation Strategy Part 1 – Gap Analysis' (2018).

The SoCG, at paragraph 6.10, confirms that whilst the Council has not been in a position to verify the exact figures, it does not have particular reason to doubt the general scale of existing shortfall identified within the C&W report. Accordingly, the Council and University have agreed to a proposed change to the supporting text to Policy H12 to confirm that *"there is a current shortfall in University accommodation of around 1,000 bed spaces for first year students and, across all years of study, for 2017/18, 5,000 students were not housed in purpose built student accommodation"*.

Forecast Demand for Student Accommodation & Relationship with HMOs in Reading

Within our Planning Statement, we highlighted the impact that the current lack of PBSA has on the availability of houses and single family dwellings, since without sufficient supply of student accommodation, demand for HMOs is naturally increased. We explained that this is likely to drive up demand for existing housing within Reading, with an associated increase in market prices, thereby contributing to the housing crisis felt locally and nationwide.

Paragraph 6.10 of the SoCG acknowledges this. The parties agree that the recognised shortfall in PBSA mainly results in students being housed within the private rented housing market, including within HMOs.

At paragraph 6.11, the SoCG confirms that the University expects to grow from just over 16,000 students in 2017/18 to 21,000 students by 2028, a 31% increase over 10 years. Across all years of study, this would result in the number of students unable to be accommodated within PBSA increasing to 12,865. It is agreed between the parties that this increase, without an increased supply of appropriate student accommodation, would inevitably increase demand for HMOs.

At paragraph 6.21 of the SoCG, both parties agree that to accommodate the level of growth to 2028 envisaged, it is unlikely that there would be capacity within or adjoining existing University campus and student accommodation sites to provide the necessary level of supporting student accommodation. This highlights why it is critical that the opportunity is taken to make sure that other available sites, such as the East Street car park, which comply with draft Policy H12, are developed to their fullest capacity.

At the Inspector's request, the SoCG incorporates evidence supplied by the University relating to the link between PBSA and HMOs. Paragraph 6.24 confirms that the number of students living in HMOs has grown by 750 in the past two years. Since 2011/12 there has been an increase of at least 915 students in HMOs. Figures for total recorded students residing in (registered) HMOs during 2016/17 reached just under 1,600 students within 911 registered HMO properties.

The evidence supplied to the Inspector also tested whether the number of students in HMOs can be reduced through the provision of beds within PBSA. Paragraph 6.25 confirms that only in two years between 2010/11 and 2016/17 did student numbers in HMOs drop. These reductions coincided with the opening of two large student accommodation blocks (Childs Hall in 2012 with 594 beds and Bridges Hall in 2015/16 with 649 beds). This demonstrates a clear student preference for PBSA where it is available.

The SoCG also confirms the basis of our comments within the submitted Planning Statement regarding the Council's introduction of an Article 4 direction to restrict HMOs within wards closest to the University campus. These are reflected within adopted Policy DM8 and emerging Policy H7, which detail the Council's concerns about the loss of residential properties to HMOs. Issues include the loss of single family housing which undermines the achievement of mixed and sustainable communities, harm to the physical character of the area, the standard of the resultant HMO units that are created and various amenity issues.

Summary & Conclusion

Within the SoCG, the Council has agreed with the University that there is currently an undersupply of appropriate student accommodation within Reading, with the imbalance worsening, that the forecast level of increasing demand is unlikely to be able to be accommodated by the University's landholdings alone, and that these circumstances are driving up demand for HMOs across the town, with resultant implications on the wider housing market. The SoCG is a material consideration in the determination of the current application for the redevelopment of the East Street car park site.

The current application is consistent with draft Policy H12 and provides the opportunity to increase the development capacity of the site in a sustainable manner, thereby contributing towards alleviating the circumstances described above. The applicant will develop the site for student accommodation, therefore the Council should determine the application in accordance with draft Policy H12, which seeks to intensify existing sites, to protect and lessen the demand for other sites in the town which may be suitable for C3 residential accommodation.

We trust that the Council will consider these updated representations in determination of the application.

Yours faithfully

DP9 LTD.