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# Introduction

The introduction of London Plan Policy H15 solidified 'Purpose-Built Student Accommodation' (PBSA), in policy for London. The policy sets out clarity on need, definition, and key criteria for PBSA schemes and has acted as a blueprint for schemes and local policy alike since its inclusion in the intend to publish version of the currently adopted London Plan, back in 2019.

Around three years' on, demand for student accommodation is soaring in the capital, far outstripping pipeline. This report seeks to understand in greater depth how PBSA schemes have been responding to this ever-increasing need and how they are coming forward in London in this context.

To do this, we have conducted an extensive review of all GLA-referrable PBSA schemes that have been submitted or consented from January 2020 (when the London Plan policies, albeit in draft, were being applied with increasing weight) to August 2023, to create a baseline dataset to understand how PBSA is being delivered in London in terms of schemes' planning context, site characteristics, design standards, and approaches to nominations and affordable provision.

This report also draws on our own experience in the sector. We have advised on a number of PBSA schemes in the Capital since the London Plan adoption, including recently acquiring planning permission for referable schemes such as [Rockingham Street in LB Southwark](#) and [The Hale in LB Haringey](#).



Turley has gathered data on GLA-referrable PBSA schemes from January 2020- August 2023



## Referrable or not referrable?

Fact  
box

It should be noted that this data only follows GLA referrable schemes in order to assess the impact of H15. Given that PBSA is a Sui Generis use class, schemes are not referrable on number of units, but only on floorspace and height. The referrability criteria on these varies across London, whilst the majority of London triggers referrability at 30m+ of height and either 15,000 or 20,000 sq m of floorspace, dependent on location, the City of London has notably higher triggers of 150m+ in height and 100,000 sq m. As such, there are several large PBSA schemes in the City that are not GLA referrable and therefore not shown below. These schemes are interesting in terms of local requirement however and often provide significant public realm and community benefit.



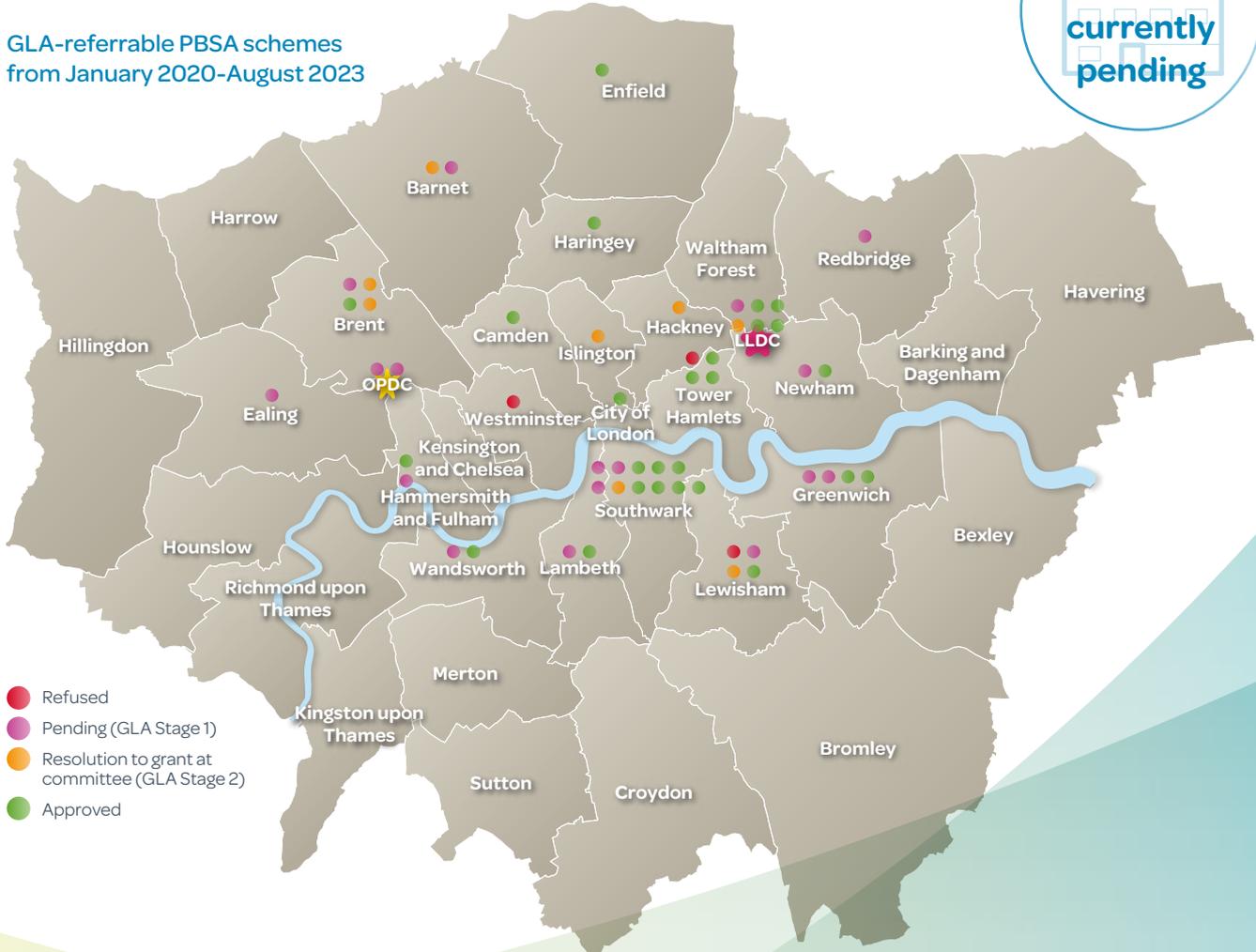
# How are schemes being delivered across London?

For the purpose of this research, data has been collated on all GLA referable PBSA schemes only. The baseline data is taken from schemes either determined or validated between 1 January 2020 and 31 August 2023. As such, the data covers schemes that may have been determined ahead of the currently adopted London Plan, but where material weight was applied to the then-emerging London Plan Policy H15.

The pipeline of large PBSA schemes in London is demonstrably growing, with a significant boom in PBSA permissions in 2022 - a total of 11 schemes permitted (an uplift of more than double from the previous year). Although complete data for 2023 is not yet available, the trajectory suggests a continued upward trend, with eight schemes already granted permission. Furthermore, the success rate of schemes has remained typically high.

Given the agglomeration of many higher education facilities within Central London, it is no surprise that PBSA developments are located accordingly. Southwark in particular is identified as a hotspot for PBSA, with 11 schemes in this time period alone. East London is also identified as an area of significant PBSA growth, although the majority of schemes skew towards LLDC (soon to be dissolved), Newham and Tower Hamlets. The Outer North, South, and West areas have varying numbers of large PBSA schemes, with a discernible reduction in the number of schemes further away from Central London. These outer London schemes are generally clustered around key transport nodes and town centres.

GLA-referrable PBSA schemes from January 2020-August 2023



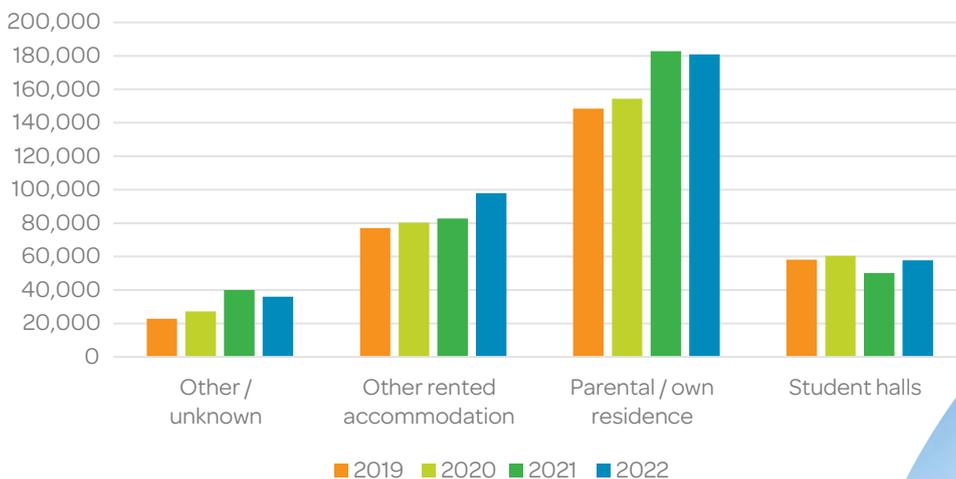
Contrary to the impression that student accommodation is cropping up everywhere, the numbers tell a story of chronic under-provision and a real demand and supply issue for PBSA in London. This not only makes the sector prime for growth, but also essential to relieve pressure on the housing market.

Despite the pandemic, data from the Higher Education Statistics Agency (HESA)<sup>1</sup> shows that, in 2021/22, there were over 374,000 full-time students living in London (with numbers enrolled in excess of 400,000). A number that is only forecast to grow<sup>2</sup>, and already outstrips the GLA forecasts from 2018 that underpin the London Plan, which projected that student numbers would reach 350,000 by 2041/42<sup>3</sup>.

Combine that with only 97,000 PBSA beds available in London in 2021/22 and the problem starts to overspill into other parts of the housing market. A recent report by Business LDN<sup>4</sup> shows that the occupancy of Build-to-Rent schemes in the capital is made up of around 20% students (compared to only 9% in the private rented sector covering HMOs), suggesting a key factor in this is the lack of PBSA to meet needs.

The below graph compiles HESA data, demonstrating the large, and growing, reliance on other forms of accommodation by students in London, compared to a relatively low and stagnated delivery of PBSA.

It is therefore clear that further provision of student beds is required and that is only forecast to grow further.



<sup>1</sup> Higher Education Statistics Agency- <https://www.hesa.ac.uk/data-and-analysis/students/where-study>  
<sup>2</sup> HEPI's 2020 report, [Demand to 2035](#)  
<sup>3</sup> Student population projections and accommodation need for new London Plan 2017 [student\\_population\\_projections\\_and\\_accommodation\\_need\\_for\\_new\\_london\\_plan\\_2017\\_amended\\_oct\\_2018.pdf](#)  
<sup>4</sup> 'Who Lives in Build-to-Rent', Business LDN, May 2023



97,000 student beds for over 374,000 full-time students in 2021/22



The Hale, LB Haringey



# How is Policy H15 being applied at local level?

Since Policy H15 first made an appearance in the emerging London Plan, many of the London boroughs have sought to not only follow the principles set out in this policy, but also set their own pace with a range of additional criteria.

These additional criteria range from locational requirements, to ensuring that uses such as residential or employment capacity / space are not compromised, to ensuring that there is no over-concentration of the product in any one area. The below map analyses both adopted and emerging policy (as well as associated guidance) in each local planning authority and seeks to compare how much it varies from London Plan Policy H15, or indeed not as in some instances.





It is important to note that many of these additional requirements, some of which even conflict with Policy H15, do not necessarily mean that a borough is anti-PBSA development, but often that they are keen to ensure the right schemes are proposed in the right places to ensure successfully mixed and balanced communities.

This can be subjective, with each borough dealing with matters quite differently and applying their policies in slightly different ways depending on whether schemes fit into the GLA-referrable bracket, or not. A selection of key boroughs which have differing approaches to how they tackle the proposition of PBSA are highlighted below.

## LB Lambeth

Whilst LB Lambeth follows the principles set out in Policy H15 as shown on the preceeding map, it sets numerous additional requirements that must be addressed. In particular, LB Lambeth policy requires detailed evidence that provision of student accommodation would not lead to an over-concentration within the surrounding area. In our experience, this can often take the form of agreeing a catchment area with officers in which to provide detailed analysis of forthcoming development, and the proportion of which would be student amongst other land uses and floorspace. The policy also sets other requirements such as providing a mix of uses within a scheme, often in the form of ground-floor commercial to provide active frontages. We note that these additional requirements do not necessarily mean that LB Lambeth do not support PBSA schemes in principle, rather they are keen to ensure the right proposals in the right places.



## LB Hackney

Notably, LB Hackney sets a higher minimum affordable threshold of 50%. Therefore, whilst the London Plan will allow proposals providing 35% on-site affordable to follow the Fast-Track Route, anything below 50% would require a viability assessment at a local level, to be independently assessed by Hackney.



## LB Brent

Many boroughs have local policies noting that any proposed PBSA must not compromise traditional residential capacity and delivery. This often means that any sites with extant planning permissions, site allocations for residential provision, or existing residential units, will need to provide at least this provision as a priority, with residential maximised. However, LB Brent's supporting text to the policy notes that housing delivery targets may be met also through non self-contained units (including PBSA which contributes to housing delivery at a rate of 2.5 bedrooms to 1no. unit according to national guidance), and this is demonstrated in recent permissions across the borough as well as the general exceedance of housing delivery targets in the borough.



### Rockingham Street, LB Southwark

Image courtesy of Maccreeanor Lavington  
and Alumno Group

## Avonmouth House appeal decision

In January 2023, Inspectors allowed an appeal for a 233 bed PBSA scheme at Avonmouth House in Southwark. As part of their assessment, the Inspector specifically noted the conflict between the Southwark policy and Policy H15 in relation to allowing two different routes for nominations and direct-let. The Inspector gave legitimacy to the Southwark routes given that it was the more recently adopted document of the two. However, as such they advised that the Southwark options must then be followed rather than a hybrid of the two approaches. This judgment is key for Southwark PBSA, giving strength and legitimacy to the 100% direct-let route, but also for negotiating any other conflicts between GLA and local level where the scheme is GLA referable. It is important to note however, that where schemes are not GLA-referable, any potential conflicts on approach can be avoided if the local authority take a different view or site-specific circumstances to H15.



### LB Southwark

This is the only London Borough whose policy is in direct conflict with Policy H15 because it allows for two different routes, a 100% nominations scheme with student affordable provision, or a 100% direct-let scheme which prioritises affordable traditional residential (Use Class C3). Both these routes would be viability tested and therefore there is no Fast Track approach in LB Southwark at a local level. Following the Avonmouth House appeal decision (see fact box), the GLA have accepted the legitimacy of the policy in the Local Plan and therefore the 100% direct-let approach. We recently achieved permission for the first fully direct-let scheme in the borough following this decision, through the permission for a 244-bed development at Rockingham Street.



### LB Tower Hamlets

Policy represents a slight deviation from H15 in that it allows for **either** majority nominations **or** on-site affordable provision.

However, following the principles set out in the Avonmouth House appeal decision, given that the Local Plan was adopted prior to the London Plan, in practice this will be unlikely to hold much weight in consideration of GLA-referrable schemes. It is therefore noted that although LB Tower Hamlets is shown on the map as having a slightly different approach to nominations and affordable, it is expected that schemes in the borough, particularly if GLA referable, will follow the H15 route.

Alscot Road,  
Bermondsey Spa,  
LB Southwark

Image courtesy of  
Greenaway Architecture



# Scheme and site characteristics

With available brownfield land becoming scarce generally in London, and a continued pressure across the Capital for C3 residential housing, this combination has had a direct influence on the way in which PBSA is coming forward in certain areas.

Interestingly, the majority of the schemes analysed (62%) are submitted on sites within a wider site allocation. Although none of these site allocations are envisioned for student use, local authorities are taking more flexible approaches in some cases and allowing PBSA to come forward on parts of these site allocations to either attract investment to the immediate area, or in some cases be an enabling tool for the developer to provide affordable conventional C3 housing as part of PBSA development proposals. Indeed, 38% of schemes provide traditional residential (C3) on site, through separate blocks and cores. In our experience, local authorities are often supportive of co-locating PBSA and residential, helping to contribute to 'mixed and balanced communities' as required by Policy H15, as well as providing opportunities for on-site affordable residential homes (sometimes cross-subsidised through the PBSA provision), particularly in LB Southwark where affordable C3 is a first priority for direct-let schemes.

In addition to this, the research shows that the majority of PBSA schemes coming forward, are indeed, mixed-use schemes (92%). Of this, a large proportion comprise a relatively small percentage of non-PBSA floorspace, often through ground floor retail / commercial units to provide activated frontages, given that 75% of schemes are located within town centres or opportunity areas. The majority of schemes have good transport connections- 72% are located in PTAL 4 or higher and 49% are in PTAL 6 (a or b), the highest levels of transport connectivity.

**62%** within a site allocation

**38%**

with C3 on-site

**92%**

mixed-use schemes

**75%**  
located in town centres



LSE Centre Buildings,  
Westminster City  
Council

Image courtesy of Nigel  
Stead and LSE

In terms of the existing land uses, the vast majority of schemes proposed were either on sites in industrial use or vacant, alongside a large amount of office. The research has shown that these types of sites typically fell within one of two circumstances; either they were large and allowed for mixing and co-locating PBSA alongside other uses (including larger percentages of commercial or residential), or were highly constrained urban locations and therefore unsuitable for traditional residential provision.

### Predominant existing land use:



In total, 30% of the schemes had a previous extant permission on the site. Interestingly, a high percentage of these extant permissions were for residential-led schemes with the PBSA element proposed to either partially or completely replace the residential element. However, it is noted that a number of these schemes are within the Old Kent Road area of LB Southwark and are currently pending determination, where the approach to reapplying for PBSA on extant residential permissions may not be so simply replicated across London, given the common policy protections.

Unsurprisingly, hotel extant permissions were also common given that they lend themselves well in terms of design for reconfiguration of proposals to PBSA, and hotel use is not often protected by policy. Similarly, whilst existing office space is often protected by policy, permissions for additional space are often not and most extant permissions for office space where a PBSA proposal replaced it, we found, were often unimplemented. Therefore, extant planning permissions for hotel and offices that are no longer deemed viable can potentially represent good opportunities for PBSA development.



### Extant permission on site predominant land use:



# Design

There has historically been little adopted policy or guidance in relation to design standards for student accommodation. However, the research has highlighted some clear trends and standards emerging on GLA referable schemes, acting as a benchmark and even precedent for future schemes coming forward in the planning pipeline.

## Accommodation type

With an average of 529 beds per PBSA scheme, the research has thrown up some interesting data in relation to compilation of these beds in terms of mix. Only 13% of schemes proposed 100% of beds as studios only, with similarly only another 7% of scheme proposing 100% of beds as clusters. This leaving the majority of schemes assessed as part of this research being a combination of both studios and cluster beds.

Of the mixed studio and cluster bed schemes, the provision is weighted in favour of clusters with the average provision of clusters within these schemes being at around 66% of the development.

- Within this mixed approach, a number of schemes provided a large range of accommodation types, including an often cited ‘two-dio’ arrangement by which a smaller cluster of two bedrooms (sharing kitchen and/or bathroom facilities).
- However, the average provision across schemes with clusters is 6.8 bedrooms to a cluster.
- When not accounting for larger wheelchair accessible and adaptable units, the average studio size is 19.8 sq m and the average cluster 14.2 sq m. However, there are some outliers with ranges going as high as 29 sq m in some cases, and as low as 7 and 8 sq m.



LSE Centre Buildings,  
Westminster City  
Council

## Amenity

The vast majority of schemes provide communal external amenity space for students (with only 16% not providing any), with an average of 0.95 sq m per student. Internal communal amenity provision is higher, with an average of 1.37 sq m per student. Most schemes provide a range of amenity spaces throughout the building rather than large singular spaces (such as for co-working, gyms, lounges etc.), whilst some schemes deliver significantly higher, up to 2-3 sq m per student. For those students in clusters, who also have access to an additional shared LKD (lounge-kitchen-diner), on average they benefit from an additional 4.5 sq m of space per student.

Based on these averages, most students benefit from at least 20-21 sq m of internal space, split across private and communal space to various degrees.

The majority of schemes provide cycle parking in line with London Plan minimum requirements of 0.75 spaces for every student bedspace, and on average provide at least 5% wheelchair accessible rooms upfront (often with a further 5% offered as adaptable).



# Nominations and affordable

**Fact box**

Policy H15 requires all schemes to enter into one or more nomination agreements for the majority of the development. In London only LB Southwark local policy allows for an alternative route, which can result in schemes either providing 100% of the scheme as nominated or 100% as direct-let.

In terms of affordable provision, GLA-referrable schemes benefit from the Fast-Track thresholds for the on-site provision of affordable student rents at 35%. It is worth noting that some boroughs set higher local requirements such as LB Hackney requiring 50%, and then there is LB Southwark who require viability testing for the maximum amount of affordable rents on all schemes. LB Southwark also notes that on direct-let schemes, the first priority is provision of affordable C3 housing (preferably on-site), with affordable student rents then provided at a lower percentage (than 35%) if viable.

## How is this being applied in practice?

All schemes outside of LB Southwark have generally sought to follow the Policy H15 route as a minimum, providing 35% on site affordable student accommodation, all of which are nominated, and often seeking to also provide an additional 16% as nominated (often using “reasonable endeavours” to achieve this in the accompanying section 106 legal agreement) to meet the requirement of majority nominated (51%).

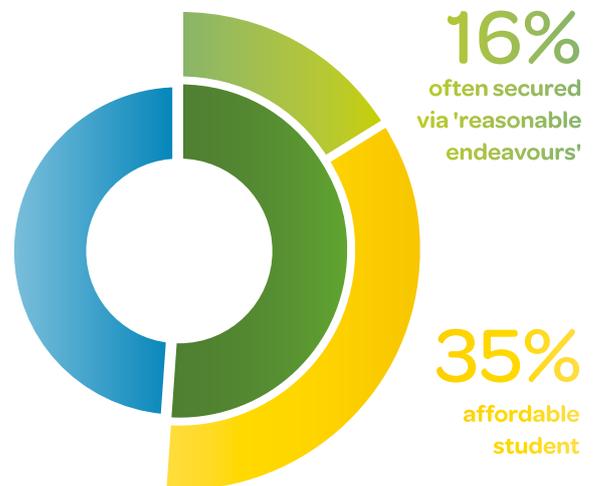
There are some examples of schemes that provide a higher provision of nominations, particularly where the scheme is developed alongside a specific university partner (such as the Avonmouth House scheme).

*Note: This only applies to GLA-referrable schemes. Where a scheme is not referrable, the local authority has more flexibility to apply local approaches should it identify different local needs.*

Remaining

**49%**  
no requirement

**51%**  
min. as nominated



LSE Centre Buildings,  
Westminster City  
Council

Image credit to Mark  
Gorton and Rogers Sirk  
Harbour + Partners



H15 compliant at least 51% nominations



In relation to the schemes and data collected, the most typical combination is to provide H15 compliant at least 51% nominations, with 35% on site affordable. 67% of schemes complied with this approach. However, it is noted that a few instances (albeit only around 6% of cases) were found in which the S106 did not secure the reasonable endeavours on the 16% uplift explicitly and only required nominations on the affordable student provision, thereby essentially allowing for less than majority nominated.

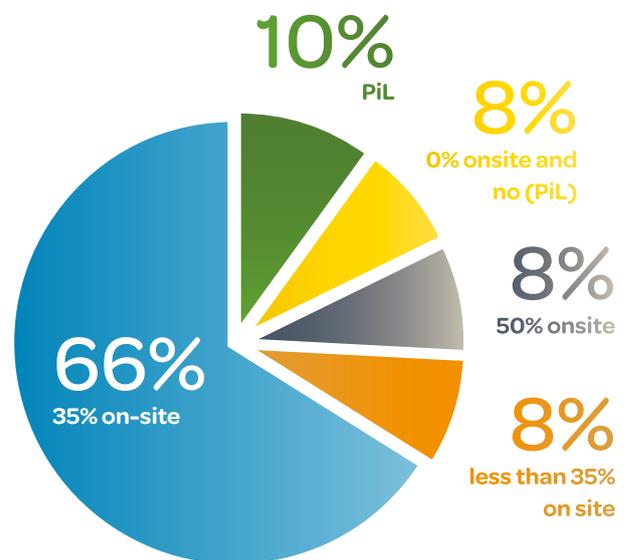
For those that did not adopt the mix of nominations and direct-let approach, there have been an equal number of applications in this period that are either 100% nominations or 100% direct-let (14% each).

The instances of proposing 100% direct-let are generally schemes that have been progressed by a HEI or with a HEI partner, whilst the majority of 100% direct-let schemes are within Southwark.

In relation to affordable student rent provision, the vast majority, as noted above, provide 35% affordable on site, although 8% provided 50% on site and a further 8% provided some provision on-site but less than 35%. In addition to that, a further 8% of schemes provided 0% affordable on-site and no payment-in lieu. A further 10% provided a payment-in-lieu (PiL) either in combination with some on-site provision or no provision. It is important to note that not all of these schemes are consented, rather awaiting determination.

Of those providing little or no affordable student rents on site, these are either being justified through viability assessments noting that nothing further can be provided, or, it has been noted in a large number of the newer schemes coming forward, the LPA is prioritising affordable C3 over affordable student rents. Either through a payment in lieu or through provision on site with the private student units cross-subsidising a higher affordable residential provision on site (this was the case in 50% of the schemes that provided <35% or 0% on site affordable and no payment).

Affordable student provision



The Hale, LB Haringey



# Summary

As evidenced, there has been a sharp increase in demand for PBSA bedrooms in recent years, which supply has been struggling to meet. This confirms PBSA as a crucial sector for growth, as well as to assist in meeting housing demand.

In response, the number of PBSA applications has skyrocketed since the covid years from 2022 onwards, with more than double the number of applications made in 2022 compared to 2021 alone, and with no sign off this dropping off as we head into 2024. The research shows that PBSA developments typically skew towards town centre locations within Central London Boroughs (in which many of London's major higher education institutions reside), with LB Southwark having been identified for having 11 schemes within the time period alone. The majority of planning applications fall within sites allocated for development, and predominantly consist of mixed-use schemes, accordingly.

From a policy perspective, it can be seen that London Plan Policy H15 is broadly followed at a local level, with some boroughs opting for additional measures to ensure that appropriate schemes are devised that contribute towards mixed and balanced communities. As we have experienced, LB Southwark is the only Borough with adopted policy that directly conflicts with the London Plan in relation to the requirements for nominations and the provision of affordable student rents on-site, providing a unique context for student housing; however we do note that a greater variety of options are beginning to come forward across London in other boroughs.

While less detail is provided in policy regarding design standards, we have identified a number of trends that correspond with the emerging expectations from London Boroughs to provide high quality development. Developments are typically mixed in nature in relation to bed type (studio or cluster), although the number of cluster beds typically outweighs the number of studios. Equally important is the amenity offered, where it was found that each student can expect to benefit from around 20-21 sq m of internal space, of 1.37 sq m is general communal space and the remainder provided either through private rooms and a mixture of cluster LKDs, and around 0.97 sq m of external amenity (albeit this is not offered by all schemes).

London faces an uphill battle to meet the growing demand for Purpose-Built Student Accommodation, and the research shows that there has been appetite to achieve this since the adoption of Policy H15. Indeed, as understanding of the policy has increased, so has the number of applications and permissions. It presents an intriguing context for the role that PBSA will have in meeting student housing demand in the future, and for what will be done in turn to ensure the delivery and implementation of PBSA schemes across the city.



# About Turley

## We are a full service planning and development consultancy.

Our Planning expertise is complemented by Business Cases and Funding, Design, Economics, EIA, Expert Witness, Heritage, Townscape & Landscape, Strategic Communications, and Sustainability & ESG services. All services can be provided together or individually.

We help clients achieve good growth in all jurisdictions in the UK and Ireland from our locations in major cities and growth areas.

Our teams are experts in their fields; they shape better places and achieve success for our clients.

## We bring deep thinking, smart strategy and expert delivery.

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