Britannia Street, King's Cross, PBSA Demand & Needs Assessment

09 January 2024	Britannia Street Car Park, Kings Cross	knightfrank.com/research
Confidential	Prepared for Curlew Developments London Limited	KF Ref: Kings Cross - Britannia St Car Park

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Executive Summary

Higher Education

- There are 11 Higher Education Providers (HEPs) within campuses located within a one-mile radius of the Britannia Street scheme. The largest of which, UCL, hosts 39,942 students and is ranked 6th in the Times Higher Education UK rankings.
- In total, over 92,000 full-time students study at HEPs within a one mile radius of Britannia Street and over the period 2017/18 to 2021/22 this population has increased by 18.1% - a rate of 3,500 students per annum.

Demand

- There are 11,550 full-time students living within a 0.5-mile radius of the Britannia Street site. 48.4% (5,588 students) are studying at University College London. The number of full-time students living within this catchment has increased by 17.1% over the period 2017/18-2021/22 – a rate of 420 students per annum. Full-time international, non-UK domicile students represent 68.9% (7,961) of total full-time students living within the 0.5-mile catchment, and their number has increased by 15.4% over the period 2017/18-2021/22.
- The two main HEPs within the catchment are UCL and the University of Arts, London. Analysis of changing student numbers at these two providers points to full time student numbers, collectively across these two main HEPs, increasing by 27% over the next five years – equating to 21,800 additional students.

Supply

- There are 102,018 PBSA bed spaces for students across London. Provision has increased by 53% since 2011, at an average of 2,950 bed spaces per annum. Over the same period the full-time student population has increased by over 7,000 students per annum.
- Across a 0.5 mile radius catchment of the Britannia Street site, there are a total of 4,645 beds, representing 40.2% of full time students (11,550) living within the catchment. This equates to a gross ratio of 2.5 full-time students to every PBSA bed space.

Outlook

- Currently, only 30% of full-time higher education students across London have access to university or private sector PBSA, while a further 24% are estimated to be living at home with parents. The remaining 46% of full-time students in London are required to find accommodation within the private rented sector. Analysis shows that full time students studying within the catchment area and across the wider London market are likely to record strong growth over the next upcoming academic cycles to 2026/27, based on historic trends and market evidence. The current development pipeline indicates just 9,225 bed spaces currently under construction across London and as a result the shortfall in PBSA is likely to increase.
- There are no new PBSA schemes set to be delivered within a 0.5 mile radius of the Britannia Street site within our current assessment of the development pipeline. This sits against a current population of full-time students of 11,078 (minus students living at home with parents) representing a shortfall of 6,433 bed spaces. Over the last four cycles the full-time student population has increased by 420 students per year far and on this basis the current shortfall is likely to increase.

1. Introduction

Knight Frank Global Research and Knight Frank Student Property have been instruced by Curlew Developments London Limited to produce bespoke analysis of the student housing market in King's Cross, London. This is in support of a proposed purpose-built student accommodation (PBSA) scheme on the site of the Britannia Street Car Park, Britannia Street, King's Cross.

The development will deliver approximately 150 high quality study bedrooms with associated student amenity and facilities.

This research assesses the demand for student accommodation across Central London and the Borough of Camden.

The report provides the following analysis:

- Demand side drivers – socio-economic profile, growth projections;
- Existing supply of student accommodation – existing PBSA, HMO accommodation within the
- mainstream rental market;
- Development pipeline – across London and within close proximity to the Britannia Street scheme.
- Housing market profile - supply and demand balance, and pricing trends.

Catchment

We have assessd demand across Central London and where applicable presented demand/supply metrics at lower levels of geogrpahy based on distance/travel times from the proposed scheme. This reflects the location of the site and travel times to and from Higher Education Proivers (HEPs) and other amenities.

A compact 0.5-mile radius around the Britannia Street site has been selected for the majority of this report, due to the prime location of the site. When considering HEP locations, a one-mile radius has been selected. Within the one-mile catchment, the largest institutions encapsulated are:

- University College London
- University of the Arts, London
- City, University of London
- SOAS, University of London
- Birkbeck, University of London

The proposed scheme is in a location that is readily accessible by cycle, public tranpsort (underground, National Rail and bus) or on foot to the university campuses listed.

The Britannia Street site has a Public Transport Access Level (PTAL) rating of 6b and therefore demonstrates an excellent level of connectivity. The PTAL rating combines information about how close public transport services are to a site and how frequent these services are.

The highest level of connectivity has a PTAL of 6b and the lowest has a PTAL of 0. As per the London Plan, sites with better connectivity provide opportunities for development at higher densities and for sustainable development that reduces the need to travel by car.

The proposed scheme is a 20-25 minute walk from the institutions highlighted above. A number of other institutions across London are reachable within a short journey by public transport.

Overall, the Britannia Street site has a high level of connectivity and, given its location in the heart of Central London, is likely to attract demand locally as well as from a number of universities across London.

The London Borough of Camden's approach to student accommodation

Camden Council has outlined its approach to PBSA in policy H9 of its Local Plan, issued in 2017. The council advocates for a range of accommodation at various price points in order to meet the needs of students from a variety of backgrounds, that it might support the growth of HEPs in the borough and the borough's international academic reputation. The council has set a minimum target of an additional 160 PBSA bed spaces each year.

The London Plan

The new London Plan (The Spatial Development Strategy for Greater London) was published March 2021 following a 'rigorous process of consultation and an Examination in Public, in which 300 different organisations or individuals participated'. The Plan includes a policy on purpose-built student accommodation (Policy H15) which states that Boroughs 'should seek to ensure that local and strategic need for purpose-built student accommodation is addressed', provided that:

- The development contributes to a mixed and inclusive neighbourhood.
- At least 35% of the student accommodation is 'affordable'. 'Affordable is defined as 'the rental cost for the academic year is 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.'
- Majority of the rooms are secured through a nominations agreement by a higher education provider (unless all rooms quality as 'affordable'). There is no requirement for the higher education provider linked by the agreement to the PBSA.
- The scheme contributes to the London's housing need outlined in the 2017 London Strategic Housing Market Assessment (SMHA).

The Plan identifies a strategic requirement of 3,500 additional PBSA bed spaces per annum. The need for PBSA is not considered in terms of Borough, but in regard to higher education providers, growth and availability. The Policy also states that Boroughs should be 'encouraged to develop student accommodation in locations well-connected to local services by walking, cycling and public transport.'

The Mayor has carried out a London-wide Strategic Housing Market Assessment (SHMA) and Strategic Housing Land Availability Assessment (SHLAA). The SHMA has identified need for 66,000 additional homes per year over the next ten years. The SHMA covers overall housing need as well as exploring specific requirements for purpose-built student accommodation and specialist older persons' accommodation within the overall figure.

The ten-year housing targets should be monitored in net terms taking into account homes lost through demolition, amalgamations or change of use. Net non-self-contained accommodation for students should count towards meeting housing targets on the basis of a 2.5:1 ratio, with two and a half bedrooms/units being counted as a single home.

Exisiting university campuses within a one-mile radius of Britannia Street Car Park

University College London (UCL)

- UCL is the largest HEP within a one-mile radius of the site on Britannia Street and is easily accessible by foot (22 minutes), bike (8 minutes) or public transport (under 15 minutes). UCL is ranked 6th in the Times Good University Guide 2024 and is a member of the Russell Group.
- In 'UCL 2034' document, the university sets out its future strategy and vision. The university aims to: be a global leader in the integration of research and education; be an accessible, publicly engaged organisation, both globally and locally; and further develop collaborations and partnerships.

University of the Arts, London (UAL)

- UAL has campuses across central London; it is one university made up of 6 colleges. Whilst not all are located within a one-mile radius of the site, all can be easily accessed by public transport due to the high-connectivity of this site. UAL is ranked 42nd in the Times Good University Guide 2024.
- In its strategty, 2022-2023, UAL sets out how it will deliver its social purpose, through providing high-quality creative education, wishing to 'change the world' through creative endeavour. The strategy stresses the university's internatioanl student body and global partnerships.

City, University of London

- City, University of London, is a careers-focussed university and is easily accessible by foot (20 minutes) or bike (7 minutes) from the site. The university is ranked 66th in the Times Good University Guide 2024.
- City's vision and strategy to 2030 has career readiness and leadership development at its heart, alongside its research practices, as well as being 'open and outward-facing' with a collaborative approach to its work.

SOAS & Birkbeck, University of London

- SOAS and Birkbeck are both located with the main University of London campus area, adjacent to University College London. The campus area is easily accessible by foot (23 minutes) or bike (10 minutes). SOAS is ranked 28th in the Times Good University Guide 2024.
- SOAS's 5-year Strategic Plan focuses on student responsiveness, research intensity, international partnerships and its institutional community. As part of this, SOAS is hoping to grow by at least 1,000 students, including increasing postgraduate numbers to 55% of its student demographic.
- Birkbeck's Vision 2021-26 has a 'connected campus', high-quality, flexible education, and engaging research at its heart.

Figure 1: **Britannia Street, Kings Cross, HEP's in the catchment**

Source: Knight Frank Research

2. Student Demand Profile

2.1 Student Population Profile

The Britannia Street site is within a one-mile radius of several university campuses, most notably: University College London; University of the Arts, London; City, University of London; SOAS, University of London; and Birkbeck, University of London. The proposed scheme benefits from great walkability in Central London and excellent transport links to wider London. This is evidenced by many students living within the 0.5-mile catchment area who attend HEPs further afield such as King's College London and the London Scool of Economics and Political Science. It is in within a 5-minute walk to King's Cross St Pancras Underground Station, King's Cross Station and St Panras International.

Students living within a 0.5-mile radius catchment area

- When considering the number of students living near the proposed scheme, and what accommodation is currently avaialable to them, a more precise radius of 0.5 miles has been selected for analysis, and is possible given the high student demand in the area.
- There are 11,550 full-time students living within a 0.5-mile radius of the Britannia Street site. 48.4% (5,588 students) are studying at University College London, 11.9% (1,372 students) are studying at the London School of Economics and Political Science, 9.6% (1,113 students) are studying at SOAS, University of London, 6.5% (752 students) are studying at the University of the Arts, London, and a further 5.5% (632 students) are studying at King's College London. The number of full-time students living within this catchment has increased by 17.1% over the period 2017/18-2021/22.
- The total number of full-time undergraduates across the catchment, representing 70.5% of the total full-time student population (8,147), has increased by 26.5% over the period 2017/18-2021/22.
- The number of full-time postgraduate students in the catchment, 3,403, has remained broadly the same with only minor fluctuations.
- Full-time international, non-UK domicile students represents 68.9% (7,961) of total full-time students living within the 0.5-mile catchment, and their number has increased by 15.4% over the period 2017/18-2021/22.

Higher Education Providers (HEPs) within a one-mile radius catchment area

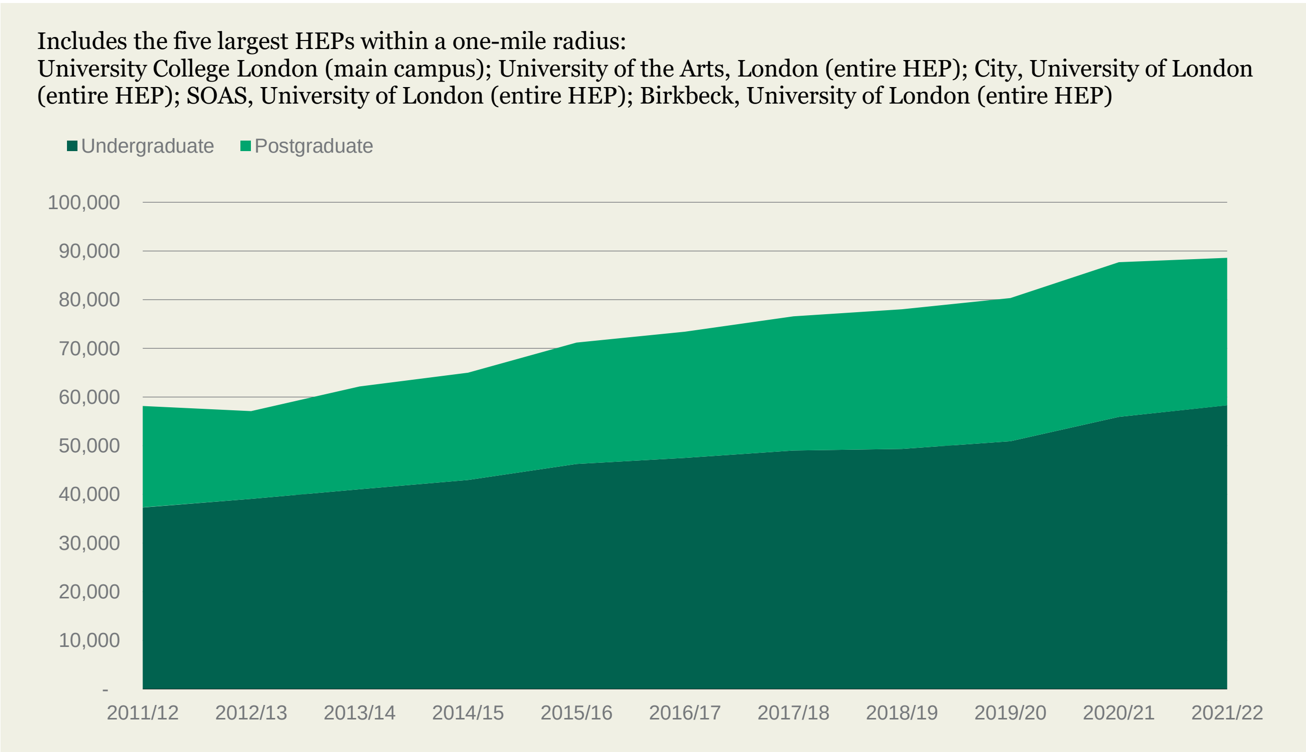
- There are 11 HEPs with campuses within a one-mile radius of the Britannia Street site, hosting 92,749 full-time students. The largest of these are University College London, hosting 39,942 students, University of the Arts, London (Entire HEP) hosting 21,839, and City, University of London, hosting 17,384. Over the period 2017/18-2021/22, full-time student numbers have increased by 18.1%, driven both by non-EU international students and UK students.
- The total number of full-time undergraduates studying at HEPs within the catchment area, representing 65.2% of the total full-time student population, has increased by 20.7% over the period 2017/18-2021/22. The number of full-time postgraduates has increased by 13.5% over the same period.
- International, non-UK domiciled students represent 49.0% of total full-time students studying at institutions within a one-mile radius of Britannia Street, and over the period 2017/18-2021/22 their number has increased by 25.1%.
- The largest growth in student numbers from HEPs within the catchment is from non-EU international students, up 39.1% since 2017/18.

Table 1: **Profile of students studying within a one-mile radius* of Britannia Street**

	one-mile radius	% total students	% change from 2017/18	London	% total students	% change from 2017/18
UK undergraduate	34,968	37.7%	15.3%	190,802	55.5%	8.1%
Non-UK undergraduate	25,458	27.4%	29.1%	132,342	38.5%	46.5%
Undergraduate total	**60,426**	**65.2%**	**20.7%**	**323,144**	**93.9%**	**21.1%**
UK postgraduate	12,343	13.3%	3.9%	11,521	3.3%	5.1%
Non-UK postgraduate	19,980	21.5%	20.3%	9,406	2.7%	3.3%
Postgraduate total	**32,323**	**34.8%**	**13.5%**	**20,927**	**6.1%**	**4.3%**
Total international students	45,438	49.0%	25.1%	141,748	41.2%	42.5%
Full-time students	**92,749**	**100.0%**	**18.1%**	**344,071**	**100.0%**	**19.9%**

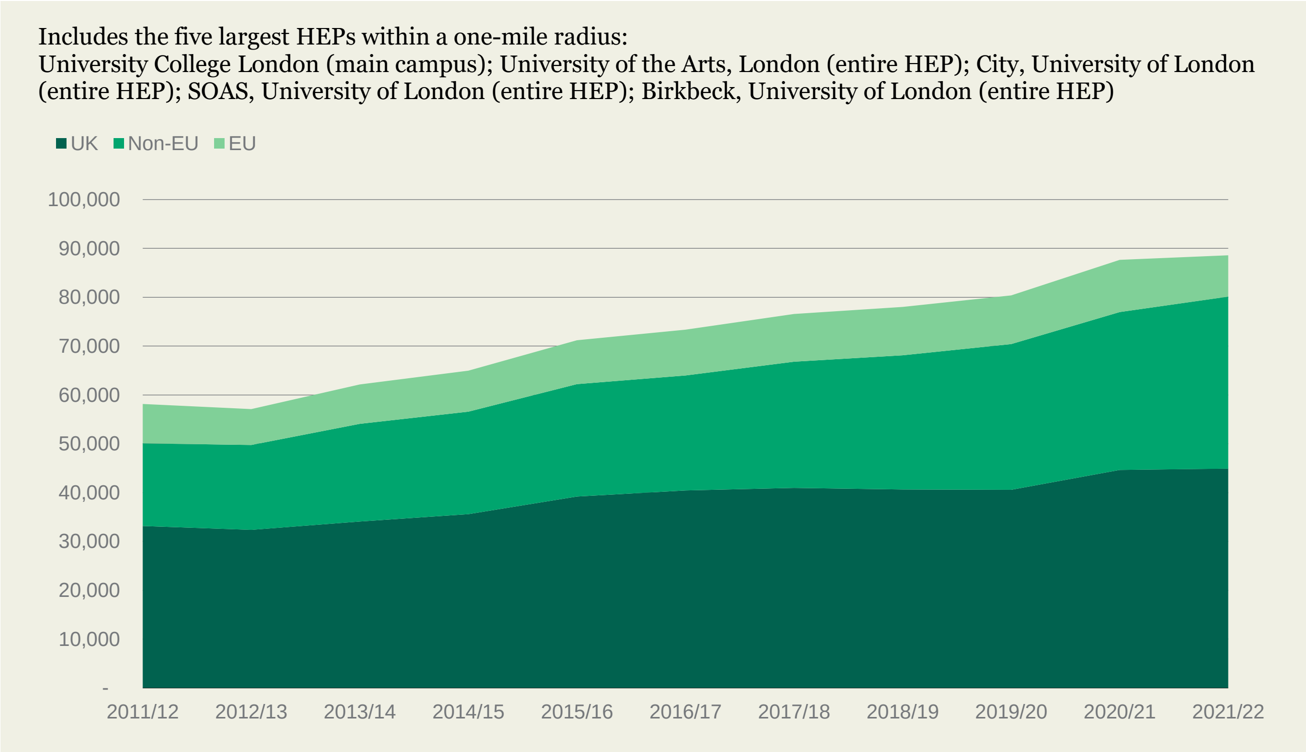
* University College London (main campus); University of the Arts, London (entire HEP); City, University of London (entire HEP); SOAS, University of London (entire HEP); Birkbeck, University of London (entire HEP); The Royal Veterinary College (main campus); Roehampton University (Rosebury Ave London QA); Queen Mary University of London (Lincoln Inn Fields); London School of Hygiene and tropical Medicine (main campus); Conservatoire for Dance and Drama (London Contemporary Dance School); Royal Academy of Dramatic Art; University of London (Warburg Institute, Institute of Historical Research, Institute of Commonwealth Studies, Institute of Advanced Legal Studies, Institute of English Studies, Institute of Modern Languages Research, School of Advanced Study Central, Institute of Classical Studies)
Source: Knight Frank Research, HESA

Figure 2: **Full-time student by level of study – largest HEPs within a one-mile radius**



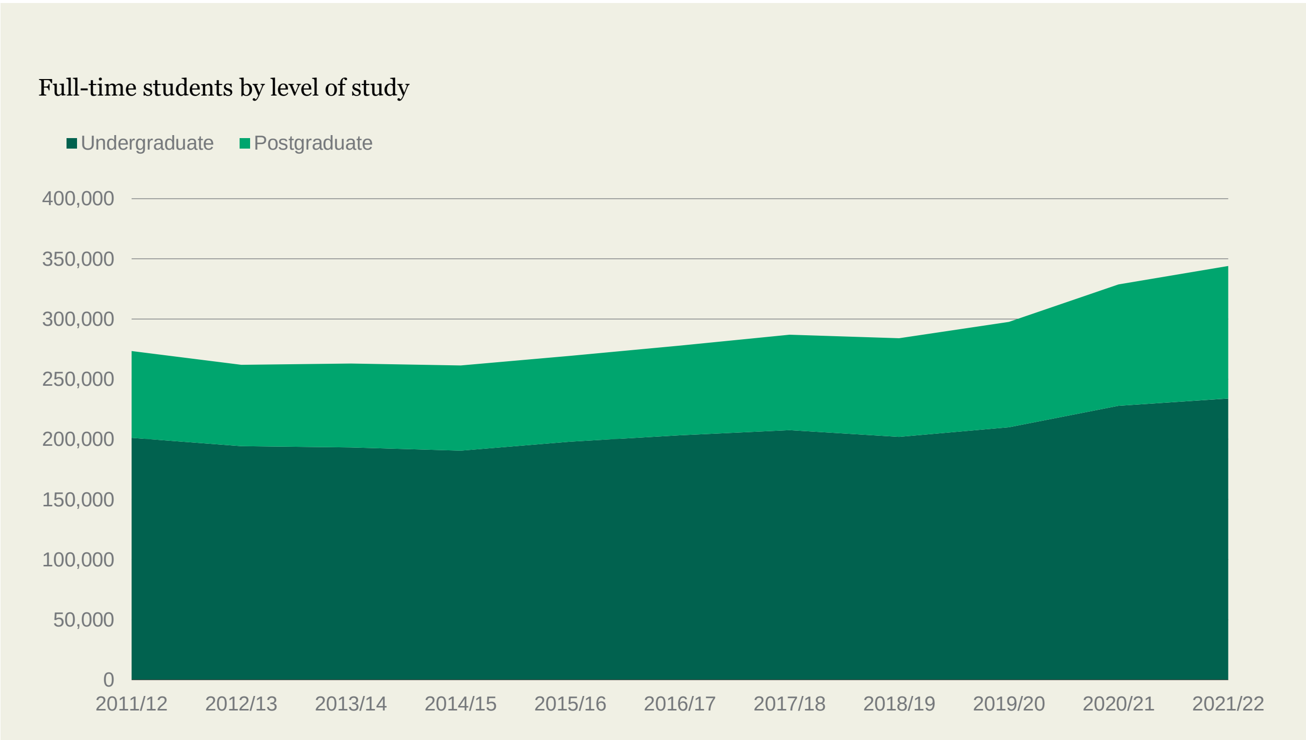
Source: Knight Frank Research

Figure 3: **Full-time students by domicile type – largest HEPs within a one-mile radius**



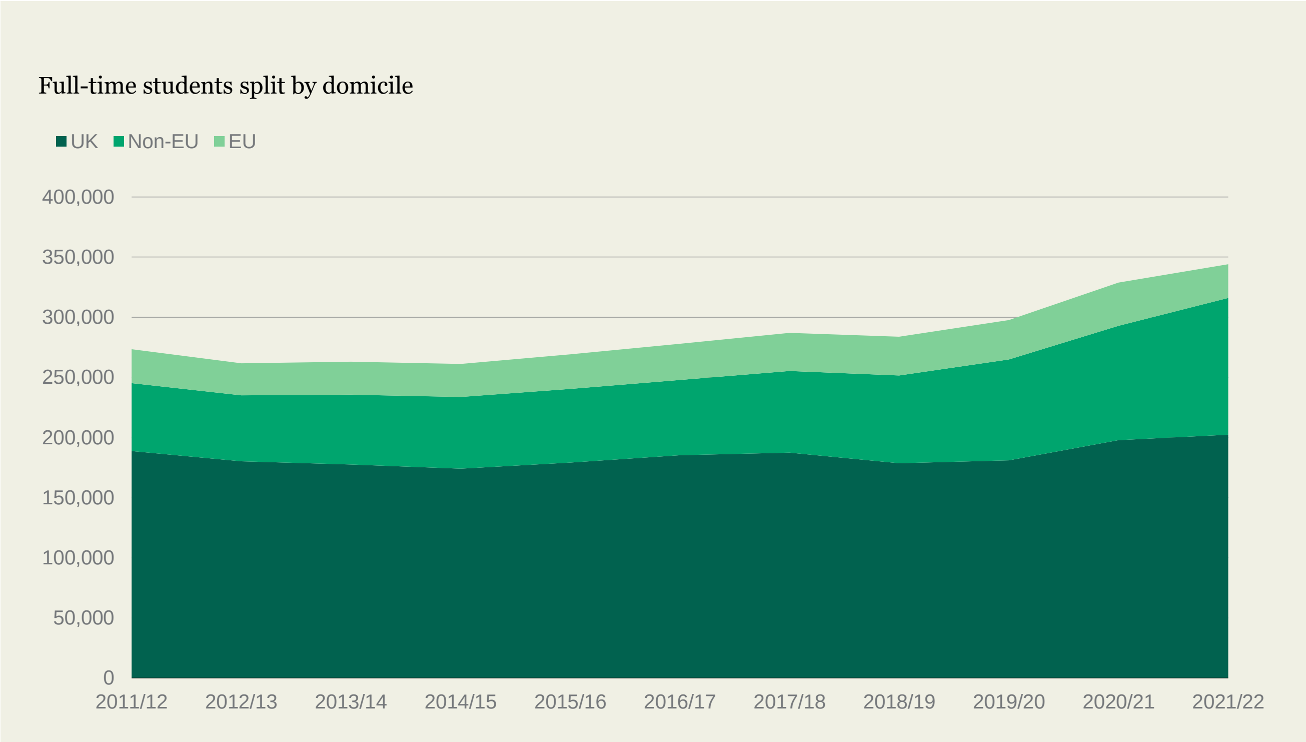
Source: Knight Frank Research

Figure 4: **Full-time students by level of study - London**



Source: Knight Frank Research, HESA

Figure 5: **Full-time students by domicile type - London**



Source: Knight Frank Research, HESA

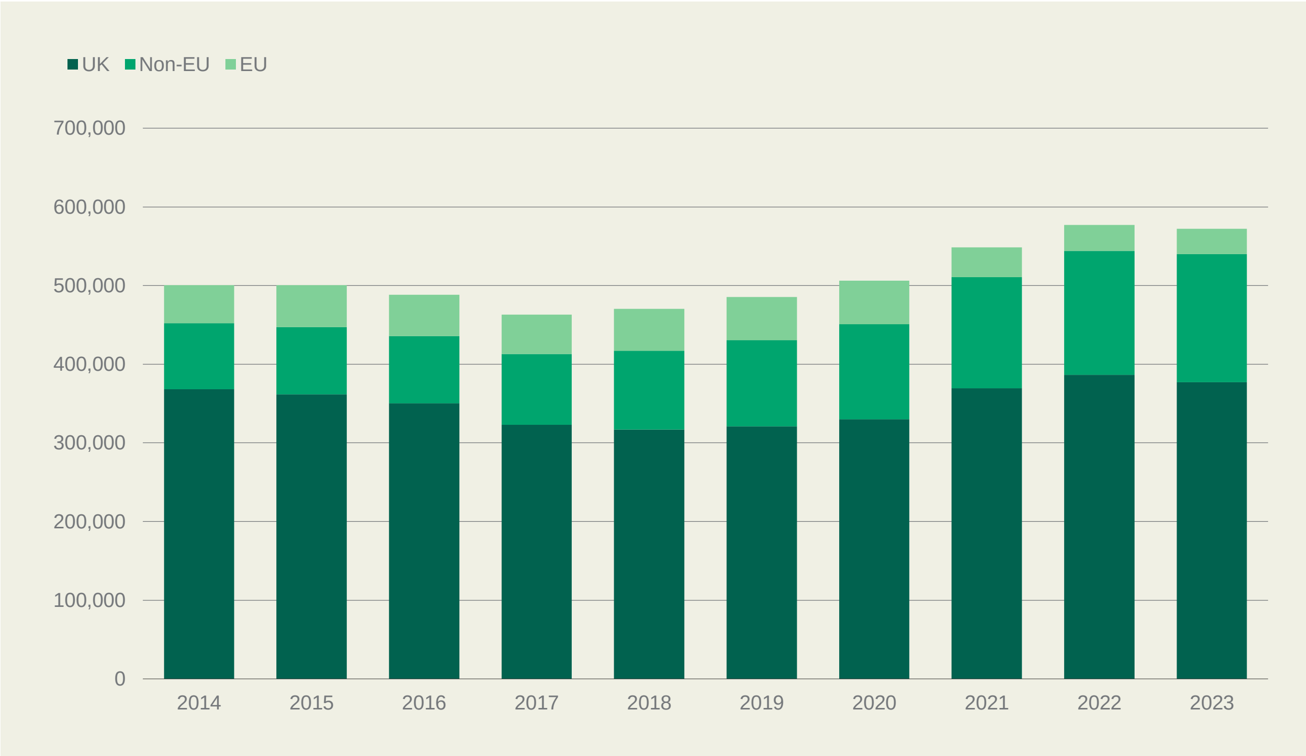
2.2 Applications & Acceptances

In 2023, Higher Education Providers in London received 572,020 applications for places which is 21.7% higher than in 2018. In 2023, there were 6.3 applications for every accepted place at HEPs located in London.

Acceptances of places within London have increased by 8.1% since 2018. This growth in acceptances has been driven by demand from domestic and non-EU students which have increased by 7.9% and 56.0% respectively since 2018.

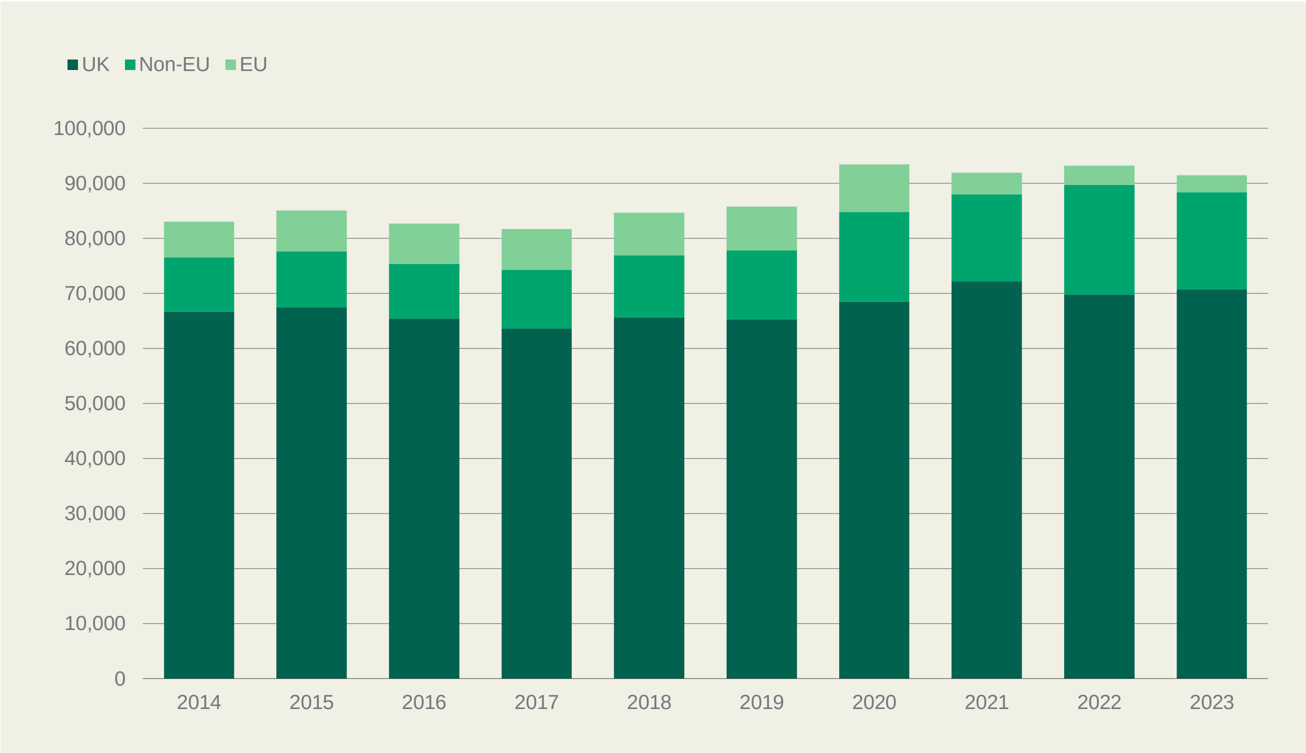
It is projected by UCAS that there will be 1,000,000 applicants to UK universities in a single cycle by 2030. London universities will undoubtedly play a major role in attracting increasing numbers of applications to achieve this.

Figure 6: **Applications to London universities by domicile**



Source: Knight Frank Research, UCAS

Figure 7: **Acceptances to London universities by domicile**



Source: Knight Frank Research, UCAS

Table 2: **Applications & acceptances - London Universities**

Year	Applications	Acceptances	Applications to Acceptances Ratio
2018	470,150	84,635	5.6
2019	485,575	85,770	5.7
2020	506,060	93,435	5.4
2021	548,420	91,950	6.0
2022	576,825	93,200	6.2
2023	572,020	91,485	6.3
% change 2018-2023	21.7%	8.1%	

Source: Knight Frank Research, UCAS

Applications and acceptances for University College London are provided in the table below, as an institution-level example; students studying at UCL account for the largest cohort of students both living within a 0.5-mile radius of the site and studying within a one-mile radius of the site.

In 2023, University College London received 77,615 applications for places, which is 55.0% higher than in 2018. In 2023, there were 10.2 applications for every accepted place.

Acceptances of places have increased by 29.1% since 2018. This growth in acceptances has been driven by demand from domestic and non-EU students, which has increased by 33.1% and 61.0% respectively since 2018.

Table 3: **Applications & Acceptances - University College London**

Year	Applications	Acceptances	Applications to Acceptances Ratio
2018	50,090	5,885	8.5
2019	54,890	6,110	9.0
2020	58,690	9,145	6.4
2021	68,085	8,140	8.4
2022	74,775	7,530	9.9
2023	77,615	7,595	10.2
% change 2018-2023	55.0%	29.1%	

Source: Knight Frank Research, UCAS

2.3 Future Student Profile

Knight Frank Research has conducted an exercise using long-run historic trends in changing student numbers. This analysis was conducted across the two main Higher Education Providers in the immediate catchment, University College London (main campus) and University of Arts, London (entire HEP) to estimate the number of students that may be enrolled in studies by the 2026/27 academic cycle.

The COVID pandemic caused disruption to (and anomalies within) the usual recruitment cycle for all HEPs and the two included in this analysis and, as a result, we have accounted for this within our projections. Two recent pieces of analysis by the IHEC & HEPI suggest that the 'spike' in overseas recruitment was largely helped by the UK being one of the few major countries to remain open to overseas students through COVID.

The above considered, we have omitted 'anomaly' years within the data to ensure that the rates of change used is balanced. In doing so, we have derived growth rates that more accurately reflect the recruitment context before the pandemic. This means that the recent volatility in overseas recruitment is discounted.

In our projections, the total number of full-time postgraduate students could increase by 31% to 2026/27, while undergraduate student numbers are estimated to increase by 25%. Our projections estimate that there could be a 27% increase in full-time student numbers across the two universities, totalling 83,654 students in the 2026/27 academic year.

Table 4: **Summary: Historic and Projected Change in Students, Main HEPs**

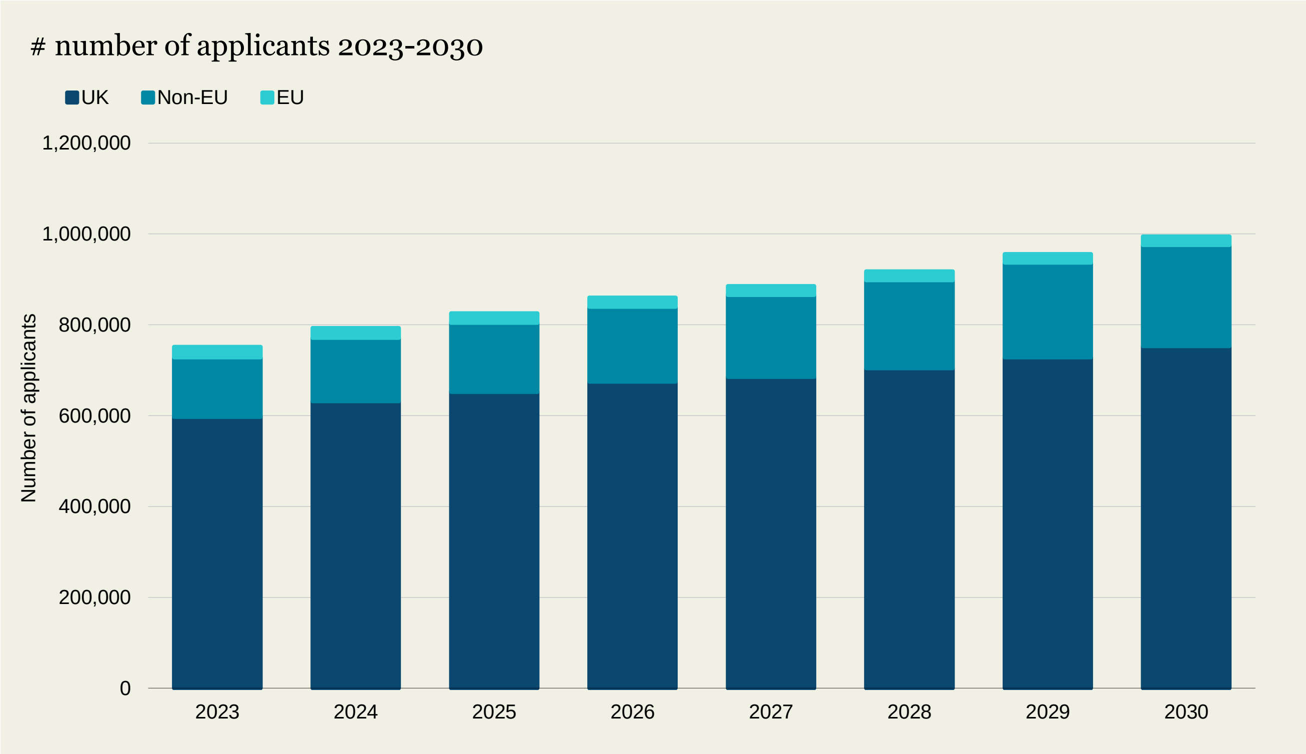
Academic cycle	Undergraduate	Postgraduate	ALL	Full-time students
2016/17	31,974	16,009	56,193	47,983
2017/18	33,285	17,613	58,983	50,898
2018/19	33,625	18,774	60,275	52,399
2019/20	34,853	19,437	61,364	54,290
2020/21	38,045	22,045	66,817	60,090
2021/22	40,262	21,519	69,284	61,781
2022/23 (p)	42,421	22,990	72,446	65,411
2023/24 (p)	44,776	24,601	75,790	69,377
2024/25 (p)	47,348	26,364	79,327	73,712
2025/26 (p)	50,160	28,297	83,072	78,457
2026/27(p)	53,238	30,416	87,041	83,654
% Growth 2017/18 - 2021/22	21.0	22.2	17.5	21.4
# Growth 2017/18 - 2021/22 (net)	6,977	3,906	10,301	10,883
% Projected 5 yr. growth	24.6	31.5	19.9	27.0
# Projected 5 yr growth (net)	12,976	8,897	17,757	21,873

Source: Knight Frank Research, HESA, *(p) = projection*

UCAS Journey to a Million Forecasts

In addition to Knight Frank Research's own analysis of projected growth in full-time students, it is worth providing context, with wider forecasts conducted by UCAS, who are predicting there will be up to 1 million new undergraduate applications per year by 2030. This is double the number of applicants seen in 2006, and 250,000 more than in 2021. Of this, UCAS is also projecting a 60% increase in international student applicants, signalling the ongoing attraction of UK higher education. Within this, UK higher education would see a 75% increase in higher education applicants from outside the EU.

Figure 8: **Forecasted undergraduate applications for UK HEPs, UCAS**



Source: UCAS

3. PBSA Supply

3.1 Existing Purpose-Built Student Accommodation Supply

This section outlines the existing provision of student accommodation and the extent of the development pipeline of PBSA across London.

University operated accommodation

- Across London, there are a total of 187 university operated PBSA schemes. These schemes collectively provide 45,798 bed spaces for students (45% of total available bed spaces). University provided PBSA comprises 29,753 ensuite rooms, 14,556 standard rooms with shared bathroom facilities, and 1,489 studios.
- Within a 0.5-mile radius of the Britannia Street Site, university operated schemes provide 1,996 bed spaces, comprising of ensuite rooms (61%), standard rooms (33%) and studio rooms (5%). As a total, university accommodation provides 43.0% of total PBSA within 0.5 miles of the proposed scheme.

Table 5: **Summary of all university operated PBSA (London & 0.5-mile catchment)**

	All London		0.5-mile radius	
Bed space type	# beds	%	# beds	%
Non-ensuite	14,556	32%	665	33%
Ensuite	29,753	65%	1,225	61%
Studio	1,489	3%	106	5%
Total	45,798		1,996	

Source: Knight Frank Research

Privately operated accommodation

- There are 206 privately operated PBSA schemes across London, of which 37 are part-nominated and the remainder are operated on a direct-let basis. Collectively, these schemes provide 56,220 bed spaces for students and make up 55% of the total available beds in London. Privately operated PBSA in London is made up of 19% standard rooms, 37% studio accommodation and 44% ensuite rooms.
- Within a 0.5-mile radius of the Britannia Street Site, 2,649 bed spaces are offered by private providers on a direct let or part-nominated basis, comprising of studio rooms (44%), ensuite rooms (31%) and standard rooms (25%). Privately operated schemes provide 57% of total bedspaces within 0.5 miles of the proposed scheme.

Table 6: **Summary of all privately operated PBSA (London & 0.5-mile catchment)**

	All London		0.5-mile radius	
Bed space type	# beds	%	# beds	%
Non-ensuite	10,752	19%	660	25%
Ensuite	24,627	44%	829	31%
Studio	20,841	37%	1,160	44%
Total	56,220		2,649	

Source: Knight Frank Research

All PBSA accommodation combined

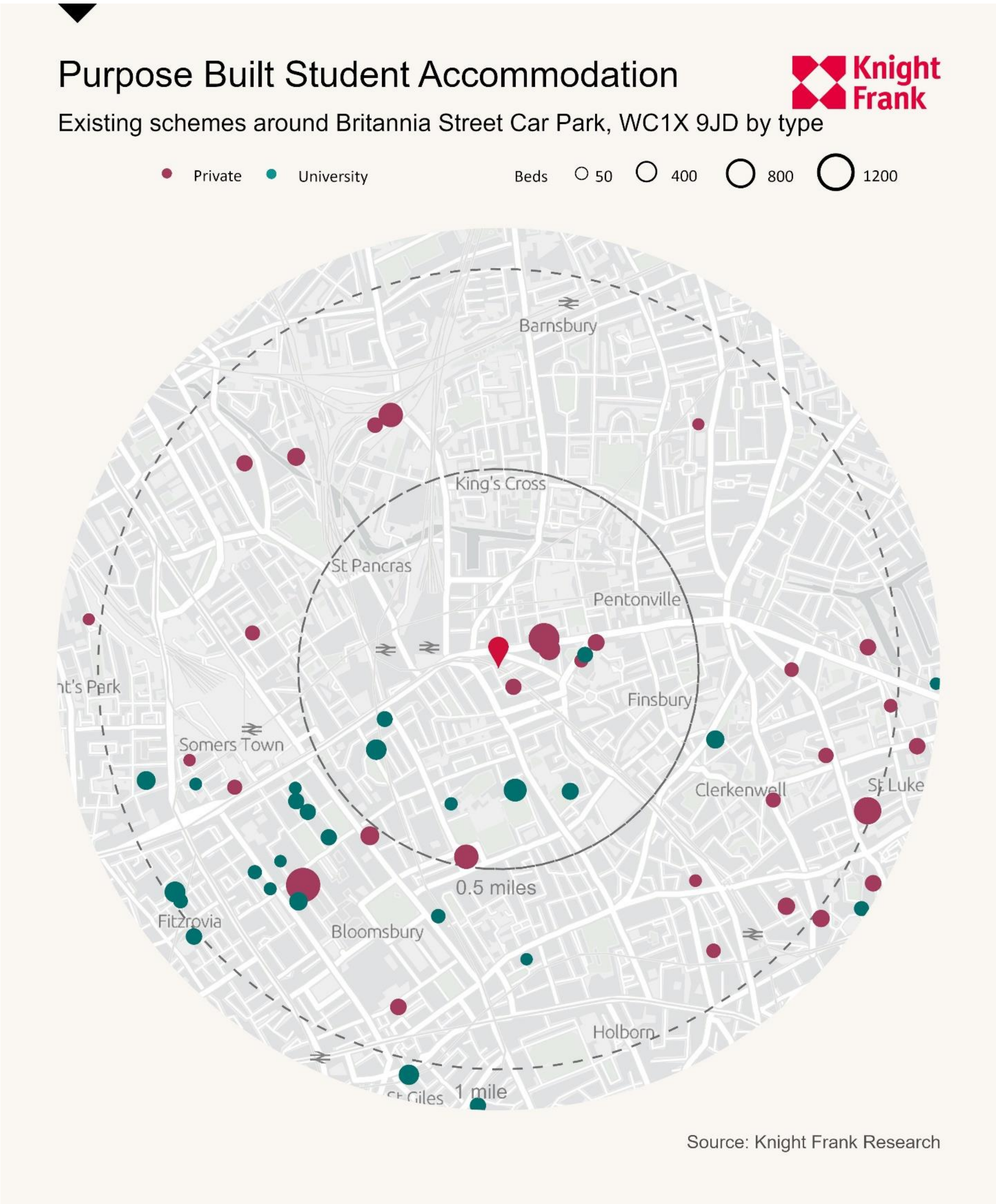
- Across the whole of London, there are 102,018 PBSA bed spaces for students, while within a 0.5 mile radius of the Britannia Street site, there are a total of 4,645 beds.
- Extending the radius to one-mile, adds an additional circa additional 10,000 PBSA beds.

Table 7: **Summary of private & university operated PBSA (London & 0.5-mile)**

	All London		0.5-mile radius	
Bed space type	# beds	%	# beds	%
Non-ensuite	25,308	25%	1,325	29%
Ensuite	54,380	53%	2,054	44%
Studio	22,330	22%	1,266	27%
Total	102,018	100%	4,645	100%

Source: Knight Frank Research

Figure 9: **Geo-Spatial Analysis, PBSA Supply in catchment**

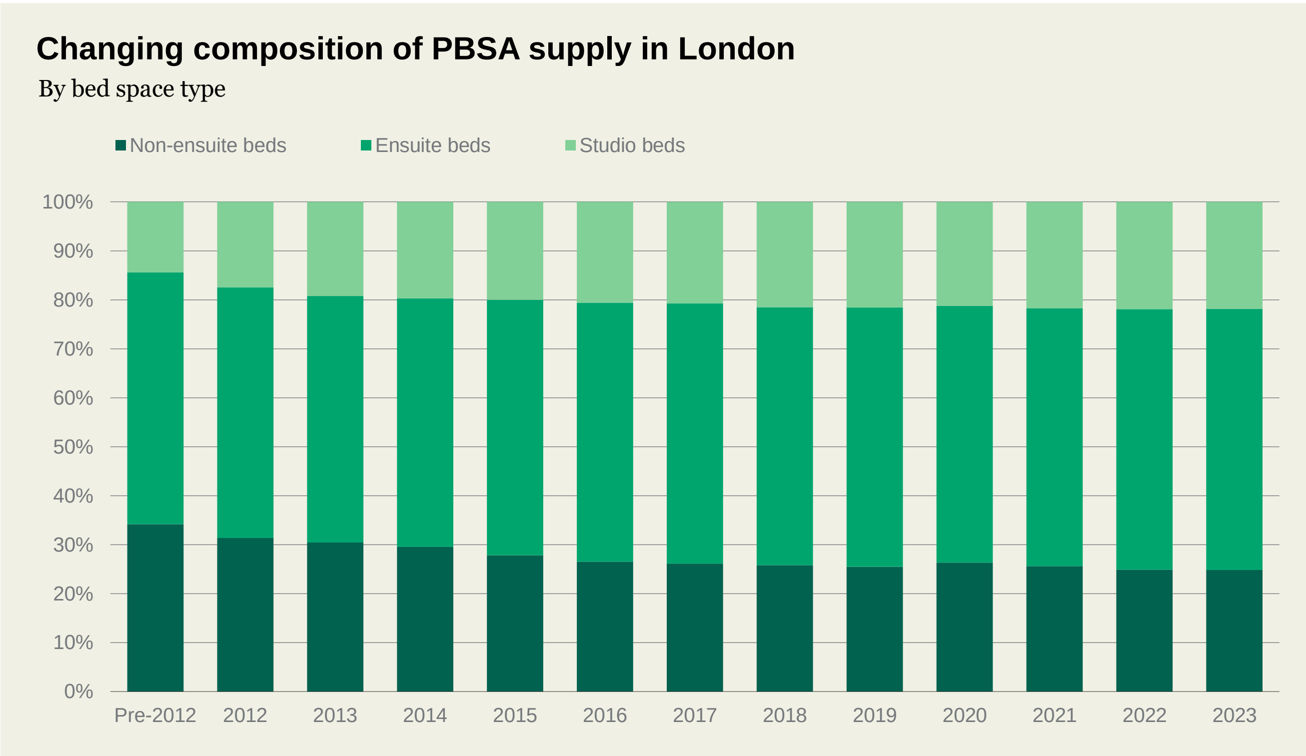


Source: Knight Frank Research

Changing composition

- London has seen an increase in supply of 53% since 2011 with 35,522 beds delivered, equating to an average of circa 2,950 beds per annum. As such, the delivery of student beds has fallen short of the 344,071 full-time students added to the student population since the 2011/12 academic year. Between 2011 and 2023 ensuite accommodation has increased by 59% and studio accommodation by 132%. Private providers have delivered 26,702 beds since 2011, comprising of predominantly ensuite and studio accommodation. Within a 0.5-mile radius of the Britannia Street site, 1,219 beds have been delivered since 2011, representing a 35.6% increase, all of which are privately operated.
- Over the period 2017/18 to 2021/22 the population of students living in the 0.5 mile radius catchment has increased by 17.1% at an average rate of 420 students per annum. In this period, supply has remained flat, with no new PBSA schemes delivered in the catchment over that period or indeed since 2014 when the Depot Point scheme (230 bed spaces) was delivered. There are currently 11,550 full time students living within the catchment against a PBSA bed space supply of 4,645 – a shortfall of 6,905 PBSA beds. At 4.1%, a very low proportion of students living within the catchment are living at home with parents, which means 55.7% of full-time students are residing in the wider private rented sector.

Figure 10: **Delivery of student beds by type, London**



Source: Knight Frank Research

3.2 Future Purpose-Built Student Accommodation Supply

The PBSA pipeline data referenced in the following section has been compiled by collecting all residential accommodation records from Egi planning data and data for the planning departments across London, at a point in time, Q4 2023. This data has been combined and sorted dependent on planning and construction status.

Knight Frank's records suggest that there are 16 schemes in London, consisting of 9,225 beds, that are currently under construction. There are 35 schemes totalling 14,314 beds which have planning consent but are not yet under construction, and a further 21 schemes comprising 8,998 beds have submitted planning applications but have not yet been approved. These figures would indicate that the total potential pipeline in London amounts to 32,537 beds.

According to our records, within 0.5 miles of the Britannia Street site, there are zero PBSA schemes in the pipeline. If we widen this radius to 1 mile, the pipeline is still limited; there are 399 beds with planning consent, across four schemes, but none of these beds are currently under construction.

Of note, by extending the catchment again by another half a mile to 1.5 miles, this adds less than 1,500 PBSA beds to the pipeline, of which the vast majority are yet to commence construction or receive planning permission.

Table 8: **Summary of PBSA development pipeline (London, 0.5 - & one-mile catchment)**

	All London		0.5-mile radius		one-mile radius	
Planning status	# beds	%	# beds	%	# beds	%
Under construction	9,225	28%	-	-	-	-
Consented	14,314	44%	-	-	399	100%
Submitted	8,998	28%	-	-	-	-
Total dev. Pipeline	32,537	100%	-	-	399	100%

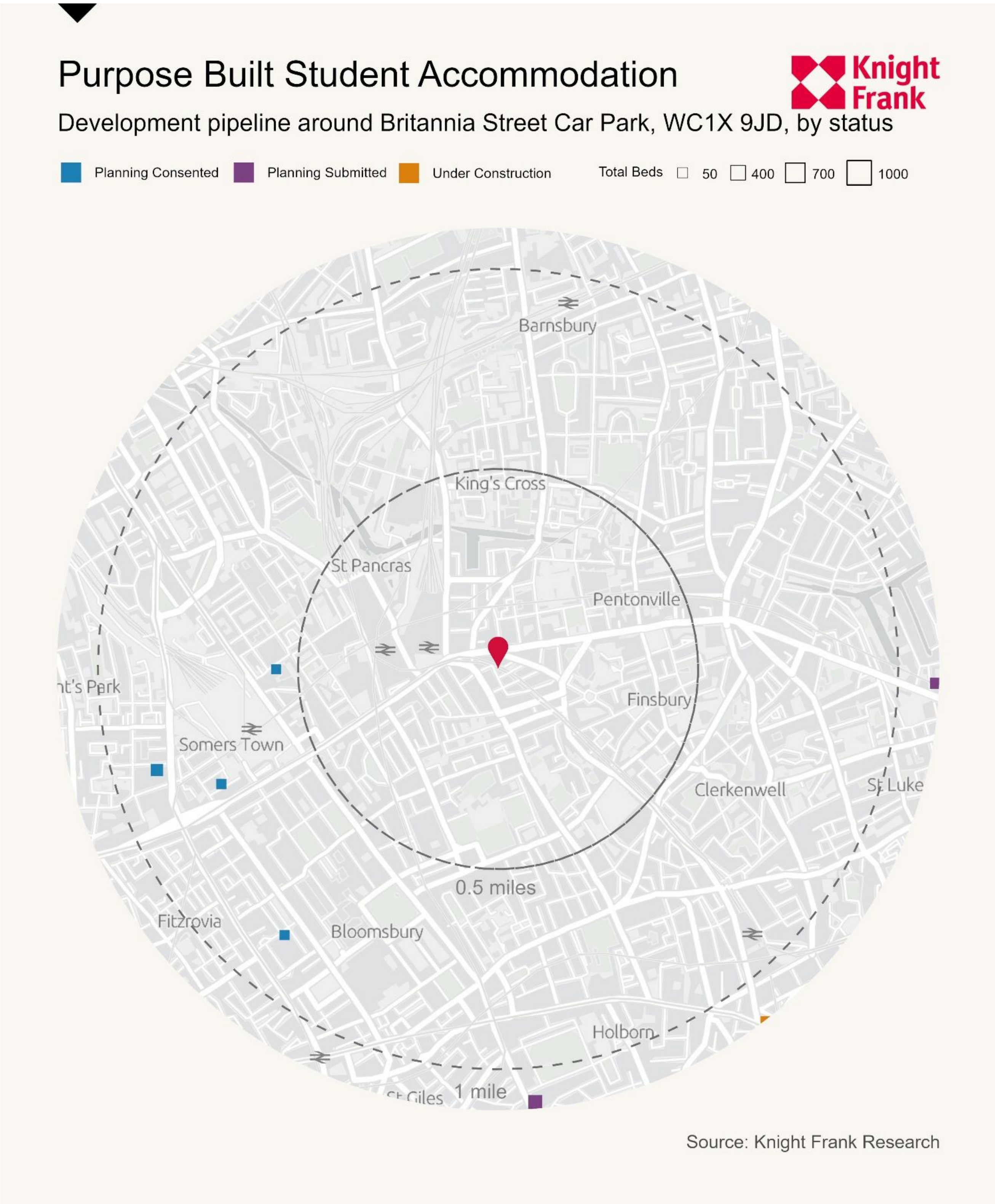
Source: Knight Frank Research

Timeline

We have assessed the delivery timeline of assets within the pipeline in London, using estimated construction start dates and estimated construction project duration lengths. However, given the fact that presently just shy of 30% of pipeline PBSA schemes are making meaningful construction progress in London, it should be noted that the estimated timeline deliveries are difficult to assess and are often evolving throughout the planning consented stage. Of the schemes which are under construction, 21% or 2,017 beds across just five schemes are expected to complete in 2024. The majority of beds under construction across London as a whole, 60% (5,536), are expected to be delivered in 2026.

There are no schemes set to be delivered within the 0.5 mile radius in our current assessment of the development pipeline. This sits against a current shortfall of 6,950 bed spaces and a current population of full-time students of 11,078 (minus students living at home with parents). Over the last four cycles the full-time student population has increased by 420 students per year far and on this basis the current shortfall is likely to increase.

Figure 11: **Geo-Spatial Analysis, PBSA Pipeline in catchment**



Source: Knight Frank Research

4. Summary of Analysis & Concluding Statement

4.1 Student to bed space ratios

An estimated 102,018 PBSA bed spaces have been identified across London, representing 29.7% of total full-time students. This equates to a gross ratio of 3.8 students per bed space (0.30 bedspaces per student).

Within a 0.5-mile radius of the Britannia Street site, there are 4,645 PBSA bed spaces, representing 40.2% of full-time students living within the catchment. This equates to a gross ratio of 2.5 students per bed space (0.40 bed spaces per student).

Table 9: **Summary of university cities by demand and current projected supply**

University City	FT Students	Existing PBSA beds	Expected delivery 24/25	Estimated supply 24/25	Ratio PBSA:FT Students	Ratio PBSA 24/25:FT Students*
Glasgow	77,641	20,514	500	21,014	0.26	0.27
London	344,071	102,018	2,017	104,035	0.3	0.3
Edinburgh	65,529	21,225	-	21,225	0.32	0.32
Birmingham	78,609	26,233	167	26,400	0.33	0.34
UK	2,167,236	763,234	15,590	778,824	0.35	0.36
Bristol	59,255	21,023	1,202	22,225	0.35	0.38
Newcastle	52,859	20,847	-	20,847	0.39	0.39
Manchester	74,666	29,941	-	29,941	0.4	0.4
Leeds	68,557	27,478	1,405	28,883	0.4	0.42
Exeter	28,615	12,079	-	12,079	0.42	0.42
Cardiff	40,142	17,440	-	17,440	0.43	0.43
Nottingham	71,919	32,362	2,491	34,853	0.45	0.48
Liverpool	54,869	28,335	39	28,374	0.52	0.52
Sheffield	54,985	29,938	-	29,938	0.54	0.54

*Assuming no change in student numbers
Source: Knight Frank Research, HESA

Students living in their parental or guardian home

Using data collected by HESA, Knight Frank estimates that of the students studying across London, 24% live with parents or guardians and therefore do not require accommodation. This compares to an average of 20% across the UK as a whole.

Of the 11,550 full-time students living within a 0.5-mile radius of the Britannia Street site, approximately 472 students (4.1%) are living at home with parents/guardians. This very low percentage would indicate that the proportion of students in PBSA or the private rental and HMO sector is likely higher than in other areas, and demand for PBSA is correspondingly greater.

Table 10: **Summary of student term-time accommodation across major markets, 2021/22**

University City	FT Students	Existing PBSA bed spaces	Estimated % of students in PBSA	Estimated % of students living with parents	Estimated % of students in PRS/HMOs
Glasgow	77,641	20,514	26%	33%	41%
Birmingham	78,609	26,233	33%	32%	35%
London	344,071	102,018	30%	24%	46%
UK	2,167,236	763,234	35%	20%	45%
Edinburgh	65,529	21,225	32%	19%	48%
Liverpool	54,869	28,335	52%	18%	30%
Manchester	74,666	29,941	40%	17%	43%
Bristol	59,255	21,023	35%	16%	48%
Newcastle	52,859	20,847	39%	16%	45%
Sheffield	54,985	29,938	54%	14%	32%
Leeds	68,557	27,478	40%	13%	47%
Cardiff	40,142	17,440	43%	13%	44%

Source: Knight Frank Research, HESA

4.2 Market Drivers

Based on our analysis the key demand and supply-side factors for the student market relating to the proposed scheme on Britannia Street, King's Cross are as follows below.

Key demand side factors

- There are 11,550 full-time students living within a 0.5-mile radius of the Britannia Street site. The number of full-time students living within this catchment has increased by 17.1% over the period 2017/18-2021/22.
- The total number of full-time undergraduates across the catchment, representing 70.5% of the total full-time student population (8,147), has increased by 26.5% over the period 2017/18-2021/22.
- The number of full-time postgraduate students in the catchment, 3,403, has remained broadly the same with only minor fluctuations.
- Full-time international, non-UK domicile students represents 68.9% (7,961) of total full-time students living within the 0.5-mile catchment, and their number has increased by 15.4% over the period 2017/18-2021/22.
- Of the 11,550 full-time students living within a 0.5-mile radius of the Britannia Street site, 55% are studying at either University College London or University of the Arts, London. Our projections (outlined in Section 2.3), estimates that there could be a 27% increase in full-time student numbers across those two universities. Thus, we can expect a similar uptick in those university students who are living in the immediate catchment area of the site.

Key supply side factors

- Across the whole of London, there are 102,018 PBSA bed spaces for students, while within a 0.5 mile radius of the Britannia Street site, there are a total of 4,645 beds.
- According to HESA, of the 11,550 students living within a 0.5mile radius of the site, just 472 are living with parents. If we net off those students who live at home, and those who live in PBSA in the catchment, it means that approximately 6,433 full-time students living in the immediate catchment are solely reliant on the private rental market for appropriate accommodation.

4.3 Concluding Statement

After considerable bespoke analysis of the student housing market in the Kings Cross, as it relates to Britannia Street, Knight Frank Research confirms that the location of the proposed PBSA development is highly preferable as a location to live for students, in particular those studying locally at the HEPs outlined in this report (University College London, University of the Arts, London, City, University of London, SOAS, University of London, Birkbeck, University of London)

Currently, only 30% of full-time higher education students across London have access to university or private sector PBSA, while a further 24% are estimated to be living at home with parents or guardians. The remaining 46% of full-time students in London are required to find accommodation within the private rented sector and HMOs and would otherwise be unable to access university or private sector purpose-built accommodation. As noted in detail throughout this study, full time student numbers studying within the catchment area and wider London market are likely to record strong growth over the next upcoming academic cycles to 2026/27, based on historic trends and market evidence.

When considering the development pipeline of student accommodation at present, there are less than 400 PBSA bedspaces with planning consent in the immediate one-mile catchment, none are under construction. Of note, by extending the catchment again by another half a mile to 1.5 miles, this adds less than 1,500 PBSA beds to the pipeline, of which the vast majority are yet to commence construction or receive planning permission. Knight Frank Research states the seriousness of the demand and supply imbalance and believes it is highly unlikely that supply will keep pace with demand, considering the expected growth in student numbers in the area and wider again in the UK market as a whole. The student housing shortfall is therefore expected to increase and as a result will continue to place more unwanted pressure on the local private rented market.

Appendices

Knight Frank / UCAS Student Accommodation Survey, 2023

Student Accommodation Survey

2023

Now in it's fourth year, the Knight Frank/UCAS Student Accommodation Survey analyses the views and expectations of more than 20,000 students about where and how they live

knightfrank.com/research

Surveying the market

With over 20,000 completed responses from both current students and new applicants, this year's survey offers a rich insight into the role accommodation plays in the overall student experience.

WORDS: KNIGHT FRANK RESIDENTIAL RESEARCH

There are 2.2 million full-time students in the UK, according to the latest data from Higher Education Statistics Agency (HESA), up by 4% year-on-year and by 26% over the last decade. 2022 was also a record year for UCAS applicants, reaching 760,000. Of these, there were over 560,000 acceptances – the second-highest number on record.

560k

acceptances for UCAS applicants in 2022 – the second-highest number on record

Growth in student numbers is forecast to continue. UCAS is predicting that by the end of the decade there could be up to a million higher education applicants in a single year. Our own forecasts point to total undergraduate numbers increasing by 263,000 over that same time.

Such growth will put pressure on an already undersupplied student housing market, as well as putting the quality and value of that accommodation under the spotlight.

This year's survey, now in its fourth year, once again points to affordability being the number one issue facing students when it comes to accommodation. Against a backdrop of soaring inflation and spiralling energy prices, cost leapfrogged value for money as the most important factor influencing decisions on where to live.

Encouragingly, the majority of students continue to report that they are satisfied with their accommodation. The proportion of students living in private PBSA who say they are satisfied with where they live, for example, increased for the third successive year, demonstrating the benefits of professionally managed, and high-quality purpose-built housing for residents.

The role that student accommodation plays in supporting wellbeing, is also reinforced, with the survey highlighting the importance that students place on the quality and usability of social and amenity space. Over the last decade we have seen a renewed interest in the quality and impact of the accommodation experience. For students living away from home, purpose-built accommodation is viewed as an opportunity for learning and development in contrast to the 'bed space' narrative of the previous generation. Much of this is driven by students themselves who value and benefit from a sense of safety, community and belonging.

Indeed, accommodation plays a crucial role in supporting and providing students with a solid base from which to succeed academically. Encouraging both investment in, and delivery of, appropriate student housing continues to be a subject of much debate between local authorities, universities and private developers.

It is for this reason that we continue to work in partnership with UCAS to bring the highest quality insight to the sector. Coherent and timely data that supports decision making has never been more important. The views and opinions of more than 20,000 students shared in this report give a unique insight into the changing needs and motivations of students and will help the sector better plan for the future.

760k

students applied for a place in 2022 making it a record year for UCAS applicants

Trends to Monitor

Below we highlight some of the themes from the survey that will influence and shape the future of student property markets in 2023 and beyond

Digital integration

The UK PBSA market continues to follow the evolution and institutionalisation that has occurred in the US, with a greater focus on amenities and digital integration offerings for students. Students want an immersive “in-person” experience from university. Digital integration is set to have a positive impact and will enhance face-to-face learning, not replace it.

Student satisfaction

Overall, the majority of students were satisfied with their accommodation choice. Those living in private PBSA who indicated that this was the case increased for the third successive year. An increase in the levels of satisfaction from residents living in private PBSA illustrates that investors and operators are building stronger outcomes for students through high quality service provision and scheme design.

Value for money

While PBSA is generally perceived as more expensive than living in a privately rented house share, the overall cost per annum is fixed and inclusive of all bills. Our survey results indicated that students welcome the sense of financial security this provides, as they do not need to worry about defaulting on bill payments caused by rising energy costs.

ESG

There is a growing awareness from students towards Environmental Social and Governance (ESG) agendas. Despite identifying environmental factors as an important consideration in decision making on where to live, students were not particularly willing to pay an additional amount in their rent for features that reduced the impact of their accommodation on the environment. Whereas social factors to support student wellbeing featured heavily in student choices and are translating to price premiums.

Student wellbeing

High quality accommodation underpins positive outcomes for students as reinforced by the survey findings. With accommodation being the most important factor influencing student wellbeing, students rank the quality and usability of the social and amenity space highly.

Brand importance

Brand will be a key differentiator in attracting more second and third year students to PBSA, as operators start selling a “lifestyle”. Today’s students have grown up in the experiential economy, where goods and services are sold by demonstrating the effect they have on consumers lives. Students want good quality accommodation that offers good value for money, but additional focus will be on the degree to which accommodation choice enhances and improves outcomes for students.

Changing of the guard

The majority of students are satisfied with their accommodation, particularly those in purpose-built schemes. Long-term, we expect this will underpin an increase in demand for PBSA.

For the third consecutive year, the proportion of students who said they were satisfied with their accommodation increased. Those living in private PBSA or university-run halls were the most satisfied with their accommodation with 84% indicating this was the case, up from 82% last year and 78% in our 2020 survey.

Whilst those living in the private rented sector were satisfied overall, a lower proportion (78%) said this was the case, in line with the previous year's results.

One legacy from the pandemic has been a desire among students for greater privacy. Reflecting this, the survey showed that those living in a studio were the most satisfied with their accommodation (87%), whilst students living in a room with shared bathroom facilities were least satisfied (65%).

Where students were dissatisfied, the most cited reasons among those living in privately operated PBSA related to a lack of value for money and problems with the building. For those in university operated accommodation it was broken facilities, noise problems and staffing issues. The most cited problem for students living in privately rented house-shares were related to the quality of the accommodation, having problems with the landlord and neighbourhoods feeling unsafe.

Satisfaction levels for second or more year students living in PBSA was 81% overall, a considerable uplift on last year's survey. Higher levels of satisfaction among those living in purpose-built accommodation are one factor underpinning our expectation that by 2030 the PBSA sector will accommodate the majority of second- and third-year students.

Arguably, this shift is already happening, partly as students recognise that the choice and amenity provided by their accommodation is an essential element of a good student experience.

Indeed, when we asked students about their motivations for wanting to switch from a house share in the PRS into private PBSA the two most common reasons were to improve the condition of their accommodation (92%), and a belief that it would enable them to study more effectively (88%). Having a single all-inclusive cost was important to 69% of students moving between the two accommodation types and feeling safer was important to 70%.

Encouragingly, some 80% of students currently living in privately owned and operated PBSA said they would recommend their accommodation to other students.

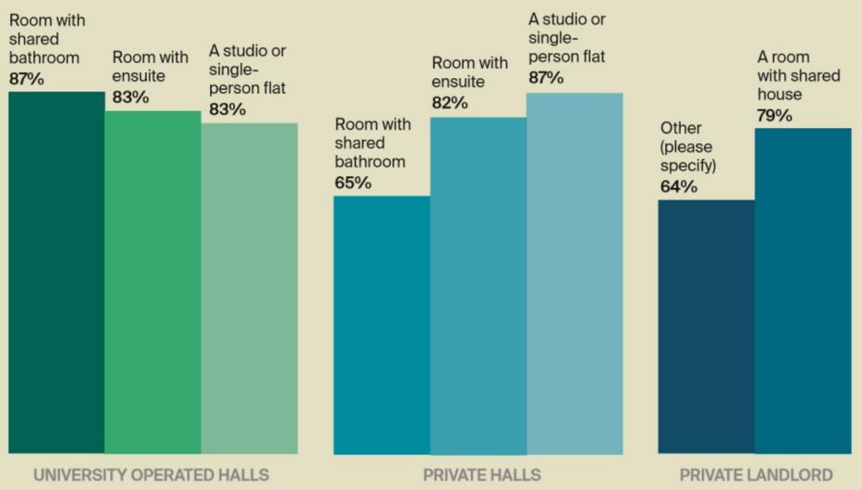
For students moving the other way, from PBSA into the PRS, the most important reason given was to be in accommodation at a lower cost (97%), followed by the ability to live with friends (93%) and having more freedom (91%). Not having to pay for amenities they were not using was very or extremely important to 80% of students, whilst 'not having to see people I don't like' was important to 73% of students moving between accommodation types.

80%

of students currently living in privately owned and operated PBSA said they would recommend their accommodation to other students.

Fig 1: What type of rental accommodation are students most satisfied with?

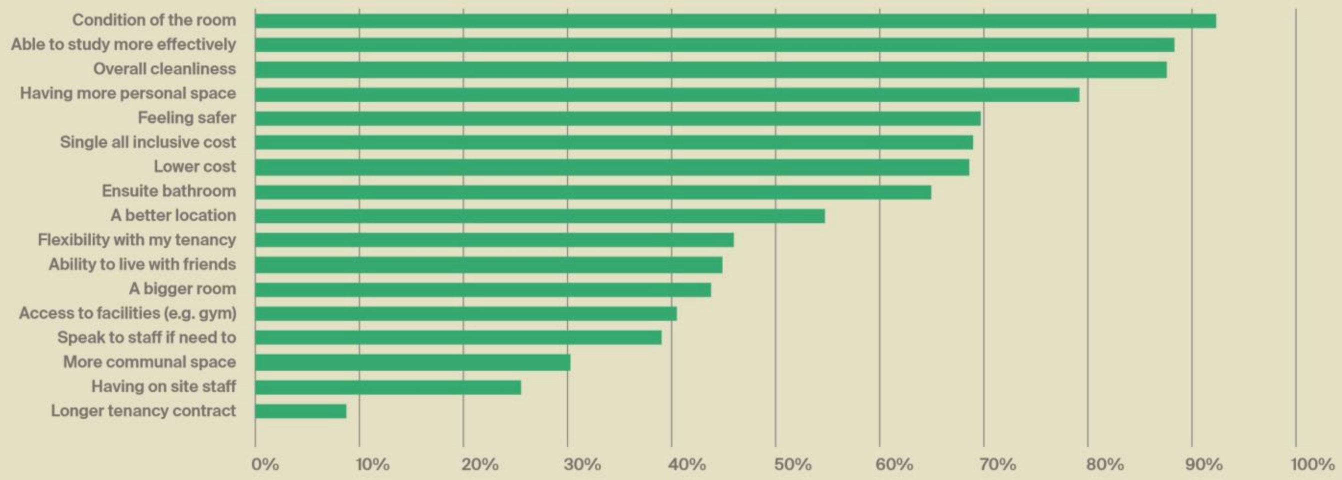
% of students satisfied with their accommodation by room type



Source: Knight Frank/UCAS Student Accommodation Survey 2023

Fig 3: What are the reasons students give for moving back into privately operated PBSA?

% of students currently living in private rented houseshares who are intending on living in privately operated PBSA



Source: Knight Frank/UCAS Student Accommodation Survey 2023

Fig 2: Where are students most satisfied with their accommodation?

% of students satisfied with their accommodation by location

Source: Knight Frank/UCAS Student Accommodation Survey 2023

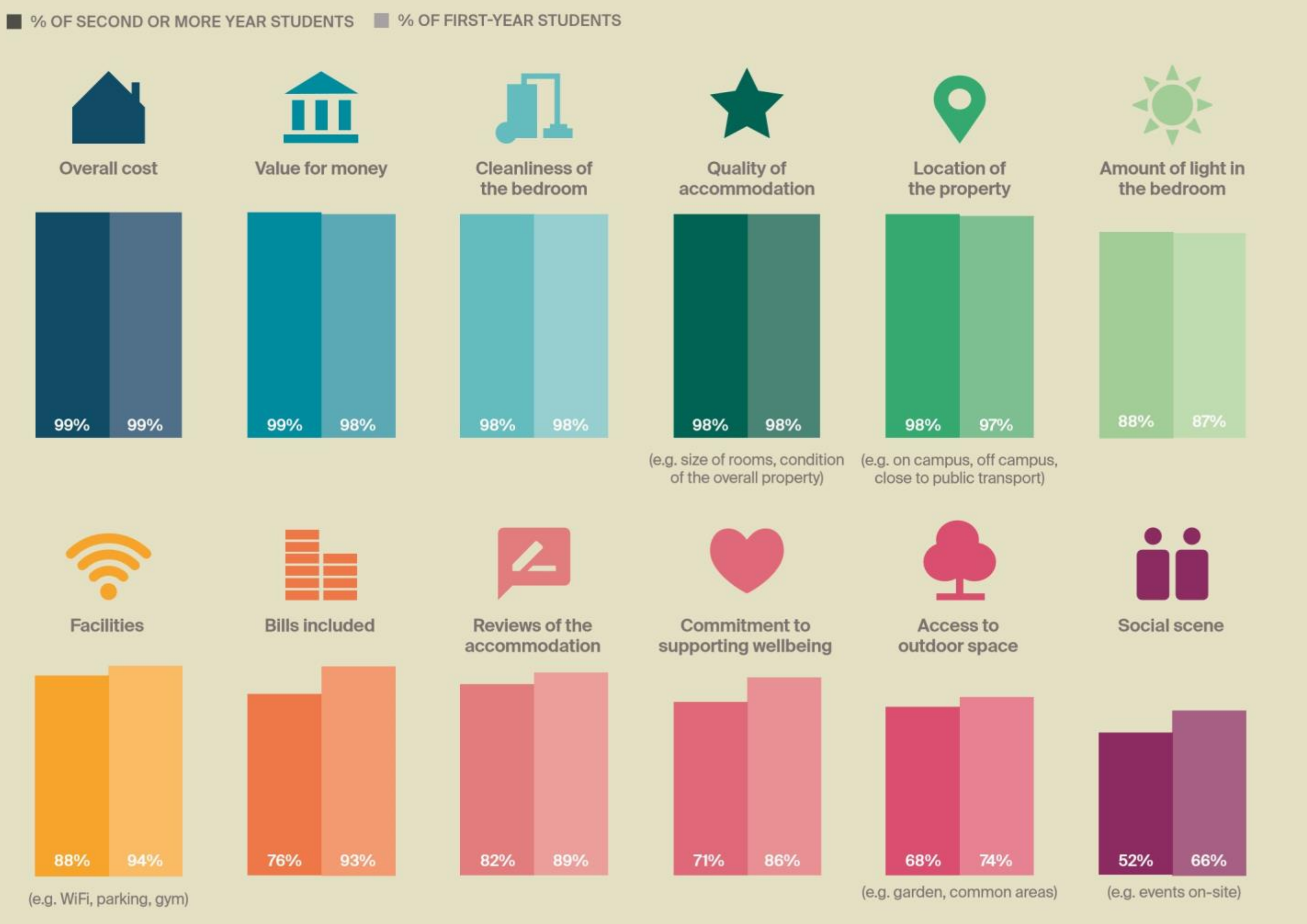
Cost and value

Cost has overtaken value as the most important factor influencing where students live.

This year's student accommodation survey was conducted against a backdrop of soaring inflation and a cost-of-living crisis. Accordingly, cost has overtaken value for money as the single most important factor influencing student's decision on where to live. Some 62% of respondents to our survey rated it as being 'extremely important' to their decision making, with a further 31% saying it was 'very important'.

To understand the impact of this more fully, in this year's survey we asked students about their accommodation costs, as well as how they paid for their accommodation. According to our survey, on average students living in private PBSA are paying £7,865 per annum. This compares with an average of £6,160 for those living in university-operated accommodation and £6,860 for students living in privately rented house shares.

Fig 4: Which of the following had either an 'extremely' or 'very important' influence on your decision on where to live?



Source: Knight Frank/UCAS Student Accommodation Survey 2023

62%

of students said cost was the single most important factor influencing their decision on where to live

Relative to last year's survey, the gap between the cost of privately operated and university-operated accommodation has narrowed considerably. The average rent for students living in private PBSA has increased by £670, compared with an average increase in cost for private renters of approximately £1,000 per annum (not including bills). The cost of university halls has remained comparable to last year.

Regardless of the type of accommodation they were living in, most students (84%) indicated that their accommodation costs were either affordable or just about affordable, in line with the findings in last year's survey. However, in this year's survey a marginally higher proportion, at 58%, said that their accommodation was only just affordable and that it had required them to adjust their spending elsewhere.

Reflecting this, 92% of students said they were worried about rising living costs and 62% said they regularly worried about not having enough money to live on. At 30% a much smaller proportion of students indicated that they had thought about dropping out of university because of the current high cost of living, whilst just 12% said that the current high cost of living would mean it is likely that they will have to drop out of university this year.

Thinking specifically about accommodation, some 65% of students overall said they were worried specifically about how much their accommodation is going to cost next year.

Most first-year students (79%) said they pay for their rent directly from their own bank account, with 46% saying their parents contribute towards this cost.

Parental involvement also had a bearing on decision making, especially for first-year students living in PBSA, with 83% and 76% saying that their parents were involved when they were deciding where to live depending on whether they were in privately operated PBSA or university halls. Overall, 68% of first-year students had involvement from their parents on deciding where to live. Parental involvement is much lower for second- and third-year students at 54%.

As the market evolves, investors, developers and operators will need to focus on the affordability of their offering to students and how accommodation costs feed into the way students decide on where they study, highlighted by the fact that over half (52%) of students indicated that the student funding and financial support available to them affected their decision to study.

VALUE FOR MONEY

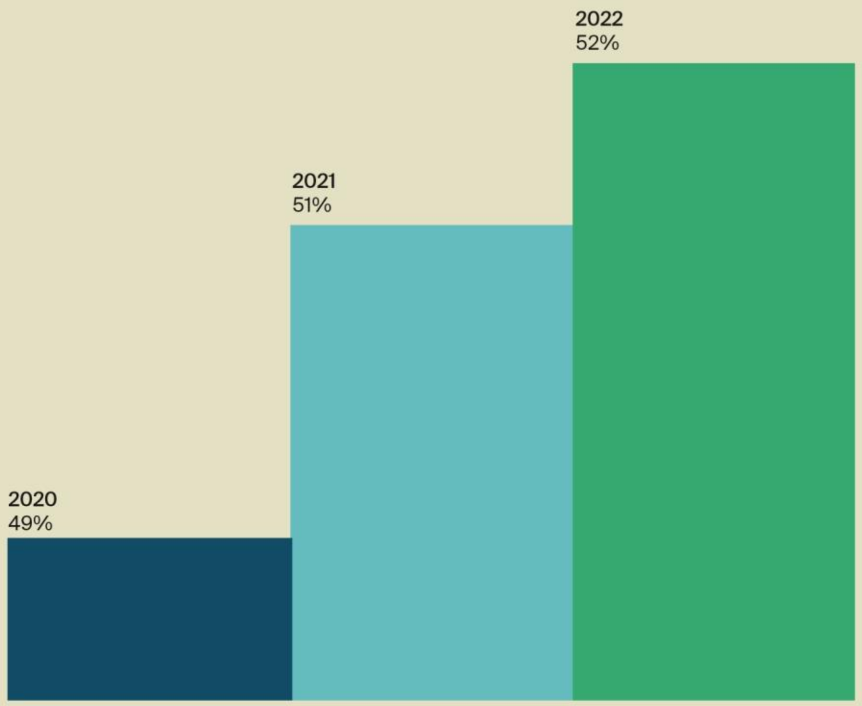
While still important, value for money was rated as 'extremely important' by 61% of respondents, and 'very important' by a further 33%. Responses were comparable regardless of whether students were living in private or

Fig 5: Which room type offers the most value for money?

% of students rating their accommodation as 'good' or 'extremely good' value for money

Fig 6: Increasing value for money: students living in privately operated PBSA by survey year

% of students rating their accommodation as 'good' or 'extremely good' value for money



Source: Knight Frank/UCAS Student Accommodation Survey 2023

university-owned PBSA or in the private rented sector, despite the variations in cost between the three.

Some 52% of students living in private PBSA indicated that their accommodation was good value for money. There has been an increase in this measure across the last three surveys. At 48%, a lower proportion of students living in house shares in the private rented sector said their accommodation was good value for money. Over a fifth (21%) of students living in house shares in the private rented sector believe their accommodation was poor value for money.

21%

of students living in house shares in the private rented sector said their accommodation was poor value for money.

Overall, less than half of students in university halls indicated that their accommodation was good value for money. This is the first time that this has dropped below the same measure for privately operated PBSA. Just 45% of students living in an ensuite room, rated their accommodation as being good value for money.

Studio accommodation, either privately operated or within university halls, received the highest value for money score – with around 60% of students overall saying that their accommodation was good value for money.

60%

of students said that their accommodation was good value for money

WILLINGNESS TO PAY

As in previous surveys, this year's results suggest a preference for high-quality accommodation that provides clear and obvious elements that add value. For example, respondents said that on top of their existing rent they would be prepared to pay a premium for access to certain amenities. Stronger WiFi remained the number one service that students living in private purpose-built accommodation said would pay a premium for, followed by a larger bedroom. The opposite is true for amenities such as on-site swimming pools, cinemas and games rooms.

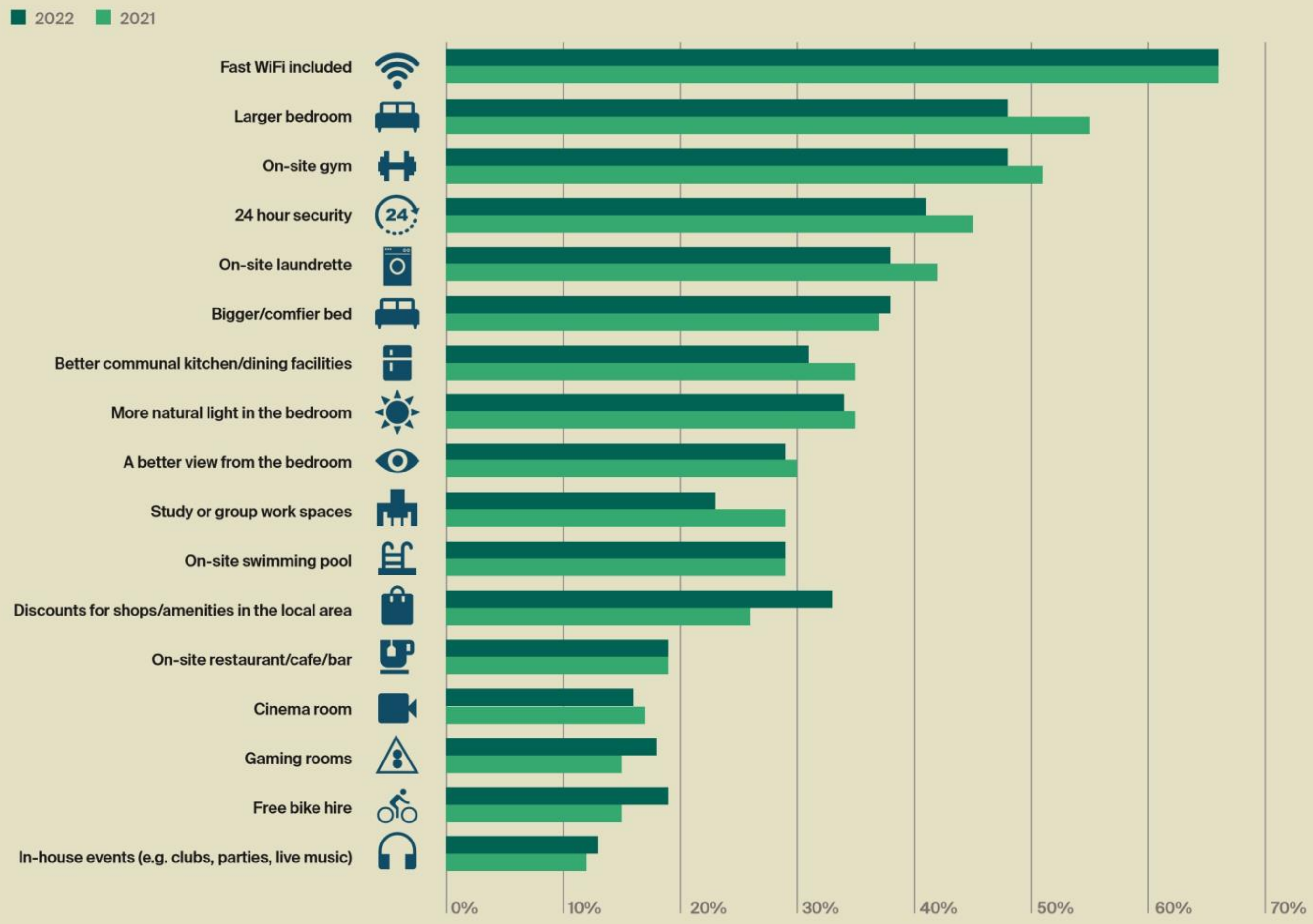
Interestingly, and perhaps reflecting the stronger weight placed on overall cost in this year's survey, students' willingness to pay for access to most amenities, including 24-hour security, a larger bedroom, or on-site facilities such as a gym or cinema room was notably lower than in previous years.

IMPORTANCE OF BRAND

Brand recognition again featured as a key influence with 52% of new first years living in private PBSA saying it was a factor in their decision of where to live, comparable to the 50% of new students who said the same last year. For second or more year students currently living in private PBSA it was even more of an influencer, with 60% indicating it was an important factor.

Fig 7: Which of the following would you be willing to pay a premium for?

% of students living in private PBSA



Source: Knight Frank/UCAS Student Accommodation Survey 2023

Brand is set to be a key differentiator in attracting more second and third year students to PBSA, as operators look to sell a "lifestyle" around quality, service provision, and by being 'in tune' with the way students feel and experience their time at university. This is likely to include offering flexible accommodation packages, such as shorter and longer tenancies.

Today's students have grown up in the experiential economy, where goods and services are sold by demonstrating the effect they have on consumers lives. Students want good quality accommodation that offers value for money, but additional focus will be on the degree to which accommodation choice enhances and improves the outcome for students. Brand is a long game for operators, but the pay off in demand from the students of the future will be worthwhile.

ESG & WELLBEING

In this year's survey we asked a series of questions relating to the environmental, social and governance (ESG) aspects of student accommodation. We found that the student mindset is evolving towards ESG agendas, but equally the survey results also highlighted an emerging divergence between environmental and social factors.

Some 61% of students indicated that their accommodation provider's commitment to reducing their impact on the environment was important

52%

of new first years living in private PBSA said brand recognition was a factor in their decision of where to live in their decision on where to live. However, despite identifying environmental factors as an important consideration, students were not particularly willing to pay an additional amount in their rent for features that reduced the impact of their accommodation on the environment. Only 17% indicated that they would be willing to pay extra for technology that made their building more environmentally friendly, whilst just 13% said they would pay extra to live in a building that is carbon neutral.

Social factors to support wellbeing featured heavily in student choices and there is evidence that these requirements are translating to price premiums. The survey results reinforced the importance that students place on the quality and usability of the social and amenity space provided in their accommodation, with 80% of students saying that their current term-time accommodation and home whilst at university is important in supporting their own wellbeing and mental health.

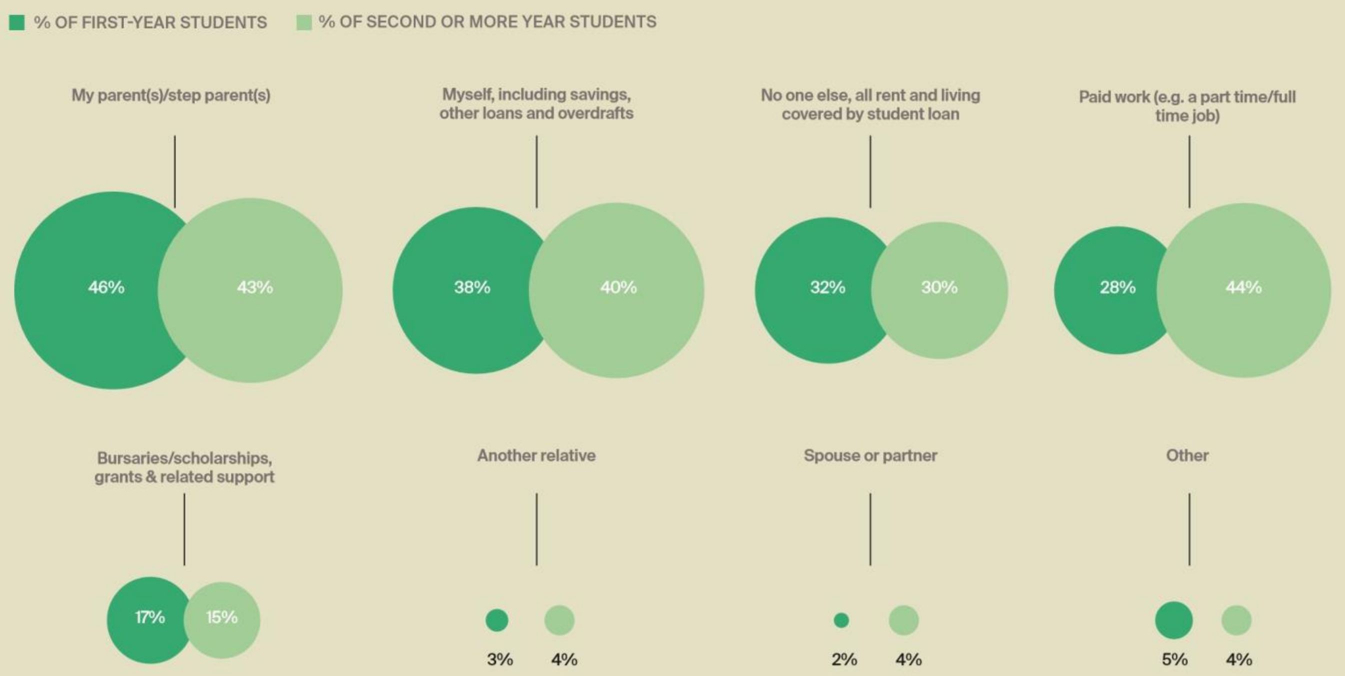
As well as improving mental health outcomes for students, PBSA has demonstrated a sense of community and belonging for its residents. In total, 61% of students indicated that their accommodation providers commitment to supporting student wellbeing and mental health was important in their decision on where to live, whilst 63% said the same about their provider's committed to inclusivity. Previously, there had been a narrative of "Town vs Gown", but this is outdated and obsolete as it fails to recognise the emotional investment students have in their communities. PBSA can generate that link from student to society through the provision of space for a specific community purpose, allowing for example students to partake in volunteering or community programmes.

Moreover, an operator or landlord's approach to student wellbeing and mental health has also an influence on retention and the renewal of tenancies. Some 81% of first-year students living in private PBSA, for example, said that their accommodation provider's approach to student wellbeing and mental health was an important factor in their decision to stay in the same accommodation next year.

61%

of students indicated that their accommodation provider's commitment to reducing their impact on the environment was important in their decision on where to live

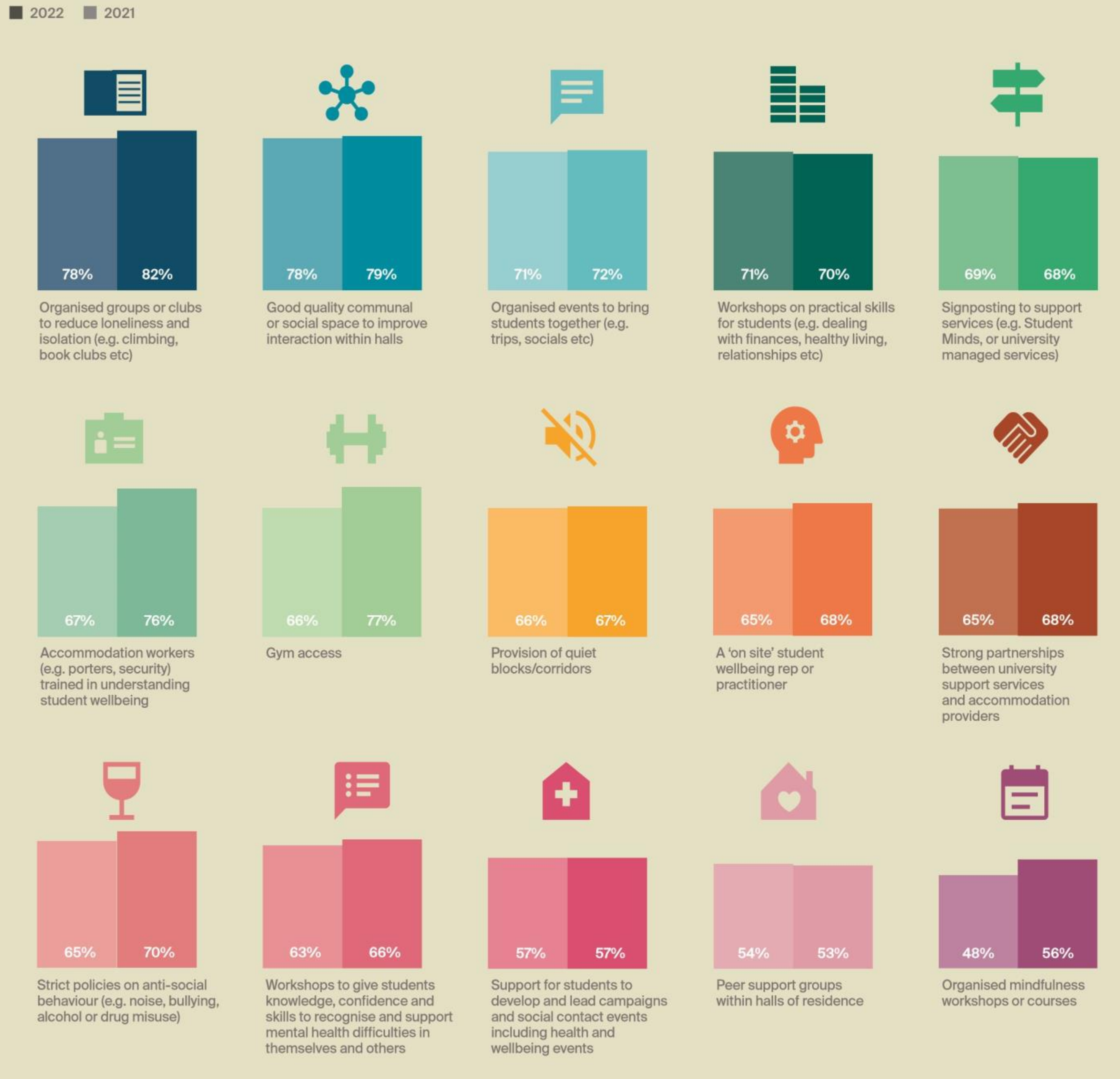
Fig 8: How are students funding their accommodation costs?



Source: Knight Frank/UCAS Student Accommodation Survey 2023

Fig 9: How important are the following in supporting student wellbeing?

% of students rating each element as 'important' or 'very important'



82%

felt organised groups or clubs to reduce loneliness and isolation important in supporting student wellbeing

Evolving markets

Operators this year have seen a return to pre covid-19 conditions following a more traditional exam-based enrolment cycle.

The timing of when new and existing students find somewhere to live for the following year has a material impact on how student housing providers price and market.

Some 96% of applicants for the 2022/23 academic cycle had secured their accommodation by October 2022, compared to 92% in last year's survey. Some 59% of students applying to university for the first time secured their accommodation in August and September, which is comparable to the 61% last year.

Less than 70% of students applying for university for the first time this year thought that there were enough accommodation options in their chosen city, compared to 80% last year.

DEALS AND INCENTIVES

To attract new students and retain existing ones some private PBSA providers offer incentives and deals to students. Indeed, 47% of first-year students living in private PBSA were offered an incentive when looking for somewhere to live. This is slightly lower than the 50% last year but indicates that incentives continue to play a significant role in the market for private PBSA. Of those students that chose the accommodation offering the incentive, a fifth (21%) said they would not have chosen the same accommodation had it not been offered.

96%

of applicants for the 2022/23 academic cycle had secured their accommodation by October 2022

SHIFTING SENTIMENT

While most first-year students live in a form of PBSA, this changes in the second year. Indeed, 76% of second years who live in the PRS, moved from PBSA. However, just 64% of first-year students who are currently living in PBSA said they planned to move into mainstream private rental accommodation in their second year. This is down from the 73% of first-year students in last year's survey.

Some 37% of first-year students who currently live in private PBSA said they planned to stay in the same accommodation the following year, this is up on the 25% who said the same in last year's survey.

Fig 10: When did you sign your tenancy agreement?

% of students applying for the 2022 academic year

Graduate retention

Some 38% of final-year students said they intend to stay in the city in which they study after graduation. Providing them with high-quality purpose-built rental accommodation is a real opportunity for residential investors.

A range of economic, social, geographical and employment factors all contribute to whether graduates decide to live and work in their university towns post-study. As a result, retention rates vary greatly across the UK.

Overall, some 38% of final-year students said they intend to stay in the city in which they study after graduation, comparable to 39% in last year's survey. London was, once again, the location with the highest graduate retention rate at 64%, followed by Glasgow (53%), Bristol (48%) and Manchester (44%).

Retaining and recruiting the brightest and best workers is key for cities to maintain their growth, with access to talent often cited as one of the biggest challenges for businesses looking to scale up.

As cities get bigger and attract more businesses and variety of occupiers, retention of students is of increasing importance. The intention of graduates to stay in Bristol, for example, has increased from 38% in our 2021 survey. This also reflects employment opportunities in the city, with total jobs numbers in Bristol rising faster than any other core UK city over the last five years, according to data from the ONS.

But aside from future employment opportunities, a city's ability to retain skilled graduates depends on the availability of vibrant, amenity-rich, flexible living space for those workers in the right areas and at the right cost. Regeneration and residential development projects are crucial in creating attractive city centres where people want to live and work.

38%

of final-year students said they intend to stay in the city in which they study after graduation

Tenure is also key in this regard. Our survey suggests that more than half (51%) of final year students, equating to some 292,000 individuals, plan to move directly into a property in the private rented sector upon graduation. Furthermore, 60% of final year students indicated that they would consider living in a purpose-built development when they graduate. In London, for example, with a graduate retention rate of 64%, this equates to 26,500 potential new renters.

There are clear synergies between PBSA and the offer in the professional-managed Build to Rent (BTR) market. Delivering more BTR accommodation in these locations will ensure the convenience and quality of housing these households need in locations they want to be. Co-living is a crucial component of this – given the affordability that this sector can offer.

Split between the main university cities of Birmingham, Bristol, Cardiff, Edinburgh, Leeds, Liverpool, Manchester, Newcastle, Nottingham, Sheffield and Southampton were just over 55,000 graduates considering remaining post-study in 2022. Residential investors and developers have a unique and significant opportunity to access this pool of renters.

By providing both the high-quality accommodation that graduates have become accustomed to, along with the right job opportunities, a city will fulfil two of the key the requirements graduates have for remaining in their university cities.

There is a huge untapped opportunity to ramp up the delivery of co-living and BTR accommodation across the UK. If designed and delivered properly, this could be the key to unlocking further graduate retention – especially in the North, where university leavers can play a hugely important role in supporting the government's levelling-up agenda.

Retaining talent in a city builds human capital, and the increasing knowledge and skills held in a city will all be strongly linked to regional growth. Universities are integral to the economic fabric of any city, but the accommodation the students stay in while attending university and post-graduation play a huge role in how their experience in the city is perceived.

60%

of final year students indicated that they would consider living in a purpose-built development when they graduate.

Important Notice

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