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Student Accommodation Needs Assessment

Camden

March 2011



11–13 Travis Perkins, St Pancras Way, NW1 0PT
On behalf of Unite Student Living

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1. EXECUTIVE SUMMARY

LONDON AN INTERNATIONAL EDUCATIONAL HUB

- London is an education hub in the UK and world academic sphere and attracts a significant number of students each year. It has benefited from a circa 30% rise in students in the last 10 years, with figures suggesting that student numbers are continuing to rise.
- 'Study London' estimates the number of international students in London to be more than 90,000 international students from over 200 nations, speaking over 300 languages. It advises that the top three countries represented are China (c 7,800 students), USA (c 5,600 students) and India (c 5,200 students). You can choose from 30,000 courses at over 40 universities. London is one of the most vibrant, cosmopolitan places in the world to be a student.
- London's International student population has increased by 88% over the last decade, predicated on Government policies such as the 'Prime Minister's Initiative for International Education' (PMI2) Launched in April 2006, PMI2 is a five year strategy to strengthen the UK's position in international education. It is aiming to secure the UK's position as a leader in international education. PMI2's aims are to:
 - Ø Promote the benefits of a UK education to international students
 - Ø Ensure international students have a positive experience of their UK studies
 - Ø Help UK and international education providers to build strategic alliances and partnerships and demonstrate the value of the UK as a partner in policy and delivery
 - Ø Diversify and consolidate markets

There are four main targets for 2011:

- Ø Attract additional 70,000 international students to UK Higher Education, and 30,000 to Further Education.
- Ø Achieve demonstrable improvements to student satisfaction ratings in the UK and other countries
- Ø Achieve significant growth in the number of partnerships between the UK and other

countries.

- Ø Double the number of countries sending more than 10,000 students pa to the UK.
- The Mayor of London's office has praised London's universities and Higher Education colleges for defying the current economic climate by increasing the number of international students studying in London. "According to the latest figures from Study London...London remains the most popular destination in the world for international students" and Government projections are that international students may increase a further c.125,000 over the next decade.

GOVERNMENT AND REGIONAL POLICY

- *Government White Paper – The Future of Higher Education 2003*
 - § Target an increase in participation in Higher Education from 43% - 50% by 2010
 - § Implies a requirement for growth in students, staff and infrastructure
- Higher Education Reform – Widening Participation in Higher Education – Nov 06
 - § It is the follow-up report on "The Future of Higher Education 03" and looks at what has been achieved since and sets out some thoughts on how to widen participation further.
 - § It highlights that progress has been made in broadening the socio-economic make up of the Higher Education student population, but that progress has been too slow and may be leveling off.
 - § In the recent update to their 5 year strategy, closing the gap in educational attainment will be a priority as they further develop policies for young people and adults. With a view to widening participation in Higher Education and to help achieve a socially mobile society with equality of economic and social opportunity.
 - § The education sector as a whole has been coming under increased media scrutiny following the Browne Report in October 2010, and the impact that this will have if tuition fees are raised from 2012 onwards remains to be seen. Universities themselves are facing significant funding cuts, and will be looking at all ways of readdressing the balance of income lost.

- **HEFCE Funding**

§ In April 2010, HEFCE invited HEI's to shift the balance of their teaching provision towards science, technology, engineering and mathematics (STEM) and modern foreign language subjects, starting in 2010-11. This initiative was in part a response to the increasing demand for STEM subjects from prospective students.

§ 1,712 full-time equivalent places will be moved over in 2010-11.

§ HEFCE has allocated £152 million through the University Modernisation Fund (UMF). Of this total, £132 million will be spent by universities and colleges on 10,000 extra student places in 2010-11.

§ ***Coalition Agreement (May 2010)***

The Coalition Government has pledged to create more university places in England. However, on 9th December 2010, the Coalition Government approved the policy to approve the increase in tuition fees to a maximum of £9,000 for students who are entering university or college for the first time in September 2012 or later. Not all universities or colleges will charge the maximum amount.

§ The "Securing a Sustainable Future for Higher Education Report" was commissioned, Chaired by Lord Browne and published on 12th October 2010. Highlights of the report have stipulated positive statements towards student living costs. Below are the highlights from the report:

BROWNE REVIEW SUMMARY

Funding

- No cap on what institutions can charge for costs of learning.
- Institutions will need to charge £7,000pa min to maintain investment based on assumptions regarding HEFCE funding cuts.
- HEI's will receive 100% of fees from the government for learning charges up to £6,000pa. However, they will pay a levy to the government per additional £1,000 charged in fees to cover the government costs of upfront finance.

Living Costs

- One flat rate loan for Living Costs loans of up to £3,750pa. No means testing.
- Further £3,250 living grant available for students from low-income families. Full grant for household income up to £25,000 and partial grant up to £60,000.

Repayment

- No payment until graduates start work – Government will meet upfront cost.
- Graduates only pay when earning over £21,000.
- Payment affordable – 9% of any income above £21,000. Collected through tax system.
- If earnings drop / cease, payments drop / cease.
- Payments stop when repaid or balance written off after 30 years.

- *London Plan Policy 3A.25 Higher and Further Education*
 - The Mayor will and boroughs should work with the LDA and the Higher and Further Education sectors to ensure that the needs of the education sectors are addressed in DPDs. This will include:
 - Ø promoting policies aimed at supporting and maintaining London's international reputation as a centre of excellence in higher education;
 - Ø taking account of the future development needs of the sector, including the provision of new facilities and potential for expansion of existing provision;
 - Ø recognising the particular requirements of Further and Higher Education Institutions for key locations with good public transport access, and having regard to their sub-regional and regional sphere of operation;
 - Ø **Supporting the provision of student accommodation.**

- *A New Plan for London Proposals for the Mayor's London Plan - 2009*
 - 'Given the importance of London as a tertiary education hub, the Mayor will also seek a closer working relationship with Higher Education institutions to improve provision of student accommodation...'

- The Mayor proposes to: provide greater support for meeting the housing needs of older and disabled people and for **student accommodation**.

- 'The National Union of Students' estimates that 42% of students work part time. As such, from an employment perspective the student sector directly contributes to benefiting to the community. Indeed, the Higher Education sector has increased the number of jobs available throughout the UK as a whole with over 330,000 people directly employed in

Higher Education sector jobs (280,000 of these being full time jobs), equating to 1.2% of total UK employment. For every 100 full time jobs within the Higher Education institutions another 99 full time jobs are created through knock-on effects.

(Source: *Universities UK, 'The Economic Impact of UK Higher Education Institutions' Summary, February 2007*).

- Furthermore, student accommodation developments can often act as a catalyst for regeneration, encouraging other users such as retail, commercial and residential due to increased footfall through numbers of students and the high spending power attributed to them.
- *'There are clear economic benefits from student populations. They make a significant contribution to sustaining and regenerating communities.'*

Source: <http://www.communities.gov.uk/news/corporate>

§ Students working part-time in London earn more money per week than in any other city in the UK. The NatWest Student Living Index 2009 ranked London as the most cost-effective UK city to be a student. The survey analysed weekly student expenditure, including rent and living costs, against earnings from part-time work. It found that students in London were earning on average £5,024 per year (£167 per week), with average hourly wages of almost £10.

THE SITE – TRAVIS PERKINS, ST PANCRAS WAY, NW1 0PT

- Strong student accommodation location popular with Higher Education functions including student housing.
- Popular for student accommodation.
- Significant retail, leisure, restaurants and bars for student tenant profile. Camden High Street is located at a walking distance of approximately 500 metres from the proposed development site. Camden High Street provides a wide range of local shopping facilities and amenities. A Sainsbury's Local store is located on Camden High Street at a walking distance of approximately 500 metres to the west of the proposed development site.

- Significant regeneration underway in surrounding area.
- Less than ½ mile from Kings Cross St Pancras underground and over-ground stations and the regeneration scheme “Kings Cross Central”.
- Close proximity to significant institutions and colleges via public transport (within 40 minutes):
 - Royal Veterinary College – directly next door to the site.
 - Central St Martins, University of the Arts London (Kings Cross in 2011) – 10 minutes (walk).
 - Russell Square (UCL, Birkbeck, University of London, SOAS, RADA) – 25 minutes (underground).

GREATER LONDON – STUDENT ACCOMMODATION SUPPLY & DEMAND DYNAMICS

- There are circa **308,473** Full-Time Higher Education students studying in Greater London and circa **55,000** purpose built bed spaces (accounting for only circa 17.8% level of provision for full time students). We understand London Institutions are only able to accommodate circa 50% of their 1st year students.
- Universities generally expect second and third years to find accommodation in the traditional private rented sector. Whilst in many cases applications from returning students significantly outstrip the places available, there is anecdotal evidence to suggest that even these figures do not represent the true demand given that returning students are often dissuaded from applying or are aware of the shortage of available purpose built student accommodation.
- There has been a recent trend of universities rationalising stock to transfer assets from their balance sheets to the private sector. This has been the case in London with London Metropolitan University and City University both disposing of assets to the private sector in the past three years.
- Purpose built student housing plays an important role in the function of the housing market by freeing up market rented housing stock for general use and lowering the risk of ‘studentification’ of traditional residential neighbourhoods.

- The number of new units coming onto the private rented sector has not kept pace with the rise in student numbers in most areas of London (students account for 10% or 132,000 people in the rented sector).
- According to The London Plan Spatial Development Strategy for Greater London, Housing Technical Note August 2010:
 - Ø Some 55% of those registering in London universities between 2002/3 and 2007/9 were not London domiciled.
 - Ø Of these, 52% had a UK address, 15% had a EU address and 33% were domiciled elsewhere in the world.

SUPPLY / DEMAND DYNAMICS FOR GREATER LONDON

- There are in excess of circa 308,473 full-time and further education students studying in London.
- Of the total full time students, circa **71% (220,697)** are undergraduates and circa **29%** (76,082) are postgraduates (*HESA 09/10*).
- From our research, we estimate there are circa **55,000** purpose built bed spaces available for students in London.
- Our research team have identified a potential pipeline of circa **16,636** bed spaces. However, there is no guarantee that these bed spaces will be provided if funding and planning consent is not secured.
- Including the 16,636 beds in the planning pipeline, this leaves a shortfall within London totalling approximately 236,837 (76.7%) bed spaces.

GLA NORTH SUB REGION - STUDENT ACCOMMODATION SUPPLY & DEMAND DYNAMICS

- Cohesion and interaction is encouraged within sub-regions with regard to Further and Higher Education growth and provision to include growth of facilities, infrastructure and housing.
- London Plan Policy 3A.25 Higher and Further Education 'recognising the particular requirements of Further and Higher Education Institutions for key locations with good public transport access, and having regard to their sub-regional and regional sphere of operation.'
- London Plan - 3.118: The government plans to expand Further and Higher Education. Higher Education Institutions (HEIs) need to work with boroughs at the earliest opportunity over planning future developments.

Yet Higher Education Institutions have a wider sphere of operation than a single borough...'

We have identified from our research using HESA 2009/10 figures that the student and bed space numbers in the North sub-region are:

Total HE Full Time Students vs Existing Bed spaces:

∅ $117,141/13,579 = 11.6\%$ provision a potential shortfall of 103,562 bed spaces

Fulltime Students vs Existing Bed spaces + Planning Pipeline

∅ $117,141/17,357 = 14.8\%$ provision a potential shortfall of 99,784 bed spaces

CAMDEN BOROUGH – STUDENT ACCOMMODATION SUPPLY & DEMAND ANALYSIS

- There is a significant requirement for student housing both within Camden and in all areas of Greater London arising from the rapid growth in student numbers. Purpose built student housing is the most appropriate method of providing for this requirement because it eases student demand for market rented housing which would otherwise be used by other low income households or tenants, also including flats sold under RTB (right to buy), which have been let out to students as they can price out low income tenants.

- The Site demonstrates strong potential links with nearby educational institutions and easy access to Camden, Kings Cross and Russell Square, the hub of central London institutions. UCL, SOAS, Birkbeck, The Royal Veterinary College, University of the Arts London, London Metropolitan University. Travel distances from the Site to the respective campuses are within 25 minutes and public transport is highly accessible.
- Our research indicates that there is a total of 43,869 full-time students within Camden. We estimate that there are only **7,888** purpose built bed spaces within the Borough.
- There are circa **1,315** bed spaces within Camden in the planning pipeline which have either been approved or at application stage. This is meant as an estimate as not all of these beds will get planning consent let alone have the funding to build out. However, should all the consented/pending schemes be delivered there would still be a potential shortfall of circa **29,437** bed spaces within the Borough (or 76.2% of full time student numbers) which will not significantly relieve the pressure from the private rented / HMO sector.

Total HE Full Time Students vs Existing Bed spaces:

Ø $43,869 / 7,888 = 17.9\%$ provision a potential shortfall of 35,981 bed spaces

Fulltime Students vs Existing Bed spaces + Planning Pipeline

$43,869 / 9,203 = 21.0\%$ provision a potential shortfall of 34,666 bed spaces

2. INTRODUCTION

We have undertaken an overview of the current provision of student accommodation and the potential supply and demand dynamics for student accommodation within the London Borough of Camden (the Borough). The demand analysis is specifically in relation to the site at Travis Perkins, St Pancras Way, Camden, NW1 0PT, to gauge the likely feasibility of further student accommodation within the London Borough of Camden.

In order to do this we have researched what universities have a campus/academic presence within the Borough and analysed specifically full-time student numbers in relation to the quantity of accommodation provided. We have also made comment on large scale private accommodation schemes of which we are aware within the Borough.

Camden lies within the North sub-region of London as defined by the Greater London Authority and we have therefore investigated student numbers and accommodation levels within this region. These figures have been considered in light of the Greater London Authority policy on Higher Education and student accommodation, as well as the likely synergies between the Borough, the surrounding boroughs and the universities within this region.

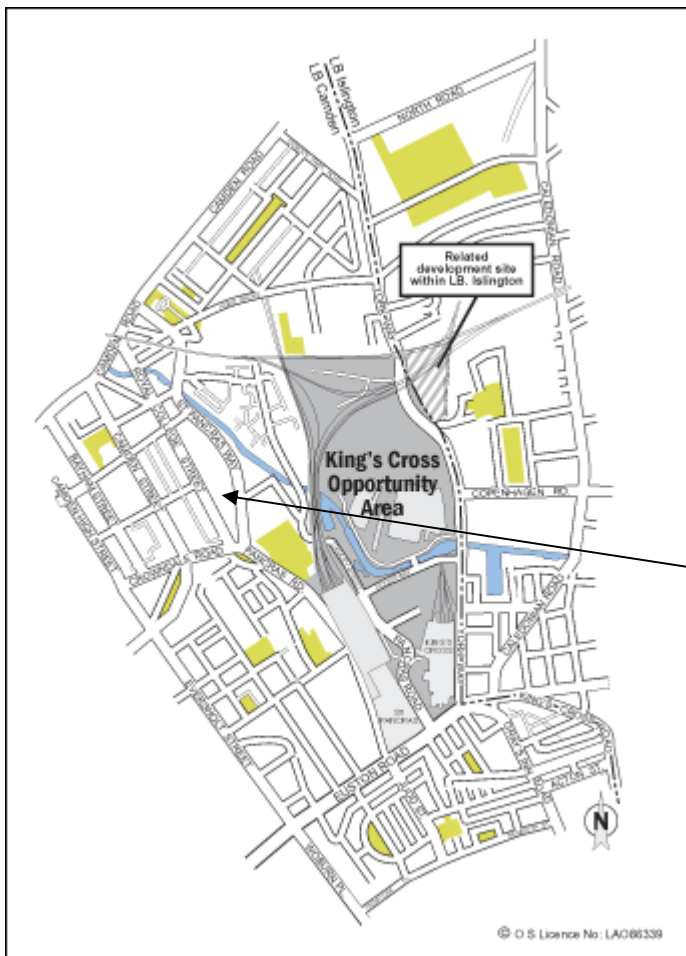
As well as this sub-region, we have also considered relevant universities, who have students living in the Greater London area, outside the Borough and the North sub-region.

It should be noted that London is a unique university destination, as students within the City will commonly travel up to circa 30 - 40 minutes (whether walking or via public transport) between their place of study and accommodation. This has been driven by the current significant supply / demand imbalances being experienced in London. As such we have also had regard to the London student market as a whole, with particular focus on Universities located within a short geographical / travel time from the Borough and the St Pancras Way Site in particular.

3. THE SITE

3.1 Location

The Site is located just west of the King's Cross Opportunity Area (outlined in the below map) within the London Borough of Camden. The site lies within the north sub-region of London (as defined by the Greater London Authority). The Site lies on St Pancras Way, equidistant from London St Pancras mainline station (Zone 1), Camden Road London over-ground, and Camden Town Underground stations (Zone 2). The Site is located within close proximity to some of London's most prestigious universities both within the Borough, in adjacent Boroughs and within the North sub-region.



Kings Cross Opportunity Area Map

Source: camden.gov.uk

Subject Site

3.2 Transport

The Site is very well connected to a variety of transport hubs providing good links to all over London and is within 5-10 minute walking distance to Kings Cross (Zone 1), which offers underground and London Borough of Camden Student Accommodation Needs Assessment March 2011

mainline services; St Pancras - London's Eurostar station, which runs direct to Paris (2hr 15m), Brussels (1hr 51m) and Lille (1hr 20m); and as of last year, Southeastern Railway opened to run a high speed (140mph) direct service which connects Kent and the South East with King's Cross. There are direct train and tube links to Heathrow, Gatwick and Luton Airports. King's Cross St. Pancras Underground is the biggest interchange station on the London Underground network and is serviced by six tube lines: Circle, Hammersmith & City, Metropolitan, Northern, Piccadilly and Victoria. Camden Town and Mornington Crescent Underground stations (Northern line, Zone 2) and numerous bus routes which run along St Pancras Way are also in the immediate area.

A short walk south from the Site is Russell Square and Bloomsbury, which is home to University College London (UCL), SOAS, Birkbeck College, the Institute of Education and other smaller colleges. Within 5-10 minutes walk north of the Site is Camden, which offers vibrant cultural and numerous social amenities. Camden Underground station provides northern line connections to Leicester Square, the Embankment and south / south west-bound over-ground mainline trains from London Waterloo. The Site is therefore easily accessible for major academic institutions (source: www.tfl.gov.uk).

According to the Consultation Draft London Plan 2010, the *"Mayor will support and provide a forum for Higher Education institutions (HEIs) to work with boroughs and other stakeholders to plan future developments, including student accommodation (Policy 3.8) in locations with **good public transport access**, taking account of their **sub-regional and wider spheres of operation** and capacity to contribute to the wider objectives of this Plan"*.

3.3 Situation

The Site is bounded by the St Pancras Way on the east boundary and Royal College Street on the west boundary with the Royal Veterinary College immediately to the south. The Regent Canal runs north south to the west of the Site.

The Site fronts St Pancras Way, which links to Camden Road (A503) and Kentish Town Road (A400) to the north and links to Pentonville Road (A501) to the south. The area benefits from a considerable range of local amenities including restaurants, supermarkets, clothing shops, bars and entertainment venues around Kings Cross and Camden Town. In terms of outdoor amenity space, the site is located close to both Regents Park (c12 mins walk), and Caledonian Park (c15 mins walk).

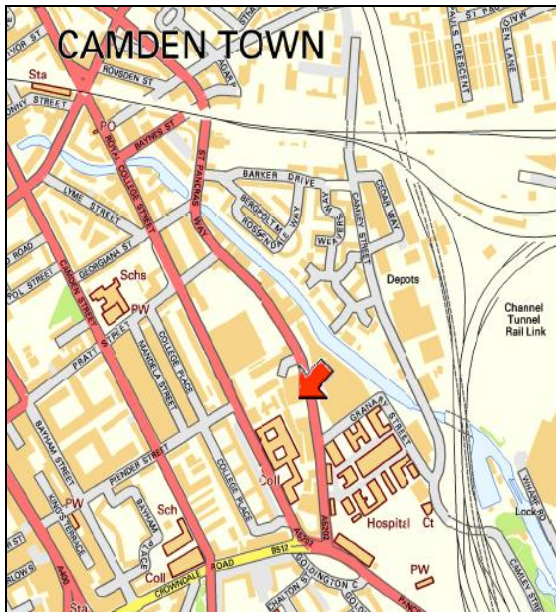
The immediate area is of mixed tenure incorporating residential, commercial, retail and educational use. The Site lies to the west of the King's Cross Opportunity Area which is undergoing considerable

regeneration. Such changes include the provision of an 8 million sq ft mixed-use scheme to provide improvements to Kings Cross and St Pancras stations; a new campus for the University of the Arts, London (UAL); amenity space including 10 new parks; improvements to the Regents Canal, and a significant amount of retail (500,000 sq ft) and office space (4.9 million sq ft). The first phase of offices, homes and the UAL campus are expected to be completed in 2012.

3.4 St Pancras Way as a Student Location

The area is highly populated with academic institutions. The Royal Veterinary College is immediately adjacent to the site on Royal College Street. The new UAL campus, currently under construction at the Argent Kings Cross scheme on York Way, is within 5 minutes walk of the Site, and by 2011 UAL's Central Saint Martins College of Art and Design will have up to 4,500 extra students populating the area. Russell Square, which is c1 mile south, boasts UCL, Birkbeck College, the Institute of Education, SOAS, RADA and numerous other smaller colleges. City University, London Metropolitan University and Westminster University are all within 2 miles of the Site. All are within a 5-20 minute journey via London Underground, with walking distances from the Site being 15 minutes to UCL, 28 minutes to City University, and 10 minutes to Central St Martins. It is likely that the majority of students occupying the proposed scheme will be students from these institutions.

3.5 St Pancras Way Situation & Location Plans



In our opinion, the Site provides a very strong location for student accommodation. The London Borough of Camden is a popular location for students living within London. The NW1 postcode in particular is the top rated postcode favoured in London by the 'University of London Housing Services' (source: <http://housing.london.ac.uk/>).

The Site will have a positive impact to the local surrounding area. Indeed, should the c550 beds be built, it would directly help combat the current supply/demand imbalance of students to purpose built bed spaces within the Borough, whilst also alleviating demand on private sector stock currently let to the HMO student market. Currently circa 82.2% of London full-time higher education students are unable to access purpose built student accommodation, highlighting the demand for further accommodation of this type. Indeed, purpose built student housing provides an alternative to students living in this private housing, which could then potentially be released back in to the general housing options for the wider private and affordable market within the Borough. The London Plan also recognises this fact:

London Plan - Para 3.39 states that student accommodation "*adds to the overall supply of housing and may reduce pressure on the existing supply of market and affordable housing*".

The Council's position in relation to accommodation for students is set out in Camden Council's Development Policies (adopted alongside the Core Strategy at the Full Council meeting on 8th November 2010):

*'Policy DP9 provides our detailed approach to housing with shared facilities and student housing. Private rented housing, including bedsit rooms, makes up a large part of the housing available to students and other young adults. The growth we anticipate in student numbers could place severe strain on the stock of private rented housing, and so **the Council supports the development of student housing** in some circumstances (Camden Development Policies, page 52 paragraph 9.5).*

The policy states that student housing development should ('Camden Development Policies ', page 53):

- Serve higher education institutions based in Camden or adjoining boroughs
- Be located where it is accessible to the institutions it will serve
- Include a range of flat layouts including flats with shared facilities

Student accommodation is also considered to provide some regenerative benefits for surrounding areas, with student schemes typically increasing footfall and offering associated benefits for improving vigilance and security at local level. Students are also relatively high spenders and will put a significant amount of income into local businesses as well as filling potential employment opportunities. Further research has suggested that many students will look to stay on in an area after they have finished studying, again helping to create more balanced communities. According to the URS report on “*Student Housing in Camden*” (October 2009), 70% of full-time students in Camden are living either in “family accommodation” or in “other accommodation”, which reiterates the demand for further purpose built student accommodation within the Borough. The Site would essentially free up market housing and HMO by adding to the Borough’s housing stock. Indeed, as stated in section ‘Camden Development Policies DP9’ (adopted alongside the Core Strategy at the Full Council meeting on 8th November 2010): ‘**student housing has the potential to mitigate pressure on the stock of private rented homes in Camden, provided that it is genuinely aimed at higher education students in the area**’ (page 54).

3.6 Travel Times from St Pancras Way

The Site is well situated for a variety of educational institutions. The table below highlights the approximate travel times to nearby institutions within a 40 minute travel time radius. The travel times below have been sourced from Transport for London.

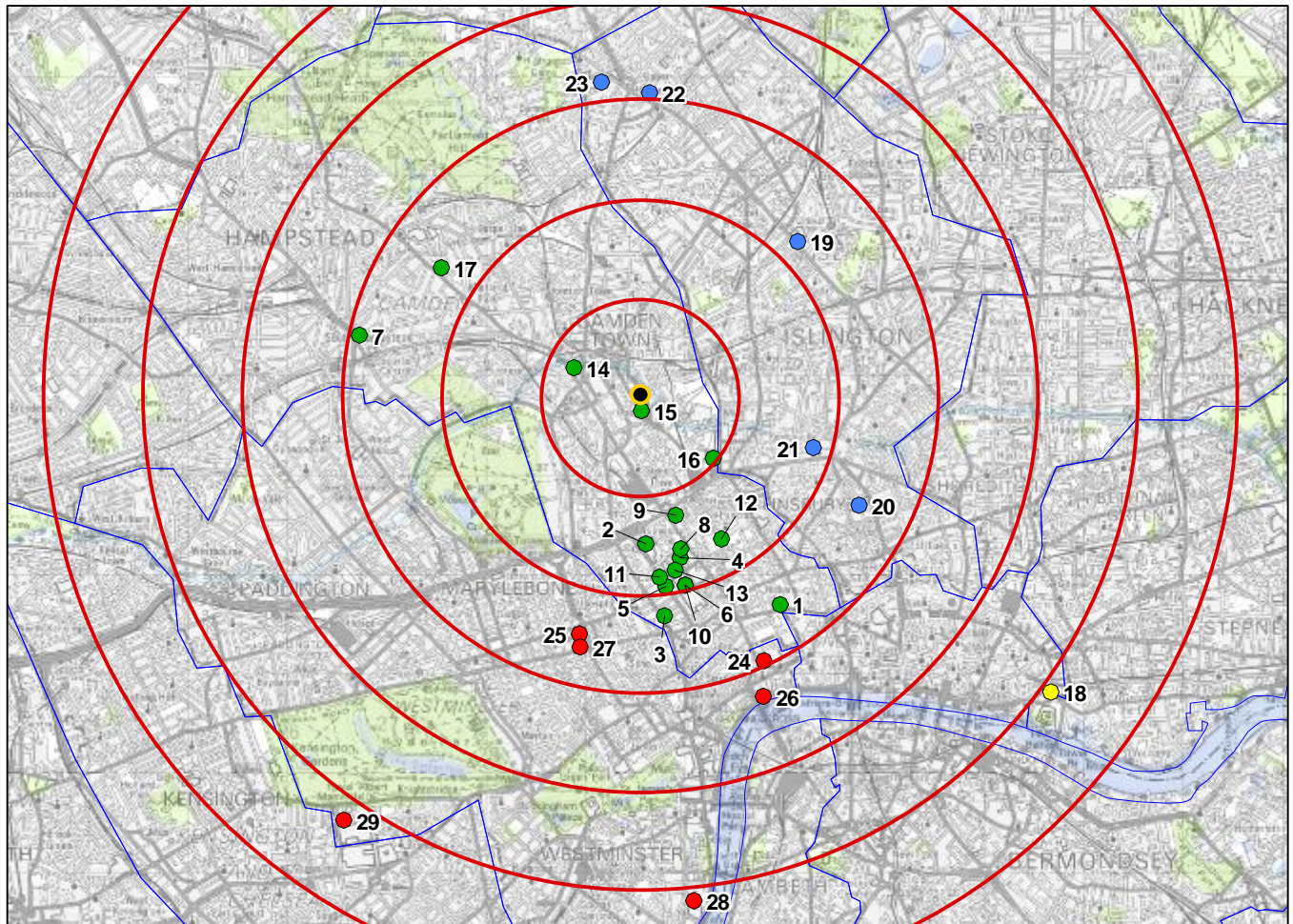
Map Ref:	University	Post Code	Borough	Full Time Students (HESA 09/10)	Travel Times (via tube / train / bus / walk)
1	City University (City Law School, Holborn)	EC1V 0HB	Camden	550	35 mins (tube or bus)
2	University College London – Bloomsbury Campus	WC1E 6BT	Camden	22,500	20 mins (bus)
3	Architectural Association	WC1B 3ES	Camden	650	7 mins (bus)
4	Institute of Education	WC1H 0AL	Camden	2,402	22 mins (bus)
5	London School of Hygiene and Tropical Medicine	WC1E 7HT	Camden	748	27 mins (bus)
6	Birkbeck College	WC1E 7HX	Camden	876	20 mins (bus)
7	Central School of Speech and Drama	NW3 3HY	Camden	819	31 mins (tube)
8	Conservatoire for Dance and Drama	WC1H 9EU	Camden	1,129	25 mins (bus)
9	London Contemporary Dance School at The Place	WC1H 9PY	Camden	188	20 mins (walk)
10	University of London School of Advanced Study	WC1E 7HU	Camden	225	26 mins (bus)
11	Royal Academy of Dramatic Art	WC1E 6ED	Camden	990	22 mins (bus)
12	School of Pharmacy	WC1N 1AX	Camden	985	23 mins (walk)
13	School of Oriental and African Studies	WC1H 0XG	Camden	4,580	20 mins (bus)
14	Open University in London	NW1 8NP	Camden	-	12 mins (walk)
15	Royal Veterinary College	NW1 0TU	Camden	1,720	2 mins (walk)
16	University of the Arts (Central St Martins College of Art) at Kings Cross (Sept 2011)	N1 9AP	Camden	4,407	10 mins (walk)
17	Middlesex University (Royal Free Hospital Campus)	NW3 2XA	Camden	1,100	28 mins (tube)
18	London Metropolitan University (City Campus)	EC3N1JY	Tower	c1,882	36 mins (tube)
19	London Metropolitan University (North Campus)	N7 8DB	Islington	c7,552	29 mins (tube)
20	City University	EC1V 0HB	Islington	12,315	32 mins (tube)
21	Northumbria University (London School of Design)	N1 9PN	Islington	50	26 mins (tube)

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22	Byam School of Art	N19 4AG	Islington	150	25 mins (tube)
23	Middlesex University (Whittington Hospital Campus)	N19 5NF	Islington	1,500	26 mins (tube)
24	London School of Economic & Political Science (Houghton Road)	WC2A 2AE	Westminster	8,931	34 mins (bus)
25	University of Westminster	W1B 2UW	Westminster	15,448	30 mins (tube)
26	Kings College London	WC2R 2LS	Westminster	17,980	30 mins (tube)
27	University of the Arts (London College of Fashion)	W1G 0BJ	Westminster	c4,585	30 mins (bus)
28	University of the Arts (Chelsea College of Art and	SW1P 4JU	Westminster	c1,576	43 mins (tube)
29	Imperial College	SW7 2AZ	Westminster	13,532	43 mins (bus and tube)

Total 127,870 (was c 119)

Universities within 40 minutes travel time from the Site*



Each radial point is 1km with the numbers relating to the map references in the previous table.

* The Universities outlined in the table and map above are within 40 minutes travel time of the subject Site whether via tube, train, Bus or walking).

Source: Savills Research, 2011

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4. STUDENT DEMAND LEVELS - Introduction

We have analysed the likely demand profile for student accommodation within the Borough. We have looked at this on a number of levels to include local Borough level, sub-regional level (as defined by the GLA) and a more macro London level.

Greater London

London has circa 308,473 Full-Time Higher Education students (full and part-time) studying within its institutions, and from our estimates circa 55,000 bed spaces (private and institutionally owned). As previously stated, the London student market is unique in the UK in that students do not necessarily live geographically close to their place of study. Indeed, students in London are usually prepared to live within a 30 – 40 minute travel radius from their universities. GLA support the development and provision of student accommodation both to ease pressure on existing housing supply but also to maintain London's academic reputation - Policy 3B.6 'Supporting Innovation' highlights the need for London to maintain its historically high levels of academic research capabilities.

Sub Regional Demand

At a wider level, we have focussed on the Borough's role within the region defined as the North sub-region of London region by the GLA. Policy 3A.25 Higher and Further Education highlights the relationships individual London boroughs should have with institutions and London Development Agency to ensure that education sectors are addressed on a sub-regional level – to include the provision of student accommodation. We have particularly focused on the demand from the larger universities based within the sub-region, namely – University College London, University of Westminster, Imperial College, London School of Economics, London Metropolitan University, University of London, University of Middlesex, University of the Arts London, and City University – where, due to the scarcity of land and subsequent land values, very little accommodation is available.

In Borough Demand

It is widely acknowledged that students in London are prepared to travel and will not necessarily live within the same Borough as they study. However, it is still important to analyse who the core group of occupiers are within the Borough, and we have done this through assessing the full-time students studying specifically within Camden.

5. IN BOROUGH DEMAND – Camden

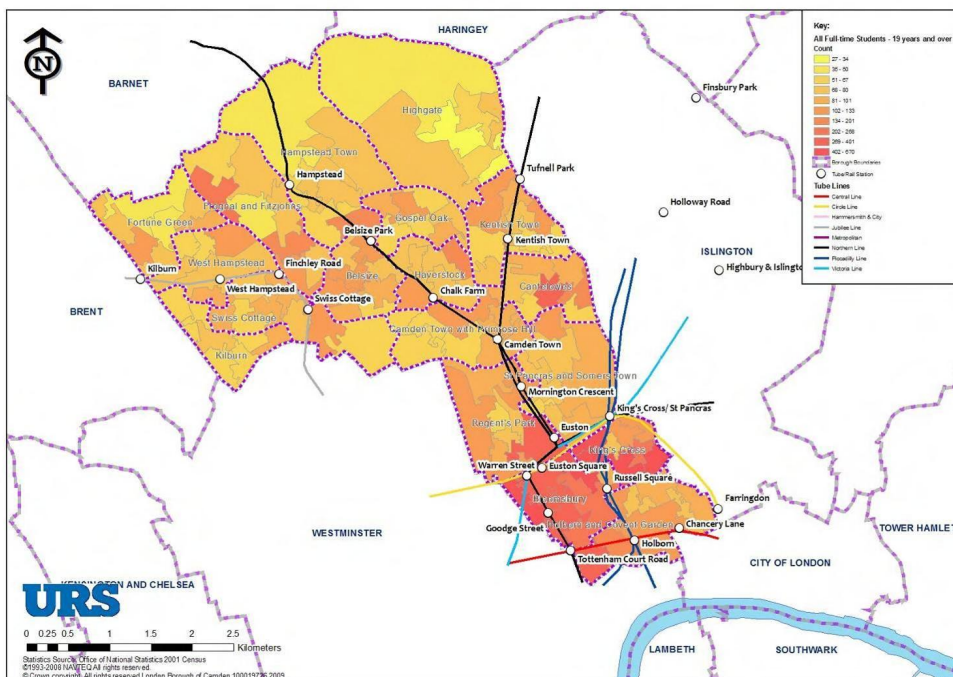
5.1 Current Student Demand

Census

The 2001 Census data is based on all students who are living away from their family home, therefore the pool of data is much broader than the HESA and University data which is taken from student enrolment at Higher Education colleges and Universities studying within the Borough. It is worth noting that the 2001 data, although it provides a very useful grasp of the student population in the Borough is now out of date. The new census will be published in 2011. If this data is utilised it would suggest a potential demand from students for accommodation of circa 20,841. Of these students, 4,998 were classed as economically active and 15,843 economically inactive. This represents a high proportion of students compared to the rest of England and London. Within the Borough, we have identified only 6,175 existing bed spaces. This is a provision of only 14.9% and a potential shortfall in bed spaces of 35,397 who must be accommodated in other accommodation to include the family home and private housing and HMOs. The 20,841 students living in Camden represent circa 4.3% of London's population.

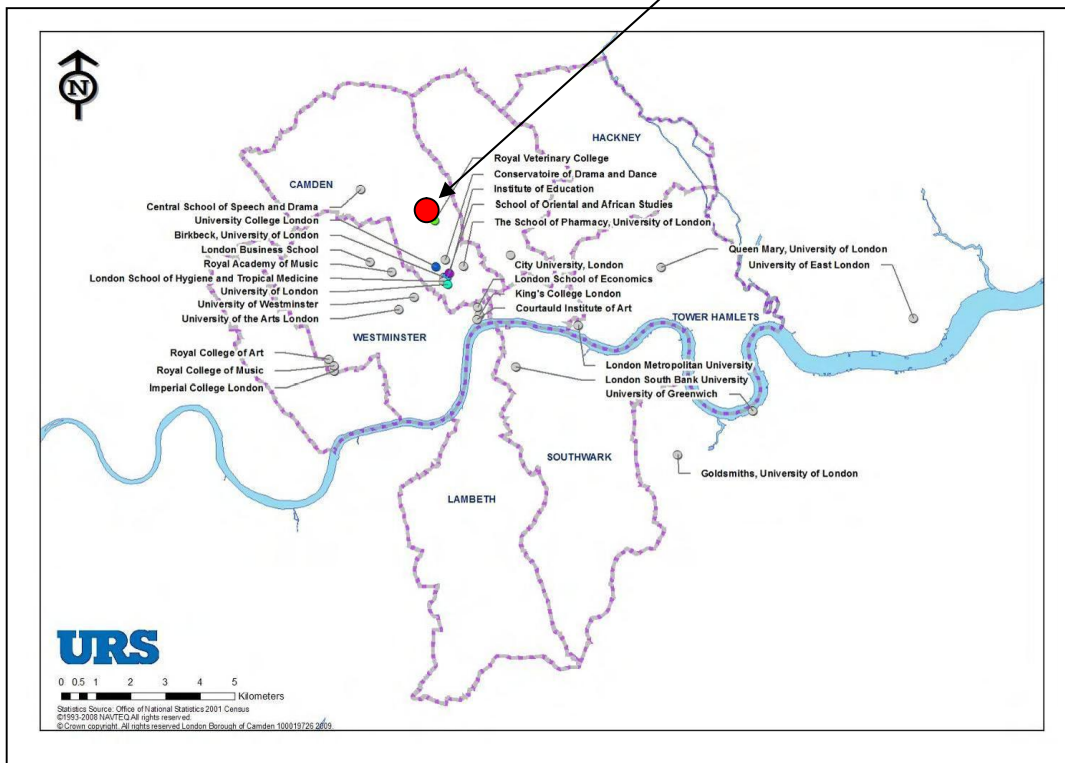
	Camden	London	England
Students – Economically Active	4,998	157,006	917,582
Students Economically Inactive	15,843	321,370	1,581,146
Households with all students (persons)	2,438	45,158	295,773

The map below shows the spatial distribution of full-time student population within Camden across the Borough. The map below denotes that the full time students aged 19+ residing in Camden are distributed unevenly across the Borough. There is a high concentration to the south and immediately north of Euston Road, reflecting in part the prevalence of purpose built student accommodation available surrounding some of Camden's HEI campuses and the excellent underground transport links such as the Circle, District, Northern, Piccadilly, Victoria and Central London Underground lines. Examined at ward level, the five wards of King's Cross, St Pancras and Somers Town, Bloomsbury, Holborn and Covent Garden and Regent's Park together are host to over 7,600 students, equating to 49% of the total full time student population aged 19+ in Camden (Source: URS report "*Student Housing in Camden*", Oct 2009).



According to the URS report “Student Housing in Camden, Oct 2009”, Camden is host to 10 of the 24 Central London Higher Education Institutions, which are colour coded in the map below. The majority of Camden’s universities are concentrated in the south of the Borough, with the exception of the Central School of Speech and Drama in Swiss Cottage.

The Site



5.2 Current Student Demand

Moving forward to today's student dynamics we have identified a number of universities and colleges which have a presence within the Borough to include campus, academic buildings and or accommodation. The students within these universities are likely to provide the primary demand for student accommodation within the Borough. We have stripped HESA 09/10 total student figures down to full-time students only studying within the Borough itself, excluding any campuses outside the boundary. It should be noted, however, that this is not synonymous with there being an absence of residual demand from boroughs outside the boundary, or indeed non full-time students, however this is the most accurate methodology for reflecting supply/demand dynamics within the Borough itself.

Institution	Post Code	Borough	Full-Time Students (HESA 09/10)
City University (City Law School, Holborn)*	EC1V 0HB	Camden	550
University College London – Bloomsbury Campus**	WC1E 6BT	Camden	22,500
Institute of Education (University of London)	WC1H 0AL	Camden	2,402
London School of Hygiene and Tropical Medicine*	WC1E 7HT	Camden	748
Birkbeck College (University of London)	WC1E 7HX	Camden	876
Conservatoire for Dance and Drama*	WC1H 9EU	Camden	1,129
London Contemporary Dance School at The Place	WC1H 9PY	Camden	188
School of Advanced Study (University of London)	WC1E 7HU	Camden	225
Royal Academy of Dramatic Art*	WC1E 6ED	Camden	990
School of Pharmacy (University of London)	WC1N 1AX	Camden	985
School of Oriental and African Studies*	WC1H 0XG	Camden	4,580
Royal Veterinary College	NW1 0TU	Camden	1,720
University of the Arts (Central St Martins College of Art) at Kings Cross (Sept 2011)***	N1 9AP	Camden	4,407
Middlesex University (Royal Free Hospital Campus)	NW3 2XA	Camden	1,100
Architectural Association	WC1B 3ES	Camden	650
Central School of Speech & Drama	NW3 3HY	Camden	819
Total		43,869	

* The institutions with a single asterisk above either have no halls of residence of their own, or none situated within the Borough.

It should be noted that the 4,407 full-time students studying at the University of the Arts (Central St. Martins College of Art) will be re-locating to Kings Cross as of September 2011, and that UCL are unable to provide a breakdown of full-time student numbers studying at their Bloomsbury Campus. As such, the full-time number of students noted above (22,500) should be treated as an approximation only although this figure does take into account full-time students studying at UCLH.

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It should also be observed that in the case of the University of Arts, whilst the institution has significant academic presence within the Borough, it currently has no student residences within the respective boundary.

5.3 Universities within the Borough

From our conversations with various universities, we have commented on student numbers studying in close vicinity to the Site and within Camden for the following two universities. It should be noted that whilst there are a number of institutions with strong academic presence within the Borough, a large proportion of the latter do not offer student accommodation within the Camden boundary.

LONDON INSTITUTE OF EDUCATION - Demand and Supply Dynamics	
Campuses	The London Institute of Education has one principal hall of residence, known as John Adams Hall. The institution does not have a main campus however the residence is located within close proximity to Russell Square underground station.
Student Numbers	<ul style="list-style-type: none"> • Full-time Students – 2,402 • Postgraduate students – 96 • Undergraduate students – 2,254 • International Students – 671
Accommodation	IOE has one main hall of residence providing circa 250 bed spaces across John Adams Hall, Endsleigh Street. IOE's students are also eligible for accommodation within the University of London's intercollegiate halls of residence however this will be detailed in the University of London section of this report.
Halls of Residence	<ul style="list-style-type: none"> • John Adams Hall of Residence - 250 en-suite and non en-suite cluster rooms.
Supply / Demand Dynamics	<ul style="list-style-type: none"> • Full-time Students = 2,402 • Total Bed spaces = 250 • Potential Demand vs. Supply = 250/2,402= 10.4% provision • Students unable to live in university accommodation = 2,152

UNIVERSITY COLLEGE LONDON (BLOOMSBURY CAMPUS) - Demand and Supply Dynamics	
Campuses	The UCL has campuses at Bloomsbury, Archway, Hampstead, Central London and Whittington. The University has a total of 17,900 full time students and the only campus located within the London Borough of Camden is the Bloomsbury Campus, located within close proximity of Warren Street tube station. The institutions' various halls of residence located within the borough of Camden are outlined below.
Student Numbers	<ul style="list-style-type: none"> • Full-time Students – 22,500 (as previously outlined, UCL were unable to provide a break-down of student numbers across their various campuses). As such, this figure takes into account all students studying across the range of UCL's campuses – not just those linked to the Bloomsbury Campus within the Borough. As such, whilst the other campuses within London would likely provide residual demand for student accommodation, this figure should be treated as an approximation only. • Postgraduate students – 7,500 • Undergraduate students – 11,981 • International Students – 7,382
Accommodation	UCL has numerous halls of residence located within Camden, which offer a combined total of 2,937 bed spaces on a let as university bed spaces. Details of these halls are outlined below.
Halls of Residence	<ul style="list-style-type: none"> • Ifor Evans Hall = 340 beds • Max Rayne Hall = 299 beds • Anne Stephenson Hall = 97 beds • Arthur Tattersall House – 129 beds • Astor College – 250 beds • Campbell House East & West – 232 beds • Frances Gardner House – 215 beds • Hawkridge – 243 beds • John Dodgson House – 160 beds • John Tovell House – 66 beds • Langton Close – 268 beds • Prankard House – 146 beds • Ramsay Hall (Catered) – 450 beds • Clifford Pugh House – 42 beds • Total Beds = 2,937 beds

Supply / Demand Dynamics	<ul style="list-style-type: none"> • Full-time Students = 22,500 • Total Bed spaces = 2,937 • Potential Demand vs. Supply = $2,937/22,500 = 13.1\%$ provision • Students unable to live in university accommodation = 19,563
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BIRKBECK COLLEGE (UNIVERSITY OF LONDON)- Demand and Supply Dynamics	
Campuses	Birkbeck College is a subsidiary institution to the University of London based within the London Borough of Camden. The main Birkbeck campus is in Bloomsbury, an area of central London in the south of the Borough of Camden.
Student Numbers	<ul style="list-style-type: none"> • Full-time Students – 876 • Postgraduate students –868 • Undergraduate students – 5 • International Students – 321
Accommodation	Birkbeck College has no student residences of its own however utilizes the University of London's inter-collegiate residences (as do the Central School of Speech and Drama, and the School of Pharmacy), which include 1,087 bed spaces, as detailed below.
Halls of Residence	<p>Birkbeck College utilizes the below inter-collegiate residences of the University of London:</p> <ul style="list-style-type: none"> • Connaught Hall – 214 beds • College Hall – 357 beds • Lillian Penson Hall – 211 beds • Hughes Parry Hall – 305 beds <p>Total Beds = 1,087</p>

Supply / Demand Dynamics	<ul style="list-style-type: none"> • Full time Students = 980 • Total Bed spaces = 0 (given that the bed spaces here are linked to the University of London, these have been noted as falling beneath this university). • Potential Demand vs. Supply = 0/980 = 0% provision • Students unable to live in university accommodation = 980
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5.4 Other Student Accommodation in Camden

London School of Economics & Political Science

The University does not have any academic faculties within the Borough but provides a proportion of their accommodation in Camden. We have not included the name of the halls of residence and the number of beds for the purposes of this analysis as they solely serve LSE students, and so to include them would be misrepresentative of the true Borough supply / demand dynamics.

5.4.1 Universities in Camden – Accommodation Policy

The following table shows the accommodation policy of the two main Camden-based Universities (with accommodation within the Borough):

University	Accommodation Policy
University of London	Those full-time first year undergraduate students who have met the accommodation application deadline and are entering University of London for the first time on a programme of two or more years duration, are guaranteed the offer of their first year in a student residence.
University College London	Those full-time first year undergraduate students who are entering University College London for the first time on a programme of two or more years duration, are guaranteed the offer of their first year in a student residence if they have met the accommodation application deadline of 31 st May. This system remains for international post-graduate students and international undergraduate students, assuming they have not studied in the UK previously, and have submitted

	their application within the deadlines of 30 th June.
University of the Arts London	The University of the Arts offers no student accommodation within the Borough.

5.4.2 Student Accommodation Demand – First Year, Overseas & Post-Graduates

Universities recognise that accommodation forms a significant part of the 'offer' to students. For first year students it is also a welfare issue while for overseas students it can be an important part of attracting this lucrative market. Whilst generally university accommodation is targeted at undergraduates, as the trend towards older students continues, the existing university accommodation stock becomes less relevant to older and more mature students. UAL has very little accommodation suitable for couples who do not wish to share communal facilities with other flat mates; and increasing demand for purpose built student accommodation for postgraduate students in London is corroborated by the 100% postgraduate student occupancy rate for the 2010-2011 at Sidney Webb House - 159 Great Dover Street, Southwark, which is leased to the LSE. It should also be noted that overseas students have a disproportionate tendency to choose purpose built accommodation where it is offered in preference to traditional private student accommodation, such as HMO's.

Demand / Supply Summary

Our research indicates there is a total of **43,869** full-time student studying within Camden, and circa **7,888** purpose built bed spaces within the Borough. There are circa **1,429** bed spaces within Camden in the planning pipeline which have either been approved or are at application stage. This is meant as an estimate as not all of these beds will get planning consent let alone have the funding to build out. However, should all the consented/pending schemes be delivered there would be a provision of 9,317 (21.2%) bed spaces and a potential shortfall of circa **34,552** bed spaces within the Borough (or 78.8% of full time student numbers) which still will not significantly relieve the pressure from the private rented / HMO sector.

We consider that these dynamics suggest a significant shortfall in provision of purpose built bed spaces within Camden. Currently, we have been unable to identify any notable schemes within the planning pipeline to alleviate the potential demand shortfalls for accommodation. However, our research throughout this report demonstrates that a large number of households are being taken up by students and we believe that the provision of purpose built student accommodation will provide an attractive alternative for these students, offering larger communities of students.

We know there to be a natural demand by the students within the bordering boroughs who would be studying in academic institutions outside of Camden. We imagine that the amount of students presently residing within the Borough are there due to affordability and the effective transport links into central London. We expect the students will be travelling from the campuses listed in the travel times table from above within a 40 minute travel radius. For the purposes of this report, we have ignored any demand from university campuses outside the Borough. We have therefore identified circa 43,869 students currently studying within the Borough. Furthermore, as demonstrated by HESA (2006/2007 – 2009/2010), there have been consistent increases in full-time higher education students across London, demonstrating an ongoing demand for student accommodation off-set against rising student numbers.

Year	Full-Time HE Students	% Increase on Previous Year
2006/2007	240,710	N/A
2007/2008	254,445	5.7%
2008/2009	267,815	5.25%
2009/2010	308,473	15%

Source: HESA 09/10

Please see attached **Appendix 3**, which further outlines the comparatively small number of students living within the subject ward of St Pancras & Somers Town.

5.5 Camden Student Accommodation Supply - University Owned / Private Accommodation

To assess the existing accommodation supply in Camden, we have identified university and privately owned purpose built student accommodation blocks located within the Borough. These halls are a mixture of university owned stock and private accommodation which may be under some form of nomination agreement with a university. These bed spaces are summarised below:

5.6 Institutional Accommodation within Camden

Institution	Scheme	Beds	Address
University College London	Ifor Evans Hall	340	109 Camden Road
	Max Rayne Hall	299	109 Camden Road
	Anne Stephenson Hall	97	109 Camden Road

	Arthur Tattersall House	129	115-131 Gower Street
	Astor College	250	99 Charlotte Street
	Campbell House East & West	232	5-10 and 20-24 Taviton Street
	Frances Gardner House	215	Wren Street, Gray's Inn Road
	Hawkridge	243	Warden Road
	John Dodgson House	160	24-35 Bidborough Street
	John Tovell House	66	89 and 93-87 Gower Street
	Langton Close	268	Wren Street, Gray's Inn Road
	Prankard House	146	195 North Gower Street
	Ramsay Hall	450	20 Maple Street
	Clifford Pugh House	42	Lancaster Grove
University of London (Inter-Collegiate Halls of Residence – utilized by Birkbeck College, Central School of Speech and Drama and London Institute of Education)	International Hall	606	Lansdowne Terrace
	Nutford House	180	Brown Street
	Canterbury Hall	204	11 – 18 Cartwright Gardens
	Common Wealth	437	1-11 Cartwright Gardens
	College Hall	357	36- 45 Tavistock Square
	Connaught Hall	214	36- 45 Tavistock Square
	Lillian Penson Hall	211	15-25 Tavistock Square
	Hughes Parry Hall	305	Cartwright Gardens
	John Adams Hall of Residence	250	Endsleigh Street
International Lutheran Student Centre	International Lutheran Student Centre	65	Thanet Street
Goodenough College	Goodenough College	400	(Mecklenburgh Square)
Royal Veterinary College	College Grove	83	Royal College Street
Huron University London	Byng Place	87	1 Byng Place
Total		6,336	

5.7 Private Accommodation within Camden

Institution	Scheme	Beds	Address
The Hylem Group	Arthur West House	230	79 Fitzjohns Avenue
Galliard Residential	Albany House	104	Judd Street Corner
Unite	Mary Brancker House	178	Royal College Street
	Kirby Street	128	36-43 Kirby Street
	Woburn Place	458	19-29 Woburn Place
	Somerset Court	168	Aldenham Street Euston
	Bartholomew Road	54	111-113 Bartholomew Road Kentish Town
	Beaumont Court	232	1-45 College Grove Kings Cross
Total		1,552	

5.8 Camden Planning Pipeline

We have identified the potential development pipeline within Camden:

Application Reference	Beds	Status	Site Address	Applicant
2010/4468/P	657	Under Construction	King's Cross Central - Kings Cross Railway Lands, York Way	Urbanest
2008/2412/P	37	Permission	109 Camden Road	University College London
2009/0675/P	22	Permission	High Holborn House, 52-54 High Holborn	Prudential Assurance Company Limited
2009/3072/P	114	Under Construction	13 Hawley Crescent and 29 Kentish Town Road	Watkin Jones
2009/5964/P	192	Permission	2-12 Harmond Street, 34 Chalk Farm Road	Risetall Limited
2010/0910/L	110	Permission	74/76 Guilford Street	Mr Patrick Watson Hogan
2010/1411/P	61	Permission	William Goodenough House, 35 – 42 Mecklenburgh Square	Simon Chapman
2010/2282/P	86	Permission	Wesley Court, 4 Wild Court	Kensington School of Business
2011/0102/P	114	Application	10a Belmont Street	Mr Dyer Lalli
2010/2674/P	7	Permission	Ramsay Hall (Rome Block) 20 Maple Street London	David Jackson
2010/2871/P	29	Application	42 Phoenix Road	The Findlay Estate Company
Total	1,429			

5.9 Summary of Accommodation Supply within the Borough of Camden

We have identified a variety of purpose built student accommodation blocks located within Camden. These halls are a mixture of university owned/leased stock and private accommodation which may be under some form of nomination agreement with a university or let directly to students. These bed spaces are summarised overleaf:

Accommodation	Bed spaces within Camden
University of London	2,764
UCL	2,937
International Lutheran Centre	65
Royal Veterinary College	83
Huron University London	87
Goodenough College	400
Private Accommodation	1,552
Total	7,888
Potential Planning / Development Pipeline	1,315

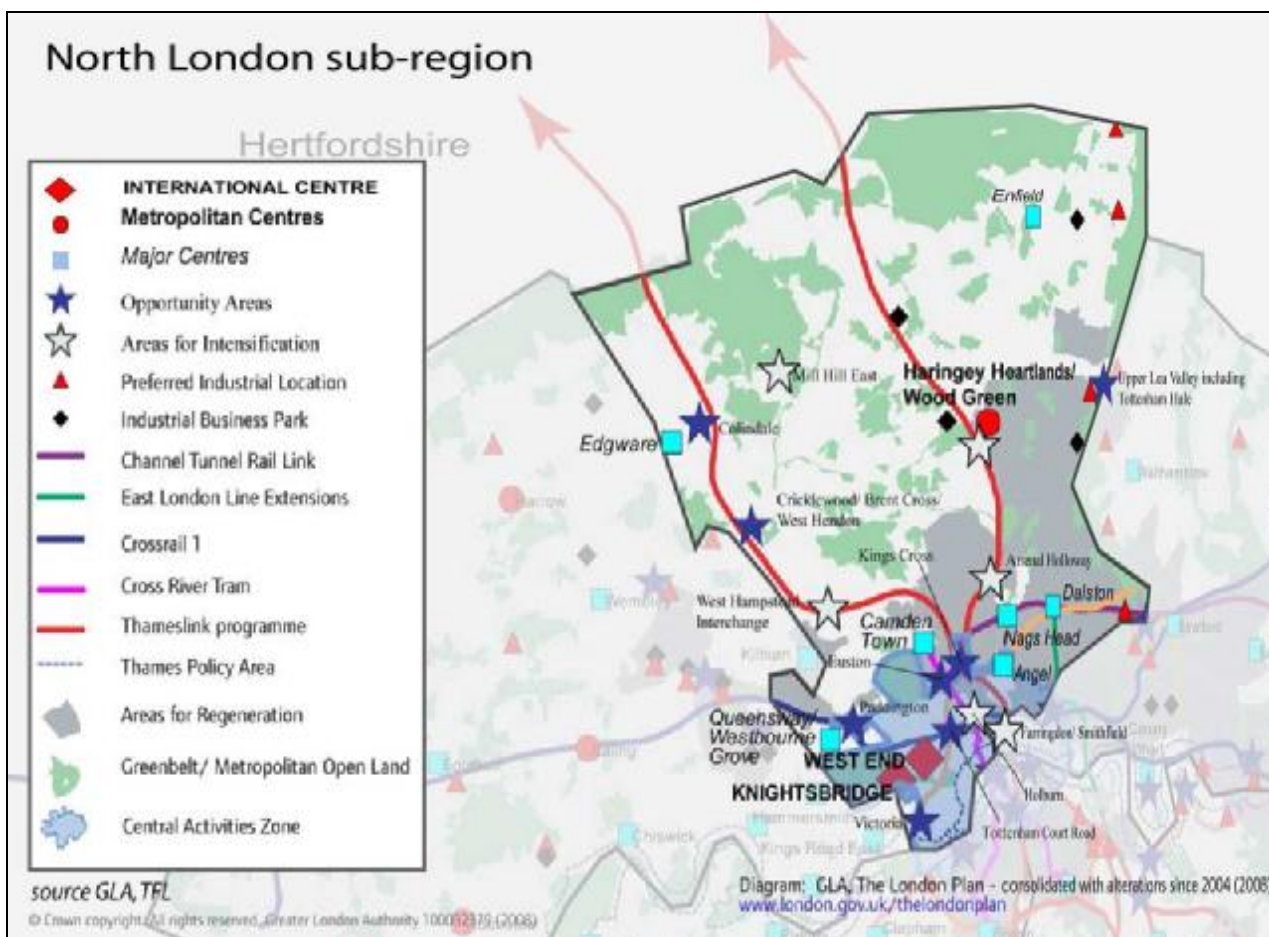
5.10 Analysis of Demand and Supply Dynamics within Camden

We have identified that there is a potential demand of circa **38,640** full-time students residing within the Borough.

We have identified a total of circa **7,888** bespoke student bed spaces within the Borough.

This suggests that the Borough is only able to provide student accommodation for circa **20.4%** (based from its fulltime students studying within Camden). It is our understanding that student schemes in Camden within the planning pipeline may deliver a further **1,315** beds. This would bring the total bed spaces in the Borough to **9,203**. If the consented schemes are all delivered this still suggests there would be a supply/demand imbalance/shortfall of circa **29,437** bed spaces or **76.2%** of students.

6. NORTH LONDON SUB-REGION– Demand and Supply Dynamics



Many multi-campus universities are split across a number of different boroughs. There are several major benefits behind a sub-regional policy approach to the provision and support of academic institutions and accommodation.

Multi campus universities are often split across a number of different boroughs with accommodation and academic buildings in a wide spread. A regional approach allows these universities to benefit from joined up thinking. The approach also allows boroughs without universities the ability to contribute to and facilitate academic provision for the benefit of their residents.

In the case of the North sub-region specifically, one of the major benefits of a joined up regional system is the inclusion of the Boroughs of Westminster, Barnet, Enfield, Hackney, Haringey, Camden and Islington. These areas have a high concentration of students studying at large universities to

include University College London (UCL) – over Islington & Camden, University of the Arts, Imperial College, London Metropolitan University, London School of Economics, City University and the University of Westminster. However, the Borough of Westminster in particular is only able to provide limited accommodation for these students due to restricted space, high competing land values and the role of the West End as a focal centre for employment. As a result, significant accommodation demand will rise from students studying in the West End which needs to be met by neighbouring boroughs and London as a whole.

We have identified the following Universities which fall within the North sub-region of London. We have included the majority of large institutions but have not accounted for the numerous HE colleges located in the region.

University	Full Time Students 2009/10
University College London	19,562 (16.6%)
University of Westminster (excluding Harrow Campus)	15,448 (13.2%)
Imperial College	13,532 (11.6%)
London School of Economics	8,391 (7.2%)
London Metropolitan University	16,485 (14.1%)
University of Middlesex	16,222 (13.8%)
University of the Arts	15,124 (12.9%)
City University	12,377 (10.6%)
Total	117,141

Source: HESA 09/10 and University Comment

We have made the assumption that the core demand will likely come from the students studying full time, with the majority of part time students being accommodated in the family home or the private sector. This suggests a potential core demand of circa 117,141 full time students.

From our research and HESA (09/10) data we would estimate that there are circa **45,000** international students studying within the North London sub-region.

6.1 Summary of Accommodation Supply in the North London Sub Region Borough and outside Camden

From the universities identified we have calculated the approximate number of beds they are able to provide in the North sub-region. These are summarised below.

Institution	Approximate bed spaces within North sub-region, outside Camden
University College London	702
University of Westminster	466
Imperial College	1,713
London School of Economics	1,757
London Metropolitan University	0
University of Middlesex	1,755
University of the Arts	0
City University	810
SOAS	702
Private/Other/Intercollegiate	5,674
Total	13,579

6.2 Planning Pipeline

We have identified the potential development pipeline of **3,778** beds within the North sub-region (outside of Camden) that are either in application, with permission or under construction.

Application Ref:	Beds	Status	Site Address	Borough	Applicant
HGY/2010/2090	524	Permission	Ferry Lane	Haringey	Unite Group PLC
HGY994/544	28	Permission	673 Lordship Lane	Haringey	Shaun Connery
C/17559/08	350	Permission	Brent Cross, Cricklewood Regeneration Area	Barnet	BXC Development Partners
2008/1443	353	Permission	12-20 Paul Street and 83-105 Clifton Street	Hackney	JG Paul LLP
2010/1642	257	Under construction	Mail Coach Yard, 57-63 and 67-71 Kingsland Road	Hackney	Watkin Jones
2010/0488	673	Under construction	New Roman House Truscott House & Brunswick House, 10 East Road	Hackney	Rocket / Quintain/ East Road Developments
P050867	+20	Permission	James Lighthill House, 3 Penton Rise	Islington	University College London
P053035	+15	Permission	Willen House, 8-26 Bath Street	Islington	EC1 Residences
P071047	45	Permission	Durrant House, 8 Herbal Hill	Islington	Ely Property/ Millennium Lofts
P072184	134	Application	107 - 115 Seven Sisters Road	Islington	Mortar Developments
P072680	189	Permission	117-119 Seven Sisters Road	Islington	Tolak Establishment
P081071	56	Permission	3-5 Thane Villas	Islington	Tolak Establishment
P082607	160	Permission	City Forum (Block D), 250 City Road	Islington	Land Securities JV Frogmore & Galliard
P092642	149	Permission	North Star House, 556-564 Holloway Road	Islington	Unite
P100197	475	Application	2-10 & 14 Morris Place	Islington	Spiritbond Limited
APP/V5570/A/10 /2129052	350	Permission	465 & 465a Caledonian Road	Islington	Mortar Developments
Total	3,778				

6.3 Analysis of Supply Demand Dynamics in the North London Sub Region Borough outside Camden

We have identified that there is a potential demand pool of circa **117,141** full time students studying within the North sub-Region

We have identified a total of circa **13,579** bespoke student bed spaces within the London North sub-region. We have included accommodation in both university owned and managed Halls of Residence and also private providers' accommodation schemes. Where there is an agreement in place between the University and the private providers we have included them under the privately operated bed spaces. The remainder of the private accommodation has been counted separately.

The data suggests that only circa 11.6% of full time students studying within the North sub-region are able to be accommodated in purpose built accommodation (beds of its full-time students studying within the North sub-region based on a potential demand figure of 117,141 students). It is our understanding that student schemes in the North sub-region within the planning pipeline may deliver a further **3,778** beds. If all the pipeline schemes are all delivered this would bring the total number of bed spaces to **17,357**, suggesting a supply/demand imbalance/shortfall of circa **99,784** bed spaces or **14.8%** of fulltime students.

7. GREATER LONDON: Outside of Camden and Outside of North London Sub Region – Supply / Demand Dynamics

As well as demand for student accommodation within Camden and the North sub-region, there is also significant demand for accommodation within Camden from Universities within the Greater London region as a whole (as proven by the 2001 Census).

The London Borough of Camden is a popular location for students living within London, with the Borough being ranked number one within the top 50 postcodes by the 'University of London Housing Services'.

The most up to date Census data, 2001 (inflated inline with the HESA data 2001-2010) identifies approximately **101,089** total students in the Borough.

There are several universities who have students living in the Greater London area, outside Camden and the North sub-region. London is a unique destination in that students will commonly travel up to circa 30 - 40 minutes between their place of study and their accommodation. This has been driven by the current significant supply demand imbalance being experienced in London. Camden is a popular choice for students, with many living in HMO's within the Borough.

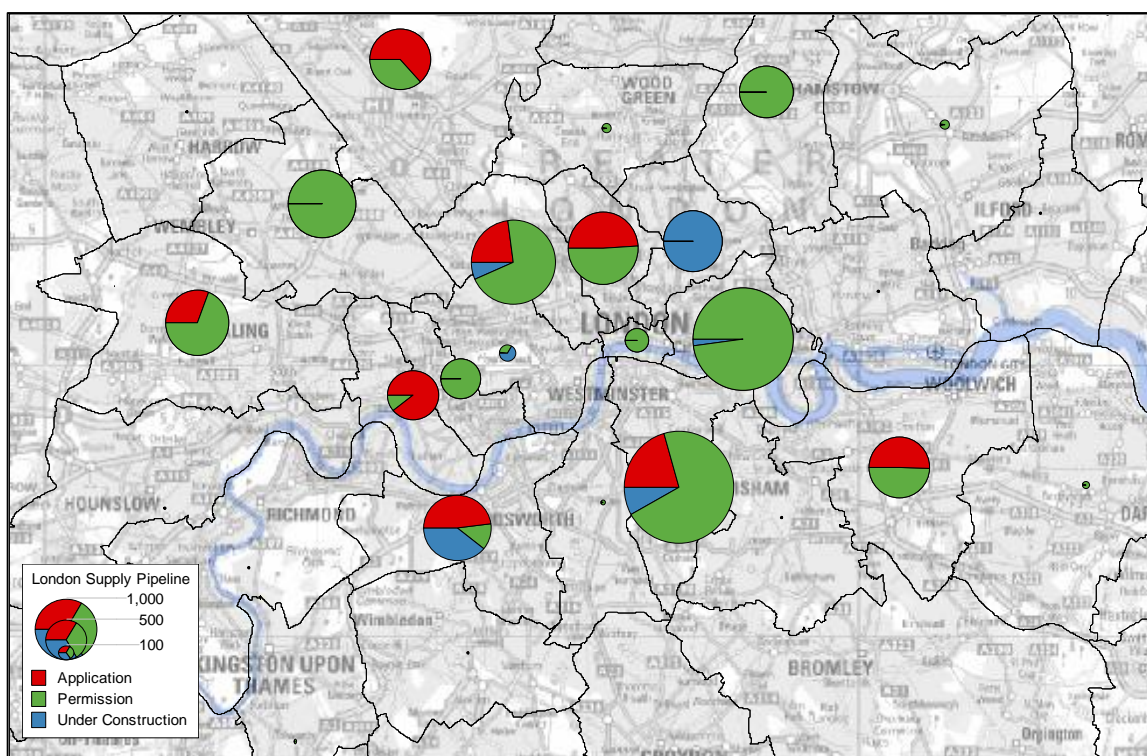
7.1 Greater London

- There are approximately **308,473** Full-Time Higher Education students studying within London.
- Of the total full time students, circa 71% (220,697) are undergraduates and circa **29%** (76,082) are postgraduates.
- According to The London Plan Spatial Development Strategy for Greater London, Housing Technical Note August 2010:
 - Ø Some 55% of those registering in London universities between 2002/3 and 2007/9 were not London domiciled.
 - Ø Of these, 52% had a UK address, 15% had a EU address and 33% were domiciled elsewhere in the world
- From our research, we estimate there are circa **55,000** purpose built bed spaces available for students in London.
- Our research team have identified a potential pipeline of circa **16,636** bed spaces.

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- This equates to a provision of circa **17.8%** of total students against existing bed spaces (excl planning pipeline).
- This equates to a provision of circa **23.2%** of full-time students against existing bed spaces (inc planning pipeline).
- Of the total number of full time students in London, circa 253,473 (82%) are therefore unable to access purpose built student accommodation and are living elsewhere in alternative housing (excluding pipeline).

7.2 Student Accommodation Planning Pipeline in London



8. SUMMARY OF DEMAND – Supply Dynamics within Camden, the North London Sub Region and Greater London

Area	Approximate number of Full Time Students	Estimated number of bed spaces	Estimated number of students not provided with purpose built student accommodation	Total Provision
Borough of Camden	43,869	7,888	35,981	17.9%
London North sub-region	117,141	13,579	103,532	11.6%
Greater London	308,473	55,000	253,473	17.8%

9. GENERAL COMMENT

Student accommodation developments can often act as a catalyst for regeneration, encouraging other users such as retail, commercial and residential due to increased footfall through numbers of students and the high spending power attributed to them, with the extract below, substantiating the benefits of student accommodation within the Borough.

'There are clear economic benefits from student populations. They make a significant contribution to sustaining and regenerating communities.'

Source <http://www.communities.gov.uk/news/corporate>

As already detailed, City University are currently rationalising stock with further potential pressure on accommodation resources. London Metropolitan University has carried out a stock rationalisation process over the past two years transferring balance sheet assets to private sector ownership, and potentially management.

9.1 Alternative Housing Option

The supply / demand imbalance of circa **308,473** students to **55,000** bed-spaces in London, then circa **43,869** students to **7,888** bed-spaces within the London Borough of Camden initially highlights the requirement for further purpose built student housing. Savills' Research estimate that of the total London students, circa **82.1%** are currently living in existing housing and HMO housing stock, which could alternatively be released to provide more 'affordable' housing options for the wider market within the Borough.

Modern purpose built student accommodation provides a controlled student environment with management providing for specific pastoral care needs. Central Government are encouraging Institutions to concentrate on their core business of education and become more reliant on the private sector to address housing requirement.

Currently circa **82.1%** of London students are dispersed across London in HMO style accommodation and private sector housing which could alternatively be released to provide more 'affordable' housing options for the wider market within the Borough.

Universities in London are keen to seek new ways of attracting higher income students, with an emphasis upon overseas participation. This enables the Universities to cross subsidise for their students from

poorer socio-economic backgrounds and local student quotas, helping to mitigate the lower levels of central Government funding to the Higher Education sector as a whole.

9.2 The Student Sector - Socio-Economic Benefits to the Community include:

We believe that there is a convincing and established demand for student accommodation both within the London Borough of Camden and Greater London. However we also believe there are associated benefits that student accommodation schemes can bring to the Borough:

- “The National Union of Students estimates that the average student expenditure 2007/08 in London was £4,900.32 with more than 36% circa £1,811.28 being spent on non accommodation expenses”.
- ‘The National Union of Students’ estimates that 35% of students work part time during term time and 51% working through their holiday period. As such, from an employment perspective the student sector directly contributes to benefiting to the community. Indeed, the Higher Education sector has increased the number of jobs available throughout the UK as a whole with over 330,000 people directly employed in Higher Education sector jobs (280,000 of these being full time jobs), equating to 1.2% of total UK employment. For every 100 full time jobs within the Higher Education institutions another 99 full time jobs are created through knock-on effects (Source: *Universities UK, ‘The Economic Impact of UK Higher Education Institutions’ Summary, February 2007*).
- Furthermore, student accommodation developments can often act as a catalyst for regeneration, encouraging other users such as retail, commercial and residential due to increased footfall through numbers of students and the high spending power attributed to them.
- *‘There are clear economic benefits from student populations. They make a significant contribution to sustaining and regenerating communities.’*

Source: <http://www.communities.gov.uk/news/corporate>

9.3 Control & ‘Studentification’

Some of the particular concerns which arise from local residents with regards to students living in their neighbourhood revolve around concerns of ‘studentification’ and potential issues with seasonal ‘ghost towns’, anti social behaviour, litter and parking. The Government Communities department highlights the issue in a report from the former housing minister Caroline Flint:

'Studentification' of university towns is a real concern especially during the summer months when neighbourhoods are left dormant because too many properties (Houses in Multiple Occupation (HMOs)) in one area are rented to groups of students.'

The independent research sets out a series of cross cutting measures that could tackle and stop the complex causes and symptoms of concentrated student neighbourhoods. The measures include new planning mechanisms to include changes to the use class order and capping and controlling the distribution and the dispersal of HMOs by using the local planning system to set up 'areas of restraint', as well as the adoption of a number of the best common sense local solutions that can be easily adopted. In addition however the report highlights the potential role of purpose built student housing in combating studentification:

*'Councils should target resources such as refuse/letting board collections, street cleansing, fly posting controls at key times in the academic year; establish landlord accreditation schemes; link the demand with regeneration opportunities; **work with universities to consider purpose built accommodation**; and make better use of their HMO licensing and empty property powers.'* Unite are founding members of ANUK (Large Residential Developments for Student Accommodation), which is the landlord accreditation scheme for non university student accommodation providers.

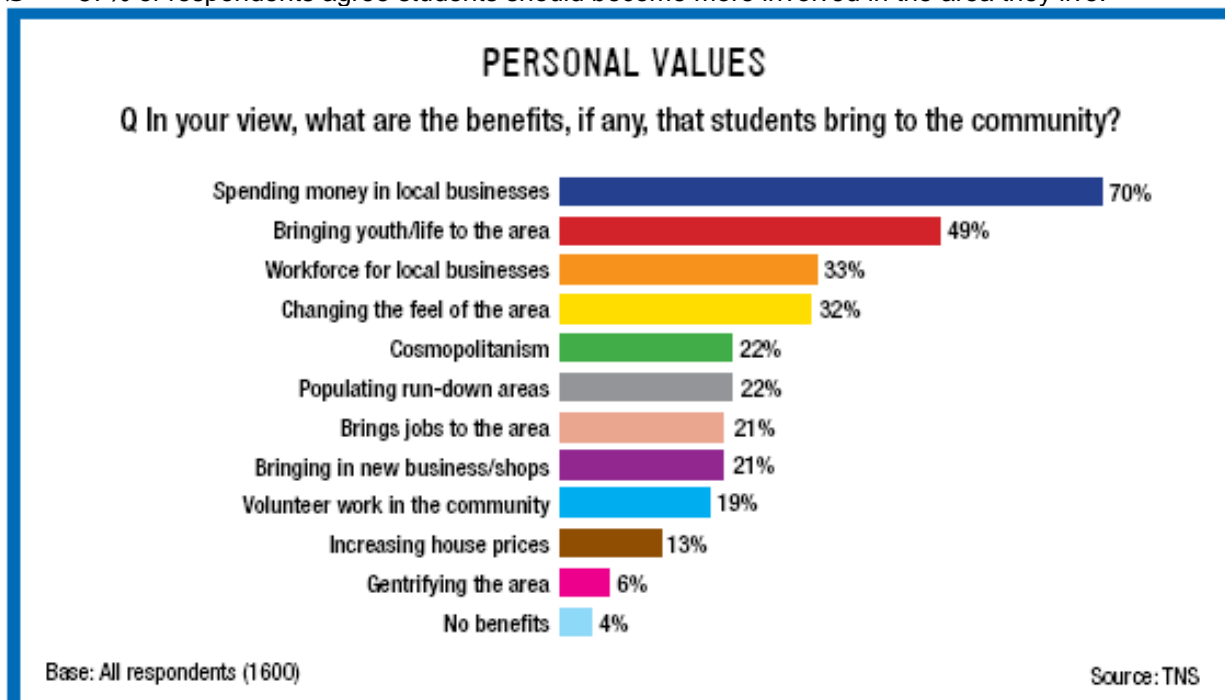
We believe, and many operators have demonstrated that modern purpose built student accommodation is able to provide a controlled student environment with management providing for specific pastoral care needs. The accommodation would provide a secure environment and HMO compliant, good quality, high specification accommodation. The provision and management of these schemes can help alleviate a lot of local residents concerns and also free up traditional HMO stock allowing more homes for local residents and a reduction of the 'studentification' effect.

9.4 Community Involvement

A misconception held by some parties suggests that students offer very little to the local community particularly by way of interaction and contribution. However, in the 2007 Unite Student Experience Report it highlights that a significant proportion of students do feel a sense of community where they live and study. In the survey of 1,600 students:

- Ø 94% of respondents felt that it was important to act responsibly within the community
- Ø 50% of respondents considered themselves as a part of the local community

Ø 57% of respondents agree students should become more involved in the area they live.



The report suggests that a third of students plan to settle in their area of study and circa 56% of students suggested that they considered their university town/city as their home. Interestingly this percentage increases dramatically for students living within purpose built private student blocks with circa 71% feeling a 'sense of home'.

More recent information highlights student community involvement specifically at two of Unite's schemes – namely, Emily Bowes Court and Beaumont Court:

Emily Bowes Court

- 70% of respondents have or are considering volunteering in the local area
- 13% of respondents have worked for a local or national charity in the past
- 67% of respondents feel that students contribute positively to the local community

Beaumont Court

- 53% of respondents have worked for a local or national charity in the past
- 53% of respondents would consider volunteering in the local area
- 61% of respondents feel that students contribute positively to the local community.

- 21% of respondents have a local part-time job and 33% are looking for one.

9.5 Longer Term – Employment

The new mayor's proposed new London Plan continues its predecessors focus on the importance of the Higher Education sector in London and supports Unites research that many student will remain in their city of study and make valuable contributions to the capitals employment market.

'Higher Education in London provides an extensive choice of undergraduate and postgraduate degree programmes. It is also a major employer and attracts major international companies able to benefit from the universities' research reputation, such as in pharmaceuticals and biomedicine. As many of London's students, both undergraduate and postgraduate, choose to stay in the capital after graduation, universities are also important feeders to the labour supply, particularly of people with the higher order skills necessary for London to remain a globally competitive city.'

9.6 Student Income / Expenditure and Part time Employment

The importance of students to the part-time workforce and vice-versa is also drawn out in the 2007/08 Student Income and Expenditure Survey (SIES), jointly commissioned by the Department for Innovation, Universities and Skills (DIUS) and the Welsh Assembly Government (WAG).

The study has looked at both student incomes and expenditure patterns across the UK as well as comparing these findings against historic results to analyse the impacts in the change in Government funding structures. Some of the results are summarised below:

9.7 Student income

- Ø Full-time students' average (mean) total income during the 2007/08 academic year was £10,425. Part-time students received around 30 per cent more than full-timers, on average, with a total income of £13,511 - higher due to their greater earnings from paid work during the academic year.
- Ø Just over half of all full-time students did some form of paid work during term-time (53%)...there was no significant difference in propensity to work between new and old system students. The vast majority of part-time students combined studying with work (81 per cent).

- Ø Income from paid work was important for full-time students (averaging £2,108 overall, and representing 20 per cent of their total average income) and it was critical for part-time students (averaging £9,580, comprising 71 per cent of their total average income).
- Ø Other forms of student income include parental support, loans and other forms of support.

9.8 Student Expenditure and Spending

- Ø Full-time students' expenditure on fees has risen, particularly for first year students under the new finance arrangements, for whom the direct costs of attending university have risen by 68 per cent. However, spending in real terms on living and housing costs has not changed in the last three years.
- Ø The average (mean) total expenditure of full-time English-domiciled students in 2007/08 was £12,254. The average total expenditure of part-time students was around 34 per cent higher at £16,435.
- Ø Living costs constituted the largest category of spending for students, averaging £6,496 for full-time students and £10,522 for part-time students (amounting to 53% and 64% of their spending, respectively).
- Ø Participation costs (incurred as a part of going to university or college) accounted for a higher proportion of expenditure for full-time students than for part-time students (26% compared with 12%).
- Ø Full-time students under the new system of student finance (including 'top up' fees) had higher participation costs, and higher spending overall.
- Ø Housing costs accounted for circa 30% per cent of spending among full-time students and among part-time students.

9.9 Unite Student Satisfaction Report 2007

The Unite Student Satisfaction Survey 2007 also provides interesting statistics with regards to student accommodation expenditure and finances and highlights the significant financial contribution a student can have to its area of study. It states that across the UK students spend on average £180 a week and £145 per term on course related expenditure. This amounts to £9,360 (£180 x 52 weeks) of weekly expenses and £435 (£145 per term x 3 terms) of course related expenses a year, a total of £9,795 a year. If we add variable tuition fees of £3,000 then the total yearly cost of Higher Education in England comes to £12,795 or £38,385 for the three years of a degree.

Itemised students' weekly expenditure amounts to nearly £180 a week, the largest part of which is spent on accommodation at £63 a week (on average across the UK), the second largest expenditure is food (£25 per week. This suggests a potential spend within the local economy of circa £6,500 pa per student excluding accommodation costs.

More recent surveys at two of Unite's halls of residence further highlight trends in student spending:

Beaumont Court

- On average, respondents said they spend £25 a week on groceries, £23 a week on entertainment, and £15 a week on travel.

Emily Bowes Court

- On average, respondents said they spend £36 a week on groceries, £31 a week on entertainment, and £25 a week on travel.

AVERAGE STUDENT EXPENDITURE	
Per term week	£
Accommodation	62.8
All food	25.0
Going out/entertainment	18.9
Alcoholic drinks	16.2
Clothes	12.4
Travel & Transport	11.7
Mobile phones	9.6
Non-alcoholic drinks	7.0
Toiletries	5.5
Films/Movies	2.9
Internet access	2.9
Cigarettes/Tobacco	2.8
Music	2.4
Other weekly expenses	n/a
Per term	£
Course books	63.7
Course related equipment	34.4
Course related trips	12.8
Stationery	11.7
Other course related expenses	8.9
Printing	8.0
Photocopying	5.7
Base: All respondents (1600)	Source: TNS

10. SUMMARY

In summary this report identifies a shortfall of purpose built existing accommodation in:

- Ø Camden of **7,888** beds, suggesting that only 17.9% of existing are able to be accommodated.
- Ø North sub-region of **13,579** beds, suggesting that only **12.4%** are able to be accommodated.
- Ø Greater London of **308,473**, suggesting that only **23%** are able to be accommodated.

We would therefore advise that the research we have undertaken identifies a strong demand for the proposed scheme from students studying within the Borough of Camden and students living within the Borough and studying at other Institutions. The provision of additional purpose built student accommodation would therefore alleviate pressure on London's housing stock (see map at 5.6 depicting where students are living in private rented sector in Camden).

Finally, it should be noted that whilst the supply / demand dynamics within Camden is the principal focus of this report, the wider supply / demand statistics within bordering Boroughs should be taken into account given the demand generated by students therein for further student accommodation nearby. London is also a unique student hub, with university campuses spread across a range of Boroughs, and students willing to travel between 30-40 minutes to their place of study. As such, demand levels within Camden must be viewed holistically, in line with its wider context.

11. IMPORTANT NOTICE

Finally, in accordance with our normal practice, we would state that this report is for general informative purposes only and does not constitute a formal valuation, appraisal or recommendation. It is only for the use of the persons to whom it is addressed and no responsibility can be accepted to any third party for the whole or any part of its contents. It may not be published, reproduced or quoted in part or in whole, nor may it be used as a basis for any contract, prospectus, agreement or other document without prior consent, which will not be unreasonably withheld.

Our findings are based on the assumptions given. As is customary with market studies, our findings should be regarded as valid for a limited period of time and should be subject to examination at regular intervals.

Whilst every effort has been made to ensure that the data contained in it is correct, no responsibility can be taken for omissions or erroneous data provided by a third party or due to information being unavailable or inaccessible during the research period. The estimates and conclusions contained in this report have been conscientiously prepared in the light of our experience in the property market and information that we were able to collect, but their accuracy is in no way guaranteed.

APPENDIX

Appendix

Macro Student Demand – London

The Government's much-publicised target of reaching 50% admission of school leavers into Higher Education courses by 2010 is increasing numbers of students entering University education appreciably across the United Kingdom. This is in spite of the increased burden of tuition costs and the introduction of top up fees scheduled in the 2006/07 academic year. The London institutions have mirrored this upward trend where numbers of students in attendance rose by approximately 9.75% from 2000 to 2008 to approximately 379,695 (excluding Further Education) students.

Of these students approximately 267,815 are fulltime undergraduate and postgraduate students.

Between 2001/02 and 2008/09 the total student population at Central London Institutions has risen by 50% to 267,815. Of these students, growth in admissions to part-time courses has outstripped that in full-time courses however, full-time students still represent approximately two thirds of the total numbers.

GREATER LONDON AUTHORITY

The Greater London Authority are very clear in their determination to assist in maintaining London as an International academic and research location. In conjunction with policy 3A.25 Higher and Further Education and Policy 3B.5 Supporting Innovation the GLA are committed to helping academic institutions support their growth needs and to encouraging the provision of student accommodation.

Policy 3B.5 Supporting Innovation

Working with strategic partners, the Mayor will:

- Use the London Innovation and Knowledge Transfer Strategy to promote knowledge transfer and innovation, including clusters of related activities outside London.
- Support retention and development of London's leading edge research capabilities, for example medical research, and encourage establishment of new foci for innovation and research excellence. Boroughs should ensure an adequate supply of environmentally attractive, high quality and affordable premises, 'incubator units' and sites for synergy between business and research and academic institutions, in line with strategic office policy.

Policy 3.8 Housing Choice

The Mayor will support and provide a forum for Higher Education institutions (HEIs) to work with boroughs and other stakeholders to plan future developments, including student accommodation in locations with good public transport access, taking account of their sub-regional and wider spheres of operation and capacity to contribute to the wider objectives of this Plan. It also states that strategic and local requirements for student housing...to meet a demonstrable need and will be addressed by working closely with higher and Further Education agencies without compromising capacity for conventional homes.

According to the Greater London Authority, "London's universities make a significant contribution to its economy and labour market (see London Plan Policies 3.19 and 4.10). It is important that their attractiveness and potential growth are not compromised by **inadequate provision** for new student accommodation. New provision may reduce pressure on other elements of the housing stock currently occupied by students, especially in the private rented sector."

LONDON STUDENT GROWTH

London Analysis - HESA Data									
Increase in Student Numbers 2001 - 2010									
	2001 / 2002	2002 / 2003	2003 / 2004	2004 / 2005	2005 / 2006	2006 / 2007	2007 / 2008	2008 / 2009	2009 / 2010*
Total No. Students	369,735	391,565	400,020	433,575	448,415	423,655	395,570	410,100	
Total Further Education	23,760	28,175	28,020	51,045	51,595	46,955	15,870	13,890	
Total Higher Education	345,975	363,395	372,000	382,530	396,820	376,690	379,700	396,215	
Total Post Graduate	98,370	104,950	114,235	115,440	118,105	112,855	109,090	116,410	
Full Time Post Graduate	43,510	47,755	51,170	52,650	55,230	53,815	57,095	63,180	76,082
Part Time Post Graduate	54,860	57,230	63,050	62,790	62,885	59,040	51,995	53,225	
Total Under Graduate	247,585	258,420	257,760	267,095	278,715	263,845	270,605	279,800	220,697
Full Time Under Graduate	172,525	178,625	180,680	187,460	195,480	186,895	197,350	204,635	220,697
Part Time Under Graduate	75,060	79,825	77,090	79,620	83,245	76,950	73,255	75,165	
Total Full Time	216,035	226,380	231,850	240,110	250,710	240,710	254,445	267,815	308,473
UK	285,865	297,520	298,165	301,610	313,010	337,195	309,770	305,300	221,800
Non-European	56,630	44,180	51,720	55,055	56,120	58,095	56,810	308,225	60,309

European		21,730	22,125	25,865	27,700	28,365	28,990	30,065	26,364
Total International	56,630	65,910	73,845	80,920	83,820	86,460	85,800	90,955	86,673

Source: HESA 2001/02 – 2009/10

* NB: the updated HESA 2009/2010 statistics have just been received (as at the end of February 2011), and do not cover all categories above. The available statistics have been updated in the above table.

HESA data suggests an increase in total London Higher Education student numbers of 92,438 full-time students since 2001. We would comment that this figure has decreased from the previous year, but this may possibly be due to a change in the way HESA report the figures.

Further analysis of year on year growth is stated within this report.

Post Browne Review – Student Fees & HEFCE

The Government commissioned ‘Browne Review’ was charged with proposing a model for the funding and learning in universities. The Review proposes a system where government funding is concentrated on students, with a cap in place on the overall student numbers in the wider system rather than at an individual institutional level. This means that students effectively carry the funding with them; popular universities and courses can grow to meet student demand if they choose, whilst lower quality ones may struggle to find students and, unless they improve their offerings could experience terminal challenges.

In order to fund the new student support system, and to increase the number of student places by at least 10% over the next four years, whilst ensuring that the system remains financially sustainable, funding would move from the HEFCE (Higher education Funding Council for England) budget into student support. HEFCE would then have a fund to subsidise higher cost subjects deemed to be strategically important – such as sciences, engineering and modern languages – so that students would not be put off studying these because the fees were higher. Universities would therefore need to charge a fee equal to the full cost for many subjects.

The likely result of this would be universities charging fees of £6k - £9k per annum depending on the institution and the quality / popularity of the course. Nick Clegg, Deputy Prime Minister, recently announced they would introduce a fee cap and best forecasts place this at around £7k - £8k. The requisite legislation is due to follow.

The market will become much more competitive where the best universities will thrive and the weakest will need to change or risk failure. Courses must be priced appropriately and ensure their marketing is outstanding.

Under these proposals, students from low income families will have more support than they do currently, so it should be possible to increase participation. Universities are going to have to work harder within their schools' network to convey this message out to these families and ensure this section of the UK's student base is not put off coming to university.

There is of course the risk that despite universities' efforts to attract students from lower income families, the financial pressure on could have an impact on the overall affordability of university for these students with consequential impacts on rents, occupancy and voids in student accommodation. This will only become clear when the new structure is in place and has had time to feed through the system.

Popular universities may see their numbers grow, both domestic and international, and hence the demand for student residential accommodation will not diminish. If anything it may create a greater demand for better quality accommodation.

Appendix 1

Macro Student Supply - London

There are a total of circa 308,473 full time undergraduate and postgraduate students in London. From Savills' research we would estimate that there are circa 55,000 bed spaces existing in London at present.

We estimate that of these 55,000 circa 19,000 are private purpose built bed spaces (35% provision), therefore a significant shortfall of purpose built modern student accommodation.

	FT Students 09/10	Student Halls	Parental Home	HMO
London	308,473	55,000	58,000	195,473
London	308,473	17.8%	18.8%	63.4%

Source: HESA DATA and Savills' Research

From Savills' research we have estimated the number of full time students in London living at home to be circa 18.8%. Students in bespoke halls amount to circa 55,000 or 17.8%. We estimate circa 195,473 (63.4%) of students currently live in HMO accommodation.

Of the 21 Higher Education Establishments in Central London, circa 64% offer guaranteed accommodation to 1st year undergraduate students, although several of these guarantees have provisos as to timing and those students resident locally in London. This intimates a considerable supply shortfall.

Universities generally expect second and third years to find accommodation in the traditional private rented sector. Whilst in many cases applications from returning students significantly outstrip the places available, there is anecdotal evidence to suggest that even these figures do not represent the true demand given that returning students are often dissuaded from applying or are aware of the shortage of available "University" accommodation. The true demand figures for this section of students however remain difficult to quantify.

Appendix 2

Higher Education & the UK Economy

Students are renowned for having relatively disposable incomes and a propensity to spend, often integrating with a high proportion of students seeking part time work:

“National Union of Students estimates that 35% of students work part time during term time and approximately 50% during holidays”.

This is particularly true in London where higher living costs encourage many to seek jobs to fund their education and lifestyles.

Students will likely have a high level of expenditure within their local area to include local shops, cafes, restaurants and other local services:

“The National Union of Students estimates that the average student expenditure 2007/08 in London was £4,900.32 with more than 36% circa £1,811.28 being spent on non accommodation expenses.”

Retention of students after University is being increasingly identified and researched. Research has suggested that circa a third of undergraduates and 37% of postgraduates will plan on settling in or near their place of study. This is exacerbated amongst international students in London where circa 60% will choose to stay after their university course has finished.

The Higher Education sector currently has growing economic importance in the UK with an income of £16.87 billion a year (2003/2004) compared with £12.8 billion a year in 1999/2000.

The increased spending from the student population and particularly from overseas students has become increasingly apparent and is likely to be a result of increasing overall student numbers in the UK. The Higher Education sector spent circa £15.4 billion on goods and services produced in the UK in 2003/2004. The importance of overseas students can be identified by the positive impact they have on the sector and the wider economy with personal off- campus expenditure of £1.5 billion in 2003/04.

From an employment perspective, the Higher Education sector has increased the number of jobs available throughout the UK as a whole with over 330,000 people directly employed in Higher Education sector jobs (280,000 of these being full time jobs) equating to 1.2% of total UK employment. For every 100 full time jobs within the Higher Education institutions another 99 full time jobs are created through

knock on effects. (Source: *Universities UK, 'The Economic Impact of UK Higher Education Institutions' Summary, February 2007*).