

The Future of Student Housing: the View from the Local Community

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The pattern of student housing which has developed over the past couple of decades is not sustainable. Indeed, the present volatility of this market is symptomatic of its precarious state. The local communities who are members of the National HMO Lobby look forward to a future for student housing which is much more responsive to the spirit of community.

A pattern has developed where the great majority of full-time undergraduates study away from home - and therefore seek accommodation. The great majority of these find their accommodation in the private rented sector, especially in shared houses, or houses in multiple occupation (HMOs). And the great majority of these HMOs congregate in very specific neighbourhoods. All of these features are dysfunctional in a larger social context.

For instance, internationally, the UK is the only country where most students leave home to study. In every other country in the world, most study at home - for example, two-thirds do so in the USA (Buffy Summers attended the University of California at Sunnydale). This means that six times every year, the UK witnesses a national migration of a population equal to one of our major cities. This assumption of 'going away' to university may be one of the main deterrents to wider participation in higher education. (A Cabinet Paper of 2009, on fair access, suggested as much by recommending support for local study.)

Meanwhile, nationally, the private rented sector meets this demand for student accommodation, not through purpose-built developments (though there are many of these), but primarily through the conversion of existing houses. A decade ago, Dr Julie Rugg warned of the consequences of this process - competition between students and other markets for a finite housing stock (*The nature & impact of student demand on housing markets*, 2000). We are now in a situation where, on the one hand, across the country, there is a critical shortage of housing, and endless government initiatives to stimulate greater provision - and on the other hand, much of the precious stock we do have is effectively used as second homes, on a seasonal basis.

Finally, locally, these shared houses tend to congregate together, in the shadow of the ivory tower. The demand for HMOs leads to the flight of residents (pushed by increasing destabilisation of the neighbourhood, pulled by property prices inflated by investor demand). A resident population is replaced by a transient population, with social, environmental and economic consequences, surveyed in the government report on *HMOs and possible planning responses* (2008).

This is where student housing has ended up. But the present market is becoming increasingly volatile. The local impact of HMOs is being addressed, as many local planning authorities, including most of the Core Cities, are introducing legislation to control the conversion and distribution of shared houses (as recommended by Housing Minister Grant Shapps).

The national impact of shared second homes is decreasing as the number of school-leavers declines. Universities UK has recognised a 13% reduction by the end of this decade, in its report of 2008 on *Demographic Challenges facing our Universities* (one of a number of contributions to that year's Debate on the Future of Higher Education). It certainly means that, despite local variation, the national demand for student housing will decline.

This demographic contraction combines with a new funding regime for higher education. Whatever the reality, the trebling of tuition fees is perceived as a huge extra financial burden. A reappraisal of the costs of a university education by students is inevitable - including the cost of housing. As a result, a recent survey by Liverpool Victoria Insurance forecast that by the end of

the decade, half the student population would be studying at home (bringing the UK closer to international norms).

In such uncertain times, crystal balls are pretty cloudy. But local communities see the opportunity for greater concern for community spirit in the future of student housing. For instance, the demand for HMOs will not cease (the market may shift from students to benefit claimants, following changes in Local Housing Allowance), and local planning authorities' new powers won't affect existing HMOs. But they will enable these authorities to resist new concentrations developing - and at last, to implement national planning policies supporting 'sustainable, inclusive and mixed communities' (the new National Planning Policy Framework).

Again, many universities seek national and international reputations. But if their market is decreasing, and if this market is increasingly staying at home, many will need to review their recruiting policies. The number of higher education institutions has increased so that most potential students are within commuting distance of a university. Here is an opportunity for all universities genuinely to serve their local communities, by recruiting the majority of their students locally (of course, some do already). (The Cabinet Office paper noted above even recommended 'fee free' tuition for local students - but this is pretty unlikely now!)

Of course, there will always be a need for some students to go away to university, due simply to distance, or in order to access specialised courses. So there will always be a need for student housing. But students could provide this themselves. Indeed, a report commissioned by NUS in 2004, *A Co-operative Future for Student Housing*, in fact recommends the development of student co-operative housing. It's done already in the USA, Canada and Australia, and it has numerous advantages - students' rents will be retained and recycled by their unions (and not lost to investors); pressure on the existing housing stock will be relieved; and co-operative community spirit will be promoted.

The future of student housing will be viewed with as much interest by local communities as by students themselves.

Dr Richard Tyler is Co-ordinator of the National HMO Lobby, a national association of local community associations concerned about the impact on their communities of concentration of houses in multiple occupation.