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# Houses in Multiple Occupation

## The Need for an Article 4 Direction

Iceni Projects Limited on behalf of  
Coventry City Council

July 2022

ICENI PROJECTS LIMITED  
ON BEHALF OF COVENTRY  
CITY COUNCIL

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THE NEED FOR AN ARTICLE 4 DIRECTION



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## CONTENTS

1.	INTRODUCTION .....	1
2.	THE PROFILE OF STUDENTS IN THE CITY .....	3
3.	STUDENT HOUSING, PBSA AND HMOS .....	7
4.	PLANNED STUDENT GROWTH.....	19
5.	THE NEED FOR HMOS AND POLICY IMPLICATIONS .....	22

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# 1. INTRODUCTION

- 1.1 Coventry City Council (“the Council”) has commissioned Icen Projects (“Icen”) to prepare a technical report to inform decision-taking in the authority area on student housing needs and Houses in Multiple Occupation (“HMOs”). This report will also consider how these matters can be addressed in policy terms and whether an Article 4 Direction is justified in certain areas of the City.

## **Planning Context**

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- 1.2 The Town and Country Planning (Use Classes) Order 1987 (as amended) and the Town and Country Planning (General Permitted Development) (England) Order 2015 (as amended) provide details of the relevant Use Classes and permitted development rights applicable to HMOs.
- 1.3 At present, planning permission for the change of use of a residential property to a small HMO<sup>1</sup> is only required if an area is covered by an Article 4 Direction. The use of an Article 4 direction does not mean development is not allowed, it means an application is required so that the proposal can be considered against relevant planning policies and considerations. In contrast, a large HMO is a Sui Generis Use and planning permission is always required.
- 1.4 The Housing Act 2004 introduced the requirement for certain HMO properties to be licensed. This is a separate procedure from applying for planning permission. However, securing a licence does not necessarily mean that planning permission will be granted.
- 1.5 The National Planning Policy Framework (“the Framework”) sets out that achieving sustainable development means that the planning system has three overarching objectives: (1) social, (2) environmental and (3) economic. In addition, the Framework is also clear that the needs of students should be assessed – a high volume of which reside in HMO properties. Bringing the two together, there is a need to achieve a housing mix which is balanced in order to create sustainable communities with the three core objectives of sustainability in mind.
- 1.6 HMOs form an important part of the housing mix through the provision of flexible and affordable rental accommodation; however, it is also necessary to review and monitor whether an over-concentration of HMO accommodation exists in areas of the City to determine if an Article 4 direction is justified.

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<sup>1</sup> HMOs used by 6 persons or less

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- 1.7 The Framework (paragraph 53) makes clear that the use of Article 4 directions to remove national permitted development rights should be limited to situations where an Article 4 direction is necessary to protect local amenity or the well-being of the area and in all cases, be based on robust evidence, and apply to the smallest geographical area possible.

### **Availability of Data**

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- 1.8 It should be noted upfront in this report that it has been prepared at a time where 2021 Census outputs are not yet available in detail. As a result, in considering the accommodation profile of all full-time students aged 18 and over in Coventry City, we have referred to the 2011 Census. It is acknowledged that this is now significantly out of date and have therefore sought to limit the use of and supplement this data with more recent inputs such as those drawn from the Higher Education Statistics Agency.

### **Structure of the Report**

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- 1.9 This report focussed on student housing needs and HMOs is structured as follows:
- The profile of students in the City
  - The profile of student housing including HMOs and PBSA
  - Planned student growth
  - The need for HMOs and policy intervention

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## 2. THE PROFILE OF STUDENTS IN THE CITY

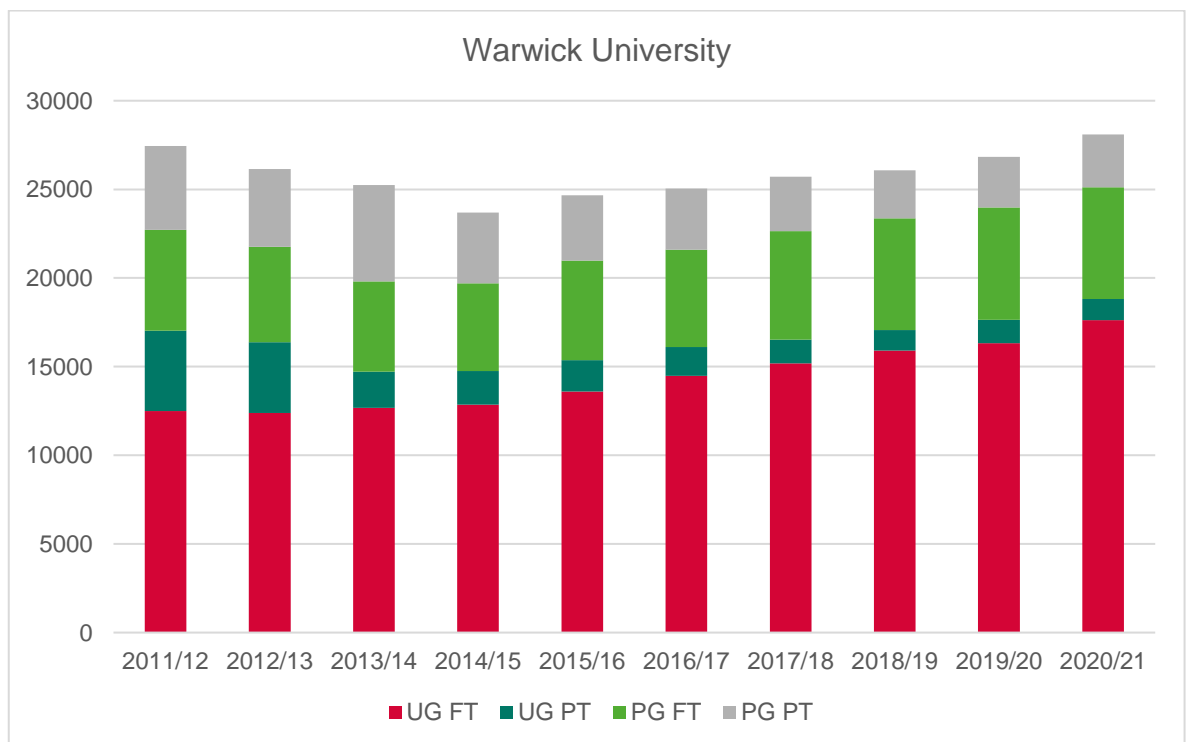
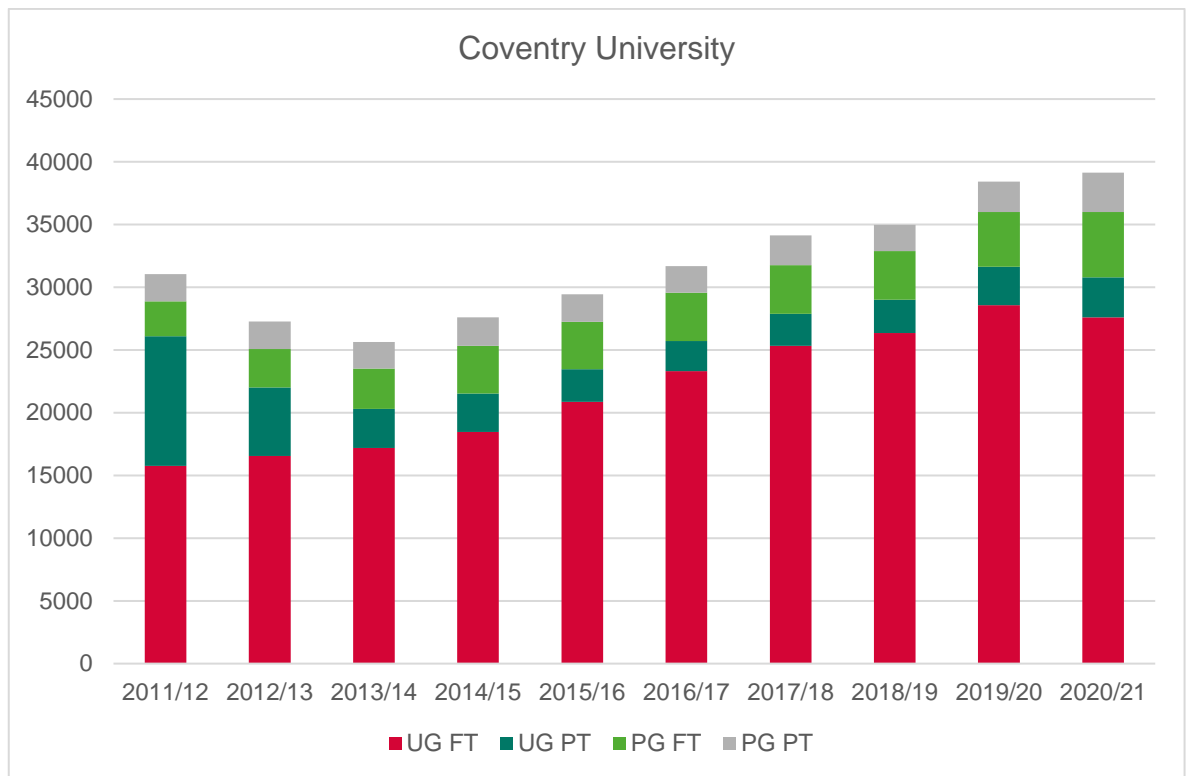
- 2.1 This section considers the profile of students residing in Coventry City drawing on published data considering current numbers and trends. The profile of students is directly related to the level of demand for HMOs in and around the City.

### **The Existing Profile of Students**

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- 2.2 In Coventry City at the point of the 2011 Census, there were around 29,330 full time students aged 18 and over. The City has two higher education establishments which are in within or in close proximity to its boundary: Coventry University and Warwick University. The City also has Coventry College; however, the data allowing us to track trends in student numbers year-on-year for further education establishments is not consistently available. In any event, it is higher education students which principally impact on the housing market, and therefore this section focuses on the two Universities.
- 2.3 Icenis has access to data allowing us to track trends in student numbers for Coventry University and Warwick University from the Higher Education Statistics Agency (“HESA”). Drawing on data from the HESA, the Figures below set out the pattern of growth over the last 10 years from 2011/12 to 2020/21. In the academic year 2020/21, the two Universities had a combined total of 67,245 full-time (“FT”) and part-time (“PT”) undergraduate and postgraduate students.
- 2.4 As is clear from the first graph, the student population decreased notably at Coventry University in the years following the introduction of the tuition fee rise in 2012; however, since a low of 25,630 students in 2013/14, student growth has increased significantly over the period to 2020/21 with an additional 13,510 students or 53% growth. The majority of this growth has been in FT undergraduate students (i.e. over 10,000 additional students equal to 61% growth).
- 2.5 In 2020/21, the University had a total of 39,140 students; however, it should be noted that Coventry University has a number of campuses outside of Coventry City including in London and Scarborough which are captured in this figure. These numbers do not fully capture the impact of the COVID-19 pandemic.
- 2.6 Turning to Warwick University, the second graph shows that full time student numbers stabilised, and then continued to grow after tuition fee increases. The PT undergraduate and postgraduate students notably declined, and they are mostly not relevant to accommodation requirements. Overall student numbers increased by 19% over the period from 2014/15 to 2020/21.

Figure 2.1: Profile of Student Population, 2011-21

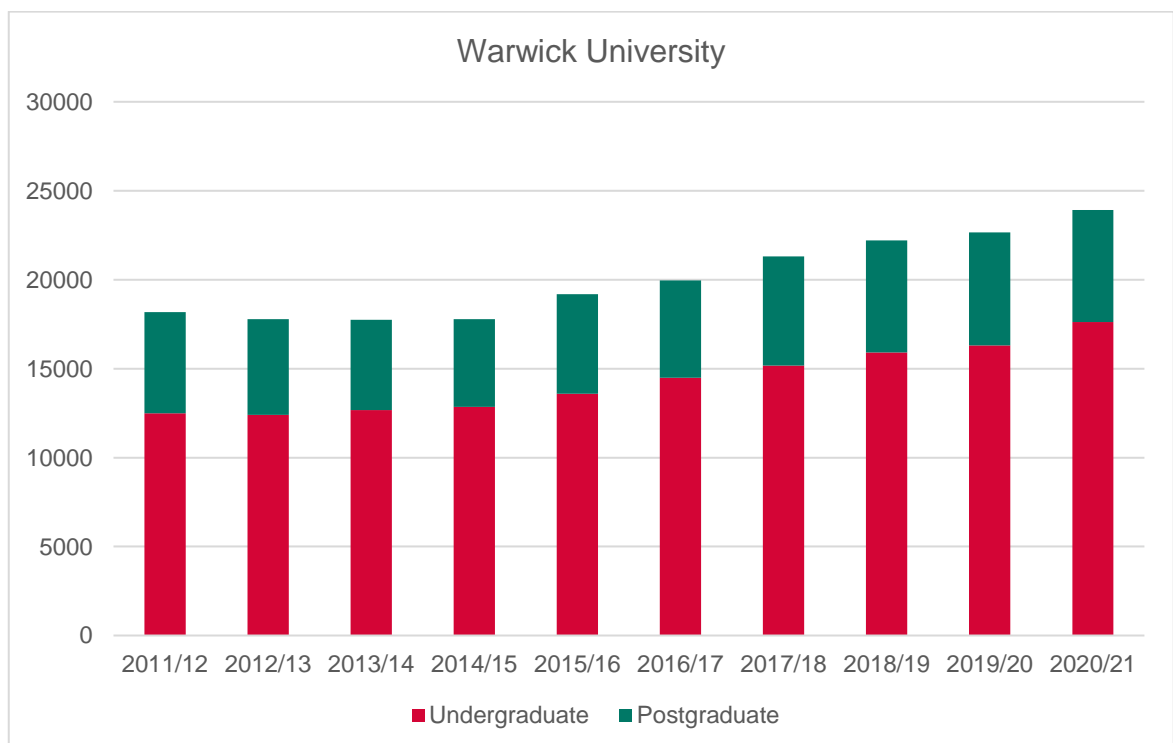
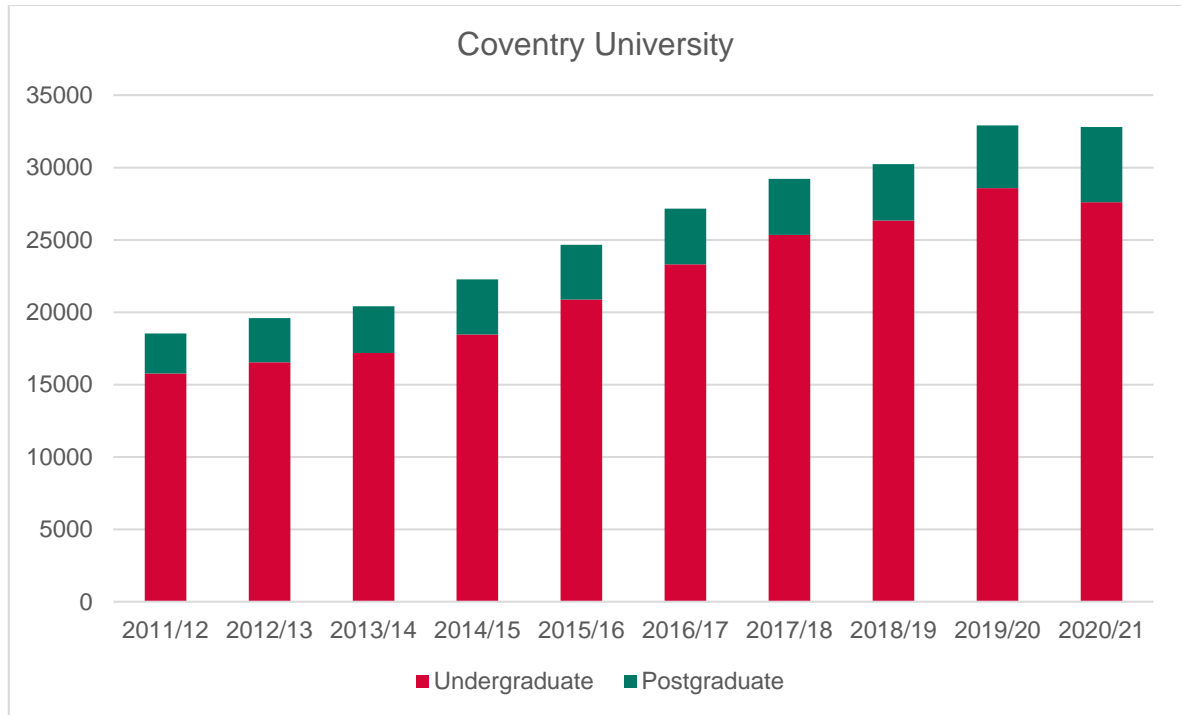


Source: HESA 2021

2.7 Recognising that housing needs arise principally as a result of FT students with those studying PT typically also living and working locally already or living with parents; we have drilled into this group specifically.

2.8 At Coventry University, the number of FT undergraduate students grew over the 2011-21 period by 10,420 whilst the number of FT postgraduate students grew by 1,980 totalling an additional 14,270 FT students. At Warwick University, the number of FT undergraduate grew over the 2011-21 period by 4,765 students whilst the number of FT postgraduate increased by 1,365 totalling 5,735 students. In 2020/21, Coventry University had 32,810 FT students and Warwick University had 23,920 FT students.

**Figure 2.2: Trends in Full Time Higher Education Students**





2.9 Finally, in respect of the profile of students, we note that there has also been a significant change in the origin of Coventry University's students with a notable increase in the number of international students with growth of 98% for EU students and 121% for non-EU students. Warwick University has also seen an increase in EU and non-EU students; however, the growth in relative terms has been to a much lesser extent.

**Table 2.1** Change in Domicile of Students, 2011-2021

	Domicile	2011/12	2020/21	Change	%
Coventry University	UK	24,630	25,380	750	3%
	EU	1,915	3,800	1,885	98%
	Non-EU	4,505	9,960	5,455	121%
Warwick University	UK	18,650	17,805	-845	-5%
	EU	2,195	2,730	535	24%
	Non-EU	6,590	7,575	985	15%

Source: HESA 2021

2.10 Financially it is more lucrative for the universities to attract non-EU students and historically this has been in the main Chinese and Indian students. At a national level the number of Chinese students has fallen as a result of the pandemic while the Indian market has strengthened on the basis of increased numbers of post-study work visas.

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### 3. STUDENT HOUSING, PBSA AND HMOS

- 3.1 This section considers the nature of the HMO market in the City including a review of the overall number of licensed HMOs, particular concentrations and the current strategy around managing HMOs.

#### The Profile of Student Accommodation

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- 3.2 At the point of the 2011 Census, there were around 29,330 full time students aged 18 and over in Coventry City. In comparison, both of the Universities had 36,725 students in total in 2011/12. The Table below sets out a breakdown of students resident in Coventry by age.

**Table 3.1 Profile of Full Time Students Aged 18 and Over**

	Coventry
Aged 18-19	9,139
Aged 20-24	13,977
Aged 25 and Over	6,214
<b>Total (No.)</b>	<b>29,330</b>

Source: 2011 Census

- 3.3 The Table below sets out the accommodation profile of FT students at the point of the 2011 Census in Coventry. In these areas, the second most popular option was “other households” which includes living in a family household (i.e. living with a spouse, partner or child).
- 3.4 In Coventry City, the majority of students lived in all-student households, which principally comprise HMOs. There was also a high proportion in each area living in University Halls as well as living either with parents or with a spouse or partner; however, over a third (38%) in Coventry City lived in HMOs.

**Table 3.2 Profile of Full Time Students Aged 18 and Over by Accommodation Type (%)**

	Coventry
Living with Parents	19%
University Communal	23%
Other Communal	1%
All Student Household	35%
Living Alone	7%
Other	15%

Source: 2011 Census

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3.5 It is notable that significant numbers of students residing in HMOs can lead to the dominance and concentration of HMOs in particular areas.

### **Concentrations of Houses in Multiple Occupations**

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3.6 Turning to the concentration of HMOs, we have again started with Census data to focus in at the local level using wards. As is clear from the table below, around 37% of students living in HMOs in the City were concentrated in the St Michael's ward where Coventry University is located. This is followed by Whoberley ward which along with the wards of Westwood and Earlsdon are all suitably located for both Coventry and Warwick University students.

**Table 3.3 Concentration of Students Living HMOs by Wards, 2011**

Wards (High % Only)	No. of HMOs	Proportion of All (%)
St. Michaels	3,790	37%
Whoberley	1,436	14%
Westwood	861	8%
Upper Stoke	654	6%
Sherbourne	599	6%
Earlsdon	568	5%

Source: 2011 Census. Nb: wards have since been reorganised.

3.7 Although it is not uncommon for areas with a high population of students to have a number of all student HMOs, it is important that a mix of residential accommodation is maintained within the neighbourhood. In particular:

- Student populations are transient and thus concentrations of HMOs can create relatively transient communities of people with a high population turnover. This can, in some circumstances, cause issues of environmental upkeep and impact quieter neighbourhoods during August. especially when landlords fail to care for their properties;
- Areas with concentrations of HMOs are those in which there is an above average proportion of properties owned by landlords rather than owner occupiers. This can result in reduced investment in the upkeep of properties, which can lead to a general downward trend in neighbourhood quality; and
- Growth in student HMOs within an area can inhibit the availability and supply of homes for other groups within the population, such as for families.

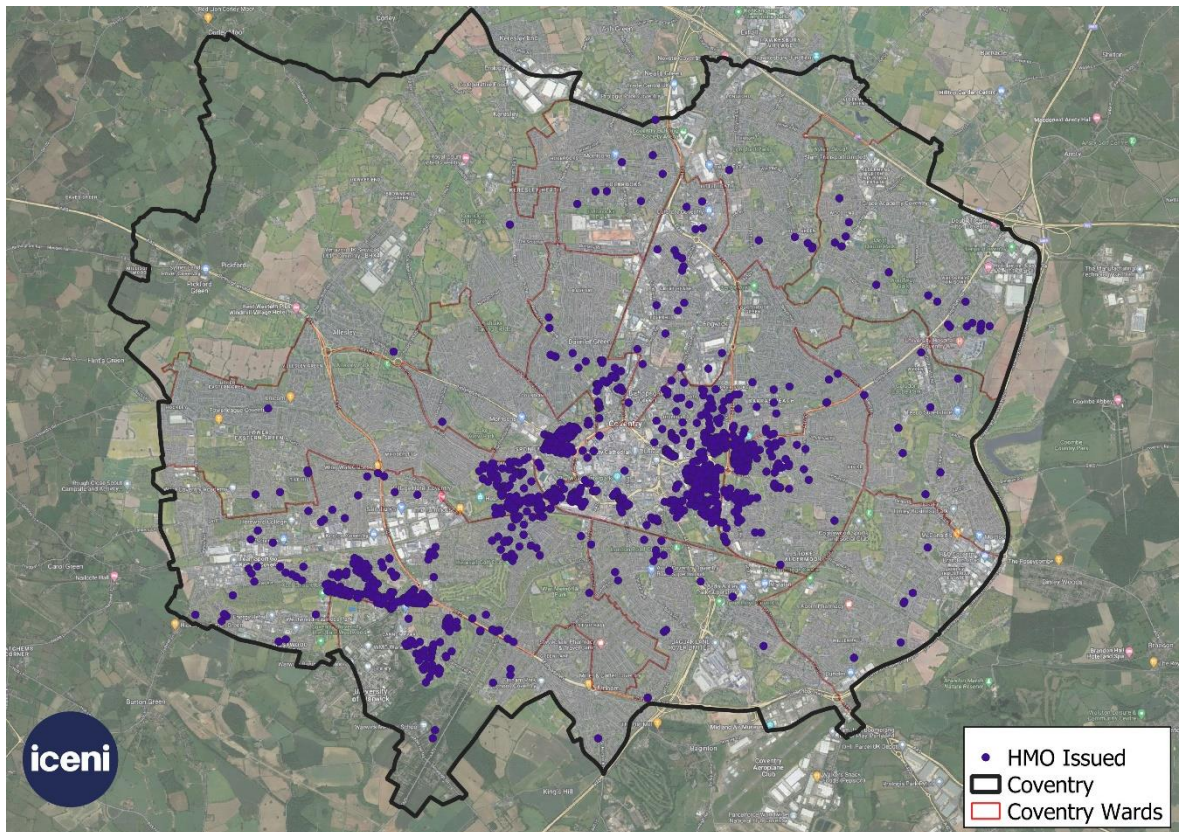
3.8 Through discussions with lettings agents in and around the City Centre, we understand that Earlsdon is particularly popular for students from both Coventry and Warwick Universities. The area is situated just outside of the ring road to the west of the Centre and is easily accessible by bus. The area has

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- a number of landlords offering HMO properties in the area for rent – mainly terraced houses – which means the price is more affordable for students. There are a number of parks nearby and is close to the City’s main night and has a “bustling community”.
- 3.9 IcenI also understand that Stoke is another popular area with a “significant student population” – this area is better located for Coventry University. There are also a number of hotspots stretching out from the east of the ring road within walking distance to the Coventry University campus and the City Centre; however, agents noted that students will pay a premium here compared to areas further out.
- 3.10 Stoke is a popular area for HMOs in general due to the predominance of terraced housing which provides landlords with the opportunity to invest and specialise in accommodation purely for the student market.
- 3.11 For Warwick University students, agents noted that Canley is a particularly popular area for students. It is in close proximity to Warwick’s campus and is only around 10 minutes away from Coventry. There are more semi-detached properties in this area and is regarded as being “greener” with more parks. There is also Canon Park Shopping Centre which offers a range of shops for students.
- 3.12 In instances where concentrations of student housing exist, it may be appropriate to consider introducing an Article 4 Direction to remove permitted development rights for the change of use from a dwelling house (Use Class C3) to an HMO (Use Class C4) in order to ensure a balance of housing is maintained moving forward; and communities remain mixed but balanced.
- 3.13 The Council maintains a record of licensed HMOs in the City, and this provides an up to date view on the number of HMO properties in 2022. IcenI has mapped this data in the Figure below to show the spread of HMOs across the City. The analysis is clear that there are concentrations of HMOs in the same wards as 2011 – (1) St Michael’s, (2) Westwood, (3) Sherbourne and (4) Whoberley, where visible clusters<sup>2</sup> are evident.
- 3.14 Overall, there is a total of 1,297 licensed HMOs with a maximum resident capacity of 8,634 individuals. In St Michaels ward alone, there is 480 licensed HMOs.

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<sup>2</sup> For the purpose of this study, a cluster of HMOs is defined as a two or more in close proximity.

Figure 3.1: Concentration of Licensed HMOs in Coventry City



3.15 Taking the 2020 Mid-Year Estimates (“MYE”) on population for these four wards as a basis for comparison with the number of licensed properties, IcenI note the following in terms of density:

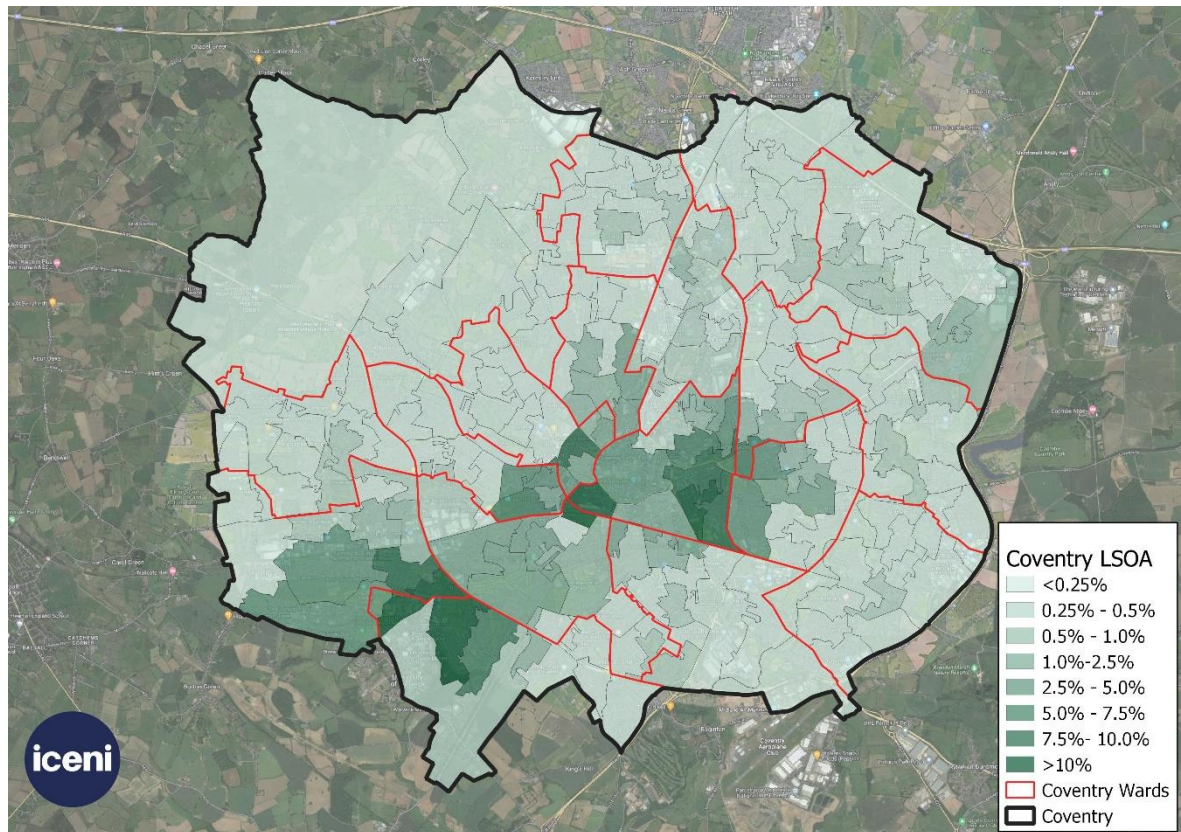
- In St Michael’s, 11.8 licensed HMO properties per 1,000 of the population;
- In Westwood, 8.8 licensed HMO properties per 1,000 of the population
- In Sherbourne, 5.6 licensed HMO properties per 1,000 of the population
- In Whoberley, 5.6 licensed HMO properties per 1,000 of the population

3.16 The majority of the licensed HMOs are situated in the St Michael’s and Westwood wards. In 2022, these wards accounted for 37% and 15% of all licensed HMOs in the City respectively. However, numbers are also high in Sherbourne and Whoberley as well as Wainbody, Earlsdon, Lower Stoke and Upper Stoke. There is also clearly evidence of dispersed individual HMOs outside of these wards; however, there are only one or two examples of clusters in Henley and Longford.

3.17 In addition to this analysis, it is also important to look at the issue in greater detail than a ward-level. The Figure below shows the density of HMOs at a smaller scale across the wards with a focus on Lower Super Output Areas (“LSOAs”).



Figure 3.2: Concentration of HMOs at LSOA Level (% of Households as HMOs)



- 3.18 The analysis shows the proportion of households in LSOAs across the City which occupy HMOs and we have sought to provide a scale between less than 0.25% of households as HMOs, representing a low density increasing up to 5% and over 10% representing a high density for HMO properties in the LSOAs.
- 3.19 In the wards of Westwood, Wainbody, Earlsdon, Whoberley, St Michael's and Lower Stoke, it is clear from the Figure that there are concentrations of HMOs significant enough to increase the proportion of HMOs to at least 5% of all households. In the wards of Wainbody, Westwood, Earlsdon and St Michael's, concentrations have increased the proportion of HMOs to over 10% of households.
- 3.20 Icen has also considered density at a street level to highlight certain clusters and concentrations at a street level. The three Figures below focus on the wards of Westwood, Wainbody, St Michael's, Lower Stoke, Upper Stoke, Whoberley and Sherbourne.
- 3.21 In respect of the wards of Westwood and Wainbody, there is a notable cluster around the Canley area along Charter Avenue and around Sir Henry Parkes Road and Fletchamstead Highway. This area is all within walking distance to Warwick University and also served Coventry University students. On the basis of our analysis, we note that along these three main roads, there are 95 HMO licensed properties – a relatively significant concentration which is brought into focus in our density analysis in Figure 3.2.

Figure 3.3: Concentration of HMOs at Street Level: Westwood and Wainbody



3.22 In the wards of St Michael's, Lower Stoke and Upper Stoke, there are various clusters. This includes concentrations along St. George's Road and the streets to the south and west of this street with some of these streets having particularly high concentrations. There is also a notable cluster along Lower Ford Street as well as King Richard Street. There is also a notable cluster along Kingsway and Malborough road and the streets in between.



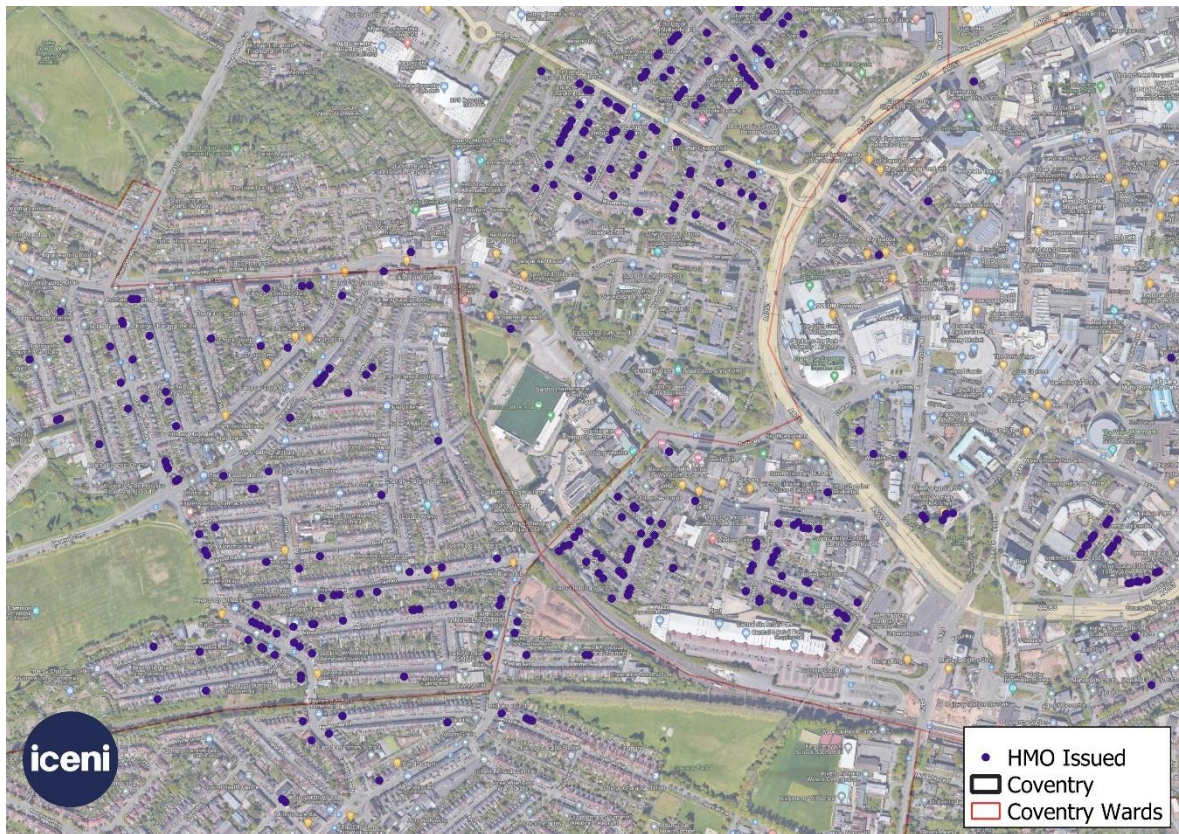
Figure 3.4: Concentration of HMOs at Street Level: St. Michael's and Stoke



3.23 Finally, in the Sherbourne and Whoberley wards, there are clearly clusters on a number of streets across the board. There is a notable cluster to the north and south of Holyhead Road and in particular on streets such as Northumberland Road, Chester Street and Coundon Road. There is also a notable cluster south towards Earlsdon including on streets such as Queen's Road, Westminster Road, Gordon Steet and Bedford Street. There's also a notable concentration along Earlsdon Avenue. This area is well located for both Coventry and Warwick University students.

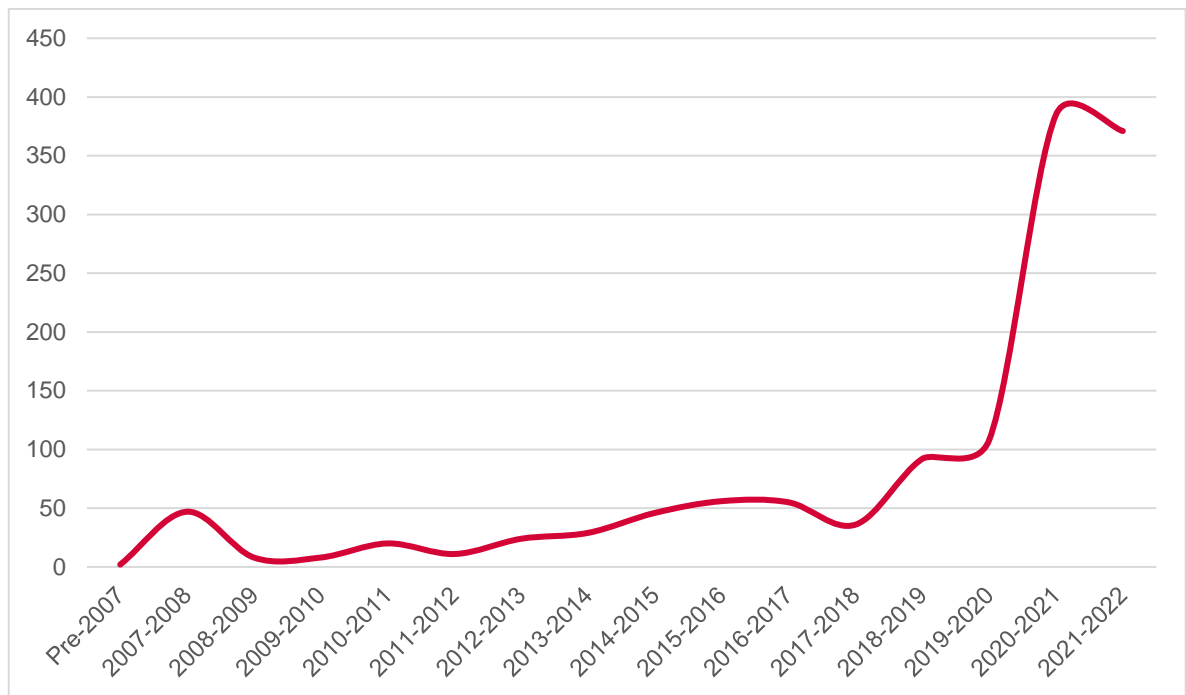


Figure 3.5: Concentration of HMOs at Street Level: Whoberley and Sherbourne



3.24 The Figure below shows how the number of licensed HMOs first registered has grown since 2007/08. The total now stands at 1,297 licensed HMOs across the City in 2022. This data is drawn from the public register of licensable HMOs, which is maintained by the Council in accordance with Section 232 of the Housing Act. For clarity, the data relates to when the HMOs were first licensed and therefore, annual figures do not represent totals – it points to rapid growth in the registration of new licensed HMOs in the last 4 years.

**Figure 3.6: Registrations of New Licensed HMOs, 2007-2022**



- 3.25 The number of licensed HMOs has grown by 280% over the last 4 years from 342 to 1,298 HMOs which is clearly substantial growth in percentage terms. In addition, there have been 577 applications for new HMOs in the last 4 years which have not been approved – overall, a significant level of activity.

### **Purpose Built Student Accommodation**

- 3.26 Whether HMO numbers grow over time are influenced in part by the delivery of purpose-built student accommodation (“PBSA”) as well as student decisions around the balance between cost and quality. This sub-section considers the number of schemes coming forward in the pipeline at the time of writing as well as existing accommodation in each of the Universities. Icenl deals with Coventry and Warwick below in turn.

#### **Coventry**

- 3.27 Coventry University owns accommodation on-campus equal to around 2,500 bedspaces which are principally aimed at first year students alongside a number of other specific groups. The latest position with regards to capacity is that around 2,200 bedspaces are occupied at the time of writing. In addition to the on-campus bedspaces, the University is also supporting 80 tenancies of students living in HMO accommodation with the University’s accommodation team noting that a high number of students are choosing to live in PBSA with this trend increasing year-on-year as more of this accommodation comes forward.

3.28 Icení has drilled into data gathered by HESA to better understand students' term-time accommodation preferences and supplement the 2011 Census data considered upfront in this section. This has been split out between first year UG, returning UG and all PG students; recognising that there is a distinct difference in preference between these main groups. However, it should again be noted that the data is skewed by the "group" total and the other University campuses and the data should be treated with caution – particularly around University owned halls.

**Table 3.4 Coventry University Full-Time Student Term-Time Accommodation (%)**

Accommodation	First Year UG	Returning UG	All PG
University Owned Halls	23%	33%	15%
Private Sector Halls	6%	8%	4%
Parents Home	27%	24%	11%
HMOs	15%	17%	32%
Own Residence	14%	13%	13%
Other	7%	5%	11%
Not Known	8%	1%	14%

Source: HESA, 2020/21

3.29 As is clear, there is a high proportion of UG students living in University Halls with around a quarter (23%) of first year UG students living in Halls owned by Coventry University. The majority (27%) of first year UGs live with parents with a high proportion also living in all students households or HMOs; as well as PBSA – which is taken to include both private sector halls and partly those with their "own residence" as this includes renting. The majority of PG students live in HMOs with a high proportion also expected to be living in PBSA.

3.30 The University has developed new accommodation in recent years including Bishop Gate and Godiva Place which both opened in 2018 providing 725 and 772 en-suite bedrooms and studios for students respectively.

3.31 The Table below shows the number of bedspaces approved and due to be delivered in Coventry City over the next three years. In total, around 9,275 bedspaces are due to be completed which is a significant volume of development for the student housing sector. 4,819 bedspaces have been delivered in the last three years. There are currently no further PBSA schemes anticipated after 2023/24.

**Table 3.5 Purpose-Built Student Accommodation, Bedspaces**

	Completed	Committed
2017/18	0	
2018/19	2,602	
2019/20	2,217	
2020/21	0	
2021/22		5,449
2022/23		2,825
2023/24		1,000

Source: Council Monitoring Data

- 3.32 Taken together, alongside the total amount of PBSA already in the City including University owned Halls – estimated to be around 16,000 bedspaces in total based on research undertaken by Coventry University – there is a significant volume of PBSA for students on the ground and in the pipeline. This level of provision would suggest there is demand outside of traditional shared accommodation and HMOs in favour of PBSA.

#### Warwick

- 3.33 Warwick University houses 7,500 students in total on-campus which the accommodation states is sufficient supply to home all students that require it in line with the student allocation policy. Students attending the University (i.e. excluding distance learners equal to around 4,000 students) either live on-campus, in Coventry City or in Warwick District with students in the latter living principally in Leamington. The University states that around 6,000 Warwick University students live in Leamington.
- 3.34 Through engagement with University, we also understand that Warwick University students increasingly undertake diverse modes of study (e.g. degree apprentices) and therefore do not study at the University full time due to work placements on their course.
- 3.35 Icenis has again drilled into data gathered by HESA to better understand students' term-time accommodation preferences. As expected, this shows that the majority of first year UG students live in one of the 7,500 bedspaces on-campus with returning UG students and PG living in HMOs or PBSA.

**Table 3.6 Warwick University Full-Time Student Term-Time Accommodation (%)**

Accommodation	First Year UG	Returning UG	All PG
University Owned Halls	85%	18%	24%
Private Sector Halls	0%	2%	3%
Parents Home	5%	4%	15%
HMOs	3%	53%	31%

Own Residence	2%	9%	12%
Other	2%	12%	9%
Not Known	2%	2%	7%

Source: HESA, 2020/21

- 3.36 As is the case in Coventry City, there has been a focus on delivering large quantities of PBSA albeit to a much smaller scale in absolute terms. The University's accommodation team has stated that all of the PBSA built on the collar of the University is full; also noting that, in line with the trend in Coventry, more students are choosing to live in PBSA as opposed to HMOs.
- 3.37 It was also noted however that for Warwick students, Coventry City Centre is seen as being further with the preference to be on or very close to campus or alternatively, live in Leamington owing to the area's character and appearance, nightlife, the sense of community and employment opportunities. As a result, the bulk of the PBSA market in Coventry City Centre is being taken up by Coventry University students only.
- 3.38 The Table below sets out PBSA schemes delivered in recent years and shows that 929 bedspaces have been delivered since 2017/18 and there is forthcoming provision for another 292 bedspaces in Warwick District in the coming years. There is no further provision in the pipeline beyond 2022/23.

**Table 3.7 Purpose-Built Student Accommodation, Bedspaces**

	Completed	Committed
2017/18	329	
2018/19	148	
2019/20	275	
2020/21	177	
2021/22		92
2022/23		200

Source: Council Monitoring Data

- 3.39 Overall, the quantum of PBSA being brought forward in Warwick is not as significant and it is our understanding that student preferences of those attending Warwick University are to prefer living in areas such as Leamington as opposed to Coventry City – the Centre PBSA market is therefore focussed more so toward Coventry University students.

## Summary

- 3.40 Overall, considering the scale of recent purpose-built provision coupled with the substantial level of pipeline supply; there is the possibility for a moving shift away from HMOs to PBSA in the City Centre.

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## 4. PLANNED STUDENT GROWTH

4.1 This sub-section reflects discussions between Iceni and the two Universities which were focussed on understanding the latest profile of current students and expected student growth. The dynamic between the Universities' expansion plans, growth in student numbers and the provision of PBSA is critical to determining whether HMO numbers will grow over time.

### Coventry University

4.2 As set out, in the academic year 2020/21, Coventry University had a total of 39,140 students as part of its wider "group" which includes campuses in London and Scarborough as well as Coventry. Through discussions with the University, we understand that around 28,000 students of the global total study on courses at the Coventry campus. These numbers do not fully capture the impact of the COVID-19 pandemic.

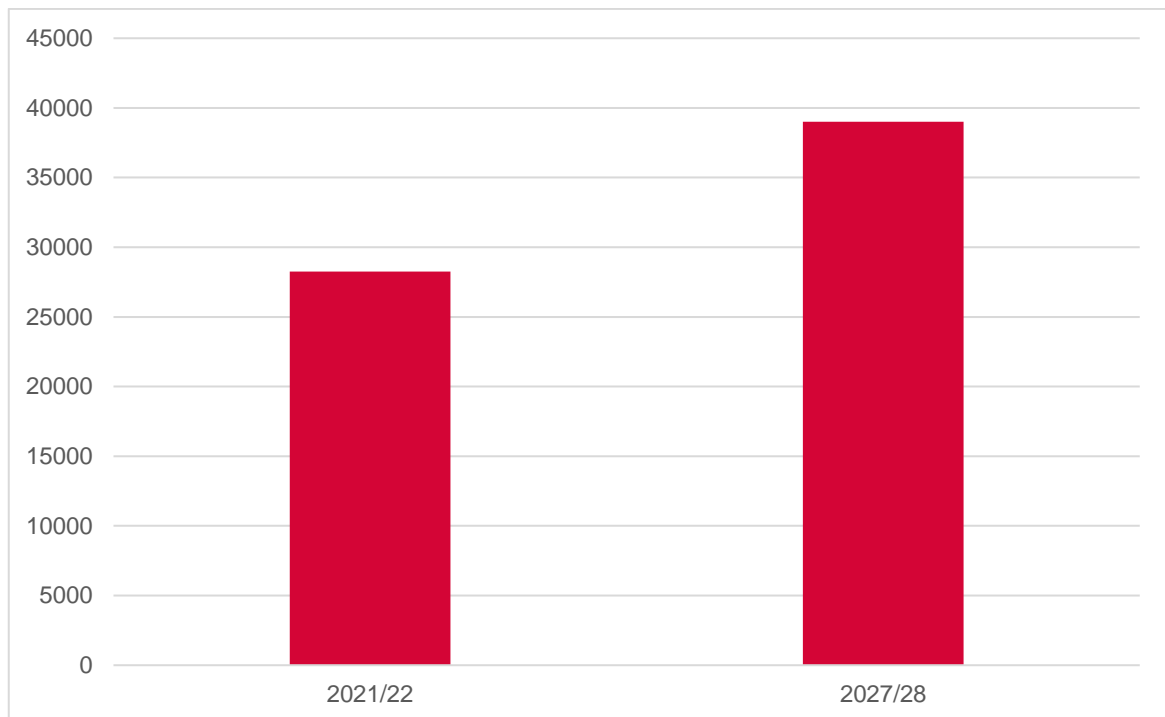
4.3 The University has experienced notable growth over the last decade becoming the fastest growing University in the UK which is detailed upfront in this section. This has been driven by a significant investment programme over the last ten years including the development of the Alison Gingell Building which provides state of the art health simulation to support health and life science courses.

4.4 Iceni has reviewed the University's Corporate Strategy 2030 and has discussed growth plans with the University's accommodation team. An Estates Strategy Framework document with growth projections has recently been produced and Iceni has had sight of extracts from this document. It has been noted that the projections are set at a strategic level within the University and are therefore to some degree aspirational; however, they provide a useful input to considering how demand may change over time.

4.5 The Framework sets out that the projections for each faculty and the Group overall sets an ongoing, ambitious and realistic growth strategy for the period to 2027/28. The intention of Coventry University is to see overall student numbers return to pre-pandemic levels with overall student projections targeted to rise from around 28,250 full-time equivalent ("FTE") students in 2021/22 to 39,000 FTE students in 2027/28.



**Figure 4.1: Projected Change in Coventry University FTE Students**



4.6 This is equal to growth of 11,750 FTE students (1,679 per annum) or 27% growth. The University notes that this will be spread across a wide range of faculties and schools. As a result, not all of this growth is expected in Coventry with the largest headcount increase planned within the National School of Teaching affects the London estate.

4.7 The University expects the shift to a rising number of international students to continue moving forward with the international market a key focus. Through our engagement with local lettings agents, we understand that international students tend to opt for higher quality PBSA as opposed to all student households in HMOs. In the short-term, with the volume of PBSA in the pipeline due to be delivered by 2023/24 set against the scale of growth expected to 2027/28, there is expected to be a surplus in provision of PBSA which could have a role in housing a number of household groups.

4.8 However, as noted through discussions with both Universities and local lettings agents, it is our understanding that there is an increasing number of students opting for PBSA as opposed to sharing with other students in HMOs due to the higher and improving quality of this form of stock and the location of these new-build blocks.

#### **Warwick University**

4.9 In the academic year 2020/21, Warwick University had a total of 28,105 students. Through our discussions with the University's accommodation team, we understand that the student population increased to around 29,550; however, this data is not yet available via HESA. The University

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guarantees accommodation for first year UG students as well as a small proportion of other student groups.

- 4.10 The University is currently in the midst of refreshing its Strategy looking ahead to 2030 and is due to share its draft strategy and accompanying masterplan with the District Council in spring 2022. The document will include a target number with regards to student growth; however, at this stage, Icení has been informed that the University intends to increase numbers at a “sustainable moderate growth” rate. The approach to housing all first year UG students will be maintained and there is a desire to also offer some additional accommodation to returning students. The University is developing proposals to invest in further student accommodation on campus.

### **Summary**

- 4.11 Overall, based on the submissions of the Universities, it does not appear that the recruitment ambitions are likely to have a significant impact on the character or mix of housing in the City over the next 5-7 years when the planned provision of PBSA is taken into account in Coventry and Warwick.



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## 5. THE NEED FOR HMOS AND POLICY IMPLICATIONS

- 5.1 The Framework is clear that the needs of students should be assessed and reflected in planning policies. In Coventry City at the point of the 2011 Census, there were around 29,330 full time students aged 18 and over. The area has two higher education establishments which are in close proximity including the Coventry University and Warwick University, as well as a number of further education colleges.
- 5.2 Both Universities experienced an increase in full-time student numbers over the period from 2011/12 to 2020/21; however, these numbers do not fully reflect the full implications of COVID-19. The profile of student accommodation is varied but is geared more so towards a combination of University Halls of Residence for first year undergraduate students, all student households (i.e. HMOs) and purpose-built provision (i.e. PBSA).
- 5.3 There is a significant volume of PBSA coming on stream in Coventry City and we understand that student preferences of those attending Coventry University are changing towards PBSA and the higher quality nature of new-build stock. However, there remains a significant number of students residing in HMOs and our review of the Council's monitoring records has found the number of new licensed HMOs to be increasing substantially with a large number of applications for new licenses awaiting determination, as set out in Figure 3.5 and paragraph 3.20 of this report.
- 5.4 An over-concentration of HMO accommodation can lead to impacts on amenity as well as an imbalance in communities and the mix of housing. A review of the locations of the licensed HMO properties in the City shows that there are concentrations in a number of areas including in particular in the wards of St. Michaels, Westwood, Sherbourne and Whoberley but also Wainbody, Earlsdon, Lower Stoke and Upper Stoke.
- 5.5 In order to ensure that these wards remains mixed but balanced; it is considered that there is sufficient evidence to justify the Council introducing an Article 4 Direction. This would mean that planning permission will be required for a change of use from a C3 (dwelling house) to a Class C4 (small house in multiple occupation - HMO).
- 5.6 It is recognised that by defining an Article 4 Direction too narrowly, there is a risk that student concentrations could simply spread to adjoining streets and indeed other wards. The Framework is clear that the Article 4 Direction should apply to the smallest geographical area possible. However, it is evident that there are a number of wards where concentrations of HMOs are high and ultimately, it is important to plan to avoid the issue transferring to adjacent wards.

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- 5.7 On this basis, the Council could consider adopting a ward-based approach to drawing the Article 4 Direction and would be justified in drawing the boundary wider than the wards highlighted in this report in order to avoid HMOs simply moving to adjacent wards; and ultimately futureproof the Article 4 Direction boundary.
- 5.8 There is recent evidence of this occurring in Liverpool City with the Council consulting on a new Article 4 Direction in February 2021. The consultation related to the introduction of a direction covering nine wards in their entirety and parts of two more wards. Notably, this followed a previous direction implemented in 2018 for only part of one ward which evidently was not sufficient to manage HMO development elsewhere in the City.
- 5.9 The Council should develop a policy document in the form of a DPD which details the Article 4 Direction areas chosen and sets out the requirement for planning permission to change the use of existing properties from residential (C3) to large HMO (Sui Generis). This DPD can set out the criteria which will be considered when determining these applications and is the appropriate policy document to implement the Article 4 direction in full.