



Wednesday, 19 February 2020

Dear Sir/Madam

A meeting of the Jobs and Economy Committee will be held on Thursday, 27 February 2020 in the Council Chamber, Council Offices, Foster Avenue, Beeston NG9 1AB, commencing at 7.00 pm.

Should you require advice on declaring an interest in any item on the agenda, please contact Legal Services at your earliest convenience.

Yours faithfully

Chief Executive

To Councillors: S J Carr  
M J Crow  
E Cubley  
T Hallam (Chair)  
M Handley  
M Hannah  
R I Jackson

L A Lally (Vice-Chair)  
P Lally  
R D MacRae  
J W McGrath  
P Roberts-Thomson  
D D Pringle

## A G E N D A

### 1. APOLOGIES

To receive any apologies and notification of substitutes.

### 2. DECLARATIONS OF INTEREST

Members are requested to declare the existence and nature of any disclosable pecuniary interest and/or other interest in any item on the agenda.

3. MINUTES (Pages 1 - 2)

The Committee is asked to confirm as a correct record the minutes of the meeting held on 30 January 2020.

4. HOUSES IN MULTIPLE OCCUPATION (HIMOS) IN BEESTON (Pages 3 - 32)

To provide members with an update on Housing Need work, in so far as it relates to clusters of student accommodation in Beeston and to recommend the appropriate response to this issue.

5. DEVELOPMENT CORPORATION (Pages 33 - 40)

To update Members on the Midlands Engine Development Corporation programme and seek endorsement to next steps including a statement of intent.

6. WORK PROGRAMME (Pages 41 - 42)

To consider items for inclusion in the Work Programme for future meetings.

## **JOBS AND ECONOMY COMMITTEE**

**THURSDAY, 30 JANUARY 2020**

Present: Councillor T Hallam, Chair

Councillors: B C Carr (substitute)  
E Cubley  
R H Darby (substitute)  
L Fletcher (substitute)  
M Hannah  
R I Jackson  
E Kerry (substitute)  
L A Lally  
P Lally  
R D MacRae  
P Roberts-Thomson  
D D Pringle

Apologies for absence were received from Councillors S J Carr, M J Crow, M Handley and J W McGrath.

### 30 **DECLARATIONS OF INTEREST**

Councillor R D MacRae declared a non-pecuniary interest in item 5 due to being a member of Stapleford Town Board, minute number 33 refers.

Councillor R I Jackson declared a non-pecuniary interest in item 5 due to being a member of Stapleford Town Board, minute number 33 refers.

### 31 **MINUTES**

The minutes of the meeting held on 21 November 2019 were confirmed and signed as a correct record.

### 32 **KEY SITES UPDATE**

The Committee was informed of the progress made on key sites. It was noted that the Moults Yard site was undergoing treatment for Japanese Knotweed and works were scheduled to start once this had been completed.

It was reported that the proposed development site at Cossall was to be considered by a future Planning Committee.

33 LOCATION SPECIFIC REGENERATION STRATEGIES/TIPS (TOWN INVESTMENT PLANS)

The Committee considered the proposed Location Specific Regeneration Strategies and Town Investment Plans. It was proposed to replicate the approach undertaken with the Stapleford Town Funds Board. However, it was noted that further consideration was required in relation to the membership of the boards.

**RESOLVED that Town Investment Plans are the best method for implementing Economic Growth Plans in the different areas of the Borough**

34 DEVELOPMENT CORPORATION

The Committee received a presentation from Ken Harrison in relation to the Development Corporation.

35 HOUSES IN MULTIPLE OCCUPATION

The Committee noted the progress made on the Houses in Multiple Occupation within the Borough. It was stated that a further report would be presented at an extraordinary meeting of the Jobs and Economy Committee on 27 February 2020.

36 BUSINESS PLANS AND FINANCIAL ESTIMATES 2018/19 - 2020/21 - BUSINESS GROWTH

The Committee consider the the proposals for business plans, detailed revenue budget estimates for 2020/21, capital programme for 2020/21 to 2022/23 and proposed fees and charges for 2020/21 in respect of the Council's priority areas.

1. **The Committee RESOLVED that the Business Growth Business Plan be approved.**
2. **The Committee RECOMMENDED that the Finance and Resources Committee recommends to Council that the following be approved:**
  - a) **The detailed revenue budget estimates for 2020/21 (base) including any revenue development submissions.**
  - b) **The capital programme for 2020/21 to 2022/23.**
  - c) **The fees and charges for 2020/21.**

37 WORK PROGRAMME

The Committee considered the Work Programme.

**RESOLVED that the Work Programme be approved.**

**Report of the Chief Executive**

## **HOUSES IN MULTIPLE OCCUPATION (HIMOS) IN BEESTON**

1. Purpose of report

To provide members with an update on Housing Need work, in so far as it relates to clusters of student accommodation in Beeston and to recommend the appropriate response to this issue.

2. Background

Update reports were provided to the committee in July 2019 and in January 2020, and these reports are contained in appendices 1 and 2. Icen Projects Limited were commissioned to undertake a Greater Nottingham & Ashfield Housing Needs Assessment, and as part of this a Technical Paper was completed on Student Housing Needs. This paper was specifically included in the brief in order to inform decision taking in Broxtowe on student housing needs, which includes consideration of Houses in Multiple Occupation, and how this should be addressed in policy terms.

The Icen report is included in full at appendix 3 which does not yet contain data from the universities. At appendix 4 is an assessment of the options available including a recommended course of action. At appendix 5 is a map showing the recommended boundary for the Article 4 Direction. The Council is seeking a legal opinion as to the appropriate time scale and boundary of the Article 4 direction and this together with the information from the universities will be available prior to the Committee.

3. Financial implications

The cost of issuing an Article 4 Direction can be done within existing budgets. The work on an SPD is likely to take one planning officer between 6 months and 1 year to do this comprehensively. Depending on other commitments it may be possible to redistribute work within the department, but with an uplift in Core Strategy work, HS2 now confirmed, Development Corporation work gathering pace, and Town Centre regeneration initiatives accelerating, it would not be the case that any redistribution of work can be done seamlessly without a knock on effect on other priorities. This will be kept under review with further reports to the Committee.

### **Recommendation**

**The Committee is asked to RESOLVE that the work outlined in appendix 4 and shown in appendix 5 is undertaken to create an Article 4 Direction in relation to Houses in Multiple Occupation.**

Background papers

Nil

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**HOUSES IN MULTIPLE OCCUPATION (HIMOS) IN BEESTON  
UPDATE****1. Purpose of report**

To provide members with information on the necessary steps to fully consider the merits of additional policy restrictions regarding Houses in Multiple Occupation (HIMOs). The full details are provided in the appendix.

**2. Background**

The Government provides for certain 'changes of use' to be undertaken under permitted development. Councils can impose additional restrictions (by way of an Article 4 direction or indeed by other means) to remove permitted development rights, but it is expected that there is clear evidence to justify this approach. Currently a change from a 'family house' to a HIMO does not need planning permission provided the number of residents does not exceed 6. There is a separate licensing regime for HIMOs with five or more residents. The Broxtowe Part 2 Local Plan is also at an advanced stage of examination and it is currently anticipated that the Inspector's report may be received during late summer with the potential to adopt the plan (if found to be sound) in September 2019. The Part 2 Local Plan contains more detailed policy on Borough wide expectations on design, character and amenity which will be applied to all planning applications for HIMOs and other uses on a case by case basis. It is also well understood that there have been a number of concerns raised with Councillors regarding an erosion of the character of parts of Beeston, as a result of what some consider is too many HIMOs already, and a lack of control under the planning system for additional ones coming forward.

**3. Financial implications**

The financial implications are not currently known. The cost of issuing an Article 4 Direction can be done within existing budgets. What is currently unknown is the extent and risk of compensation payable to individual property owners if an 'immediate' Article 4 is entered into. There will be a report back to the Committee should work to assess this becomes necessary.

**Recommendation**

**The Committee is asked to RECOMMEND to the Finance and Resources Committee that the work outlined in the appendix is undertaken.**

**Background papers**

Nil

### 1. The process of applying for a HIMO restriction

There are two options (under schedule 3 of the GPDO): one for the direction to have 'immediate effect' and the other for it not to have 'immediate effect'. The procedures are similar in both cases:

- We draft (make) the direction, via a report to Jobs and Economy Committee. This needs to specify the type of PD that's removed (which would be Part 3 Class L regarding HIMO's) and the area that the A4 applies to.
- We put an advert in a local newspaper and put up at least two site notices.
- We serve notice on all owners and occupiers (although, if we're using the 'immediate effect' procedure, we seem to only need to notify owners if there's no occupier – however we'll need ownership information later in the process).
- The notice includes a description of the direction and of the area and it specifies a place where the direction and associated map can be seen
- The notice also states either that the direction comes into force immediately or that it is proposed that it will come into force at a specified date in the future (between 28 days' time and 2 years' time).
- We give people at least 21 days to make representations.
- We notify the Secretary of State (via the Planning Casework Unit). He/she can cancel or modify the direction (or only cancel it in the 'immediate effect' case) "at any time before or after its confirmation".
- We notify the County Council.
- We consider the representations.
- We "confirm" the direction. In the 'immediate effect' case this prevents the direction "expiring" after 6 months. In the non-'immediate effect' case this means that the direction comes into force on the date specified previously.
- We "give notice" of the confirmation in the same way as before, i.e. newspaper advert, site notices, notices to all owners and occupiers.
- We send a copy of the confirmed direction to the Secretary of State.

The choice of whether to use the 'immediate effect' procedures or not will affect the potential for any compensation payments. Compensation is potentially payable for the immediate effect route and it is this aspect that the Council would need to obtain more detailed advice regarding the risks.

### 2. The evidence needed

This is not specified in the legislation. The Secretary of State has the power to cancel any direction, so the more evidence we're able to assemble that justifies our approach, the more likely it will be that the Secretary of State does not intervene. The Planning Practice Guidance (PPG) says that Article 4s should be "limited to situations where this is necessary to protect local amenity or the wellbeing of the area" and that "the potential harm that the direction is intended to address should be clearly identified". The PPG also says that "there should be particularly strong justification" for a direction



relating to “a wide area”. In the view of officers, it is considered to be essential to undertake the Housing Market Characteristics work as part of the Core Strategy review that will give members and ultimately the Secretary of State, the objective evidence regarding the extent of the issue in Beeston and potentially elsewhere. In the absence of the up to date evidence (which Nottingham City had when considering a similar Article 4) there is considered to be an unacceptably high risk that the Secretary of State will intervene leading to abortive costs (whether or not compensation is payable) and work.

### 3. The timescales for Core Strategy Review

There is work to inform a ‘Growth Options Consultation’, anticipated to take place towards the end of 2019. It would be realistic to undertake the Housing Market work described above in tandem with the growth options consultation with a realistic prospect of a report to Jobs and Economy committee before the end of 2019 to fully consider the available evidence, and the merits of otherwise of pursuing an Article 4 Direction.

### 4. Summary of additional work recommended before final decisions are taken

- Greater Nottingham Housing Market characteristics work which will provide information on the different housing sub markets in Nottingham and will be a comprehensive evidential basis for any further steps to take.
- Additional property advice including the risk of compensation. This work will be essential if members are ultimately minded to consider making an Article 4, depending on any risk of compensation which will be better understood after the necessary work streams are completed.

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## Report of the Chief Executive

## APPENDIX 2

**HOUSES IN MULTIPLE OCCUPATION (HMO)**1. Purpose of report

To update the committee on progress on work in relation to Houses in Multiple Occupation (HMOs), in the Borough.

2. Background

It was resolved at Jobs and Economy committee in July that further work would be done to gather additional evidence including a commission on housing need and housing market characteristics work across Greater Nottingham and consultants recommendations on potential policy interventions. This work is nearing completion and our colleague Councils agreed to do the Broxtowe element of the work first, but at the time of drafting this report this has not been completed and it needs to be in order for the committee to come to an informed view. An additional meeting has therefore been arranged for Thursday 27<sup>th</sup> February to determine the appropriate steps to take. In the appendix that follows there is a summary of the work undertaken and provided to the consultants.

3. Financial Implications

All but an 'immediate' Article 4 can be met from within existing budgets.

**Recommendation**

**The Committee is asked to NOTE the progress made.**

Background papers

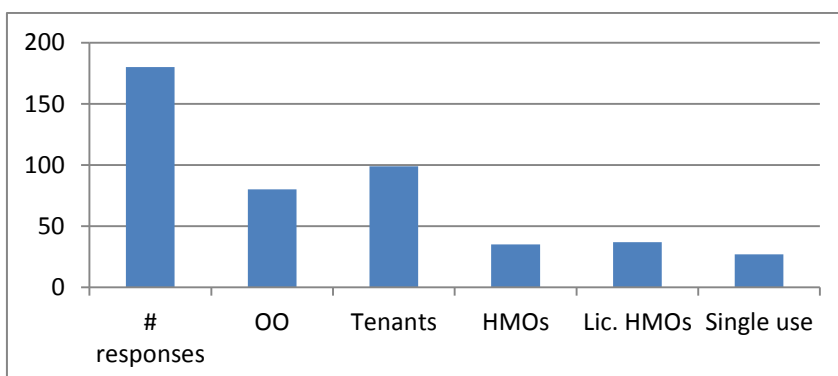
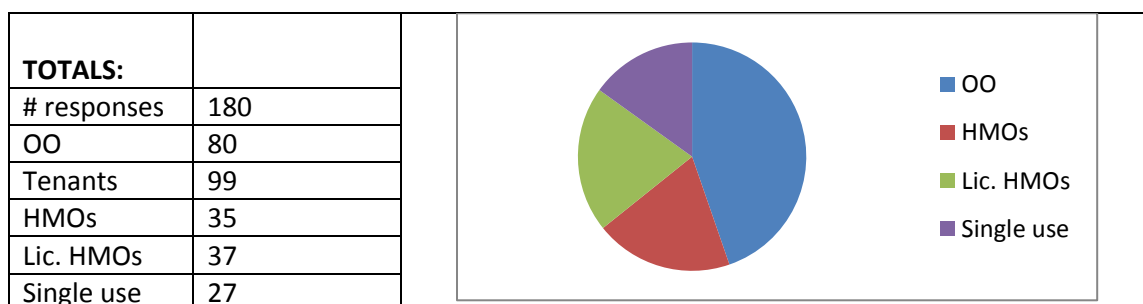
Nil

## APPENDIX 1

Broxtowe has a good history of effective joint working with our partners in Greater Nottingham and the work on HMOs and all other relevant issues around the housing market in Broxtowe is undertaken in this context. This allows a comparison to be made regarding trends from the time of the previous Core Strategy preparation (2013) to the situation now and it also allows the comprehensive consideration of both positive and negative issues arising allowing for interventions to address the latter without compromising the former.

Since the matter was last reported to Jobs and Economy committee in July the Council has appointed an officer who has undertaken a survey of properties in Central Beeston and the result of this are given below.

	Lower	Fletcher	Pelham	Salisbury	King	Mona	Thyra	Waldemar
<b># responses</b>	26	20	24	42	23	25	11	9
<b>OO</b>	3	8	13	17	12	17	3	7
<b>Tenants</b>	23	11	11	25	11	8	8	2
<b>Single Use</b>	1	4	7	15	1	2	3	2
<b>HMOs</b>	12	2	1	3	10	6	3	0
<b>Lic. HMOs</b>	10	5	3	7	0	0	2	0



In addition, officers in private sector housing have provided details of all licensed HMOs in the Borough and colleagues in Council Tax have provided information regarding all Council Tax exemptions. This information shows that the focus of

licensed HMOs, Council Tax exemptions and a general higher proportion of rented properties are focussed in the Beeston sub-market area. Dialogue is on-going with the universities and with landlord groups and this will be included in any final report. In addition, officers are attending a meeting of the Beeston Civic Society on 14 February 2020 where the issues will be discussed and an update of this meeting will be included in the final report to the meeting on 27 February 2020.

It is too soon to conclude on the appropriate action to take in the absence of evidence based recommendations, but this work is close to completion and will be available at least two weeks prior to consideration of this on 27 February 2020. Arrangements are also underway to have the consultants attend the meeting to answer any questions the Committee may have.

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FEBRUARY  
2020

# Greater Nottingham & Ashfield Housing Needs Assessment

## Technical Paper: Student Housing Needs

Iceni Projects Limited on behalf of  
Ashfield, Broxtowe, Gedling, Erewash,  
Nottingham and Rushcliffe Councils

ICENI PROJECTS LIMITED  
ON BEHALF OF ASHFIELD,  
BROXTOWE, GEDLING,  
EREWASH, NOTTINGHAM  
AND RUSHCLIFFE  
COUNCILS

February 2020

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## 1. INTRODUCTION

- 1.1 The Greater Nottingham Planning Partnership (“GNPP”) comprising Broxtowe Borough Council, Erewash Borough Council, Gedling Borough Council, Nottingham City Council and Rushcliffe Borough Council; as well as Ashfield District Council, have commissioned Icen Projects (“Icen”) to prepare a Housing Needs Assessment.
- 1.2 The Housing Needs Assessment is being prepared for the Greater Nottingham and Ashfield area in order to support the preparation of Local Plans looking ahead to 2038; and to provide evidence to support housing market interventions and prospective future funding bids.

### **Student Housing Needs Technical Paper**

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- 1.3 This initial technical paper has been prepared in advance of the main Housing Needs Assessment in order to inform decision-taking in Broxtowe Borough Council on student housing needs which includes consideration of concentrations of students and consequently Houses in Multiple Occupation (“HMOs”) and how this should be addressed in policy terms.

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## 2. STUDENT HOUSING NEEDS

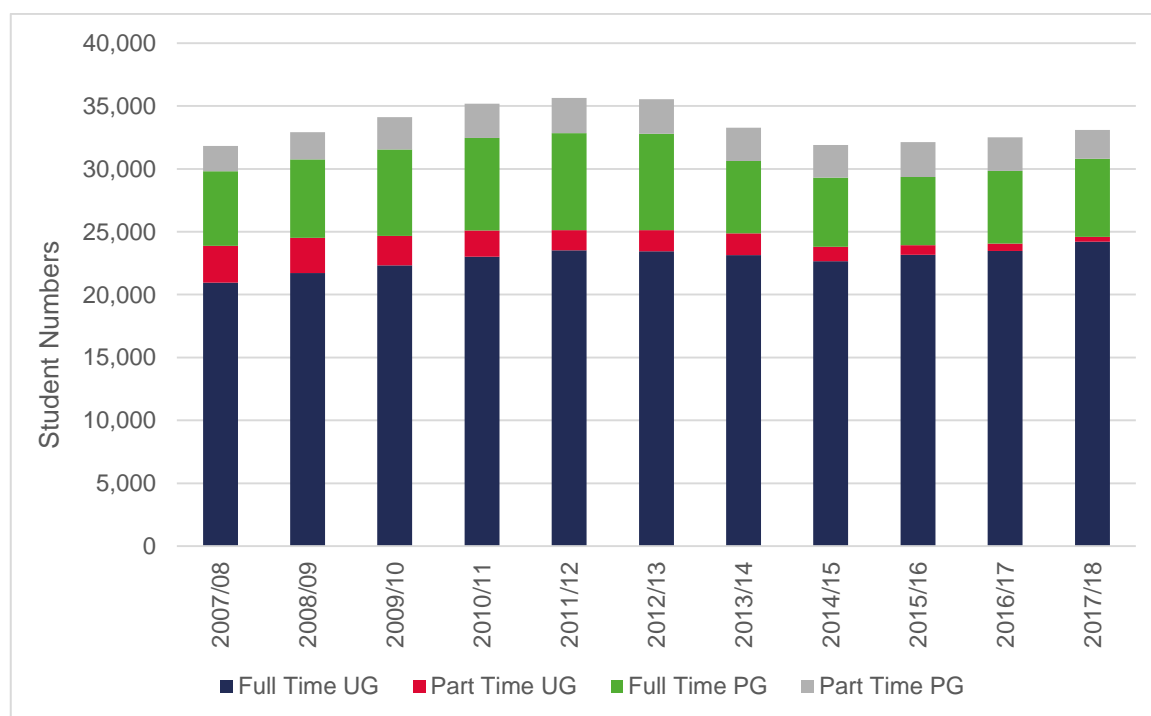
- 2.1 This section considers the needs of students with a focus on Broxtowe Borough Council.

### **The Existing Profile of Student Housing Need**

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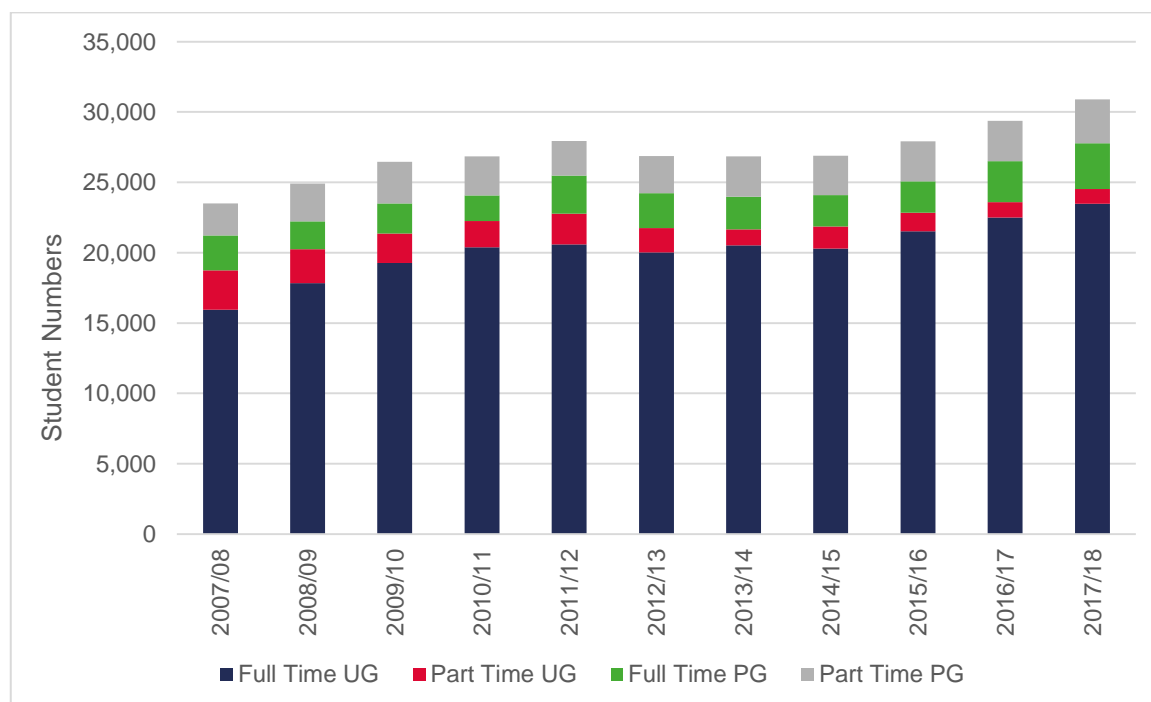
- 2.2 The NPPF is clear that the needs of students (and other groups within the housing market) should be assessed and reflected in planning policies.
- 2.3 Across the study area at the point of the 2011 Census, there were around 62,000 full time students aged 18 and over with around three quarters of these students living in Nottingham City.
- 2.4 The area has two higher education (HE) establishments which are relevant to this assessment - the University of Nottingham and Nottingham Trent University - as well as a number of further education colleges. However, the data allowing us to track trends in student numbers year-on-year for further education establishments is not consistently available. It is HE students which principally impact on the housing market, and therefore the assessment focuses on these.
- 2.5 We have access to data allowing us to track trends in student numbers for the University of Nottingham and Nottingham Trent University from the Higher Education Statistics Agency ("HESA"). Drawing on data from the HESA, the Figure below sets out the pattern of growth over the last 10 years from 2007/08 to 2017/18 across the two Universities.
- 2.6 As of 1<sup>st</sup> September 2017, the University of Nottingham had 33,100 full and part-time UG and PG students. Nottingham Trent University had an equivalent 30,890 students; which is the highest total number of students at the University in the last decade.

**Figure 2.1: Profile of Student Population at University of Nottingham**



Source: HESA 2019

**Figure 2.2: Profile of Student Population at Nottingham Trent University**



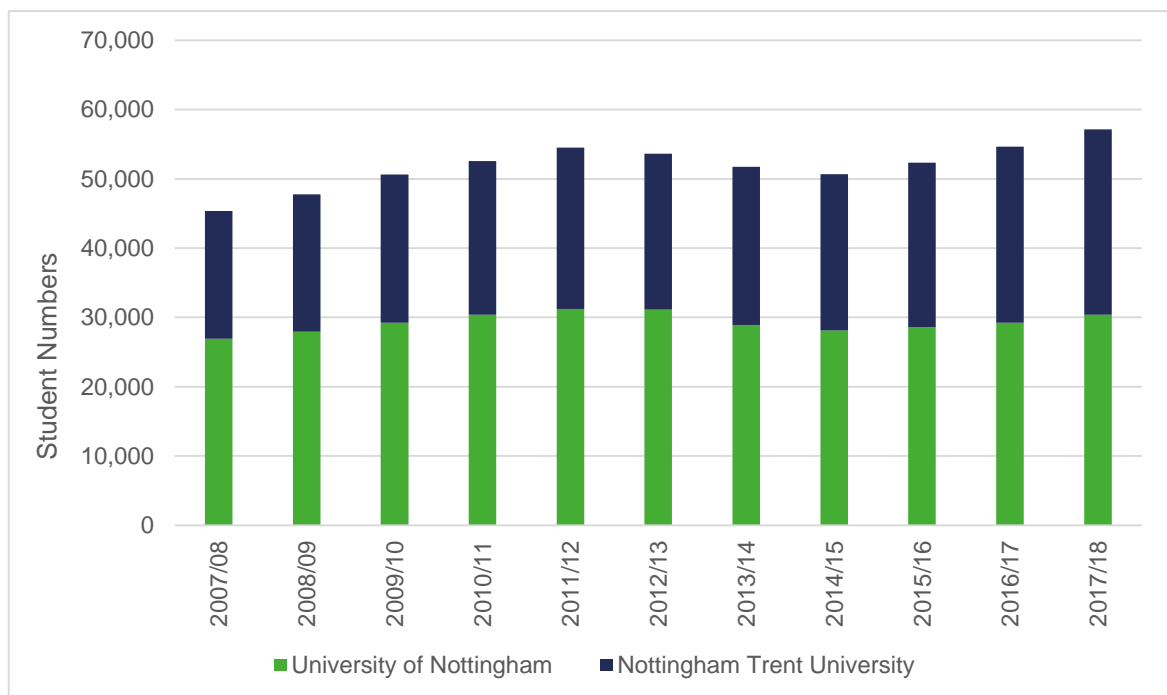
Source: HESA 2019

2.7 At the University of Nottingham, the number of full time undergraduates grew over the 2007-17 period by 3,250 students whilst the proportion of part time undergraduates fell by 2,515 students. Across the ten year period, the number of postgraduate students increased modestly.

2.8 At Nottingham Trent University, the number of full time undergraduates increased by a substantial 47% over the ten year period; whilst the number of part-time undergraduates fell by around 1,750 students. The growing number of full-time students will have had a greater impact on housing across the study area.

2.9 Housing needs arise principally as a result of full-time students (with those studying part time typically also working relatively locally or living with parents). As of 1<sup>st</sup> September 2017, there were 30,405 full time students at the University of Nottingham and 26,750 FTE students at Nottingham Trent University. The trend in full time students is shown in the Figure below.

**Figure 2.3: Trends in FTE Higher Education Students in Greater Nottingham & Ashfield**



Source: HESA 2019

2.10 It is notable that both establishments experienced a fall in the number of full time students following the introduction of an increase in student fees by the Government in 2010/11; however, student numbers have increased again in recent years; with FTE student numbers at Nottingham Trent University now at their highest level over the last 10 years.

2.11 At 1<sup>st</sup> September 2011, there was a total of 54,515 full time students at the University of Nottingham and Nottingham Trent University; suggesting that the two Universities accounted for around 88% of all full time students aged 18 and over at the point of the 2011 Census. By 2017, the number had risen by 5% to 57,155.

## The Profile of Accommodation and Concentrations of Houses in Multiple Occupation

- 2.12 At the point of the 2011 Census, there were around 62,000 full time students aged 18 and over across the study area. The Table below sets out a breakdown of this by age and authority area; demonstrating that of the 62,000 students, around 46,000 (74%) were based in Nottingham City. The second largest concentration of students was in Rushcliffe (4,563) followed by Broxtowe (4,412).

**Table 2.1 Profile of Full Time Students Aged 18 and Over**

Age	Ashfield	Broxtowe	Erewash	Gedling	Notts City	Rushcliffe
Aged 18-19	1,124	1,313	1,102	1,228	13,381	1,651
Aged 20-24	635	1,698	650	790	25,597	2,216
Aged 25 and Over	518	1,401	591	603	6,943	696
<b>Total (No.)</b>	<b>2,277</b>	<b>4,412</b>	<b>2,343</b>	<b>2,621</b>	<b>45,921</b>	<b>4,563</b>

- 2.13 Across the study area, where students live varies markedly, which is likely to partly reflect the nature of students living in each of the authority areas. For instance, at the point of the 2011 Census, around 70% of the students living in Gedling lived with parents; but only 36% did so in Broxtowe and only 10% did so in Nottingham City. The Table below sets out the profile of full time students and their accommodation across the authority areas at the last census.

**Table 2.2 Profile of Full Time Students Aged 18 and Over by Accommodation Type (%)**

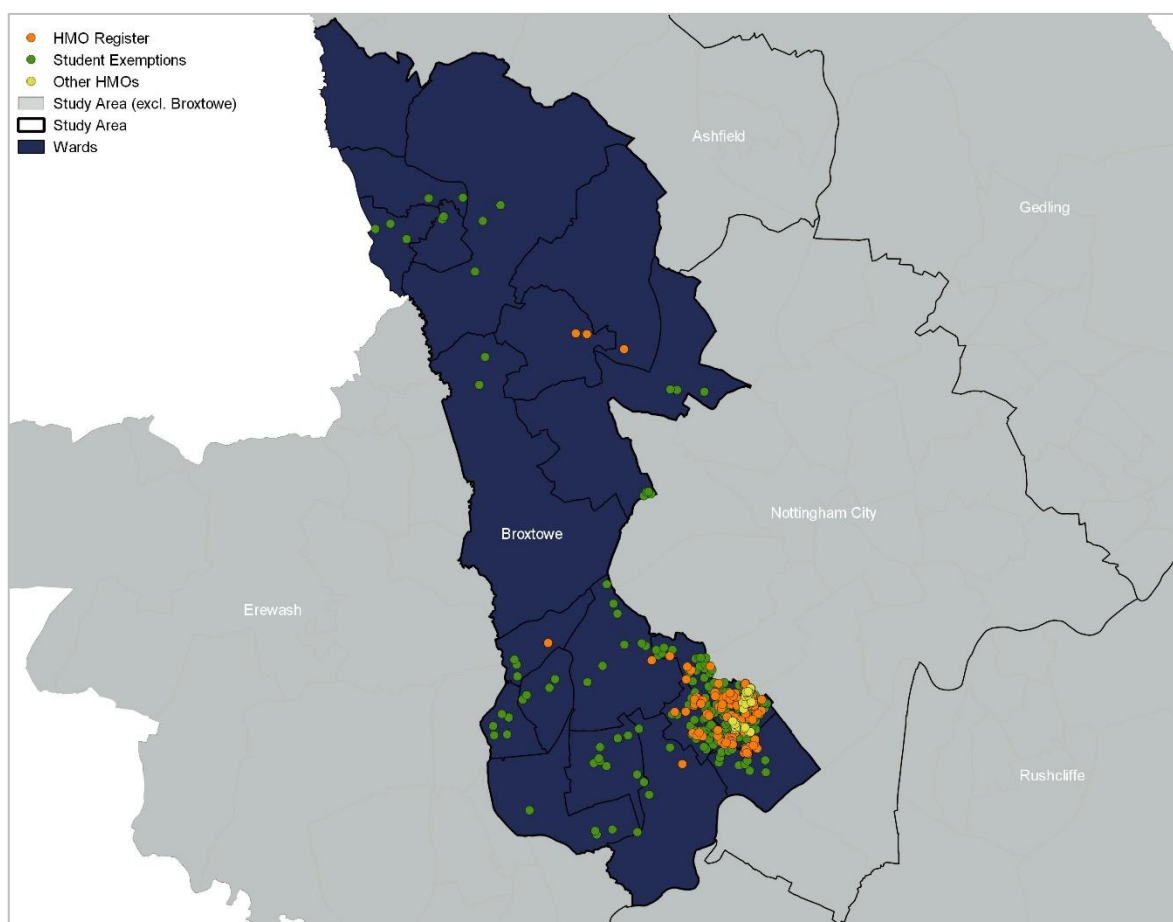
Accommodation Type	Ashfield	Broxtowe	Erewash	Gedling	Notts City	Rushcliffe
Living with Parents	68%	36%	66%	70%	10%	36%
University Communal	4%	0%	0%	0%	24%	13%
Other Communal	0%	0%	2%	0%	4%	0%
All Student Household	4%	31%	7%	7%	44%	33%
Living Alone	3%	4%	4%	4%	5%	2%
Other	21%	29%	21%	20%	13%	16%
<b>Total (No.)</b>	<b>2,277</b>	<b>4,412</b>	<b>2,343</b>	<b>2,621</b>	<b>45,921</b>	<b>4,563</b>

Source: 2011 Census

- 2.14 Beyond those students living at home, as the analysis shows, 31% of students aged 18 and over lived in an all student household in Broxtowe Borough; 44% in Nottingham City and 33% in Rushcliffe. It is notable that students residing in this form of student accommodation typically live in HMOs; and in some instances, the number of HMOs can become concentrated in particular areas.

- 
- 2.15 It is particularly notable that around 90% of students living in HMOs in Broxtowe Borough were concentrated in the Beeston ward. This area is located at the western end of the University of Nottingham's Park Campus.
- 2.16 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, lead to issues of environmental upkeep and fly-tipping.
  - 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.
  - 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.
- 2.17 Through discussions with local lettings agents, it is noted that Beeston is known for higher quality compared with areas such as Lenton. Letting agents found that the area continues to maintain a balance of housing with a greater focus towards families, as well as young professionals and students. One letting agent also noted that "there has been a recent [i.e. last 5 years] surge of investment in the Beeston area to upgrade the standard of shared student housing". Agents also highlighted that a number of local businesses benefit from the number of young professionals and students in the area.
- 2.18 Nevertheless, 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.
- 2.19 The Figure below shows the spread of HMOs as well as homes subject to a student exemption for Council Tax across Broxtowe Borough. There is a particular concentration shown in the Beeston Central ward; as well as smaller numbers in the Beeston West, Beeston North and Beeston Rylands wards.

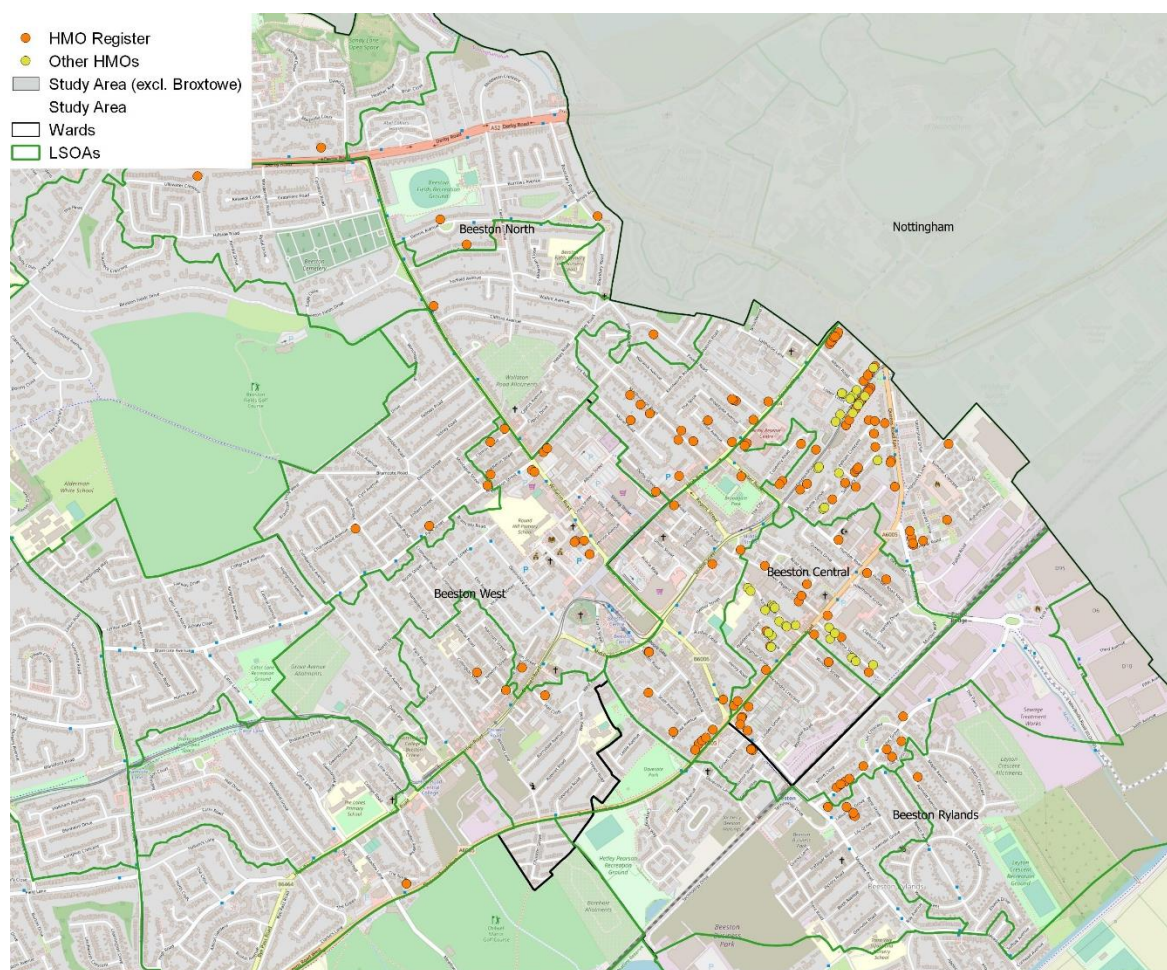
**Figure 2.4: Concentration of HMOs in Broxtowe Borough**



- 2.20 Taking the 2011 Census household profile for these four wards as a basis, with a total of 9,347 households at 2011, the number of HMOs at 142 would represent 1.5% of all households if applying the 2018 HMO figures to the Census base. This does not suggest there is a substantial concentration of HMOs at a ward-level.
- 2.21 The majority of the licensed HMOs are situated in the Beeston Central ward. As at 2018, 69% (equal to 98 HMOs) of Beeston's HMOs are situated in the Beeston Central ward. However, taking the number of households in Beeston Central at 2,180 at the point of the 2011 Census; we note that this would only represent 4.5% of all households.
- 2.22 However, it is important to look at the issue beyond a ward-level. The Figure below shows the position at a smaller scale across the Beeston wards and LSOAs with a focus on particular streets. This shows that there are clusters of HMOs in certain areas of the Beeston Central ward including along Lower Road and Broadgate, which are all adjacent streets to University Boulevard and in close proximity to the University of Nottingham. There are also clusters in close proximity to Beeston Railway Station, with clusters along Queens Road West (Beeston Central) and Lilac Grove (Beeston Rylands).

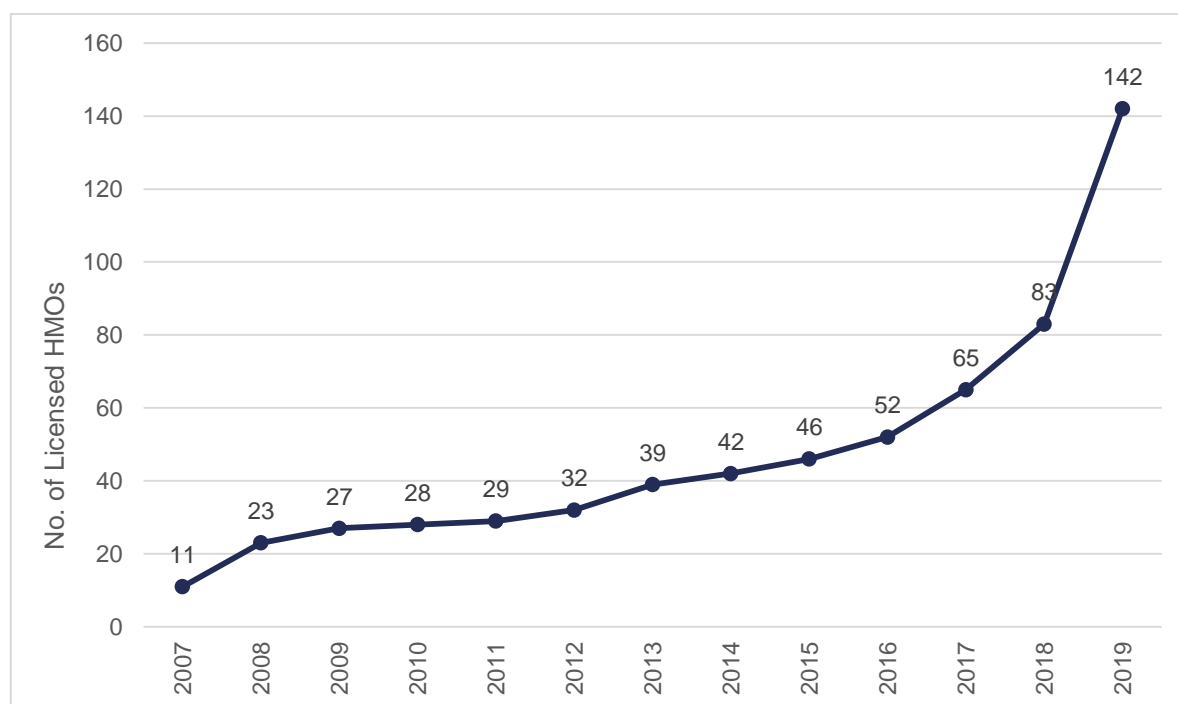


**Figure 2.5: Concentration of HMOs in Beeston Wards**



- 2.23 In some instances, particularly around areas close to the University of Nottingham's Park Campus along Broadgate and Lower Road, there are concentrations of 7 to 9 HMOs within a single row or block.
- 2.24 The Figure below shows how the number of new licensed HMOs has grown year-on-year since 2007 in the Beeston area to reach a total of 142 licensed HMOs at as 2019. The numbers elsewhere in the Borough are modest. 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. It points to rapid recent growth.

**Figure 2.6: Licensed HMOs in Beeston, Broxtowe**



Source: Public Register of Licensable HMOs

- 2.25 The number of licensed HMOs in the Beeston area has grown by 238% over the last five years from 42 to 142 HMOs which is clearly substantial growth in percentage terms; with an additional 90 HMOs licensed over the last 3 years. This is clearly significant in relative terms.
- 2.26 The Housing Nottingham Plan (i.e. the City's Housing Strategy) has placed particular importance on making new student developments sufficiently attractive and affordable for students in all years of study to be persuaded that the purpose-built market is a better option than shared housing in communities.
- 2.27 Nottingham City has an estimated 7,261 HMOs which includes licensed, known and suspected. Of the 2,147 HMOs with a mandatory license and 4,124 HMOs with a non-mandatory license, 581 (equal to 27%) and 967 (equal to 23%) are located in the Lenton and Wollaton East ward of Nottingham respectively. This ward directly adjoins the Beeston West and Beeston Central wards; and there are particular concentrations on streets around these areas outside of the Broxtowe boundary.
- 2.28 Although the evidence suggests that as a proportion of all households, the total number of licensed HMOs across the four Beeston wards where HMOs are concentrated is relatively low at a ward-level; as is shown in Figure 3.5, there are notable clusters and concentrations forming on particular streets in Broxtowe – principally on:

- Lower Road, Beeston Central;
- Broadgate, Beeston Central;
- Salisbury Street, Beeston Central;
- Queens Road, Beeston Central; and
- Lilac Grove, Beeston Rylands.

2.29 In order to ensure that this area remains mixed but balanced; it is considered that there is sufficient evidence to justify the Council introducing an Article 4 Direction covering these streets. 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).

2.30 However, 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. The Council should take this into account in drawing the boundary to be covered by the Article 4 Direction within the Beeston area.

### **Purpose-Built Student Accommodation**

2.31 Whether HMO numbers grow over time will be influenced by:

- Future trends in student numbers at the universities;
- Delivery of purpose-build student accommodation; and
- Student decisions regarding the balance between accommodation cost and quality.

2.32 The number of schemes being built out or coming forward through the planning process for purpose-built accommodation is significant. The Table below sets out schemes approved or pending consideration from 1<sup>st</sup> January 2017 onwards and shows that there are 342 bedspaces currently under construction or subject to determination in Broxtowe.

**Table 2.3 Purpose-Built Student Accommodation**

Planning Application Address [Ref]	Proposal	Status
1 Queens Road East, Beeston [19/00799/FUL]	Student accommodation building providing 32 bedrooms.	Pending Consideration
Neville Sadler Court, Beeston [18/00607/FUL]	Change of Use of 28 flats to student accommodation (17 cluster flats) and construction of 3 cluster flats (providing 83 bedspaces in total)	Approved and Under Construction

Dagfa House School, Broadgate, Beeston [17/00607/FUL]	Student accommodation providing 136 bedspaces.	Approved and Under Construction
Dagfa House School, Broadgate, Beeston [17/00608/FUL]	Student accommodation providing 91 bedspaces following demolition of school buildings. Additional to 17/00607/FUL.	Approved and Under Construction
<b>Total Bedspaces:</b>		<b>342</b>

- 2.33 As the number of bedspaces being brought forward in Broxtowe through purpose-built development and prospective planning applications would suggest, there is demand outside of traditional shared accommodation and HMOs in favour of purpose-built accommodation.
- 2.34 Nottingham City is also seeing substantial growth in the development of purpose-built student accommodation with 6,488 bedspaces purpose-built dwelling delivered between 1<sup>st</sup> April 2011 and 31<sup>st</sup> March 2018<sup>1</sup>. The latest Purpose Built Student Accommodation Vacancy Survey for 2018/19 recorded a vacancy rate of only 0.3% in Nottingham City which has fallen from 1.6% in 2014/15.
- 2.35 Furthermore, Nottingham City Council expects around 5,500 bedspaces to come forward through pipeline development schemes in the coming years<sup>2</sup>.
- 2.36 Overall, considering the scale of recent purpose-built provision in Nottingham City coupled with the substantial level of pipeline supply; there is clearly a moving shift away from HMOs to purpose-built accommodation in the City Centre. Coupled with Broxtowe's supply, Iceni consider that this has the potential to have a notable impact on the quantum and concentration of HMOs in and around the Beeston area.
- 2.37 Through discussions with local letting agents, we also note that one of the main reasons student numbers have increased in Beeston is due to the lack of development in areas such as Lenton and Dunkirk – which students have historically preferred; however, further provision of purpose-built accommodation could help to reverse this trend.

### **Future Student Housing Needs**

- 2.38 In order to understand how the profile of Beeston and other surrounding areas where students reside are likely to evolve over time, Iceni have engaged directly with the two Universities in

<sup>1</sup> Nottingham City Council Annual Monitoring Report (March 2019): Appendix 4

<sup>2</sup> Nottingham City Council Annual Monitoring Report (March 2019): Appendix 5

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Nottingham to discuss the likely future trends in student numbers and the associated influence of this change on local dynamics and the balance of existing communities.

- 2.39 [Iceni are awaiting data from the University of Nottingham and Nottingham Trent University to inform the potential for numbers to increase. Iceni will be in a position to set out an analysis of likely future trends and the potential for changes in student numbers. This will ultimately influence the final conclusions as we compare student growth to planned provision].

#### **Summary: Student Housing Needs**

The NPPF is clear that the needs of students should be assessed and reflected in planning policies. Across the study area at the point of the 2011 Census, there were around 62,000 full time students aged 18 and over with around three quarters of these students living in Nottingham City.

The area has two higher education establishments which are relevant to this assessment including the University of Nottingham and Nottingham Trent University, as well as a number of further education colleges. As of 1st September 2017, the University of Nottingham had 33,100 full and part-time UG and PG students. Nottingham Trent University had an equivalent 30,890 students, which is the highest total number of students at the University in the last decade.

Both establishments experienced a fall in the number of full time students following the introduction of an increase in student fees by the Government in 2010/11; however, student numbers have increased again in recent years; with FTE student numbers at Nottingham Trent University now at their highest level over the last 10 years.

Across the study area, the profile of student accommodation varies markedly, which is likely to partly reflect the nature of students living in each of the authority areas. Our analysis shows that 31% of students aged 18 and over lived in an all student household in Broxtowe Borough; 44% in Nottingham City and 33% in Rushcliffe. It is notable that students residing in this form of student accommodation typically live in HMOs; and in some instances, the number of HMOs can become concentrated in particular areas.

In line with this, it is particularly notable that around 90% of students living in this type of accommodation in Broxtowe Borough were concentrated in the Beeston ward. The concentration of HMOs in this area is principally driven by strong influences of the University of Nottingham and Nottingham Trent University; and by the fact that this area is located at the western end of the University of Nottingham's Park Campus.

Our analysis shows that there are clusters of HMOs in certain areas of the Beeston Central ward including along Lower Road and Broadgate, which are all adjacent streets to University Boulevard and in close proximity to the University of Nottingham. There are also clusters in close proximity to

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Beeston Railway Station, with a number along Queens Road West (Beeston Central) and Lilac Grove (Beeston Rylands). It is also clear from our analysis that the number of new licensed HMOs has grown year-on-year since 2007 in the Beeston area to reach a total of 142 licensed HMOs at as 2019.

At a ward level, the evidence suggests that as a proportion of all households, the total number of licensed HMOs across the four Beeston wards where HMOs are concentrated – Beeston Central, Beeston West, Beeston Rylands and Beeston North – is relatively low. Taking the number of households in Beeston Central – the ward with the most HMOs in Broxtowe - at 2,180 at the point of the 2011 Census; we note that this would only represent 4.5% of all households.

Although the issue at a District of ward level is not particularly significant; as shown in Figure 3.5, there are notable clusters and concentrations forming on particular streets; principally on:

Lower Road, Beeston Central;

Broadgate, Beeston Central;

Salisbury Street, Beeston Central;

Queens Road, Beeston Central; and

Lilac Grove, Beeston Rylands.

In order to ensure that this area remains mixed but balanced; it is considered that there is sufficient evidence to justify the Council introducing an Article 4 Direction covering these streets. 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).

However, 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. The Council should take this into account in drawing the boundary to be covered by the Article 4 Direction within the Beeston area.

Looking at purpose-built student accommodation, the scale of development in Nottingham City has been significant. There is also a substantial level of pipeline supply. Coupled with a notable proportion of supply coming forward in Broxtowe, Icení consider that this has the potential to have a notable impact on the quantum and concentration of HMOs in and around the Beeston area; and help to ensure that Beeston retains a balanced and mixed community.



**APPENDIX 4****Summary of evidence from Icení projects Limited**

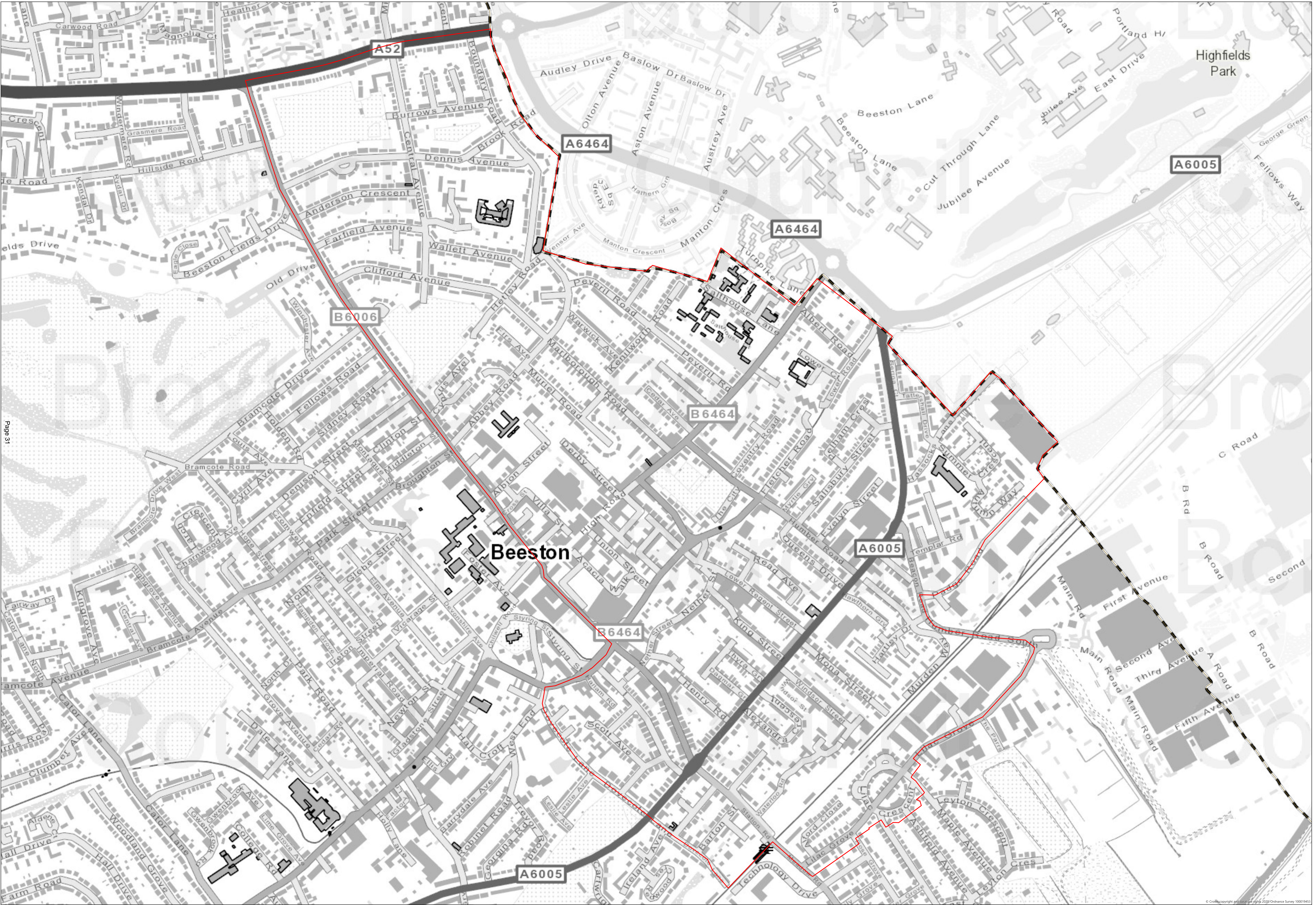
- Through discussions with local letting agents, it is noted that Beeston is known for higher quality housing compared with other areas in close proximity to Nottingham University to the east of the campus.
- Letting agents consider that the area continues to maintain a balance of housing with a greater focus towards families, as well as young professionals and students.
- A number of local businesses benefit from the number of young professionals and students in the area.
- Notwithstanding the points above there are clusters of student housing that exist on specific roads within Beeston (Lower Road, Broadgate, Salisbury Street, Queens Road East and Lilac Grove) and there has been a rapid increase in the number of licensed HMOs in Broxtowe rising to 142 in 2019. This compares to 2,147 in Nottingham City.
- The consultants consider that there is sufficient evidence to introduce an Article 4 Direction covering these five streets listed above.
- The Council may wish to consider expanding the boundary of an Article 4 Direction to prevent student concentrations spilling into adjoining streets.
- A current gap in the evidence is the long term plans for University expansions regarding student numbers and accommodation plans for them. It is anticipated that this will be available prior to the committee meeting.

**Recommended course of action**

- An Article 4 Direction is made to remove permitted development for Part 3 Class L regarding HMOs within Beeston which would apply to the area bounded by the Borough Boundary to the east, The A52 to the north (south side), Wollaton Road/Station Road to the west (both sides with inset to include Dovecote Lane) and Lilac Grove to the south (both sides). This is shown on the map in appendix 5. This would have the effect of setting the maximum number of unrelated people that can live in a single household without planning permission at 3 instead of 6 at the current time. The harm that this is seeking to address would be to halt an erosion of the balanced mix of housing tenure in areas of Beeston and maintain balanced and mixed communities.
- The recommended area for the Article 4 is considered to be an appropriate area that takes into account that in order for a family home to be viable for conversion to a HMO, property prices would need to be affordable for landlords to convert, and to be attractive for students these properties would need to be in reasonable proximity to the University of Nottingham.
- This approach is also considered to be consistent with the Planning Practice Guidance (PPG) says that Article 4s should be “limited to situations where this is necessary to protect local amenity or the wellbeing of the area” and that “the potential harm that the direction is intended to address should be clearly identified”. The PPG also says that “there should be particularly strong justification” for a direction relating to “a wide area”.

- The Article 4 would come into effect 1 year from this decision (i.e. 27 February 2021).
- This will allow time for an Supplementary Planning Document (SPD) to be prepared which will include details of overall percentages of non C3 dwelling houses and limitation on 'clustering' of the HMOs to maintain the housing mix within these areas.
- An SPD is necessary as an Article 4 alone will only address the need for planning permission. Without additional evidence via an SPD regarding how such applications will be determined, there is a likelihood that for refused applications, there will be overturns at appeal.







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**Report of the Chief Executive**

**MIDLANDS ENGINE DEVELOPMENT CORPORATION**

1. Purpose of report

To update Members on the Midlands Engine Development Corporation programme and seek endorsement to next steps including a statement of intent.

2. Background

In October 2018 Government announced £2m of funding to explore the business case for a locally led development delivery vehicle for the East Midlands. The catalyst for establishing a focussed delivery vehicle was HS2 and proposals for a new hub station at Toton. The East Midlands HS2 Growth Strategy published in September 2017 established the regions ambitions to maximise the opportunity presented by a scale of investment not seen for several generations.

Development corporations have been used successfully since the post-war period to deliver complex and co-ordinated delivery of development and infrastructure at scale. These have included new town development corporations (NTDCs) and urban development corporations (UDCs) for the renewal of former industrial areas such as Canary Wharf in London. More recently other forms of development corporations are now emerging, that are locally led, and which can pump prime investment and economic growth in those areas.

The Midlands Engine development corporation programme was asked to consider three geographical areas in the East Midlands including Ratcliffe on Soar Power Station and Toton and Chetwynd Barracks in Nottinghamshire, and East Midlands Airport in Leicestershire.

3. Further information

Further information can be found in appendix 1.

**Recommendation**

**The Committee is asked:**

- 1. Endorse the statement of intent (appendix 2)**
- 2. Support the Council's continued role in the establishment of the development corporation and the required interim arrangements.**

Background papers

Nil

Further information**The Proposition**

For the purposes of Government assessment, the development corporation team (comprising paid officers and staff from expert consultancies) are considering a range of different scenarios. The initial analysis indicates that the emerging proposition could deliver:

- 4,500 homes;
- total employment of over 40,000 jobs across the three areas, with a net additional 84,000 jobs across the region;
- 1 million tonnes of freight handled at East Midlands Airport per annum;
- A wildway connecting the three areas through the existing blue and green infrastructure;
- £4.8bn GVA growth per annum for the region.

The potential of each site has been considered by the consultant team commissioned by Nottinghamshire County Council on behalf of Midlands Engine and this has generated the numbers stated in paragraph 1.4 above. The propositions are summarised as follows:

**Ratcliffe on Soar Power station, privately owned by Uniper UK Ltd**

Proposals for employment-led development through a joint university and industry research and demonstrator facility are being drawn up. This would build on the energy-generating heritage of the site and wider region. A range of complementary uses are also being explored, including a new skills centre, energy generation, data storage, and advanced manufacturing. Consideration is also being given to the potential for 'freeport2' status with East Midlands Airport. In total, the emerging proposition highlights the potential to deliver up to 20,000 jobs.

**Toton and Chetwynd Barracks**

Proposals centre on Toton and Chetwynd Barracks that include a mix of housing and employment, including the potential to deliver around 4,500 homes (a figure consistent with figures stated within Broxtowe's Adopted Local Plan Part 2) and up to 6,500 knowledge driven jobs. It will provide a highly connected community. The area will have unrivalled national, regional and local public transport links. The vision of a station in a park with a mixed-use innovation campus connected to the three development locations via a network of blue and green infrastructure, including the River Erewash and the Erewash canal.

**East Midlands Airport**

East Midlands Airport is a major economic driver for the East Midlands economy. Some 9,500 people are employed at over 100 businesses across

the airport site. To the immediate north of the airport lies the 700 acre East Midlands Gateway served by a major new rail freight terminal. The gateway will create 7,000 additional jobs on completion. The development proposition will include sustainable growth and acceleration of the freight handling capacity beyond existing growth plans. There is also consideration being given to the potential for 'freeport' status in the area.

Each key site is significantly in excess of 200 hectares and therefore offers a scalable proposition. Together they have the potential to drive a level of co-ordinated investment in the enabling infrastructure not seen for several generations. It is intended that the whole region stands to benefit from this infrastructure; together with the skills, knowledge and capacity offered by a development corporation. These qualities are likely to be transferable to the region and the programme will continue to actively engage with, and consider, how proposals will complement and align with the plans and aspirations of partners across the region including the Local Industrial Strategies of the regions LEP's.

The infrastructure under consideration will include social, environmental and physical infrastructure including transport, digital and utilities. Specific measures will include improved roads and a concerted focus on a comprehensive approach to public transport provision reflecting the findings and recommendations of the East Midlands Gateway Connectivity Study. Delivery will involve close working with Midlands Connect. Ultimately, the proposition will demonstrate the investment case for much needed supporting infrastructure and how it will optimise and accelerate the potential of the area.

In considering inclusive growth, the initiative will consider skills and training. It will provide an opportunity to consider integrated approaches working with industry, education and research institutions. This will reflect the on-going restructuring of the economy with continued technological advancement. A hub and spoke approach should help to link areas of higher deprivation to the opportunities here.

Finally, the proposal makes provision to enhance the natural environment by creating a wildway, linking the areas distinctive green infrastructure that connects the three development locations alongside the River Trent; River Erewash; River Soar and the canal network; and Attenborough Nature Reserve which all underscore the areas credentials as an attractive place to live and do business.

### **Programme Governance**

The development corporation work is subject of an Oversight Board supported by an Executive Group. The Oversight Board is made up of leaders from the region's upper tier local authorities and directly affected districts (including Broxtowe) alongside private sector; business community; central government; LEP's; and university representatives. The Executive Group is a smaller group of executive officers. Both are chaired by Sir John Peace, as chairman of the Midlands Engine.

The business case will set out to Government the preferred option and demonstrate how it meets the criteria for public-sector intervention. It establishes a case for change, a value for money assessment, commercial viability, financial affordability, and a route to delivery. The detail of some of the key elements is still being developed. A statement of intent (appendix 2) sets out the shared aspirations of the local authorities for the development corporation proposition.

The development corporation programme team is actively engaging local stakeholders to inform the thinking. This includes through the Oversight Board and Executive Group; weekly conference calls with local authority chief executives; active participation in the programme team; regular briefings with LEP's and local authorities; and with other stakeholders.

Work is continuing on an outline business case for the development corporation with a formal submission to Government anticipated for Spring 2020. The initial work has developed a strategic case. It has also critically highlighted the lack of any off-the-shelf model in statute to deliver the regions aspirations for a locally led approach of the kind envisaged. Coincidentally and concurrently in late 2019, the Government undertook a consultation on the effectiveness of the legislation governing development corporations.

The Government consultation is understood to, at least in part, seek views and ideas on whether the current and complex legal framework might inhibit the establishment of certain types of development corporation otherwise attractive to local areas and possible solutions. The Midlands Engine submitted a response to this consultation with the benefits of the learning from the work being undertaken to date in the East Midlands to the effect that there is a need for a new hybrid model. The outcome of the consultation is awaited.

The need for legislative changes to establish this hybrid model of development corporation, means that a statutory development corporation may take some time to come into effect. In the meantime, a non-statutory interim vehicle may be established with the agreement of partners. The arrangements and the team to set up and operate this vehicle will emerge during the coming months, but it will continue to involve all the directly affected local authorities as part of the oversight function. It may require for further funding and resources being sought from partners both in terms of expertise as well as possibly some financial support.

## **MIPIM 2020**

As part of the programme, the Midlands Engine team will be looking to test the emerging proposition for the development corporation with the international investment community. MIPIM (in French, Le Marché International des Professionnels de L'immobilier) is the world's leading property exposition, bringing together the most influential players from across international property and associated investment sectors. Many of the UK's key development projects are showcased here and the regions of the UK are represented as part of profiling and securing investment for their areas. It takes place from 10-13 March.

**Other Options Considered**

As part of the business case process two different scenarios (the reference case and the proposition, the DC) are being tested to help demonstrate the value that a development corporation could bring; this is standard practice for the assessment of business cases by Government.

**Financial Implications**

Any financial implications of the interim structure (which are not yet known) and the establishment of the development corporation will be separately reported to Councillors in due course

**Financial Implications for service users**

The development corporation programme will lead to inclusive and sustainable growth – high quality jobs, housing and transport, accessible and tailored to meet the needs and aspirations of current and future generations.

**Implications for sustainability and the environment**

Beyond the economic benefits, the developments will enhance and improve the environment, reduce emissions and achieve net gains in natural capital.

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### Statement of intent

1. The developments will generate next generation **inclusive and sustainable growth** – high quality jobs, housing and transport, accessible and tailored to meet the needs and aspirations of current and future generations.
2. The focus for the developments is on **next generation innovation, enterprise**, the future of industry, not lower value or productive forms of employment.
3. Local people as well as those who come here to live and learn will be equipped with the **skills to benefit from the job opportunities** resulting from the creation of the development corporation.
4. Beyond the economic benefits, the developments will enhance and improve the environment, reduce emissions and **achieve net gains in natural capital**.
5. Partners in the region recognise and support the development corporation as **a regional endeavour with a common purpose** and a commitment to maximise this opportunity for the East Midlands; **the whole being greater than the sum of the parts**.
6. The developments will enhance the region and add value to the region's economy, adding to existing strengths in the cities and counties across the East Midlands.
7. The development corporation will be funded by a range of sources and use a range of financial instruments. It is **not intended that existing business rates are redirected** from local authorities to the development corporation. (Further analysis of business rate uplift and associated models will be explored)
8. There will be appropriate mechanisms for **local democratically elected representation to oversee** the work of the development corporation board and its **independent chair**. The board will be selected through a skills based recruitment process.
9. Lessons learned from the work on the initial 3 sites will be used to help drive further opportunities in other parts of the region, **including additional sites and development corporations** for the (East) Midlands.

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### Report of the Strategic Director

#### WORK PROGRAMME

##### 1. Purpose of report

To consider items for inclusion in the Work Programme for future meetings.

##### 2. Background

Items which have already been suggested for inclusion in the Work Programme of future meetings are given below. Members are asked to consider any additional items that they may wish to see in the Programme.

##### 3. Work Programme

18 June 2020	<ul style="list-style-type: none"> <li>• Key sites update</li> <li>• Town Squares Policy and income review</li> <li>• HS2 update</li> <li>• Stapleford Town Deal</li> </ul>
3 September 2020	<ul style="list-style-type: none"> <li>• Key sites update</li> <li>• Economic Regeneration Strategy (Final Draft)</li> <li>• Stapleford Town Deal update –Town Investment Plan</li> </ul>
19 November 2020	<ul style="list-style-type: none"> <li>• Key sites update</li> <li>• Business grants scheme review</li> <li>• Stapleford Town Deal</li> </ul>
28 January 2021	<ul style="list-style-type: none"> <li>• Business Plans and Financial Estimates 2021/22 – 2023/24 – Business Growth</li> <li>• Key sites update</li> <li>• HS2 update</li> <li>• Stapleford Town Deal</li> <li>• Eastwood Regeneration Plan</li> </ul>

#### Recommendation

The Committee is asked to **CONSIDER** the Work Programme and **RESOLVE** accordingly

#### Background papers

Nil

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