

Bath & North East Somerset

Local Plan (Core Strategy /Placemaking Plan) 2011-2029

Partial Update

Submission

Dec 2021

**Topic Paper: Price Comparison Research for
Student Accommodation in Bath**

1. Introduction

- 1.1. This report provides a comparative analysis between the rental cost of Purpose-Built Student Accommodation (PBSA) and Houses in Multiple Occupation (HMO) in Bath.
- 1.2. Bath and North East Somerset Council (B&NES) recently carried out Regulation 19 consultation on their Local Plan Partial Update. Draft policy H2A (Para 370c) sets out that, as a priority, PBSA should be developed on-campus, and that it will only be approved on other sites where a need can be demonstrated through provision of a nomination agreement between the applicant and an educational establishment.
- 1.3. Various parties responded to the consultation commenting that the scope of the policy should be more flexible, continuing to allow development of PBSA off-campus in sustainable locations, without the need for a nomination agreement. The reasoning for this included, amongst other rationale, that there should be scope to provide enough students with suitable PBSA that demand for HMOs across the district falls, allowing potential conversion of some HMOs back into general housing use. However, there is a concern that the rental cost of PBSA, particularly off-campus, is significantly higher than that of HMOs in Bath, therefore not providing students with a realistic comparable option for renting purpose built student accommodation in the city.
- 1.4. This report sets out price comparison research of the current rental cost per person of HMOs and PBSA in Bath (academic year 2021-2022), in order to assess whether provision of PBSA in the city is a comparable option for students who choose to live in HMOs.

2. PBSA: Rental Cost Analysis

- 2.1. The PBSA price research for the current academic year 2021-2022 compared a range of accommodation features, including:
 - **Agents/providers/institutions:** Private sector agents/providers, University of Bath, and Bath Spa University.
 - **Location:** University-led off-campus (inc. nomination agreements), university-led on-campus and private-led off-campus.
 - **Accommodation types:**
 - Bedroom non-ensuite (private bedroom, shared bathroom, shared kitchen, and other facilities)
 - Bedroom ensuite (private bedroom, private bathroom, shared kitchen, and other facilities)
 - Studio (private bedroom, private bathroom, and private kitchen)
 - **Cost per person:**
 - Per week
 - Per 38 weeks (most common for university accommodation lease)
 - Per 51 weeks

Table 1- PBSA total cost research (average)

PBSA	Room Type	Quantity (Accommodation type)	Average Cost pp-per week (estimate)	Average Cost pp-per 38 weeks (estimate)	Average Cost pp-per 51 weeks (estimate)
University - on campus	studio	1	£201	£7,638	£10,251
	ensuite	11	£171	£6,488	£8,707
	bedroom non-ensuite	7	£133	£5,038	£6,761
	shared bedroom	1	£74	£2,812	£3,774
	average	20	£145	£5,494	£7,373
University – off campus	studio	4	£224	£8,503	£11,411
	ensuite	2	£173	£6,574	£8,823
	bedroom non-ensuite	3	£142	£5,383	£7,225
	shared bedroom	0			
	average	9	£179	£6,820	£9,153
Uni-led (total)	average		£159	£6,062	£8,136
Private with nominations - off campus	studio	8	£242	£9,200	£12,348
	ensuite	10	£195	£7,399	£9,930
	bedroom non-ensuite	1	£168	£6,384	£8,568
	shared bedroom	0			
	average	19	£201	£7,661	£10,282
Private - off campus	studio	18	£298	£11,332	£15,209
	ensuite	1	£176	£6,702	£8,995
	bedroom non-ensuite	0			
	shared bedroom	0			
	average	19	£237	£9,017	£12,102
Private-led (total)	studio	26	£281	£10,677	£14,329
	ensuite	11	£193	£7,297	£9,845
	bedroom non-ensuite	1	£168	£8,568	£8,568
	shared bedroom	0			
	average		£214	£8,847	£10,914

2.2. This research analysed a total of 67 PBSA accommodation types:

- 20 university-led on-campus.
- 9 university-led off-campus.
- 19 private-led with nomination agreements off-campus
- 19 private-led off-campus.

2.3. This research analysed PBSA accommodations from University of Bath, Bath Spa University and seven private providers/agencies: Fresh Studio Living, J Aland Lettings, Student Castle, Student Roost, CRM Students, IQ student accommodation, and Unite Students.

2.4. Acknowledging the different types of accommodation offered, the cheapest PBSA cost per person per week is university-led on-campus (average of £145) followed by university-led off-campus (average of £179), and Private with nomination agreements off-campus

(average of £201.61). Private-led off-campus accommodation is the most expensive (average £237).

- 2.5. For the average cost per person per week of cluster flats (bedroom non-ensuite), the most expensive PBSA is private-led (average £168), followed by university-led off campus (average £142). The cheapest is university-led on campus (average £133).
- 2.6. Studio units are the main type of accommodation of private-led off-campus PBSA. These are also the most expensive accommodation type (average £298).
- 2.7. Most of the university-led PBSA developments offer a lease of 38 weeks, and most of the private-led PBSA developments offer a lease of 51 weeks.

3. HMO: Rental Cost Analysis

3.1. The HMO price research for the current academic year 2021-2022 compared a range of HMO accommodation features on agent websites, including:

- **Property specification:** for students only and/or professional house share
- **Property type:** Cluster flat
- **Cost per person:**
 - Per week
 - Per 38 weeks
 - Per 51 weeks

Table 2- HMO total cost research (average)

HMO	Type	Quantity	Average Cost pp-per week (estimate)	Average Cost pp-per 38 weeks (estimate)	Average Cost pp-per 51 weeks (estimate)
	Cluster Flat/HMO	45	£125	£4,747	£6,404

- 3.2. A total of 45 properties from 12 agencies in Bath were analysed: Trustease Residential Lettings, Zest, Edison Ford Yate, OpenRent London, Martin & Co Bath, PropertyLink Estates Bath, Roman City Property Management Ltd Bath, J Aland Lettings, Upad, Tynings Letting and Property Management, HomeLets, and Andrews Walker Residential Letting.
- 3.3. Most of the HMO properties are cluster flat/houses (private bedroom with shared facilities) with a range of 4 to 6 bedrooms and 1 to 3 bathrooms. The average cost per person per week is £125.

4. Average Rental Cost Comparison (PBSA and HMO)

- 4.1. This report includes two rental cost comparisons. Firstly, between university-led and private-led PBSAs. Secondly, between PBSAs in general versus HMOs.
- 4.2. The average cost of private-led PBSA is 25% more expensive than the university-led PBSA (Table 3). Cluster flat (bedroom non-ensuite) of private-led PBSA is 18% more expensive than university led PBSA. (Table 4) On-campus accommodation is generally cheaper than off-campus accommodation.
- 4.3. Additionally, university-led PBSA contain a 38-week lease where private-led is generally provided with a 51-week lease, which means that the total annual cost per person is considerably different from one another (Table 3)
- 4.4. Overall, PBSAs are more expensive than HMOs, especially those from the private sector (the average cost of a PBSA private-led off-campus is around 41% more expensive than HMO). (Table 3)
- 4.5. Acknowledging the average cost per person per week, of cluster flat/bedroom non-ensuite accommodation; private-led PBSA is the most expensive (average of £168), followed by university-led PBSA (average £137). The cheapest is HMO (average £125). Overall, cluster flat (bedroom non-ensuite) of private-led PBSA is around 26% more expensive than HMOs. (Table 4)
- 4.6. The property type and standards may influence the rental cost. Most privately led PBSA accommodations are studios (private bedroom, bathroom and kitchen) installed in newer/renovated buildings, and in more recently refurbished properties. On the other hand, most of the HMOs are older buildings with shared facilities, with no recent substantial refurbishment.

Table 3: PBSA/HMO: Average Cost Per Person

Student Accommodation	Average Cost pp-per week (estimate)	Average Cost pp-per 38 weeks (estimate)	Average Cost pp-per 51 weeks (estimate)
PBSA - Private-led	£214	£8,847	£10,914
PBSA - University-led	£159	£6,062	£8,136
HMO	£125	£4,747	£6,404

Table 4: PBSA/HMO: Average Cost – Cluster Flats/Bedroom non-ensuite

Cluster flat / bedroom non-ensuite	Average Cost pp-per week (estimate)	Average Cost pp-per 38 weeks (estimate)	Average Cost pp-per 51 weeks (estimate)
PBSA - private-led	£168	£6,384	£8,568
PBSA - university-led	£137	£5,211	£6,993
HMO	£125	£4,747	£6,404

5. Conclusion

- 5.1. During the Local Plan Partial Update Regulation 19 consultation, various parties responded commenting that the scope of policy H2A should be more flexible, continuing to allow development of PBSA off-campus in sustainable locations, without the need for a nomination agreement. The reasoning for this included, amongst other rationale, that there should be scope to provide enough students with suitable PBSA that demand for HMOs across the district falls, allowing potential conversion of some HMOs back into general housing use.
- 5.2. This cost comparison research has identified that the private and/or university located off-campus PBSA rental costs are considerably more expensive than HMOs. It also shows that only the costs of the on-campus PBSA cluster flats are close to the HMO costs, especially given the contracts for the on-campus accommodation tend to be for 38 weeks rather than 51 weeks for the HMO contracts.
- 5.3. The Council therefore consider that provision of PBSA (off campus), particularly private-led accommodation within the city will not provide students with a realistic comparable option for renting accommodation in the city, when compared with HMOs. A more competitively priced, alternative PBSA product would be required prior to making assumptions relating to the potential to transfer HMO occupiers to PBSA developments.

6. References

PBSA – University-led
University of Bath - https://www.bath.ac.uk/corporate-information/undergraduate-accommodation-prices-2021-to-2022/ (accessed Nov/2021)
Bath Spa University - https://www.bathspa.ac.uk/student-life/accommodation/our-accommodation/rents/ (accessed Nov/2021)
PBSA – Private-led
Fresh Studio Living <ul style="list-style-type: none">• https://www.thisisfresh.com/bath/avon-studios (accessed Nov/2021)• https://uniacco.com/uk/bath/avon-studios (accessed Nov/2021)
J Aland Lettings <ul style="list-style-type: none">• http://www.jalandlettings.com/page56.html (accessed Nov/2021)• https://www.unihomes.co.uk/property/1013901993/bath/city-centre/5-bedroom-student-house/quasar-building (accessed Nov/2021)
Student Caslte <ul style="list-style-type: none">• https://www.studentcastle.co.uk/locations/bath-student-accommodation/ (accessed Nov/2021)• https://www.unilodgers.com/uk/bath/student-castle-bath (accessed Nov/2021)
Student Roost <ul style="list-style-type: none">• https://www.studentroost.co.uk/locations/bath/the-depot (accessed Nov/2021)

- <https://www.unilodgers.com/uk/bath/the-depot> (accessed Nov/2021)

CRM Students

- <https://www.crm-students.com/student-accommodation/bath/aquila-court-bath/>
- <https://www.bath.ac.uk/corporate-information/postgraduate-accommodation-prices-2021-to-2022/> (accessed Nov/2021)

IQ Student Accommodation

- <https://www.iqstudentaccommodation.com/bath/twerton-mill/townhouse-room?year=2021-22> (accessed Nov/2021)
- <https://www.unilodgers.com/uk/bath/iq-twerton-mill> (accessed Nov/2021)

Unite Students

- <https://www.bathspa.ac.uk/student-life/accommodation/our-accommodation/unite-halls/> (accessed Nov/2021)

HMO

Trustease Residential Lettings

- https://www.rightmove.co.uk/properties/114340970#/?channel=STU_LET (accessed Nov/2021)
- https://www.rightmove.co.uk/properties/115823507#/?channel=STU_LET (accessed Nov/2021)
- https://www.rightmove.co.uk/properties/115765145#/?channel=STU_LET (accessed Nov/2021)
- https://www.rightmove.co.uk/properties/115764902#/?channel=STU_LET (accessed Nov/2021)
- https://www.rightmove.co.uk/properties/115764491#/?channel=STU_LET (accessed Nov/2021)
- https://www.rightmove.co.uk/properties/115764008#/?channel=STU_LET (accessed Nov/2021)

Zest

- https://www.rightmove.co.uk/properties/115550243#/?channel=STU_LET (accessed Nov/2021)
- https://www.rightmove.co.uk/properties/115550015#/?channel=STU_LET (accessed Nov/2021)
- https://www.rightmove.co.uk/properties/115549559#/?channel=STU_LET (accessed Nov/2021)
- https://www.rightmove.co.uk/properties/115549391#/?channel=STU_LET (accessed Nov/2021)
- https://www.rightmove.co.uk/properties/115549280#/?channel=STU_LET (accessed Nov/2021)
- https://www.rightmove.co.uk/properties/115467947#/?channel=STU_LET (accessed Nov/2021)

Edison Ford, Yale

- https://www.rightmove.co.uk/properties/115818968#/?channel=STU_LET (accessed Nov/2021)
- https://www.rightmove.co.uk/properties/115818917#/?channel=STU_LET (accessed Nov/2021)
- https://www.rightmove.co.uk/properties/115767905#/?channel=STU_LET (accessed Nov/2021)
- https://www.rightmove.co.uk/properties/82270626#/?channel=RES_LET (accessed Nov/2021)

OpenRent, London

- https://www.rightmove.co.uk/properties/115853993#/?channel=STU_LET (accessed Nov/2021)
- https://www.rightmove.co.uk/properties/115327760#/?channel=STU_LET (accessed Nov/2021)
- https://www.rightmove.co.uk/properties/115997849#/?channel=STU_LET (accessed Nov/2021)

Martin & Co, Bath

- https://www.rightmove.co.uk/properties/115448486#/?channel=STU_LET (accessed Nov/2021)
- https://www.rightmove.co.uk/properties/115219445#/?channel=STU_LET (accessed Nov/2021)

PropertyLink Estates, Bath

- https://www.rightmove.co.uk/properties/113963588#/?channel=STU_LET (accessed Nov/2021)
- https://www.rightmove.co.uk/properties/113962766#/?channel=STU_LET (accessed Nov/2021)

- https://www.rightmove.co.uk/properties/115908749#/?channel=STU_LET (accessed Nov/2021)

Roman City Property Management Ltd, Bath

- https://www.rightmove.co.uk/properties/115968032#/?channel=STU_LET (accessed Nov/2021)
- https://www.rightmove.co.uk/properties/115961672#/?channel=STU_LET (accessed Nov/2021)
- https://www.rightmove.co.uk/properties/115961675#/?channel=STU_LET (accessed Nov/2021)
- https://www.rightmove.co.uk/properties/115738766#/?channel=STU_LET (accessed Nov/2021)

J Aland Lettings

- https://www.rightmove.co.uk/properties/13747093#/?channel=STU_LET (accessed Nov/2021)
- https://www.rightmove.co.uk/properties/18790370#/?channel=STU_LET (accessed Nov/2021)
- https://www.rightmove.co.uk/properties/14369136#/?channel=STU_LET (accessed Nov/2021)
- https://www.rightmove.co.uk/properties/4575774#/?channel=STU_LET (accessed Nov/2021)
- https://www.rightmove.co.uk/properties/115835882#/?channel=STU_LET (accessed Nov/2021)

Upad

- https://www.rightmove.co.uk/properties/115310777#/?channel=STU_LET (accessed Nov/2021)
- https://www.rightmove.co.uk/properties/115025042#/?channel=STU_LET (accessed Nov/2021)
- https://www.rightmove.co.uk/properties/114554009#/?channel=STU_LET (accessed Nov/2021)

HomeLets

- https://www.rightmove.co.uk/properties/115842101#/?channel=STU_LET (accessed Nov/2021)
- https://www.rightmove.co.uk/properties/115841996#/?channel=STU_LET (accessed Nov/2021)
- https://www.rightmove.co.uk/properties/115832675#/?channel=STU_LET (accessed Nov/2021)

Andrews Walker Residential Letting

- https://www.zoopla.co.uk/to-rent/details/56959397/?weekly_featured=1&utm_content=featured_listing (accessed Nov/2021)
- <https://www.zoopla.co.uk/to-rent/details/56986296/> (accessed Nov/2021)
- <https://www.zoopla.co.uk/to-rent/details/56986420/> (accessed Nov/2021)
- https://www.zoopla.co.uk/to-rent/details/60186799/?search_identifier=3ac1d10fe0101b78a356f750fb17012e (accessed Nov/2021)