

Economy and Regeneration Scrutiny Committee

Minutes of the meeting held on Tuesday, 23 May 2023

Present:

Councillor Johns (Chair) – in the Chair

Councillors Baker Smith, Benham, Hussain, Iqbal, Northwood, I Robinson and Taylor

Also present:

Councillor Craig, Leader of the Council

Councillor Hacking, Executive Member for Skills, Employment and Leisure

Councillor Igbon, Executive Member for Vibrant Neighbourhoods

Councillor White, Executive Member for Housing and Development

Councillor Abdullatif

Apologies: Councillor Richards

ERSC/23/20 Minutes

Decision

That the minutes of the meeting held on Thursday, 9 March 2023 be approved as a correct record.

ERSC/23/21 Purpose-Built Student Accommodation

The committee received a report of the Strategic Director (Growth and Development) which provided an update on the provision of Purpose-Built Student Accommodation (PBSA) in Manchester and issues that had arisen since the last report in December 2020.

Key points and themes within the report included:

- An introduction and background to student accommodation;
- The key considerations against which a proposal for new PBSA are tested;
- Recent changes, including acknowledgment that there is a shortage of PBSA in Manchester;
- Details of twenty sites which had been identified and assessed by Deloitte LLP, in consultation with officers, to determine whether there is the potential to meet anticipated demand for PBSA in line with Policy H12, including an assessment of the number of beds these sites could accommodate; and
- The deliverability criteria against which these sites had been assessed.

Key points and queries that arose from the committee's discussions included:

- How the Council's approach to PBSA would consider oversaturation in nearby communities;

- Consultation on the proposed schemes;
- The demand for PBSA amongst second- and third-year students;
- How the Council ensured that sufficient infrastructure and amenities, such as GPs and dentists, are in place where PBSA was built;
- The appropriateness of Policy H12, citing a recent Planning Inspector decision to allow a PBSA appeal at Deansgate South;
- Noting increases in the number of students continuing to live at home whilst studying; and
- Expressing concerns with the affordability of PBSA.

The Executive Member for Housing and Development introduced the item and explained that the Council wanted to ensure an appropriate plan for good-quality student accommodation in suitable locations for students and other communities in Manchester. He acknowledged a challenge in capacity and informed the committee that discussions had been held with universities to bring forward developments within the university estate to help meet demand. He also explained that a shortfall in PBSA impacted the wider housing market as students moved to private rental properties which led to increased rents, higher demand and less availability, particularly for family homes.

The committee was also advised that a site at Whitworth Park was incorrectly listed in the report as being in Hulme ward. This would be amended to state that it was in Ardwick. The Chair also highlighted that Cambridge St Circus was incorrectly listed as being in the Piccadilly and Hulme wards and that this should be Deansgate and Hulme.

Councillors Igbon and Abdullatif addressed the committee in their capacities as ward members for Hulme and Ardwick. Councillor Igbon explained that Manchester embraced the contributions of universities and students to the city but stated that the report did not highlight existing PBSA in Hulme. She stated that PBSA should not consume existing communities and requested that the Committee recommend to the Executive the removal of the Gamecock Pub and McDougall Site from the list of sites for potential PBSA.

Councillor Abdullatif echoed Councillor Igbon's sentiments and reiterated the impact of PBSA on communities in Hulme and Ardwick, particularly in densely populated areas. She expressed concerns that there had been no consultation with residents on the number of bedspaces at proposed sites and challenged the need for PBSA to be located near to university buildings given the extensive public transport network in Manchester. She requested that the committee did not endorse the list of schemes to the Executive.

In response to a query by the Chair regarding oversaturation in communities as a result of PBSA, the Executive Member for Housing and Development explained that there was a need to increase the capacity of student accommodation in the city but that it was important to be mindful of existing communities.

The Executive Member for Housing and Development explained that the sites listed were at varying stages within the planning process, with some built and occupied already. He acknowledged concerns over a lack of consultation with residents and members but stated that consultation would be undertaken at an appropriate point in the planning process.

The Strategic Director (Growth and Development) stated that the report was the result of a desktop exercise to test the appropriateness of policy H12 and to demonstrate the abilities within specific areas of the city to meet a pipeline of demand for PBSA. She emphasised that the sites listed would be subject to due process and would be individually assessed on their merits, including supporting infrastructure.

In response to a query around the appropriateness of policy H12, the Strategic Director (Growth and Development) stated that the Council believed there was sufficient capacity to meet future demand for student accommodation, countering the recent findings and recommendations of the Planning Inspector. The Assistant Director of Planning also explained that the list of sites was not definitive or exhaustive but sought to demonstrate that there were a number of sites which could possibly be put forward for planning permission to meet demand in line with policy H12.

The Assistant Director of Planning noted the importance of affordability and explained that this would be examined through the review of the Local Plan. He advised the committee that there were several schemes in development which had an element of affordability secured through Section 106 agreements.

The committee was also advised that there was currently no policy to provide infrastructure and amenities within the proximity of PBSA, but the Assistant Director of Planning explained that this could be provided through major regeneration schemes as demonstrated at Great Jackson Street. He also stated that discussions were underway to build a doctor's surgery at Upper Brook Street, subject to the scheme being approved.

The Strategic Director (Growth and Development) expressed confidence in the short-term demand for PBSA and explained that this would be monitored continuously. She reiterated the Executive Member's comments that additional PBSA would increase capacity in the private-rented sector for other households. She stated that the Council would consider alternatives such as co-living accommodation, although this would not be specifically targeted at students.

The Executive Member for Housing and Development explained that the Council worked with universities and accommodation providers to ensure consultation was undertaken. He stated that around 25,000 students lived at home whilst studying at a Higher Education Institution (HEI) in Manchester and that there had been a shift in demand for PBSA amongst second- and third-year students. He reiterated that this was a desktop study but that there had been conversations between the Council, universities, and student bodies to inform the approach to PBSA.

Decision:

That the committee

1. notes the changes that have taken place regarding the provision of Purpose-Built Student Accommodation since December 2022;
2. endorses to the Executive the approach set out in the report to help guide the decision-making process in advance of the review of the Local Plan and request the Planning and Highways Committee take this approach into account as a material consideration until the Local Plan has been reviewed; and
3. recommends that the Executive amend recommendation 2 to read *“Consider the list of schemes set out in the report as the pipeline that will deliver the required amount of PBSA up to 2030, pending consultation with ward members”*.

ERSC/23/22 Economy Dashboard

The committee considered a report of the Head of Performance, Research and Intelligence which presented the Economy Dashboard. The Economy Dashboard contains a range of data and intelligence on key aspects of Manchester’s economy.

Key points and queries that arose from the committee’s discussions included:

- Suggesting it would be useful for future dashboards to provide a breakdown of annual median income by decile; and
- Noting trends in each section except for support provided through the cost-of-living advice line and the makeup of households accessing support, and requesting context for this.

The Head of Performance, Research and Intelligence accepted the committee’s suggestions. He advised that information within the Economy Dashboard on the cost-of-living advice line was part of a wider suite of monitoring trends and activity and that this could be included in future reports to the committee.

Decision:

That the report be noted.

ERSC/23/23 Overview Report

The committee received a report of the Governance and Scrutiny Support Unit which contained key decisions within the Committee’s remit.

The committee noted that it would be discussing the work programme for the forthcoming municipal year in further detail in a private session following the meeting, and that an updated work programme reflecting this discussion would be circulated as normal in the papers for the next meeting.

Decision:

That the committee note the report and agree the work programme, noting the above comments.