

Reg19-E-034 Unite Group Plc

REF: R00596/IN/EH/MR
BY EMAIL ONLY - bankssolutionsuk@gmail.com

Charlotte Glancy Programme Officer C/O Banks Solutions 64 Lavinia Way East Preston West Sussex BN16 1EF

27 November 2025

Dear Charlotte

EXAMINATION OF THE NEWHAM LOCAL PLAN 2022-2040 HEARING STATEMENT: MATTER 6 – HOUSING DEVELOPMENT MANAGEMENT ROK PLANNING ON BEHALF OF UNITE GROUP PLC

I write on behalf of the applicant, Unite Group Plc (Unite), to submit a Hearing Statement in response to the questions raised by the Inspector (William Fieldhouse) concerning the Examination of the Newham Local Plan.

The follows representations made on behalf of Unite to previous stages of the Local Plan's preparation:

- Newham Local Plan Refresh Issues and Options Consultation December 2021
- Newham Draft Local Plan Regulation 18 Consultation February 2023.
- Newham Draft Local Regulation 19 Consultation September 2024.

Introduction

Unite Students is the UK's leading manager and developer of purpose-built student accommodation (PBSA), providing homes to 68,000 students across 153 properties in 23 leading university towns and cities. In London, Unite provide homes to c.12,567 students across 32 properties with further schemes under consideration at planning.

In Newham, this includes Angel Lane (759 beds) and Stratford One (1001 beds), as well as further schemes under construction including Hawthorne House (previously known as Jubilee House, 716 beds) and Meridian Square (952 beds).

Following on from the representations submitted to the Regulation 19 Consultation, dated 16th



Reg19-E-034 Unite Group Plc

September 2024 and hereafter referred to as 'Reg 19 reps', this Statement focuses on Matter 6, specifically Policies H5 (Build to rent), H8 (Purpose built student accommodation) and H11 (Housing design and quality). The Inspector's matters, issues and questions document (IN3) sets out his questions in relation to these policies.

Policy H5 (Build to rent)

The Inspector's question Q6.4 addresses Policy H5. Part b) of this question relates to our Reg 19 reps:

Q6.4 Is policy H5 justified, consistent with the London Plan and will it be effective in helping to meet the identified needs for rented housing? In particular:

b) The requirements in parts 2, 3 and 4 relating to the provision of affordable housing in Build to Rent schemes

Our Reg 19 reps concluded that Policy H5 (which requires 50% social rent and 10% London Living Rent) was onerous and neither justified nor consistent with the London Plan's 35% requirement.

Within their 'Regulation 19 Consultation Report: Homes Comments' document (SD025) Newham note our comments have not influenced the proposed policy as it is positively prepared, aligning their affordable housing delivery with need.

Unite's concerns surrounding inconsistency with the London Plan and the soundness of the 60% requirement were not addressed.

Newham's response (in SD025) to other representations which raise similar issues states:

"While the viability assessment that supports the plan shows viability challenges in meeting this target, the testing was undertaken in a particularly challenging viability context, with construction costs and interest rates being abnormally high. We consider that as economic circumstances improve, the policy will become easier to deliver over the plan period."

Despite admitting there are viability issues with the draft wording, Newham maintain the proposed requirements on an assumption that economic circumstances will improve. Unite's experience shows no indication of this being the case – see evidence under Q6.7 part c) below.

Whilst the policy allows the submission of a viability assessment, a requirement that significantly exceeds the London Plan requirement, would likely lead to such assessments for most applications.

A reduction in this requirement is further supported by the government and GLA's 'Homes for London', published 23rd October 2025. The proposed policy document recognises that viability is a barrier to delivery and whilst s106 agreements and affordable housing can be negotiated, CIL cannot. To tackle



Reg19-E-034 Unite Group Plc

the lack of affordable housing delivery, the document proposes a 50% CIL relief for schemes delivering at least 20% affordable housing. The support for affordable housing provision below current London Plan requirements, demonstrates that a 60% requirement would be against the GLA's direction of travel.

Unite therefore maintain that the policy should align with the GLA's requirements. See **Appendix 1** for the suggested modifications as tracked changes.

Policy H8 (Purpose built student accommodation)

The Inspector's question Q6.7 relates to Policy H8. Parts a) to e) of the question are addressed in turn below.

Q6.7 Is policy H8 justified, consistent with the London Plan and will it be effective in helping to meet the identified need for purpose built student accommodation in appropriate locations? In particular:

- a) The requirements in part 1 relating to proposals in the Stratford and Maryland neighbourhood; and
- b) the requirements in part 2 relating to proposals elsewhere in the borough.

Despite Unite's objections at Reg 19 stage, Newham's response (in SD025) argues that the wording ensures PBSA contributes to a mix and balance of housing types to meet the borough's needs. However, in response to concerns regarding the term 'over-saturation' Newham propose replacing this with 'over-concentration'.

Unite argue that this still suggests, without any evidence, that there is a level at which PBSA becomes harmful. As such, 'over-saturation' references, locational limits and no net increase in beds requirements should still be removed in their entirety on the basis that these requirements are neither justified nor consistent with the London Plan. Further to Unite's reasoning detailed extensively in the Reg 19 reps:

- 1. Appeal cases across the country have found varying concentrations of students acceptable. Whilst Newham note (in SD025) that the appeal decisions highlighted relate to population which is separate to their rationale of better management of the finite land available, Unite argue the principle of these decisions still stands it is difficult to define and evidence what triggers "overconcentration". This is demonstrated by the lack of robust justification for the proposed "overconcentration" calculation. The two elements of the calculation were each taken from two different appeal decisions from different boroughs and these thresholds have not been tested elsewhere or in conjunction with each other.
- 2. The lack of tangible evidence (for example statutory noise complaints) that concentrations of PBSA can cause harm to the balance, character or mix of uses in an area, pressure on local infrastructure, or residential amenity issues. These assumptions are discriminatory, oversimplify



Reg19-E-034 Unite Group Plc

diverse student experiences, generalise a single category of people and ignore the positive contributions of students. This was agreed by Lambeth's EIP Inspector at paragraphs 102 and 103 of their report:

"little robust evidence was submitted in evidence to demonstrate that student housing, of itself, directly caused harmful impacts on neighbouring residential amenity, whilst it is also widely known that students commonly invest in the area by becoming local residents following their time as students, and finding jobs within the local community."

- 3. As acknowledged within London Plan Policy H15 and NPPG Paragraph: 025 Reference ID: 68-034-20190722, PBSA counts towards housing targets. Since the Reg 19 reps, PBSA now makes an even greater contribution as the housing delivery ratio has changed from 2.5:1 to 2.4:1. Accordingly, a 300 bed PBSA scheme would have previously equated to 120 residential units but would now contribute 125 units. The PBSA topic paper (TP003) does not account for the updated ratio.
- 4. In turn, PBSA therefore relieves pressure on the overall housing market (NPPG Paragraph: 004 Reference ID: 67-004-20190722).
- 5. Directing PBSA to areas of high PTAL or in proximity of campuses whilst simultaneously introducing overconcentration thresholds is contradictory. The most appropriate areas for PBSA are those most likely to exceed or have already exceeded such thresholds, effectively preventing new PBSA development within areas encouraged by policy.
- 6. TP003 acknowledges that even if current permissions are built out the student-to-room ratio will be 2.5:1. Locational limits will exacerbate this supply-demand imbalance.
- 7. Requiring replacement facilities with no net increase in beds is unviable and does not allow for when additional bed provision on existing PBSA sites proposes the most efficient use of land.

c) The requirement in part 3 for at least 60% affordable housing.

Unite's Reg 19 reps recommended reducing the affordable housing requirement to align with the London Plan (35%, increasing to 50% in the defined circumstances). Newham responded with the same wording regarding viability challenges and the policy becoming easier to deliver as economic circumstances improve as their response relating to the requirements in Policy H5.

Firstly, as aforementioned, Unite's experience in the market shows that construction and other costs are worsening as opposed to improving.

This is exacerbated by Gateway 2 delays. The way in which the Gateway 2 process requires designs to be Stage 4 and fully coordinated with specialist subcontractors currently leads to large spendings upfront and therefore greater risk for the developer and less for the contractor. In turn this amounts to c.£2-3m of abortive work.

Whilst this should typically be a statutory 12-week turnaround period, Unite have experienced:



Reg19-E-034 Unite Group Plc

- Freestone, Bristol: 56 weeks from submission to approval (delay of 2 academic years)
- Meridian, Stratford: 56 weeks and still awaiting determination (delay of 2 academic years)
- Kings Place, London: 40+ weeks and awaiting determination (delay of 1 academic year)

For each year a scheme is delayed, the costs of delivering PBSA projects are subject to a c.3%-5% annual increase (resulting from multiple factors including increased build costs, holding costs, and interest), reducing development yields significantly.

The viability of PBSA schemes is further challenged by:

- 1. The Building Safety levy due for implementation next year. Despite being a proposed payee, PBSA does not have access to the fund. As a developer/operator Unite also self-fund their remedial work, also subject to VAT.
- 2. Affordable student accommodation also does not benefit from CIL relief in the same way as conventional residential affordable housing.
- 3. The GLA requirement to secure the majority of beds through a nominations agreement means that in addition to 35% at GLA defined Affordable Rent, there are a further 16% at effectively another form of Discount Market Rent. As such, only 49% of PBSA is priced at the market level, compared to 65% in residential.
- 4. Operational Costs are significantly higher for PBSA compared to conventional residential housing, due to the managed nature. This can be offset through the rental offering on open market rents, but as stated 51% of the rents are at either Affordable or Discount Market Rent.
- 5. Increases in affordable rent set by GLA. This is linked to Maintenance Loans which have failed to keep up with inflation over the last 3-4 years.

Secondly, in Newham's Strategic Market Housing Assessment (EB056) there is no evidence as to why the 60% requirement is applied to PBSA. In fact, in the affordable need assessment it acknowledges "Student households are also excluded, given that their needs are assumed to be transient and do not count towards the need for affordable housing in Newham.".

Unite therefore reiterate their concerns regarding the lack of evidence of how this is justified or consistent with the London Plan.

d) The requirements in part 4 relating to nomination agreements.

In summary Part 4 of Policy H8 proposes:

- a. The majority of beds (including the affordable) to be secured via a nominations agreement.
- b. In areas of over-concentration all the beds to be secured via a nominations agreement.
- c. Where PBSA is within or adjacent to an existing or approved campus development a nominations



Reg19-E-034 Unite Group Plc

agreement to be secured with the relevant HEI.

Despite Unite's Reg 19 objections to points b. and c. on the basis that they deviate from London Plan requirements, Newham did not consider a change necessary as they assist in meeting the needs of HEIs in areas of over-concentration.

Since the Reg 19 reps, the New London Plan consultation acknowledged that using nominations agreements for market provision can hinder delivery due to the commercial risks involved. It therefore queried whether such agreements may be more effective if limited to affordable accommodation.

Unite now strongly support the relaxation of nominations agreements altogether based on the viability evidence above. Limiting nominations agreements to affordable units goes some way to address this. From experience, this also better aligns with the preferences of HEIs who are becoming increasingly hesitant to enter into agreements due to funding gaps.

Several schemes have been approved under current London Plan Policy which have dispensed with the nominations agreement requirement on the basis that the scheme would yield a higher development value, thereby enhancing delivery prospects:

- Application ref. 23/AP/1862 at 747-759 And 765-775 Old Kent Road And Land At Devonshire Grove in LB Southwark;
- Application ref. 23/AP/0582 at 19-35 Sylvan Grove in LB Southwark;
- Application ref. 22/AP/1068 at 5-9 Rockingham Street in LB Southwark;
- Application ref. 22/AP/0850 at 31 Amelia Street in LB Southwark;
- Application ref. 23/AP/0479 at Harper Road in LB Southwark; and
- s73 ref. 23/3188 at Fairgate House in LB Brent.

Consequently, whilst the more stringent requirements in points b. and c. further challenge viability and should be removed, part a. is also now inconsistent with the GLA's outlook and should be relaxed.

e) The requirement in part 5 for the provision of ancillary communal space and sporting facilities.

Unite's Reg 19 reps argued that the provision of sports facilities should be considered on a site-by-site basis rather than a requirement. Newham justified their approach on the basis it relives pressure on existing community facilities, whilst ensuring students have access to quality exercise and study spaces.

Whilst Unite agree that these are important considerations, they maintain their concerns that this is inconsistent with the London Plan and neither viable nor feasible for all sites.



Reg19-E-034 Unite Group Plc

TP003 argues that it is consistent with the GLA's PBSA LPG (2024) which requires both internal and external amenity space in addition to living rooms. Unite ensure to provide high quality amenity space for all their students however such spaces may comprise study rooms, games rooms, cinema rooms etc. which are different to 'sporting facilities' and currently not accounted for in the policy wording.

As such, Unite recommend 'sporting facilities' is swapped out for 'amenity space'.

See **Appendix 1** for the suggested modifications as tracked changes.

Policy H11 (Housing design and quality)

The Inspector's question Q5.9 addresses Policy H11. Parts c) and d) are of relevance to this statement:

Q5.9 Is policy H11 justified, consistent with the London Plan and will it be effective in helping to achieve high quality, sustainable homes? In particular:

...

- c) The design requirements and standards for specialist and other non-general needs housing in part 3.
- d) The requirements in part 5 for shared amenity spaces, including play provision, in major residential developments.

As noted within document SD025 Newham propose main modifications amending the accessible requirements (previously 10%-15%) to align with the wording of the GLA's PBSA LPG.

The LPG, initially consulted on between October 2023 and January 2024, proposed a requirement of either 10% or 15% of bedrooms to be wheelchair accessible in accordance with different elements of BS8300-2:2018 guidance.

Unite objected to these requirements as the draft guidance sought to retrospectively apply London Plan Policy E10, which was prepared with the intention of applying to 'serviced accommodation' and not PBSA. At the time, this was confirmed by the London Plan EIP Inspector who also established that Policy D7's (Accessible housing) 10% accessible requirement applies only to new dwellings under Building Regulations Part M Volume 1 and not PBSA (covered by Part M Volume 2). Therefore, paragraph 7.3.3 of TP003 claiming that the draft policy aligns with Policy D7, the principles of which extend to PBSA, is entirely incorrect. Prior to the draft LPG's release, no Local Planning Authority nor Inspector considered the requirements of Policies D7 or E10 applicable to PBSA.

Unite also cited successful outcomes from various EIPs (including Southwark, Brent, Islington and the London Plan) where their representations led to reduced requirements. These arguments were reiterated



Reg19-E-034 Unite Group Plc

in the Reg 19 reps.

Prompted by representations received, when the LPG was adopted in November 2024, the accessible requirement was reduced to 4% wheelchair accessible, 1% with a tracked hoist system and 5% adaptable.

Of the c.12,567 students that Unite home in London, the number of students in need of accessible rooms was 5 in 2023/24 (0.04% take up) and 3 in 2024/25 (0.02% take up). Thus, current uptake shows an exceptionally low need for accessible bedrooms, significantly below LPG guidance. The New London Plan consultation document also acknowledged that for PBSA, it can be difficult to determine the right level of need or demand, which can result in over-provision

In any case, Unite operate a policy of adapting rooms to meet the bespoke needs of individual users and not applying a one size fits all policy. Compared to a hotel where a guest could arrive unannounced and require an accessible room, there is an extensive timeframe between when an offer is accepted and when the student arrives, allowing for this to be done guickly and relatively easily.

Subsequently, Unite argue that the policy requirement should be further reduced to align with the relevant requirement (5%) in Part M Volume 2 paragraph 4.24 part g. and suggest this is split into 1% fitted out and 4% adaptable.

Additionally, whilst Unite support providing high quality internal and external amenity space, they argue that Part 5's external amenity space should apply to major residential developments *excluding* PBSA. The external standards applicable to conventional residential developments cannot be applied PBSA due to the differing nature of the development e.g. PBSA units do not provide balconies.

See **Appendix 1** for the suggested modifications as tracked changes.

Summary

In summary, Unite suggest a number of amendments to policies H5, H8 and H11 to ensure the requirements are justified and consistent in line with the current London Plan as well as the direction of travel of the New London Plan and recent Homes for London policy paper.

Unite reserve the right to further their comments via participation in the Matter 6 (Housing development management policies) Hearing as part of the Examination in Public on 21 January 2026.

I trust this Statement is in order and look forward to confirmation of safe receipt. If you require further clarification or wish to discuss this further, please do not hesitate to contact either Erlina Hale (erlina.hale@rokplanning.co.uk), Immie North (imogen.north@rokplanning.co.uk) or myself at this office.



Reg19-E-034 Unite Group Plc

Yours Sincerely,

Matthew Roe

Director

ROK Planning Ltd

APPENDICES

APPENDIX 1 – Suggested policy modifications in track changes.





APPENDIX 1



Reg19-E-034 Unite Group Plc

Policy H5 (Build to rent) - Suggested policy modifications

The following modifications are suggested to Parts 2, 3 and 4 (additions in bold and deletions in strikethrough):

- 2. Developments of Build to Rent housing as a block or phase within a larger development are expected to deliver affordable housing that meets the requirements of **the London Plan or any subsequent GLA guidance** Local Plan Policy H3.
- 3. In line with the London Plan, dDevelopments of Build to Rent housing must deliver at least 35 per cent affordable housing, or 50 per cent where the development is on public sector land or industrial land appropriate for residential. At least 30 per cent of Discounted Market Rent homes should be provided at an equivalent rent to London Living Rent with the remaining 70 per cent at a range of genuinely affordable rents. as the sole residential tenure should provide at least 50 per cent of the total units as affordable homes, rented at equivalent rents to Social Rent and 10 per cent of the total units being affordable homes, rented at equivalent rents to London Living Rent. These affordable homes will be secured as affordable housing in perpetuity irrespective of the covenant period secured through H5.1.c.
- 4. In line with the London Plan, dDevelopments of Build to Rent housing that do not deliver fail to deliver sufficient affordable housing in accordance with the requirements of parts 2 or 3 should be and the delivery of the required level of family dwellinghouses (C3) under Local Plan Policy H4.2 will not be supported unless accompanied by a detailed financial viability assessment, demonstrating that the maximum viable mix will be delivered. Developments of Build to Rent housing that are required to submit a detailed financial viability assessment should submit dual viability assessments that incorporate viability testing that set outs outcomes in relation to 'Build for Rent' and 'Build for Sale' approaches and the subsequent impact upon the delivery of affordable housing. Viability assessments on such schemes should take account of the differences between Build to Rent and Build for Sale development and be undertaken in line with the GLA's Affordable Housing and Viability SPG.

Policy H8 (Purpose built student accommodation) - Suggested policy modifications

The following modifications are suggested to Parts 1-5 (additions in bold and deletions in strikethrough):

- 1. New purpose-built student accommodation in Stratford and Maryland neighbourhood will only be supported where:
 - a. it is located within or adjacent to an existing or approved campus development in the neighbourhood; or
 - b. it is solely providing a replacement facility with no net increase in bed spaces.



Reg19-E-034 Unite Group Plc

- 2. New purpose-built student accommodation in all other neighbourhoods outside Stratford and Maryland will only be supported where:
 - a. it is located within or adjacent to an existing or approved campus development in the borough;
 or
 - b. it is in a town centre or local centre location well connected by public transport (with a minimum Public Transport Accessibility Level of 4).; and
 - c. it will not create an over-concentration of purpose-built student accommodation; or
 - d. it is solely providing a replacement facility with no net increase in bed spaces or it is located within or adjacent to an existing or approved campus development in the borough.
- 3. New purpose-built student accommodation should provide at least **35**60 per cent affordable student accommodation as defined within the London Plan 2021. Developments for purpose-built student accommodation that do not achieve a policy compliant level of affordable student accommodation on site are required to submit a detailed financial viability assessment, demonstrating that the maximum viable mix will be delivered.
- 4. New purpose-built student accommodation should:
 - a. secure the affordable student accommodation majority of the bedrooms in the development, including all of the affordable student accommodation bedrooms, through a nomination agreement, for occupation by students of one or more higher education providers;
 - b. in areas of over-concentration, secure all of the bedrooms in the development through a nomination agreement, for occupation by students of one or more higher education providers; and
 - c. where purpose-built student accommodation is being delivered within or adjacent to an existing or approved campus development in the borough in accordance with H8.1.a or H8.2.d, the nominations agreement should be secured for occupation by students of the higher education provider that the development is located is within or adjacent to.
- 5. Developments delivering purpose-built student accommodation should provide ancillary communal amenity space e.g. spaces for study and sporting facilities that meet the needs of the student population within a development unless the accommodation is located within 1,200 metres of existing student campus-based facilities for studying and/or sport and recreation that have sufficient capacity to meet any increased need.

Policy H11 (Housing design and quality) - Suggested policy modifications

The following modifications are suggested to Parts 3e and 5 (additions in bold and deletions in strikethrough):

3e. Purpose-built student accommodation should provide accessible student accommodation in



Reg19-E-034 Unite Group Plc

accordance with the requirements of **Part M Volume 2 paragraph 4.24 part g.** 'Box 3: Accessible Student Accommodation Standards' set out in the London Plan Guidance: Purpose-built Student Accommodation (October 2024). The 5% requirement should be split into 1% fitted out wheelchair accessible rooms and 4% easily adaptable rooms.

5. Major residential developments (excluding PBSA) should incorporate shared amenity spaces that foster social interaction and a sense of community. External communal amenity spaces should be designed to...