

Southwark Planning Policy Evidence: Student Housing (2016)

Context: Student Housing in Southwark

1. Southwark currently has 7,198 purpose-built student bedrooms, the fourth greatest number of homes of any London borough¹. Between 2004 and 2014, 1,782 student rooms were completed in Southwark across 8 schemes. Purpose-built student accommodation in Southwark accounts for 10% of London's total supply (Appendix 1) and three universities have campuses within the borough². University of the Arts London (UAL), King's College, Southbank University, London School of Economics and Goldsmiths University all have purpose-built student accommodation and four student accommodation schemes are operated privately.
2. The London Plan (2015) states there may be a need for 20,000 to 31,000 student places over the ten years to 2025, however, the London Plan does not set a target for student bed spaces. The SHLAA has identified a pipeline of circa 20,000 student bed spaces 2015–2025 (London's student bedroom permitted pipeline is 18,825 homes (August 2015). 2,593 student rooms benefit from a planning permission in Southwark (although it is unlikely the permitted student development at Weston Street ("The Quill", which provides 470 rooms) will be built out as a student scheme). This accounts for 13.8% of permitted pipeline. A further 2,424 student rooms are the subject of an application (screening or full) in London, 270 of which are located in Southwark.
3. In Southwark there is also a significant student population residing in conventional housing, often sharing homes in multiple occupation with other students. In August 2015 there were 2,780³ homes with a council tax exemption due to the homes being entirely occupied by students. A further 272 homes benefit from a student council tax discount or because some, but not all, the residents were full time students. Students frequently reside in purpose-built accommodation, which is often affiliated to their institution of study during their first year and move into conventional housing in later years of their programme. Students' choice of accommodation depends on individuals' preferences and resources. As such, the provision of purpose-built accommodation relieves pressure on conventional housing stock, particularly where purpose-built accommodation is more affordable than conventional housing.

¹ Camden has 10,676 student bedrooms, Islington has 9,368 student bedrooms, Tower Hamlets has 8,299 student bedrooms and Southwark has 8,818 student bedrooms.

² University of the Arts, King's College and Southbank University

³ This is considered a conservative number because not all student occupiers register for council tax concessions and August is typically a low point for student occupation due to the summer break.

Adopted Student Housing Policy

4. Prior to the adoption of the Core Strategy in 2011, the council did not require conventional affordable housing contributions from student accommodation schemes. This approach created an unintended incentive to bring forward student housing schemes in favour of conventional housing schemes. An affordable housing requirement was introduced through the Core Strategy to remove this incentive.
5. Core Strategy policy limits new student housing development to town centres, and places with good access to public transport services, providing that these do not harm the local character (SP8). A requirement for 35% affordable housing provision was also introduced. The affordable housing requirement applies to all student housing, regardless of whether they are speculative or provided by an academic institution. The (draft) Affordable Housing SPD (2011) sets out that the policy operated on all schemes providing 30 student bedrooms or more.
6. The London Plan (2016) forecasts a need for between 20,000 and 31,000 student homes across London between 2015 and 2025. Borough-level targets are not provided. Boroughs are required to support student housing to ensure local and strategic student housing needs are met. Where there is not an undertaking with a specified academic institution, providers should, subject to viability, deliver an element of student accommodation that is affordable for students in the context of average student incomes and rents for broadly comparable accommodation provided by London universities.
7. The Mayor's Housing Supplementary Planning Guidance (2016) provides a formula which determines 'affordable student rent' this is an affordability-based criteria to be updated annually in the GLA AMR. The 2015-2016 figure is £149 per week. The council's CIL charging schedule states that an affordable student rent is £168 per week, this is based on 70% market rent.

Overview of Adopted Policy Implementation

8. Five student scheme providing 30 rooms or more have been permitted since the Core Strategy policy was adopted in 2011. Two schemes secured conventional affordable housing (13-AP-1429, Former Mulberry Business Park, included 770 student rooms and with 33 affordable homes. 14-AP-0833, 237 Walworth Road, included 143 student rooms and six affordable homes). One scheme secured an off-site affordable housing contribution (10-AP-3316, Ewer Street, included 150 student rooms and an in lieu contribution of £1,270,000). Two schemes did not secure conventional affordable housing and instead secured an element of the student rooms at affordable student rents (13-AP-2979, 31 Peckham Road, and 11-AP-0868, 2-10 Steedman Street).
9. The South East London Strategic Housing Market Assessment (2014) demonstrates a local need for more family and affordable housing. Allowing too much student accommodation could restrict the council's ability to ensure more family and affordable housing is provided.

New Southwark Plan Policy Options

10. It is important to ensure an appropriate balance is reached between the provision of student homes and conventional housing to meet the borough's housing requirement through planning policy. The London Plan (2016) states:

'Addressing demands [for student housing] should not compromise capacity to meet the need for conventional dwellings, especially affordable family homes, or undermine policy to secure mixed and balanced communities. This may raise particular challenges locally, and especially in four central London boroughs where 57% of provision for new student accommodation has been concentrated.'

11. It is important there is no financial incentive favouring the provision of student accommodation. Therefore, a policy to place student housing on a level pegging with conventional housing is required. This can be achieved by continuing to require a viable affordable housing contribution. Furthermore, student housing should be located in appropriate locations and the council should ensure no parts of the borough with high numbers of student accommodation suffer adversely as a consequence of over-concentration.

12. The Mayor of London supports the provision of 'affordable student accommodation' in all student developments where there is not an undertaking with a specified academic institution. Where student accommodation is provided by an academic institution and there is an undertaking that specifies the accommodation will be occupied by students of that institution it is not required.

13. It is proposed to retain the existing approach to securing affordable housing on student accommodation led schemes in the New Southwark Plan. The Housing Policy Viability Study (2015) undertaken by BNP Paribas Real Estate will establish the viability of securing an element of conventional affordable housing and affordable student accommodation.

Appendix 1: London's Student Accommodation Provision (2016)

Borough	Total Beds	Rank	Percentage of Supply
Enfield	226	24	0.3%
Hatfield	287	23	0.4%
Harrow	629	22	0.9%
Hounslow	839	21	1.2%
Richmond	959	20	1.3%
Barnet	1,000	19	1.4%
Ealing	1,036	18	1.4%
Lewisham	1,229	17	1.7%
Brent	1,267	16	1.8%
Hammersmith and Fulham	1,402	15	1.9%
Haringey	1,870	14	2.6%
Lambeth	1,969	13	2.7%
Hackney	2,213	12	3.1%
Kensington and Chelsea	2,226	11	3.1%
Newham	2,657	10	3.7%
Westminster	2,859	9	4.0%
Wandsworth	2,966	8	4.1%
Greenwich	3,198	7	4.4%
Runnymede	3,447	6	4.8%
Hillingdon	4,421	5	6.1%
Southwark	7,198	4	10.0%
Tower Hamlets	8,299	3	11.5%
Islington	9,368	2	13.0%
Camden	10,676	1	14.8%
Total	72,241		

Student accommodation completions (2004 – 2014)

Borough Reference	Number of Student Bedrooms	Address	Ward	Completed Date
0100218	132	Land At (Former Cinema Building), 72 Grove Vale, SE22 8DT (Missing)	East Dulwich	30/06/2004
0201290	226	The Castle Service Station, 100-114 Walworth Road, SE17 1JL	Newington	30/10/2004
05-AP-0069	123	Rear Of Southwark College, Harris Street, SE5 7EW (Missing)	Brunswick Park	30/01/2009
10-AP-0262	233	Land At Corner Of Lavington Street and Great Suffolk Street, SE1 0FL (Missing)	Cathedrals	01/09/2010
09-AP-1069	232	120-138 Walworth Road, SE17 1RW (Missing)	Newington	14/09/2011
10-AP-1255	671	61-63 Great Suffolk Street, SE1 0BU (Missing)	Cathedrals	31/08/2012
10-AP-1394	146	268-282 Waterloo Road, SE1 8RQ	Cathedrals	17/10/2012
Total	1,763			

Uncompleted student accommodation with live application

Borough Reference	Number of Student Bedrooms	Address	Ward	Permission Date	Start Date	Comments
11-AP-0868	221	2-10 Steedman Street, London, SE17 3AF		30/03/2012		Accommodation secured at affordable student rent – Core Strategy Adopted
08-AP-0224	20	1-3 Silex Street	Cathedrals	03/09/2009	30/08/2013	
08-AP-2403	243	Castle Industrial Estate, (Tribeca) Elephant Road	East Walworth	22/12/2008	09/06/2011	
09-AP-1089	276	Kings College Hall, 10 Champion Hill (probably registered as complete in Roland Shanks' spreadsheet)	South Camberwell	28/01/2011	02/02/2012	
09-AP-1999	123	Surrey Quays Leisure Site, Surrey Quays Road	Surrey Docks	20/10/2010	Not started	
10-AP-2754	470	40-46 Weston Street	Grange	30/03/2011	03/03/2013	
10-AP-3316	150	Land At Ewer Street	Cathedrals	22/11/2011	30/05/2012	Off-site affordable housing contribution secured £1,270,000 – Core Strategy Adopted
14-AP-0833 (permission granted subject to legal agreement - 16/12/2014)	143	237 Walworth Road, London, SE17 1RL	East Walworth	06/12/2014		6 affordable homes – 2 shared ownership and 4 social rent + 1x market 1-bed – Core Strategy Adopted
13-AP-2979	149	Former Southwark Town Hall, 31 Peckham Road, London, SE5 8UB	Brunswick Park	31/01/2014		Accommodation secured at affordable student rent – Core Strategy Adopted
13-AP-0744	28	Mansion Wharf House (Former Landale House), Lower Road	Rotherhithe	22/05/2013	03/04/2014	

13-AP-1429	770	Former Mulberry Business Park, Canada Street, Quebec Way	Surrey Docks	22/10/2013	02/06/2014	33 affordable homes (104 habitable rooms 23 social rent units and 10 shared ownership units). Some accommodation secured at affordable student rent – Core Strategy Adopted
Total	2593					

Anticipated future student accommodation applications

Borough Reference	Number of Student Bedrooms	Address	Ward	Permission Date	Start Date	Comments
14/AP/0655 (Screening Application)	270	37-39 AND 45-65 PECKHAM ROAD, LONDON, SE5 8UH	Brunswick Park	N/A		No full application Submitted