

Revised Authority Monitoring Report 2014/15 – changes to how student dwellings are recorded (2012/13 - 2014/15)

1. Since the Authority Monitoring Report 2014/15 was published, Southampton's housing completions and projections have been recalculated. This reflects changes in how student accommodation in the city is counted.
2. The Government have consistently stated that student accommodation could be included in the land supply. In the last few years, many student units have been constructed in the city. These are generally either studio flats or cluster flats with an average of five bedrooms. In reporting housing completions and projections, student accommodation in Southampton has been dealt with in the same way as general housing i.e. self-contained studio flats and five bedroom flats restricted to student occupancy were each counted as one dwelling.
3. An appeal decision in Exeter in 2015¹ raised questions about to what extent the development of purpose built student housing would release housing to the general market. In addition it was recognised that some of the students units permitted in Southampton are smaller and have less outside space than required and therefore would be unsuitable for a simple conversion to general housing. If they were converted for permanent residents, we would expect significant reconfiguration of these dwellings to create larger rooms, reduce the numbers of studio and small flats and to address other issues.
4. In response to these concerns, local authorities in the South Hampshire sub region agreed to change their approach and this approach was used by the Partnership for Urban South Hampshire (PUSH) to calculate objectively assessed housing need. Now, each student bedspace is counted as 0.2 dwellings, irrespective of the type and size of property. An average sized cluster flat (5 bedrooms) therefore counts as one dwelling, a studio flat as 0.2 of a dwelling. Larger cluster flats with over 5 bedrooms count for more than one dwelling as we would expect any conversion to general housing to result in more flats with fewer bedrooms.
5. The changes to student accommodation have been applied to all student completions since 2012/13, when the first schemes were completed. They have also been applied to projections where student accommodation is proposed.
6. The changes to how student accommodation is counted has meant a:
 - reduction of 38 net dwellings built in total in 2012/13; 85 dwellings in 2013/14; and 96 dwellings in 2014/15. (219 dwellings 2012/13-2014/15).
 - reduction in 26 dwellings built in the city centre in 2012/13; 85 dwellings in 2013/14; and 192 dwellings in 2014/15. (303 dwellings²).
7. The following selected information, tables and graphs are from the Authority Monitoring Report 2014/15 (chapter 4) and are updated to include the revised completions and future projections. Future reports will include more detail on the type of student accommodation built and will update the housing trajectory.

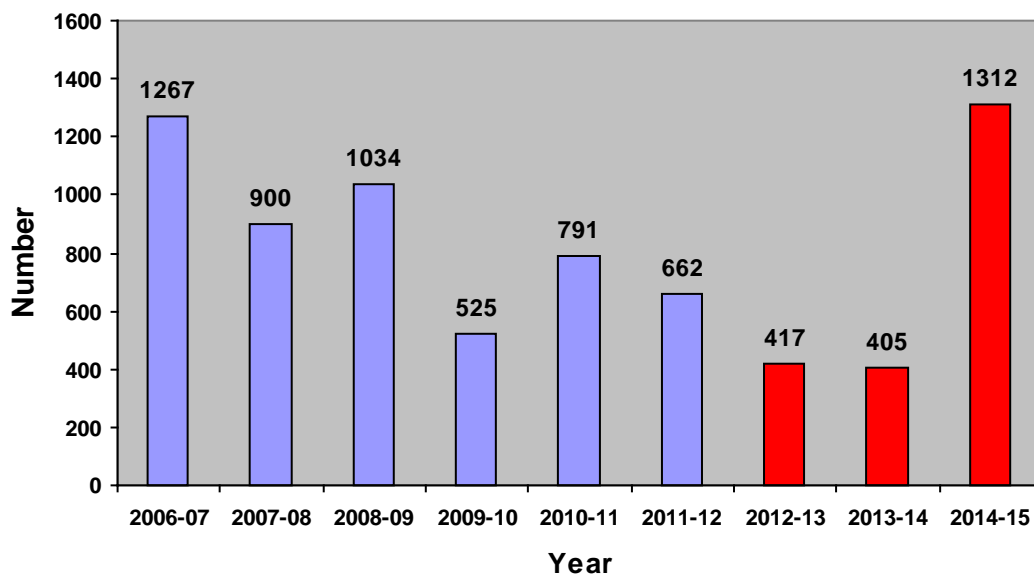
¹ Exeter CC v SOS High Court Decision CO/5783/2014 Home Farm

² This is larger than the total dwellings due to recalculation for demolitions at Chamberlain Halls of Residence

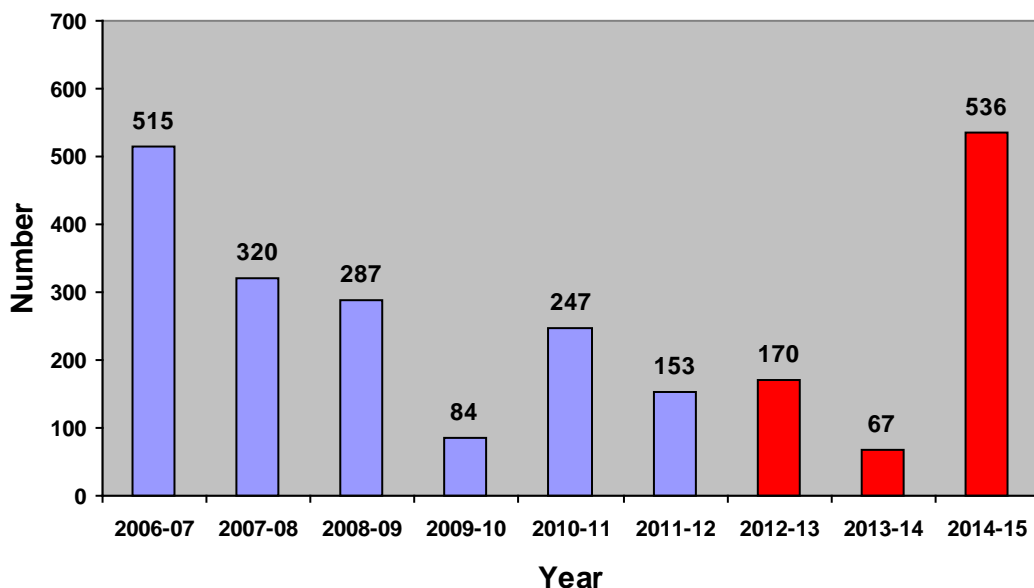
Revised housing completions

8. There was a net increase of 1,312 dwellings in Southampton in 2014/15. This was significantly above the annualised target of 820 dwellings per year from 2014/15 and the completions in recent years:
- 536 (41%) of these were in the city centre;
 - 4,095 residential units have permission but have not been built, this includes 477 student units;
 - 1,164 (net) dwellings, 89%, have been provided on large sites capable of accommodating 10 or more units and 148 (net) dwellings, 11%, have been provided on small sites capable of accommodating less than 10 units;

Graph 2 Revised numbers of new dwellings completed 2006 – 2015 city-wide (net) (Years in red are revised figures)



Graph 3 New dwellings completed 2006 – 2015 city centre (net) (Years in red are revised figures)



9. In 2014/15 gross completions were significantly greater than the previous two years. Net completion levels in both the city centre and whole of Southampton are the highest recorded in the Local Plan period which started in 2006/07.
10. The record completions reflect continuing high completions from student housing schemes, despite the recalculations. In 2014/15, there was a net increase of 302 student units (formerly 398 units). These included Richmond House; (40 units), Mayflower Halls (221 units) and City Gateway in Swaythling (58 units). Other completions included continuing completions at Ordnance Survey (206 units), Admirals Quay (159 units) and Centenary Quay (72 units). Estate regeneration projects at Meggeson Avenue, Exford Avenue, Laxton Close and Cumbrian Way also delivered 141 units.

Table 6 Size of site (net) 2006-2015

	2006/07	07/08	08/09	09/10	10/11	11/12	12/13 (revised)	13/14 (revised)	14/15 (revised)
Large sites	1,067	571	672	290	636	477 (72%)	264 (63%)	270 (67%)	1164 (89%)
Small sites	201	329	362	235	155	185 (28%)	153 (36%)	135 (33%)	148 (11%)
Total	1268	900	1034	525	791	662	417	405	1312

Source: SCC, Corporate Research and Hampshire County Council

Table 7 Revised Site Completions 2014/15

	Large Sites 14/15	Small Sites 14/15	TOTAL 14/15
Total Gross Gain	1,222	175	1,397
Total Loss	58	27	85
Total Net Gain	1,169	148	1,312

Source: SCC, Corporate Research and Hampshire County Council

Future housing supply

11. The Core Strategy sets out a target of 16,300 new homes to be built between 2006 and 2026 (policy CS 4). As at 1 April 2015, a total of 7,313 of these had been delivered (45%) leaving a residue of 8,987 to be completed by 2026. This equates to an average of 817 dwellings per year 2015/16 – 2025/26. (Table 16 sets out the 5 year land supply for Southampton).
12. Southampton's future housing supply includes a range of sites in the planning process and considered suitable for residential development. The 5 year land supply for housing is based on sites with planning permission, large sites with a net increase of 10 or more units identified in the Strategic Housing Land Availability Assessment; and an allowance for small windfall sites. The windfall site allowance is based on the delivery of small windfall sites in the last 5 years. Yields prior to 2012/13 were revised to reflect the changing national policy on garden land and local policy on the provision of family housing.

5 year land supply

13. The revised projected supply as at 31st March 2015 is as follows:
2015/16 – 2019/20 (5 year supply) of 5,060 dwellings compared with a target of 4,312 dwellings (adjusted to reflect a shortfall of 22 dwellings against the cumulative target and to include a 5% buffer). This equates to a 5.9 year supply.
14. The calculation of Southampton's 5 year supply includes a 5% buffer brought forward from later in the plan period. The National Planning Practice Guidance requires local authorities to apply a 5% buffer unless there is a record of persistent under-delivery when a 20% buffer should apply. The guidance states that the 'assessment of a local delivery record is likely to be more robust if a longer term view is taken, since this is likely to take account of the peaks and troughs of the housing market cycle'. From 2006/07 to 2012/13, the cumulative delivery of housing in Southampton exceeded the cumulative target. This was followed by two years when cumulative completions fell significantly below the target. However, due to high completions in 2014/15 the shortfall is only 22 dwellings. Therefore Southampton does not have a record of persistent under-delivery and a 5% buffer is applied.

Table 16 Southampton's 5 year housing land supply

	Figures
Targets:	
Requirement 2006-2026	16,300 dwellings
Amount built 2006-2015	7,313 dwellings
Shortfall against target	22 dwellings
Residual amount to be built 2015-2026 (11 years)	8,987 dwellings
Requirement 2015/16-2019/20 (5 years) plus shortfall	4,107 dwellings
Additional 5% buffer	205 dwellings
Revised total housing requirement 2015-2019	4,312 dwellings (862 p.a)
Supply:	
Projected supply from identified sites 2015-2019	4,740 dwellings
Small site windfall allowance 2018/19 and 2019/20 ³	320 dwellings
Total projected housing supply 2015-2019	5,060 dwellings
Summary:	
Projected housing surplus	748 dwellings
Projected years housing supply	5.9 years

³ This is based on past delivery adjusted to reflect current planning policy on garden land