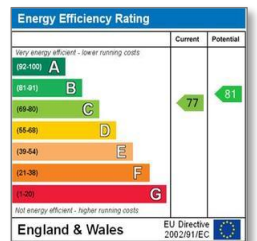




Greater Exeter: Student Housing Needs Assessment

Report of Findings

November 2024





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Student Accommodation

Introduction

1. In 2018, Opinion Research Services (ORS) was commissioned by the Greater Exeter authorities (East Devon District Council, Exeter City Council, Mid Devon District Council and Teignbridge District Council) to assess student housing needs across the wider Greater Exeter area.
2. The Greater Exeter local planning authorities requested an assessment of student housing need in the Greater Exeter area to 2040 in accordance with the National Planning Policy Framework (NPPF) and Planning Practice Guidance (PPG) sections on housing and economic development needs assessments.
3. The student housing need assessment sought to:
 - » Identify the Higher Education (HE) establishments which have implications for housing need in the Exeter Housing Market Area (HMA), particularly the University of Exeter, Exeter College and Bickton College; and consider the potential impacts of Plymouth University, Somerset College and other HE relevant establishments.
 - » Identify the current student population in the Greater Exeter area with a particular focus on the University of Exeter.
 - » Project the student population in the Greater Exeter area between 2018 and 2040.
 - » Identify the student population increase which is included within wider population projections undertaken by Devon County Council, considering the migration data and components of ONS data sets.
 - » Set out the overall quantum of additional student housing which will be required related to the potential increase in the student population up to 2040.
4. The study had a wide-ranging scope which included seeking to:
 - » Identify what is required by national policy and planning practice guidance in assessing student housing needs in the local context of Inspectors' appeal decisions.
 - » Assess the current and projected numbers of students from the Census, Higher Education Statistics Agency (HESA) data, and Higher Education Establishments' (HEE) plans and data.
 - » Analyse components of Office for National Statistics (ONS) data sets to establish what element of the student population is included in the population projections used to inform the SHMA.
 - » Assess the number of students living in purpose built student accommodation (PBSA), living at home, renting in the private sector or other tenures from local authority data showing students claiming council tax discounts, HEE data on PBSA and students living in the private general needs housing stock, local authority planning data on PBSA, and the Census to inform the Greater Exeter Strategic Housing Market.
 - » Assess the typical size of a student household in the private rented sector (PRS) using the population of students living in the PRS and stock numbers.
 - » Measure the future demand from the projected population of students against the future supply of PBSA and vacancies from the existing PRS housing let to students, to assess any future excess of supply against demand or demand against supply, based on the data above and the student household size.
 - » Quantify the future level of PBSA needed and whether any private housing will be released.

5. This new study brings the findings from the 2018 assessment up to date in light of policy changes and new data since 2018. The study also now covers the period from 2021 to 2041. The findings of the Greater Exeter Student Housing Needs Assessment 2018 found that almost all the student population in the area was located in Exeter City and that the University of Exeter was the key driver of demand and supply for student accommodation. Therefore, this study focuses upon the current situation in relation to student accommodation in Exeter and the future plans of the University of Exeter.

National Policy

6. Since the time of the 2018 assessment, both the NPPF and PPG in relation to students have been updated. In terms of assessing housing needs, the 2023 NPPF at paragraph 61 states that Local Planning Authorities:

‘To determine the minimum number of homes needed, strategic policies should be informed by a local housing need assessment, conducted using the standard method in national planning guidance.’

7. It then continues at paragraph 63 to state that:

“Within this context of establishing need, the size, type and tenure of housing needed for different groups in the community should be assessed and reflected in planning policies. These groups should include (but are not limited to) those who require affordable housing; families with children; older people (including those who require retirement housing, housing-with-care and care homes); students; people with disabilities; service families; travellers; people who rent their homes and people wishing to commission or build their own homes”

8. PPG for Assessment of Housing Needs of Different Groups states that:

Strategic policy-making authorities need to plan for sufficient student accommodation whether it consists of communal halls of residence or self-contained dwellings, and whether or not it is on campus. Encouraging more dedicated student accommodation may provide low cost housing that takes pressure off the private rented sector and increases the overall housing stock. Strategic policy-making authorities are encouraged to consider options which would support both the needs of the student population as well as local residents before imposing caps or restrictions on students living outside university-provided accommodation. Local Planning Authorities will also need to engage with universities and other higher educational establishments to ensure they understand their student accommodation requirements in their area.

(004 Reference ID: 67-004-20190722)

9. In terms of counting students in housing land supply, PPG for Housing Supply and Delivery states that:

How can authorities count student housing in the housing land supply?

All student accommodation, whether it consists of communal halls of residence or self-contained dwellings, and whether or not it is on campus, can in principle count towards contributing to an authority’s housing land supply based on:

- *the amount of accommodation that new student housing releases in the wider housing market (by allowing existing properties to return to general residential use); and / or*

- *the extent to which it allows general market housing to remain in such use, rather than being converted for use as student accommodation.*

This will need to be applied to both communal establishments and to multi bedroom self-contained student flats. Several units of purpose-built student accommodation may be needed to replace a house which may have accommodated several students.

Authorities will need to base their calculations on the average number of students living in student only accommodation, using the published census data, and take steps to avoid double-counting. The exception to this approach is studio flats designed for students, graduates or young professionals, which can be counted on a one for one basis. A studio flat is a one-room apartment with kitchen facilities and a separate bathroom that fully functions as an independent dwelling.

Paragraph: 034 Reference ID: 68-034-20190722

10. In terms of counting the provision of PBSA in meeting housing needs, the Housing Delivery Test Measurement Rule Book 2018 paragraph 7 states that student communal accommodation should be counted as:

'Net increase in bedrooms in student communal accommodation in local authority divided by average number of students in student only households in England.'

11. Paragraph 9 and Paragraph 11 then clarify the calculation:

'The adjustments for student and other communal accommodation will be calculated by MHCLG and added into the Housing Delivery Test result. Adjustments are applied using two nationally set ratios, based on England Census data.'

The national average number of students in student only households is 2.5. This has been calculated by dividing the total number of students living in student only households by the total number of student only households in England. Source data is from the Census 2011 and is published by the Office for National Statistics. The ratio will be updated following each Census when the data is publicly available.'

12. Therefore, local planning authorities are required to assess the need for future student accommodation as part of the mix of housing in the context of their overall housing need set by the Standard Method. The Standard Method is a minimum number for each planning authority and clearly the impact of a growing or new university in an area could see a higher need for housing. The delivery of PBSA is then counted at a ratio of 2.5 bed spaces being the equivalent of one dwelling in the area if provided as communal accommodation, but studio flats for students should be counted on a one for one basis in housing supply.
13. The current situation is much simpler than that which was present in 2018, when the role of students in the area, or on a one-for-one basis in the case of PBSA provided as self-contained studio flats, were both heavily debated. The current situation focuses much more upon achieving a balanced housing market where the needs of students are accommodated alongside those of a range of other groups.

Student Growth at University of Exeter

14. In the Greater Exeter Student Housing Needs Assessment 2018, the University of Exeter estimated that they had 19,661 students in Exeter in June 2017 and that they were expecting this figure to grow by around 229 students per annum in the period 2017 to 2021, or 1,143 in total.

15. Figure 1 below shows that the current estimated full-time equivalent (FTE) student population for 2016/17 for the University of Exeter was 19,430, of whom 18,182 were full-time, in Exeter and not living at home. By 2021, this had risen to a population of 22,610 full-time students in Exeter and not living at home, an increase of 4,428, or 887 per annum. Therefore, the growth in student numbers was much higher than anticipated. A further 2,474 full-time students in Exeter and not living with their parents were added in 2021/22.

Figure 1: Annual Student Numbers for the University of Exeter (Source: University and Exeter City Council Records)

Past student numbers studying at the University of Exeter (Exeter campuses only)					
Year	Student FTE (inc. inter- national)	Less part time	Less live at home (assumed 3.5%)	Annual increase	Cumulative increase
06/07	11,170	10,639	10,267		
07/08	12,285	11,754	11,343	1,076	1,076
08/09	13,324	12,633	12,191	848	1,924
09/10	14,852	14,236	13,738	1,547	3,471
10/11	15,333	14,828	14,309	571	4,042
11/12	15,987	15,529	14,985	676	4,719
12/13	15,852	15,360	14,822	-163	4,556
13/14	16,512	16,017	15,456	634	5,190
14/15	17,354	16,913	16,321	865	6,054
15/16	18,459	17,964	17,335	1,014	7,069
16/17	19,430	18,841	18,182	846	7,915
17/18	20,058	19,527	18,844	662	8,577
18/19	20,809	20,217	19,509	666	9,243
19/20	22,360	21,546	20,792	1,282	10,525
20/21	24,586	23,430	22,610	1,818	12,344
21/22	27,276	25,994	25,084	2,474	14,818

16. This clearly raises questions as to how the students have been accommodated and what impact they have had on the housing market of Exeter.

Students and the Housing Market

17. The impact of student households on the housing market of Exeter is shown clearly when analysed by ward, as set out in Figure 2. This shows that student households in three wards (Duryard, Newtown and

St Davids), account for 86% of all student council tax exemptions in Exeter. The student council tax exemptions cover University owned stock, private PBSA and households living in private houses.

18. We would note that in June 2016, a total of 3,525 student council tax exemptions were recorded in Exeter, and that this rose to 6,934 in November 2023, of which we are able to assign 6,898 to a ward. As set out above, this includes the impact of PBSA on the figures, so is not just a rise in the number of private properties occupied by students.

Figure 2: Student Council Tax Exemptions by Ward in Exeter in November 2023 (Source: Exeter City Council Records)

Ward	Number of Student Households Exemption
Alphington	6
Duryard	2,950
Exwick	30
Heavitree	219
Mincinglake	25
Newtown	1,285
Pennsylvania	574
Pinhoe	17
Priory	21
St David's	1,719
St Loyes	21
St Thomas	20
Topsham	11
TOTAL	6,898

19. The 2021 Census includes details of where students were living (Figure 3). The University of Exeter estimate that there were 23,430 students studying full-time at the University in April 2021, including 820 who were estimated to be living at home (Figure 1). Figure 3 shows that a total of 19,291 students aged between 18 and 29 years were recorded in Exeter in April 2021. This is lower than the total number of estimated students attending the University. During the pandemic many students continued their studies remotely, so would not have been recorded as living in Exeter, and we have also excluded any students aged 30 years or older. In reality, it is likely that more students should have been present in Exeter, but for the pandemic, so the figures in the 2021 Census are an under-estimate for those living in both PBSA and private housing on a regular basis.
20. In the 2011 Census, a total of 6,681 students lived in all student households, and this figure rose to 8,498 students in the 2021 Census. Again, we would note that the 8,498 figure may be an under-estimate of what could have been the case, were it not for the impact of the pandemic. In the Greater Exeter Student Housing Needs Assessment 2018 it was estimated that the average student household size in Exeter was 3.5, including the impact of those living alone, so this would represent a rise of nearly 500 dwellings in the private sector occupied by students since 2011 if average households sizes have remained constant when excluding the impact of those living alone.
21. However, the biggest change in the accommodation of students has been in the form of PBSA. A large number of PBSA units have been delivered in Exeter since 2011. In the 2011 Census, a total of 4,433 students in Exeter were recorded as living in communal accommodation (i.e. PBSA), but this rose to 8,129

in the 2021 Census. Again, this may be an under-estimate of the numbers who would have been living in communal accommodation were it not for the pandemic.

22. In total, the University of Exeter estimated that full-time student numbers not living with parents rose by 8,300 between 2011 and 2021. The data in the 2011 and 2021 Censuses indicates that around 3,800 of these students were accommodated in PBSA, around 1,150 in all student private housing, around 100 more were living with parents and the remainder were not accounted for by the 2021 Census. Therefore, the 2021 Census probably failed to account for around 3,300 students in Exeter due to the impact of the pandemic.

Figure 3: Student Population Aged 18-29 Years by Ward in Exeter in 2021 (Source: UK Census of Population 2021)

Ward	Living alone or with other households	Communally housed	Living in all student households	Living with parents	Number of students in 2021 aged 18-29 years
Alphington	23	0	27	103	153
Duryard	287	5,472	3,538	64	9,361
Exwick	53	0	52	110	215
Heavitree	103	315	463	89	970
Mincinglake	25	2	49	105	181
Newtown	208	912	1,359	82	2,561
Pennsylvania	213	0	1,935	124	2,272
Pinhoe	21	0	28	104	153
Priory	22	0	50	103	175
St David's	305	1,409	849	56	2,619
St Loyes	39	0	27	115	181
St Thomas	62	1	82	108	253
Topsham	39	18	39	101	197
TOTAL	1,400	8,129	8,498	1,264	19,291

23. A key conclusion of this section is that, of the types of accommodation recorded by the Census, the number of students in private housing in Exeter rose by 1,150 between 2011 and 2021. However, a very large proportion of the growth in the student population recorded by the Census was accommodated in PBSA. If the PBSA stock had not grown, then around an additional 1,000 more private dwellings would have been required to accommodate all of the extra students if average household sizes remain around 3.5 students per dwelling.

Future Growth

24. At the time of writing, there is great uncertainty around the future of the university sector, with many universities announcing departmental closures and redundancies. This would be moving against recent trends which have seen the higher education sector expand rapidly. This is important because to be able to count the supply from PBSA in their housing supply figures, local authorities must also be confident that the growth in student numbers has been included in the need figures.
25. Alongside this current study, Exeter City Council have also updated their wider housing needs evidence base in the form of the Exeter Local Housing Needs Assessments 2024. This study considers the overall need for dwellings in Exeter. The modelling uses a 10 year migration trend from 2008 to 2018. As shown in Figure 1, the number of full-time equivalent students attending the University of Exeter and not living

at home is estimated to have increased by almost exactly 7,500 between 2007/08 and 2017/18. That is an annual rate of growth of 750 students a year and the net impact of their migration to Exeter is included in the overall annual dwelling target of 642 dwellings per annum.

26. Therefore, the Exeter Local Housing Needs Assessment 2024 has a core modelling assumption that migration trends from 2008 to 2018 continue and during this period the annual growth in student numbers was around 750 per annum. Any growth in student numbers up to 750 per annum is built into the overall housing needs. Even if the growth was larger than 750 per annum, there are further uplifts included in Chapter 6 of the Exeter Local Housing Needs Assessment 2024 to allow for additional in-migration to ensure that the household growth matches the dwelling target of 642 per annum. Therefore, the overall housing needs for Exeter is assumed to accommodate past rates of growth in students numbers and has the flexibility to accommodate even higher rates in the future. On that basis, the Council are able to count any PBSA in their housing supply figures.

Summary and Conclusions

27. In the Greater Exeter Student Housing Needs Assessment 2018, the University of Exeter estimated that they were expecting the number of full time students in Exeter not living at home to increase by around 229 per annum in the period 2017 to 2021, or 1,143. In practice, the growth in student numbers was much higher, with an additional 4,428 students added in this time at an average rate of 886 per annum and a further 2,474 were added in 2021/22.
28. In total, the University of Exeter estimated that student numbers rose by 8,300 between 2011 and 2021. The data in the 2011 and 2021 Censuses indicates that around 3,800 of these students were accommodated in PBSA, around 1,150 in private housing, including living alone and sharing with other households and around 100 more were living with parents. The remainder were not accounted for by the 2021 Census. Therefore, the 2021 Census probably failed to account for around 3,300 students in Exeter due to the impact of the pandemic.
29. Therefore, a very large part of the growth in the student population in the area has been accommodated within PBSA. If the PBSA stock had not grown, then over 1,000 more private dwellings would have been required to be occupied by students to meet all their accommodation needed if the average size of a student household remained at 3.5 per dwelling.
30. The Exeter Local Housing Needs Assessment 2024 has a core modelling assumption that migration trends from 2008 to 2018 continue and during this period the annual growth in student numbers was around 750 per annum. Any growth in student numbers up to 750 per annum is built into the overall housing needs. Therefore, the overall housing needs for Exeter is assumed to accommodate past rates of growth in students numbers and the figures also contain additional flexibility to accommodate even higher rates in the future. On that basis, the Council are able to count any PBSA in their housing supply figures.

Appendix A: Glossary

Full-time Students

The assessment is of full-time undergraduate and postgraduate students and the term 'full-time student' includes both unless otherwise stated.

Communally Housed

Communally housed is where students are housed in a communal establishment (e.g. purpose built student accommodation). Communal establishments are defined in the Census as follows

All accommodation provided solely for students during term time should be defined as a communal establishment, unless it is rented to students by a private landlord.

Student accommodation that is a communal establishment includes:

- *university-owned cluster flats*
- *houses and apartments located within student villages*
- *similar accommodation owned by a private company and provided solely for students*

A small number of caretaking, maintenance or academic staff may also reside in this type of accommodation

(Output and enumeration bases: residential address and population definitions for Census 2021 ONS)

All Student Household

One of several types of multi-person households defined in the Census as: "Multi-person households" refers to households which comprise people not in the formal definition of a family but who are related in some other way (e.g. two sisters or an aunt and her nephew), or people who are all unrelated (e.g. one person and their foster child or all student households). A house in multiple occupation that is solely occupied by students is an example of an all student household.

(Household composition variable: Census 2021: ONS)

Living Alone

One type of household defined by the Census is: "Living alone". Living alone could therefore include a student living alone.

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