Co-living Position Statement

Consultation Statement April 2025

1. Introduction

- 1.1 This statement sets out the stakeholder engagement and consultation carried out during the preparation of the Bath and North East Somerset Council's Coliving Position Statement.
- 1.2 This statement explains how the consultation was undertaken and who has been consulted, details on how they were consulted, a summary of the issues raised, and how the main issues have been addressed in preparing the Coliving Position Statement.

2. Background to the Co-living Position Statement

2.1 Co-living is a relatively new model of housing with no standard definition in national policy. The Council does not have a policy relating to co-living schemes in the adopted B&NES Local Plan. It is acknowledged that there is currently the potential for an inconsistent approach to Co-Living planning applications without formal, visible guidance on the issue. Therefore, we have produced an interim Position Statement which will clarify the Local Plan policies the Council will consider when assessing planning applications for co-living proposals, and how they will be applied. This document will provide some guidance until a specific policy is adopted in the emerging local plan. It is not its role to seek additional policy asks but to clearly set out the Council's expectations.

- 2.2 The aim of this position statement is to set out the Council's interim position on co-living schemes. It clarifies the position the Council will take when assessing planning applications for co-living proposals, with regards to the following topics:
 - Amenity standards
 - Occupancy
 - Sustainable construction
 - Affordable housing contribution
 - Community Infrastructure Levy (CIL) liability
- 2.3 The Position Statement clarifies that the Council will assess each co-living proposal on a case-by-case basis. In general, applications for co-living accommodation will be supported in Bath and North East Somerset, if the development has been well designed, meets policy requirements and standards set out in this position statement, and is located in an area well-connected to local services and employment by walking, cycling and public transport.

3. Consultation approach

- 3.1 The Council's approach to consultation for informal planning guidance notes is set out in the Council's webpage, <u>Policy Development and Consultation</u>. The process is as follows:
 - We have a formal consultation period of a minimum of four weeks. We will
 publish a report on the feedback from the formal consultation, and our
 responses to issues raised.
 - We will then formally adopt the guidance note. We will notify anyone who
 made written comments on the document or expressed an interest, so
 they can review the final version of the document.

4. Formal Consultation on the Draft Co-living Position Statement

- 4.1 Formal consultation on the Draft Co-living Position Statement was carried out for 4 weeks between 4th February and 4th March 2025. During this period, the following was undertaken:
 - Notification mailout Information about the consultation was issued prior
 to the start of the consultation period by email and post to all those on the
 Council's mailing list, including statutory consultees and a range of other
 stakeholders.
 - Press releases A press release was on 4th February 2025 to remind residents and others of the opportunity to comment on the Draft Position Statement.
 - Social media Various posts were posted on the Council's social media pages throughout February/March 2025 to remind residents and others of the opportunity to comment on the Draft Position Statement.
 - Dedicated webpage A webpage relating to the consultation could be accessed via links from the main Planning Policy webpage. The webpage set out the purpose for producing the document, an overview of the document's contents, and a timeframe for when the final document is expected to be published. The webpage also outlined consultation details, including how to respond and links to the comment form.
 - Direct contact information An email address was provided on mailouts, press releases and the dedicated webpage for those who wanted to ask direct questions and seek further information.

5. Summary of responses to the consultation and Council responses to key issues raised

5.1 A total of 14 responses were received in relation to the Draft Co-living Position Statement consultation. A summary of responses and key issues raised is set out in the table below, along with a proposed Council response (drafted by officers) to each of these.

Question / Key issue	Summary of responses	Council response to issue raised
Minimum room size	 The main issues raised: A minimum room size of 25sqm for a single occupancy room should be removed. There is no evidence set out that explains or justifies this position. This is an attempt to introduce a new space standard policy outside of a plan making process without being underpinned by an assessment of need or viability in accordance with the NPPF. A minimum room size of 25sqm would result in oversized rooms and more costs, deterring coliving investors. It will also restrict the ability to provide a variety of room choice and price points for occupiers. It is recommended that minimum unit sizes are reduced to reflect the approach adopted by the GLA (i.e. 18 sqm). To ensure the delivery of co-living, it is essential that co-living room sizes adhere to those being delivered more broadly across the UK (e.g. Bristol, Cardiff, Exeter, London, Manchester, and Sheffield). 	Noted. The Council supports providing a variety of room choices and price points for occupiers that contribute to providing choice in tenure. However, the Council considers that a room size of 25sqm provides adequate and usable private space in line with Local Plan Policy D6. The Council considers that the room size requirement is justified
		and in adherence with those being delivered more broadly across the UK as follows:
		 Kosy Co-Living Scheme, Bath comprises 77 no. studios which average 24.5sqm in area. An internal search of the online planning register from different local authority websites shows that the average unit size from 12 permitted co-living schemes in Manchester, Woking, Sheffield, Bristol, and Birmingham was 23.6sqm. 25sqm is the average bedroom size of the most recently validated (2019 and later) schemes in the core cities researched by SWAP Architects and rounded up to the nearest 0.5sqm (Birmingham City Council, 2022). Innovative approaches to design and exceptional communal amenity spaces that ensure high levels of amenity for all residents, may be considered on a case-by-case basis.
		Recommendation: Amend paragraph 4.10 as follows
		In order to allow for the provision of adequate and usable private space under policy D6, private studios / bedspaces should be a minimum of 25 sqm for a single occupancy room. Exceptions to the minimum standard may be considered on a case-by-case basis where innovative approaches to design and exceptional communal amenity spaces that ensure high levels of amenity for all residents are proposed.

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- The approach that aggregate room sizes (i.e. each co-living unit, plus that room's share of the internal and external communal space) should equal the NDSS figure of 37 sq. m for a studio is overly prescriptive. - It is not yet clear that the need to set such space standards is justified. In addition, the requirements risk jeopardising the delivery of co-living schemes. - The co-living model can have an over-reliance on shared living space and an insufficient provision of private defensible space, at a	Noted. Requirements for space standards and an aggregated amenity space provision (private plus communal) are important to ensure that the overall residential amenity is of sufficient quality and quantity, as required by policy D6. Space standards that must be in line with, or above, the Nationally Described Space Standards (NDSS) is considered to be a sensible approach, in line with a number of recent appeal decisions that propose a flexible and aggregated approach (APP/Z4310/W/22/3293838 & APP/N4720/W/23/3334127). B&NES Council does not currently have a Local Plan policy which requires new market housing to meet Nationally Described Space Standards (NDSS) but consider that co-living accommodation with a total amenity space provision in line with or above the NDSS would ensure acceptable living conditions for future residents.	
		Recommendation: Amend paragraph 4.7 and 4.8 as follows
		As such, the aggregated space (private plus communal) provided in co-living schemes must be sufficient to ensure that there is a good overall standard of amenity space for residents, as required by policy D6. The need for co-living accommodation to be of adequate size is important for the health and well-being of future occupants. Co-living proposals which provide a total amenity space provision in line with or above the NDSS would ensure acceptable living conditions for future residents in terms of the provision of both private and communal living space.

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Affordable housing contribution	 There was some support for a payment towards off-site affordable housing, in lieu of on-site provision. The main issues raised: Seeking affordable housing contributions from a sui generis use class such as co-living is open to question. The affordable housing calculation set out appears to utilise NDSS space requirements, however NDSS is not currently enshrined in B&NES planning policy and as such has not been tested at examination. If B&NES wish to use this calculation it should be justified and set out in a Local Plan. Co-living schemes provide an affordable tenure for a specific group of people. In this context, it is not appropriate to apply affordable housing requirements to co-living development. 	The Council's position is that co-living studios fall within the definition of housing and co-living is not a specialist type of accommodation for a group of people with specific needs (such as purpose-built accommodation or elderly accommodation) and as such Policy CP9 in the B&NES Core Strategy applies. A financial contribution towards the off-site delivery of affordable housing will be required. B&NES Council does not currently have a Local Plan policy which requires new market housing to meet Nationally Described Space Standards (NDSS). However, within the Planning Obligation SPD, all affordable homes are required to comply with NDSS. Therefore, converting the total co-living floor space to an equivalent figure of NDSS compliant dwellings is considered an appropriate approach in line with the Planning Obligations SPD. According to the NPPF, affordable housing is a type of housing for sale or rent, for those whose needs are not met by the market. The Local Housing Allowance (rates applicable from April 2025 to March 2026) in B&NES, which is intended to allow affordable access to properties at market rents, is £812.76 per calendar month (pcm) for a one-bedroom. In comparison, all-inclusive co-living rent is estimated to be £1,306 pcm (Savills, 2022), a 60.7% increase. As such, whilst co-living accommodation provides an additional housing option for those able to afford it, the Council does not consider it to be an affordable rented tenure. Recommendation: No change

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CIL liability	 CIL contribution should not be sought unless it has been justified and evidence tested through the CIL examination process. Until an amended CIL Charging Schedule has been tested through examination and subsequently adopted, the CIL rate for 'Any Other Development' applies to co-living developments (sui generis) at the expressed rate of 'nil'. Regarding an updated CIL Charging Schedule: Co-living schemes are not as easily funded or profitable as PBSA schemes. As such the Council should be cautious about increasing CIL rates for co-living above the standard residential rate. 	The Council retains its position that co-living schemes clearly provide a type of residential accommodation. The Council will seek to negotiate a community infrastructure levy payment in accordance with the Bath and North East Somerset Council CIL Charging Schedule 2015, under the rate for specialised residential accommodation. Recommendation: No change
Location	Rural areas do not meet the needs for co-living occupiers, it would be hard to sustain a co-living community in a rural setting. Co-living is more suitable for city and town centre locations.	Noted. The position statement clarifies in para 1.2 that co-living schemes are encouraged by the council in areas well-connected to local services and employment by walking, cycling and public transport. As such, co-living schemes are less likely to be encouraged in more rural locations. Recommendation: No change

Occupancy

There was some support for the intention to restrict the occupation of co-living development to non-student occupiers.

The main issues raised:

- Co-living is not typically restricted by user group. Imposing occupation restrictions on coliving development risks stifling funding prospects of co-living in the city.
- It is a missed opportunity to help free up city centre accommodation (including family housing) and meet the need for student beds.
- Co-living can cater for the need to accommodate students, given that the growth of students has outpaced PBSA supply and the growing number of overseas students (who have the propensity to prefer PBSA).
- If a student wants to rent a co-living studio and they can afford it, why is it necessary or reasonable for BANES to prevent this?

The Council is mindful that the growth in student numbers during the last decade has not been accompanied by sufficient oncampus study bedrooms and that the associated expansion of the student lettings market has diminished the 'normal' housing stock of the city.

Policy B5 sets out the overall strategy to manage student accommodation and expects that the future increase in student numbers should be accommodated on campuses and allocated sites.

The Council have a specific policy (H2A) relating to provision of purpose-built student accommodation (PBSA), which seeks to ensure that off-campus PBSA is provided only in association with a university via a nomination agreement, or for 2nd or 3rd year students who would otherwise reside in HMOs in the city.

In order to meet the needs of 2nd or 3rd year students who would otherwise reside in HMOs, PBSA developments must meet the requirements of such students with regards to type of accommodation. The Council do not consider co-living to be a type of accommodation that meets the needs of second and third year students who would otherwise often reside in HMOs, as it is not provided at a cost level similar to renting a HMO. The Council discourage the occupation of co-living developments by students and may use a planning condition or legal agreement to restrict occupation to non-student occupiers.

Recommendation: Removal of paragraphs 5.8 and 5.9, amend paragraph 5.7 as follows

As such, the Council discourage the occupation of co-living developments by student occupiers and may use a planning condition or legal agreement to restrict occupation to non-student occupiers.

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Laundry and drying facilities	Respondents considered that:	Noted. We do not consider this a planning matter.
	 The requirement to provide laundry and drying facilities as part of an inclusive charge is unjustified, too prescriptive and should be removed. Text in Para 4.12 that states that laundry and drying facilities should not count towards communal space requirements and should not be located adjacent to recreation or socialising facilities, should be removed. 	Officers agree that laundry and drying facilities can facilitate socialising when they are specifically designed to accommodate recreational activity or interactions. The text in Para 4.12 says '[laundry and drying facilities] will not be counted towards the communal space requirements, unless specifically designed to accommodate recreational activities or social interactions'. Regarding location, text in Para 4.12 states that laundry and drying facilities should not interfere with communal spaces used for cooking, dining, recreation or socialising. No reference is made in the text to state that facilities cannot be located in a separate room adjacent to these facilities. The Council wants to avoid laundry and drying activity mixing with cooking, eating, and socialising. Recommendation: No change
Accessible unit requirements	Respondents considered that: Co-living is Sui Generis rather than Class C3, so some flexibility should be expected on policies and guidance written specifically for regular residential development. Paragraph 4.11 should be amended as follows: 'The Council will seek provision of accessible and adoptable as living units wherever possible in	The text in Para 4.11 states that the Council will seek provision of accessible housing in accordance with policy H7 in the Local Plan Partial Update, which is existing policy. Recommendation: No change
	adaptable co-living units wherever possible, in accordance with policy H7 in the Local Plan Partial Update'.	

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Dual occupancy	Para 4.10 suggests a minimum room size for single person occupancy, implying that dual occupation may be restricted unless room sizes are increased. It is recommended that the draft Position Statement is amended to confirm that the dual occupation of larger units will be allowed.	Para 4.10 outlines the minimum room size for a single occupancy room. The room size requirements for dual occupancy will be assessed on a case-by-case basis. Recommendation: Additional text Inclusion of text in para 4.10 to outline that dual occupancy and room size requirements will be assessed on a case-by-case basis. Dual-occupancy rooms will be expected to be larger than the minimum room size for single occupancy.
Internal communal spaces	Para. 4.8 should be amended to allow storage facilities to count towards internal communal space calculations.	The position statement does not outline whether storage facilities would count toward the indoor communal space per occupant. It is expected that if storage is provided within private units, storage would be counted as part of the private unit size. The inclusion of storage facilities external to private units as part of the indoor communal space per occupant will be assessed on a case-by-case basis. Recommendation: No change

Question / Key issue	Summary of responses	Council response to issue raised
Adaptable design	Respondents considered that:	Noted.
	 The co-living model is relatively un-tested and the demand unquantified, there is a potential need for new developments to be sufficiently flexible in terms of being adapted to other uses including C3 units. 	Recommendation: Additional text Policy D1 requires development proposals to be flexible and adaptable, as such the Council will seek for developments to be designed in such a way that they are capable of being reconfigured through internal alterations to meet general housing needs in the future if necessary.
Restrict co-living	The Council should be taking action to introduce measure to prevent the creation of co-living schemes. Co-living spaces should not be encouraged or permitted, as they are not appropriate for working-age adults. Co-living spaces are simply halls of residence for adults. These schemes benefit developers and benefit council housing targets, but they are just exploiting tenants by forcing them into inappropriate housing.	The Council is committed to new residential development that provides for a range of housing types and needs, to help support mixed and inclusive communities and to respond to demographic change. According to Para 61 of the NPPF, the Council should aim to meet an area's identified housing need, including an appropriate mix of housing types for the local community. Recommendation: No change
Similarities between HMOs	Co-living constitutes large HMOs and should be subject to conditions in the B&NES 'Houses in Multiple Occupation' SPD.	Co-living is a type of non-self-contained housing that differs from HMOs in respect to the size of developments and the extent of communal spaces and facilities.
	The LPA should consider a concentration/ratio assessment, similar to HMOs, to avoid the clustering of co-living in an area.	Unlike HMOs, co-living developments are managed by a management company, so impacts (i.e. community mix) and/or disturbances (i.e. noise), should be controlled by the management company.
		Therefore, it is considered that a concentration/ratio assessment for co-living is not appropriate, as the issues/impacts associated with HMOs are not expected from co-living.
		Recommendation: No change

Question / Key issue	Summary of responses	Council response to issue raised
Contribution to housing supply	The final Position Statement should clarify the contribution of co-living units towards the Local Planning Authority's housing land supply.	The aim of this position statement is to clarify the position the Council will take when assessing planning applications for coliving proposals.
		To understand how co-living can contribute to housing need and supply in B&NES, this would have to be captured as part of evidence base work so that this can be used to inform a future Local Plan policy.
		Recommendation: No change
Introduction of new policies	The contents of the Draft Position Statement would seek to introduce new policies in the form of untested space and amenity standards.	The aim of this position statement is to clarify the position the Council will take when assessing planning applications for coliving proposals. It is not seeking to introduce new policies; the Position Statement clearly sets out the Council's expectations for co-living proposals to be determined in line with Local Plan policies.
		Recommendation: No change
Local Plan policy	A position statement is useful for applicants, decision makers and stakeholders; however, it carries little to no weight in the determination of applications. Suggests exploring the need for a specific policy in the emerging local plan along with an associated Supplementary Planning Document (SPD) on co-living.	The aim of this position statement is to clarify the position the Council will take when assessing planning applications for coliving proposals. It is proposed to take forward co-living policy within the new local plan.

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Positively prepared or justified	The Draft Co-living Position Statement does not meet the test of 'soundness' set out within Paragraph 36 a) and 36 b) of the NPPF. The Position Statement is not positively prepared or justified – no evidence has been provided to justify the approach undertaken in the document, particularly in respect to room size and aggregate room size.	Paragraph 36 of the NPPF sets out the criteria for which the 'soundness' of local plans and spatial development strategies are examined against. The Co-living Position Statement is not attempting to introduce new policies outside of the Local Plan. The aim of this position statement is to set out the Council's interim position on co-living schemes. The Position Statement will help to ensure a consistent approach to assessing co-living proposals. It also clearly sets out the Council's expectations and planning policy requirements for applicants and promoters.
Sustainable Construction	Main issues raised: For multi-storey schemes, carbon neutrality is extremely challenging to meet due to the ratio of roof space surface area that can be used for solar and overall floorspace. The position is made more challenging by the requirement of the Conservation Team for pitched rather than flat roofs. The requirement for punitive carbon off-set payments are a further viability challenge for medium rise co-living schemes.	The Council is committed to tackling the climate and ecological emergencies with Policy SCR6 being introduced in the Local Plan Partial Update to reduce emissions in residential buildings and to help achieve the Council's commitment to carbon neutrality by 2030 and the government's target of reaching net zero by 2050. The targets for Policy SCR6 are based on robust evidence including a thorough and realistic viability assessment. However, it is acknowledged that building typology and location may impact the design of the roof and therefore, the policy requirements and impact on viability of the scheme are considered on a case-by-case basis by case officers.
Parking provision	There is no mention of parking provision for coliving development, how will the increased parking needs be managed?	The Transport and Development SPD sets out specific parking requirements for co-living (See page 65).
Council tax	Will the owners of the co-living residence properties pay B&NES council tax?	Yes, co-living residents will be expected to pay council tax.

Question / Key issue	Summary of responses	Council response to issue raised
Cluster style flats	The reference to 'cluster style' flats in Para 2.2 is questioned.	Co-living schemes can provide 'cluster style' flats. Union co-living in Manchester offers co-living residents an option to rent a studio room or a room within a two-bed, three-bed, or four-bed apartment. Recommendation: No change