

Co-living Position Statement

Draft for consultation – February 2025

1. Introduction

1.1 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 regard to the following topics:

- Amenity standards
- Occupancy
- Sustainable construction
- Affordable housing contribution
- Community Infrastructure Levy (CIL) liability.

1.2 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.

2. What is Co-living?

2.1 Co-living is a relatively new model of housing with no standard policy definition. They are purpose-built residential schemes comprising of private studio bedspaces with access to shared communal facilities. They are not defined in the Use Class Order, falling under a 'sui generis' use class.

2.2 Schemes may be new build, or conversions of existing buildings. The design of schemes and on-site facilities provided can differ, though there are some general characteristics of the co-living model:

- Accommodation typically consists of a mix of small individual rooms / studios (including an ensuite and often a kitchenette) and/or 'cluster-style flats' within a wider development consisting of a range of communal areas (including kitchens, dining rooms, living areas, gyms, workspaces, and cinemas etc.)
- A single management regime and operator, providing residents with concierge and management services (including room cleaning and/or bedding and linen changing services).
- Rent typically inclusive of all bills and access to services.
- Flexible tenancies (3-12+ months), with schemes usually being required to provide a minimum term of 3 months and offering tenancy renewal on a rolling basis.
- A central focus on community living, including a management approach that aims to encourage use of the communal areas to facilitate engagement and a sense of community.

2.3 Co-living schemes are often marketed towards young professionals seeking all-inclusive rental packages, and sociable living arrangements. However, co-living is not typically restricted to any particular user group. It can serve various demographics, with examples of schemes in the UK where intergenerational living is observed.

3. Existing Policy

3.1 The NPPF (2024)¹ does not include specific policy, guidance, or reference to co-living but local planning authorities are required to make provision for the size, type and tenure of housing needed for different groups in the community, including for those who require affordable housing, students, families, and people who rent their homes.

Relevant National Policy

- [NPPF Chapter 5 – Delivering a sufficient supply of homes](#)
- [NPPF Chapter 11 – Making effective use of land](#)
- [NPPF Chapter 12 – Achieving well-designed places](#)
- [Paragraphs 64 and 66 – Affordable housing](#)

Relevant adopted B&NES Local Plan policies

3.2 The adopted B&NES Local Plan does not currently comprise a policy relating to co-living schemes, against which to assess development proposals. However, the Local Plan includes a number of relevant policies which are used to assess proposals for co-living development. The policies below are highlighted in particular. However, various other policies are likely to be relevant to specific applications.

- [Policy D6: Amenity](#)
- [Policy CP9: Affordable Housing](#)
- [Policy CP10: Housing Mix](#)

¹ [National Planning Policy Framework \(NPPF\) \(2024\)](#)

- [Policy CP13: Infrastructure Provision](#)
- [Policy H7: Housing accessibility](#)
- [Policy SCR6: New Build Residential Development](#)

4. Private and Communal Amenity Space

4.1 Well-designed co-living accommodation provides an opportunity to create a positive and supportive community through quality shared spaces and can sometimes have a benefit of a reduced cost of living due to provision of shared amenities.

4.2 Policy D6 in the Placemaking Plan requires development to allow for provision of adequate and usable private or communal amenity space and defensible space. One of the key elements of a co-living development is having **well-designed, well-integrated and accessible shared amenity spaces for use by occupiers**.

4.3 The Council will seek to ensure that co-living developments provide the appropriate level of amenity space for use by occupiers, using the aggregated space standard calculation set out below. Internal and external communal areas should be design-led, taking into consideration the composition of the different spaces, their interrelationships across the building and their use(s). They must be inclusive, well designed, adequately sized, well ventilated, conveniently accessed, and sufficient to meet the requirements of the anticipated number of residents. They should also be designed for flexible use, so residents can feel a reasonable degree of autonomy and are enabled to develop a sense of community. Design layouts which do not encourage interaction between residents, such as those with narrow corridors accessing many small bedrooms, and limited shared amenity spaces to break up the layout, will not be supported.

Space standards

- 4.4 There are currently no national minimum space standards for communal and private areas of this type of accommodation, though given the generally small size of the private spaces within co-living schemes, the communal amenity spaces are very important elements in ensuring that the quality of the overall residential amenity is acceptable, in line with policy D6.
- 4.5 The size of co-living private units tend to fall under 37m², the minimum size for a one-person, one-bedroom dwelling as described in the [Nationally Described Space Standards \(NDSS\)](#).
- 4.6 Therefore, due to the significant importance of size and quality of shared amenity space within co-living schemes, the Council will apply an aggregated approach to co-living space standards, taking account of both private and communal areas, in order to provide a suitable benchmark to ensure that a good standard of amenity space is provided.
- 4.7 As such, the aggregated space (private plus communal) provided in co-living schemes must be **in line with or above the NDSS**. The sum of private and communal space will be calculated as follows:

$$\begin{aligned} & \text{Average private unit size (m}^2\text{)} \\ + & \text{ Indoor amenity space per occupant (m}^2\text{)} \\ + & \text{ Outdoor amenity space per occupant (m}^2\text{)} \\ = & \text{ Total amenity space provision (m}^2\text{)} \end{aligned}$$

- 4.8 Examples of indoor and outdoor shared amenity spaces the Council may consider as part of this calculation include kitchens, dining areas, lounges, workspaces, gyms, gardens, rooftop terraces, courtyards, and balconies. They will be considered where they are designed as part of a space that encourages residents to spend recreational time, are accessible to residents of the accommodation free of charge, are well-integrated with the accommodation, and are well-designed.

4.9 In general, internal and external facilities or spaces that the Council will not consider as part of this calculation include leftover spaces that do not contribute towards amenity or interaction. Examples of such spaces include corridors, stairwells, landings, and areas such as those used for decorative or defensible landscaping.

4.10 Private studios / bedspaces should be a minimum of 25 sqm for a single occupancy room.

Accessible units

4.11 The Council will seek provision of accessible and adaptable co-living units in accordance with policy H7 in the Local Plan Partial Update. It should be demonstrated through submission of drawings how any accessible private studios have been designed in accordance with Part M of the building regulations, to provide adequate space and wheelchair accessibility. It is likely that accessible private studios will need to be significantly larger than the minimum standard for general private studios / bedspaces, and applicants should take this into consideration at the outset of designing a scheme.

Laundry and drying facilities

4.12 Adequate laundry and drying facilities should be provided for residents at no additional charge. They should be located in a convenient and ventilated location, and will not be counted towards the communal space requirements, unless specifically designed to accommodate recreational activities or social interactions. They should not interfere with other communal spaces that are used for cooking, dining, recreation or socialising.

5. Occupancy

5.1 Co-living schemes are considered to typically attract reasonably affluent occupiers who currently live in the private rented sector, are aged between 18 – 40 years, and live in households without children. Co-living schemes are considered to attract this demographic by offering a fully managed, high specification accommodation product, typically located close to amenities and facilities in a city centre, and close to job opportunities. They offer sociable living arrangements through provision of high quality shared communal spaces, and the simplicity of an all-inclusive rental package and management regime.

5.2 The Council has a particular desire to encourage provision of more affordable housing that meets the need of young professionals, recent graduates, and key workers in the local economy. Co-living accommodation is often promoted as providing for such a need, due to its sociable and all-inclusive nature. However, analysis of average co-living monthly rental cost including bills (£1,306)³ vs average graduate salary in Bath (£30,141 gross pay, or £25,221 net pay) indicates a significant disparity. Monthly rent and bills would cost the average graduate 62% of their net pay.

5.3 Although co-living can provide a more affordable rental option in the city compared to some other rental options, such as build-to-rent, the average cost of rent (inclusive of bills) is still significant. As such, whilst co-living accommodation provides an additional housing option for those able to afford it, and contributes to housing choice for this demographic, the Council does not consider it to be a type of accommodation that would meet the needs of the majority of young professionals, recent graduates, and key workers in the local economy.

Student Occupancy

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

5.5 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. These students generally have a preference to live as a household with friends, at a cost level similar to renting a HMO. Such accommodation is likely to comprise cluster flats with shared facilities, whereas studio accommodation is considered to be too expensive for these students, and is not therefore supported by policy H2A.

5.6 As co-living schemes are mostly provided as studios, at a price point significantly higher than student cluster flats and HMOs within the city,

³ [Spotlight: UK Co-living – A market poised for huge growth](#)

provision of co-living accommodation for student occupiers is not considered to align with policy H2A.

5.7 As such, the Council will restrict the occupation of co-living developments to non-student occupiers, using a planning condition or legal agreement.

5.8 Some flexibility may be considered appropriate on a case-by-case basis, for example to provide accommodation for those in part-time or post-graduate education. In these situations, the number of student occupiers will be **restricted to 10%**, in order to ensure a mixed community within the development.

5.9 Where this flexible approach is considered appropriate, the applicant must set out in a Management Plan, submitted with the planning application, how the number of students living in the accommodation will be recorded and made available to the Council on request.

6. Sustainable Construction

6.1 As co-living is a form of residential accommodation, new build schemes will be considered under adopted policy **SCR6: New Build Residential Development**.

6.2 Policy SCR6 aims to ensure that development mitigates its contribution towards the drivers of climate change by requiring development to achieve zero operational emissions via maximising energy efficiency and supplying all energy demand through onsite renewable energy generation. Through the submission of an appropriate energy assessment, having regard to the [Sustainable Construction Checklist Supplementary Planning Document](#) (SPD), proposed new residential development will demonstrate the following:

- Space heating demand less than 30kWh/m²/annum;
- Total energy use less than 40kWh/m²/annum;
- Onsite renewable energy generation to match the total energy use;
- Connection to a low-or zero-carbon district heating network where available.

6.3 The total energy use is a measurement of the annual energy use per m² of development (gross internal area) and should include all energy use (regulated and unregulated). Further information regarding Policy SCR6 can be found in the [Sustainable Construction Checklist SPD](#).

7. Affordable Housing Contribution

7.1 Co-living is considered to fall under a *sui generis* planning use class.

7.2 Adopted policy CP9 in the B&NES Core Strategy requires developments of 10 or more dwellings to provide on-site provision of affordable dwellings, unless evidence is submitted to show that such provision would be unviable.

7.3 It is established in planning legislation that a dwelling refers to a unit of residential accommodation which provides the facilities needed for day-to-day private domestic existence.

7.4 Co-living schemes generally provide studio accommodation which comprise the facilities required for single person occupancy, comprising a bed, seating, bathroom facilities, and a small kitchen or kitchenette. It is therefore appropriate that co-living accommodation contributes to affordable housing provision within the District.

7.5 However, co-living accommodation is not considered to provide a suitable form of affordable housing in itself, as the accommodation does not often meet minimum housing space standards, and also presents issues with regards to the ability to access and maintain mixed tenures within a single building owned and managed by a single entity.

7.6 As such, an off-site financial contribution is required in lieu of on-site provision. **The calculation to be used in calculating the commuted sum is as follows:**

- **Total floor space of proposed co-living units (including indoor communal amenity space) to be divided by NDSS space requirement for 1-bed 1-person dwelling (currently 37 sqm).**

- The total dwelling figure is then assessed against the B&NES Commuted Sum formulae annexed to the [B&NES Planning Obligations SPD](#).

8. Community Infrastructure Levy (CIL) Liability

8.1 Since adoption of the [B&NES CIL Charging Schedule](#) (2015), new housing products have been introduced to the local property market that did not exist when the rates were originally set.

8.2 Co-living is a new entrant to the B&NES housing market and does not currently have its own specific charge in terms of CIL charging. However, the Council will seek to secure a CIL contribution for co-living developments. The Charging Schedule sets out a charge for residential development, listing use classes C3 and C4 uses. However, this is not an exhaustive list, and co-living schemes clearly provide a type of residential development which did not exist when rates were set.

8.3 Preparation of an updated charging schedule is underway, which will, once adopted, include a specific charge for co-living schemes.