

# **Chelmsford Policy Board**

# 7 November 2024

# Co-Living Housing Planning Advice Note - Consultation Draft

# Report by:

**Director of Sustainable Communities** 

#### Officer Contact:

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#### Purpose

The purpose of this report is to seek approval from the Board to publish the Co-Living Housing Planning Advice Note for consultation.

#### Recommendations

- 1. The Board approve the Co-Living Planning Advice Note to be published for consultation.
- The Board delegates the responsibility to the Director of Sustainable Communities in consultation with the Cabinet Member for a Greener Chelmsford to make any minor changes required to the Co-Living Planning Advice Note prior to publication for consultation.

#### 1. Introduction

- 1.1. Co-Living housing, defined as Large-scale Purpose-Built Shared Living, is a relatively new form of housing which is not specifically defined as a separate housing category in national planning policy or guidance.
- 1.2. It usually comprises large buildings containing private individual rooms supported by communal facilities and facilities for shared dining, recreation, day-to-day servicing and often workspaces. Due to their scale, co-living is not considered as Houses in Multiple Occupation (HMOs), or a hotel as they tend to have a minimum three-month tenancy, or a residential institution as there no training or care provided.

- 1.3. Co-living is also different from cohousing which are initiated, designed and run by a community of people who are willing to off-set personal space to enable community living.
- 1.4. This type of accommodation has been promoted in large cities such as London and Brighton where there is an economic and demographic demand. To date, there has been one pre-application enquiry in Chelmsford. However, because co-living is not self-contained housing and does not fit into other residential use classes, existing planning policies and standards may not apply to development proposals. This includes minimum internal space standards.
- 1.5. As such, to ensure that the Council's expectations for any co-living housing proposal is met, a consultation draft Planning Advice Note has been prepared which is attached at Appendix 1. The Planning Advice Note will be subject to a six-week public consultation to be undertaken alongside the Pre-Submission Draft Local Plan (Regulation 19) which is scheduled to launch late January 2025. Having regard to the consultation responses, the advice note will then be considered for approval so it can be used by the council as a material consideration in the determination of planning applications.

#### 2. Consultation Draft Co-Living Housing Planning Advice Note

- 2.1 The Planning Advice Note sets out the following:
  - The scope and eventual status of the Planning Advice Note
  - How the need and demand for this residential product is demonstrated
  - The locational requirements for this type of residential development
  - Contributions to affordable housing
  - Design standards and communal Facilities
  - Future management plans
- 2.2 By their very nature, co-living housing proposals will not meet the requirements and standards of Chelmsford's adopted local plan policies requiring a mix of size and types of housing in larger developments which promotes the creation of mixed communities. Therefore, to enable the Council to assess the suitability of the proposals, detailed and robust evidence should demonstrate the level of need and demand for any co-living housing proposals.
- 2.3 The Planning Advice Note sets out that the City Centre would be the only location in the Council's administrative area where co-living housing proposals could be acceptable due to the need for excellent accessibility to local services and facilities.
- 2.4 The Council's adopted affordable housing planning policy (Policy DM1) refers to residential units rather than dwellings, so Officers consider that Policy DM1 can be applied to co-living proposals. As co-living proposals are unlikely to meet internal space standards and have short tenancies it would not be appropriate for affordable housing to be provided on site. Therefore, a financial contribution (commuted sum) would be sought in lieu of provision on site.
- 2.5 It is important to ensure co-living proposals do not create sub-standard accommodation and fully enable and promote a communal lifestyle which encourages social interaction. It is proposed in the Planning Advice Note that the Council have regard to the space benchmarks contained within the Mayor of London's Large-Scale Purpose-Built Shared Living guidance which was published in February 2024.

2.6 A management plan will be required to ensure proposals are operated under single management, prescribe minimum tenancies of at least six months and to ensure units are not marketed as student accommodation or specialist residential accommodation.

#### 3. Next Steps

- 3.1. It is proposed that the Co-Living Housing Planning Advice Note be published for public consultation. This can be undertaken alongside the consultation at the next stage (Regulation 19) of the review of Chelmsford's Local Plan which is anticipated to start in late January 2025.
- 3.2. Following the consideration of the consultation responses, the final version of the Co-Living Housing Planning Advice Note will be finalised for consideration by Cabinet in the Spring of 2025.

#### 4. Conclusion

4.1. Co-living housing proposals have the potential to meet a specific demand and need for housing. However, by doing so the Council needs to ensure that this does not result in sub-standard accommodation creating unacceptable living conditions for future residents. The Planning Advice Note seeks to provide practical guidance to potential promoters or developers of co-living housing in Chelmsford, to ensure they meet the Council's expectation in this regard.

#### List of Appendices:

Appendix 1 – Chelmsford Local Plan Preferred Options Feedback Report

#### **Background Papers:**

<u>Chelmsford City Council Adopted Local Plan</u>

<u>National Planning Policy Framework</u>

Major of London's Large-scale purpose-built shared living guidance

#### **Corporate Implications**

#### Legal/Constitutional:

There is no legal requirement to undertake this guidance. It provides good practice to aid promoters and developers and aid decision makers.

#### Financial:

There are minimal cost implications arising directly from this report. The consultation will be programmed to coincide with the Local Plan consultation to minimise costs.

#### **Potential Impact on Climate Change and the Environment:**

Part of guidance to support the Local Plan review which will seek to ensure new development within the administration area will contribute towards meeting the Council's Climate Change agenda.

#### Contribution toward Achieving a Net Zero Carbon Position by 2030:

The review of the adopted Local Plan will seek to ensure new development within the administration area will contribute towards achieving a net zero carbon position by 2030.

#### Personnel:

There are no personnel issues arising directly from this report.

#### **Risk Management:**

There are no specific risk considerations.

#### **Equality and Diversity:**

The Public Sector Equality Duty applies to the council when it makes decisions. An Equalities and Diversity Impact Assessment will accompany the consultation on the Planning Advice Note.

#### **Health and Safety:**

There are no Health & Safety issues arising directly from this report.

#### Digital:

There are no digital issues arising directly from this report.

#### Other:

None

#### Consultees:

CCC – CCC Development Management Team

#### Relevant Policies and Strategies:

The report takes account of the following policies and strategies of the City Council:

Adopted Local Plan 2013-2036 and supporting Supplementary Planning Documents and Planning Advice Notes

Our Chelmsford, Our Plan (2024)

Statement of Community Involvement (2020)

#### Our Chelmsford, Our Plan

The above report relates to the following priorities in the Corporate Plan:

Promoting sustainable and environmentally responsible growth to stimulate a vibrant, balanced economy, a fairer society and provide more homes of all types.

Creating a distinctive sense of place, making the area more attractive, promoting its green credentials, ensuring that people and communities are safe.

Bringing people together and working in partnership to encourage healthy, active lives, building stronger, more resilient communities so that people feel proud to live, work and study in the area.

# Co-Living Housing Planning Advice Note

# Chelmsford Policy Board Version

7 November 2024

**Consultation Draft** 



#### 1. Introduction

1.1 This draft Planning Advice Note sets out Chelmsford City Council's approach to assessing development proposals for co-living housing proposals within the Council's administrative area.

# 2. Purpose and Status

2.1 The purpose of this draft Planning Advice Note is to provide practical guidance to potential co-living housing promoters or developers and aid decision making by the Council. When approved this Planning Advice Note will be used as a material consideration in the determination of planning applications.

# 3. What is Co-living Housing?

- 3.1 Co-living is a relatively new form of housing which is not specifically defined as a separate housing category in national planning policy or guidance. Subject to the nature of the specific proposals, the use is not classified in the Use Classes Order and generally classified 'Sui Generis' as Large-scale Purpose-Built Shared Living (LSPBSL).
- 3.2 Co-Living housing comprises buildings containing private individual rooms rather than fully self-contained units supported by significant communal spaces and facilities. They are different from other housing types, such as:
  - Self-contained housing (Use Class C3). Apart from normally small private rooms, co-living housing provides communal spaces for large-scale shared dining, recreation, day-to-day servicing and often workspaces
  - Houses in Multiple Occupation (HMO) (Use Class C4) as co-living housing accommodates more people and have more extensive communal spaces and facilities although impact mitigation and standards in planning policy may be relevant
  - Hotels (Use Class C1) or Hostels (Sui Generis) as co-living housing has minimum tenancies, typically of no less than three months
  - Residential Institutions (Use Class C2) as there is no significant element of care or training provided in co-living housing
  - Student Accommodation as this has a focus on student's needs and often has links with universities
  - Cohousing which are housing schemes initiated, designed and run by a community of people who are willing to off-set personal space to enable community living.

3.3 Co-living housing generally provides accommodation for single-person households who cannot or chose not to live in self-contained homes or HMOs. They are leased on a short-term basis usually not exceeding 18 months and should not be used a long-term housing solution. It should also not be used as a specialist residential accommodation product where residents have specific support needs.

#### 4. Relevant Local Plan Policies

- 4.1 Co-living is new type of housing which is not specifically referenced in national planning policy and no planning applications containing it have been considered by the Council to date. As such there is no specific planning policy covering its development. However, the following adopted local plan policies are relevant to its consideration:
  - Policy DM1 Size and Type of Housing requires developments of 10 homes to provide an appropriate mix of dwelling types that contribute towards future housing needs and create mixed communities.
  - Policy DM2 Affordable Housing and Rural Exception Sites requires 35% of the total number of residential units to be provided and maintained as affordable housing within all new residential development sites of over 11 residential units.
  - Depending on the specific nature of proposals the provisions and requirements of Policies DM24 – Design and Place Shaping Principles in Major Developments, DM23 – High Quality and Inclusive Design, DM25 – Sustainable Buildings, DM26 – Design Specification for Dwellings, DM27 – Parking Standards and DM28 – Tall Buildings, DM29 – Protecting Living and Working Environments will be relevant.
- 4.2 These planning policy references will be updated as part of the review of the adopted Local Plan.

#### 5. Demonstration of need and demand

- 5.1 Co-living is a housing product that serves a relatively narrow sector of the housing market. Recent research indicates that existing co-living housing schemes focus overwhelmingly on more affluent single people or couples without children in the 18-35 age group. They attract young professionals who are attracted to a managed product typically close to city centre attractions and amenities.
- 5.2 There may be some local demand for this type of product, but by their very nature co-living housing proposals do not meet the requirements of Chelmsford's adopted local plan policies requiring a mix of size and types of housing in larger developments and would hinder the creation of mixed communities. Applications for co-living housing would need to demonstrate how the benefits would outweigh these policy considerations.

- 5.3 To enable the Council to assess the suitability of the proposal having regard to the adopted local plan policies, proposals for co-living housing should be supported by detailed evidence to robustly demonstrate the level of need and demand for this type of development. The needs assessment should identify the target resident groups and the scale of the potential need, affordability and demand arising from them.
- 5.4 The needs assessment should show the availability and affordability of alternative rental options e.g. self-contained studio flats, HMOs, flat or house shares. This information should set out a clear breakdown of rents and charges indicating where services, utility costs and council tax are included in the standard rent/room rate and enable a fair comparison with the proposed housing costs.

# 6. Locational Requirements

- 6.1 Chelmsford City Centre would generally be the only location where co-living housing would be acceptable due to the need for excellent accessibility to local services and facilities.
- 6.2 There is also significant need for self-contained housing (Use Class C3) including affordable housing within Chelmsford City Centre. Therefore, the Council will not support any co-living proposals on sites allocated for Use Class C3 housing within the adopted or emerging review of the Chelmsford Local Plan.
- 6.3 Where co-living housing is proposed, applicants should consider the options for delivering co-living Housing as part of a mix of self-contained Use Class C3 housing to provide a more inclusive mix of housing types and tenures which has regard to accessibility needs of residents and visitors.

# 7. Affordable Housing

- 7.1 Policy DM2 of the adopted Local Plan requires 35% of residential units to be affordable on sites of 11 or more residential units. Although not self-contained dwellings, co-living housing do provide residential units. As co-living housing is unlikely to meet internal space standards for self-contained dwellings and provides for shorter term accommodation needs it would not be appropriate to have on-site affordable housing provided.
- 7.2 Therefore, a financial contribution (commuted sum) would be sought in lieu of provision on site in accordance with the market values set out in the Council's approved <u>Planning Obligations SPD</u> but using the smaller Net Internal Area of the private individual room component of a co-living scheme.

# 8. Design Standards and Communal Facilities

- 8.1 For co-living housing to be successful there needs to be functional, convenient and meaningful communal facilities provided and maintained for future residents to ensure residents can:
  - Cook, prepare and eat meals
  - Socialise and relax, including with guests and visitors
  - Work from home and
  - Do laundry.
- 8.2 Due to the smaller unit sizes in co-living housing proposals, it is recognised they are likely to be higher density than self-contained housing. Development nonetheless must be compatible with its locality including scale range and must demonstrate compliance with relevant design policies within the adopted Local Plan. This is to ensure high quality design which is compatible with the character and appearance of its surroundings.
- 8.3 Co-living housing is expected to be located within the City Centre where a more flexible approach can be considered for the provision of parking. If this is the case it would be expected that cycle parking would be provided in excess of the standard and other sustainable transport measures and initiatives would be sort and governed by a Travel Plan.
- 8.4 Policy DM26 of the Adopted Local Plan sets out the design specification for dwellings which includes adherence to the Nationally Described Space Standard (NDSS). As co-living housing is a form of residential unit but not a self-contained dwelling (Use Class C3) it is therefore questionable whether the NDSS could be applied.
- 8.5 Nevertheless, co-living housing proposals should not create sub-standard housing and therefore the Council will have regard to the space benchmarks contained with the <a href="Mayor of London's Large-scale purpose-built shared living guidance">Mayor of London's Large-scale purpose-built shared living guidance</a> published in February 2024. This includes each individual unit having a private bathroom and small kitchenette. The space benchmarks are set out at Annex 1 of this note, relevant Chelmsford policies would replace any reference to London Plan policies.
- 8.6 As the intention of co-living housing proposals is to function as shared living, they should be clearly designed to enable and promote a communal lifestyle. As the private living units are likely to be below minimum space standards, the quantum and quality of shared communal spaces will be very important to demonstrate. Shared kitchens, dining and lounge areas should be conveniently located and accessed within the building and managed in such a way that encourages social interaction. In buildings over three storeys these should be available on each floor. Other facilities such as larger lounges, workspaces, indoor recreational spaces and laundry (washing and drying) facilities could be focused at fewer locations within

- the building. Communal areas and circulation spaces should be accessible to wheelchair users and people with limited mobility.
- 8.7 Co-living housing proposals should comply with Policy DM26 of the adopted Local Plan to ensure the provision of private outdoor amenity space which for flatted development should seek to provide private balconies for each unit. In addition, outdoor communal areas which are integral to the design of the proposals (for example courtyards, roof gardens/terraces) should be provided.

# 9 Management

- 9.1 Co-living housing should be operated under single management. Tenancies should be provided for a minimum of six months to ensure the development does not function as a hostel or hotel. The units should not be marketed as student accommodation or for specialist residential accommodation.
- 9.2 A management plan should be submitted alongside any planning application for Co-Living Housing which shows how the development will be managed and maintained. The management plan will be secured through a planning condition or Section 106 Planning Obligation.

# **Extracts from Mayor of London Guidance**

# Large-Scale Purpose-Built Shared Living Guidance

Table 3.1 Recommended benchmarks of total internal communal amenity space provision (including the table 3.2 internal amenities as indicated in column 3)

Number of residents	Benchmarked internal amenity space
Up to 100	4 sqm per resident
Every additional resident from 101 to 400	3 sqm per additional resident
Every additional resident from 401	2 sqm per additional resident

Table 3.2 Recommended benchmarks: Communal areas and facilities

Communal area/facility	Required by policy or optional	Included in communal space requirement (table 3.1)?	Benchmark
Kitchen (section 3.4)	Required	Yes	0.5 sqm per resident, to include one cooking station per 15 residents and the other equipment identified in table 3.3
Dining space (section 3.5)	Required	Yes	Two dining spaces per cooking station; or number of dining spaces = 15% of total residents
Laundry and drying facilities (section 3.6)	Required	No (unless designed as part of a space that encourages residents to spend recreational time)	One washer and one dryer per 35 residents

Table 3.3 Indicative expected kitchen amenities

Kitchen amenity	Benchmark
Hob and oven; sink and draining board	One of each per 15 residents
Fridge with freezer, Dishwasher, Microwave, Base or wall units for food and utensil storage	Located within the kitchen; as appropriate to satisfy the needs of future residents and their visitors.
Refuse space, including recycling	Located within the kitchen; as appropriate to meet the needs of all residents and their visitors.

Table 3.5 Indicative expected private unit amenities

Room amenities	Additional notes
Double bed ; desk with worktop space	-
Bedside cabinet	At least one is recommended
Wardrobe/clothing storage	A storage space of at least 1.2 cubic metres per person.
Seating area	An armchair
Dining area	Seating area could be used for eating. If provided, it should be limited to two people dining.
Bathroom with shower	Should have a standard size sink, a WC and a place to dry a bath towel. Bath tubs are discouraged.
Small kitchenette to allow preparation of convenience food	Should provide: sockets to plug in a toaster, a kettle and a non-convection microwave; sink and drainage space, and counter space. If hob is provided, then it should have no more than two plates. A mini fridge should fit under the kitchen counter. No freezer required.