

Large-Scale Shared Accommodation Supplementary Planning Document

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1. Introduction

Overview

- 1.1 Large scale shared accommodation, commonly known as co-living, is a relatively new form of accommodation where residents rent a room within a purpose-built (or converted) development which has shared amenities and facilities on a short-term basis. This type of accommodation can provide an alternative to traditional flat or house shares and can include additional services and facilities, such as room cleaning, on site gyms, communal workspaces and a concierge service.
- 1.2 This Supplementary Planning Document (SPD) will help to ensure that co-living schemes provide quality residential accommodation supporting policies set out in Birmingham's Local Plan and the Council's objectives of creating sustainable neighbourhoods and better health and wellbeing for the city's residents.

Purpose of this SPD

- 1.4 The SPD will apply to proposals for large scale shared living developments and will be used to assess planning applications for such development alongside the policies within the development plan and other material planning considerations. It will also be used by officers to provide pre-application advice and guidance.
- 1.5 This SPD provides further information on the implementation of policies in Birmingham's Local Plan including Policy TP30 'The type, size and density of new housing' in the adopted Birmingham Development Plan (BDP) and Policy DM12 'Residential conversions and specialist accommodation' in the Development Management in Birmingham Development Plan Document (hereafter known as 'the DMB').

How this SPD has been prepared

1.6 This SPD has been prepared in accordance with the Planning and Compulsory Purchase Act 2004 and the Town & Country Planning (Local Planning) (England) Regulations 2012 has been informed by national and local planning policies.

Sustainability Appraisal and Strategic Environmental Assessment

1.7 There is no legal requirement for Supplementary Planning Documents to be accompanied by Sustainability Appraisal, and this is reinforced in national planning guidance. However, "in exceptional circumstances" there may be a requirement for SPDs to be subject to Strategic Environmental Assessment (SEA) where it is considered likely that they may have a significant effect on the environment that has not already been assessed within the SEA of the local plan¹. A screening assessment has been undertaken to assess whether such an assessment is necessary, and it has been confirmed by the statutory bodies that the SPD is unlikely to have any major effects on the environment.

¹ Planning Practice Guidance (paragraph 008, Reference ID: 11-0080-20140306)

1.8 A screening exercise has been carried out to determine whether the document gives rise to the need for Appropriate Assessment (under the Habitats Regulations) and it is has been confirmed that an Appropriate Assessment is not necessary.

2. Background

What is large scale shared accommodation or co-living?

- 2.1 There is no standard definition of co-living or large scale shared accommodation. Generally, co-living refers to large scale purpose-built or converted managed developments for singles or couples without children that include a combination of small private living accommodation, that can comprise a mix of private studios and 'cluster-style flats' alongside communal kitchens, living areas and other amenities.
- 2.2 Co-living is relatively new to the UK; schemes are mainly focussed in London and are emerging in Birmingham and other large cities. The concept was originally developed in response to the affordability challenges faced by workers on below average salaries in some large American and European cities. They therefore provide a housing option for young professionals or recent graduates, singles or couples without children who cannot or choose not to live in self-contained homes or houses in multiple occupation. They are an intermediate and short-term form of accommodation with shorter tenancies usually between 3 to 6 months (or on a rolling basis with a minimum term of 3 months).
- 2.3 Co-living or large scale shared accommodation schemes can offer residents accommodation with all-inclusive bills, managed services, and flexible tenancies. The nature of shared amenities offered is variable according to the budget of the target group but can include gyms, laundry rooms, communal lounges, dining spaces, workspaces and other facilities.
- 2.4 Large scale shared accommodation or co-living differs from houses in multiple occupation (HMOs), which are either Use Class C4 (3-6 residents) or Sui Generis Use (more than 6 residents) created usually through the conversion of Use Class C3 dwellings and therefore differ to co-living schemes in terms of the size of developments and the extent of communal spaces and facilities.

Defining co-living

- 2.5 Co-living is undefined in the Use Classes Order. This means that co-living proposals would typically be submitted as a "Sui Generis" use as they are non-self-contained market housing. This means that conversion from any other use will require planning permission. They are not restricted to particular groups by occupation or specific needs such as students or people requiring temporary or emergency accommodation proposed by speciality providers.
- 2.6 For the purpose of this SPD, co-living is defined as large scale shared residential accommodation of generally at least 50 units, although there is no requirement to provide at least 50 units. These can be new-build schemes or conversions of existing buildings to form a co-living development. The units tend to be smaller living spaces in the form of studios or cluster flats with access to a range of services and communal facilities.

Distinguishing features of co-living

2.7 The floorspace of co-living studios and private rooms are typically much lower than the Nationally Described Space Standard (NDSS) that apply to C3 Use Class dwellings, so it is

important to be clear what features of co-living are regarded as essential to the definition. Co-living schemes will have all of the following essential facilities:

- Communal kitchen
- Other indoor communal space (e.g. dining room, lounge)
- Outdoor communal amenity space (garden and/or roof terrace)
- Laundry and drying facilities
- A concierge
- A management regime for cleaning, maintenance, and security
- 2.8 The presence of the following services and facilities will help to confirm co-living use:
 - Communal workspace
 - Recreational space (e.g. games room, cinema/ screening room)
 - On site gym or exercise studio
 - Bedding linen changing and/ or room cleaning services

3. Planning Policy Framework

The National Planning Policy Framework (NPPF)

- 3.1 The NPPF sets out the Government's planning policies for England and how these should be applied. To achieve sustainable development, the NPPF expects the planning system to support strong, vibrant and healthy communities as a key social objective. There is no specific reference to shared housing within the NPPF 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 etc.
- 3.2 Chapter 5 of the NPPF supports local planning authorities to ensure that the delivery of new housing seeks to meet locally identified need and that the needs of groups with specific housing requirements are addressed.
- 3.3 Chapter 11 of the NPPF promotes making *"effective use of land in meeting the need for homes and other uses, while safeguarding and improving the environment and ensuring safe and healthy living conditions."*
- 3.4 Chapter 12 of the NPPF emphasises the importance of creating high quality, beautiful and sustainable buildings and places which *"which promote health and well-being, with a high standard of amenity for existing and future users."*
- 3.5 Provision of guidance on space standards and communal facilities within co-living developments will help to ensure a high standard of accommodation and amenity which is critical to the safety, health and well-being of future residents of co-living proposals. This will support the adopted local planning policies as set out below.

Adopted Birmingham Development Plan (2017)

- 3.6 The Birmingham Development Plan (BDP) sets out a spatial vision and development strategy for the sustainable growth of the city to 2031. The plan contains strategic policies and allocations which are used to shape development and to determine planning applications. An update of the BDP commenced in June 2021 and the timetable for the preparation of the new plan is set out in the revised Local Development Scheme.
- 3.7 This section sets out the most relevant BDP policies that will apply to co-living proposals and which are considered to be consistent with the NPPF. This is not an exhaustive list, however, and consideration will also be given to other relevant planning policies in the local plan.
- 3.8 Policy PG3 'Place-making' requires new development to be of a high design quality, create safe environments and contribute to a strong sense of place and sustainable neighbourhoods. Within this context it is important that co-living schemes provide safe high-quality living environments.
- 3.9 Policy TP9 'Provision of public open space' requires that new residential developments provide new public open space broadly in line with the standard of 2 ha per 1000 population. Residential schemes of 20 or more dwellings should provide onsite public open

space. However, developer contributions could be used to address the demand from new residents on other types of open space such as allotments and civic spaces. Further detail on the implementation of this requirement is provided in the <u>Public Open Space in New</u> <u>Residential Development SPD</u>.

- 3.10 Policy TP27 'Sustainable neighbourhoods' requires all new residential development to demonstrate that it meets the requirements of creating sustainable neighbourhoods which are characterised by a number of factors set out in the policy including a wide choice of housing sizes, types and tenures; good access to facilities such as shops, schools, leisure, and work by sustainable transport; high design quality; environmental sustainability; attractive safe and multifunctional public spaces; and effective long-term management of buildings, public spaces and other infrastructure.
- 3.11 As co-living schemes typically accommodate mainly younger car free single occupiers willing to 'sacrifice' private living space, this accentuates the importance of proximity to work and leisure facilities and restricts co-living to areas of high employment growth with good public transport accessibility and a wide range of local services facilities. Further detail is set out in section 6 of this SPD.
- 3.12 Policy TP30 'The type, size and density of new housing' requires proposals for new housing to deliver a range of dwellings to meet local needs and support the creation of mixed, balanced and sustainable neighbourhoods. Within this context, the policy states that account will need to be taken of the:
 - Strategic Housing Market Assessment (or any subsequent revision).
 - Detailed Local Housing Market Assessments (where applicable).
 - Current and future demographic profiles.
 - Locality and ability of the site to accommodate a mix of housing.
 - Market signals and local housing market trends.
- 3.13 The Council is currently updating its Strategic Housing Market Assessment (known as the Housing and Economic Development Needs Assessment) as part of the BDP update.
- 3.14 This SPD will help to ensure that proposals for residential accommodation meet local housing needs, supporting policy TP30 'The type, size and density of new housing' of the BDP and TP31 'Affordable housing'. In particular, applicants will be expected to provide evidence of the need for their proposal based on the considerations within Policy TP30. The type of evidence required is set out in further detail in section 6 of this SPD.
- 3.15 Policy TP31 'Affordable housing' seeks 35% affordable homes as a developer contribution on residential development of 15 dwellings or more. The level of provision will only be revised where viability has been assessed using the specified viability assessment tool. TP31 states that "The different characteristics of developments which look to longer term returns rather than short term 'market' gains, such as multiple units of private rented sector housing in a single ownership intended for long term rental, will be taken into account when assessing viability. Costs associated with assessing the viability of a proposal shall be borne by the applicant."

3.16 Applications for co-living will be expected to comply with the Council's affordable housing policy.

Development Management in Birmingham Development Plan Document (the DMB)

- 3.17 The DMB was adopted by the City Council on 7 December 2021 and carries full policy weight. Policy DM2 'Amenity' requires development not have unacceptable adverse impacts on the amenity of its and neighbouring occupiers and residents. The considerations set out in the policy have some overlap with Policy DM10 'Standards for residential development'.
- 3.18 Policy DM10 'Standards for residential development' sets out the standards which will be expected to achieve high quality residential developments that provide a good standard of amenity to protect the health and well-being of residents. These include minimum space standards, provision of accessible and adaptable dwellings, separation distances, private outdoor amenity space, provision for recycling/ refuse storage and collection and ensuring adequate outlook and daylight.
- 3.19 The Nationally Described Space Standard (NDSS) does not apply to specialist accommodation. The definition of specialist accommodation includes shared housing, including co-living development. With the exception of Part 1 of DM10, all the other policy criteria will apply to co-living development.
- 3.20 Policy DM12 'Residential conversions and specialist accommodation' applies to the subdivision or conversion of properties into self-contained dwelling units and the development of specialist accommodation which is defined in paragraph 4.27 of the DMB. Such development will be supported where:

a. It will not lead to an unacceptable adverse impact on the amenity, character, appearance, parking, public and highway safety of the area, taking into account the cumulative effects of similar uses in the area;

b. The accommodation and facilities, including outdoor amenity space and provision for safety and security, is suitable for the intended occupiers;

c. It is accessible to local shops, services, public transport and facilities appropriate to meet the needs of its intended occupiers;

d. The scale and intensity of the proposed use is appropriate to the size of the building;

e. It will not result in the loss of an existing use that makes an important contribution to the Council's objectives, strategies and policies.

3.21 Section 6 of this SPD provides detailed guidance on the application of Policy DM12 in relation to co-living development.

Other planning guidance and policies

3.22 Developers need to be aware that other local plan and SPDs may be relevant, and this SPD does not reiterate these. All the local plan documents and SPDs are available at Local plan documents | Birmingham City Council

4. Planning guidance

Demonstrating need

- 4.1 Given the infancy of the co-living market in Birmingham, proposals for co-living will be expected to provide evidence demonstrating a local need for the development in accordance with TP30 of the BDP which requires proposals for new housing to meet local needs and support the creation of mixed, balanced and sustainable neighbourhoods.
- 4.2 The needs assessment should identify the target groups which the development aims to attract and the scale of the potential need arising from these groups. It should also set out how the proposed development would meet the needs of the target group needs, including in terms of affordability.
- 4.3 The needs assessment should also examine the availability and potential affordability of alternative rental options (e.g. self-contained studios or flats, HMOs and flat shares) for the target groups. Where the accommodation is intended to draw occupiers from alternative rental accommodation the evidence should include information on comparable rent levels. The rental cost of this form of accommodation is not directly comparable to the rental costs of conventional Use Class C3 housing, as shared living units are significantly smaller than the minimum housing space standard i.e. a one person dwelling of 37 sq.m. Shared living tenants typically pay a room rate that includes utility costs and rent. If a comparison is undertaken it should be on a square metre rental rate, excluding utility costs and service charges, of the private accommodation plus the communal space per resident.
- 4.4 The relative accessibility of the housing market in Birmingham is different compared with London which show a greater a contrast in housing values. Evidence in relation to affordability should therefore be Birmingham specific.
- 4.5 Given the significant need for conventional housing in the city, the delivery of which is a priority, proposals for large scale shared living should not compromise the delivery of self-contained housing to meet the city's housing need. Criterion e. of DM12 requires that proposals for specialist accommodation should "not result in the loss of an existing use that makes an important contribution to the Council's objectives, strategies and policies."
- 4.6 Proposals for large scale shared accommodation will therefore need to have regard to:
 - whether a proposal would result in the loss of existing C3 residential accommodation
 - whether a site has been allocated for housing or protected for other uses
 - whether a site has been identified in the city's Strategic Housing Land Availability Assessment (SHLAA) as having the capacity for conventional housing, unless the applicant can demonstrate that the permitted C3 scheme is not deliverable or viable; and
 - whether the site has an extant planning permission for C3 housing, unless the applicant can demonstrate the permitted C3 scheme is not deliverable or viable

Locational requirements

- 4.7 Criterion c. of DM12 requires that proposals for specialist accommodation, which includes large scale shared accommodation or co-living, are *"accessible to local shops, services, public transport and facilities appropriate to meet the needs of its intended occupiers."*
- 4.8 Since the intended occupiers of co-living will largely be young single professionals often adopting a car free lifestyle and needing to be in close proximity to work and leisure, co-living development will be restricted to areas within the City Centre (Zone A of the <u>Parking Supplementary Planning Document</u>) where car free development is expected, has excellent public transport, walking and cycling connectivity and is well served by a wide range of local services and facilities (of which provision made within the proposal can be taken into account).

Accommodation standards

4.9 Criterion b. of DM12 requires that "the accommodation and facilities, including outdoor amenity space and provision for safety and security, is suitable for the intended occupiers" Policy PG3 'Place-making' requires new development to be of a high design quality, create safe environments and contribute to a strong sense of place and sustainable neighbourhoods. Within this context it is important that co-living schemes provide quality living environments and create a sense of community.

Private bedrooms

- 4.10 The private bedroom size within co-living schemes should be **minimum of 25 sq.m**. for a single occupancy room². Exceptions to this minimum will only be considered where a robust justification has been provided to the satisfaction of the Council. For example, it may not be possible to provide all units to the minimum standard in a scheme involving the conversion of a listed building.
- 4.11 A two-person room should be designed for two people rather than be a basic enlargement of a single room. This should include a greater distinction and separation between sleeping and living areas.
- 4.12 Private rooms should include an en-suite bathroom and windows to provide natural daylight and outlook. Facilities within the room may include a kitchenette, desk space (to allow for home working), storage for clothes, luggage cases, bathroom items and laundry, general and recyclable waste storage, seating, and space or facilities for other possessions. Welldesigned integrated storage and furniture is encouraged in order to maximise the utilisation of space.

Communal kitchens

4.13 Communal kitchens and facilities should be provided so that residents do not have to rely upon small scale kitchen facilities within private rooms. The distribution, space and design of

² Based on 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 0.5 sq.m.

communal kitchens is therefore highly important and should be given careful consideration so as to optimise their use and encourage social interaction between occupiers.

- 4.14 Shared kitchens should have convenient access and be located at a convenient distance from private units.
- 4.15 It is important for there to be adequate space for all of the facilities to be installed and properly arranged so that food can be safely and hygienically prepared and cooked. Sufficient cooking facilities must be provided to meet the requirements of the intended number of residents to be able to cook meals from scratch during peak time (typically 6 pm and 8:30pm).
- 4.16 Communal kitchens should also provide sufficient space to accommodate dining furniture (tables and chairs) and allow users to interact and socialise within spacious and comfortable surroundings. Any café and restaurant seating that is open to public must not be counted toward the dining space or essential communal space.

Other indoor communal space

- 4.17 Given the generally small size of the private space in co-living developments, the communal spaces are important elements in ensuring that the quality of the overall residential amenity is acceptable. A range of other indoor communal spaces such as lounges, dining rooms, meeting rooms, workspaces and indoor recreational spaces should be provided. Where appropriate, communal facilities should integrate with the public realm and external spaces.
- 4.18 Communal spaces should be of a sufficient size, well ventilated, inclusively designed, and conveniently accessed to cater for the intended number of occupiers. Internal communal spaces should have adequate passive ventilation and lighting, including natural light during the day. The communal spaces should be integrated within the building design and not provided in left over spaces.
- 4.19 The communal spaces should be designed and managed in a way that fosters social interaction and encourages engagement between people. Sufficient and comfortable seating in the form of sofas and lounge chairs should be provided for the intended number of users, including assumptions about residents' visitors. Convenient toilet facilities should also be provided for use alongside other communal facilities for residents' guests.
- 4.20 The workspaces provided should allow for hybrid working environments and have high speed broadband connections. Desk spaces should be equipped with charging points and desks should be fully adjustable to allow for use by all residents.
- 4.21 The design and location of the communal facilities should ensure equal opportunity for all and meet Policy PG3 'Place making' of the BDP. This should include an adequate number of lifts, appropriately-sized corridor spaces, lifts, internal spaces and external spaces.

Average internal communal space per bed

- 4.22 The average internal communal amenity space provided should be at least 4.5 sq.m. per bedspace³. This may include communal kitchen(s), lounges, workspace and other recreational or entertainment space for the exclusive use of residents without a charge. The calculation of the average communal space per bed excludes:
 - Laundry rooms
 - Toilets
 - Personal storage
 - External communal space
 - Circulation space
 - Any spaces that residents incur additional costs to access and use
 - Cafes bars and restaurants
 - Spaces that are open to the public to use or not for the exclusive access and use of residents and their personal visitors
 - Storage used by management
 - Cycle storage
 - Car parking
- 4.23 Exceptions to this minimum will only be considered where a robust justification has been provided to the satisfaction of the Council.

Laundry and drying facilities

- 4.24 Adequate laundry and drying facilities should be provided for residents and should not also be used by the management company for washing bedding and linen. These should be in a convenient and ventilated location and not interfere with other communal spaces that are used for cooking, dining, recreation and socialising.
- 4.25 At least one washer and one dryer should be provided for every 10 residents.
- 4.26 Additional secure and naturally ventilated space, adequate for intended number of users, should also be available for air drying clothes.

Outdoor communal space

4.27 Co-living schemes should include adequate outdoor amenity space following the guidance contained in the emerging <u>Birmingham Design Guide SPD</u>. The minimum outdoor amenity space provided should be 10 sq.m. per resident. The SPD provides detailed guidance on how this can be provided in multi-residential developments. Policy DM10 'Standards for residential development' state that "Exceptions (to the above) will only be considered where it can be robustly demonstrated with appropriate evidence that to deliver innovative high quality design, deal with site specific issues or respond to local character, adhering to the

³ Based on the average internal community amenity space per bedspace of the most recently validated (2019 and later) schemes in the core cities researched by SWAP Architects and rounded up to the nearest 0.5 sq.m.

standards is not feasible due to physical constraints or financial viability issues. Any reduction in standards as a result must demonstrate that residential amenity will not be significantly diminished."

4.28 This is reiterated in the emerging Birmingham Design Guide SPD which states "If proposals are seeking to gain support for amenity space below the City Council's minimum standards, designs must clearly demonstrate how this reduction will not impact on the delivery of quality amenity space. This may form part of an innovative architectural design that creates a number of smaller spaces (garden, roof terraces, balconies and/or courtyards) that provide variety; benefit from sunlight at different hours of the day; and enable different residents to have private space."

Parking provision

4.29 It is not generally expected that car parking will be provided for co-living developments as schemes are expected to be focussed in the City Centre. The Birmingham Parking SPD has a zero to low car parking standard for residential development in Zone A. Detailed guidance on cycle parking provision is set out in the <u>Birmingham Parking SPD</u>.

Affordable housing

4.30 Large scale shared accommodation is not an affordable housing product as it does not meet minimum housing space standards and does not provide stable long-term accommodation suitable for most households in need of affordable housing. Large scale shared development will be required to contribute to affordable housing in accordance with Policy TP31 'Affordable housing' of the BDP. This will be sought as a single upfront financial contribution, based on a 20 per discount off the market value (including any service charges) of 35 per cent of the units, and secured through a section 106 legal agreement (subject to viability).

Open space

4.31 New developments, particularly residential, will place additional demand upon all types of open space. Co-living development will be required to contribute to the provision of new open space in accordance with TP9 'Open space, playing fields and allotments' of the BDP.

Management plan

- 4.32 A management plan should be produced and submitted with the planning application showing how the whole development will be managed and maintained to ensure the continued quality of the accommodation, communal facilities and services, and that it will positively integrate into the surrounding communities. The agreed management plan should be secured through planning condition or a Section 106 agreement and should include, but not be limited to, detailed information on:
 - a. security and fire safety procedures
 - b. moving in and out arrangements
 - c. the maintenance and repair of internal and external communal areas including cycle storage

d. cleaning regime of communal spaces and private units

e. how linen changing services will operate

f. how deliveries for servicing the development and residents' deliveries will be managed

g. crime prevention and anti-social behaviour measures

h. key responsibilities of the site staff which should include the organisation of social activities and a system communication for residents to foster a sense of community i. promoting good neighbourliness

j. an annual monitoring and review framework to ensure the effectiveness of the management plan

Tenancies

- 4.33 Tenancies should be for a minimum of three months to ensure co-living developments do not effectively operate as a hostel or hotel. A maximum stay should be defined for short-term lets, for example, twelve months. However, tenancy durations should be reviewed on an on-going basis to ensure they remain appropriate.
- 4.34 Children would not be expected to be accommodated in large scale shared living developments. An assessment will be made on a case by case basis and where appropriate a condition will be imposed limiting occupation to over 18-year olds.

Other requirements

- 4.35 Developers need to be aware that other local plan and SPDs may be relevant, and this SPD does not reiterate policies and guidance. Developments must have a clear place-making strategy, which includes green spaces, promotes sustainable transport and maximises energy efficiency and the use of low and zero carbon energy.
- 4.36 Developments will be encouraged to be designed in a way that can be easily converted into self-contained policy compliant dwellings so as to provide flexibility to respond to changing needs if required.

5. Implementation, monitoring and review

Implementation

- 5.1 Applications will need to be accompanied by detailed floor plans and sufficient detail to demonstrate compliance with the accommodation standards (including example furniture arrangements or fit out), a needs assessment, management plan, and other relevant information to address the principles and guidance set out in the SPD as well as policies in the local plan.
- 5.2 Drawings and tables should be provided to show:
 - private unit sizes (including example furniture arrangement or fit out) and locations in the floor plans
 - the indoor communal spaces which count towards the 4.5 sq.m. per resident
 - the outdoor communal spaces which count towards the 10 sq.m. per resident
 - the size and distance calculations of kitchen facilities to demonstrate they are sufficient and appropriately located
 - the areas that will be used by the public/ other users that are not residents of the large scale shared accommodation development.
- 5.3 Viability assessments will be required in accordance with Policy TP31 'Affordable housing'.

Monitoring

5.4 Applications for co-living schemes will be monitored to ensure that proposals are meeting the standards set out in the SPD.

Review

5.5 The SPD will be reviewed if circumstances materially change to ensure that it remains appropriate.