



Co-living in Greater Cambridge



What is Co-living?

Co-living is a type of purpose-built and managed accommodation for rent, which comprises a mixture of individual spaces and shared amenities.

These schemes offer high convenience, typically being in city centres and offering fully furnished accommodation with all-inclusive billing. Individual spaces resemble purpose-built studio apartments, while shared amenities may include working spaces, gyms, lounges, and more.

Co-living often offers the flexibility of shorter contracts and high-quality accommodation, ideal for those who are unable to get on the housing ladder or only staying in Cambridge for a few years.

Co-living is a novel type of accommodation in the UK, with the first schemes launching in 2016, and prior examples in places such as Berlin and Copenhagen¹.

¹https://www.savills.co.uk/research_articles/229130/328949-0; ^{vi} <https://thespaces.com/next-generation-co-living-spaces/>



Who lives in Co-living accommodation?



The majority of those in co-living schemes are recent graduates and young professionals. For example, 79% of occupants across The Collective's two locations in London are aged 18 – 35 years. **Savills estimates that there are 6,379 people in Cambridge who are in the core target market for co-living².**

Co-living might suit those who want to be located centrally in the cities they live and work in – like Rajan the 'Worker Bee', a graduate who has moved to Cambridge for work and who wants to live close to the city centre, and Heidi the 'Cambridge Cog', an essential worker who would like to live centrally but can't afford to, instead finding herself with a long commute alongside her already challenging work routine.

Co-living would likely present an attractive option to Cambridge residents seeking high quality, central accommodation for an affordable price, and who are willing to share space and amenities as a trade-off for better quality accommodation. The opportunity for socialising and meeting new people is particularly attractive for those who are new to the city and may have limited networks of friends in Cambridge.

²<https://www.essentialliving.co.uk/blogs-insights/what-is-co-living/>



Co-living is suitable for:

Cambridge Cog

Heidi has been working in Cambridge for a few years as a healthcare worker.

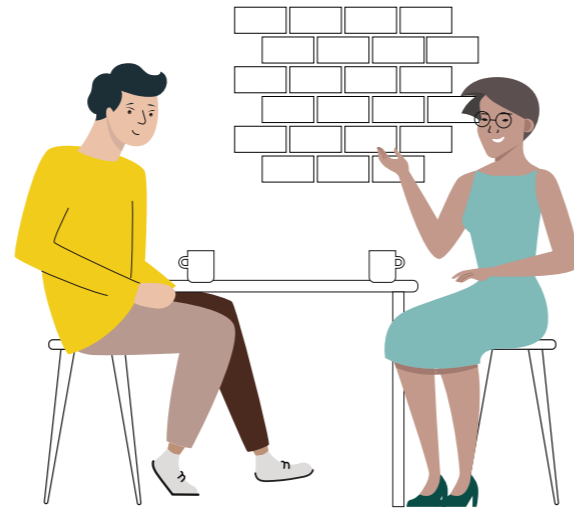
Worker Bee

Rajan is a recent graduate and has moved to Cambridge to start a new job.

Examples of Co-living

Co-living is not commonplace in Cambridge, but there are a few examples of similar types of housing.

Best Property Partners operate individual co-living houses in Cambridge. Rooms available to rent at the time of review (Jan 2023) have shared cooking, dining, working, and living spaces. Some have regular cleaning or gardening included, with lets a minimum of 3 months. In Cambridge these more closely resemble HMOs with added amenities rather than true co-living³.



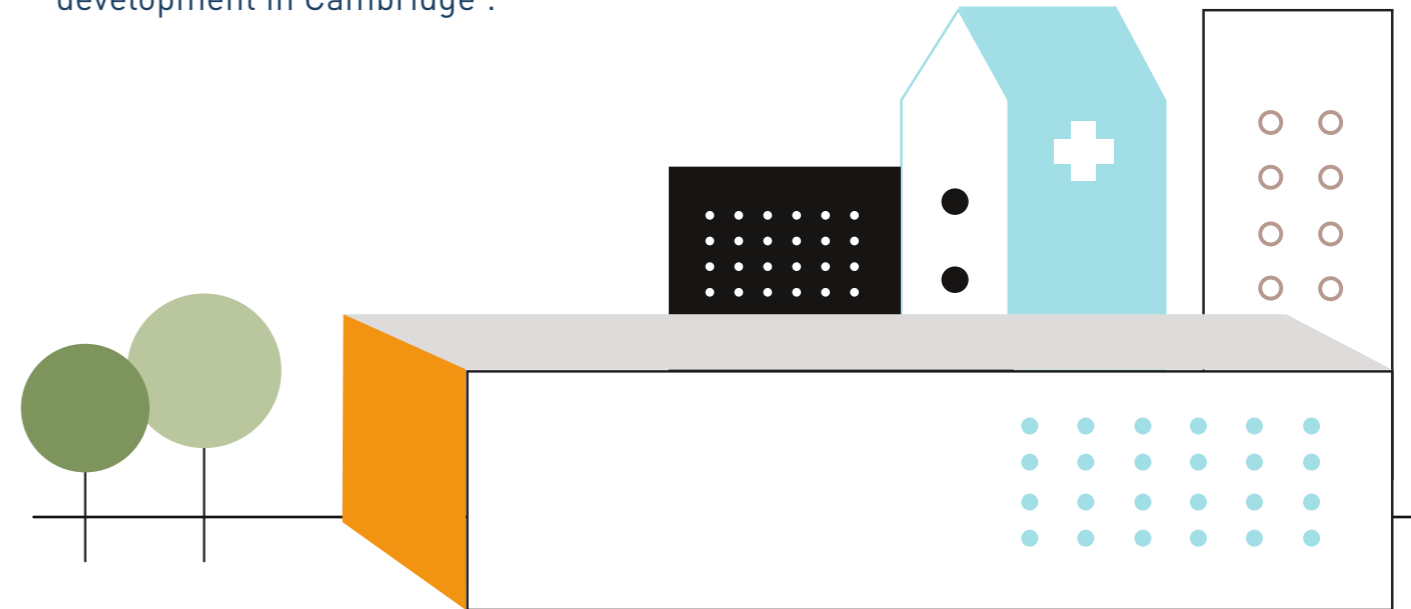
Marmalade Lane is an example of 'cohousing,' which has similar elements to co-living but at a community level across with 42 homes across multiple buildings (houses and apartments).

³<https://www.bestpropertypartners.co.uk/>



There are other examples in Cambridge which operate many co-living principles but cater towards specific groups of people, such as Nido Castle Hill for students and staff accommodation for those working in the Cambridge Biomedical Campus.⁴

Kosy Living is a developer with a pipeline of co-living developments planned across cities in the UK, such as in Brighton and Bath, and has plans to introduce a 197-bed development in Cambridge⁵.



One of the planned developments, in Brighton, is expected to have facilities such as co-working space, gym, cinema, games room, and housekeeping.

⁴<https://www.nidoliving.com/en/united-kingdom/cambridge/castle-hill/>; <https://keyworker.sanctuary.co.uk/our-accommodation#key-features-337324531>

⁵<https://www.kosyliving.co.uk/co-living-cambridge>

Benefits of Co-living

Benefits of co-living include:

- the convenience of all-inclusive bills,
- flexibility in the term of rental contracts,
- access to high quality shared facilities,
- community-building,
- good overall value,
- safety and security.

These attributes are attractive to young professionals, for whom high quality, central accommodation with amenities is vital, but are likely to be unable to afford to buy a property offering the same amenities.

It is an effective way to achieve densification in the city, with individual units typically being small and located in multi-storey buildings. Densification can help support more diverse services and amenities in a local area, resulting in potential benefits for the wider community.

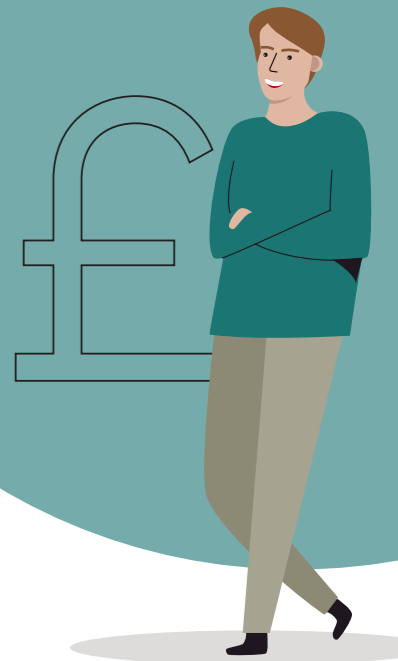
Additionally, co-living may present environmental benefits as they tend to be purpose-built, well-insulated and compact homes for residents⁶.

⁶https://www.savills.co.uk/research_articles/229130/328949-0



Risks of Co-living Schemes

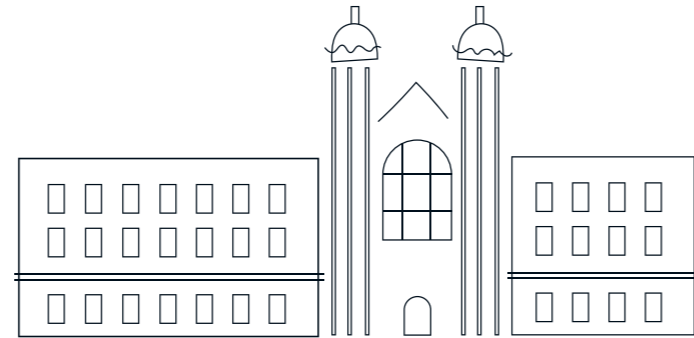
While co-living does have wide potential benefits, including arguably more value-for-money through all-inclusive billing and shared facilities, some risks do exist:



Viability

Cambridge's historic centre and **space premium** makes finding a suitable site for development challenging.

With **high property prices** in central Cambridge, the opportunity cost of delivering a co-living scheme over another type of property will likely always be a major barrier to delivery, with the value of a co-living scheme to the developer needing to be comparable to other available options to meet commercial aims.



That said, **new 'centres'** are emerging in Cambridge, as outlined in the YAC's City of Quarters report, meaning that the hub of activity is no longer restricted to the historical core⁷. Locating co-living schemes in these emerging hubs across the city could become an attractive opportunity.

⁷ <https://www.cambridgeahead.co.uk/news-insights/2023/cambridge->

Planning around Co-Living

Given the novelty of co-living, there may be increased uncertainty for developers considering building co-living accommodation, with the planning approval for a co-living scheme potentially being new to both the council and developer.

Some local authorities have begun planning for co-living and similar types of housing, with the 2021 London Plan outlining 'large-scale purpose-built shared living,' with criteria including a minimum size of 50 units, a contribution to offsite affordable housing, and schemes being under a single management. The Greater

London Authority has also published guidance on co-living, with requirements on amenities and communal areas, and stipulated room sizes of 18 – 27 m². Meanwhile, some local authorities have set planning guidance which may hinder viability, with Birmingham drafting a requirement for rooms to be at least 27.5 m² and Liverpool signing off planning advice for rooms to be meet national minimum space standards of 37 m².



Opportunities and possible next steps for Cambridge

Addressing the risks and barriers to delivery of co-living could help promote these schemes in Cambridge. For example, this could be done by:

- Building up an objective evidence base from alternative housing models in other cities and evaluating this against products' ability to meet the needs of young people in Cambridge while offering a return for developers.
- Understanding and working to streamline barriers in the planning approval process for novel housing types to reduce uncertainty around approval, with clear minimum criteria for units to maintain quality.
- Communicating the opportunities and risks of novel housing types with planners and encouraging developers to identify sites in the city which may have the potential for development into novel housing schemes.
- Seeking support from major employers, possibly in coalition, for institution-led initiatives.



Ultimately, by supplying a diverse range of housing types, Cambridge should be better able to cater to the needs of its residents, as well as accelerate the much-needed supply of new housing by promoting a wider range of housing products which cater for those with different needs and in varying stages of life.

