

Bath and North East Somerset Council

Local Plan 2025 – 2043

Options Consultation

October 2025

Topic Paper: Housing Need and Supply and Policies Approach

**Bath & North East
Somerset Council**

Improving People's Lives

Contents

1. Background.....	3
2. Launch Document Consultation and Spring 2024 Options Document Consultation	5
3. Housing Need and Supply	7
Need for housing	7
4. Proposed Housing Policy Areas.....	10
5. Policy H/AH: Affordable Housing	12
6. Policy H/CL: Co-living Schemes.....	13
7. Policy H/HMO: Houses in Multiple Occupation (HMO).....	16
8. Policy H/PBSA: Purpose Built Student Accommodation (PBSA) 19	
9. Policy H/HDB: Housing Development Boundaries (HDBs).....	21

1. Background

- 1.1 Bath and North East Somerset Council's new Local Plan will update the Core Strategy, Placemaking Plan and Local Plan Partial Update and establish the planning framework for Bath and North East Somerset to 2043. It will contain a vision, strategy and policies to guide and manage how the district grows and changes over the next 18 years, and how planning applications for new development are decided.
- 1.2 The Local Plan Options Document sets out the Spatial Priorities for the Local Plan. This states that the Local Plan will create a fairer, more prosperous and sustainable economy, and maximise the delivery of housing that is affordable.
- 1.3 Other housing-related issues covered by the Local Plan include the delivery of the necessary type and scale of new homes to respond to the District's social and economic needs, including homes for older people, students, essential local workers, gypsies, travellers, and boat dwellers, supported accommodation for residents with health and social care needs, and provision of self-build dwellings.
- 1.4 We launched the preparation of our new local plan in 2022 based on planning for around 700 homes per year. In 2024 the government imposed a new mandatory housing target (known as the standard method figure of housing need) on the council of more than double that amount at around 1,500 homes per year. Alongside doubling the housing target for Bath and North East Somerset the government also published some important changes to national policy. As a result of the increased housing target and national policy changes, the council decided to reset the local plan so that it could undertake further evidence work and assess further options for providing increased levels of development. This Options Document primarily focusses on options for providing the additional development now required.
- 1.5 The Local Plan Options 2024 – Representation Summary Report and the Local Plan 2022-2042 Launch Consultation – Findings Report highlighted that overall respondents were generally supportive of the Local Plan's priorities and

objectives set out within it. In terms of housing, there was a general consensus among respondents that there is a need for more affordable housing in the area, particularly for young people and families. However, there were concerns raised around the impact of new developments on the local environment and infrastructure, and a number of respondents called for more sustainable and environmentally friendly approaches to housing development particularly in light of the Council's climate and ecological emergency declarations.

2. Launch Document Consultation and Spring 2024 Options Document Consultation

2.1 Feedback and responses to the Launch Document consultation are set out in the Local Plan 2022-2042 Launch Consultation – Findings Report and the [Housing Need and Supply and Policies Approach Topic Paper](#) for the 2024 options consultation.

2.2 In the spring 2024 options document we set out options for many housing policy areas. The comments received continue to be carefully considered by the council in progressing towards the Draft Local Plan. In the Draft Local Plan we will set out the council's proposed policy approach and wording in light of the comments received to the spring 2024 consultation, other evidence and government policy.

2.3 The Local Plan Options 2024 – Representation Summary Report summarises the responses to the policy options set out in the spring 2024 options consultation. The following housing policy areas were consulted on during the spring 2024 options consultation:

- Policy H/AH: Affordable housing (large sites)
- Policy H/AH: Affordable housing (first homes)
- Policy H/AH: Affordable housing (small sites)
- Policy H/AH: Affordable housing (viability)
- Policy H/RS: Affordable housing regeneration schemes
- Policy H/RES: Location of rural exception sites
- Policy H/RES: Scale of rural exception developments
- Policy H/RES: Cross-subsidy between market and affordable housing
- Policy H/RES: First homes rural exception sites
- Policy CLH: Community-led housing for rural exception sites
- Policy H/EC: Affordable housing requirements within older person and specialist housing (including Extra Care)
- Policy H/SH: Design for specialist housing and homes for older people
- Policy H/AS: Accessible homes and residential space standards

- Policy H/AS: Residential space standards for accessible homes
- Policy H/AS: Residential space standards in market housing
- Policy H/HM: Housing mix
- Policy H/BtR: Build to rent developments
- Policy H/BtR: Location of Build-to-rent schemes
- Policy H/BtR: Affordable private rent discount in build-to-rent schemes
- Policy H/BtR: Affordable private rent homes required in each Build-to-rent development
- Policy H/CL: Location and provision of co-living schemes
- Policy H/CL: Affordable housing provision in co-living schemes
- Policy H/CL: Amenity standards in co-living schemes
- Policy H/PBSA: Provision and location of purpose built student accommodation
- Policy H/PBSA: Affordable housing or rent in purpose built student accommodation
- Policy H/SBCHB: Self-build and custom housebuilding
- Policy H/GT: Gypsies, travellers and travelling show people
- Policy H/M: Moorings

2.4 We are not reconsulting on all these policy approach options through this document. A more limited range of Development Management policy approach options are set out in this options document, focussing only on new policy areas not presented previously or where entirely new or updated options are now proposed in light of updated evidence or in response to the government's revised NPPF.

2.5 The Options Consultation 2024 [Housing Need and Supply and Policies Approach Topic Paper](#) provides further detail where required on the policy context, current evidence, further work if required and proposed Options for the policy areas listed above.

3. Housing Need and Supply

Need for housing

- 3.1 The Economic Strategy highlights that the lack of availability and affordability of housing is a key issue affecting Bath and North East Somerset and that this also impacts on the performance of our economy and wider sustainability issues. In order to underpin the Local Plan, a Local Housing Needs Assessment (LHNA) was undertaken and the January 2024 draft was published alongside the spring 2024 Local Plan Options document.
- 3.2 The context for assessing local housing needs is also set by the National Planning Policy Framework (NPPF). The overall need for housing in B&NES set by the government's standard method is for around 1,500 new homes per annum, or around 27,000 over the eighteen-year local plan period from 2025-2043.
- 3.3 This figure is derived from calculations by the government, which is based on increasing the existing B&NES housing stock by 0.8% per year and adjusted upwards to take account of the affordability (or unaffordability) of housing in B&NES. This is known as the 'standard method' housing figure. The standard method figure can vary year on year reflecting changes in the existing housing stock and if the level of housing affordability changes e.g. if house prices rise or fall or incomes change.
- 3.4 The government has also revised national planning policy to make it clear that it is mandatory for local authorities to plan for meeting the standard method figure of housing need. It may be possible for the council to seek to justify a local plan housing requirement below the standard method figure, but this is an increasingly high bar set by government.
- 3.5 Given these updated housing requirements, a further Local Housing Needs Assessment (LHNA) has been undertaken. The LHNA 2025 sets out that based on the revised standard method the requirement is for around 27,000 homes

over the plan period, with a 54% requirement for market housing and a 46% requirement for affordable housing across Bath and North East Somerset.

3.6 The LHNA shows that a significant proportion of projected population growth and therefore, overall need for new housing is comprised of projected growth in the student population.

3.7 The plan period runs from 2025 to 2043. Some additional housing is already planned to be built on sites with planning permission and sites allocated for development in the current adopted B&NES Local Plan which runs until 2029. Sites with planning permission or allocated are known as existing commitments. Homes to be delivered on the existing commitments are deducted from the housing requirement to calculate the number of homes required to be planned for on new sites through the local plan. Information on the number of homes anticipated to come forward during the Local Plan period on existing commitments is set out below.

3.8 In preparing a local plan we are able to make an allowance for housing likely to be delivered on small windfall sites, that is sites that will provide less than ten homes and will be granted planning permission without being specifically allocated for development. A windfall allowance over the plan period has therefore been calculated. Up until 2029 and for the remainder of the adopted plan period the existing figures from the published housing trajectory have been used. Beyond 2029 a realistic and relatively cautious approach has been taken based on past rates of delivery and current planning permissions. Policy changes, including options to review Housing Development Boundaries for the towns and villages, may also affect likely small windfall site delivery. The small windfall sites allowance will be kept under review in light of annual monitoring of housing delivery and permissions.

3.9 Set out below are the number of new homes to be planned for on new allocations through the local plan. The figures below deduct existing residential commitment through sites with planning permission and allocated sites from 2022 (the start of

the Local Plan period). An allowance for expected small windfall has also been considered.

Overall housing requirement	Around 27,000
Existing Residential Commitments (including small sites with planning permission)	4,887
Expected Small Windfall sites (excluding small sites with planning permission)	2,210
Sub -Total	7,097
Housing to be planned for on new allocations (includes accommodation for students)	Around 19,900

3.10 Through the Local Plan 2025-2043 we will need to identify and allocate sites to deliver the remaining housing that is required, amounting to approximately 19,900 homes. As referenced above it should be noted that a proportion of the housing to be planned for will be to accommodate the growing student population. Whilst the accommodation requirements/provision for students differ to those of the general population e.g. often in the form of Purpose Built Student Accommodation the standard method housing figure and therefore, 19,900 homes to be planned on new allocations does include student accommodation. Student bedspaces are not counted on a 1:1 basis, rather a government set dwellings equivalent ratio of 2.4 bedspaces to 1 dwelling is used.

4. Proposed Housing Policy Areas

4.1 The Local Plan (2025-2043) Options consultation (reset) focusses only on new policy areas not presented previously or where entirely new or updated options are now proposed in light of updated evidence or in response to the government's revised NPPF.

4.2 For further detail on the housing policy areas consulted on during the spring 2024 options consultation, see the Options Consultation 2024 [Housing Need and Supply and Policies Approach Topic Paper](#).

4.3 Some policies are likely to be taken forward as set out in the current B&NES Development Plan. However, given current updates and potential further changes to national policy and guidance (including proposed National Development Management Policies), alongside comments received in respect of the Options Document (Spring 2024), all relevant policies within the adopted Local Plan will be reviewed and may be amended as we progress towards the Draft Local Plan.

4.4 The following proposed housing policy areas are addressed in this topic paper. For each of these, further detail is provided where required on the policy context, current evidence, further work if required and proposed Options.

H/AH	Affordable Housing (Large Sites)	Affordable housing policy includes proposed options for affordable housing on large sites and approach to First Homes and small sites and viability options. Policy will also include the approach to vacant building credit, design and tenure and housing mix requirements.
H/CL	Co-living Schemes	Options relating to how co-living schemes will be assessed, including approach to affordable housing and amenity standards.

H/HMO	Houses in Multiple Occupation (HMO)	Sets out policy options for preventing the loss of family housing to HMOs.
H/PBSA	Purpose Built Student Accommodation (PBSA)	Sets out policy options for accommodating / controlling PBSA, and approach to affordable student accommodation.
H/GT	Gypsies, Roma, Travellers and Travelling Show People	Sets out proposed policy approach to traveller sites and transit pitch requirements.
H/HDB	Housing Development Boundaries (HDBs)	Sets out policy approach to provision of moorings.

5. Policy H/AH: Affordable Housing

National Context

5.1 Paragraph 63 of the National Planning Policy Framework (NPPF December 2024) requires local authorities to assess the size, type and tenure of housing needed for different groups in the community, including those who require affordable housing, and reflect the results of this assessment in their planning policies. The NPPF also sets out that as part of achieving sustainable development a sufficient range of homes should be provided to meet the needs of present and future generations. Paragraphs 64-66 of the NPPF state that where a need for affordable housing is identified that planning policies should:

- specify the type of affordable housing required,
- expect that the affordable housing is provided on-site (unless an off-site provision of an appropriate financial contribution in lieu can be robustly justified),
- contribute to the objective of creating mixed and balanced communities,
- only seek affordable housing on major developments (defined as being sites of 10 or more dwellings), other than in designated rural areas where policies may set out a lower threshold of 5 units or fewer,
- allow a proportionate reduction to the affordable housing contribution where vacant buildings are being re-used or re-developed, and
- expect that the mix of affordable housing required meets identified local needs, across Social Rent, other affordable housing for rent and affordable home ownership tenures

5.2 As part of the NPPF 2024 revisions, paragraphs 63 and 64 now include reference to the requirement for Social Rent. With this increased emphasis on delivering Social Rent housing, we have included a further option (additional to that in the 2024 document) within this Options consultation relating to considering wider evidence (rather than solely the Local Housing Needs Assessment) for proposed policy for affordable housing on larger sites.

6. Policy H/CL: Co-living Schemes

National Context

6.1 Co-living Schemes are not defined in national policy or guidance. They are purpose-built residential schemes that often comprise studio bedspaces with access to shared communal facilities. They fall under a sui generis planning use class; schemes may be new build, or conversions of existing buildings.

6.2 Co-living is a relatively new housing model which allows occupiers to live together communally with accommodation containing individual bedrooms and communal areas such as kitchens, living areas, and areas to work.

6.3 Co-living schemes are being promoted by developers as a more affordable and transitional form of purpose built rented accommodation for various groups of people such as young professionals or recent graduates who are on their way to transitioning to rented self-contained flats or houses, or home ownership.

Local Policy Context

6.4 The adopted B&NES Local Plan does not currently include a policy specifically relating to co-living developments, against which to assess planning applications. As such, it has been acknowledged that there is currently the potential for an inconsistent approach to co-living planning applications without formal, visible guidance on co-living developments. 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. The Co-living Position Statement was approved by a Single Member Decision in June 2025 and provides guidance until a specific policy is adopted in the new local plan.

Proposed Options

6.5 We previously consulted on Co-living policy options relating to location and provision, affordable housing, and amenity standards in the spring 2024 options

document. We are not reconsulting on options relating to location and provision, affordable housing, and amenity standards, but we are now proposing an additional policy option in relation to student occupancy.

6.6 Co-living is not typically restricted to any particular user group; it can serve various demographics including students. As such, co-living has been promoted as an alternative purpose built rented accommodation which could help to meet the housing needs of various groups, including recent graduates and young professionals, as well as alleviate accommodation pressures from increased numbers of students in Bath.

6.7 However, the council's strategy for student accommodation is that the future increase in student numbers should be accommodated on campuses and other allocated sites for that purpose. As such, 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 Houses in Multiple Occupation (HMOs) in the city.

6.8 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 an 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.

6.9 As co-living schemes are mostly provided as studios, at a price point significantly higher than student cluster flats and HMOs within the city, co-living accommodation is not considered an appropriate type of accommodation to meet the needs of student occupiers. Co-living schemes are also useful in helping to meet the needs of other groups.

6.10 Options as relates to student occupancy are as follows

- **Option 1:** Policy to restrict the occupation of co-living developments only to non-student occupiers, using a planning condition or legal agreement.
- **Option 2:** Policy to restrict the occupation of co-living developments to non-student occupiers, using a planning condition or legal agreement, with some flexibility to provide accommodation for those in part-time or post-graduate education. In these situations, the number of student occupiers will be restricted to a set percentage, in order to ensure a mixed community within the development.
- **Option 3:** Policy to stay silent on student occupancy of co-living development, therefore allowing occupancy of co-living developments by all user groups.

7. Policy H/HMO: Houses in Multiple Occupation (HMO)

Existing Policy Context

7.1 A House in Multiple Occupation (HMO) is a house or flat which is occupied by three or more unrelated people who share facilities such as a kitchen or bathroom. HMOs are an important part of the local housing market, particularly within Bath, providing affordable accommodation for student, professionals and other workers among others.

7.2 The Council exerts greater planning controls over HMOs in Bath, and in July 2013 introduced a citywide Article 4 Direction to control the future growth and geographic spread of HMOs, which operates together with LPPU policy H2 and the Houses in Multiple Occupation Supplementary Planning Document. In response to the Article 4 Direction, a change of use from residential to C4 HMO now requires planning permission across Bath.

7.3 Policy H2 in the LPPU sets out the criteria against which a planning application for a new or intensified HMO must be assessed, including consideration relating to the existing concentration of HMOs within the local area. The tests relating to the concentration are set out within the supporting HMO SPD.

Proposed Policy Approach

7.4 During the spring 2024 options consultation, it was proposed that LPPU policy H2 is retained in its existing format.

7.5 Recent evidence produced by the council shows that, following adoption of the HMO SPD in January 2022, HMO creation is being displaced from traditionally high concentration areas to the wider city, where market housing is more affordable. Notably, the intended outcome of the SPD is to avoid overconcentration of HMOs in specific areas. However, concerns persist that the displacement of HMO creation to more affordable housing areas is leading to the loss of affordable housing options for families.

7.6 Paragraph 63 of the National Planning Policy Framework (NPPF December 2024) requires local authorities to assess the size, type and tenure of housing needed for different groups in the community, including families with children, and reflect the results of this assessment in their planning policies. In addition, the LHNA identifies the overall housing need for Market Housing in Bath and states that 3-bedroom properties represent the largest proportion of housing need in the city.

7.7 Therefore, it is appropriate to propose an option to update policy H2, to include an approach to prohibit the creation of an HMO where it would result in the loss of 3-bed C3 dwellings suitable for owner occupation by families and first-time buyers among others. This policy would restrict the loss of 3-bed class C3 dwellings of a defined gross internal area considered to be an appropriate threshold for indicating that a property would constitute a 'family home'. Coverage of this policy approach is proposed at a citywide level or for the relatively more affordable market housing areas identified in Bath, where the median housing affordability (average income to average house price) ratio is below the median affordability ratio for B&NES. There is scope to monitor affordability ratios through an updated HMO SPD.

7.8 Options as relates to HMOs are as follows

- Option 1: Update policy H2 to include an additional criterion which states that in comparatively affordable market housing areas (based on affordability ratios), the creation of an HMO which would result in the loss of a 3-bed C3 dwelling which size is considered suitable for a 'family home' will be prohibited.
- Option 2: Update policy H2 to include an additional criterion which states that across the City of Bath HMO Article 4 Direction area, the creation of an HMO which would result in the loss of a 3-bed C3 dwelling which size is considered suitable for a 'family home' will be prohibited.
- Option 3: No change proposed to policy H2.

Further Work Required

7.9 Further research will be required to identify a defined gross internal area considered to be an appropriate threshold for indicating that a property would constitute a 'family home'. This could be based on a similar approach seen in other local authorities. For example, Eastbourne Borough Council's [Houses in Multiple Occupation Supplementary Planning Document July 2025](#) states that proposals for the creation of new HMOs that result in the loss of class C3 dwellinghouses with 3-bedrooms or less would be contrary to local plan policy.

8. Policy H/PBSA: Purpose Built Student Accommodation (PBSA)

National Policy Context

8.1 The NPPF sets out at paragraphs 61 - 63 that strategic policies should be informed by a local housing need assessment, and within this context the size, type and tenure of housing needed for different groups in the community should be assessed and reflected in planning policies, including students.

8.2 Purpose Built Student Accommodation (PBSA) is accommodation built, or converted, with the specific intention of being occupied by students. Such accommodation is usually provided in the form of cluster flats with shared facilities, individual en-suite units, or studios, and relates to buildings which are not classified by planning use class, or licensing, as HMOs.

Current B&NES Development Plan Policy

8.3 LPPU policy H2A sets out that purpose built student accommodation of an appropriate scale and design will be permitted:

- On allocated sites where student accommodation use is specifically identified within the Development Principles; or
- Elsewhere in the District, only where there is a need for additional student accommodation, and subject to the provisions of policy B5. In these locations proposals for Purpose-Built Student Accommodation will be required to demonstrate that:
 - There is a need for additional student accommodation of the type and in the location proposed, evidenced by a formal agreement between the developer and a relevant education provider located within the District, or
 - The proposed development meets the needs of second and third year university students.

Evidence Base

- 8.4 The council previously tested three ways in which provision of PBSA could be accommodated and controlled within the district: these were to restrict PBSA across the district other than on-campus, to allow PBSA to only be developed on sites specifically allocated for that purpose, including potential locations outside Bath (i.e. Keynsham and Hicks Gate), and to retain LPPU policy H2A as worded, giving educational establishments flexibility to use nomination agreements to bring forward PBSA off campus. We are not proposing to reconsult on these options, but comments received during this the spring 2024 options consultation will be used to help shape a policy in the Draft Local Plan.
- 8.5 Challenges exist in accommodating continued levels of student growth within Bath, and across the district, particularly given the priority for accommodating non-student housing and especially affordable housing to meet local need, and employment space. Additionally other local plan priorities e.g. relating to green infrastructure provision and protection of the World Heritage Site, its setting, and other heritage assets also limit the ability to accommodate further PBSA in Bath.
- 8.6 9.26 Although it is appropriate to understand the overall student housing need arising from the projected growth of student population based on long term trends, it is also important to ensure alignment with the future growth aspirations of the University of Bath and Bath Spa University. Both universities are updating their future growth strategies, which will impact on student numbers, and required accommodation. The council continues to work with both universities to understand their projected growth plans and therefore to ascertain more likely future growth in the number of students. This should then form the basis for considering the approach for providing additional student accommodation which will be set out in the Draft Local Plan. As the universities are historically only able to provide forecasts for the next 5-10 years this element of future requirements and associated strategy will need to be kept under review.

9. Policy H/HDB: Housing Development Boundaries (HDBs)

Existing Policy Context

9.1 Housing Development Boundaries (HDBs) are designated areas within towns and villages where residential development is considered appropriate in principle. HDBs are defined to support the delivery of housing, including small windfall sites, within the local plan's policy framework, subject to other policies e.g. relating to quality of development, site access etc.

9.2 The towns and villages with a defined HDB and the respective policy frameworks are identified in the table below. Villages washed over by the Green Belt are subject to Policy GB2 and have a defined infill boundary instead of a HDB. In addition, there are a range of smaller villages and hamlets in the district where a HDB or an Infill Boundary is not defined. These settlements are treated as open countryside with regard to the policy framework for residential development.

Locational Policies - The Policy Framework for the location of new development is as follows:	
Bath	Policies B1, B2, B3, B3A, B3C, B4
Keynsham	Policies KE1, KE2, KE3A & B, KE4
Midsomer Norton, Westfield & Radstock	Policies SV1, SV2, SV3
Paulton, Peasedown St. John	Policy SV1
Timsbury, Camerton, Hallatrow, High Littleton, Farrington Gurney	Policy SV1, and Policy RA1 or RA2
Bathampton, Batheaston, Bathford, Bishop Sutton, Clutton/Temple Cloud, Compton Martin, East Harptree, Farrington Gurney, Farmborough, Hinton Blewett, Saltford, Camerton, Ubley, West Harptree and Whitchurch	Policy RA1 or RA2
Whitchurch	Policy RA5

Housing Development Boundary Review

9.3 As part of work on the Local Plan Options, the council has reviewed the HDBs to update the existing boundaries to account for recent housing development, planning consents, potential allocations, and any identified anomalies.

9.4 In addition to this routine review of HDBs, the council is proposing an option to revise the HDB guiding principles which have been developed for consistency in defining boundaries. Currently, the principles state that a HDB should be defined tightly around the housing of a settlement, excluding large residential gardens of properties at the edge of settlements. An option is proposed to amend the HDB guiding principles to define boundaries around the residential curtilage of housing on the edge of settlements, therefore including larger gardens.

9.5 The inclusion of larger gardens within HDBs could enable some small-scale opportunities for additional housing to come forward in villages, subject to other policy controls. Minor incremental change in villages is helpful to maintain rural population levels and therefore, services and facilities, as well as making a modest contribution to meeting overall housing requirements.

9.6 Parish and town councils have been informally consulted on the proposed boundaries and option to amend the HDB guiding principles prior to formal consultation. Parish and town councils were invited to view the proposed HDB boundaries.

9.7 Further detail is set out in the Housing Development Boundary (HDB) Review Topic Paper.

9.8 Options as relates to HDB guiding principles are presented below.

- Option 1: Amend the HDB guiding principles to define boundaries around the residential curtilage of housing, therefore including larger gardens.
- Option 2 - Retain the existing HDB guiding principles to define boundaries tightly around the housing of a settlement, excluding large residential gardens at the edge of settlements.