

National HMO Lobby

Model HMO Policy

Briefing Bulletin

1 Several Local Planning Authorities (LPAs) in England have adopted (or are adopting) policies designed to manage the development of houses in multiple occupation (HMOs), taking advantage of changes in legislation on HMOs in 2010. In all cases they constitute part of the Local Development Framework. Some lie within the Core Strategy, some within other Development Plan Documents (DPDs), others in Supplementary Planning Documents (SPDs). Some LPAs developed local HMO policies prior to the 2010 legislation. Belfast and Glasgow, under different legislative regimes, have also adopted local HMO policies. For details and links, visit the 'Local HMO Plans' page of the National HMO Lobby website.

2 Themes and Issues

Common themes arise in the existing HMO policies. (For further discussion, see the Lobby's Briefing Bulletin *Local HMO Policy*.)

2.1 Policy: National planning policies are reflected in the Core Strategy of a LPA's LDF. In turn, Core Strategy policies are elaborated in other DPDs and SPDs.

2.2 Legislation: Most HMO policies refer to recent developments in national legislation on HMOs, including amendments to both the Use Classes Order (UCO) and the General Permitted Development Order (GPDO). And locally, these policies refer to the LPA's introduction of an Article 4 Direction on HMOs.

2.3 Aim: Notwithstanding general policies, most LPAs affirm their commitment to balanced/mixed/sustainable communities.

2.4 HMOs: Policies commonly provide a summary definition of HMO. They survey the numbers and distribution of HMOs within the authority. And while noting the value of a level of HMO provision, they make clear the detrimental impacts, especially on the neighbourhood, of concentrations of this type of housing.

2.5 Data: Some LPAs refer to the sources of information available for data on HMOs.

2.6 Thresholds: A number of issues arise in establishing a HMO policy. The most acute is the threshold, or tipping-point, beyond which concentrations of HMOs begin to affect a neighbourhood adversely - and therefore, where planning applications are refused. 10% or 20% of properties in a defined area are the most common thresholds adopted by LPAs. Belfast accepts a threshold of 30% in areas (like the Holyland) where HMOs are already intensively developed. 20% is set as the threshold in Canterbury and Exeter, and also in some of Oxford's options. 10% is the threshold in Manchester, in most of Belfast, in one of Oxford's options, in Loughborough for larger HMOs, and in some parts of Glasgow - though there the general threshold is actually 5%. What none of the existing policies note is that what matters to residents is not so much the proportion of properties, but rather the proportion of the local population. These are not the same. The average HMO has twice the number of occupants of the average single household. For local residents, a HMO population of one-in-five or even one-in-four is manageable; but any higher proportion undermines local sustainability. 20% HMO properties is

equivalent to 40% population (two-in-five). The National HMO Lobby therefore recommends a threshold of 10% properties, equivalent to 20% population.

2.7 Measurement: A second issue arising in establishing a HMO policy is the appropriate area within which the current proportion of HMOs is measured. Some LPAs propose quite large areas, such as Census Super Output Areas (as in Leeds). Charnwood focuses on the Small Output Area within which the proposed HMO development is located, plus all the immediately adjacent Small Output Areas. Manchester and Canterbury select all properties within 100 metres of the proposed development. On the other hand, some LPAs refer to streets. Glasgow loosely selects a whole street or block. Belfast focuses on the street 300m in either direction from the proposed HMO. Oxford does the same, but within 100m only. The larger the area of measurement, the higher the potential for concentrations to develop within that area. In order to avoid concentrations, and to promote dispersal, the Lobby therefore recommends smaller rather than larger areas of measurement.

2.8 Designation: A HMO policy's area of coverage presents another issue, whether it covers the whole LPA area or not. Since the policy is enforceable on C4 HMOs only in the designated area of the local Article 4 Direction, this designated area will determine the policy's effective coverage. (However, sui generis HMOs outside a Direction area could still be subject to the policy.)

3 A Model HMO Policy

Apart from passages in *italics*, the following model policy is composed entirely of extracts from existing policies. (Key - C:Canterbury, Ch:Charnwood, E:Exeter, L:Leeds, M:Manchester, O:Oxford)

POLICY HMO1, HOUSES IN MULTIPLE OCCUPATION

In order to maintain an appropriate housing mix [C], change of use from a C3 dwelling house to a C4 HMO *and* change of use to a HMO which is classified as 'sui generis' *and* extensions to HMOs, will not be permitted where at least 10% of properties [M] within 100 metres of street length either side [O] of the application site are HMOs.

Note 1, Categories constituting HMOs: (a) properties exempt from paying Council tax because they are entirely occupied by full time students; (b) properties recorded on the Council's database as licensed HMOs; (c) a property benefiting from C4 or sui generis HMO planning consent. [M]

Note 2: Street length will be measured to include (a) the frontage either side of the proposed development, including frontage that wraps around corners or that is bisected by a road or footpath, and (b) the frontage either side of the point directly opposite the proposed development, including frontage that wraps around corners or that is broken by a road or footpath. [O]

Note 3: Notwithstanding the policy requirements set out above, all proposals for change of use of existing properties into houses in multiple occupation and all proposals for conversion of existing properties into flats (which might not necessarily fall within Class C4), would be permitted only where the accommodation to be provided is of a high standard and where it will not materially harm the character of the area. [M]

3.1 Policy

3.1.1 National planning policy, articulated through Planning Policy Guidance Note 3: Housing (PPG 3) confirms the Government's intention that everyone should have the opportunity for a decent home. PPG 3 seeks to encourage the creation of mixed and balanced communities. "The Government believes that it is important to help create mixed and inclusive communities, which offer a choice of housing and lifestyle. It does not accept that different types of housing and tenures make bad neighbours. Local planning authorities should encourage the development of mixed and balanced communities: they should ensure that new housing developments help to secure a better social mix by avoiding the creation of large areas of housing of similar characteristics." (PPG 3 paragraph 10). [Ch]

3.1.2 The Council's Core Strategy has strategic objectives both to improve quality of life for all, and to achieve an appropriate housing mix to support strong and diverse communities. [O] It recommends that policy should seek to ensure that proposals for housing contribute to creating mixed and balanced communities, including student accommodation. [C]

3.2 Legislation

3.1.1 A very recent change in the planning legislation provides the opportunity to develop a local planning policy that can control the concentration of HMOs in the City. [C] On 6 April 2010, amendments were made to the Use Classes Order and the General Permitted Development Order to introduce, among other things, a new class of residential development – C4: Houses in Multiple Occupation. These are commonly referred to as 'small HMOs'. The sui generis HMOs which existed under the previous legislation are still considered as HMOs, but these are now commonly referred to as 'large HMOs' which, in broad terms, consist of more than six occupants. [O] From 1 October 2010 change of use from a Class C3 dwellinghouse to a Class C4 House in Multiple Occupation (HMO) became permitted development, therefore planning permission is no longer needed. [M]

3.2.2 Currently the Council has no control over conversions of single dwellings into a small HMO that falls within planning Use Class C4. [O] The Council made an Article 4 Direction on [date] which, once the Direction comes into force, will mean that planning permission will be

needed for this type of development. Subject to confirmation by the Council, the Direction will come into force on [date]. Once the Article 4 Direction has come into force, then the Council will use the policy *above* to control further changes of use from a C3 to a C4. The policy also controls change of use to HMOs which are 'sui generis'. [M]

3.3 Aim

The Core Strategy has strategic objectives both to improve quality of life for all, and to achieve an appropriate housing mix to support strong and diverse communities. It is also important that the city continues to provide flexible forms of accommodation to support a dynamic population. Planning policy should therefore strike a balance between flexible, affordable accommodation and the need to sustain a balanced and established community. [O] Planning has an important role to continue managing these issues by using powers at its disposal to ensure that communities are well balanced and sustainable for the long term. A sustainable community must provide opportunities for a mix of households. Within this mix families are particularly important because they support a range of local facilities such as schools and tend to have a greater commitment to the neighbourhood as they live there longer than other types of households. The policy above will prevent further loss of Class C3 dwelling houses, which generally provide accommodation for families, to Class C4 HMOs, thus preventing further harm to residential amenity. [M]

3.4 HMOs

3.4.1 The new use class – C4: Houses in Multiple Occupation describes a house that contains between three and six unrelated occupants who share basic amenities. However, properties that contain the owner and up to two lodgers do not constitute HMOs for these purposes. [O] A HMO which is lived in by more than six people is classified as 'sui generis', i.e. it is not classified by the Use Classes Order. This could be an extension to an existing C4 dwelling, or a change of use from C3. [M]

3.4.2 *The quantity of HMOs may be described, for example* "The number of properties in Exeter that are exempt from Council Tax due to entire occupation by full time students has increased from 1,184 in 2006 to 1,930 in May 2010." [E] *and* "At the time of the last Census, 26% of households were privately rented. It is estimated that some 5,000 households in Oxford are HMOs, which represents about 8% of all households. About 5% of all households are occupied solely by students, therefore an estimated 60% of all HMOs are student properties (approximately 3,000 properties)." [O]

3.4.3 *The distribution of HMOs may be described, for example* "Figure X shows where concentrations of council tax exempt student households combined with non-student licensed HMOs exceed 10% of total households, based on 2010 data, mapped by super output area." [M] *and* "Some areas of Oxford are known to have particular concentrations of HMOs." [O] *and* "Over the last decade there has been a city-wide increase in the private rented sector from 7 to 12% of total dwellings, but Headingley and adjoining areas have experienced a far greater increase than comparable inner areas of Leeds because of the growth in student numbers. The number of full time students in Leeds has risen from 22,000 in 1991 to 40,000 in 2005 and this figure continues to grow. However, the uneven distribution of the resulting student population poses a serious problem." [L]

3.4.4 It is recognised that in a controlled environment, HMOs can make a valuable contribution to meeting some housing needs. [L]

3.4.5 The fact that large numbers of properties are let to students inevitably puts pressure on the housing stock available for other sectors of the population and reduces that stock suitable for families. HMOs frequently offer the worst living conditions, both internally and externally. Overcrowding is common, the provision of basic amenities is poor, noise can be a problem, and fire precautions are limited. Scope for adequate parking is often missing, and poor management of gardens and refuse disposal creates environmental problems. In addition to problems concerning internal fitness standards, HMOs can pose external problems particularly where there are clusters in certain streets. The density of occupation of single person households can cause a greater level of nuisance from people coming and

going, particularly late at night, and greater pressure for on-street parking than houses occupied by families. [L]

3.5 Data sources

3.5.1 The Council does not have a complete record of all HMOs in the town which would fall within the C4 definition, therefore the types of accommodation listed in the policy are used to try and cover as many different types of 'house-share' accommodation as possible, and are data sources which can be easily used to display percentages of accommodation within these categories for a defined area.

(a) Licensed HMOs are recorded on the Private Sector Housing database and include licensed HMOs (HMOs which meet specific criteria) as well as others which the Council has recorded for a specific reason, for example when it has focused on conditions in a particular area. A large number of HMOs in the City do not need to be licensed (for example because they are lower than three storeys) therefore this data source alone would not include enough types of HMO/shared housing to make a threshold policy meaningful.

(b) The Council can identify households which are exempt from paying council tax because they are entirely occupied by full time students, but council tax data does not give the number of occupants. It is likely that the vast majority of these are HMOs but there are potentially a limited number which are not – for example a situation where a student was living alone in a self contained flat would be a C3 dwelling house.

(c) It is also possible to identify households where there are at least two occupants and all but one are disregarded for council tax purposes, for example students living with a non-student. However this data source was not included in the policy as it was considered that it was likely to incorporate a higher percentage of non-HMO households.

(d) Where planning permission is given for a change of use to a C4 HMO this will be recorded in the future to build up a clearer picture.

(e) There are no records of other HMOs, which are groups of unrelated adults sharing a house, and council tax data does not identify these. [M]

3.5.2 Exclusions (a) Small flats, which would not be capable of being used as a C4 property, would also be unlikely to provide accommodation for families. Therefore in marginal cases they will not be included in the total number of households when calculating concentrations of properties that fall within the categories above. This will ensure that high numbers of purpose built flats which fall within the C3 Use Class do not skew the results by making it appear that there is a large amount of family housing already available nearby, when this is not the case.

(b) Social housing is excluded from the C4 Use Class therefore these properties would be excluded from the total number of households in the same way in marginal cases. [M]

Annex: Local HMO Policies

Canterbury City Council LDF *Balanced Housing Provision: Housing in Multiple Occupation SPD*, consultation 2010

Charnwood Borough Council (Loughborough) LDF, *Student Housing Provision in Loughborough SPD*, 2005

Exeter City Council LDF *Draft SPD Houses in Multiple Occupation*, consulting 2011

Leeds City Council, *Local Development Framework Core Strategy* (2009) (paras 5.3.45-50) (proposes policy on student accommodation, and SPD on HMOs)

Manchester City Council, *Core Strategy DPD* (Policy H11 HMOs) consultation Feb 2011

Oxford City Council, LDF *Sites & Housing DPD* (Section A4, Student Accommodation, and Houses in Multiple Occupation), consulting 2011

Belfast Planning Service (NI) *Houses in Multiple Occupation (HMOs): Subject Plan for Belfast City Council Area 2015* adopted 15 December 2008

Glasgow City Council *City Plan 2 Consultative Draft* review of *Policy RES 13* March 2006

Annex A: Canterbury City Council LDF *Balanced Housing Provision: Housing in Multiple Occupation SPD*, consultation 2010 [extract]

6: Draft Core Strategy Policy

6.1 A very recent change in the planning legislation provides the opportunity to develop a local planning policy that can control the concentration of HMOs in the City.

6.2 The LDF Core Strategy Options Report (January 2010) set out some principles for a policy relating to housing mix and affordability.

6.3 It recommends that the policy (Proposed Core Policy CP10) should seek to ensure that proposals for housing contribute to creating mixed and balanced communities, including student accommodation, and addressing issues (and potential solutions) associated with student residential accommodation. A number of comments were received as part of the Core Strategy consultation supporting this overall approach.

6.4 The Council considers that the following Policy would sit alongside other measures and policies to ensure that a sufficient amount of student accommodation is provided and that the negative impacts of HMOs/student accommodation when concentrated in particular areas can be mitigated. It should also contribute to the retention of family housing in the City. This Policy will be applied within the urban area of the City of Canterbury, as defined by the urban area boundary defined in the Canterbury District Local Plan.

Interim Policy Statement CP10: appropriate housing mix

In order to maintain an appropriate housing mix within the designated area, the proportion of multiple occupancies should not exceed 20% of the total number of dwellings within a 100m radius of any application property. The city council will not permit changes of use to HMOs, or extensions to existing HMOs, where that proportion is exceeded.

In areas where there is an exceptionally high proportion of HMOs in any particular block of properties, consideration will be given to permitting further conversions.

In all cases, regard will also be had to the following factors:

1. Whether the proposals would lead to a level of car-parking that would exceed the capacity of the street;

2. Whether the proposals could provide acceptable arrangements for bin storage and other shared facilities; and
3. Whether the design of any extension would be appropriate in terms of the property itself or the character of the area.

Annex B: Charnwood Borough Council (Loughborough) LDF, *Student Housing Provision in Loughborough* SPD, 2005 [extract]

Policy Matrix 4.23 Having defined the proportion of student households within the relevant neighbourhood through the methodology described previously the Borough Council will have regard to the following policy matrix in the determination of applications where student housing is proposed and where student occupation is anticipated.

| Threshold Categories (% Student Households [Weighted]) | A >20% | B 10%-20% | C <10% |
|--|----------------------|----------------------|----------------------|
| a) Planning permission will not be granted for the development of purpose built student housing and extensions to existing student halls and flats. * | ✓ | | |
| b) Planning permission will not be granted for the development of purpose built student housing and extensions to existing student halls and flats where that development would give rise to excessive noise or disturbance to neighbouring dwellings. | ✓ | ✓ | ✓ |
| c) Planning permission will not be granted for the conversion of Class C3 dwellings and other buildings to provide Large Unmanaged Residences for Students (LURS) housing more than six people living together as a single household* | ✓ | ✓ | |
| d) Planning permission will not be granted for extensions to Class C 3 dwellings where there is evidence of the property being occupied, or intended for occupation, by students and where the development proposed would provide additional habitable rooms for occupation by students. (Where there is no evidence of existing or intended student occupation and the proposed extension is otherwise acceptable, conditions will be attached to preclude its occupation by students).* | ✓ | | |
| e) In approving the development of new houses and flats the Council will impose conditions or seek a Section 106 agreement to prevent their uncontrolled occupation by students* | ✓ | | |
| f) Adoption of a Planning Enforcement regime in partnership with Building Control and local communities to ensure permitted development complies with the provisions of the General Permitted Development Order and to ensure that landlords and developers are aware of national and local policies before commencing operations on site. | ✓ | ✓ | |

* - excluding University/College Campus and the Town Centre with adjoining opportunity sites

Annex C: Exeter City Council LDF *Draft SPD Houses in Multiple Occupation*, consulting 2011

EXETER CITY COUNCIL
DRAFT SUPPLEMENTARY PLANNING DOCUMENT
HOUSES IN MULTIPLE OCCUPATION (INCLUDING CLASS C4 USES)

1 STATUS OF DOCUMENT

1.1 This draft Supplementary Planning Document was agreed by the Council's Executive on 22 March 2011 as a basis for public consultation.

2 BACKGROUND

2.1 The University of Exeter has grown significantly in recent years from 11,923 full time equivalent students in 2006/7 to 15,250 at 2010/11 and it expects to reach 18,700 by 2025/6. While a significant and increasing proportion of students live in purpose-built student accommodation, a large number live in shared student houses that are concentrated in certain parts of the City that are close to the University's Campuses. The number of properties in Exeter that are exempt from Council Tax due to entire occupation by full time students has increased from 1,184 in 2006 to 1,930 in May 2010.

2.2 Not all students who live in private houses are in properties that are registered as exempt from Council Tax. There are students who lodge or share with non-students. There are also many houses in multiple occupation that are not occupied by students and small properties of 1 or 2 bedrooms that are Council Tax exempt that are not classified as houses in multiple occupation. Therefore the figures for Council Tax exemptions do not show the whole picture so far as houses in multiple occupation (HMOs) are concerned, but they do provide a useful measure for gauging the growth and distribution of student occupation in private dwellings.

3 PURPOSE OF GUIDANCE

3.1 The purpose of the guidance document is to clarify the implementation of Policy H5 (b) of the Exeter Local Plan.

3.2 The law requires that planning decisions be in accordance with the development plan unless other material considerations indicate otherwise. The main part of the development plan relevant to student accommodation is criterion (b) of Policy H5 of the adopted Exeter Local Plan. This states:

H5: THE CONVERSION OF DWELLINGS TO FLATS, SELFCONTAINED BEDSITTERS OR HOUSES IN MULTIPLE OCCUPATION AND THE DEVELOPMENT OF SPECIAL NEEDS OR STUDENT HOUSING WILL BE PERMITTED PROVIDED THAT:

(b) THE PROPOSAL WILL NOT CREATE AN OVER CONCENTRATION OF THE USE IN ANY ONE AREA OF THE CITY WHICH WOULD CHANGE THE CHARACTER OF THE NEIGHBOURHOOD OR CREATE AN IMBALANCE IN THE LOCAL COMMUNITY.

4 SCOPE OF GUIDANCE

4.1 The guidance will apply to all planning applications for change of use from homes (Class C3 of the Use Classes Order) to Class C4 (houses in multiple occupation by three to six people) and to 'sui generis' houses in multiple occupation of seven or more occupants, within the areas shown stippled on Plan 1 and potentially within the areas shown striped. In all these areas planning permission will be required for material change of use from Class C3 to Class C4 following the removal of permitted development rights through an Article 4 Direction taking effect in January 2012. The guidance will not apply to purpose-built student accommodation or to nine streets that are not subject to an Article 4 Direction. They are:

- Culverland Road
- Danes Road
- Edgerton Park Road
- Hillsborough Avenue
- Mowbray Avenue
- Old Park Road
- Springfield Road
- Victoria Street
- Wrentham Estate

4.2 Further guidance on the need for planning permission for houses in multiple occupation is available on the Council's website at <http://www.exeter.gov.uk/index.aspx?articleid=13208&listid=9485>

4.3 The proposed restriction on further houses in multiple occupation will not affect properties that can prove an existing lawful use as a house in multiple occupation.

5 BASIS OF PROPOSED POLICY

5.1 With effect from 1 January 2012, the Council is proposing to resist any further changes of use to houses in multiple occupation within the area shown stippled on Plan 1, where the proportion of homes exempt from Council Tax already exceeds 20%. In other words the Council will regard a proportion greater than 20% as an over-concentration of HMO use for the purposes of Policy H5 (b).

5.2 If annual monitoring indicates that the proportion of Council Tax exemptions in the areas shown striped on the plan have increased to over 20%, then the restrictions will be applied to those areas. The proportion of existing Council Tax exemptions in these areas is shown on the plan.

5.3 This policy has been drafted on the basis of data at May 2010. Data will be updated to May 2011 before adoption of any policy. The proportions have been calculated on the basis of areas that respect ward boundaries.

Annex D: Leeds City Council, *Local Development Framework Core Strategy* (2009) (paras 5.3.45-50)

6) Specialist Accommodation

Student housing

5.3.45 Over the last decade there has been a city-wide increase in the private rented sector from 7 to 12% of total dwellings, but Headingley and adjoining areas have experienced a far greater increase than comparable inner areas of Leeds because of the growth in student numbers. The number of full time students in Leeds has risen from 22,000 in 1991 to 40,000 in 2005 and this figure continues to grow. This growth brings benefits to Leeds in terms of widening educational opportunity, injection of spending power into the local economy, enhancement of the City's academic status and contribution to the City's culture. However, the uneven distribution of the resulting student population poses a serious problem. Headingley has proved to be the most popular location for students and the fact that large numbers of properties in and around Headingley are let to students inevitably puts pressure on the housing stock available for other sectors of the population and reduces that stock suitable for families. This encourages the view that the population overall is out of balance and that action is needed to ensure a sustainable community. Problems associated with concentrations of student housing can also cause significant visual and residential amenity issues. For example, houses in student occupancy can often be poorly maintained by landlords and by students in short term residency along with late night street noise and disturbance from students.

5.3.46 In recent years, thousands of student bedspaces have been provided in purpose built developments, particularly in the city centre. This has begun to shift the locus of student housing concentration away from Headingley. Nevertheless, Planning has an important role to continue managing these issues by using powers at its disposal to ensure that communities are well balanced and sustainable for the long term.

Houses in Multiple Occupation

5.3.47 A House in Multiple Occupation (HMO) is a building that does not contain self-contained units of residential accommodation (bedsits) or more than one household living separately within a single dwelling unit. Whilst the traditional HMO housing sector has been contracting for decades, large numbers of HMOs still exist all over Leeds, particularly in the older terraced areas of the inner city. HMOs frequently offer the worst living conditions, both internally and externally. Overcrowding is common, the provision of basic amenities is poor, noise can be a problem, and fire precautions are limited. Scope for adequate parking is often missing, and poor management of gardens and refuse disposal creates environmental problems.

5.3.48 In addition to problems concerning internal fitness standards, HMOs can pose external problems particularly where there are clusters in certain streets. The density of occupation of single person households can cause a greater level of nuisance from people coming and going, particularly late at night, and greater pressure for on-street parking than houses occupied by families. Nevertheless, it is recognised that in a controlled environment, HMOs can make a valuable contribution to meeting some housing needs.

Housing for Elderly People

5.3.49 Because of demographics, housing designed for elderly people is likely to be an area of growth over the plan period. Where care is provided, schemes usually fall into the category of residential institutions, which is dealt with in the sustainable communities chapter.

POLICY H6: LOCATION OF SPECIALIST HOUSING

• **Development proposals will be controlled to ensure that specialist forms of accommodation are distributed around Leeds to reflect the location of needs and the characteristics of local**

communities, avoiding detrimental impacts through high concentrations of development, which would undermine the balance and health of communities.

- Sheltered and other housing schemes aimed at elderly people should be located within easy walking distance of town or local centres.

- Allocations Development Plan Documents should identify land, which would be particularly appropriate for sheltered or other housing aimed at elderly people.

5.3.50 If Town and Country Planning regulations are changed to recognise shared housing as a use distinct from dwelling houses, supplementary planning advice will be prepared for inner North West Leeds, to establish housing mix targets for local neighbourhoods.

Annex E: Manchester City Council, *Core Strategy DPD* (Policy H11 HMOs) consultation Feb-Mar 2011

Houses in Multiple Occupation

9.42 From 1st October 2010 change of use from a Class C3 dwellinghouse to a Class C4 House in Multiple Occupation (HMO) became permitted development, therefore planning permission is no longer needed. The Council made an Article 4 Direction on 7th October 2010 which, once the Direction comes into force, will mean that planning permission will be needed for this type of development. Subject to confirmation by the Council, the Direction will come into force on 8th October 2011. Once the Article 4 Direction has come into force then the Council will use the policy below to control further changes of use from a C3 to a C4. The policy also controls change of use to HMOs which are 'sui generis'.

Policy H 11

Houses in Multiple Occupation

Change of use from a C3 dwelling house to a C4 HMO will not be permitted where at least 10% of households within a 100 metre radius of the application site fall within one or more of the following categories:

Exempt from paying Council tax because they are entirely occupied by full time students.

Recorded on Private Sector Housing's database as a licensed HMO.

A property benefiting from C4 or sui generis HMO planning consent.

Where evidence can demonstrate that there are shared houses within 100 metres of the application site which do not fall within the categories above the Council will include these. In marginal cases where concentrations of properties in the categories above within 100 metres of the application site are just below 10%, the Council will examine property type in more detail and would exclude properties which would not be capable of being used in a way which meets the C4 definition from the total number of households when calculating the percentage as above.

In areas where at least 10% of households within 100 metres of the application site fall into the categories above, extensions to HMOs (as defined in the Housing Act 2004) would not be permitted where this could reasonably be expected to lead to an increase in the level of occupation.

In parts of Manchester where the lack of family housing has threatened the sustainability of the community to the extent that regeneration activity with the specific intention of increasing the amount of family housing has taken place, there will be a presumption against changes of use which would result in the loss of a dwelling which is suitable for a family.

Changes to alternative uses, including C4 and HMOs with more than six occupants, will only be acceptable where it can be demonstrated that there is no reasonable demand for the existing use.

The approach above will also be used for change of use to a HMO which is classified as 'sui generis'.

Notwithstanding the policy requirements set out above, all proposals for change of use of existing properties into houses in multiple occupation and all proposals for conversion of existing properties into flats (which might not necessarily fall within Class C4), would be permitted only where the accommodation to be provided is of a high standard and where it will not materially harm the character of the area, having particular regard to the criteria in policy DM1.

9.43 Tribal Consulting carried out a study for the Council which looked at the provision of student accommodation, including identifying areas of the City which experienced different types of impacts due to varying concentrations of students living there. The resulting student strategy was reported to Executive in May 2009 and issues raised by this are being taken forward through the Student Strategy Implementation Plan, reported to Executive in October 2009.

9.44 The Student Strategy found that the problems caused by shared houses appear to be more noticeable (and raise more concerns) to residents where they occur in previously relatively stable neighbourhoods, and identifies these areas as those with between 20-40% student households. The strategy examines whether a 'tipping point' can be identified for the point where the proportion of shared houses (in this case student households) becomes damaging to a street or neighbourhood and concludes that once a 20% threshold is reached problems become harder to manage, but considers that a tipping point would be difficult to set universally across Manchester due to varying capacities of neighbourhoods to accommodate this type of housing, based on house type and demography. During the preparation of the Core Strategy, and particularly through consultation with local stakeholders, the Council concluded that a 10% threshold would be more appropriate.

9.45 Figure 9.4 shows where concentrations of council tax exempt student households combined with non-student licensed HMOs exceed 10% of total households, based on 2010 data, mapped by super output area. The threshold approach will be applied both inside and outside this boundary.

9.46 A sustainable community must provide opportunities for a mix of households. Within this mix families are particularly important because they support a range of local facilities such as schools and tend to have a greater commitment to the neighbourhood as they live there longer than other types of households. For this reason, a more restrictive approach will be applied in locations which have benefited from specific regeneration activity aimed at increasing the provision of family housing. This could include PFI schemes, CPOs and other forms of neighbourhood renewal where an increase in family-oriented accommodation was a stated aim of the intervention included in public documents. For the purposes of the policy, housing suitable for a family is a dwelling with 3 or more bedrooms, and no reasonable demand would be demonstrated by a period of at least six months on the market at a reasonable price or rental level or other compelling market evidence.

9.47 The policy above will prevent further loss of Class C3 dwelling houses, which generally provide accommodation for families, to Class C4 HMOs, thus preventing further harm to residential amenity. It should be noted that the data sources which will be used to determine whether a HMO is to be permitted include properties exempt from paying council tax because they are lived in entirely by full time students – this category could potentially include a limited number of non-HMO households, for example a situation where a student was living alone or with only one other person in a self-contained flat would still be a C3 use. Additionally there will be HMOs not covered by the categories in the policy but as these are not recorded by the Council they will not be counted when making a decision on permitting a C4, unless evidence can be provided to demonstrate where these are, as stated in the policy. Further information on data sources is given in the Evidence Issues section.

9.48 Small flats, which would not be capable of being used as a C4 property, would also be unlikely to provide accommodation for families. Therefore in marginal cases they will not be included in the total number of households when calculating concentrations of properties that fall within the categories above. This will ensure that high numbers of purpose built flats which fall within the C3 Use Class do not skew the results by making it appear that there is a large amount of family housing already available nearby, when this is not the case. Social housing is excluded from the C4 Use Class therefore these properties would be excluded from the total number of households in the same way in marginal cases.

9.49 Households that would meet the C4 test from the 6th April but which existed in this format previously without being defined as such will not necessarily be known to the Council. Where planning permission is given for a change of use to a C4 HMO this will be recorded in the future to build up a clearer picture.

9.50 A change of use to a HMO which is lived in by more than six people is classified as 'sui generis', i.e. it is not classified by the Use Classes Order. This could be an extension to an existing C4 dwelling, or a change of use from C3.

9.51 The impacts of Policy H11 will be monitored to ensure that any risk of blight on properties in areas where there are high concentrations of HMOs is minimised; and the policy revised if necessary. The policy allows for change of use from C3 to C4 (in areas where HMO concentrations are lower than 10%) in areas where specific regeneration initiatives to increase family housing have taken place, only where it can be demonstrated that there is no reasonable demand for the property as a C3 dwellinghouse.

9.52 Currently the amount of purpose built student accommodation in the planning pipeline exceeds the demand from both the projected growth in student numbers to 2014/15 (using a mid range growth scenario assumption) and latent demand from students living in the general rented sector, meaning that there is a future oversupply of bedspaces. This means that purpose built provision will be able to accommodate additional students who would previously have lived in C4 type accommodation. If a need for further purpose built accommodation arises the Council will encourage this where it satisfies the criteria set out in Policy Approach H12.

Evidence Issues

9.53 The Council does not have a complete record of all HMOs in the City which would fall within the C4 definition, therefore the types of accommodation listed in the bullet points in the policy are used to try and cover as many different types of 'houseshare' accommodation as possible, and are data sources which can be easily used to display percentages of accommodation within these categories for a defined area.

9.54 Licensed HMOs are recorded on Private Sector Housing's database and include licensed HMOs (HMOs which meet specific criteria) as well as others which the Council has recorded for a specific reason, for example when it has focused on conditions in a particular area. A large number of HMOs in the City do not need to be licensed (for example because they are lower than three storeys) therefore this data source alone would not include enough types of HMO/shared housing to make a threshold policy meaningful. The Council can identify households which are exempt from paying council tax because they are entirely occupied by full time students, but council tax data does not give the number of occupants. It is likely that the vast majority of these are HMOs but there are potentially a limited number which are not – for example a situation where a student was living alone in a self contained flat would be a C3 dwelling house.

9.55 It is also possible to identify households where there are at least two occupants and all but one are disregarded for council tax purposes, for example students living with a non-student. However this data source was not included in the policy as it was considered that it was likely to incorporate a higher percentage of non-HMO households.

9.56 Where planning permission is given for a change of use to a C4 HMO this will be recorded in the future to build up a clearer picture.

9.57 There are no records of other HMOs, which are groups of unrelated adults sharing a house, and council tax data does not identify these.

Annex F: Oxford City Council, LDF *Sites & Housing DPD* (Section A4, Student Accommodation, and Houses in Multiple Occupation), consulting 2011

Section A4 Specialist forms of housing

Houses in multiple occupation

Overview of issue

A4.16 On 6 April 2010, amendments were made to the Use Classes Order and the General Permitted Development Order to introduce, among other things, a new class of residential development – C4: Houses in Multiple Occupation. These are commonly referred to as 'small HMOs'. The Sui Generis HMOs which existed under the previous legislation are still considered as HMOs, but these are now commonly referred to as 'large HMOs' which, in broad terms, consist of more than six occupants.

A4.17 The new use class – C4: Houses in Multiple Occupation describes a house that contains between three and six unrelated occupants who share basic amenities. However, properties that contain the owner and up to two lodgers do not constitute HMOs for these purposes.

A4.18 Oxford has the 15th highest number of houses in multiple occupation, or HMOs in England and Wales. HMOs play an important role in meeting people's housing needs in Oxford. However, in some cases high concentrations of HMOs, often linked with students, can be associated with parking problems, accumulations of domestic rubbish and, sometimes, late night noise disturbance. They also reduce the number of houses available for family households, and therefore have a significant impact on the wider housing market.

A4.19 Currently the City Council has no control over conversions of single dwellings into a small HMO that falls within planning Use Class C4. However from February 2012, a new local planning order, known as an 'article 4 direction', will give the Council planning controls over all new HMOs. The Council will therefore introduce a new planning policy, to provide a framework for deciding whether or not to grant planning permission for any new HMO.

A4.20 In January 2011, the City Council was the first local authority in the Country to introduce full 'additional' licensing for all existing and new HMOs. This will improve the condition and management of HMOs across the City, and within the next three years should provide a record of the majority of HMOs in Oxford.

A4.21 Public consultation suggested general support for introducing a greater level of control for new HMOs. However, some people felt that better management of HMOs would be preferable to imposing greater planning restrictions.

Evidence

A4.22 Core Strategy Policy CS25 requires that all increases in university academic or administrative accommodation are matched by increases in purpose-built student accommodation. It also requires that the number of full-time students living outside of purpose-built student accommodation be restricted to 3000. The policy is broader than the Local Plan policy that it replaced since the occupation of student accommodation is now restricted to students in full-time education on academic courses of one academic year or more. This now includes students on full-time courses enrolled at language schools as well as at the two universities.

A4.23 Oxford Brookes University has recently announced that they will be charging £9,000 a year for tuition fees from 2012. As a result of this, Oxford Brookes is looking to improve the university experience for their students. One of the consequences of this is that there are likely to be lower undergraduate numbers.

A4.24 Oxford has the highest number of students, as a proportion of the local population, of any place in the South East region. This contributes to the city's vibrant private rented sector: at the time of the last Census, 26% of households were privately rented. It is estimated that some 5,000 households in Oxford are HMOs, which represents about 8% of all households. About 5% of all households are occupied solely by students, therefore an estimated 60% of all HMOs are student properties (approximately 3,000 properties).

A4.25 Some areas of Oxford are known to have particular concentrations of HMOs. This has been demonstrated by mapping the distribution of student properties (i.e. households that are exempt from paying Council Tax). Figure 2 shows that there is a particularly high concentration of student households in East Oxford, Jericho and the City centre. This can be compared with a map analysis of complaints to the City Council's Environmental Health team that are thought to relate to HMOs (Figure 3). Comparison of the two maps suggests a relationship between the two.

PREFERRED Option A

A4.26 The Core Strategy has strategic objectives both to improve quality of life for all, and to achieve an appropriate housing mix to support strong and diverse communities. It is also important that the city continues to provide flexible forms of accommodation to support a dynamic Oxford population, which includes both a large number of students and many young professionals: these groups often struggle to afford the cost of living in self-contained households.

A4.27 Planning policy should therefore strike a balance between flexible, affordable accommodation and the need to sustain a balanced and established community. As such, the preferred option puts forward a threshold for the proportion of properties, within a particular segment of street, which may become HMOs. The City Council considers that allowing the number of HMOs to exceed this threshold would represent a potential overconcentration of HMOs. Therefore, creation of any further HMOs above the threshold would be resisted.

A4.28 Currently, a blanket restriction on HMO creation applies in the former 'East Oxford Registration Zone'. The application of a robust threshold-based policy, supported by evidence from HMO licensing records, would generally prevent further HMOs being created in this area. Therefore, the preferred option would no longer require the 'East Oxford HMO Registration Area' which would be deleted from the Proposals Map.

PREFERRED OPTION A: HOUSES IN MULTIPLE OCCUPATION

Policy to state that any proposal to create a new HMO, including the change of use of any dwelling to an HMO, will only be permitted where the proportion of properties within 100 metres of street length either side of the property does not exceed 20%.

Street length will be measured to include:

- the frontage either side of the proposed development, including frontage that wraps around corners or that is bisected by a road or footpath, and
- the frontage either side of the point directly opposite the proposed development, including frontage that wraps around corners or that is broken by a road or footpath.

Policy to require full compliance with the City Council's guidance on amenity and facilities in HMOs (published by Environmental Development). Require that any new HMO includes refuse

storage space that is adequate in size and accessible, and that adopted policy for car and cycle parking is complied with.

For the avoidance of doubt, the policy would state that the Council will seek to prevent any HMO that has formerly been a single household dwelling from being converted to smaller self-contained units, unless the proposal complies with the Balance of Dwellings SPD.

Option B

A4.29 The Local Plan includes Saved Policy HS.15 – Houses in Multiple Occupation, which uses a street threshold-based approach. It also seeks to prevent any further HMO creation within the former 'East Oxford HMO Registration Area' (a large area shown on the adopted Proposals Map that covers the East Oxford area surrounding Cowley Road and Iffley Road).

A4.30 This option carries forward the existing Local Plan policy, and therefore represents the 'business as usual' option. It should, however, be noted that the Local Plan policy only currently applies to proposals for HMOs classed as 'Sui Generis' (generally 7 or more occupants). From February 2012, the policy would also apply to small 'Class C4' HMOs (generally 3 or more unrelated occupants).

OPTION B: HOUSES IN MULTIPLE OCCUPATION

Maintain a maximum threshold of 25% of properties in any single street as a proportion of total units permitted to become HMOs (either C4 or Sui Generis). Within the former East Oxford Registration Area as defined on the adopted Proposals Map, do not permit any change of use to or creation of additional HMOs.

Policy would also require:

- **appropriate provision to be made for car and cycle parking;**
- **adequate levels of amenity for occupiers;**
- **refuse storage space that is adequate in size and accessible, and**
- **that good access into, and within, the building is retained.**

Option C

A4.31 An option is put forward that would extend the existing area of constraint – the former 'East Oxford HMO Registration Area' – to include all areas that are shown to currently have more than 10% of properties exempted from Council Tax due to student occupation. This would update a boundary that was based on the former mandatory HMO licensing regime, that is now superseded by additional licensing. Within the updated area, all proposals for HMOs would be resisted. Outside the area of constraint, a threshold of 20% of properties within a 100m length of street would be applied.

OPTION C: HOUSES IN MULTIPLE OCCUPATION

Policy to state that any proposal to create a new HMO, including the change of use of any dwelling to an HMO, will only be permitted where the proportion of properties within 100 metres of street length either side of the property does not exceed 20%. (See Preferred Option for how this could be defined.)

Within an area that has more than 10% of properties as Council Tax exempt due to student occupation, do not permit any change of use to or creation of additional HMOs. (Note this is likely to include areas shown in blue in figure 2 above.)

REJECTED Option D

A4.32 The City Council has considered the option of not having any planning policy that restricts or seeks to influence the number of HMOs in Oxford. This option has been rejected, as it is not considered to meet the objective of improving the balance of accommodation and communities in Oxford and its neighbourhoods.

REJECTED Option E

A4.33 A further option would have been to resist the creation of any further HMOs in Oxford. The Council considers this would not be a sustainable approach. There will always need to be some flexibility in residential tenure and household composition, given the high student population in Oxford, including postgraduates, and affordability issues faced by young, economically active professionals.

A4.34 An entirely restrictive policy may also have the perverse effect of discouraging landlords of existing HMOs to rent to families. The reason is that family occupation would constitute a C3 use, therefore C4 (HMO) use of the property would be lost, leaving no option of reverting the property back to HMO use, as planning permission would be refused.

Annex G: Belfast Planning Service (NI) *Houses in Multiple Occupation (HMOs): Subject Plan for Belfast City Council Area 2015* adopted 15 December 2008 [extract]

Policy HMO 1 HMO Policy Areas

Within designated HMO Policy Areas, planning permission will only be granted where the number of HMO dwelling units does not as a result exceed 30% of all dwelling units within the Policy Area

Policy HMO 1 is designed to protect the amenity of areas where multiple occupation is currently, or is likely to become, concentrated. This policy will apply to the following designated HMO Policy Areas [listed as Policy HMO 2].

Policy HMO 3 HMO Development Nodes

Along the frontages of designated HMO Development Nodes planning permission for HMOs will be granted, providing it does not include HMO development at ground floor level within a designated commercial node or shopping area.

Policy HMO 3 is designed to accommodate the need and demand for HMO accommodation and direct it to areas where it can contribute to regeneration. This policy will apply to the following designated HMO Development Nodes [listed as Policy HMO 4].

Policy HMO 5 HMO Development outside designated HMO Policy Areas and designated HMO Development Nodes

Outside designated HMO Policy Areas and designated HMO Development Nodes, planning permission will only be granted for further HMO development where as a result the number of HMOs does not exceed 10% of dwelling units on that road or street.

Where such a street or road is in excess of 600 metres in length, planning permission will only be granted for further HMO development where as a result the number of HMOs does not exceed 10% of dwelling units within 300 metres either side of the proposal on that road or street.

Policy HMO 5 is designed to protect the amenity of residential areas and promote balanced communities.

Approximately 7% of dwellings in Belfast are HMOs. Setting a limit of 10% will allow a degree of managed and controlled growth in this market. The 10% limit is considered to be sufficient to accommodate approximately 50% of single persons under the age of 60 in Belfast City Council Area.

In most circumstances the policy can be applied without reference to the 300 metre requirement. The purpose of the 300 metre requirement is to prevent excessive concentrations on longer streets or roads.

Planning Service, in conjunction with the NIHE, will maintain a database of HMOs which will monitor the number of HMOs in each Policy Area. In circumstances where an applicant disagrees with Planning Service's assessment on the number of HMOs in a given area or considers that the property was already an HMO at November 2004 when the Planning (Use Classes) Order (Northern Ireland) 2004 was introduced, then the applicant will be afforded an opportunity to provide evidence and demonstrate otherwise.

In circumstances which are dependant upon a change of use of another property away from an HMO, then a legally binding agreement may be necessary. The number of HMOs within each Policy Area is contained in Appendix 3. The level of multiple occupation within an area, whether designated or not, will be measured by:

1. the number of HMOs recorded by the NIHE at November 2004, plus
2. the number of HMO development units subsequently approved by the Department, plus
3. the number of extant permissions for HMO development units

A breach of the 10% limit on further HMO development for existing HMOs may be acceptable providing it does not give rise to intensification including an increase in the number of bedrooms or the number of occupants. For example, a proposal to convert an existing eight bedroom HMO to two four bedroom HMO flats may be acceptable, providing there is no increase in the number of occupants.

Annex H: Glasgow City Council City Plan 2 Consultative Draft March 2006 reviews Policy RES 13 'Multiple Occupancy'

**POLICY RES 13 MULTIPLE OCCUPANCY
MONITORING AND REVIEW OF POLICY**

The Council will update this policy in the light of continued expansion in this sector of the residential market and will re-examine the justification for local area policies.

REQUIREMENT FOR PLANNING PERMISSION

The Council considers that planning permission for multiple occupancy is required in the following cases.

HOUSES, OTHER THAN FLATS

Permission is required:

- for a house containing more than five unrelated residents living together, including a household where care is provided for the residents; and
- for a house let out in 'bed-sits'.

FLATS

Permission is required:

- within the area covered by the West End (see Map), for a flat where four or more unrelated persons live; and
- elsewhere in the City, for a flat where three or more unrelated persons live.

Planning permission is deemed not to be required where only one lodger is accommodated in addition to one resident family.

OTHER REQUIREMENTS

Applicants may also have to comply with fire, environmental health and licensing requirements. Possession of a planning permission or certificate of lawfulness will not itself justify the grant of a licence, where different matters are taken into consideration.

POLICY

Planning applications for new multiple occupancies will be judged against the following criteria:

- (i) there must be individual access to a lit street. (This would include main door flats and undivided terraced houses but would exclude most properties served by a tenement close and properties which have already been subdivided);
- (ii) there must be direct access to appropriate refuse collection and a drying area to the rear of the building. Bin stores should be provided in accordance with policy RES 16: Bin Stores;
- (iii) the need for car parking will be assessed in each case in accordance with policy TRANS 4: Vehicle Parking Guidelines (Table 1 section A); and
- (iv) within a given street or block (or other readily identifiable unit) the proportion of multiple occupancies should not exceed 5% of the total number of dwellings comprising that unit (10% in the West End). Exemptions from this rule may include properties that have become completely isolated from standard family accommodation. (The figures relating to the West End, both in terms of density and threshold, were determined as a result of a planning inquiry on the basis of the number and broad distribution of houses used in the area for multiple occupation, particularly for residents attending Glasgow University and other tertiary education facilities).

CERTIFICATES OF LAWFULNESS

When an application is submitted for a Certificate of Existing Lawful Use as a multiple occupancy, the applicant is required to demonstrate that the use has been in operation continuously for 10 years preceding the date of the application.

Examples of evidence which can be submitted are as follows:

- Extracts from Valuation Rolls showing the premises entered as service flats or apartment houses for the past 10 years;
- Rent books or equivalent relating to the premises for the past 10 years where payments have been acknowledged by tenants;
- Copies of letting agreements with tenants for every year for the past 10 years;
- Copies of gas/electricity bills indicating that the premises have been let in multiple occupation for the past 10 years;
- Extracts from the Voters Roll showing the premises were used as multiple occupancies for the past 10 years;
- Extracts from the Community Charge Register;
- Evidence of the registration of rents for the premises indicating that they were used as multiple occupancies for the past 10 years;

- Copies of returns to, or certificates from, the Department of Inland Revenue indicating that the premises had been rated as commercial as a result of their being used as multiple occupancies for the past 10 years;
- Pre-registration records held by Protective Services (Environmental Health); and
- Affidavits from two or more independent witnesses in conjunction with other evidence.

The list of criteria is not exhaustive and it is possible for satisfactory evidence to come from other sources. The onus to produce such evidence lies with the applicant.

ENFORCEMENT

Given their potential impact, the Council will vigorously pursue planning enforcement action against unauthorised or unlawful multiple occupancies giving rise to residential disamenity.

LOCAL AREA POLICY

Within Dennistoun Conservation Area further multiple occupancy will be resisted. This is due to the limited number of dwellings within the area and the relatively high number of these properties that are in non-residential use.

DEFINITION

MULTIPLE OCCUPANCY

The guidance to the Civic Government (Scotland) Act 1982 (Licensing of Houses in Multiple Occupancy) Order 2000 defines multiple occupancy as the “only or principle residence of more than two persons who are not all members either of the same family or of one or other of two families.” Based on this definition, the Council considers that multiple occupancy of a flat comprises occupancy by more than two unrelated persons. Given the scale of multiple occupancy in the West End (see map), the Council considers that multiple occupancy of a flat in that area comprises occupancy by more than 3 unrelated persons. These definitions reflect the Council’s view of when multiple occupancy requires planning permission and do not emanate from planning legislation.