

REPORT FOR: Planning Committee

Date of Meeting: 23 February 2012

Subject: Homes in Multiple Occupation (HMO)

Responsible Officer: Andrew Trehern, Corporate Director Place Shaping

Exempt: No

Enclosures: None

Section 1 – Summary and Recommendations

This report follows changes to the legislation relating to HMOs and considers whether there is currently a case for introducing additional controls to restrict the scope of permitted development for changes of use from a dwelling (class C3) to a HMO (Class C4) in parts of the borough.

Recommendations:

Agree that officers should monitor the change in the number of HMOs in the borough with a view to reviewing the situation in 12 months time.

Reason: (For recommendation)

The number of HMOs in Harrow is not, at present, considered to be such as to justify an article 4 direction. However, with potential changes to housing and welfare policy, it is appropriate to keep this matter under review and to revisit the issue in 12 months time, to reconsider the position at that point.

Section 2 – Report

1 Introduction

In April 2010, the government introduced changes to the Town and Country Planning Use Classes Order to create a new use class for Houses in Multiple Occupation (Class C4). The Use Class C4 is defined as:

C4 Houses in multiple occupation - small shared dwelling houses occupied by between three and six unrelated individuals, as their only or main residence, who share basic amenities such as a kitchen or bathroom.

The change to the Use Classes Order therefore served to bring the change of use of dwellings (which fall in Class C3) to HMO's within the control of planning authorities by making such changes subject to planning permission. The change to the use classes order followed a widespread recognition that in some parts of the Country, the number of HMO's within an area were having a significant and adverse impact upon the character of an area. These impacts included:

- Noise and anti social behaviour
- Impacts upon the physical environment
- Pressure upon parking
- Increased crime
- Pressure on local facilities
- Restructuring of retail and commercial facilities to suit the “lifestyles” of the predominant population
- Growth in private rented sector at the expense of owner occupation.

(Reference: Evidence Gathering – Housing in Multiple Occupation and possible planning responses”- (Ecotec 2008)

In October 2010, the new Government introduced a change to the Town and Country Planning General Permitted Development Order which, at Class I (b) of Part 3 to Schedule 2 had the effect of making changes of use from Class C3 (Dwellings) to Class C4 (HMO) permitted development.

The Government's view, in making such a change of use permitted development was that were there was a local case for restricting such use, Local Planning Authorities could use their powers set out in Article 4(1) of the Town and Country Planning General Permitted Development Order 1995 (GPDO) to remove such permitted development thereby requiring anyone wishing to make such changes of use to apply for planning permission. At the same time, guidance on the application of the proposed permitted development, including provisions for the use of article 4 directions was published (Circular 08/10 and Replacement Appendix D to Circular 9/95)

Provided there is a justification, it is possible to make an article 4 direction covering:

- Any geographical Area from a specific site to Borough Wide
- Permitted development rights for operational development or changes of use
- Permitted development rights with temporary or permanent effect.

The provisions within the GPDO allow for immediate and non-immediate directions. The revised Circular Guidance 9/95 makes it clear however that where a local planning authority seeks to introduce an article 4 (1) direction, such direction requires the approval of the Secretary of State and the authority may be liable to pay compensation.

The requirements to pay compensation where permitted rights are withdrawn falls into two broad areas:

1. Where a Council refuse planning permission for development which would have been permitted development if it were not for the article 4 direction; or
2. Grant planning permission subject to more limiting conditions than the GPDO would normally allow, as a result of the article 4 Direction being in place.

Where permitted development rights for changes of use from a dwelling house to a house in multiple occupation is withdrawn, compensation is only payable if an application for planning permission is submitted within 12 months of the direction. If 12 months prior *notice* of the withdrawal of permitted development rights is given, no compensation is payable.

HMOs in Harrow

Under the 2004 Housing Act, Harrow Council has adopted a additional licensing regime to licence for all HMO's above 4 occupants in the borough. The licensing process seeks to ensure that properties meet minimum standards and are safe to occupy. It does not, and cannot, consider in detail the planning implications of such a use, including the impact of the use upon the surrounding area, including neighbours etc.

The Councils records suggest that there are a total of 87977 dwellings in the borough, distributed amongst the wards as set out below. Within each of the Wards, the table below records the number of licensed HMO's. As can be seen from the table, numbers of licensed HMOs represent between 0.06% and 1.58% of the housing stock.

Ward	No of Dwellings	No of licensed HMO	Percentage HMO
Belmont	3739	4	0.10%
Canons	5419	13	0.24%
Edgware	3805	12	0.31%
Greenhill	5264	83	1.58%
Harrow on the Hill	4837	12	0.24%
Harrow Weald	4304	12	0.28%
Hatch End	4136	3	0.07%
Headstone North	3662	5	0.14%
Headstone South	4144	30	0.72%
Kenton East	3513	12	0.34%
Kenton West	3507	8	0.23%
Marlborough	4519	31	0.69%
Pinner	4371	6	0.43%

Pinner South	4010	6	0.14%
Queensbury	3699	7	0.19%
Rayners Lane	3773	11	0.29%
Roxbourne	4847	4	0.08%
Roxeth	3894	9	0.23%
Stanmore Park	4622	3	0.06%
Wealdstone	4034	26	0.64%
West Harrow	3878	32	0.83%

Based upon the above assessment, it is clear that the distribution and number of HMO's is not such that it appears to be creating specific areas, which are changing in their character to such an extent that an Article 4 direction would be warranted.

However, it should be noted that there are a potentially significant number of unauthorised HMO's in the borough. The licensing team are currently focusing resources on this area over the next 12 months, and it is expected that the numbers of HMO identified within the borough will therefore rise. At the present time, the LPA is not aware of any area specifically where HMO's, as opposed to conversions to flats, is causing a marked change in the character of the neighbourhoods. Nevertheless, changes in housing delivery and the re-structuring of benefits payments to those in need is likely to impact upon housing choices across the borough. Given the existing baseline established by the existing and emerging survey data, further monitoring, of both numbers and the trends in each ward is considered to be justified. The conclusion not to promote an Article 4 direction at this time, should accordingly not be taken as precluding such a measure in the future.

Alternative Options Considered

In seeking to introduce an article 4 directions, the Council would be expected to produce evidence that would justify the need for such a restrictive provision. At the present time, the evidence available is not considered to justify the measures. The proposal to keep the matter under review is considered to be the most appropriate response to the legislative changes, particularly having regard to the changes in the package of support payments being made across the Country to those in need, which may drive a change in tenure and property demand.

Financial Implications

The costs of monitoring the trend in HMO is contained within existing budgets. If the HMO Article 4 was progressed - compensation may be significant unless the Council waited for 12 months to introduce.

Risk Management Implications

The risks associated with the introduction of an Article 4 direction would need to be managed as part of such a project. The decision to monitor the trends in the number of HMO's has no direct risk.

Equalities implications

Monitoring the number of HMOs in the borough is not considered likely to have any equalities impact. The Council would use existing data sources, plus the published results of the 2011 Census in due course to undertake such monitoring.

Corporate Priorities

The report has no direct impact upon the delivery of corporate priorities. The data gathered through the monitoring exercise proposed would help to support policy development and decision making in line with delivery of the following Corporate Priorities

- Keeping neighbourhoods clean, green and safe – by ensuring balanced tenures across the Borough.
- United and involved communities: a Council that listens and leads – managing concentrations of HMO's across the borough is consistent with the management of the housing stock to support sustainable neighbourhoods.

Section 3 - Statutory Officer Clearance

Name: Kanta Hirani	<input checked="" type="checkbox"/>	on behalf of the Chief Financial Officer
Date: 17 February 2012		
Name: Abiodun Kolawole	<input checked="" type="checkbox"/>	on behalf of the Monitoring Officer
Date: 16 February 2012		

Section 4 – Contact Details and Background Papers

Contact:

Stephen Kelly – Divisional Director – Planning 020 8736 6149

Background Papers:

Harrow Draft Core Strategy