

Briefing Notes

Committee name: Cabinet

Date: June 2017

Responsible officer: Mark Nelson

This note contains information to keep Members informed of matters relating to the work of the Cabinet or a committee but where no decisions from Members are needed.

If Members have questions relating to matters shown, they are asked to contact the Officer indicated.

Briefing on the Completed HMO Survey St Pauls

1. In June 2014 Cabinet approved the recruitment of a new permanent post to be responsible for the ongoing identification and survey of HMO's in the Borough but initially within the St Pauls ward. The post, which was recruited to in January 2017, is funded initially from the Housing Survey Reserve and is supported by existing enforcement staff.
2. Following detailed desk top analysis to identify possible HMO's and development of a survey form, the survey work commenced in early September 2016. It was estimated that the survey of St Pauls would take approximately 9 months to complete depending on the extent of substandard accommodation discovered during the survey work.
3. The desk top analysis involved scrutiny of council tax records, the electoral register and enforcement records including officer knowledge of the area. This analysis identified approximately 450 possible HMO's within the St Pauls Ward.
4. The survey of properties in St Pauls was completed in February 2017 and 350 HMO's have been identified and fully inspected. In addition 102 properties were visited and found not to be HMO's. All properties identified by the desk top analysis were visited and those found to be HMO's were surveyed.

Results Summary

- 37 HMO's were identified with contraventions of management regulations and category 1 hazards (HHSRS) (11%)
- 12 HMO's were referred to housing enforcement for further action (3%). Of those referred, 7 are now compliant following housing enforcement.
- 6 HMO's had category 1 hazards without management issues (2%)
- 20 HMO's were referred to planning enforcement (6%), of these referrals 8 require planning permission (2%)
- 10 HMO's were identified with pest control issues (3%), of which 4 properties (1%) also exhibited problems which would constitute a contravention of Management Regulations in addition to the presence of category 1 hazards.
- 2 of these 10 HMO's which had pest control issues also exhibited problems which would constitute a contravention of Management Regulations (1%)
- 4 of these 10 HMO's solely exhibited pest control issues (1%)

Refuse Issues

12 properties with refuse issues 3%
338 Properties with no refuse issues 97%

Cars

Off road parking 37 10%
On road parking 344 90%
Number of students with a car 24%
Total cars 344

Anti-social Behaviour

There was no antisocial behaviour identified by inspection which related to the HMOs surveyed.

Property by type and Tenure

1 Bedsit non student
18 Properties shared non student lettings 5%
2 Properties shared student lettings 1%
330 Properties Students only lettings 94%

1 Storey properties 4 1%
2 Storey properties 102 29%
3 Storey properties 221 63%
4 Storey properties 23 7%
Total 350

Student accommodation

3 students per property	42	Total students	126
4 students per property	103	Total students	412
5 students per property	100	Total students	500
6 students per property	59	Total students	354
7 students per property	13	Total students	91
8 students per property	7	Total students	56
9 students per property	5	Total students	45
12 students per property	1	Total student	12

Total properties 330

Total student population 1,596

Shared non student lettings

3 Storey Bedsit 1 6%
2 Storey properties 7 39%
3 Storey properties 8 44%
4 Storey properties 2 11%

Total properties 18

1 Bedsit 5 Occupiers 5
3 Occupiers per property 4 12

4 Occupiers per property	7	28
5 Occupiers per property	4	20
6 Occupiers per property	2	12

Total properties 18

Total occupiers population 77

Mixed occupation shared /student

2 Storey properties 1 50%

3 Storey properties 1 50%

Total properties 2

Total Students 2 Other 4

Licensed HMO's

There are 144 licensed HMO's in the St Pauls ward under the National Mandatory HMO Licensing Scheme. It is likely that in the autumn this year, the criteria for mandatory licensing will be extended nationally to include HMO's with 5 or more occupants.

From the survey results, it is predicted that there will be in the region of 52 more HMO's in the St Paul's ward that will be included in the extended mandatory licensing scheme. If these proposals are introduced, 196 HMO's will be licensed in the St Pauls Ward (56%). Of the 144 mandatory licensed properties inspected, 9 exhibited management issues (6%). All works associated with these issues have now been completed.

Additional Licensing Housing Act 2004

This procedure allows a LA to designate the whole or part of its district as an area in which all or specified types of HMOs will require to be licensed in addition to those already designated by the Licensing of HMOs (Prescribed Descriptions) (England) Regulations 2006 (sect. 54(1)) (mandatory licensing).

Before making a designation the LA must be satisfied that a significant proportion of the HMOs to be included are being managed sufficiently ineffectively as to give rise, or be likely to give rise to, one or more particular problems either for their occupants or for members of the public.

Before making a designation the LA must consult with those most likely to be affected and take account of any representations made (sect. 56(3)).

There are further matters for the LA to consider:

- That designation is consistent with the LA's overall housing strategy
- There must be a co-ordinated approach to dealing with homelessness, empty properties and anti-social behaviour in the private rented sector which considers both combining additional licensing with other possible courses of action and measures to be taken by others.
- The LA must also consider alternative actions.
- The LA must be satisfied that designation will significantly assist in dealing with the problems of the area.

It will be noted from the survey results that only 11% of the HMO stock in St Pauls were identified with management problems and/or safety issues under HHSRS.

The relatively good standards of management and low levels of Category 1 hazards (2%) that were identified may reflect the proactive work undertaken by enforcement officers in St Pauls over the last 5 years including the licensing of 144 HMO's under the Governments Mandatory Licensing Scheme. If the proposed extension to this mandatory licensing scheme goes ahead in the autumn, then the number of licensable HMO's in St Pauls will rise to in the region of 196 properties, which represents 56% of the HMO stock in the ward.

It is concluded from the results of the survey that the introduction of additional licensing in St Pauls could not be justified; however, HMO standards in the St Pauls ward will continue to be enforced in licensed and non- licensed accommodation to help ensure the level of compliance achieved over the last few years is maintained and improved upon.

Article 4 Direction

Local Planning Authorities may make a direction under Article 4(1) of the Town and Country Planning (General Permitted Development) Order 1995 (as amended) so that change of use by permitted development must instead require planning permission.

The change of use from a use falling within class C3 (dwelling houses) to a use falling within Class C4 (houses in multiple occupation) has been permitted development since October 2010.

The introduction of an Article 4 Direction, which may be reviewed by the Secretary of State before coming into force, could remove this permitted development right and therefore, a change of use to a House in Multiple Occupation would require planning permission. In this way, subject to specified statutory procedures and timescales, the formation of all new HMOs in St Pauls could be controlled.

There are specific rules and guidance which govern how and when, and what evidence is needed to bring in an article 4 direction. Article 4 directions need to be well evidenced in relation to the harm they are seeking to prevent, and should not be made over a wide area unless in exceptional circumstances.

If an article 4 direction is made, this must be publicised and one year must pass before it can come into force. During this time permitted development rights can be used to covert homes into HMOs before the changes come into effect.

The introduction of an Article 4 Direction to control HMO numbers has to be judged in the context of the Council's overall planning strategy. This issue is currently being considered as part of Cheltenham's emerging Local Plan and timescales are linked to the Plan preparations involving the Planning and Liaison Member Working Group. Action for 2017-18 will be managed at service level, albeit the Cheltenham Plan is identified as action ENV1 in the 2017-18 corporate strategy.

There is some evidence to suggest that a tipping point in terms of a balanced community can arise when HMOs exceed 10% of properties. The survey has recorded that there are 350 HMOs in the St Pauls ward which corresponds to 12% of properties. Consultation and investigation as to the effects of this number of HMOs on the local community may

therefore be required to help establish the need to control HMO numbers through an Article 4 Direction.

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