



OVERVIEW AND SCRUTINY COMMITTEE

12th November 2018

To inform the Committee about the findings of the Study of Housing in Multiple Occupation Policy.

Briefing Note

An increasing number of Northampton's residents are now renting their homes from private landlords. The reasons for this are complex, but include the growth in the status of the University of Northampton (and the student population), the increase of single person households, limited supply of social rented / affordable rented housing and the introduction of the "single room rate" of Housing Benefit paid to single people under the age of 35. There has also been strong international in-migration. These rented units often take the form of shared homes which appear to be popular with younger people and those on lower incomes.

In England and Wales, there is a permitted development right that allows for the conversion of dwellinghouses (Use Class C3) to houses in multiple occupation for three to six residents (Use Class C4) without planning permission. Where there are concerns about the impacts of high concentrations of houses in multiple occupation (HMOs), the local planning authority can impose (having gone through the appropriate procedure, including public consultation) an Article 4 Direction to remove this permitted development right. This has the effect of making it necessary for planning permission to be obtained before a conversion from Use Class C3 to Use Class C4 can take place. The conversion of a dwellinghouse to an HMO for more than six residents always requires planning permission

The University of Northampton has recently relocated to the Waterside site in the town centre and areas close to the new campus have experienced increased demand for housing in multiple occupation (HMOs). Concerns have been expressed about the potential impact of HMOs on the character of streets and neighbourhoods in their immediate vicinity. The Council has imposed an Immediate Article 4 Direction in the most affected area and two Non-Immediate Article 4 Directions now cover areas nearby.

An Article 4 Direction is also still in force in the area close to the main university campus prior to the relocation.

At present, there is an Interim Planning Policy Statement (IPPS) for HMOs which the Council uses when considering planning applications. Among the principles set out in the IPPS is a concentration threshold which states that a new HMO should not result in more than 15% of the total number of dwellings within a 50 metre radius of the application site being HMOs.

Earlier this year, the Council commissioned Loughborough University to carry out an investigation into HMOs, to better understand the demand for them and their role in the wider housing market to ensure that demand can be met without undermining other planning objectives, such as the need to plan for a mix of housing to meet the needs of the population and local character.

To produce the study, Loughborough University analysed the demand and supply for HMOs in Northampton, the impact of HMOs on local character, the likely future growth of Northampton's higher education institutions and good practice from elsewhere in England. Extensive stakeholder consultation was carried out involving local councillors, landlords, residents groups and letting agents.

The Study sets out a series of policy recommendations to ensure better regulation and distribution of HMOs in Northampton.

The recommendations of the study are as follows:

1. If there is adequate evidence of need, a borough wide Article 4 Direction in Northampton should be adopted to more proactively plan and manage the fluid and dynamic processes that are underpinning the continued growth and spread of HMO within Northampton.
2. A saturation threshold of 10% within 50 metres of a planning application for C4 (HMO) should be adopted in the Article 4 Direction areas, to more effectively plan the distribution of HMOs in the town, and to regulate the possible formation of new over-concentrations of HMOs in other parts of the borough.
3. The on-going proactive focus on the enforcement of licensing HMOs, and the push to enhance the quality of management within the HMO market should be fully pushed forward and supported with a continued push on the current data-led approach to identify so-called 'rogue landlords'.
4. The current direction for a more integrated and collaborative approach (planning, private sector housing and environmental health) to identifying and managing HMOs within Northampton should be sustained.
5. An annual forum for information and knowledge sharing on HMOs which includes a range of relevant stakeholders should be fully implemented, with action points that are monitored.

All of the recommendations are highly relevant to the delivery of services in Northampton. Recommendation 2 is especially relevant. On the basis of the evidence gathered in producing the Study, it represents a reduction of the 15% threshold set out in the IPPS to 10% of properties within a 50 metre radius. Officers consider that this recommendation should be reflected in the relevant policy of the Northampton Local Plan Part 2.

In suggesting that a borough-wide Article 4 Direction be considered, Recommendation 1 acknowledges that the Council could address any over-concentrations of HMOs that might occur just outside the boundaries of areas currently covered by Article 4 Directions. Anecdotally, these spillover effects have already started to happen in parts of the town.

The other three recommendations relate to activities that already take place in the Council through the Housing, Environmental Health and Planning Enforcement functions.

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