	<p align="center">REPORT TO PLANNING & DEVELOPMENT COMMITTEE TO BE HELD ON 8 OCTOBER, CABINET ON 20 OCTOBER AND COUNCIL ON 2 NOVEMBER 2015.</p>	
	Key Decision	YES
Corporate Priority: Aim 3 – Creating Healthy and Vibrant Communities	Cabinet Portfolio Holder	Cllr J Plant Cabinet Member for Strategic Planning and Transformation

REPORT OF: Director (TW) – 15/264

WARDS AFFECTED: ALL

SUBJECT: HOUSES IN MULTIPLE OCCUPATION SUPPLEMENTARY PLANNING DOCUMENT – ADOPTION

RECOMMENDATION (S):

It is recommended that the Borough Council resolves to adopt the Houses in Multiple Occupation Supplementary Planning Document incorporating the changes referred to in this report.

REASONS FOR RECOMMENDATION:

Since the feedback on the Draft Local Plan in summer 2014 which highlighted concern over the proliferation of Houses in Multiple Occupation, the Borough Council has sought to explore in detail the issues in relation to this form of housing. This Supplementary Planning Document provides a policy background that will allow the informed consideration of such proposals and provide adopted planning policy that is up to date and of material weight to the consideration of planning applications involving the creation of additional Houses in Multiple Occupation across the Borough.

HIGHLIGHTED RISKS:

The lack of up to date planning policy would hinder the Borough Council in managing the supply and quality of Houses in Multiple Occupation (HMOs) through the planning process.

1. INTRODUCTION

- 1.1 The primary purpose of this report is to seek agreement for the adoption of the Houses in Multiple Occupation Supplementary Planning Document (SPD) to augment Local Plan policies and provide up to date guidance for determining planning applications for HMOs. This follows on from the publication and consultation of an 'Issues and Options' Paper in January 2015 and the more recent consultation on the draft SPD (July-Sept).
- 1.2 An impetus for the production and adoption of this document has been the preparation of the Draft Local Plan. As well as providing an opportunity to review existing planning policy, it is clear from the numerous representations arising from the Local Plan consultation process that HMOs are an issue of concern in certain Wards.

2. CORPORATE OBJECTIVES AND THE COMMUNITY PLAN

- 2.1 The Supplementary Planning Document will, in particular, contribute towards Aim 3: Creating Healthy and Vibrant Communities.

3. BACKGROUND AND ISSUES

- 3.1 The issues for Members' consideration are:
- The proposed content of the HMO SPD, and its formal adoption.
- 3.2 For clarification the HMO SPD is also relevant to the consideration of student accommodation as well as general HMO developments.
- 3.3 The SPD is appended to this report (Appendix 1).

4. Consultation

- 4.1 Consultation was undertaken on an Issues and Options document in January/March 2015. The background to this and the responses received were set out in the report 15/175 that was considered by Planning & Development Committee and Cabinet on 16th July 2015 and 14th July 2015 respectively.
- 4.2 Further consultation on the draft SPD took place from July to September and resulted in a total of 70 responses. These are considered under the Assessment and a list of responses is attached at Appendix 2.

5. ASSESSMENT

- 5.1 The Houses in Multiple Occupation SPD proposed for adoption is appended and should be read in conjunction with this report.

- 5.2 HMOs remain an important and appropriate and necessary part of the housing market, providing accommodation for a range of household types. As a result of changes to the housing benefit system this form of accommodation is often the only option available for specific parts of the housing market. Furthermore, this type of accommodation is the norm for the majority of students in higher education when not within Halls of Residence.
- 5.3 Moreover it is accepted that the nature of building stock in parts of the Borough (in particular parts of Scarborough) can result in large buildings coming into this use. If not managed correctly these can impact on the character and amenity of an area. As such the thrust of the SPD is to manage provision in a way that is acceptable. A policy that sought to prevent the establishment of HMOs as a matter of principle would be in conflict with national policy and result in a failure to meet the areas housing needs.
- 5.4 The consultation on the draft SPD was generally well received and the approach put forward, received support from the community. The main concerns of respondents along with proposed amendments to the SPD are detailed below.
- 5.5 Following the earlier Issues and Options consultation the draft SPD proposed a criteria based policy to inform the consideration of applications for HMOs. This policy as proposed in the draft SPD is shown below:

Policy HMO1:

Houses in Multiple Occupation Policy

Subject to being in accordance with Local Plan policy, proposals to support mixed and balanced communities through the change of use of existing buildings to Houses in Multiple Occupation (sui generis) or the development of new Houses of Multiple Occupation (sui generis) will be supported where the following criteria are satisfied:

- a. It would not result in more than 10% of residential properties within 100m radius of the application site being Houses in Multiple Occupation;
- b. It would not result in there being two or more adjacent Houses in Multiple Occupation;
- c. It would not result in any residential property being 'sandwiched' between two Houses in Multiple Occupation;
- d. It would not result in there being four or more Houses in Multiple Occupation within any 200m stretch of a street (where the distance is measured 100m in either direction of the application site on either side of the street);
- e. The proposal does not have an adverse impact on the amenity of nearby properties in terms of:
 - Highway safety;
 - Sufficient provision for waste and recycling;
 - Being excessive in size.

- 5.6 This policy provides a stringent set of criteria that HMO proposals would be considered against establishing whether such individual proposals have the propensity to harm the character of the area through the excessive proliferation of this form of accommodation.

The Size of HMOs

- 5.7 In general, this policy and the supporting document were welcomed by consultees. However, the main issue of contention related to the scale of individual HMOs (i.e. the number of bedrooms). Following issues with the now closed Breece (30 bedroom HMO), this issue had become very emotive, especially amongst residents in the locality of that premises. It was suggested through engagement with this community that a restriction on the number of bedrooms in a HMO should be considered for inclusion within the policy. The majority of respondents had suggested that individual HMOs of 10 or more bedrooms should not be permitted.
- 5.8 As set out in the previous report (15/175), an acceptable limit on the number of bedrooms is a difficult matter to resolve. It must be stressed that HMOs do make up an important part of the housing market and that well managed large HMOs can be accommodated successfully within communities.
- 5.9 The level at which there is the risk that a HMO can become too large and dominant with problems exacerbated by poor management and/or difficult tenants remains a very subjective matter and having an arbitrary size limit is not considered to be helpful or appropriate in planning terms. There is no clear planning reason why a 10 bed HMO would be acceptable, but an 11 bed one or even a 15 bed one would not. For this reason it was not recommended to include a size limit. The suggested approach was that each proposal should be determined on the basis of its location and the likely impact on the local community taking into account the other restrictions referred to above, including its scale/size. The policy did include a criteria referring to excessive size but did not set down a specific limit.
- 5.10 Notwithstanding the above, it is considered that a compromise can be achieved within the adopted document that would confirm that the size of HMOs is an important factor. Furthermore it can acknowledge that larger HMOs can have a greater impact on the character or amenity of the area. In response to this, several amendments are proposed to the document, and these are detailed below.

Size of HMOs

3.18 The size of individual HMOs has raised concerns, with a consensus that they should be small in nature (i.e. 10 bedrooms or less). This is a difficult issue as there is no strong planning reason why a well-managed HMO of over 10 or more bedrooms could not operate acceptably within a community. ~~In planning terms it is difficult to provide an argument why a 10 bedroom HMO would be acceptable but a 11 bedroom one wouldn't be.~~ It also raises issues of viability where large buildings are limited in their potential uses by an arbitrary figure, which could result in dereliction and be detrimental to the appearance of an area. ~~It is therefore not being proposed that we limit the bedroom size of HMOs but to consider each proposal on the basis of its location and the likely impact on its locality.~~

3.19 However, it is noted that larger HMOs (10 bedrooms and more) will have the propensity to affect the character or amenity of an area more so than smaller units. Therefore, it is important to ensure that all proposals, especially for those that involve the conversion of larger

- 5.11 Further to the above changes (underlined is additional text and struck-out text has been removed) it is also proposed that an additional requirement of any HMO proposal is the submission of a management plan.
- 5.12 These proposed amendments have resulted in overwhelming support for the document. The majority of respondents have referred to these proposed amendments in their submissions (54 respondents). The document now more clearly recognises that size is an important factor and reading Para 3.19 in conjunction with the policy provides a sound basis for determining planning applications.

Visitor Accommodation

- 5.13 A further issue that was raised related to the fact that the proposed policy singled out the impact of HMOs on existing residential property. As the majority of respondents reside in the South Cliff area of Scarborough, concern was raised that HMOs can have a similar effect on visitor accommodation and thus tourism. To regularise this matter, the SPD has been amended to include visitor accommodation when assessing HMOs. Criteria (c) now reads as follows:

It would not result in any residential property or visitor accommodation being 'sandwiched' between two Houses in Multiple Occupation;

- 5.14 Paragraph 3.17 of the SPD has also been amended to include a reference to visitor accommodation.

Management Plans

- 5.15 A further addition is to Para 4.6 (not 4.16 as referred to in a number of the consultee responses) which adds the following requirement:

Additionally a management plan will be required to demonstrate that satisfactory management procedures are adopted and put in place prior to the first occupation of the building.

- 5.16 This has generally been welcomed by consultees, although it has been asked how this would be addressed if such management plans were not complied

with. In response to this each case would have to be considered individually and the sanctions used to resolve such problems would be determined by the actual breach or harm being caused. The most appropriate route would be chosen and this could be planning enforcement, intervention by licensing or direct police action.

Residential Amenity

- 5.17 A number of respondents suggested that the planning applicants should be required to address issues broader than just a noise assessment. This noise assessment is part of the design statement and does not mean that other matters will not be considered in the consideration of any planning applications for HMOs. The current and emerging Local Plans both have policies contained within them that seek to protect residential amenity and these will be critical in the consideration of such applications. These ensure that the wider amenity of residents is considered and this includes overlooking, loss of privacy, overbearing and overshadowing effects, noise disturbance and impact from smell and emissions. It is therefore not considered appropriate to add in further criteria under Para 4.5.

Conclusion

- 5.18 In light of the above and the amendments proposed to the HMO SPD it is recommended that Members resolve to adopt the document following which it will be used in the consideration of planning applications for HMOs and student accommodation.

6. IMPLICATIONS

(a) Policy

- 6.1 The adoption of an SPD would ensure that the Council's planning policy would be up to date and relevant to best handle the management of HMOs.

(b) Legal

- 6.1 The SPD has been prepared in line with the Town and Country Planning (Local Planning) (England) Regulations 2012.

(c) Financial

- 6.2 Costs associated with the preparation of the SPD would be met from existing budgets.

(d) Staffing Implications

- 6.2 Staff resources within the Forward Planning Team have been taken into account in formulating this document.

(e) Environmental

6.3 The statutory development plan is one of the Borough Council's principal instruments for achieving sustainable development.

(f) Others

6.6 The production of the SPD has no direct implications on the following: Equality and Diversity, Crime and Disorder, and Health and Safety.

7. ACTION PLAN

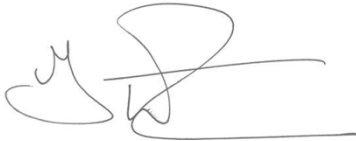
7.1 The following actions are identified:

Objectives

- Adoption of a SPD

Target

November 2015



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Background Papers:

Homes in Multiple Occupation Issues and Options January 2015

Houses in Multiple Occupation – Draft SPD July 2015

IF YOU HAVE ANY QUERIES ABOUT THIS REPORT OR WISH TO INSPECT ANY OF THE BACKGROUND PAPERS, PLEASE CONTACT Steve Wilson ON 01723 232482 e-mail steve.wilson@scarborough.gov.uk

RISK MATRIX

Risk Ref	Date	Risk	Consequences	Mitigation	Current Risk Score	Target Score	Service Unit Manager/Responsible Officer	Action Plan
1	Oct 2015	Lack of policy framework for determining applications for HMOs.	Decisions taken without fully considering implications in terms of impact on locality. Potential to adversely affect character of area in which located and result in unbalanced communities.	Adopt SPD following targeted consultation.	C2	A2	Mr D Walker / Mr S Wilson	None

Glossary of Terms

Risk	An event which may prevent the Council achieving its objectives
Consequences	The outcome if the risk materialised
Mitigation	The processes and procedures that are in place to reduce the risk
Current Risk Score	The likelihood and impact score with the current mitigation measures in place
Corporate Objectives	An assessment of the Corporate Objectives that are affected by the risk identified.
Target Risk Score	The likelihood and impact score that the Council is aiming to achieve
Service Unit Manager	The Service Unit or Officer responsible for managing the risk
Action Plan	The proposed actions to be implemented in order to reduce the risk to the target score

Risk Scoring

Impact	5					
	4					
	3					
	2					
	1					
		A	B	C	D	E
	Likelihood					

Likelihood:

- A = Very Low
- B = Not Likely
- C = Likely
- D = Very Likely
- E = Almost Certain

Impact

- 1 = Low
- 2 = Minor
- 3 = Medium
- 4 = Major
- 5 = Disaster