

## Report of the Chief Executive

**HOUSES IN MULTIPLE OCCUPATION (HIMOS) IN BEESTON UPDATE**1. Purpose of report

To provide members with information on the necessary steps to fully consider the merits of additional policy restrictions regarding Houses in Multiple Occupation (HIMOs). The full details are provided in the appendix.

2. Background

The Government provides for certain 'changes of use' to be undertaken under permitted development. Councils can impose additional restrictions (by way of an Article 4 direction or indeed by other means) to remove permitted development rights, but it is expected that there is clear evidence to justify this approach. Currently a change from a 'family house' to a HIMO does not need planning permission provided the number of residents does not exceed 6. There is a separate licensing regime for HIMOs with five or more residents. The Broxtowe Part 2 Local Plan is also at an advanced stage of examination and it is currently anticipated that the Inspector's report may be received during late summer with the potential to adopt the plan (if found to be sound) in September 2019. The Part 2 Local Plan contains more detailed policy on Borough wide expectations on design, character and amenity which will be applied to all planning applications for HIMOs and other uses on a case by case basis. It is also well understood that there have been a number of concerns raised with Councillors regarding an erosion of the character of parts of Beeston, as a result of what some consider is too many HIMOs already, and a lack of control under the planning system for additional ones coming forward.

3. Financial implications

The financial implications are not currently known. The cost of issuing an Article 4 Direction can be done within existing budgets. What is currently unknown is the extent and risk of compensation payable to individual property owners if an 'immediate' Article 4 is entered into. There will be a report back to the Committee should work to assess this becomes necessary.

**Recommendation**

**The Committee is asked to RECOMMEND to the Finance and Resources Committee that the work outlined in the appendix is undertaken.**

Background papers

Nil

## 1. The process of applying for a HIMO restriction

There are two options (under schedule 3 of the GPDO): one for the direction to have 'immediate effect' and the other for it not to have 'immediate effect'. The procedures are similar in both cases:

- We draft (make) the direction, via a report to Jobs and Economy Committee. This needs to specify the type of PD that's removed (which would be Part 3 Class L regarding HIMOs) and the area that the A4 applies to.
- We put an advert in a local newspaper and put up at least two site notices.
- We serve notice on all owners and occupiers (although, if we're using the 'immediate effect' procedure, we seem to only need to notify owners if there's no occupier – however we'll need ownership information later in the process).
- The notice includes a description of the direction and of the area and it specifies a place where the direction and associated map can be seen
- The notice also states either that the direction comes into force immediately or that it is proposed that it will come into force at a specified date in the future (between 28 days' time and 2 years' time).
- We give people at least 21 days to make representations.
- We notify the Secretary of State (via the Planning Casework Unit). He/she can cancel or modify the direction (or only cancel it in the 'immediate effect' case) "at any time before or after its confirmation".
- We notify the County Council.
- We consider the representations.
- We "confirm" the direction. In the 'immediate effect' case this prevents the direction "expiring" after 6 months. In the non-'immediate effect' case this means that the direction comes into force on the date specified previously.
- We "give notice" of the confirmation in the same way as before, i.e. newspaper advert, site notices, notices to all owners and occupiers.
- We send a copy of the confirmed direction to the Secretary of State.

The choice of whether to use the 'immediate effect' procedures or not will affect the potential for any compensation payments. Compensation is potentially payable for the immediate effect route and it is this aspect that the Council would need to obtain more detailed advice regarding the risks.

## 2. The evidence needed

This is not specified in the legislation. The Secretary of State has the power to cancel any direction, so the more evidence we're able to assemble that justifies our approach, the more likely it will be that the Secretary of State does not intervene. The Planning Practice Guidance (PPG) says that Article 4s should be "limited to situations where this is necessary to protect local amenity or the wellbeing of the area" and that "the potential harm that the direction is intended to address should be clearly identified". The PPG also says that "there should be particularly strong justification" for a direction

relating to “a wide area”. In the view of officers, it is considered to be essential to undertake the Housing Market Characteristics work as part of the Core Strategy review that will give members and ultimately the Secretary of State, the objective evidence regarding the extent of the issue in Beeston and potentially elsewhere. In the absence of the up to date evidence (which Nottingham City had when considering a similar Article 4) there is considered to be an unacceptably high risk that the Secretary of State will intervene leading to abortive costs (whether or not compensation is payable) and work.

### 3. The timescales for Core Strategy Review

There is work to inform a ‘Growth Options Consultation’, anticipated to take pace towards the end of 2019. It would be realistic to undertake the Housing Market work described above in tandem with the growth options consultation with a realistic prospect of a report to Jobs and Economy committee before the end of 2019 to fully consider the available evidence, and the merits of otherwise of pursuing an Article 4 Direction.

### 4. Summary of additional work recommended before final decisions are taken

- Greater Nottingham Housing Market characteristics work which will provide information on the different housing sub markets in Nottingham and will be a comprehensive evidential basis for any further steps to take.
- Additional property advice including the risk of compensation. This work will be essential if members are ultimately minded to consider making an Article 4, depending on any risk of compensation which will be better understood after the necessary work streams are completed.