

**REPORT TO:** Environment and Urban Renewal Policy and Performance Board

**DATE:** 15<sup>th</sup> February 2023

**REPORTING OFFICER:** Operational Director – Policy, Planning & Transportation

**PORTFOLIO:** Environment and Urban Renewal

**SUBJECT:** HMO - Working Party Update

**WARDS:** Borough wide

## **1.0 PURPOSE OF THE REPORT**

1.1 To update the Board on the progress of the Houses of Multiple Occupation (HMO) Working Party.

## **2.0 RECOMMENDATION: That**

**2.1 The Board endorses the updated action plan (Appendix 1)**

## **3.0 SUPPORTING INFORMATION**

3.1 A discussion paper was presented to the Board on 21 September 2022, with a Working Party established to consider those recommendations in more detail.

3.2 The Working Party (WP) met for the first time on the 27 October, a second time on the 19 December, and most recently on the 14 February 2023. A verbal update from the recent WP will be provided on the night of the Board meeting.

## **4.0 POLICY IMPLICATIONS**

4.1 Members are keen to ensure that any HMOs or privately rented accommodation provide suitable standards of housing for their tenants.

4.2 In regard to certain issues, like the condition of premises, antisocial behaviour, and management of domestic refuse, the Council has existing powers that can be used to tackle persistent nuisances.

4.3 In terms of new policy recommendations, the Working Party recommends the following:

- Implementation of an Article 4 Direction in areas where there are concentrations of existing HMOs. This would have the effect of removing 'Permitted Development Rights' for automatic changes of use from a single dwelling into a small HMO. Such changes of use would then require the grant of planning permission.

- Adopting a Supplementary Planning Document (SPD) on HMOs to introduce explicit planning controls on: concentration of HMOs; restricting sandwiching of properties by HMOs; restricting three or more adjacent HMOs; explicitly incorporate property standards; introduce explicit criteria to protect the amenity of neighbours.
- Adopting a Halton Council 'Property Standards for HMOs' policy.
- Investigate options for selective licencing or additional licencing requirements for HMOs and private rental properties.

4.4 The above recommendations for additional policy documents do rely upon having an evidence base to justify need. A specification has been drafted in order to procure external consultants to undertake evidence collation and analysis. The next step is to undertake a procurement process to establish the cost of the evidence document, which takes the form of a stock condition and impacts report. In particular, the evidence document should investigate and assess to following factors across the borough as a whole:

- Accurate information on the current levels of private rental sector properties and tenure change over time by ward.
- Accurate information on the current level of unlicensed smaller HMO's (3-4 Occupants) by ward
- Levels of serious hazards that might amount to a Category 1 hazard or high scoring category 2 hazard (HHSRS) across the private rented sector by ward.
- Ward level information on housing related stressors, including antisocial behaviour (ASB), crime, deprivation, and population changes including migration linked to the private rented sector in general and houses in multiple occupation specifically.
- A detailed survey of properties within the West Bank area to identify the number of private rental properties and the number of smaller and unlicensed HMO's. The survey should identify tenure, property type e.g self contained flat, HMO, the number of unrelated occupants who do not form the same household, the number of bedrooms and details of the landlord and letting agent.

4.5 The preparation and adoption of formal planning policies and licencing controls must follow processes set out in legislation. The timescales for navigating these statutory procedures will be dependent on both available staff resources and the completion of the evidence report that is described above.

## **5.0 OTHER IMPLICATIONS**

5.1 An update action plan (Appendix 1) provides an update on each of the actions agreed at the last Board meeting on 16 November 2022.

5.2 The formal adoption and implementation of the recommended policies will require additional staff resources.

5.3 Formal policy adoption is undertaken by Executive Board. The PPB Board's recommendations will need to be presented to Executive Board in due course.

## **6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

### 6.1 Children & Young People in Halton

None.

### 6.2 Employment, Learning & Skills in Halton

None.

### 6.3 A Healthy Halton

None.

### 6.4 A Safer Halton

None.

### 6.5 Halton's Urban Renewal

None.

## **7.0 RISK ANALYSIS**

7.1 There are no legal or financial risks arising from this report.

## **8.0 EQUALITY AND DIVERSITY ISSUES**

8.1 There are no equality and diversity implications arising from this report.

## **9.0 CLIMATE CHANGE IMPLICATIONS**

9.1 There are no implications for climate change arising from this report.

## **10.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

None under the meaning of the Act.

## **APPENDIX 1**

### **Houses of Multiple Occupation (HMOs) – Member Working Party (EUR PPB)**

#### **ACTION PLAN 2023**

##### **Councillor Membership:**

Chair – Bill Woolfall (Birchfield)  
Sharon Thornton (Halton Castle)  
Stan Hill (Central & West Bank)  
Ged Philbin (Appleton)  
Pamela Wallace (Central & West Bank)  
Tom Stretch (Norton South & Preston Brook)  
Alan Lowe (Halton Lea)

##### **Meetings**

The Working Party was established by the PPB on the 21 September 2022. The WP subsequently met on the following dates:

- 27 October 2022
- 19 December 2022

Reports made to the EUR Policy and Performance Board on:

- 21 September 2022 (WP established)
- 16 November 2022 (WP Terms of Reference agreed)

##### **HMO Definitions**

A house of multiple occupation (HMO) is defined as a single dwelling occupied by a number of separate households / unrelated individuals (i.e. they do not form a single household), and who share common areas such as kitchens, bathrooms and living rooms.

The control of HMOs is split between the roles of the Local Planning Authority (planning permission) and the Housing Authority (licencing / inspections / standards).

##### **Town Planning Acts**

Under the Town & Country Planning (Use Classes) Order 1987 (as amended) a small HMO (Class C4) accommodates between 3 and 6 unrelated individuals and a large HMO (Sui Generis – outside of any use class) accommodates 7 or more unrelated individuals.

The Town and Country Planning (General Permitted Development) Order 2015 (GPDO) provides permitted development rights for the change of use of a single dwelling (Class C3) to a small HMO (Class C4) without the need to apply to the council for planning permission. The change of use of a dwelling to a larger HMO (Sui Generis) requires the submission of a planning application.

##### **Housing Act 2004**

Under the Housing Act the definition of HMO is: any 2 or more people sharing facilities such as kitchen and bathrooms but with separate bedrooms.

- Houses in multiple occupation with 5 or more residents must be licensed and comply with additional requirements including space standards and fire safety
- Smaller HMO's with less than 5 occupants do not require a license but must comply with the requirements of the Housing Health and Safety Rating Scheme.
- All houses must therefore meet the standards set out in the Housing Health and Safety Rating Scheme.
- Note that there will be some properties with 5 or 6 residents that require a HMO license but will not require planning permission.

**Housing health and safety rating scheme** Properties are assessed to determine that they are free of 29 hazards that may impact on the health and safety of residents. These include

- Damp and mould
- Excessive cold
- Overcrowding
- Falls
- Electrical Safety
- Fire safety

In Halton, Environment Health exercise the duties of the Housing Authority for HMO licencing and inspection of premises against standards. The Environmental Health Department enforce housing standards in the Private rented sector.

### **CASE STUDIES**

The Working Party considered information from external sources and a number of related case studies:

- Merton Council
- Salford Council

### **Halton Case Studies**

- Planning Appeal – Cartref 61 Derby Lane 21/00408/FUL (appeal allowed)
- Planning Appeal 65 Widnes Road 22/00113/COU– (appeal dismissed)

## HMO WORKING PARTY ACTION PLAN

Ref	Task	Progress	Complete
1	Review the concerns raised by Members about HMOs	Complete – discussed at Working Party on 27 October 22 and included in PPB report of 16 November 22	<input checked="" type="checkbox"/>
2	Internal review of Council systems to identify HMOs. Note that small HMOs (4 persons or less) do not require licencing / planning.	Review concluded that door to door enquiry necessary to find small HMOs.	<input checked="" type="checkbox"/>
<b>Commission External Evidence</b>			
3	Specify and commission an external research company to report on: <ul style="list-style-type: none"> <li>• Current levels of private rented sector (PRS) properties and tenure change over time.</li> <li>• Information on the number of Houses in Multiple Occupation (HMOs) as a subset of the PRS.</li> <li>• Levels of serious hazards that might amount to a Category 1 hazard (HHSRS).</li> <li>• Other housing related stressors, including antisocial behaviour (ASB), service demand, population and deprivation linked to the PRS.</li> <li>• Assist the council to make policy decisions, including the possible introduction of property licensing schemes under Part 2 and Part 3 of Housing Act 2004.</li> <li>• Undertake door to door surveys in West Bank (River Mersey up to Waterloo Road) and Fredrick Street to identify private rental properties and small HMOs (4 persons or less that do not require planning permission or HMO licences)</li> <li>• Examine the level of clustering of HMOs at Frederick Street, Widnes</li> <li>• Identify small HMOs and private rented properties in West Bank</li> </ul>	Specification drafted  Procurement / commissioning of research during Feb 23	<input checked="" type="checkbox"/>
4	Bid into the Environment Fund with a view to funding the above research	Application for funding being drafted	
<b>Investigate Policy Interventions</b>			
5	Draft and circulate a Planning Policy Scenario test the effectiveness of the policy in specific circumstances (such as Derby Rd, Cholmondeley Street). (Note that a planning policy is required to go through a statutory planning process and public consultation before it can be adopted and given weight in planning decisions).	Complete – policy circulated 19 Dec 2022 <ul style="list-style-type: none"> <li>• WP to decide if suitable for adoption as HMO Supplementary Planning Document by Exec Board</li> </ul>	<input checked="" type="checkbox"/>

6	Draft and circulate a Halton Council 'Property Standards for HMOs' document	Complete – document circulated 21 Sept 2022 <ul style="list-style-type: none"> <li>WP to decide if document suitable for adoption by Exec Board</li> </ul>	<input checked="" type="checkbox"/>
7	Investigate an Article 4 direction for West Bank to remove permitted development rights preventing single dwellings becoming small HMOs (note applications can still be made for planning permission).	Awaiting external evidence report to support approach Will need public consultation Will need Exec Board approval Will need Secretary of State Consultation Will need resourcing	
8	Investigate Additional Licencing of smaller HMO's and other private rented properties. West Bank will be used as a pilot study of potential schemes	Awaiting evidence to support approach Will need Exec Board approval Will need public consultation Additional staff resources to undertake inspections	
9	Investigate options for Selective Licencing of private rented properties. The pilot will be used to inform options for any future borough wide scheme	Awaiting evidence to support approach. Will need Secretary of State Consultation (over 20% of Borough)	
10	Encourage the issuing of community protection warnings (CPW) / notices (CPN) to tackle persistent behaviour that is detrimental to the community	Matter raised with the Council's Enforcement Team who have advised that CPWs and CPNs will be issued to tenants and landlords in circumstances where there is evidence of any such persistent detrimental behaviour.	<input checked="" type="checkbox"/>
<b>Other Interventions</b>			
11	To ensure that waste management collections and receptacle provision are appropriate for HMOs, West Bank in particular, and take into account the number of individuals residing at each HMO.	Implemented and to be kept under review	<input checked="" type="checkbox"/>
12	Members to consider a Council Motion on HMOs to provide policy direction or propose adoption of 'Property Standards for HMOs' Document in conjunction with Action 5.	Under consideration	<input checked="" type="checkbox"/>
13	Invite Inspector Thomas Hall of Widnes Local Police Unit (LPU) to the next WP to discuss Police response to ASB arising from HMOs (Police records are a primary source of evidence to demonstrate ASB is linked to HMOs).	Invite sent and Police attendance confirmed for 14 Feb 23	<input checked="" type="checkbox"/>
<b>Resources</b>			
14	Consider appropriate resources to deliver any selected interventions		
<b>Recommendations of Working Party</b>			
15	Report Working Party Recommendations (including necessary resources and timescales) to Executive Board		