



HMO in Lewisham

Emma Talbot
Head of Planning

Planning services, Lewisham Council



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What is an HMO?



Houses in Multiple Occupation (HMO's)

HMO's are defined differently within the Planning; Housing; Licensing; Council Tax and Census context.

Planning:

- **Small HMO:** A small HMO is defined as a dwelling that is occupied by between 3 and 6 unrelated individuals who share basic amenities. This is classified as a C4 use within the Use Class Order, 2015 and would NOT need to gain planning permission to be permitted to be changed from a residential property (C3)
- **Large HMO:** A Large HMO is defined as a property that is occupied by more than 6 unrelated individuals that share basic amenities. This is classified as Sui Generis (a use that does not fall in any class) and requires planning permission

Housing:

The 2004 Housing Act defines a HMO as a building or part of a building that is:

- Occupied by more than one household and where more than one household shares, or lacks an amenity
- Occupied by more than one household and which is a converted building, but not entirely into self contained flats
- Converted into self-contained flats, but does not meet as a minimum standard the requirements of the 1991 Building Regulations, and at least one third of the flats are occupied under short tenancies

Licensing

The Housing Act, 2004 requires a HMO to be licensed where it is:

- 3 or more storeys in height or,
- Is occupied by more than 5 people that form more than one household

Council Tax

The council tax Regulations 1992 defines a HMO as any dwelling which:

- Was originally constructed or subsequently adapted for occupation by persons who do not constitute a single household; or
- Is inhabited by a person who, or two more persons whom, is either:
 - a) The tenant of, or has a license to occupy part of the dwelling
 - b) Has a license to occupy the dwelling, but is not liable to pay rent or license fee in respect of the dwelling as a whole

Census

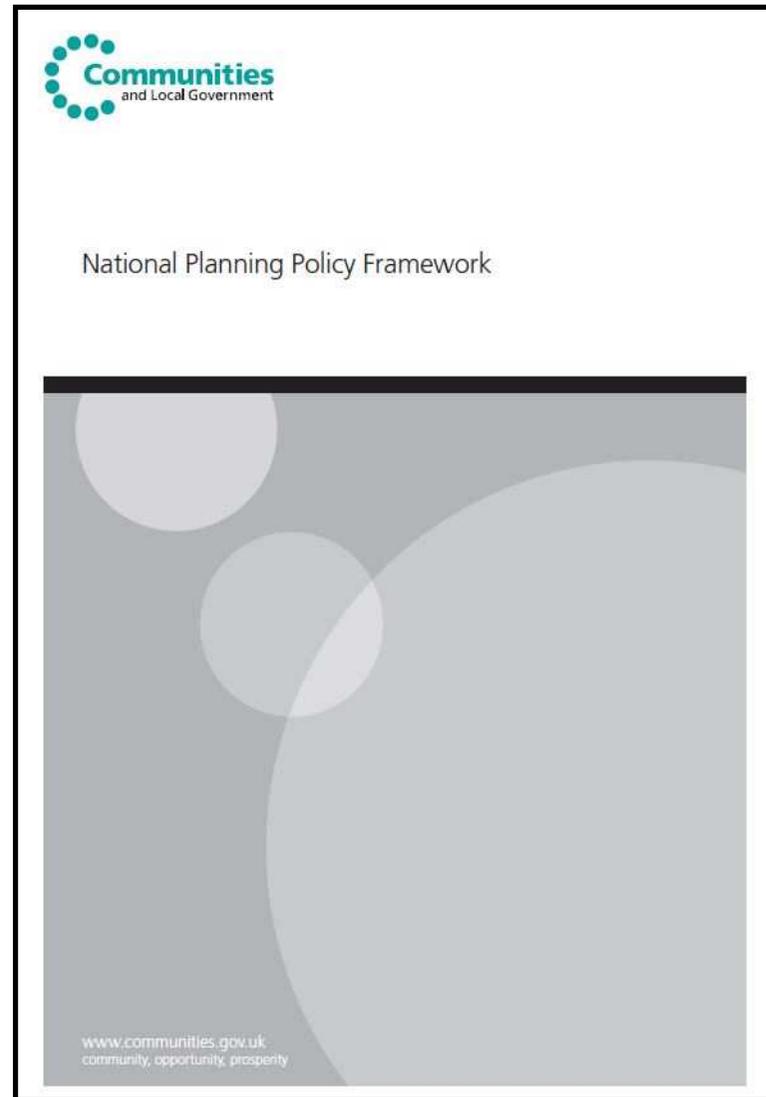
The Census makes the distinction between shared and unshared dwellings. A dwelling is classified as shared if:

- The household spaces it contains have the accommodation type “part of a converted or shared house”
- Not all the rooms are behind a door that only that household can use
- There is at least one other such household space at the same address with which it can be combined to form the shared dwelling

The National Planning Policy Framework does not set out explicit guidance on HMO, however it states that local planning authorities should:

“deliver a wide range of high quality homes, widen opportunities for homeownership and create sustainable, inclusive and mixed communities”

It goes on to say that local authorities should plan for a mix of housing based on current and future demographic trends and needs.



Policy Context of HMO – National



The London Plan 2015 Paragraph 3.55 acknowledges the role that HMO's play in London's Housing market as:

“Shared accommodation or houses in multiple occupation is a strategically important part of London's housing offer, meeting distinct needs and reducing pressure on other elements of the housing stock”

- Policy 3.5: Quality and design of Housing Developments, seeks to deliver achieving high standards of residential quality and design in that:

“housing developments should be one of the highest quality internally, externally and in relation to the context and to the wider environment”

- Policy 3.9 Mixed and Balanced Communities, seeks a mix of tenures and household incomes within communities



Policy Context of HMO - Regional



MAYOR OF LONDON

HOMES FOR LONDONERS

DRAFT AFFORDABLE HOUSING AND VIABILITY
SUPPLEMENTARY PLANNING GUIDANCE 2016



NOVEMBER 2016

Mayors Housing SPG, 2016 (Paragraph 1.1.38) highlights that it is important to consider that non self-contained housing units (which can include HMO's) contribute towards the boroughs housing delivery against the Mayor's Housing Targets

This approach is supported by paragraph 3.4.3 of the Mayors Housing SPG 2016 which states:

“The Mayor is working with a range of stakeholders to support boroughs in taking local action and enforcing against illegal conversions/developments and beds in sheds”

Policy Context of HMO's



Development Management Policy

DM Policy 6

Houses in Multiple Occupation sets out the council's specific policy on HMO's:

1. The council will only consider the provision of new Houses in Multiple Occupation where they are:
 - a) *located in an area with a public transport accessibility level (PTAL) of 3 or higher*
 - b) *do not give rise to any significant amenity impacts on the surrounding neighbourhood*
 - c) *Do not result in the loss of existing larger housing suitable for family occupation, and*
 - d) *Satisfy the housing space standards outlined in DM Policy 32*
2. The Council will resist the loss of good quality Houses in Multiple Occupation
3. The self containment of Houses in Multiple Occupation, considered to provide a satisfactory standard of accommodation will not be permitted unless the existing floorspace is satisfactorily re-provided to an equivalent or better standard



Policy Context of HMO - Local



Article 4 Directions

- Restricts the scope of permitted development rights either in relation to a particular area or site, or a particular type of development anywhere in the authority's area
- Allows the Council to withdraw the “*permitted development*” rights that would otherwise apply
- Can be applied to areas that are experiencing a high number or concentration of small HMOs
- May only be issued by the council if it is satisfied that it is expedient to do so
- Can only be issued if there is the evidence to meet policy requirements set out in the NPPF
- Must demonstrate harm to local amenity, or the well being of the area
- Result of an Article 4 Direction is that planning permission is required. It does not mean that a development is automatically unacceptable.

HMO Licenses

- The suitability of the HMO for the number of tenants
- The suitability of the shared facilities in the HMO
- The safety standards in operations at the HMO
- The suitability of the Landlord

Planning Enforcement

- Deals with unauthorised development

In 2016 Lewisham Council undertook research to establish the quantity and spatial distribution of small HMOs

The purpose of this paper was to ascertain whether it is expedient for Lewisham Council to implement any Article 4 Directions

It was created by assessing data from the following sources:

- Planning application completion data
- 2001 and 2011 census data
- Licensed HMO's
- Council Tax records
- Planning Enforcement Cases
- Benefits Data

Census Data 2001 – 2011

- Increase of 447 shared dwellings
- This increase only constitutes 7% of the total increase in the number of dwellings
- The greatest increases in shared households have been in the following wards:
 - Lee Green (5 to 123)
 - Brockley (57 to 134)
 - Telegraph Hill (68 to 122)
- Household owner/occupation has decreased by 6%
- Most significant increases in households with 3 bedrooms (18%) and 4 bedrooms(8%)

HMO Licenses (Only relates to Large HMO)

- Between 2007 and 2015 there were 196 Licensed HMO (Large)
- The data showed that Evelyn had the highest (36) distribution of Large HMO's and Whitefoot and Downham (3) both had the lowest
- Wards with the largest number of large private HMO:
 - Evelyn (36)
 - Telegraph Hill (31)
 - Brockley (25)

Council Tax Records

- According to the council tax definition of HMO there were 1173 properties identified as being HMO as of Aug 2015.
- This list included care homes and HMO that are managed by organisations such as Housing Associations and Homeless Charities so the report focused on the 988 private rented HMO properties
- The wards with the greatest number of HMO were
 - Lewisham Central (96)
 - Brockley (88)
 - Telegraph Hill (84)
- Of the 476 streets in the Borough where private HMO was present, 199 of them had more than 1 HMO
- The streets with the greatest number of private HMO were
 - New Cross Road (26)
 - Lee High Road (18)
 - Bromley Road (15)

Conclusions of the Report

- From the datasets available the 2016 report showed that a robust picture showing either a high number or concentration of HMOs in a particular area could not be clearly identified.
- Furthermore the evidence obtained for the 2016 report did not meet the national policy requirements set out in the NPPF in terms of demonstrating harm to local amenity, or the well-being of an area.
- On the strength of the data it confirmed that the implementation of an article 4 direction could not be justified.

The data sets in the 2016 report did not provide a consistent, robust picture showing either a:

- High Number of HMO
- Concentration of Small HMO in a particular area
- The need to implement any Article 4 Directions

The report did identify concerns regarding the different types of HMO in the borough that are being dealt with by different Council departments

There is an awareness within the Council that there is a concern within the borough of the apparent rise of HMOs from local groups and councillors especially within the south of the Borough

We are in the process of updating the 2016 report, highlighting these key actions:

- To improve the available data sets
- cross departmental collaboration (agreed between strategic planning teams and housing teams)
- Potential consequences
- consideration of expanding Local Licensing Powers.
- Viability of Article 4 Direction with improved datasets
- Selective licensing scheme

Moving Forward



END

