

# Shelter

## Briefing for Local Government and Communities Committee

23<sup>rd</sup> April 2008

### Committee consideration of draft SPP3 – planning for housing

Summary of position on quotas for houses in multiple occupation (HMOs)

Shelter has serious concerns about guidance within SPP3 for planning authorities to set quotas on the number of (HMOs) in a geographical area.

Shelter is by no means convinced that there is a sound case for promoting the use of planning controls over HMO accommodation.

We call for careful consideration of the impact of existing planning restrictions on the availability of affordable housing and the impact on existing HMO licensing enforcement before revised guidance is published.

### HMOs play a vital role in meeting housing need in a pressured market

- Well managed and well regulated HMO accommodation plays a vital role in meeting housing need in areas where there is a significant pressure on housing stock. HMO accommodation caters for a wide range of people in diverse economic and age groups including migrant workers, young professionals and students.
- The rise in number of HMOs, particularly in city centres, is a symptom of increased demand for affordable housing. Where property prices are escalating and new development is limited, flat sharing is an efficient use of existing housing.
- The policy set out in SPP3 does not address the underlying cause of high demand for shared accommodation, which can create a concentration of HMOs. Restricting HMO accommodation could mean those landlords with planning permission to operate have a monopoly and so can charge higher rent levels. It may also lower standards, by encouraging landlords to further subdivide to meet the increased demand.

### Do HMOs undermine communities?

- Shelter believes that it is not enough to merely show that there has been change in a community due to concentrations of HMOs. Shelter believes that this change has to be shown to have had a detrimental impact. We should not be designing a planning system that regards change as a bad thing. Communities evolve over time for a number of reasons, and a decline in certain groups within an area cannot simply be attributed to the rise in HMO accommodation.
- Community campaigners who are opposed to HMOs often state that they undermine mixed and diverse communities without any evidence. We would contend that **limiting** the number of

HMOs would actually have an adverse impact on diversity within a community. We would like to see evidence that shows how HMOs contribute to mixed communities.

- The City of Edinburgh Council has introduced quotas **despite** a lack of evidence of detrimental impact. A report to the planning committee actually showed that local communities where HMOs are concentrated are thriving<sup>1</sup>.

## **Planning controls are not a substitute for enforcement of licensing**

- Local Authorities have existing powers under landlord registration, the HMO licensing regime and anti-social behaviour legislation to intervene when poor management of an HMO impacts on the well-being of a community. For example through 'neighbour nuisance', clash of lifestyles, badly maintained accommodation or accommodation unsuitable for the use that is made of it.
- Licensing is the most effective way of dealing with problems around shared accommodation. Shelter has serious concerns that adopting planning quotas will be counter productive in the drive to license and regulate HMOs. A requirement to get planning permission may act as an incentive to evade licensing. This may be due to the cost and trouble involved in seeking planning permission, or due to a perception (or policy) that planning permission would be refused.
- Landlords who evade licensing hurt poorer tenants and communities disproportionately. We have concerns in particular that Glasgow has a substantial problem with unlicensed HMOs despite rigorous planning rules.
- We urge the Government to consider whether now is the time to be introducing new planning guidance for HMOs. A new licensing system is about to be introduced and the planning system is still undergoing significant change. During this period of transition we should not be loading another enforcement requirement onto the planning system because of a lack of enforcement of existing powers in licensing.

## **There has been no evaluation of existing quota policies**

- The existing Circular 4/2004 enables local authorities to make planning restrictions on the concentration of HMOs. Local authorities such as Edinburgh, Dundee and Glasgow have already done so. There has been no evaluation of the impact of these planning controls. Shelter calls for a review of existing HMO planning restrictions that covers:
  - the establishment of new HMOs
  - whether they have dealt with problems in areas where there are a high number of HMOs
  - whether HMOs have been displaced to other areas.
- In Glasgow the evidence of effectiveness given is that there had been no appeals and that there were few submissions at local plan stage. In Edinburgh there has been no evaluation of their planning policy for HMOs, and none is anticipated.

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<sup>1</sup> The City of Edinburgh Council. Planning and Houses in Multiple Occupancy: Revised Supplementary Planning Guidelines – Final. October 2006, page 4 (Report number PC/053/06-07/CD)  
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