Wards Affected:	
All Wards	

# DELEGATED DECISION 23 JUNE 2011

#### **CONFIRMATION OF ARTICLE 4 DIRECTION(S)**

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#### Purpose:

The purpose of this report is to set out a recommended way forward in relation to the planning control of Houses in Multiple Occupation through the use of the two Article 4 Directions introduced in December 2010 and to report the consultation responses received so they can be taken into account in making a decision.

#### **Background:**

The Town and Country Planning (General Permitted Development) (Amendment) (No.2) (England) Order 2010 came into force on 1 October 2010. The Order amends the 1995 (General Permitted Development) Order and makes a change of use from Class C3 (dwellinghouses) to Class C4 (House in Multiple Occupation up to 6 occupants) 'permitted development' - i.e. planning permission is not needed for this change of use.

To maintain planning control of HMOs the Cabinet Member for Planning on the 6 December 2010 approved the making of two Article 4 Directions. The first non immediate direction covers the whole borough and comes into effect on the 23 December 2011. The second excludes the wards of Hanslope Park, Olney, Sherington and Danesborough, and came into force with immediate effect on the 30 December 2010.

Following consultation the Directions can either be confirmed or allowed to lapse. The non-immediate direction will not come into effect on the 23 December 2011 unless confirmed. The immediate Article 4 Direction will lapse on the 30 June if not confirmed.

Decision ma	Decision made by Councillor Andrew Morris			
(Cabinet Me	(Cabinet Member Growth and Development)			
Date:				
Signed:				

#### 1. Recommendation(s)

- 1.1 That the non-immediate Article 4 Direction be confirmed to come into effect on the 23 December 2011.
- 1.2 That the immediate Article 4 Direction is allowed to lapse on the 30 June 2011

#### 2. Issues

- 2.1 Both Article 4 Directions were consulted on for a 12 week period. The non-immediate direction was made on 22<sup>nd</sup> December and notice of its making was advertised in the local newspaper on 23<sup>rd</sup> December 2010. Consultation on the non immediate Direction closed on the 17<sup>th</sup> March 2011.
- 2.2 The immediate Article 4 Direction was made on 29th December 2010 and advertised in the MK Citizen on the 30<sup>th</sup> December 2010. The consultation period closed on the 24<sup>th</sup> March 2011.
- 2.3 Copies of both directions and supporting information were made available in the libraries as well as the Civic Offices and placed on the Council's website. Site notices were displayed at Kingston District Centre, Woburn Sands, Bletchley Town Centre, Westcroft District Centre, Stony Stratford CMK Shopping Centre, Milton Keynes Central Station, Wolverton, Newport Pagnall, Olney (The site notice in relation to the immediate A4D was not put up in Olney as it does not relate to this area).
- 2.4 Copies of both directions and notices were sent to Government Office, Statutory Undertakers and the Crown Estate and registered as a local land charge. The Government Office has confirmed they have no comments in relation to either direction.
- 2.5 In total 10 representations have been received. The main points raised during the consultation are set out below. A summary of all representations and an officer's response is shown at Appendix A. The main points have been split between those in support and those opposing the Directions:
- 2.6 Representations supporting the Article 4 Directions:
  - HMOs cause problems with parking and rubbish
  - HMOs lead to overcrowding and reduce desirability of an area
  - Enforcement of HMOs required
  - HMOs feature high in lists of public concern in Fishermead, Oldbrook and Springfield

- Uncontrolled high conversion rates can cause problems
- 2.7 Representations opposing the Article 4 Directions:
  - UK demographics, growth in higher education, housing finance, affordable housing supply and welfare reforms point to greater need for HMOs
  - MK needs HMOs to provide accommodation for qualified, educated, skilled workers to support the economy, they are transient and require fluid housing options
  - No empirical evidence, merely perceptions
  - No over concentration of HMOs National HMO lobby 10% figure not been reached
  - A4D is not fair as it does not apply equally to owner occupied properties and private rented
  - How will the Article 4 Direction be enforced?
  - Alternatives to A4D have not been considered, wide range of powers available to deal with problems
  - Will lead to increase in rents
  - Will reduce house prices in MK
  - Planning requirements considered overly onerous
  - Flexibility is required to change between families to sharers as needed, unacceptable to require new application for each change from C3 to C4. Landlords require certainty that they can let to sharers
  - Will constrain growth of economy
  - HMO tenants can contribute positively to areas (qualified, educated, skilled), creating 'no go' HMO areas will stop this
  - Previous high profile safety issues have been confined to larger three storey HMOs that should have been licensed, not smaller HMOs, the A4D will divert resources from where the real problems are.
  - Areas with HMOs need regenerating A4D will not do this.
  - Poorly operated HMOs will not be tackled by A4D but will burden professional landlords. Accreditation can educate landlords in a way A4D can not.

- 2.8 Having considered the comments received and taking into account the justification set out in the report on the 6 December 2010<sup>1</sup> it is still considered appropriate to maintain planning control for HMOs in order to continue to allow the appropriate planning of Milton Keynes.
- 2.9 However, it is considered that the immediate Article 4 Direction should not be confirmed and thereby allowed to lapse. There are two key reasons for this related to enforcement and compensation.

#### **Enforcement**

- 2.10 The key benefit of the immediate direction was to maintain control over existing unauthorised HMOs. However the ability to enforce the immediate Article 4 Direction is diminished in two ways:
- 2.11 Firstly, a 3 month 'window of opportunity' between October 2010 and the introduction of the immediate Article 4 Direction. This 3 month window will make it difficult to prove when an HMO was established. Trying to reasonably establish when a change occurred will be difficult and resource intensive.
- 2.12 Secondly, the Council's position is that pre October 2010 HMOs operating without planning permission were doing so on an unauthorised basis. As they were unauthorised they did not benefit from the October permitted development right. Legal opinion on this point is unclear and there is a possibility that unauthorised HMOs did benefit from the new development right (the point has not yet been tested at a planning appeal). If the Council's position was successfully challenged and the existing suspected 500 unauthorised HMOs did actually benefit from the October 2010 permitted development right then the immediate Article 4 Direction would only apply to any HMOs established since December 2010. This is likely to be only a very small number and therefore undermines the primary purpose of the immediate direction of maintaining control over previously unauthorised HMOs.
- 2.13 If the immediate direction is not confirmed, then up until the 23<sup>rd</sup> December 2011 the Council could engage with landlords of HMOs to inform the Council of any HMOs they are operating in the borough (without planning permission being required). This would allow a clear starting date from which HMOs will require planning permission (23rd December 2011) and enable the Council to establish a more reliable baseline for the extent of HMOs in Milton Keynes for both planning and private sector housing purposes and allow the appropriate inspections to take place to ensure minimum safety standards are achieved.

<sup>&</sup>lt;sup>1</sup> http://cmis.milton-keynes.gov.uk/CmisWebPublic/Binary.ashx?Document=31682

2.14 This approach would make it less resource intensive to take enforcement action as any material change of use from C3 to C4 post 23 December 2011 would require permission as opposed to the problems with the immediate direction, that arise from trying to retrospectively assess when a HMO was established and whether permission is required.

#### Compensation

- 2.15 If the immediate direction is confirmed, then for a further period of 6 months any HMO application refused or permitted subject to conditions may be eligible for compensation from the council either for the loss of value from having been refused permission for a change of use that but for the Article 4 Direction would not have required permission or for the cost of complying with conditions. These could be significant costs.
- 2.16 Allowing the immediate Article 4 Direction to lapse will remove any risk of compensation being payable. Planning control would be reinstated from the 23 December 2011 through the non-immediate Article 4 Direction. As this was given with 12 months notice, there is no risk of compensation.

#### Next Steps

- 2.17 A report is due to be considered at a meeting of the Local Development Framework Advisory Group on the 9<sup>th</sup> June. If as a result of the meeting any changes to this report are required they will be reported by way of an addendum.
- 2.18 If the immediate Article 4 Direction is allowed to lapse and the non-immediate confirmed, the Council will need to:
  - Arrange sealing of the direction (before the 23rd December 2011)
  - Advertise notice of the confirmation in the MK Citizen and by on -site display and send copies to statutory undertakers in Milton Keynes and the Crown (as soon as practicable after confirming the direction)
  - The Council will also place copies of the confirmation in its libraries, parish councils, on a dedicated website, and at Council offices.
  - Send a copy of the confirmed/sealed direction to the Secretary of State (as soon as practicable after confirming the direction)

#### Legal Challenge

2.19 On the 11<sup>th</sup> April 2011 Sir Michael Harrison ruled against the Council in the judicial review (JR) of the Governments October 2010 changes.

On the 9 May 2010 the Council lodged an application for permission to appeal against the decision of the High Court to dismiss the JR claim and is currently awaiting a date for the application to be considered.

#### 3. **Alternative Options**

- 3.1 The following options have been considered in preparing this report:
  - (a) Confirm the Non Immediate Article 4 Direction and allow the immediate direction to lapse

This is the recommended option for the reasons set out in this report and the delegated report dated 6<sup>th</sup> December 2010.

(b) Confirm the Immediate Article 4 Direction and allow the nonimmediate to lapse

It is considered that the potential risk of compensation payable to any HMO refused or permitted subject to conditions is too great and the immediate Article 4 Direction should not be confirmed. There are also issues that could make it difficult to enforce retrospectively.

(c) Confirm neither Article 4 Directions

This would result in the loss of any planning control over HMOs. Other controls are available to the Council; however, some planning considerations such as creating mixed communities or the provision of suitable parking arrangements cannot be dealt with through other means.

(d) Confirm both Article 4 Directions

This is not considered a suitable option given the risk of compensation using the immediate Article 4 Direction. It could also create confusion because the Council will have two over lapping Article 4 Directions in force, which could give rise to a challenge

#### 4. Implications

#### 4.1 Policy

Policy H10 of the Adopted Local Plan 2005 currently provides the Councils planning policy for the conversion of properties to houses in multiple occupation. The Council is currently preparing a supplementary planning document to provide further guidance to policy H10. Without an Article 4 Direction withdrawing the permitted

development right, the existing policies become redundant except for large HMOs (HiMOs of 7 or more people).

#### 4.2 Resources and Risk

The Council will no longer receive a fee for planning applications involving the change of use from a dwelling house to house in multiple occupation. With the introduction of an Article 4 Direction, applications will still need to be processed and determined but there would be no fee involved. The cost of processing Article 4 Direction applications will be funded through existing budgets.

N	Capital	Υ	Revenue	N	Accommodation
N	IT	N	Medium Term Plan	N	Asset Management

#### 4.3 Carbon and Energy Management

No direct implications

#### 4.4 Legal

The Council has a legal duty under the Housing Act 1985 to consider the housing needs of its area. The Council currently has an legal challenge to the Government's October 2010 changes outstanding.

#### 4.5 Other Implications

#### Equalities and diversity

The introduction of an Article 4 Direction could indirectly result in a reduction in the supply of HMOs which in turn might impact on the groups who typically occupy this type of low cost accommodation. Local authorities will still be required to plan to meet the housing needs of these groups.

#### Stakeholders

A 12 week consultation period has been undertaken on both Article 4 Directions. Comments are summarised in the report.

#### Sustainability

One of the justifications for introducing the Article 4 Direction is to allow the Council to plan for sustainable communities in accordance with the aims of PPS3 and to create mixed communities.

#### Crime and Disorder

A common complaint regarding HMOs is the noise they can create and problems with waste and litter. An Article 4 Direction will allow the Council to place suitable conditions on permissions for adequate bin storage and noise insulation.

Υ	Equalities / Diversity	Υ	Sustainability	N	Human Rights
N	E-Government	Υ	Stakeholders	Υ	Crime and Disorder

#### **Background Papers:**

Link to the Full Council report and Annexes 14 September 2010: <a href="http://cmis.milton-">http://cmis.milton-</a>

keynes.gov.uk/CmisWebPublic/Meeting.aspx?meetingID=9286

Link to the report to Cabinet 28 September 2010:

http://cmis.milton-

keynes.gov.uk/CmisWebPublic/Binary.ashx?Document=31134

Link to the Delegated Decision Report 6 December 2010:

http://cmis.milton-

keynes.gov.uk/CmisWebPublic/Meeting.aspx?meetingID=9548

### Appendix A - Article 4 Direction Consultations - Summary of representations

	Respondent	Summary of Representation	Response
1	Vice Chair Campbell Park Parish Council	Control over the development of HiMOs is needed because of the harm they can cause to an area, particularly in relation to parking and rubbish. These properties are usually let for short periods to a transient population who have no regard to the area and very little time to develop caring relationships. Landlords seem to offer very little control over the activities of their tenants also.	Comments noted.
		Limits should be set on how many HiMOs are allowed because if anyone can do so at any time, areas will become overcrowded and less desirable for people to live. No permission should be granted until all safety regulations are met, and that landlords should cover the cost of Council officials visiting properties to certify them.	The council is currently producing supplementary planning document to provide further guidance for the application of Policy H10 of the Local Plan.
		If a property has been converted without permission, the full force of the law should be applied, in terms of fines. Further, where landlords fail to get their tenants to comply with rubbish disposals, fines should also be applied. If there is no deterrent, there is no incentive to change.	Comments noted.
2	Castlethorpe Parish Council	Full support in this matter	Comments noted.
3	Campbell Park Parish Council	Support any move to bring HiMO location and design back under planning control as quickly as possible. The great concentration of HiMO's in Fishermead, Oldbrook and Springfield are a matter of great public concern. HiMO's feature high in any list of issues distressing the public when consulted by either us or the NAG.	Comments noted.
4	Wolverton and Greenleys Town Council	Support Article 4 Direction. Supporting Letter from local resident stating:	Comments noted. The useof an Article 4 Direction will allow issues such as parking to be considered through the planning application process.
		An enforcement notice was served on a property. The Planning Inspectorate	771

		upheld the notice on the grounds of a lack of adequate parking. However, the 1 October 2010 changes meant enforcement notice was null and void. HMO continues to operate with lack of adequate parking.	
5	Stony Stratford town Council	Welcome the initiative	Comments noted.
6	Resident	While fully supporting the Council's desire to manage the conversion of dwelling houses into HiMOs, and appreciate the problems that can be created in areas where there is an uncontrolled high conversion rate, restricting this type of development will adversely impact on housing opportunities for low paid single people and childless couples in Milton Keynes.	The purpose of the Article 4 direction is not to limit the overall supply of HMOs but to ensure that HMOs meet various planning criteria to limit their impacts on existing residential areas.
		There must be a parallel policy promoting the alternative provision of low cost housing opportunities for low paid single people and childless couples see no evidence of this.	Other planning policies seek to deliver housing to meet local housing need.
7	MK Branch NLA	The Council's justification for this Article 4 Direction appears to be based on the 'perception' of HMO's being a problem, rather than any empirical evidence. I have yet to see any actual 'evidence' to demonstrate the Council's justification for this move.	The justification is set out in the delegated report: <a href="http://cmis.milton-keynes.gov.uk/CmisWebPublic/Binary.ashx?">http://cmis.milton-keynes.gov.uk/CmisWebPublic/Binary.ashx?</a> <a href="Document=31682">Document=31682</a>
		An over concentration of HMO's had not been demonstrated by the Council; certainly not in reference to the National HMO Lobby's 10% Tipping Point, accepted by many Local Authorities as a significant criterion.	Over concentrations can occur at differing levels. The 10% tipping point has been reached in different areas of the city depending on the threshold at which it is applied. Regardless, the Article 4 Direction does not limit the numbers of HMOs (that would need to be done through a planning policy) and so in itself it does not control concentrations.

There appears to be an obvious and significant lack of 'fairness' in the use of this Article 4 Direction. A property can be a Class C4 HMO irrespective of tenure, however, the rules apply differently to owner occupied and rented accommodation. If a property is occupied by the owner (and their family, regardless of the number of related occupants) and up to two lodgers it is not an HMO. This inequality demonstrates that, for example, a very large property housing a family of 10 related adults, who between them own 10 cars and all work shifts at different times of day and night can still take in two paying lodgers before the property requires planning permission! How can that be fair? Think of the disproportionate strain put on the local infrastructure, parking, refuse collection, residents, etc by that household. Will the Council seek to control that type of owner occupied property, as well as the husband and wife renting a two bedroom home with a lodger?	The Article 4 Direction can only remove the permitted development right. The definition of an HMO is set out in the Use Classes Order and the Council can not change this. Accept that increased number of occupants places additional strain on local infrastructure.
Wish to see the Council demonstrate a fair and balanced approach to how this Direction will be applied, resourced and enforced across all housing tenures proportionally, bearing in mind that the PRS only represents approximately 15% of the UK's housing stock.	The Article 4 Direction will apply to all properties that fall within the definition of an HMO, irrespective of tenure.
"How does Milton Keynes Council intend to enforce this Direction?" Will it simply be a pointless waste of taxpayers' money?	The Article 4 direction will be enforced in the same way as any other requirement for planning permission. It is the responsibility of the individual property owner to comply with the relevant planning legislation and failure to do so may lead to enforcement action.

What alternatives has Milton Keynes Council considered before deciding to apply this Article 4 Direction? There exists a whole raft of current legislation to tackle the 'problems' purportedly caused by HMO's. These powers should be explored and exhausted before an Article 4 Direction is made. Such powers include:

- Anti Social Behaviour Orders (ASBOs) under the Crime and Disorder Act 1998;
- Injunctions whether under section 153A et seq of the Housing Act 1996 or section 222 of the Local Government Act 1972;
- Directions regarding the disposal of waste (for example under section 46 of the Environmental Protection Act 1990);
- Littler abatement notices under section 92 of the Environmental Protection Act 1990;
- Powers under the Noise Act 1996 to serve fixed penalty notices or confiscate equipment (sections 8 and 10); or
- The power to require rubbish to be removed from land under Section 2.4 of the Prevention of Damage by Pests Act 1949.

These powers require local residents to identify particular cases of unacceptable behaviour so that the Local Authority can deal them with. Landlords can neither continually monitor the behaviour of their tenants, nor do anything that may constitute harassment. An Article 4 Direction is undoubtedly a powerful tool for Local Authorities when used appropriately, however it should be considered as an option of last resort, rather than a tool to be applied liberally.

Article 4 Direction would restrict the future supply of good quality shared accommodation across Milton Keynes, at exactly the time when the Government's welfare reform will force more and more people into shared accommodation.

The Article 4 Direction through re-introducing the requirement for planning permission aims to prevent problems before they arise. Other measures can only be used once there is an issue and do not allow for the proper planning of the borough.

The purpose of the Article 4 direction is not to limit the overall supply of HMOs but to ensure that HMOs meet various planning criteria to limit their impacts on existing residential

	<u>,                                      </u>
	areas.
An increased demand coupled with a restricted supply will cause rents to rise across all shared accommodation, not just those properties controlled by this Article 4 Direction	The purpose of the Article 4 direction is not to limit the overall supply of HMOs but to ensure that HMOs meet various planning criteria to limit their impacts on existing residential areas.
Article 4 Direction is likely to exert further downward pressure on house prices, especially in those areas where shared accommodation is popular with students and young professionals. They are exactly the types of properties that landlords seek to acquire.	Comments noted.
There was significant concern displayed by landlords that the planning requirements for Class C4 HMO's will be overly onerous; requirements that are already seen to be excessive, such as parking and refuse storage. Will individual planning officers have any real discretion in approving applications and would this be a good thing? The experience of many landlords is that officers often recommend applications for approval, but they are turned down by the Development Control Committee. Is it not also true that the majority of failed applications are subsequently won at Appeal?	The council is currently producing supplementary planning document to provide further guidance for the application of Policy H10 of the Local Plan.
It would be totally unacceptable to require a new application to be made each time a property changes from Class C3 to C4, rather that a permanent, non-reversible approval should be given.	Consideration to flexible permissions will be given in the forthcoming HiMO Supplementary Planning Document.
Will Milton Keynes Council still seek to control existing HMO's retrospectively, by using the Sui Generis argument against established HMO's that pre-date the Article 4 Direction? If this was deemed an acceptable way to control HMO's before April 2010, why has Milton Keynes Council brought in this Article 4 Direction, with all the accompanying cost burden to the taxpayer?	This will depend on the outcome of the JR and whether the Article 4 Directions are confirmed

8	Landlord	Oppose a city-wide Article 4 Direction and would strongly urge Milton Keynes councillors to reconsider the effect of Article 4 Direction upon the city and its economy.	Comments noted.
		Milton Keynes is a dynamic and growing community. It has a younger demographic and a higher proportion of incoming residents than most other cities and towns including a large post-graduate student community many of whom stay on after graduation, bringing to the area the qualifications and skills demanded by the high-tech companies and business consultancies that MK has been able, and will wish in the future, to attract. Milton Keynes also depends upon its logistics and retail sectors. These are staffed by lower income earners, for whom shared-house renting is often the preferred or only choice.	The purpose of the Article 4 direction is not to limit the overall supply of HMOs but to ensure that HMOs meet various planning criteria to limit their impacts on existing residential areas.
		Additionally, national trends apply. We need to cater for our own young people as they become independent. The credit crunch and housing cutbacks mean that they now have to save longer to get a first foot on the housing ladder and so these people are also seeking low-cost quality rental options, which provide a reasonable standard of living whilst at the same time allowing them to save for their first deposit. Sharing rental costs with 2/3/4 others fits the bill perfectly.	The purpose of the Article 4 direction is not to limit the overall supply of HMOs but to ensure that HMOs meet various planning criteria to limit their impacts on existing residential areas.
		Milton Keynes relies upon landlords to provide housing, and landlords need to know that they can buy a rental property with the certainty that they can let it to sharers, and know they have flexibility to switch between letting to groups of sharing tenants or families, without the doubt and delays introduced by planning permission. Prior to an Article 4 Direction, there was no surfeit of shared accommodation – demand matched supply. Article 4 will discourage landlords from investing in the area, driving up rental prices, quickly making MK an expensive and so less attractive place to live, potentially constraining the growth and economy of the city.	The Article 4 Direction will return the planning position to pre October 2010. There will be no fee for applying for a change of use. Consideration will be given to flexible permissions in the forthcoming HiMO Supplementary Planning Document.

Without landlord buyers, property prices in Milton Keynes will become further depressed, not only affecting current residents, but adversely impacting housing developers and development plans.	Comments noted.
Concerns over creating no-go shared-housing zones which seeks to deny people the freedom to live where they choose. Apart from an ethical objection, this may have negative unintended consequences, as there is an erroneous assumption implied here - that that those in shared rented accommodation are detrimental to the existing community. Suggest most 3-6 person house-sharers in MK are under 35s, highly-educated, younger working people. Post grad students likely to improve areas.	The Article 4 Direction does not create 'no-go shared housing zones'. The purpose of the Article 4 direction is not to limit the overall supply of HMOs but to ensure that HMOs meet various planning criteria to limit their impacts on existing residential areas. Issues of concentrations will be addressed through planning policy.
The high-profile deaths last year in Fishermead were due to fire in an unregulated HiMO which should have been licenced, and there have been other fire incidents in HiMOs over several years. This is clearly unacceptable, however, they have without exception occurred in larger, licencable properties, mainly in specific areas with cheap, older 3-storey housing stock such as Fishermead, Conniburrow, Bradwell Common and were not to do with small 3-6 person 1 and 2 storey shared properties.	The Council is considering options around extending the requirements for licensing which could include smaller HMOs. This is separate from the planning function.
There is a pressing need for the council to identify, licence and properly regulate these properties; more wide-ranging powers than an Article 4 Direction are already available to the council to do this. The major issue seems to be resource.	
It is essential to concentrate on these real and urgent problems, and apply the HiMO licensing powers that already exist. To dilute resource by seeking to regulate smaller, lower-risk 1-2 storey, family-sized shared houses under an	

		Article 4 Direction can only hinder resolution of the more pressing problem.	
		In areas of HMO housing stock is old, of the poorest quality and the areas are already run-down. Existing HiMOs will remain irrespective of an Article 4 Direction, and the area will continue to concentrate the lowest demographic, with the associated crime and social problems. These areas are in desperate need of a social and housing regeneration strategy; an article 4 Direction in no way addresses this. I have to add that I strongly believe that tax-payers' money spent on a judicial review of the planning laws could be better utilised for such regeneration strategies.	The Council has a regeneration strategy to address areas in need of regeneration.
		Urge councillors to make a distinction between:  the larger, licensable, 3-storey HiMOs, especially in particular areas of the	Comments noted.
		cities, many of which are poorly maintained, with low-standard overcrowded housing, over which the council already have powers to control, and the small, 3-6 person 1 and 2 storey rental properties which are the size of a	
		normal household  and to prioritise constrained resources upon those which are of most public	
		concern and which have obvious and urgent issues.	
9	National Landlords Association	Any additional regulation of the private rented sector should balance the desire to ensure secure and sustainable communities with the increasing need for good quality housing.	Comments noted.
		Good practice should be recognised and encouraged in addition to the required focus on enforcement activity. In light of the current economic climate the last thing good landlords need is to be further penalised by new regulations; particularly where there appears to be limited direct and immediate benefit to landlords or tenants.	Comments noted.

Introduction of a Use Class C4 was unnecessary. It is the NLA's contention that the establishment of a small HMO does not represent a substantial change of use in terms of the burden imposed on local infrastructure. The usage of local facilities is unlikely to be greatly different for a property shared by three unrelated renters than a family with teenage dependents.	Comments noted.
Therefore the NLA does not believe there is sufficient justification put forward by Milton Keynes Council for introducing further demarcation into existing housing stock for the purpose of controlling the legitimate use of property.	The Article 4 Direction can only remove the existing permitted development right. It cannot change the Use Classes Order and change the size of HMO to which planning permission is required.
The trends in future UK housing demographics and in the future growth of Higher Education, along with the current state of housing finance and supply of affordable housing, point to a greater need for shared housing/HMO-type housing in MK.	Noted, the Article 4 Direction does not limit the overall number of HMOs.
The Government-commissioned review of the private-rented sector published in 2008 identified a clear growth in the number of young professionals renting instead of turning to home ownership. 20 to 29 year olds now account for 79 percent of all renters. While accurate statistics do not exist in this area, it is likely that the majority of this is shared housing. In addition to young professionals, migrants and students make up an important part of the shared housing market across England in general and Milton Keynes in particular.  The overwhelming characteristic between these groups is that they are necessarily transient. These households are not intended to 'grow roots' or stay in the same home for a generation. HMOs and shared housing are popular amongst these socio-economic groups precisely because they provide a fluid housing option.	Noted, the Article 4 Direction does not limit the overall number of HMOs.
Where a particular issue related to shared housing concentration has been identified, local authorities and enforcement agencies have extensive existing	The Article 4 Direction through re-introducing the requirement for planning permission aims

statutory powers to deal with such issues. The NLA argues that these powers should be explored and exhausted before an Article 4 Direction is made. Such powers include:

- Anti-Social Behaviour Orders (ASBOs) under the Crime and Disorder Act 1998;
- Injunctions whether under section 153A et seq of the Housing Act 1996 or section 222 of the Local Government Act 1972:
- Directions regarding the disposal of waste (for example under section 46 of the Environmental Protection Act 1990);
- Litter abatement notices under section 92 of the Environmental Protection Act 1990:
- Powers under the Noise Act 1996 to serve fixed penalty notices or confiscate equipment (sections 8 and 10); or
- The power to require rubbish to be removed from land under section 2
   4 of the Prevention of Damage by Pests Act 1949.

These powers require local residents to identify particular cases of unacceptable behaviour so that they can be dealt with. Landlords can neither continually monitor the behaviour of their tenants, nor do anything that may constitute harassment. Too often local residents fall into the fallacy that it is the house itself rather than the household which causes an issue. They build up a 'general feeling' about areas of particularly dense shared housing, without looking to see whether particular problems have been dealt with. This aggregation of issues, particularly grievances and 'general feelings' about a community can quickly make residents feel that a 'tipping point' has been reached.

to prevent problems before they arise. Other measures can only be used once there is an issue and do not allow for the planning of the borough. It should also be noted the changes to the Local Housing Allowance (LHA) which take effect this April, will only allow LHA to be paid at a room rate for single people under the age of 35. Last October's Spending Review suggested this would affect approximately 80,000 people and create an even greater need for shared accommodation in the area. Limiting the number of HMOs is highly likely to have a significant and long lasting effect on the provision of good quality, affordable accommodation for those young people on low incomes.

Noted, the Article 4 Direction does not limit the overall number of HMOs.

The NLA agrees that some landlords, most often due to ignorance rather than roguish intent do not use their powers to manage their properties effectively and would recommend that rather than an Article 4 Direction, a more appropriate response would be to identify issues and assist landlords to develop the required knowledge and skills to improve the sector. If this proves unsuccessful, the NLA would also argue that a problem encompassing a few poorly managed and/or maintained properties would not be appropriately tackled by an Article 4 Direction and that in such situations local authorities should consider Enforcement Notices and Management Orders. These measures represent a targeted approach to specific issues, rather than a blanket scheme that has the potential to adversely affect the professional landlords, whilst still leaving the rogues able to operate under the radar.

Noted, the Article 4 Direction would not penalise landlords.

Accreditation plays a vital role in educating and improving the professionalism of the private rented sector. Accreditation educates landlords on their obligations and responsibilities towards their tenants, the community and the local authority. Development-based accreditation can change the behaviour of landlords in a way that an Article 4 Direction would not. Further, we believe the aims of the Council can be better achieved through accreditation than an Article 4 Direction. The NLA strongly believes that giving landlords the knowledge to effectively manage their properties is a drastically more efficient tool for professionalising the private rented sector.

The Article 4 Direction through re-introducing the requirement for planning permission aims to prevent problems before they arise. Other measures can only be used once there is an issue and do not allow for the planning of the borough.

		The proposed Article Four direction is likely to erode the ability of landlords in Milton Keynes to react to changing circumstances and the needs of the local community by removing the general permissions currently available for development. This measure will act as a distorting influence on the Borough's housing market as property with implied permission through existing use will be regarded as premium investment assets by landlords offering shared housing. While the presence, or lack of, C4 designated properties in certain localities will diminish the stability of property values according to consumer demand.	Comments noted.
		It is the NLA's contention that an Article 4 Direction should not be used as a check-box or census exercise by local authorities to identify landlords operating in their area. Should an area become subject to an Article 4 Direction we would want to see the local authority using the information gained to engage with landlords in order to encourage them to participate in whatever other measures Milton Keynes Council and its partners have enacted to improve the quality of the local private rented sector.	Comments noted.
10	Woughton Community Council	Fully support the Article 4 Directions	Comments noted.

## DELEGATED DECISION DAY MONTH YEAR