



Committee	Cabinet
Date	07/05/2024
Subject	Supplementary Housing Statement and Suffolk Landlords Booklet (Houses in Multiple Occupation)
Cabinet Member	Councillor David Beavan, Deputy Leader and Cabinet Member with responsibility for Housing
Report Author(s)	Victoria Cotterill Team Leader (Private Sector Housing) victoria.cotterill@east Suffolk.gov.uk
Head of Service	Heather Fisk Head of Service (Housing) heather.fisk@east Suffolk.gov.uk
Director	Andrew Jarvis Strategic Director andrew.jarvis@east Suffolk.gov.uk

Key Decision?	Yes
Is the report Open or Exempt?	OPEN

Category of Exempt Information and reason why it is NOT in the public interest to disclose the exempt information.	N/A
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Purpose/Summary

This report proposes that the joint *Suffolk Handbook for Landlords* guidance document for Houses in Multiple Occupation (HMOs) is adopted to provide guidance to applicants seeking to invest in multiple occupied dwellings in the East Suffolk area. It is also proposed that the Supplementary Housing Statement (Houses in Multiple Occupation) is adopted to support existing guidance and inform Planning decisions affecting the creation of HMOs within East Suffolk Council's area, taking into consideration the appropriate factors contained within the Statement.

Recommendation(s)

That Cabinet:

1. Adopt the Supplementary Housing Statement (Houses in Multiple Occupation)
2. Adopt the joint Suffolk Landlords Booklet for Houses in Multiple Occupation
3. Delegate authority to the Head of Housing, in consultation with the Cabinet Member for Housing, to update the Supplementary Housing Statement (Houses in Multiple Occupation) as necessary to reflect changing information (on rental prices and availability of rental rooms, for example)

Strategic plan

How does this proposal support Our Direction 2028?

Environmental Impact	Supporting the creation of multiple-occupied dwellings, which are of a good standard, thus reducing the environmental effects (such as noise, littering etc), that can occur at such properties.
Sustainable Housing	East Suffolk, much like the rest of the country, is in the middle of a housing crisis. The provision and management of multiply occupied properties using the proposed Guidance Document, could assist in helping to meet the local demand for good quality single-room accommodation.
Tackling Inequalities	Residents living, or hoping to live, within the East Suffolk area, who are only able to do so by claiming housing-related benefits at the single room rate because of their age and/or status, will benefit from enhanced guidance on local housing need being provided to officers and developers to support planning decisions which help create single-room HMO accommodation.
Thriving Economy	Providing additional affordable single room accommodation will help support the Council's aim of ensuring adequate affordable accommodation is available in East Suffolk. It also has the potential to support, and/or offset at least to a degree the impact of, nationally significant infrastructure projects, such as Sizewell C, without having a significant impact on the local housing market. It could also help support the tourism and service economy, whose employees are typically on comparatively low wages, and who can struggle to find affordable accommodation, particularly in areas where property prices are high.

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organisation**

No direct relevance

Justification for recommendations

1. Background

- 1.1. There is currently a national housing crisis, with a high demand for single occupancy accommodation. This is driven by a lack of supply coupled with the disparity between market rents and Local Housing Allowance (LHA) rates for single people under 35. On 04 April 2024, there were 514 people aged between 18-34 on the East Suffolk housing waiting list, seeking one-bedroom accommodation.
- 1.2. The LHA rate for single occupancy at this time was approximately £150 per month less than the average one-bedroom monthly rent in East Suffolk, according to the Office of National Statistics. This means most one-bedroom accommodation would be unaffordable for applicants under 35 years old who are seeking housing, despite their being able to seek support with housing related benefits.
- 1.3. The previous Waveney District Council area has an [Article 4 Direction](#), which removes the ability for conversions from 'small' dwellinghouses to Houses in Multiple Occupation (HMOs) to be made without planning consent (permitted development). This means all such proposals must be made through a planning application. Conversions to 'large' HMOs (6 or more people) always require planning permission.
- 1.4. Separate to this in parts of the former Waveney area are areas known as 'Flat and HMO Saturation areas' (identified through Waveney Local Plan Policy WLP8.4) which effectively precludes conversion of houses into flats or HMOs in these discrete areas (which are only in parts of Lowestoft). In addition, Policy WLP8.4 also states that "exceptional circumstances" will be required for the conversion of houses to HMOs, and this applies across the whole of the Waveney Local Plan area. What potential "exceptional circumstances" might be are not detailed in WLP8.4, nor in the supporting text to WLP8.4.
- 1.5. In combination, these restrictions make it very hard to bring forward new HMO conversions (from current/former guest houses, for example).
- 1.6. Currently, the Private Sector Housing (PSH) team uses statutory housing legislation to control the licensing and amenity standards within HMOs, of which there are some 44 licensed HMOs in the district. Whilst all local authority PSH teams use the same regulatory tools, there is no consensus of approach as to how these are applied across Suffolk. A Government Pathfinder scheme, Safe Suffolk Renters, hosted by East Suffolk Council is currently undertaking work to review teams' policies, procedures and regularise housing guidance used by Suffolk authorities.

2. Introduction

- 2.1. Supplementary Housing Statement

- 2.1.1. PSH teams have a statutory responsibility to licence properties classed as ‘large’ HMOs (properties with 5 or more people, forming 3 or more households).
- 2.1.2. Demand for single occupancy accommodation far exceeds the supply, with hundreds of people applying for this size of accommodation via the Housing Gateway at any one time. The steep increase in rental prices in recent years – caused by a variety of factors, including the loss of some long-term rental stock to short-term rentals, like AirBNB – has made the situation worse. This puts pressure on emergency housing/homelessness services and has a range of other negative effects, such as making it difficult for tourism and service sector employers to recruit and retain employees in traditionally lower-wage jobs.
- 2.1.3. The Article 4 Direction in the former Waveney District Council area adds further to the pressure on the local housing market.
- 2.1.4. Developers looking to convert an existing dwelling to HMO accommodation have to demonstrate “exceptional circumstances”, and as stated in paragraph 1.4 above, there is currently no guidance, either within the Waveney Local Plan, or elsewhere, as to what potential “exceptional circumstances” might be.
- 2.1.5. The Council's Planning team will be bringing forward a paper in summer 2024 proposing to review the existing Article 4 Direction and set out what potential “exceptional circumstances” might be.
- 2.1.6. The significant shortage of available and affordable HMO accommodation might be one such circumstance (amongst others). There is therefore value in a Supplementary Housing Statement setting out – and updating regularly – basic information on, for example, demand for single occupancy accommodation, local rental prices, typical availability of such accommodation and the like, so this information does not have to be compiled by individual applicants for planning applications for HMO as part of the “needs” case. This will also save work for the PSH team if they are not asked to compile such information on an ad-hoc basis (through Freedom of Information requests, for example).

2.2. Joint Landlord’s Handbook for HMOs guidance document

- 2.2.1. Guidance on the licensing requirements and amenity standards for HMOs is currently inconsistent across Suffolk, which has created a ‘postcode lottery’ for landlords who may have portfolios straddling one or more local authority areas.

2.3. Consultation between Planning Policy and Enforcement officers in relation to specific casework, and more general aspects of HMO development, has already been undertaken and is on-going to ensure that the approach detailed in this document is mutually agreeable between them, to help support the preparation of additional guidance on “exceptional circumstances” (as set out in paragraph 2.1.5 above).

3. Proposal

- 3.1. To adopt the guidance documents attached at Appendices A and B to inform regulatory work by the Private Sector Housing team and to update basic rental information in the Supplementary Housing Statement on a six-monthly basis.

4. Financial Implications

- 4.1. There are no anticipated financial implications for the Council following the adoption of these documents.

5. Legal Implications

- 5.1. The adoption of consistent HMO-related guidance across Suffolk should ensure that there is less likelihood of inconsistencies in approach and advice given to prospective HMO owners and managers. This in turn should result in an improvement in property standards, and less opportunity for legal challenge.
- 5.2. The information and advice contained within the guidance document has been collated by subject experts, RHE Global, and reviewed and approved by all Suffolk Local Authorities.

6. Risk Implications

- 6.1. The guidance document has been created on the basis that it provides generic advice applicable to all HMOs, with caveats that owners should still make the necessary enquiries with the relevant statutory agencies (such as Building Control, Planning and the Fire Service) to ensure they have the correct information for their specific premises/situation.
- 6.2. The Supplementary Housing Statement has been created to reduce the risk of multiple occupancy properties being created with a disparity in statutory consents i.e. a property owner may obtain a mandatory HMO Licence, but not have the relevant planning consent, or vice versa.

7. Options

- 7.1. Do nothing – there is no requirement for either of these documents to be produced.
- 7.2. Produce an East Suffolk specific Guidance Document, (rather than adopt a Suffolk-wide document) – for the reasons stated above in Sections 5 and 6, this is not deemed to be appropriate.
- 7.3. Adopt the documents as written.

8. Recommendations

- 8.1. Adopt the Supplementary Housing Statement (Houses in Multiple Occupation)
- 8.2. Adopt the joint Suffolk Landlords Booklet for Houses in Multiple Occupation

- 8.3. Delegate authority to the Head of Housing, in consultation with the Cabinet Member for Housing, to update the Supplementary Housing Statement (Houses in Multiple Occupation) as necessary to reflect changing information (on rental prices and availability of rental rooms, for example)

9. Reasons for Recommendations

- 9.1. To provide guidance to enable a consistent delivery of HMO accommodation by private developers.
- 9.2. To assist in the assessment of “exceptional circumstances” for new HMO conversions requiring planning permission.
- 9.3. To be part of a Suffolk-wide move to align policies and practices across Private Sector Housing for consistency.

10. Conclusions/Next Steps

- 10.1. To publicise adoption of these documents on the ESC and Safe Suffolk Renters websites.

Areas of consideration comments

Section 151 Officer comments:

There are no financial matters to be considered for the report recommendations.

Monitoring Officer comments:

The Monitoring Officer has been consulted on this report and has no additional comments.

Equality, Diversity and Inclusion/EQIA:

Attached as Appendix C

Safeguarding:

There are no safeguarding issues raised or created by the adoption of these documents

Crime and Disorder:

Rachel Tucker – Senior Anti-social Behaviour Officer

A duty is placed, under section 17 of the Crime and Disorder Act 1998, upon Local Authorities to do all that it reasonably can to prevent (a) crime and disorder in its area (including anti-social and other behaviour adversely affecting the local environment); and (b) the misuse of drugs, alcohol, and other substances in its area; and (c) re-offending in its area; and (d) serious violence in its area. Consideration of the above should be given to developments created using proposed guidance in this report, regarding the development of accommodation for single occupancy, particularly in areas of high crime, or anti-social behaviour hotspots, before developments are agreed.

Corporate Services implications:

(i.e., Legal, Finance, Procurement, Human Resources, Digital, Customer Services, Asset Management)

Finance – there are no perceived financial implications from the proposals in this report.

Legal – there are no perceived legal implications from the proposals in this report.

Residents and Businesses consultation/consideration:

Consultation about the private rented sector, and how it is regulated, has been carried out with landlords via Safe Suffolk Renters conferences.

Liaison with current applicants for planning applications is on-going, and both the Private Sector Housing and Planning teams have open dialogues with these developers.

Appendices:

Appendix A Supplementary Housing Statement (Houses in Multiple Occupation)

Appendix B Joint Suffolk Landlord's Handbook for Houses in Multiple Occupation

Appendix C Equality Impact Analysis

Background reference papers:

Date	Type	Available From
21 May 2024	Article 4 Direction (Town and Country Planning (General	https://www.legislation.gov.uk/uksi/2015/596/article/4/made

	Permitted Development) (England) Order 2015	
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