

## **EXETER CITY COUNCIL**

**EXECUTIVE  
17 SEPTEMBER 2013**

### **PROPOSED DRAFT AMENDED SUPPLEMENTARY PLANNING DOCUMENT: 'HOUSES IN MULTIPLE OCCUPATION (INCLUDING CLASS C4 USES)' FOR PUBLIC CONSULTATION**

#### **1 PURPOSE OF REPORT**

- 1.1 In July 2011, Executive adopted a Supplementary Planning Document 'Houses in Multiple Occupation (Including Class C4 Uses)' following public consultation. The purpose of this report is to consider amending the guidance to apply a restriction on further HMOs to a wider area comprising the entire area that is subject to a previous Article 4 Direction that came into effect on 1 January 2012. The Article 4 Direction brought changes of use from Class C3 (dwellings) to Class C4 (small HMOs for 3-6 persons) within planning control.

#### **2 BACKGROUND**

- 2.1 The purpose of the SPD is to clarify the implementation of Policy H5(b) of the Exeter Local Plan that relates to potential over concentrations of flats, self contained bedsits, HMOs or student housing that would change the character of the neighbourhood or create an imbalance in the local community.
- 2.2 The issue of imbalanced communities in Exeter primarily relates to concentrations of housing occupied by students. The SPD uses Council Tax exemptions Class N (homes entirely occupied by full time students) as an indicator of the degree of concentration.
- 2.3 A now superseded supplementary planning guidance document adopted in 2008 used a threshold of 25% Class N exemptions as a basis of resisting further HMOs within three areas of the City. The SPD adopted in July 2011 used a threshold of 20% applied to wards or parts of wards that were subject to the Article 4 Direction extending the restriction to a wider area.

#### **3 MONITORING**

- 3.1 The SPD states that data on Class N exemptions would be monitored annually every May. Monitoring reports have been produced for Planning Member Working Group in July 2012 and July 2013.
- 3.2 Monitoring identified that the number of exemptions continued to increase to May 2012, however, there was no further increase to May 2013 and an increase of 115 units of purpose-built accommodation was countered by a small reduction in shared student homes, most notably in part of Polsloe.
- 3.3 The halt in the growth of Council tax exemptions reflects the wider context of the growth of the University of Exeter. The number of students has been relatively stable at about 15,000 fte from September 2010 to September 2012. However, over that period about 800 additional student bedspaces of purpose-built accommodation were added to the stock in each of the 2011 and 2012

academic years and a further 660 bed spaces are expected in the 2013 academic year. This has led to an increase in vacancy rates of shared houses and some of the less popular purpose-built student accommodation. The Council is aware that the University's recent five year plan envisages an expansion to about 18,000 fte students by 2018/19 which is likely to lead to a take up of slack in the market and further pressure of growth in HMOs in popular student areas.

- 3.4 During the period since adoption of the SPD there has been increased volatility in the data for areas. The part of Duryard subject to the Article 4 Direction around King Edward Street was above the 20% threshold in May 2012, and hence subject to a restriction, but is now below the threshold again. It is important that there should be consistency in the approach.
- 3.5 The May 2013 monitoring identifies the following proportion of exemptions:

<b>Part of Ward</b>	<b>Proportion at May 2013</b>
St James (excluding 9 streets outside Art 4)	24.6%
Polsloe (part)	21.3%
Newtown (north of Blackboy Road)	24.5%
Newtown (central part)	12.0%
Newtown (Athelstan Rd area)	11.1%
Duryard (King Edward St area)	16.4%
St Davids (north of Exe/Paul Street)	24.0%
Pennsylvania (southern part)	14.5%
<b>Total within Article 4 Direction</b>	<b>21.2%</b>

- 3.6 PMWG recently took the view that in the light of continuing representations that less than the 20% threshold of exemptions still created imbalanced communities, the future growth of the University, the increased volatility of the data base leading to uncertainty and the opportunity presented by the current over supply in the market, that it was an appropriate time to consider extending the policy restriction to the entire area covered by the Article 4 Direction. This would introduce a restriction on new HMOs in parts of Duryard, Pennsylvania and two areas of Newtown that are presently below the 20% threshold.
- 3.7 While the area covered by the Article 4 Direction as a whole remains above 20% (21.2%) the justification is based upon perceived harm through community imbalance below this level.

#### **4 THE WAY FORWARD**

- 4.1 It would be appropriate to undertake public consultation on the proposed amended SPD. This should be in the form of a general consultation to interested parties and a more targeted consultation through posters on lamp posts and in any public buildings and contact with any residents groups in the four areas directly affected.

- 4.2 It is proposed to undertake the public consultation for six weeks and report back to PMWG and Executive in December/January.
- 4.3 A copy of the proposed draft amended SPD is at Appendix One. A consultation statement will also be produced.
- 4.4 The SPD amplifies the interpretation of Policy H5(b) of the adopted Exeter Local Plan. This Local Plan will eventually be superseded by a Development Delivery Development Plan Document that is expected to be agreed by Executive later in 2013. It is proposed that the SPD also be used to amplify the issue of community imbalance in relation to the policy in that document that replaces H5(b). The SPD will be amended to include references to the new emerging policy as well.

## **5 RECOMMENDATION**

- 5.1 That the draft amended Supplementary Planning Document 'Houses in Multiple Occupation (including Class C4 Uses)', attached at Appendix One, be agreed as a basis for public consultation.

**RICHARD SHORT**  
**ASSISTANT DIRECTOR CITY DEVELOPMENT**

**Local Government (Access to Information) Act 1985 (as amended)**  
**Background papers used in compiling this report:**  
None



## **EXETER CITY COUNCIL**

### **SUPPLEMENTARY PLANNING DOCUMENT HOUSES IN MULTIPLE OCCUPATION (INCLUDING CLASS C4 USES)**

#### **1 STATUS OF DOCUMENT**

- 1.1 This amended Supplementary Planning Document was agreed by the Council's Executive on 17 September 2013 as a basis for public consultation.

#### **2 BACKGROUND**

- 2.1 The University of Exeter has grown significantly in recent years from 11,923 full time equivalent students in 2006/7 to 15,250 at 2010/11 and it expects to reach 18,000 by 2018/19. While a significant and increasing proportion of students live in purpose-built student accommodation, a large number live in shared student houses that are concentrated in certain parts of the City that are close to the University's campuses. The number of properties in Exeter that are exempt from Council Tax due to entire occupation by full time students has increased from 1,184 in 2006 to 2,724 in May 2011. This includes an increasing number of purpose-built private student cluster flats and studios.
- 2.2 Not all students who live in private houses are in properties that are registered as exempt from Council Tax. There are students who lodge or share with non-students. There are also many houses in multiple occupation that are not occupied by students and small properties of 1 or 2 bedrooms that are Council Tax exempt that are not classified as houses in multiple occupation. Therefore the figures for Council Tax exemptions do not show the whole picture so far as houses in multiple occupation (HMO's) are concerned, but they do provide a useful indicator for gauging the growth and distribution of student occupation in private dwellings.

#### **3 PURPOSE OF GUIDANCE**

- 3.1 The purpose of the guidance document is to clarify the implementation of Policy H5(b) of the Exeter Local Plan. It is also likely to be used in relation to any forthcoming replacement of that policy.
- 3.2 The law requires that planning decisions be in accordance with the development plan unless other material considerations indicate otherwise. The main part of the development plan relevant to student accommodation is criterion (b) of Policy H5 of the adopted Exeter Local Plan. This states:

H5: THE CONVERSION OF DWELLINGS TO FLATS, SELF CONTAINED BEDSITTERS OR HOUSES IN MULTIPLE OCCUPATION AND THE DEVELOPMENT OF SPECIAL NEEDS OR STUDENT HOUSING WILL BE PERMITTED PROVIDED THAT:

(b) THE PROPOSAL WILL NOT CREATE AN OVER CONCENTRATION OF THE USE IN ANY ONE AREA OF THE CITY WHICH WOULD CHANGE THE CHARACTER OF THE NEIGHBOURHOOD OR CREATE AN IMBALANCE IN THE LOCAL COMMUNITY.

## **4 SCOPE OF GUIDANCE**

- 4.1 The guidance will apply to all planning applications for change of use from homes (Class C3 of the Use Classes Order) to Class C4 (houses in multiple occupation by three to six people) and to 'sui generis' houses in multiple occupation of seven or more occupants, within the areas shown on the accompanying plan. In this area planning permission is required for material change of use from Class C3 to Class C4 following the removal of permitted development rights through an Article 4 Direction taking effect in January 2012. The guidance does apply to purpose-built student accommodation or to nine streets that are not subject to the Article 4 Direction. They are:

Culverland Road  
Danes Road  
Edgerton Park Road  
Hillsborough Avenue  
Mowbray Avenue  
Old Park Road  
Springfield Road  
Victoria Street  
Wrentham Estate

- 4.2 Further guidance on the need for planning permission for houses in multiple occupation is available on the Council's website at <http://www.exeter.gov.uk/index.aspx?articleid=13208&listid=9485>
- 4.3 The proposed restriction on further houses in multiple occupation will not affect properties that can prove an existing lawful use as a house in multiple occupation.
- 4.4 Council Tax exemptions within the area amounted to 21.2% of homes at May 2013. The area has been extended to include two parts of Newtown ward and parts of Pennsylvania and Duryard wards which previously had been less than 20% of exemptions.

## **5 BASIS OF PROPOSED POLICY**

- 5.1 With effect from 1 January 2012, the Council is proposing to resist any further changes of use to houses in multiple occupation within the area shown stippled on Plan 1. In other words the Council will regard the existing proportion of Council Tax exemptions as an over-concentration of HMO use for the purposes of Policy H5(b).

### Exceptional Circumstances

- 5.2 The personal circumstances of an occupier, personal hardship, or the difficulties of businesses which are of value to the welfare of the local community may be material to the consideration of a planning application. Such arguments will seldom outweigh the more general planning considerations. However, there may be some cases where very localised communities are already so imbalanced that the policy objective of protecting a balance is unlikely to be achieved. In these cases owners of Class C3 dwellings may find difficulty in finding a purchaser for continued Class C3 use and may therefore wish to change to Class C4/HMO use. In considering whether to make an exception in such cases to the policy and this SPD guidance the Council will have regard to:

- Local representations in support or objection from those directly affected by the proposal.
  - The proximity of existing Class C4 uses, larger HMOs or Council Tax exempt properties where they might be likely to affect the amenities of normal family life (e.g. if there were such uses on both adjoining sides).
  - Any demonstrable difficulty in achieving a satisfactory sale of a property as a Class C3 dwelling.
  - Any other circumstances indicating the policy restriction is causing severe personal hardship.
- 5.3 This policy has been drafted on the basis of data at May 2013. Data will be updated on an annual basis every May.

## **6 FURTHER INFORMATION**

- 6.1 Any representations on this draft SPD should be sent by email to [janet.warren@exeter.gov.uk](mailto:janet.warren@exeter.gov.uk) or in writing to: Exeter City Council, Civic Centre, Paris Street, Exeter, EX1 1NN.

**RICHARD SHORT  
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SEPTEMBER 2013**