

HMO Article 4

Supporting Case for Boroughwide
Article 4

Appendix 1 to committee report

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Introduction

- 1.1. This study provides the evidence to support the designation of a boroughwide Article 4 Direction. An Article 4 Direction is made under the Town & Country Planning General Permitted Development Order 1995 (as amended) and removes Permitted Development Rights. Article 4 Directions do not stop development; they mean that planning permission is required. Article 4 Directions are intended for use in exceptional circumstances and must be supported by robust evidence which demonstrates harm to local amenity and the proper planning of the area.
- 1.2. Houses in Multiple Occupation (**HMOs**) are an important source of low cost, private sector housing for those on low incomes, students, and those seeking temporary accommodation. HMOs arise in areas with good access to public transport (in particular bus routes) and local services as well as large single family dwelling houses that can be sub-divided into much smaller and more affordable accommodation.
- 1.3. However HMOs tend to concentrate in areas that provide such conditions raising concerns about their impact. HMOs and their concentration can be associated with the following issues:
 - poor standards of accommodation
 - loss of local character
 - reduction in environmental quality
 - increased noise complaints
 - increased anti-social behaviour
 - loss of single family dwelling houses
 - increased levels of crime
 - increased pressures on car parking
 - dominance of private renting
 - increased pressure upon local services
 - changes to local retail provision
- 1.4. Housing tenure is changing within Barnet. Levels of home ownership have fallen whilst private renting has increased. More people are finding it difficult to buy their own home.
- 1.5. With 27,350 new households estimated to need accommodating in Barnet over the next 10 years¹ the delivery of affordable housing has never been more important. Since the 2008 credit crunch and the following economic downturn affordable housing is in greater demand. This demand has increased for a number of reasons including:
 - the increasing affordability gap as housing costs continue to rise faster than household incomes;
 - the more cautious approach to mortgage lending which has resulted in lower income multiples being approved for mortgages and the need for larger deposits to secure a mortgage;

¹ Source: Barnet Housing Needs Assessment 2014

- the difficulties for households in getting onto the property ladder and facing more limited housing choices leading to a greater reliance on the private rented sector;
 - the changes to welfare reform that make the private rented sector less accessible for those on the lowest incomes;
 - the cautious approach of investors and housing developers following the economic downturn; and
 - the increased reliance on the planning system to deliver affordable housing through S106 funding.
- 1.6. Within this context there is greater pressure for more HMO accommodation. The planning system has an important role to play in managing this pressure whilst protecting and enhancing the qualities that make Barnet such a distinctive place where people want to live. This Study will demonstrate the harm arising from Houses in Multiple Occupation (HMOs) on the proper planning of the area and therefore will justify the designation of an Article 4 across the London Borough of Barnet to ensure that **all** proposals for new HMOs are pass through the planning system .
- 1.7. In demonstrating its case the Council will reflect there are four legal definitions of HMOs and what constitutes an HMO.
- 1.8. The Housing Act 2004 defines a HMO as an entire house, flat or converted building which is let to three or more tenants who form two or more households, who share facilities such as a kitchen, bathroom or toilet. Housing legislation also consider poorly converted flats which do not meet Building Regulations as a separate type of HMO.
- 1.9. The planning system does not tightly define an HMO; it considers them to be either: a house split into separate bedsits; a shared house or shared flat; a hostel: or shared accommodation for students.
- 1.10. In addition HMOs are defined differently within the 2011 Census and through Council Tax. Further details on these definitions are set out at Appendix 1.
- 1.11. Given these four definitions and the range of data sources available the Council is able to develop a picture of HMOs across the Borough which demonstrates general trends and patterns of distributions relating to HMO.
- 1.12. Broadly HMO can be considered properties occupied by unrelated individuals who share basic amenities such as a kitchen or bathroom. The traditional source of HMOs tends to be larger, older single family dwelling houses. Nearly two thirds of Barnet's housing stock was built before 1944 and can be considered older compared to a national figure of 40%. Much of the housing stock are houses, either suburban, suburban terrace or urban terrace.

1 - The Planning and Housing Background

Barnet's Development Plan

- 1.13. The development plan for Barnet consists of the Local Plan and the London Plan. Barnet's Local Plan was adopted in 2012 and consists of the Core Strategy and Development Management Policies documents. A key objective of the Local Plan is to manage housing growth to meet housing aspirations. This involves providing a range of housing that enables choice between types and tenures as well as over lifetimes and within neighbourhoods.
- 1.14. As well as setting policy for providing quality homes and housing choice the Core Strategy also sets out policy for protecting and enhancing Barnet's character. This objective is further amplified in the Development Management Policies document in particular Policy DM01 – Protecting Barnet's Character and Amenity which states that the '*loss of houses in roads characterised by houses will not normally be appropriate*'.
- 1.15. Barnet's Local Plan policy framework will support the effective implementation of an Article 4 Directions. The key Local Plan policy is **Policy DM09: Specialist Housing – HMOs, student accommodation and housing choice for older people** which states that :
- Proposals for new HMO will be encouraged provided they meet an identified need, can demonstrate that they will not have a harmful impact on the character and amenities of the surrounding area, are easily accessible by public transport, cycling and walking and meet the relevant housing standards for HMO.***
- 1.16. Local Plan policy is further amplified by a suite of Supplementary Planning Documents (SPD). The SPD on Residential Design Guidance adopted in 2013 provides a clear and consistent message on how change within Barnet's suburbs is managed.
- 1.17. With regards to HMO the most appropriate London Plan (March 2015) policy is **Policy 3.8 Housing Choice** which states that '*the planning system should provide positive and practical support to sustain the contribution of the Private Rented Sector in addressing housing needs and increasing housing delivery*'. It also states that '*boroughs should take account of the needs of particular communities with large families and that capacity for conventional housing should not be compromised by requirements for student housing*'.
- 1.18. Supporting text in the London Plan (para 3.53) highlights that demands for student accommodation should not compromise supply of affordable family homes or undermine policy to secure mixed and balanced communities. It further recognises at para 3.55 the strategic importance of HMO as part of London's housing offer though its quality can give rise to concern. It advises that in considering proposals which might constrain HMO provision, including Article 4 Directions, boroughs should take into account the strategic as well as local importance of HMO.

- 1.19. Barnet with the 4th highest housing target in the London Plan (23,489 new homes between 2015 and 2025) makes a strategic contribution to the conventional supply of new homes. In terms of non conventional homes (these are non self-contained such as HMOs) Barnet does not make a significant contribution.

Barnet's Draft Housing Strategy

- 1.20. The Housing Strategy forms an important marker in the development of planning policy and a key element of the Local Plan evidence base. The draft Housing Strategy highlights that Barnet's current population of 362,000 is expected to grow by 83,000 over the next 30 years, an increase of 22 per cent. Within that, the number of children and older people will increase significantly. With this significant demographic change Barnet will not only need more housing (according to the Council's Housing Needs Assessment the Borough has a potential need for an additional 27,000 dwellings by 2025), it will also require appropriate types of housing to accommodate this dynamic growth. In order to meet this challenge responsibly it is important to protect what makes Barnet so attractive and ensure that future development is in keeping with the fabric of the Borough.
- 1.21. The draft Housing Strategy highlights that more than 20,000 households have been affected by the Government's welfare reforms. In terms of HMO demand has increased because of the changes to housing benefit for single people under the age of 35. Since January 2012, anyone under 35 can only claim housing benefit on a Shared Accommodation Rate to help with their rent (rather than being able to claim for self-contained one-bedroom accommodation). This means that they are expected to live in shared accommodation or a bedsit. At present 280 residents in north west London receive Shared Accommodation Rate an increase of 13% since 2012.
- 1.22. The high demand for homes has therefore seen an increase in HMO across the Borough. Home ownership has fallen whilst private renting has increased. Between 2001 and 2011 the number of private rented homes has gone up from 17 %to 27 per cent. It is projected that by 2025 around 35 %of homes in Barnet will be privately rented.
- 1.23. The draft Housing Strategy recognises the contribution of the private rented sector to flexibility and choice but does raise concerns about the management of properties including HMO especially amongst small scale landlords owning only one or two properties. The Council works with local landlords to raise standards through a Landlords Forum and encourages them to acquire formal accreditation through the London Landlords Accreditation Scheme. The Council also works with the Metropolitan Police and other partners to address sub-standard housing conditions including HMO and 'beds in sheds'.
- 1.24. Together with the Planning Service the Council's Environmental Health Service has been investigating the introduction of an Additional Licensing Scheme for HMO which would complement the introduction of an Article 4 Direction. Part of the investigation to date has included a survey in June

2014 involving 110 streets in the Borough where there are known to be concentrations of HMO.

HMO and the Planning Use Classes Order

- 1.25. HMO are considered a separate category of land use. Land use activities are set according to the planning use classes order². Uses are grouped into classes A, B, C and D and *sui generis* (a use like no other and not within a specified class). HMO fall within both Use Class C4 and *sui generis*. Legislation³ sets out when planning permission is or is not required for changes to the use of land and buildings, and the circumstances under which such changes can be undertaken.
- 1.26. A Use Class C4 HMO is one that is not used by more than three to six unrelated people. A HMO larger than this (ie with more than 6 unrelated people) is classed as a *sui generis* use.
- 1.27. Currently it is permitted to change from a Class C3 dwelling house to Class C4 HMO property without planning permission. Converting dwellings to HMO, when classed as *sui generis* will require planning permission. Likewise a conversion from a HMO to flats will require planning permission.
- 1.28. It is permitted to change a Class C4 HMO property back to a Class C3 dwelling house without planning permission. The Article 4 Direction will not prevent the conversion of Class C4 HMOs back into dwelling houses.
- 1.29. Use Class C4 was introduced in April 2010. This change was made in response to concerns around the impact of concentrations of HMOs in certain areas in terms of anti-social behaviour, crime, parking and pressure on facilities particularly in university and coastal towns.
- 1.30. However the April 2010 change to the Use Classes Order was revoked six months later in October 2010 by the Coalition Government. This was in response to private landlords' organisations who argued that the need to seek planning permission could reduce the supply of private rented accommodation. When making this change in October 2010 the Government made clear that local authorities would be able to use their existing direction making powers to restrict changes of use by requiring planning applications where they saw it as necessary.
- 1.31. Directions are made under the Article 4 Direction of the Town & Country Planning General Permitted Development Order. They remove Permitted Development Rights. Article 4 Directions do not stop development; they mean that planning permission is required. Article 4 Directions are intended for use in exceptional circumstances where evidence suggests that development under Permitted Development rights such as the spread of HMOs harms local amenity or the proper planning of an area.
- 1.32. Regulations require planning authorities to pay compensation to a landowner who is refused planning consent where Permitted Development rights are

² A legislative mechanism under the terms of the Town and Country Planning Act 1990, as amended by the Use Classes (Amendment) Order 2005

³ the General Permitted Development (Amendment) Order 2005

removed. However a local authority is not liable to pay compensation for removal of certain types of Permitted Development⁴ if 12 months notice is given about the application of an non immediate Article 4 Direction.

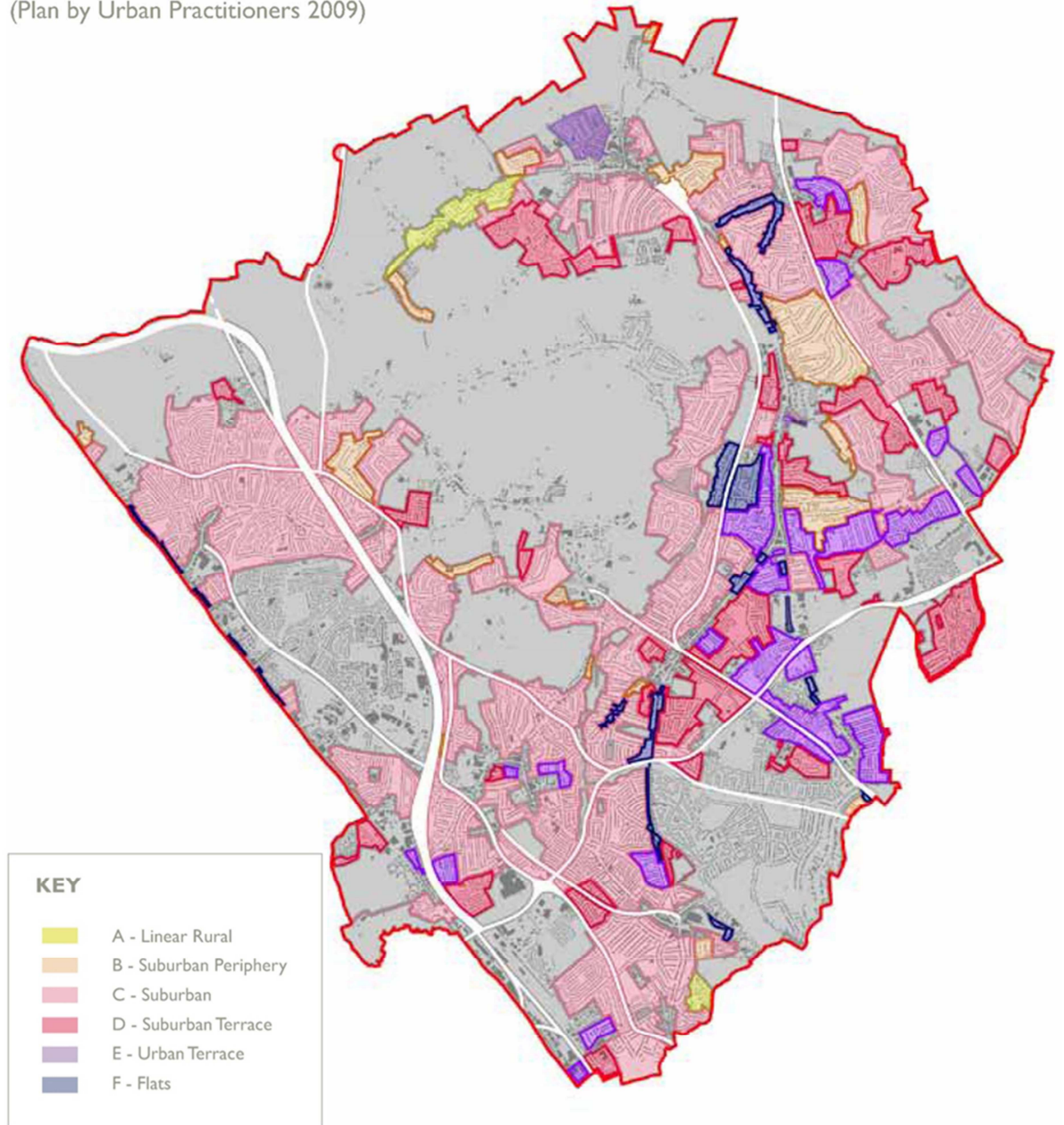
⁴ This applies for the new permitted development rights for flexible town centre uses, offices to residential and residential to HMO

2 - Summary of Barnet's built character

- 2.1 In understanding the context for the existing distribution of HMO across the Borough and the potential for new HMO it is necessary to focus on Barnet's built character. The Borough comprises a variety of townscapes, many attractive and reflecting the long history of settlements, influenced by topography and the pattern of transport routes. Large parts of the borough are designated as Conservation Areas in order to reflect their special character and value. The rest of the borough is made up of suburban areas with a population density of 41.1 people per hectare. This is lower than for London as a whole (52 people per hectare) but nearly ten times the figure for England (3.7 people per hectare). Density ranges from 17.3 people per hectare in Totteridge ward to 88.3 people per hectare in Burnt Oak ward.
- 2.2 Barnet's variety of density levels, buildings and townscape typologies reflect its historical development. The borough is predominantly suburban in character and is mainly made up from detached, semi-detached and terraced housing.
- 2.3 As part of the evidence base for Barnet's Local Plan the Barnet Characterisation Study was produced in 2010. The Study provides a detailed assessment of Barnet's built environment and identifies different architectural typologies and character areas in the borough and the pressures they face.
- 2.4 According to the Study there are three broad secondary typologies of buildings which account for much of Barnet's built residential environment. The typologies C - Suburban, D – Suburban Terrace and E – Urban Terrace all accommodate dwelling types which could readily be converted to small HMO (Use Class C4) or large HMO buildings (sui generis).
- 2.5 The distribution of these typologies is shown by Map 1. The grey shaded areas reflect the rural edge of the borough, the regeneration estates and the areas of Green Belt and Metropolitan Open Land. They also include 16 designated Conservation Areas such as Hampstead Garden Suburb and the Watling Estate where HMO may be less likely for HMO to develop because of greater planning restrictions.

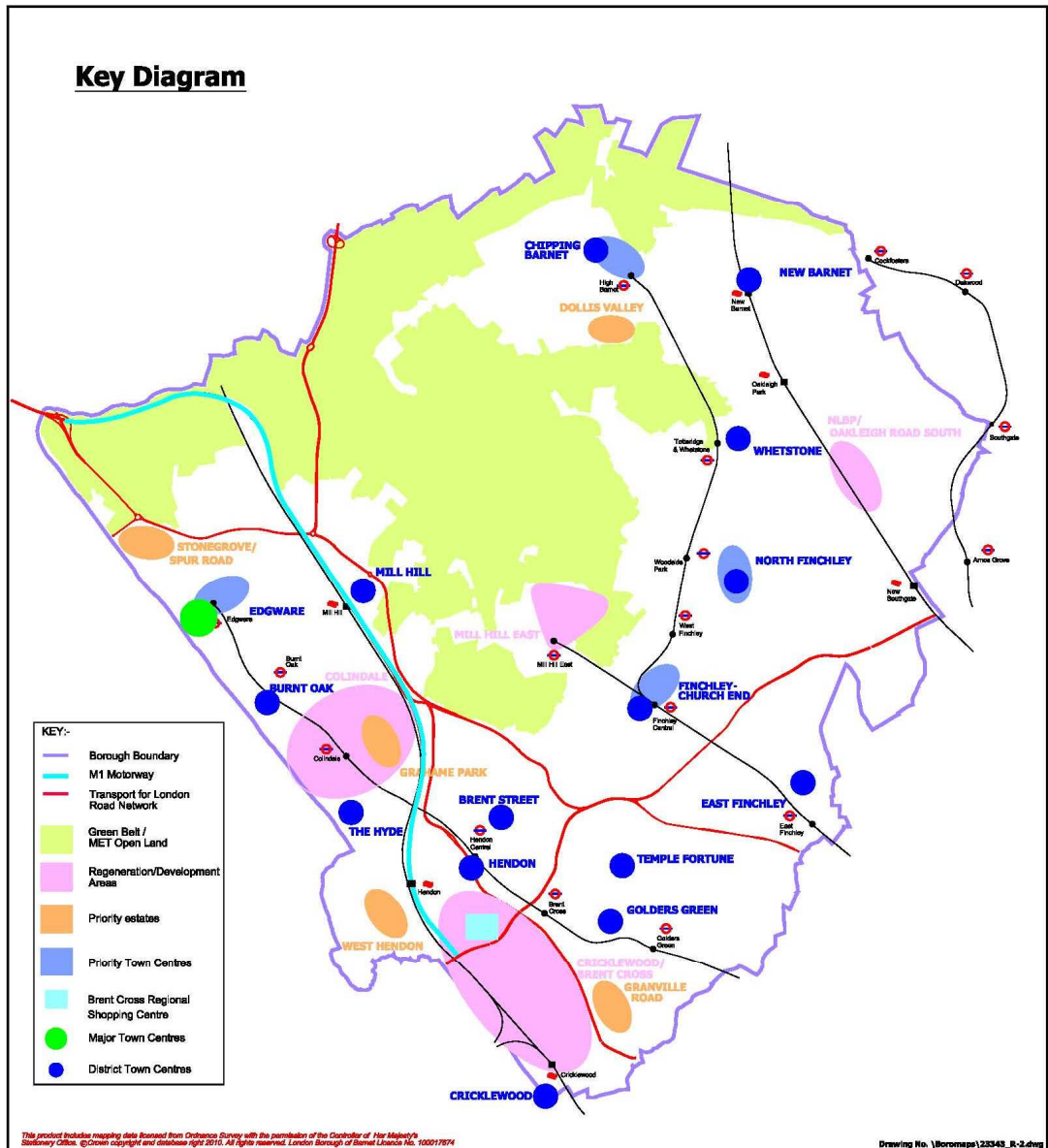
Map 1: Residential building typologies (secondary typologies) in Barnet

Secondary Typologies
(Plan by Urban Practitioners 2009)



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Map 2: Barnet Local Plan Key Diagram



2.6 Map 2 highlights the dominance of the Green Belt which accounts for around one third of Barnet's area. The Key Diagram also shows regeneration and development areas as well as the distribution of the larger town centres together with strategic transport links.

Public Transport Accessibility

- 2.7 Childs Hill, Golders Green and Hendon are the areas of the Borough with the highest levels of public transport accessibility (PTAL).
- 2.8 Access to radial bus travel may have a significant impact on the distribution of HMOs. Bus services into central London are in general better in the south and west of the borough. Areas closer to the centre of London benefit from quicker bus journey times.
- 2.9 Bus travel is also more affordable; a weekly bus pass, (£21) which covers the whole of London is a little over half the price of a Zone 1 to 3 travelcard for the tube (£37.70).

3 - Analysis of potential census data and estimate of total HMO in London Borough of Barnet

Census data and household numbers in Barnet

- 3.1 The Census defines a dwelling as either shared or unshared. A single unit of accommodation is when all rooms - including the kitchen, bathroom and toilet - are behind a door that only that household can use. Appendix 1 provides further detail on definitions.
- 3.2 The Census provides the baseline assessment of Barnet's housing stock. Table 1 provides a breakdown of accommodation type by household number and compares data between 2001 and 2011.

Table 1: Breakdown of Households by accommodation type

	Barnet Household Number 2011 (% of total)	Barnet Household Number 2001 (% of total)	Change in % of accommodation type between 2001 and 2011
All Accommodation	135,916	131,143	3.6
Unshared dwelling: Total	134,997 (99.3)	130,266 (99.3)	0
Whole house or bungalow: Total	77,803 (57.2)	79,554 (60.6)	-3.4
Whole house or bungalow: Detached	14,774 (10.9)	14,914 (11.3)	-0.4
Whole house or bungalow: Semi-detached	40,777 (30.0)	40,893 (31.1)	-1.1
Whole house or bungalow: Terraced (including end-terrace)	22,252 (16.4)	23,747 (18.1)	-1.7
Flat, maisonette or apartment: Total	57,027 (41.9)	50,524 (38.5)	3.4
Flat, maisonette or apartment: Purpose-built block of flats or tenement	43,172 (31.8)	37,158 (28.3)	3.5
Flat, maisonette or apartment: Part of a converted or shared house (including bed-sits)	11,493 (8.5)	10,864 (8.2)	0.3
Flat, maisonette or apartment: In commercial building	2,362 (1.7)	2,502 (1.9)	-0.2
Caravan or other mobile or temporary structure	167 (0.1)	188 (0.1)	0
Shared dwelling	919 (0.7)	877 (0.6)	0.1

Source: Census 2011 Table QS402UK and Census 2001 standard tables

- 3.3 According to the Census shared accommodation accounts for less than 1% of Barnet households. The Census reflects the term 'household' and

membership of it can be a question of fact and degree. For instance, no-one would argue that a family consisting of parents and children was anything other than a single household. However, many households contain individuals who are not related to each other but still regard themselves as a single unit. The Council considers that this does not represent all buildings which could be defined as HMO in planning terms in the borough.

- 3.4 HMO may also be included within other accommodation categories in the Census. The Census identifies **11,493** households living in flats or bedsits which are part of a converted or shared house. This number has increased by 0.3% since 2001 and represents 8.5% of the total housing stock in Barnet. The Council considers that a significant proportion of these **11,493** households will be HMO, in particular where there's a mixed picture over 'household' and whether facilities are shared. In addition to the converted or shared houses category there are **2,362** households in flats, maisonettes or apartments in converted commercial buildings some of which could also contain HMO. Finally there are the **919** households in shared accommodation. Combining these figures gives a total **14,774** households in units which could potentially be in use as HMO.
- 3.5 Charts 1 and 2 amplify Table 1 and provide a breakdown of accommodation types across the Borough. The Charts show that some wards (Hendon, Coppedge, Childs Hill and Colindale) have higher proportions of flats. This may indicate less future potential for HMO development. Other wards (Brunswick Park, Burnt Oak, East Barnet, Golders Green, Hale and Mill Hill) have higher concentrations of dwelling houses. Likewise this may indicate future potential for conversion to HMO.

Chart 1: Households by accommodation type by ward for 2011

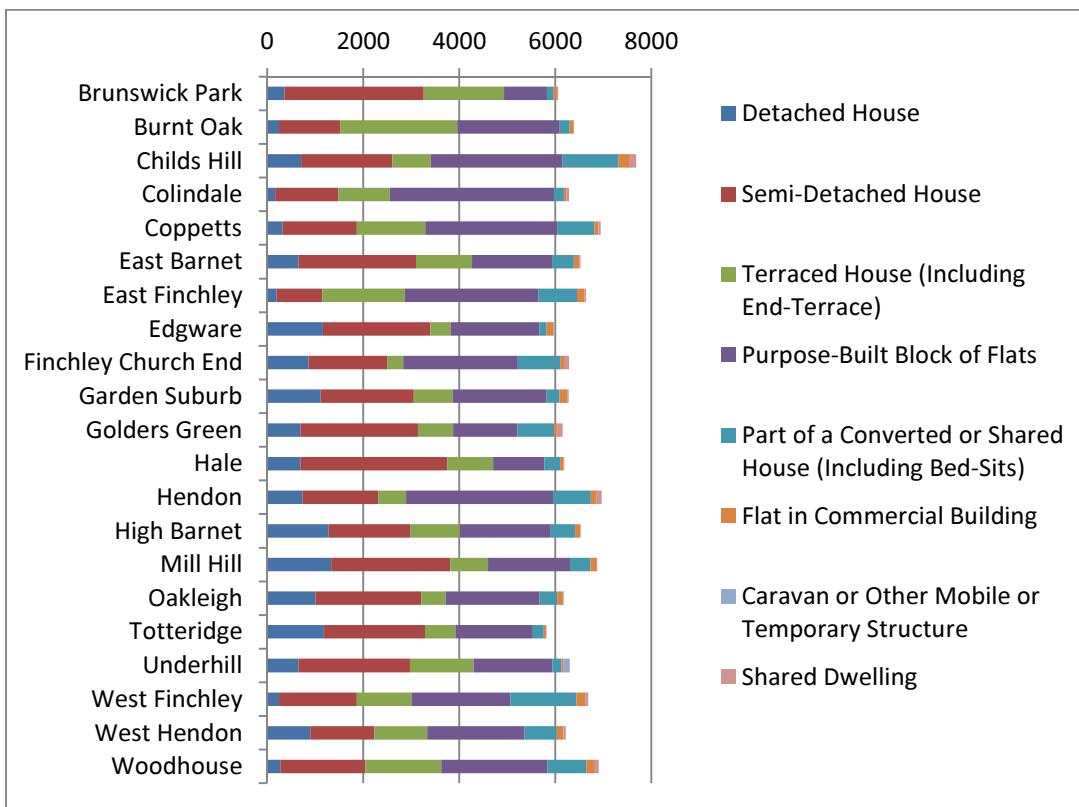
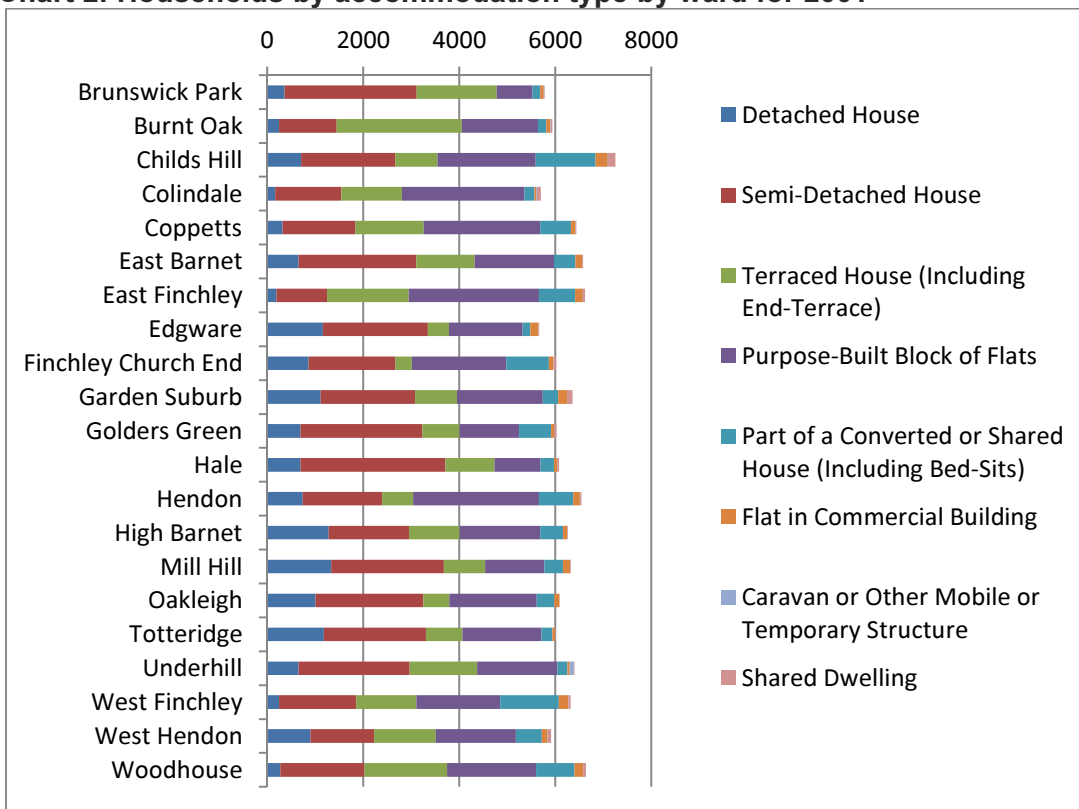


Chart 2: Households by accommodation type by ward for 2001



Erosion of Housing Stock

- 3.6 Table 1 demonstrates a steady erosion of detached, semi-detached and terraced housing through conversion to flats or in some cases conversion to HMO. There has been a reduction of 3.4% of the total stock of these house types. This erosion is further demonstrated in Table 2 which provides a breakdown of households by number of rooms. This shows a reduction between 2001 and 2011 of nearly 20% for households with more than 8 rooms. Accommodation with more than 6, 7 or 8 rooms could be considered as having potential for HMO (including Use Class C4).
- 3.7 The Census identifies the considerable increase in new build flats and apartments in the borough. This is amplified by London Borough of Barnet Authorities Monitoring Reports⁵. The Report for 2012/13 states that since 2004 there have been nearly 9,000 new flats developed in the borough representing 84% of the total new build residential development.
- 3.8 Table 2 also shows that the number of one room households increased by 27% between 2001 and 2011. A household is defined as one person living alone, or a group of people (not necessarily related) living at the same address who share cooking facilities and share a living room or sitting room or dining area. The definition of a room does not include bathrooms and could include a kitchenette ie a bedsit.

Table 2: Breakdown of households by number of rooms

Rooms	Total 2011	Total 2001	% Increase/decrease
All categories: Number of rooms	135,916	126,944	7.1
1 room	3,047	2,396	27.2
2 rooms	6,846	5,635	21.5
3 rooms	17,983	16,052	12.0
4 rooms	32,470	30,017	8.2
5 rooms	24,959	24,834	0.5
6 rooms	21,046	22,115	-4.8
7 rooms	12,762	11,877	7.5
8 rooms and above	16,803	14,018	-19.8

- 3.9 Reflecting Barnet’s suburban character Table 3 shows the average number of rooms per household across the borough. A household in Colindale has on average nearly two less rooms than a household in Totteridge or the Garden Suburb. Much of the borough has five rooms per household. This picture of rooms per household demonstrates the potential for HMO across the borough.

Table 3: Average number of rooms per household by ward

⁵ Barnet Authority Monitoring Reports can be found on London Borough of Barnet website http://www.barnet.gov.uk/downloads/download/1171/authorities_monitoring_report

Area	Average number of rooms per household
Barnet borough	5.1
Garden Suburb	5.9
Totteridge	5.7
Oakleigh	5.6
Edgware	5.5
Golders Green	5.5
Mill Hill	5.5
Brunswick Park	5.4
Finchley Church End	5.4
Hale	5.3
High Barnet	5.3
East Barnet	5.1
Underhill	5.1
Childs Hill	4.9
Woodhouse	4.9
Hendon	4.8
West Finchley	4.8
Coppetts	4.7
East Finchley	4.7
West Hendon	4.7
Burnt Oak	4.4
Colindale	4.2

Source: Census 2011 Table KS403EW

Census data and private rented accommodation

3.10 The Census provides detail of tenure and accommodation type. An extract of this data is provided in Table 4.

Table 4: Households by tenure and accommodation type

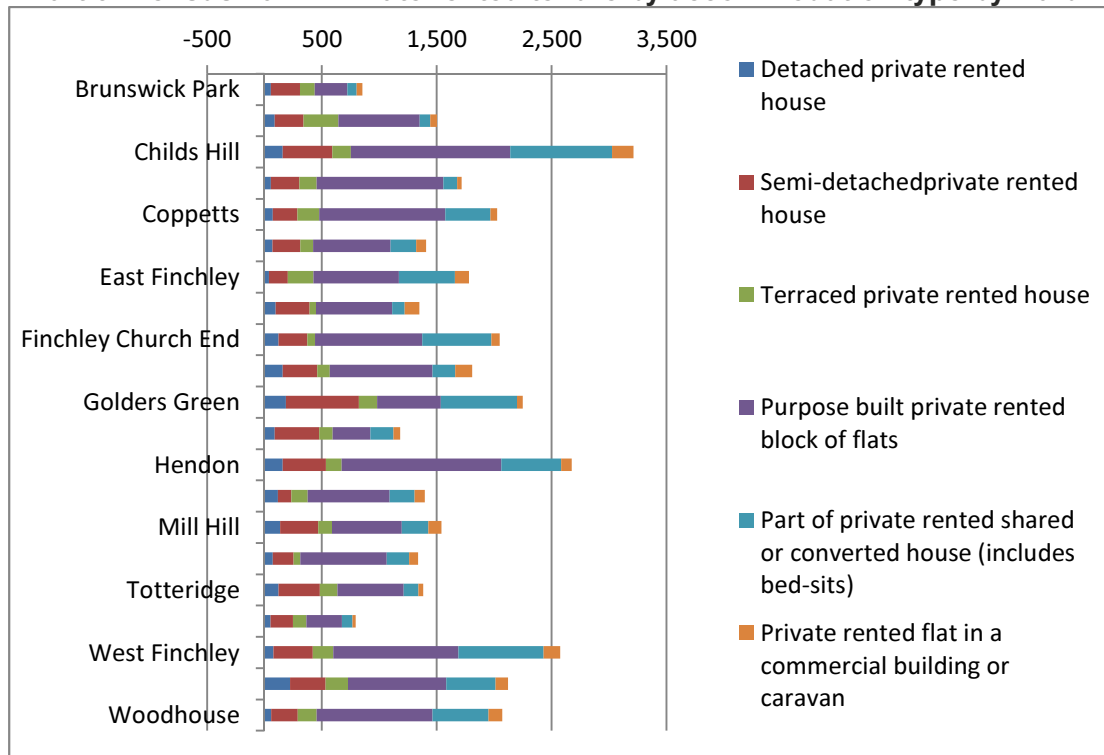
Types of accommodation	Households in Private rented: Private landlord or letting agent 2011 Census (% change with 2001 Census)	Households in Private rented: Private landlord or letting agent 2001 Census	Households in Private rented: Other private rented or living rent free	Total households living in private rented or living rent free (% of total households that are private rented or living rent free)
All Accommodation	33,175 (29.2%)	23,469	3,866	37,041
Whole house or bungalow	9,644 (22.2%)	7,512	1,735	11,379 (14.6)
Whole house or bungalow: Detached	1,777 (28.8%)	1,267	445	2,222 (15%)
Whole house or bungalow: Semi-detached	5,242 (23.9%)	3,991	876	6,118 (15%)
Whole house or bungalow: Terraced (including end-terrace)	2,625 (14.1%)	2,254	414	3,039 (13.6)
Flat, maisonette or	23,531	15,540	2,131	25,662

apartment: Total	(34%)			
Flat, maisonette or apartment: Purpose-built block of flats or tenement	15,173 (33.1%)	9,030	1,511	16,684 (38.6)
Flat, maisonette or apartment: Part of a converted or shared house (including bed-sits)	6,679 (27.1)	4,870	414	7,093 (61.7)
Flat, maisonette or apartment: In commercial building and other mobile or temporary structure	1,679 (2.3%)	1,640	206	1,885 (54.6)

Source: Census 2011 Table DC406QW and 2001 census area statistics

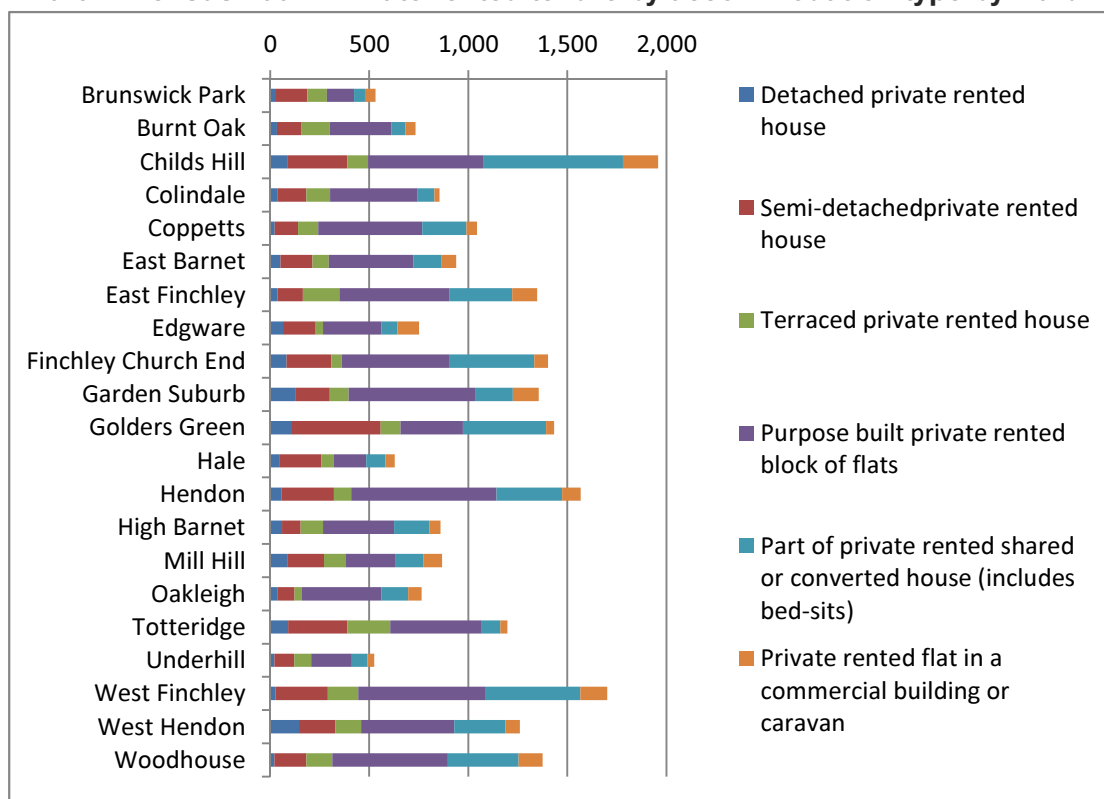
- 3.11 According to the Census the proportion of the all households which are privately renting in the borough is 27%. This figure varies considerably between houses and flats. The total percentage privately renting housing - either detached, semi-detached or terraced housing is 14%. This is lower than the total privately renting a flat, maisonette or apartment at 44%. The total households privately renting part of a converted or shared house highest at 62% or 7,093 units.
- 3.10 Comparison between the 2001 and 2011 Censuses demonstrates a significant increase in private rented accommodation in Barnet. Table 1 shows that the total stock of accommodation in Barnet has increased by 3% in the period whereas the increase in privately rented accommodation across the total housing stock has increased by 30%. This reflects national trends with a move from owner occupation to private renting. Unless this trend of growth in private renting changes significantly it is likely that HMO accommodation as a subset of the wider private rented sector will also continue to grow demonstrating the potential for future HMO in Barnet. This data is represented below by ward.
- 3.11 Charts 3 and 4 show the high level of private renting across the Borough with particular peaks in Childs Hill and Hendon. In making comparison of the Charts please note that the scale for 2011 goes up to 3,500 households

Chart 3: Census 2011: Private rented tenure by accommodation type by ward



Source: Census 2011 Table DC4402EW

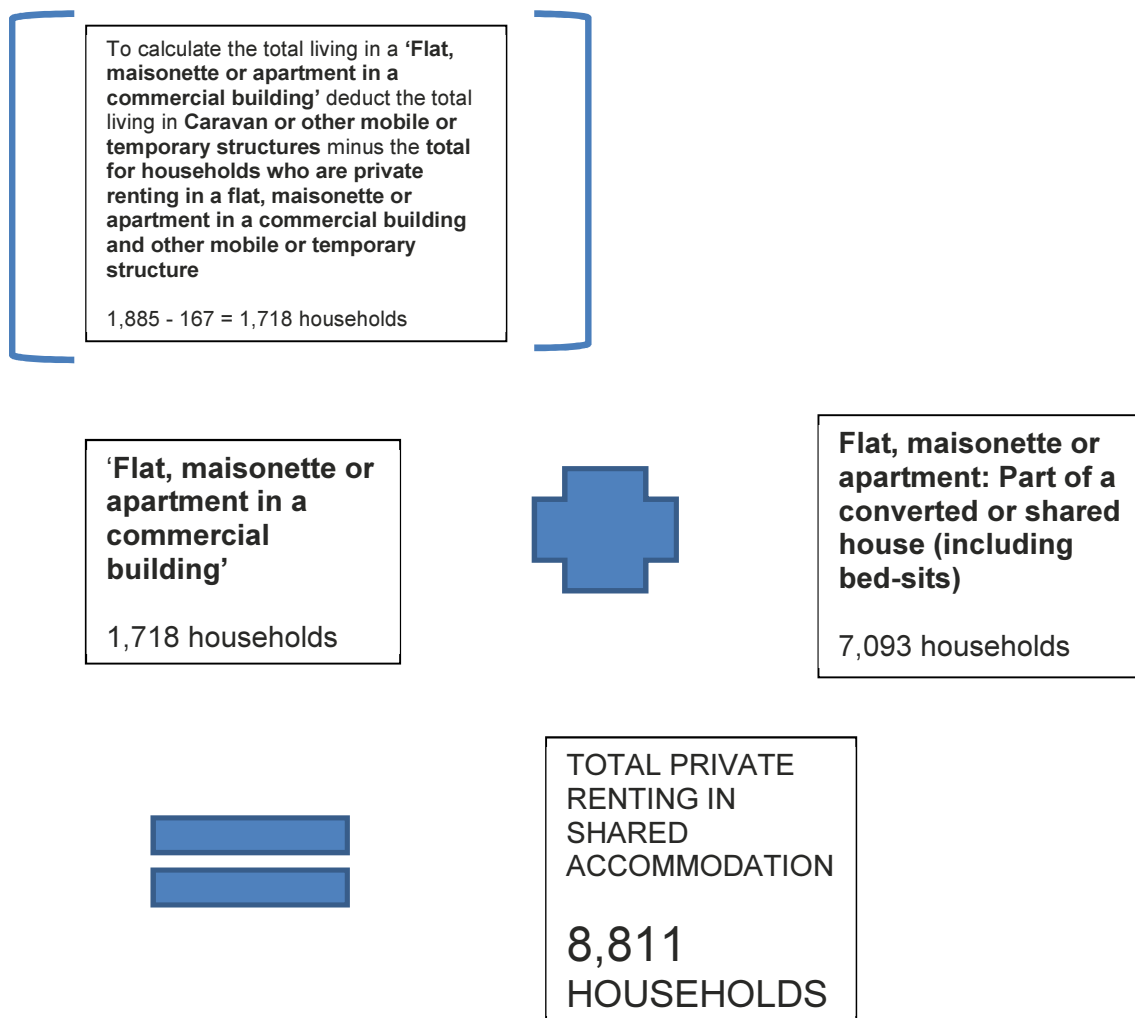
Chart 4: Census 2001: Private rented tenure by accommodation type by ward



Source: Census 2001 area statistics

Estimate of total potential HMO in Barnet from census data

3.12 In order to utilise Census data and have a clearer idea of the total number of households in privately rented shared accommodation the following calculation is necessary.



3.13 It is then assumed that of these **8,811** households a proportion will be self-contained flats that can be defined as s257 HMO⁶.

3.14 The next section provides further analysis to estimate a number of s254 HMO⁷.

⁶ The simple definition of a s257 HMO is a building converted into flats before the 1991 Building Regulations came into force and not subsequently not brought up to standard where less than two thirds of the flats are owner occupied. Alternatively it is where a house has been converted and does not meet the 1991 Building Regulations. See the Housing Act 2004: <http://www.legislation.gov.uk/ukpga/2004/34/section/257>

⁷ A simple definition of a section 254 HMO is one where a house is occupied by three or more unrelated persons, who do not form a single household

Estimate of total HMO in Barnet from analysis of Electoral Register and other datasets

- 3.15 It is reasonable to assume in estimating the number of HMO, that such accommodation will be occupied by people who are not related to each other. Addresses from the 2012⁸ Electoral Register with four or more people are a good indicator of HMOs in Barnet. According to the Electoral Register there are **1,976** houses with four or more people with different surnames. To avoid double counting the three other datasets were then cross referenced with each other and then the Electoral Register records to remove duplicate addresses. The following further data sources were assessed:
- London Borough of Barnet Council Tax database
 - Middlesex University registered accommodation database
- 3.16 The Barnet Council Tax database identifies properties for HMO purposes. In accordance with the Council Tax (Liability for Owners) Regulations 1992 Local Authorities are required to hold the owner rather than the occupiers responsible for Council Tax on HMO. The owner is normally the person who has a lease or, if none exists, a freehold interest in the whole dwelling.
- 3.17 The Barnet Council Tax database was then analysed for those properties exempt from Council Tax where all the occupants of that property are considered to be in full time education e.g. student housing. They are known as Council Tax exemption Class N.
- 3.18 Middlesex University Estate & Facilities Management Services compile a list of properties which landlords have registered with them for students to rent. This list identifies **674** properties and the number of beds per property. From this list the properties with 3 or more bedrooms were counted.
- 3.19 HMO Environmental Health Cases is a combined dataset involving HMOs. Cases counted are those received and closed between the June 2011 and the end of November 2014. The dataset includes complaints made on various issues including disrepair, overcrowding from a tenant or neighbour involving HMO or proactive investigations from Environmental Health. Duplicate addresses have been removed as have Licensed HMOs (under the current mandatory licensing scheme).

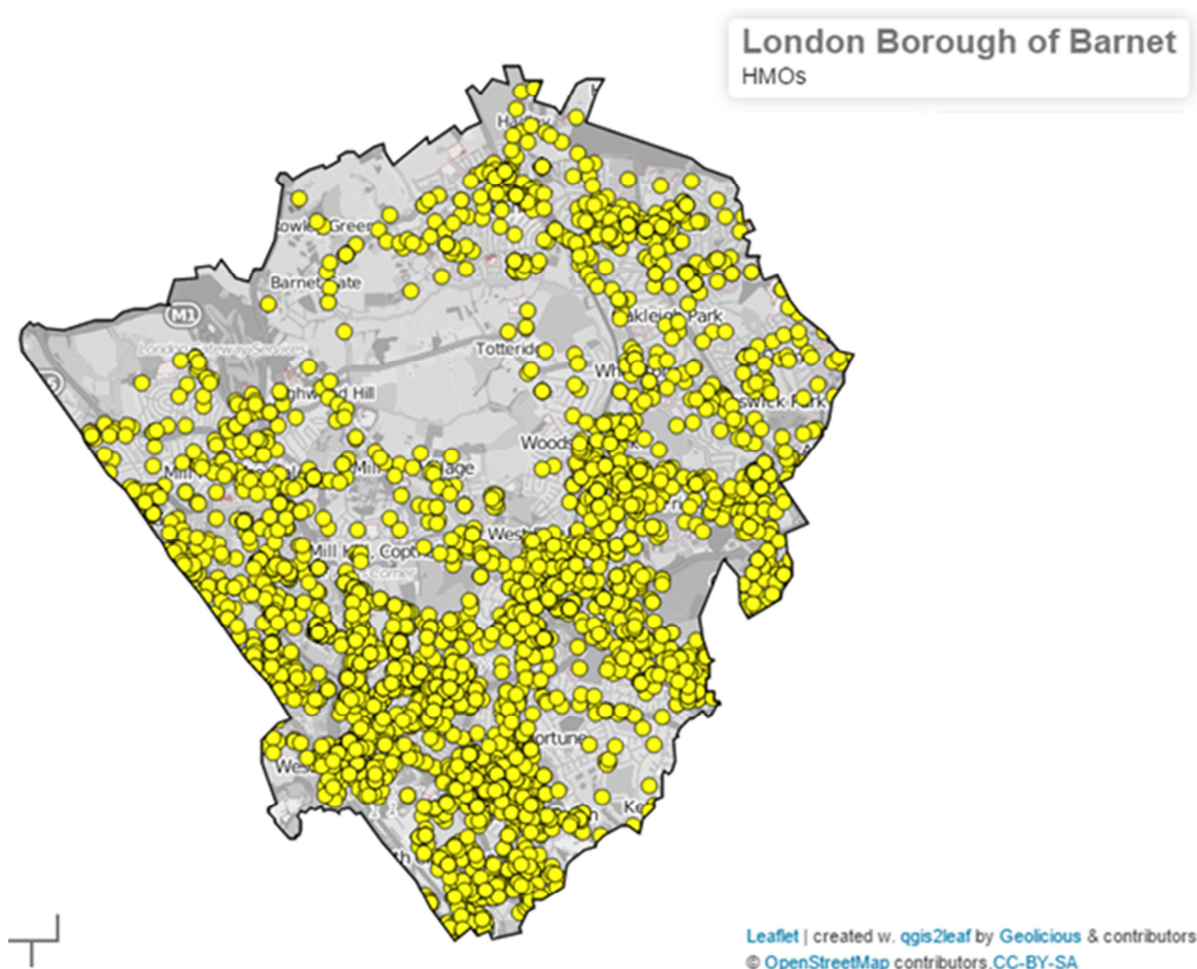
⁸ The 2012 Electoral Register was one of the first sources of evidence interrogated by the Environmental Health Service as part of the process of investigating the spread of HMO in Barnet.

Table 5: Summary of Electoral Register and other data sources

Datasets	Number of units identified for dataset	Number of duplicate addresses found with the other datasets	Total number of potential HMO identified for each dataset minus duplicate addresses
Electoral Register houses with more than 4 people	-	-	1976
Dwellings on Council tax dataset identified as HMO's	398	42	+ 356
Dwellings registered as exempt from Council tax (N exemptions)	1076	32	+ 1045
Dwellings on Middlesex University estates list with more than 3 bedrooms	290	14	+ 276
HMO cases Environmental Health	475	147	+ 328
		Total	3981

3.20 Table 5 identifies 3,981 units which can be reasonably considered HMO either as shared accommodation or bed-sit style. The distribution of these potential HMO are shown in Map 3.

Map 3: Distribution of Households indicated by Electoral Register and other data sources



Call Credit marketing data

3.21 In order to corroborate the estimate of **3,981** HMO in Table 5 the Council has access to Call Credit Information Groups consumer marketing data. This data comprises individual-level and household-level information about Barnet residents aged 16+. The consumer marketing data was last updated in February 2015.

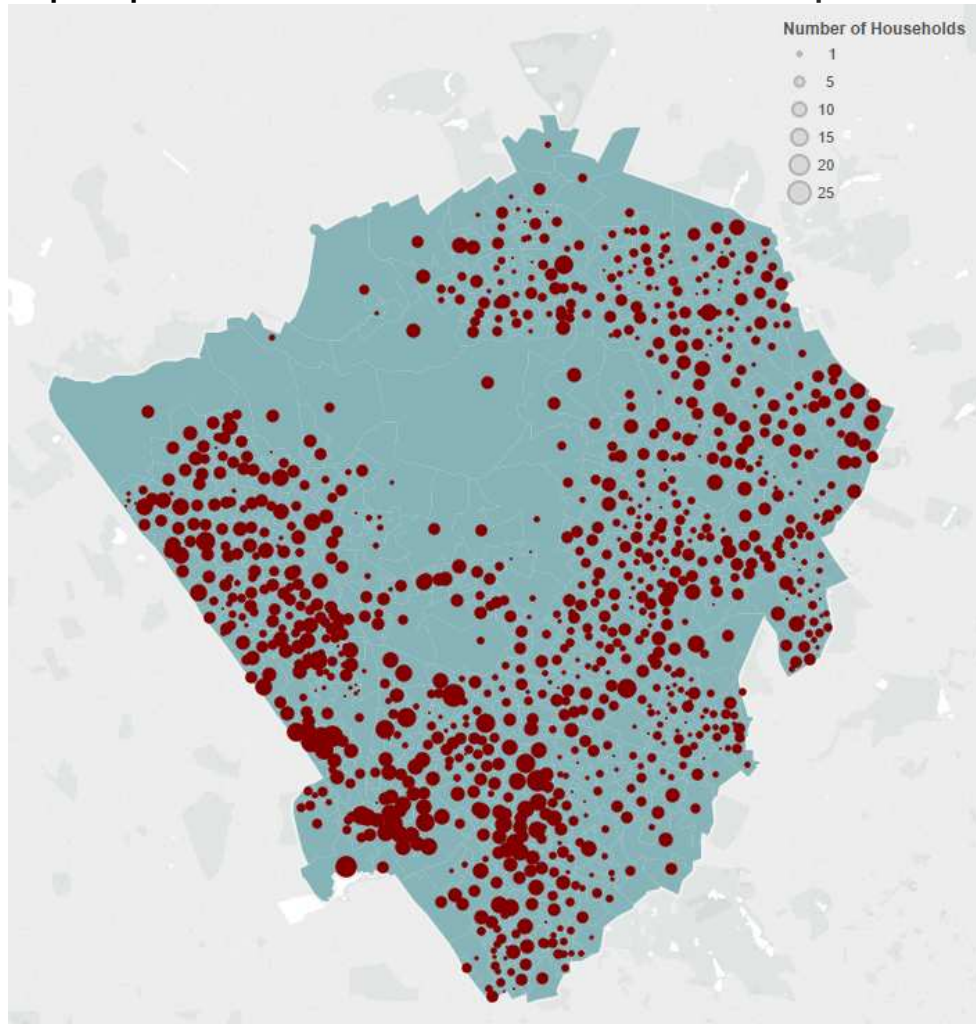
3.22 According to this data, about 95% of Barnet’s population resides in households with four people or less. Table 6 shows the number of households with five or more residents. The total of **5,567** households exceeds the **3,981** HMO in Table 5 because it will include families who share the same surnames.

Table 6: Postcode analysis of households with 5+ adults

Postcode	No. households 5+ adults
HA8	745
NW4	678

NW11	577
NW9	538
EN5	483
NW7	415
N12	388
N3	369
N20	311
NW2	241
EN4	226
N2	220
N11	160
N14	132
N10	75
NW3	6
HA7	3
Total	5,567

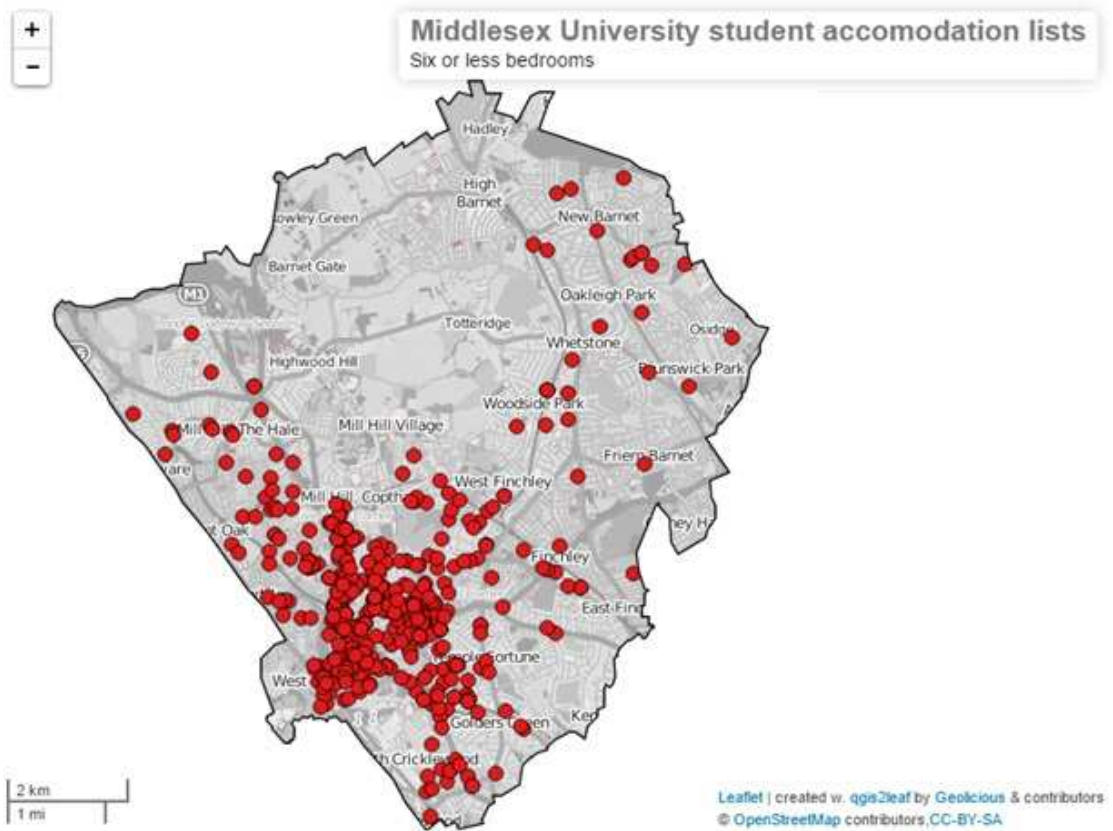
3.23 Table 6 reveals a spread of large households across the borough with Edgware (HA8) and Burnt Oak (HA8 & NW9) with large numbers of 5+ households along with West Hendon (NW4 & NW9), Childs Hill (NW11 and NW2) and Golders Green (NW11 & NW2). Map 5 shows concentrations of larger households in the south and west of Barnet, areas with long established Jewish communities and extended families sharing dwellings.

Map 5: Spatial distribution of Call Credit Information Groups with 5+ adults

Analysis of Middlesex University Accommodation

- 3.24 Middlesex University Estate & Facilities Management Services compile a list of properties which landlords have registered with them for students to rent. This list identifies **674** properties, containing **2,510** beds. The majority of these are conversions of houses or purpose built flats.
- 3.25 Not surprisingly Map 5 shows that most student accommodation is focused around the University Campus in Hendon. The concentration of student HMO in this area is specific to the University and should be factored out when considering the potential for the whole borough for future HMO development.

Map 5: Middlesex University distribution of student accommodation with six or less bedrooms



4 – Environmental Health data

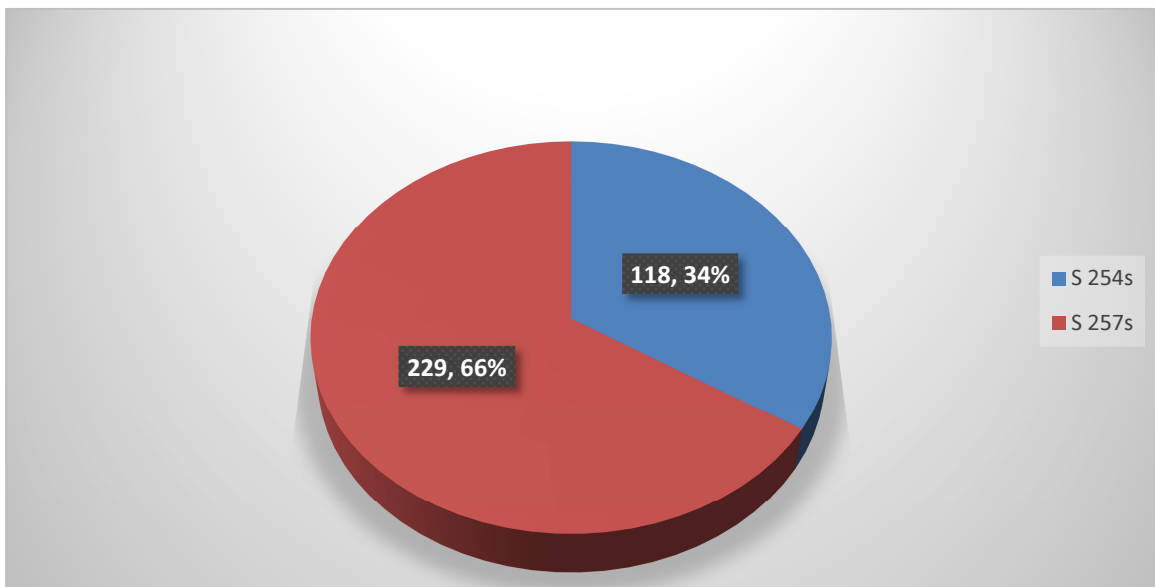
Licensed HMO

- 4.1 According to the Management of Houses in Multiple Occupation Regulations 2006 the landlord of a building has to have an HMO license if it is:
- at least 3 storeys high
 - has 5 or more unrelated people living in it
 - has 2 or more separate households living there
- 4.2 There are 149 licensed HMO in Barnet. This figure fluctuates as HMOs fall into and out of the mandatory licensing scheme.

Environmental Health HMO Street Survey and complaints

- 4.3 As part of the evidence base to support Additional Licensing of HMOs Barnet Environmental Health carried out a Street Survey in June 2014 with the primary objective to collect information on standards of management. The Street Survey involved a sample of properties in 110 streets across the borough (one in three properties were surveyed and in some cases this did not involve the whole street). The streets were chosen through local knowledge of concentrations of existing potential HMO. The location of existing licensed HMO; the tendency for HMO to locate in town centres; and the Middlesex University campus were all factors. This represented about **2,700** dwellings in **1,930** buildings.
- 4.4 Of the properties surveyed there was evidence that 18% of them were in use as HMO. Figure 1 shows the proportion which could be identified as either s254 or s257 HMO. In addition the Street Survey estimated that 48% of the parent buildings containing converted self-contained flats surveyed could be classified as s257 HMO. The remaining buildings were not considered to be HMO.

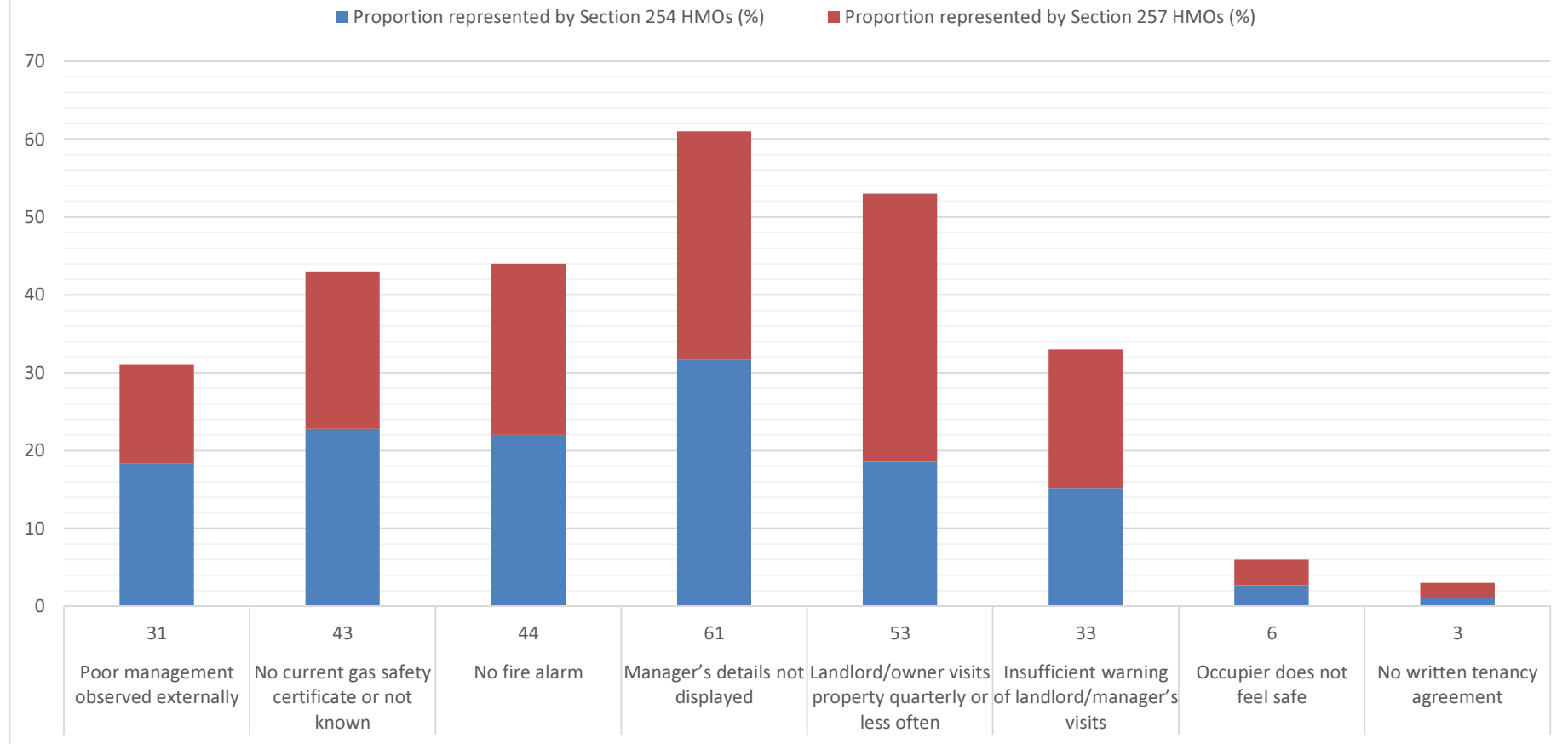
Figure 1: Number of HMO identified in the survey by type



The Street Survey focused on areas where there was already evidence of HMOs, although the survey covered other areas across the borough.

- 4.5 Figure 2 identifies the management issues highlighted in the Environmental Health HMO Street Survey. Management issues have been split between bed-sit style HMO (Section 254) and poorly converted houses (Section 257).

Figure 2: Proportion of HMOs with various management issues





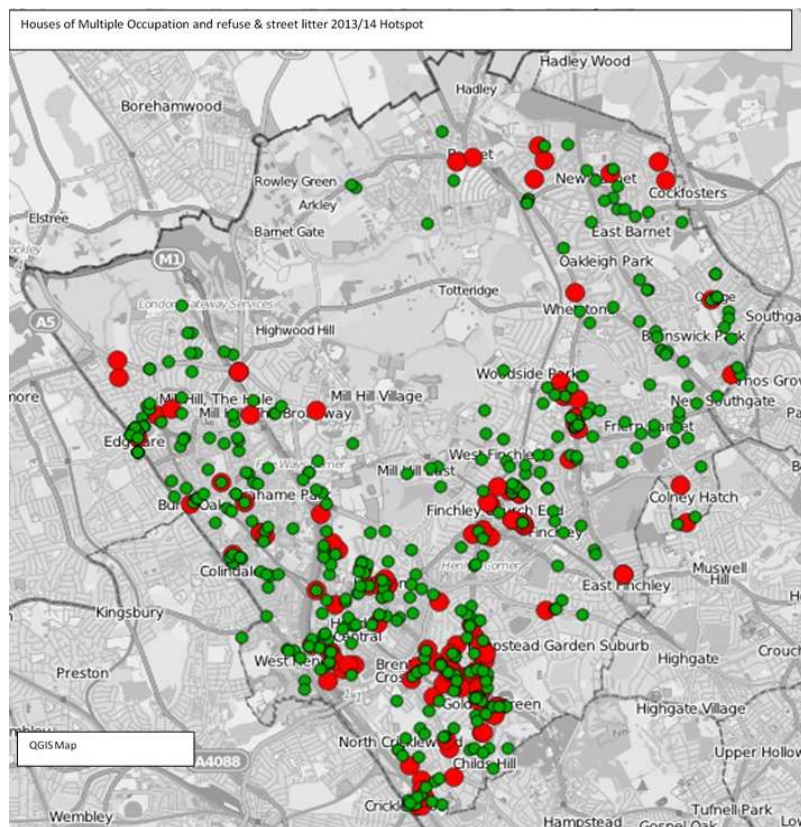
Council Complaints

- 4.6 Following the Environmental Health street survey, properties identified as being HMOs or where there was evidence of multiple occupation were cross-referenced against the Council's own Environmental Health service request records. In 39% of these cases, a record was found against the address, either in the form of housing service requests, or as general service requests such as noise nuisance, accumulations of rubbish, drainage defects or of pest infestations.
- 4.7 These complaints indicate poor property management and potential detrimental impact on amenity.
- 4.8 Maps 8 and 9 depict licensed HMO with red dots and the green dots the spread of various housing related complaints to the Council. As set out at para 4.8 not all HMOs are licensed. A small HMO within Use Class C4 which is 2 storeys high and has less than 5 people living in it is not subject to Licensing. Therefore the complaint may be related to a non-licensed HMO. While Map 8 focuses on HMO related complaints, Map 9 highlights complaints about refuse and street litter. The spread of complaints correlates as much with the urbanised areas of Barnet as it does with the distribution of licensed HMO. However given the correlation between areas with higher population density and litter and refuse as well as poor property management it can provide an indication of future HMO pressures.

Map 6: Licensed HMO and housing related complaints 2013/14



Map 7: Licensed HMO and refuse and street litter complaints 2013/14

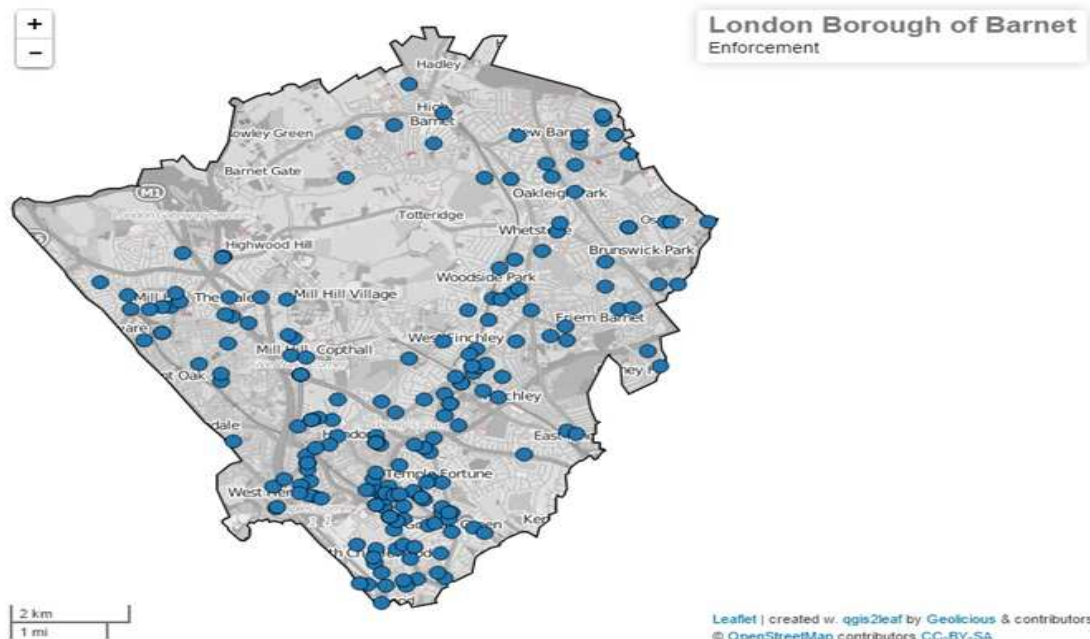


5 - Analysis of planning enforcement complaints and analysis of number of planning applications for HMO and car parking

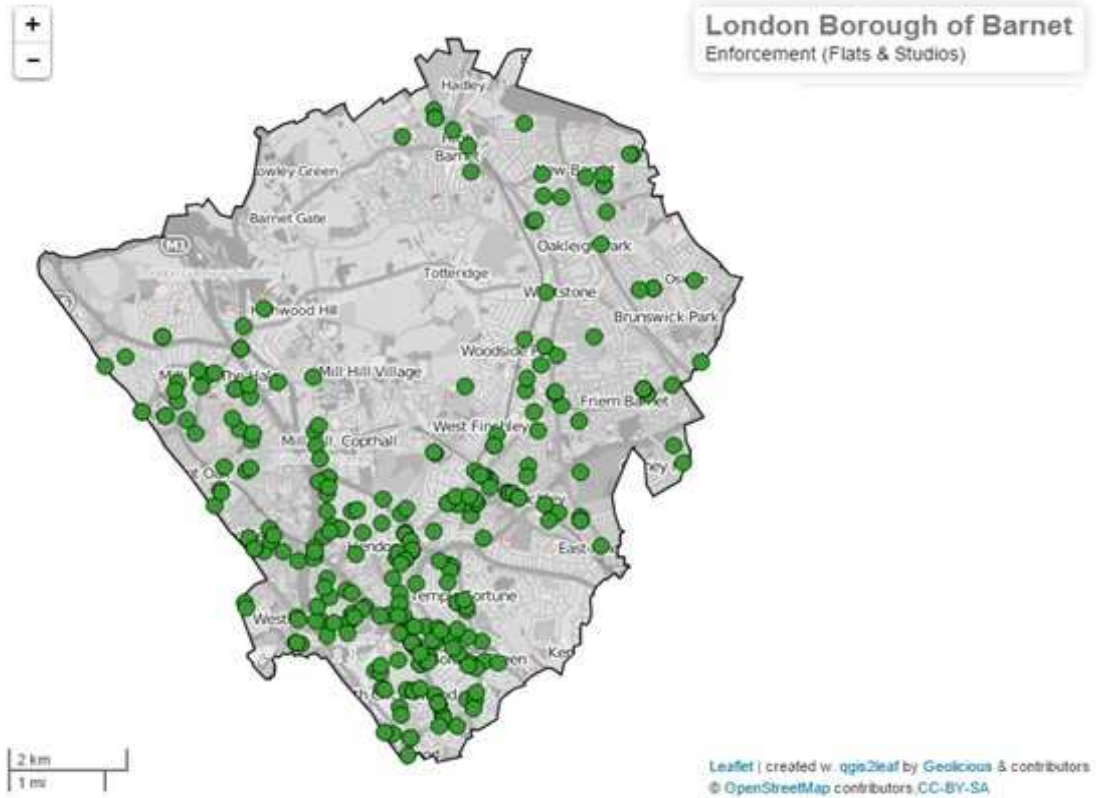
Planning Enforcement Complaints

- 5.1 Since 2010 there have been over 7,500 complaints made to planning enforcement. This data has been analysed for complaints relevant to HMO in order to consider the concentration and rate of increase. Multiple complaints for individual addresses have been removed to ensure that each complaint represents one address.
- 5.3 Initially the words 'sub' and/or 'conversion' were filtered to identify complaints relating to converted or sub-divided property. Then a second filter removed anything relating to loft conversions. The data was re-checked for specific references to HMO cases which had been missed.
- 5.4 Over 200 planning complaints specifically referenced HMO. Most HMO complaints originated in the NW11 (Golders Green) and NW4 (Hendon) postcode areas.
- 5.5 Further analysis of planning complaints data was carried out to assess unauthorised flat and studio conversions and the use of outbuildings (also known as 'beds in sheds'). These types of development are often associated with potential HMO. Nearly 280 complaints were identified for flats/studios and over 170 complaints were identified for outbuildings.
- 5.6 Maps 10, 11 and 12 show the distribution of planning enforcement complaints regarding potential HMO, flat / studio conversions and use of outbuildings for residential purposes. This series of Planning Enforcement maps reveal that NW11 (Golders Green) and NW4 (Hendon) are the focus of most complaints.

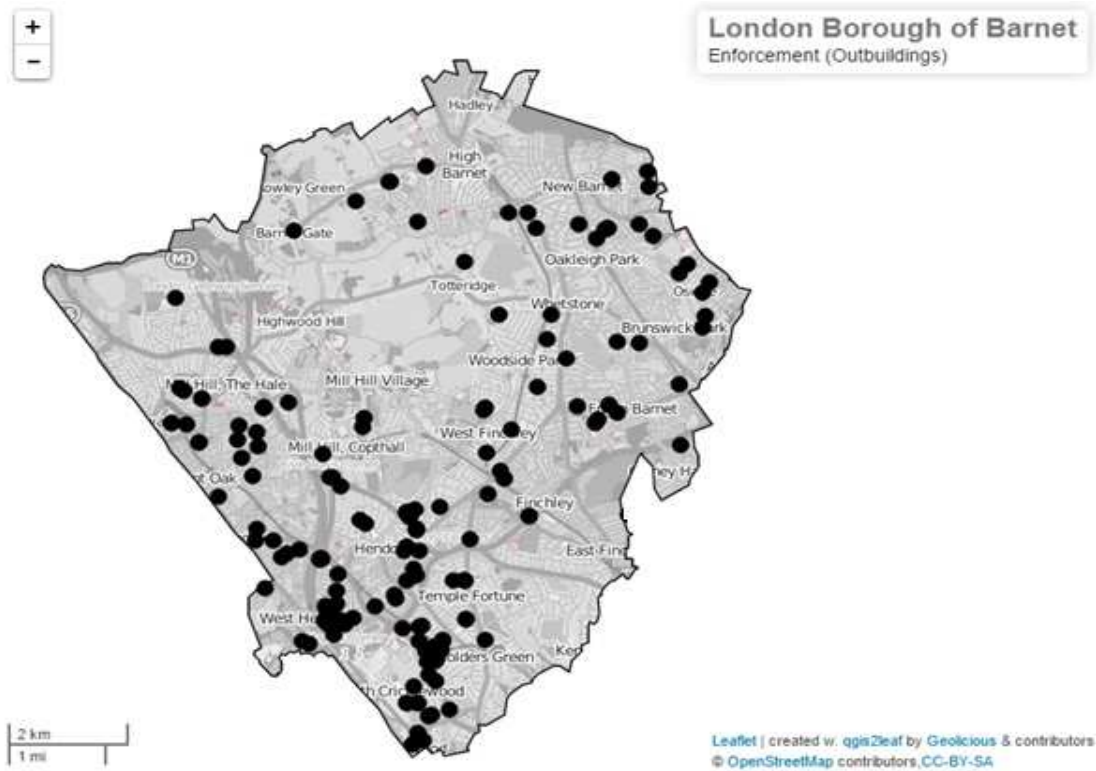
Map 10: Planning Enforcement Complaints - Potential HMO



Map 11: Planning Enforcement Complaints - Potential flat/studio conversions



Map 12: Planning Enforcement Complaints - Potential Outbuildings

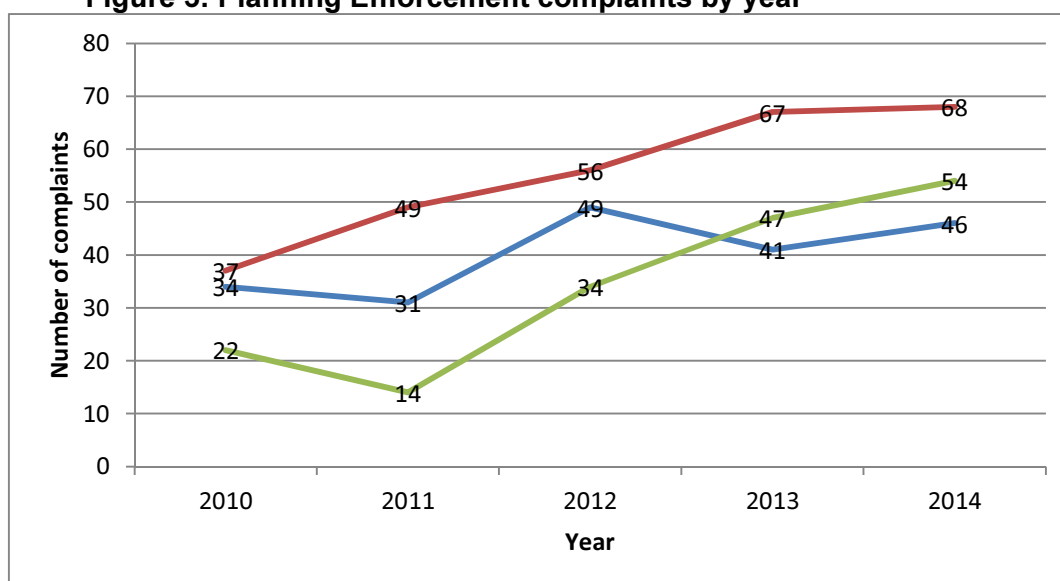


5.7 As shown by Table 7 and Figure 5 the number of complaints to Planning Enforcement about HMO and related issues is steadily rising. Complaints about outbuildings (beds in sheds) have doubled since 2010.

Table 7: Planning Enforcement Complaints

	2010	2011	2012	2013	2014	Total
HMO	34	31	49	41	46	201
Flat Studio	37	49	56	67	68	277
Outbuildings	22	14	34	47	54	171
Total	93	94	139	155	168	

Figure 5: Planning Enforcement complaints by year



Planning Applications

5.8 HMOs generally do not generate a high number of planning applications. Since the introduction of Use Class C4 only large new HMO of more than 6 residents have required planning permission. Table 8 shows HMO planning decisions since 2012.

Table 8: HMO Planning Decisions

Year	Applications	Address of applications	Decision Summary
2012	3	125 Friern Barnet Road, London, N11 3DY 41 Storksmead Road, Edgware, Middx, HA8 0JW 217 Golders Green Road, London, NW11 9BY	One application was refused and the other two were for conversion of existing HMO into flats.
2013	5	33 Manor Park Crescent, Edgware, Middx, HA8 7NE	Two refusals. One application which is ancillary to the existing

		<p>14 Ravenscroft Avenue, London, NW11 0RY</p> <p>258-260 Nether Street, London, N3 1HT</p> <p>69 Dallas Road, London, NW4 3JD</p> <p>90 The Drive, London, NW11 9UL</p>	<p>use. One 4 storey HMO building associated with a Missionary which was approved. One 5 bed conversion approved.</p>
2014	3	<p>112 Station Road, London, NW4 3SN</p> <p>122 Bedford Avenue, Barnet, Herts, EN5 2ET</p> <p>246 East Barnet Road, Barnet, Herts, EN4 8TF</p>	<p>Three refusals, two for conversion to an HMO and one for conversion from an HMO to flats.</p>

5.9 The principal reason for refusal of the applications was the impact of HMO on character and amenity. Although a low volume it should be noted that a third of the applications were for converting HMO to conventional housing.

On Street Car Parking

5.10 HMO can lead to increased parking stress through the number of occupants and levels of car ownership. Within Barnet a maximum of three parking permits are allowed per property, with additional provision for disabled space and business use. If a number of properties in a street are HMO and apply for the full allocation of permits then this will potentially cause increased parking stress. According to the 2011 Census 44.1% of Barnet households owned one car or van, 28.7% of households did not own a car or van, and 27.1% owned two or more cars or vans.

5.12 In response to local parking pressure the Council has introduced 32 controlled parking zones (CPZ) in Barnet. Each CPZ has its own days and hours of operation. Parking controls are applied to every street in a CPZ with waiting restrictions identified. CPZs have been created to:

- make it easier for residents to park near their homes
- increase the turnover of parking to help users of local services, businesses and shops
- ease congestion caused by inconsiderate and inappropriate parking
- help provide facilities for loading and for people with disabilities

Table 9: Average permit per property

CPZ Name	Number of permits	Number of Streets	Number of properties	Average permit per property
Golders Green (Zone H, H2 and G)	7,021	99	13,031	1.1
North Finchley (Zone FN)	7,640	84	9,709	1.2
West Hendon (Zone WHH, WH3 and H2)	3,722	42	4,116	0.9

5.14 Of the 32 CPZ there are a number which coincide with potential areas with concentrations of HMO. The following CPZ areas have been identified:

- Cricklewood (Zones C1, CT and CW)
- Golders Green (Zone H, H2 and G)
- Hendon (Zones HC1, HC2 and HC3)
- North Finchley (Zone FN)
- West Hendon (Zone WHH, WH3 and WH2)

5.15 Table 9 summarises the assessment of CPZ in Golders Green, North Finchley and West Hendon and highlights that the average permit per property is close to one across each of the three CPZ areas analysed. There are exceptions within this. In West Hendon there are four streets which have an average above two permits per property, in North Finchley there are seven streets and in Golders Green there are four streets. This could demonstrate emerging parking stress in these specific locations although the number of permits will vary over time and this is a snapshot at a particular point in time.

6 - Crime and Anti-social behaviour

6.1 Increased crime and anti-social behaviour are often linked to areas of HMO. Concentrations of young and transient social groups, living in relatively insecure accommodation can lead to increased levels of burglary and crime. In addition the stereotypical perception of drunken behaviour from students, is often considered to be anti-social⁹ by families or elderly residents.

6.2 The following tables set out crime statistics and anti-social behaviour across Barnet's wards. The crime rate is the number of crimes per 1,000 head of population for that month. The wards with a higher than average level of crime or anti-social behaviour are highlighted in bold.

Table 10: Anti-social behaviour, February 2015

Ward▲	Crime count	Crime rate
AVERAGE CRIME RATE		1.56
Brunswick Park	13	0.79
Burnt Oak	29	1.59
Childs Hill	47	2.34
Colindale	64	3.74
Coppetts	31	1.80
East Barnet	15	0.93
East Finchley	13	0.80
Edgware	31	1.85
Finchley Church End	16	1.02
Garden Suburb	21	1.32
Golders Green	39	2.07
Hale	19	1.09
Hendon	31	1.68
High Barnet	32	2.09
Mill Hill	24	1.30
Oakleigh	19	1.20
Totteridge	12	0.79
Underhill	26	1.63
West Finchley	28	1.69
West Hendon	16	0.92
Woodhouse	29	1.65

Source: Met Police <http://maps.met.police.uk/access.php>

Table 11: Residential burglary, February 2015

Ward▲	Crime count	Crime rate
AVERAGE CRIME RATE		0.65

⁹ Anti-social behaviour is defined as “acting in a manner that caused or was likely to cause harassment, alarm or distress to one or more persons...”

Ward▲	Crime count	Crime rate
Brunswick Park	16	0.98
Burnt Oak	6	0.33
Childs Hill	25	1.25
Colindale	4	0.23
Coppetts	8	0.46
East Barnet	12	0.74
East Finchley	10	0.61
Edgware	9	0.54
Finchley Church End	19	1.21
Garden Suburb	14	0.88
Golders Green	12	0.64
Hale	7	0.40
Hendon	13	0.70
High Barnet	10	0.65
Mill Hill	10	0.54
Oakleigh	7	0.44
Totteridge	12	0.79
Underhill	8	0.50
West Finchley	10	0.60
West Hendon	10	0.57
Woodhouse	11	0.63

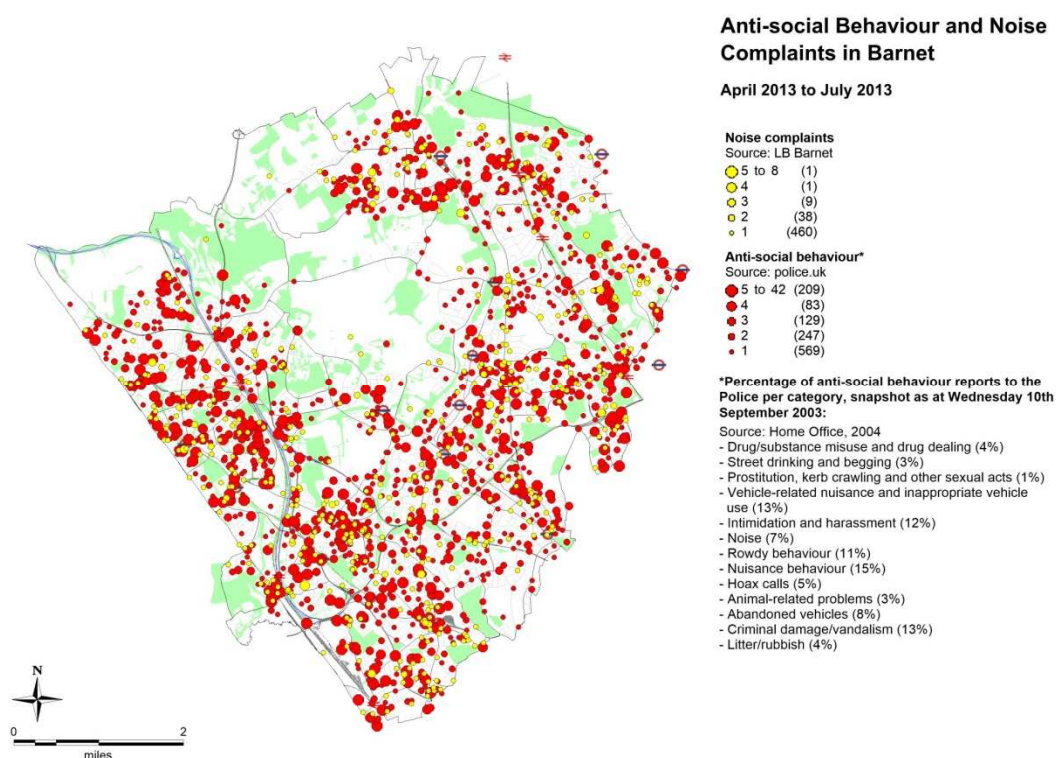
Table 12: Theft from a motor vehicle, February 2015

Ward▲	Crime count	Crime rate
AVERAGE CRIME RATE		0.50
Brunswick Park	5	0.30
Burnt Oak	4	0.22
Childs Hill	24	1.20
Colindale	4	0.23
Coppetts	12	0.70
East Barnet	2	0.12
East Finchley	11	0.68
Edgware	9	0.54
Finchley Church End	7	0.45
Garden Suburb	13	0.82
Golders Green	15	0.80
Hale	5	0.29
Hendon	7	0.38
High Barnet	10	0.65
Mill Hill	17	0.92
Oakleigh	4	0.25
Totteridge	1	0.07

Ward	Crime count	Crime rate
Underhill	9	0.57
West Finchley	5	0.30
West Hendon	6	0.34
Woodhouse	10	0.57

- 6.3 The evidence provides a snapshot of crime and anti-social behaviour. Two wards with concentrations of HMO; Golders Green and Childs Hill have high levels of anti social behaviour. With regards to theft from a motor vehicle Golders Green and Childs Hill both have higher than average crime rates although as does the Garden Suburb. With regards to residential burglary Childs Hill has the highest crime rate.
- 6.4 Map 13 provides a more comprehensive assessment than the snapshot presented in Table 7. The analysis was produced by Barnet Council's Customer Services Group as part of a more detailed investigation into the reporting of noise complaints.
- 6.5 The noise complaints data from LB Barnet covers the quarter April 2013 to July 2013 and contains unique property reference numbers which enable it to be mapped. Noise complaints to the Metropolitan Police fall into the anti-social behaviour category and this is only available as an aggregation of all anti-social behaviour reported. The data is published on the Metropolitan Police website (police.uk) and the aggregated monthly totals of anti-social behaviour at street level for the period April 2013 to July 2013 have been mapped.

Map 13: Anti Social Behaviour and Noise Complaints in Barnet



- 6.6 The spread of anti-social behaviour in Map 13 corresponds with the urbanised parts of the borough and provides an interesting picture in terms of the greater prevalence about complaints of anti-social behaviour and noise in the most urbanised areas of Barnet.

Conclusions

- The Census analysis identifies that there are 8,811 units in the private rented sector in shared or converted houses which could potentially include HMO. The electoral register and data sources analysis evidences that 3,981 units could reasonably be considered shared accommodation or bed-sit style HMO.
- The Census analysis also identifies that there has been a reduction of 3.4% of the total stock of family housing since the 2001 census.
- The Environmental Health Street Survey identified concerns about standards of management of HMO. The Survey involved a sample of properties across the borough and areas were chosen according to the greatest incidence of licensed HMOs under the mandatory scheme and through local knowledge of concentrations of existing potential HMO.
- The Street Survey sample was cross-referenced against the Council's own housing and nuisance complaints records to Environmental Health which demonstrated high levels of complaints received where HMOs and potential HMOs were identified.
- The analysis of Middlesex University student accommodation shows the concentration as would be expected is in and around the University Campus in Hendon.
- Planning enforcement complaints data was analysed for HMO and flat conversions. The data shows that both NW11 (Golders Green) and NW4 (Hendon) are the most predominant postcode areas for complaints although there is coverage across the borough. Levels of complaints regarding HMO, flat conversions and 'beds in sheds' have been steadily rising.
- The analysis of Controlled Parking Zones where known concentrations of HMO exist did not demonstrate clear parking stress across a CPZ. However streets with high levels of permits per property can be identified.
- The layers of evidence have helped present a picture of increasing prevalence of HMO in London Borough of Barnet with increasing amenity issues evidenced by complaints data. The potential for new HMO is clear from both the demand and supply side with affordability the biggest driver and ample suitable housing stock across the whole borough available for conversion.

Appendix 1: Definitions of Houses in Multiple Occupation

Houses in Multiple Occupation are defined variously depending on the regulatory framework.

Planning

Within the planning system a HMO can be either a house split into separate bedsits, a shared house or shared flat. A property does not need to be converted or adapted in any way to be classified as a HMO.

Small HMOs are classified as Use Class C4 when occupied by between 3 and 6 unrelated individuals who share basic amenities such as a kitchen or bathroom facilities. Dwelling houses are classified as Use Class C3. Permitted development ('PD') rights exist to change use between C3 and C4 and back again without planning permission.

Use Class C4 creates small HMOs. Larger HMOs are properties occupied by more than 6 unrelated individuals who share basic amenities such as a kitchen or bathroom facilities. They are classified as 'sui generis' (a use like no other) and always require planning permission.

Housing

An HMO can be summarised under Section 254(2), (3) & (4) as a building or part of a building, such as a flat which: -

- is occupied by two or more households, who share or lack one or more basic amenities such as a bathroom, toilet or cooking facilities
- is a converted building containing one or more units of living accommodation which do not consist entirely of self-contained flats and are occupied by two or more households

and where in either case mentioned above, the living accommodation is occupied by persons as their only or main residence and rents are payable or other consideration provided by at least one of the occupiers and the occupation of the living accommodation is the only use of that accommodation

or under Section 257

- is a building converted into self-contained flats, but does not meet as a minimum standard, the requirements of the Building Regulations 1991 and where less than two thirds of the flats are owner occupied.¹

¹For these purposes, a flat is "owner occupied" if it is occupied: -

- (a) by a person who has a lease of the flat which has been granted for a term of more than 21 years,
- (b) by a person who has the freehold estate in the converted block of flats, or
- (c) by a member of the household of a person within (a) or (b) above.

For more detailed definitions, please refer to Sections 254 – 259 of the Housing Act 2004

Council Tax

Local Authorities are required to hold the owner rather than the occupiers responsible for Council Tax on houses in multiple occupation (HMO). The owner is normally the person who has a lease or, if none exists, a freehold interest in the **whole** dwelling. This is in accordance with The Council Tax(Liability for Owners) Regulations 1992.

A house in multiple occupation is **any type** of dwelling which:

- (a) was originally constructed or subsequently adapted for occupation by persons who do not constitute a single household; **or**
- (b) is occupied by one or more people, each of whom –
 - a. is a tenant or licensee of **part only** of the house, flat etc.(e.g. renting a room only) **or**
 - a. has a licence to occupy the dwelling as a whole but who does not pay rent or licence fee for the whole dwelling.

What is a single household?

For Council tax purposes there is no legal definition of what constitutes a single household. The expression 'household' and membership of it is a question of fact and degree. Similar circumstances may result in a different outcome depending on the extent to which the varying constituents are present. For instance, no-one would argue that a family consisting of parents and children was anything other than a single household. However, many households contain individuals who are not related to each other but still regard themselves as a single unit. The following considerations are neither exhaustive nor in any order of priority but should prove useful guidance.

Considerations:

The size of the household; the size of the dwelling; the type and extent of any communal living; use for temporary periods only; use of shared facilities; the degree of anonymity; the extent to which independent lifestyles are pursued; did the occupiers come to the property as a group or were they 'recruited' separately? Fluctuating or fixed membership; mode of living – who does the shopping, cleaning, cooking? Are external locks fitted to the bedroom doors, kitchen units? How are gas, electricity, water and telephone bills resolved?

The Census

The census defines a dwelling as a unit of accommodation in which all rooms - including the kitchen, bathroom and toilet - are behind a door that only that household can use. A dwelling may comprise one or more household spaces (the accommodation used or available for use by an individual household).

A dwelling may also be classified as shared or unshared. A dwelling is shared if:

- the household spaces it contains have the accommodation type 'part of a converted or shared house'
- not all of the rooms (including kitchen, bathroom and toilet, if any) are behind a door that only that household can use, and
- there is at least one other such household space at the same address with which it can be combined to form the shared dwelling.

Dwellings that do not meet these conditions are considered unshared dwellings by the census.

