

REPORT TO: Environment and Urban Renewal Policy and Performance Board

DATE: 15th November 2023

REPORTING OFFICER: Executive Director - Environment & Regeneration

PORTFOLIO: Environment and Urban Renewal

SUBJECT: Houses of Multiple Occupation - Working Party Update

WARDS: Borough wide

1.0 PURPOSE OF THE REPORT

1.1 To update the Board on the progress of the Houses of Multiple Occupation (HMO) Action Plan, endorsed by the Board at the 15 February 2023 meeting.

2.0 RECOMMENDATION: That the Board notes the progress against the action plan (Appendix 1).

3.0 SUPPORTING INFORMATION

3.1 A discussion paper was presented to the Board on 21 September 2022, with a Working Party then established to consider those recommendations in more detail.

3.2 The Working Party (WP) met for the first time on the 27 October 2022, the 19 December, the 14 February 2023, and most recently on 3 October 2023.

3.3 Over the summer, independent studies have been undertaken (by MetaStreet and ORS) to provide a detailed evidence base on the makeup of Halton's housing stock.

3.4 The following progress has been made since the last update to PPB in June 23:

- Adoption of a Halton Council "HMO - Amenity Standards for Licenced Premises" policy at the 14 September 2023 Executive Board. The 'Amenity Standards' document, was produced and endorsed by the PPB, and is now adopted as Council policy.
- A Supplementary Planning Document (SPD) to provide additional planning policy inputs on HMO planning applications has been drafted by the Working Party and will be considered by the PPB (under a separate report cover). The SPD seeks to introduce explicit planning controls on: concentration of HMOs; restricting sandwiching of properties by HMOs; restricting three or more adjacent HMOs; explicitly incorporate property standards; introduce explicit criteria to protect the amenity of neighbours.

- 3.5 The independent survey company, ORS (Opinion Research Services), have undertaken a detailed survey of properties within the West Bank area to identify the number of private rental properties and the number of smaller and unlicensed HMO's. The survey sought to identify tenure, property type e.g. self-contained flat, HMO and the number of unrelated occupants who do not form the same household and share facilities. Although the study did not identify a large number of HMOs in the area, it did show that the local housing market is dominated by rental properties (both private and social landlord). This factor may well account of the community perception that the character of the West Bank is changing. The survey concludes that is currently insufficient evidence to support additional or selective property licensing, or an Article 4 Direction, in the West Bank area however this position will be kept under review. A summary of the survey results and associated conclusions is provided in Appendix 2 to this report.
- 3.6 The results of the MetaStreet study are being finalised and will be report to the PPB in due course. MetaStreet are producing a stock condition and impacts report. This evidence document will investigate and assess the following factors across the borough:
- Accurate information on the current levels of private rental sector properties and tenure change over time by ward.
 - Accurate information on the current level of unlicensed smaller HMO's (3-4 Occupants) by ward
 - Levels of serious hazards that might amount to a Category 1 hazard or high scoring category 2 hazard (HHSRS) across the private rented sector by ward.
 - Ward level information on housing related stressors, including antisocial behaviour (ASB), crime, deprivation, and population changes including migration linked to the private rented sector in general and houses in multiple occupation specifically.

4.0 POLICY IMPLICATIONS

- 4.1 Members wish to ensure that any HMOs or privately rented accommodation provide suitable standards of housing for their tenants.
- 4.2 In regard to certain issues, like the condition of premises, antisocial behaviour, and management of domestic refuse, the Council has existing powers that can be used to tackle persistent nuisances.
- 4.3 As a result of the Working Party, new policy has been adopted by the Council has been adopted in the form of the HMO - Amenity Standards for Licenced Premises policy. A new supplementary planning document to introduce further planning controls on HMO will be considered by the PPB at the meeting (under separate report cover).
- 4.4 The Working Party has used West Bank as a focus area for review in order to understand the composition of HMOs as a proportion of housing stock. This has been conducted via a thorough review of available data sources. These have included:
- Independent ORS 'door knock survey' of 552 private houses

- Collaboration with the Police to review crime and complaint data
- Analysis of Environmental Health complaint data
- Waste Management Service complaint data
- Local knowledge from Councillors
- Analysis of Council Tax records
- Analysis of planning records

4.5 From the analysis of the above data sources it was concluded by the Working Party that the evidence does not show a proliferation of small HMOs across West Bank. Whilst there is currently insufficient evidence to support additional or selective licensing of private rental properties, or the introduction of an Article 4 Direction, the Council has existing Housing Act powers can be used to investigate concerns raised by tenants and ensure properties reach the required standards. These powers provide the surety that any HMOs or privately rented accommodation will provide suitable standards of housing for their tenants

5.0 OTHER IMPLICATIONS

5.1 The formal adoption and implementation of the recommended policies will require additional staff resources.

5.2 Formal policy adoption is undertaken by Executive Board. The PPB Board's recommendations will need to be presented to Executive Board in due course.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Children & Young People in Halton

None

6.2 Employment, Learning & Skills in Halton

None

6.3 A Healthy Halton

None

6.4 A Safer Halton

None

6.5 Halton's Urban Renewal

None

7.0 RISK ANALYSIS

7.1 There are no legal or financial risks arising from this report.

8.0 EQUALITY AND DIVERSITY ISSUES

8.1 There are no equality and diversity implications arising from this report.

9.0 CLIMATE CHANGE IMPLICATIONS

9.1 There are no implications for climate change arising from this report.

10.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

None under the meaning of the Act.

APPENDIX 1 - HMO WORKING PARTY ACTION PLAN

Ref	Task	Progress	Complete
1	Review the concerns raised by Members about HMOs	Complete – discussed at Working Party on 27 October 22 and included in PPB report of 16 November 22	<input checked="" type="checkbox"/>
2	Internal review of Council systems to identify HMOs. Note that small HMOs (4 persons or less) do not require licencing / planning.	Review concluded that door to door enquiry necessary to find small HMOs.	<input checked="" type="checkbox"/>
Commission External Evidence			
3	Specify and commission an external research company to report on: <ul style="list-style-type: none"> • Current levels of private rented sector (PRS) properties and tenure change over time. • Information on the number of Houses in Multiple Occupation (HMOs) as a subset of the PRS. • Levels of serious hazards that might amount to a Category 1 hazard (HHSRS). • Other housing related stressors, including antisocial behaviour (ASB), service demand, population and deprivation linked to the PRS. • Assist the council to make policy decisions, including the possible introduction of property licensing schemes under Part 2 and Part 3 of Housing Act 2004. • Undertake door to door surveys in West Bank (River Mersey up to Waterloo Road) and Fredrick Street to identify private rental properties and small HMOs (4 persons or less that do not require planning permission or HMO licences) • Examine the level of clustering of HMOs at Frederick Street, Widnes • Identify small HMOs and private rented properties in West Bank 	Specification drafted Awaiting results of MetaStreet Study ORS Report Complete	<input checked="" type="checkbox"/> <input checked="" type="checkbox"/>
4	Bid into the Environment Fund with a view to funding the above research	Complete	<input checked="" type="checkbox"/>
Investigate Policy Interventions			
5	Draft and circulate a Planning Policy	Complete – policy circulated 19 Dec 2022	<input checked="" type="checkbox"/>

	Scenario test the effectiveness of the policy in specific circumstances (such as Derby Rd, Cholmondeley Street). (Note that a planning policy is required to go through a statutory planning process and public consultation before it can be adopted and given weight in planning decisions).	<ul style="list-style-type: none"> WP to decide if suitable for adoption as HMO Supplementary Planning Document by Exec Board 	
6	Draft and circulate a Halton Council 'Property Standards for HMOs' document	<ul style="list-style-type: none"> Draft document circulated to WP 21 Sept 2022 Adopted by Executive Board 14 September 2023 	<input checked="" type="checkbox"/>
7	Investigate an Article 4 Direction for West Bank to remove permitted development rights preventing single dwellings becoming small HMOs (note applications can still be made for planning permission).	Following a comprehensive review of available data sources, there currently is insufficient evidence to support the introduction of an Article 4 Direction. This matter will be kept under review.	<input checked="" type="checkbox"/>
8	Investigate Additional Licencing of smaller HMO's and other private rented properties. West Bank will be used as a pilot study of potential schemes	The ORS Study identified only a small number of properties that were occupied by 3-4 adults who did not form the same household or family group. There is insufficient evidence to support an additional licencing scheme for smaller HMO's. The Council's existing Housing Act powers can be used to address any concerns about housing standards.	<input checked="" type="checkbox"/>
9	Investigate options for Selective Licencing of private rented properties. The pilot will be used to inform options for any future borough wide scheme	The ORS study did identify a high percentage of private rental properties in West Bank, however there was no evidence that these properties cause a particular problem when compared with other areas of the borough. There is detailed Government guidance for local authorities on the circumstances when selective licencing may be appropriate and the evidence that is required. The guidance is clear that "only where there is no practical and beneficial alternative to a designation should a selective licencing scheme be made". https://www.gov.uk/government/publications/selective-licencing-in-the-private-rented-sector-a-guide-for-local-authorities/selective-licencing-in-the-private-rented-sector-a-guide-for-local-authorities . The councils existing powers to deal with waste, nuisance and housing standards are considered sufficient to address any concerns in the West Bank area. This position will be kept under review.	<input checked="" type="checkbox"/>

10	Encourage the issuing of community protection warnings (CPW) / notices (CPN) to tackle persistent behaviour that is detrimental to the community	Matter raised with the Council's Enforcement Team who have advised that CPWs and CPNs will be issued to tenants and landlords in circumstances where there is evidence of any such persistent detrimental behaviour.	<input checked="" type="checkbox"/>
Other Interventions			
11	To ensure that waste management collections and receptacle provision are appropriate for HMOs, West Bank in particular, and take into account the number of individuals residing at each HMO.	Implemented and to be kept under review	<input checked="" type="checkbox"/>
12	Members to consider a Council Motion on HMOs to provide policy direction or propose adoption of 'Property Standards for HMOs' Document in conjunction with Action 5 and Action 6.	Complete – "HMO - Amenity Standards for Licenced Premises" Policy now adopted. Draft SPD to be considered by PPB for future adoption by Exec Board.	<input checked="" type="checkbox"/>
13	Invite Inspector Thomas Hall of Widnes Local Police Unit (LPU) to the next WP to discuss Police response to ASB arising from HMOs (Police records are a primary source of evidence to demonstrate ASB is linked to HMOs).	Police attended Working Party on 14 Feb 23	<input checked="" type="checkbox"/>
Resources			
14	Consider appropriate resources to deliver any selected interventions		
Recommendations of Working Party			
15	Report Working Party Recommendations (including necessary resources and timescales) to Executive Board	Adoption of "HMO - Amenity Standards for Licenced Premises" policy at 14 September 2023 Executive Board	<input checked="" type="checkbox"/>

APPENDIX 2 - West Bank Survey Summary

Initial data based on Council Tax

Total number of properties within West Bank	728
Number of RSL properties	195
Number of Privately Occupied Premises (Rental of owner occupier)	533

ORS Survey

- Survey commissioned to investigate both household make up and tenure to identify small HMO's
- 552 private properties in scope of survey (may include small number of commercial properties or properties slightly outside West Bank Area).
- 3 attempts made to complete survey at various times of day.
- Feedback from the survey company has indicated that this is a reasonably good response rate for this type of survey and the sample size can be used to extrapolate data for the West Bank area as a whole.

Response Rate

Total completed responses	250	response rate:	45%
Non responses	302		55%
Non response reasons	No reply		72%
	Refusal		13%
	Property appears unoccupied		4%
	Language		2%

ORS Survey Results

Tenure	Number based on responses	Extrapolated Total	% all West Bank	% Halton Comparison
Owner Occupied	137	298	40	61
Private Rental	97	215	30	14
RSL	15	210	28	25
Property empty		13	2	
			100	100

Household Composition	Number based on responses	Extrapolated Total	Percentage of all households
Single Occupant	75	171	31%
Single family group	168	370	67%
2 or more unrelated adults living in a shared house (up to 4 occupants)	3	7	1%

Conclusion: The proportion of privately rented properties is approximately double that observed in the rest of the borough.

Licensed HMO's

7 properties in the West Bank area are licensed HMO's. There are a total of 24 HMO's in the wider Central and West Bank Ward.

Considerations

It is acknowledged that the data does not appear to reflect local perceptions in terms of the number of smaller unlicensed HMO's. It might be argued that a higher proportion of the properties that did not respond to the survey are in fact unlicensed HMO's and the extrapolation has not provided an accurate picture. Data on the 302 properties that did not respond has been analysed and compared with complaint data for housing standards, noise, pest control and refuse accumulations to assess whether these properties cause a particular problem when compared to the central and west bank ward as a whole. Complaint data has been analysed for a 3 year period. January 2020 to December 2022.

In total there were 442 complaints received by environmental health within the Central and West Bank Ward. There are a total of 3318 properties in the ward. This equates to a complaint ratio of 0.13 complaints per property over a 3 year period. The 302 properties that did not respond to the survey were subject to a total of 20 complaints over the same period. This represents a complaint ratio of 0.06 complaints per property.

Conclusions:

- Based on the survey results there does not appear to be a high number of smaller unlicensed HMO's
- The proportion of privately rented properties is approximately double that observed in the rest of the borough.
- The properties that did not respond to the survey do not result in a higher rate of complaints when compared with the rest of the ward as a whole.

Overall Conclusion

The survey has indicated that there are a high proportion of privately rented properties in the Central and West Bank Ward when compared to the borough as a whole. The survey did not indicate that there were a significant number of smaller unlicensed HMO's. It is acknowledged that this does not reflect local perceptions. Whilst there are a high number of privately rented properties and there may be some smaller HMO's that were not captured by the survey, there remains insufficient evidence that these private rental properties cause significant problems that cannot be addressed by the council's existing powers.