



**WARDS AFFECTED:**  
**ABBEY**  
**AYLESTONE**  
**BRAUNSTONE PARK & ROWLEY FIELDS**  
**CASTLE**  
**FOSSE**  
**KNIGHTON**  
**SAFFRON**  
**STONEYGATE**  
**WESTCOTES**

**PLANNING AND DEVELOPMENT CONTROL COMMITTEE**

**5<sup>th</sup> January 2022**

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## **Proposed new Article 4 Direction for Conversion of Dwelling-Houses (Class C3) to small Houses in Multiple Occupation (Class C4) – Consultation Report**

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### **Report of the Director of Planning, Development and Transportation**

#### **1 Purpose of Report**

- 1.1 The purpose of this report is to seek the views of the Planning and Development Control Committee on the proposal to implement a new Article 4 Direction ('A4D') applying to the conversion of dwelling-houses (Class C3) to small Houses in Multiple Occupation (Class C4) ('HMOs'). The A4D is intended to apply to three areas of the city, which are outlined in maps at **Appendix A**. This report sets out the implications of the proposed A4D on properties within the areas where it will apply.

#### **2 Background**

- 2.1 Small-HMOs are houses occupied by 3 to 6 tenants who form more than one household (i.e. are unrelated) and share amenities such as a kitchen and bathroom. It is permitted development to convert a dwelling-house (Class C3) to a small HMO (Class C4). As a result, such conversions are not registered with the Planning Service.
- 2.2 However, an Article 4 Direction allows for the removal of the permitted development right to convert a dwelling-house to a small HMO, and thus such conversions

become controlled through normal planning regulations and processes. The legal test for making an Article 4 direction is that such an action would be 'expedient', i.e. that it is appropriate to the circumstances.

- 2.3 An Article 4 Direction applying to the conversion of dwelling-houses to small HMOs was introduced in Leicester in 2013. It was made in response to concerns raised in certain parts of the city about concentrations of student-occupied HMOs leading to increased levels of anti-social activity, imbalanced communities, and high vacancy levels in properties during the summer months. Four areas of concern were identified (Clarendon Park, West End, Walnut Street, and DMU) and the 2013 A4D was applied to them. Planning officers are satisfied that the 2013 A4D has been successful in preventing further conversions to HMOs in the areas to which it applied. However, concentrations of HMOs have arisen in areas outside the 2013 A4D areas suggesting demand for shared housing remains high in parts of the city.
- 2.4 Following the potential for a new Article 4 Direction controlling small HMOs being raised, a BRE report, *Integrated Dwelling Level Housing Stock Modelling Report and Database for Leicester City Council* (Sept 2020), was used to form an evidence base. The report collected, mapped, and analysed data identifying the locations and concentrations of HMOs across the city. It found that approximately 7% of dwellings in Leicester are estimated to be HMOs. It also found that HMOs tend to proliferate in wards close to the city centre.
- 2.5 In addition to mapping the distribution of HMOs, data showing instances of noise complaints and fly-tipping in relation to properties has been mapped and analysed. The mapping shows an overlap between the locations of concentrations of HMOs and noise/fly-tipping complaints. The number of noise complaint and fly-tipping cases was also reported by dwelling type for the 3-year period from January 2017 and showed a higher level of these issues were reported in relation to HMOs than other dwelling types.
- 2.6 A threshold that HMOs comprise a 10% or greater proportion of all dwelling stock within individual Lower Super Output Areas (LSOAs) (i.e. sub-ward geographical areas averaging approximately 1,600 residents) was selected to form the basis for the boundaries of the proposed Article 4 Direction. Data analysis showed that where HMOs make up 10% or more of dwelling stock within LSOAs, then community and social problems associated with HMO concentrations tend to arise.
- 2.7 The proposed Article 4 Direction, maps of the areas to which it will apply, and the full Report on the proposal were published for consultation on 18<sup>th</sup> November 2021. The maps of the areas to which the proposed A4D would apply can also be found at **Appendix A**. The comments received through the consultation and those from this Committee will be considered by the City Mayor when making the final decision about the confirmation of the new Article 4 Direction. The responses will also shape

its implementation, subject to confirmation of the A4D being supported and approved.

### **3 The Planning Framework, process for new Article 4 Directions, and Consultation**

- 3.1 Article 4 of the Town and Country Planning (General Permitted Development) (England) Order 2015 allows local planning authorities to make Directions withdrawing permitted development rights where the authority is satisfied that it is expedient that development should not be carried out unless planning permission has been obtained.
- 3.2 A local authority therefore has the power to apply a new Article 4 Direction where it believes one is appropriate to the circumstances and it is practical to do so. The National Planning Policy Framework states that the use of an Article 4 Direction should be limited to situations where one is necessary to protect local amenity or the well-being of the area, be based on robust evidence, and apply to the smallest geographical area possible (para. 53, NPPF 2021). The relevant wording in the NPPF provides a steer on the purpose of Article 4 Directions and where and when they should be applied.
- 3.3 There are two types of Direction which can be made: An Immediate Direction which comes into force upon publication, or a Non-Immediate Direction which is confirmed 12 months after the Direction has been made. In the case of Immediate Directions, property owners in the areas affected have the right to financial compensation for any loss of value which can be attributed to the withdrawal of their permitted development rights. The value of a Class C4 HMO property could be in excess of a Class C3 house; given the size of the area which the proposed A4D is intended to cover, any compensation costs the Council is exposed to could be substantial. As such, a Non-Immediate Direction is recommended.
- 3.4 An 8-week consultation period is underway, and the Council has placed site notices, sent emails to Councillors of the affected wards, and corresponded with other interested groups, such as the Leicester Landlords' Association and the universities' student unions. The consultation runs from 18<sup>th</sup> November 2021 until 13<sup>th</sup> January 2022.

### **4 Key considerations**

- 4.1 As detailed in the Report on the Proposed Article 4 Direction, since the implementation of the 2013 A4D, concentrations of HMOs have built up in certain parts of the city outside of the areas to which that A4D applies. There is an identified need for greater planning control over the proliferation of HMOs due to the cumulative effects they have had in certain parts of the city, including community

imbalance, anti-social behaviour, and shifts away from majority long-term residences to majority transient accommodation in some streets and neighbourhoods. Implementing a new Article 4 Direction to cover areas affected by these HMO concentrations will help to gain greater planning control over their proliferation and allow for more even distribution of HMOs across the city.

- 4.2 The proposed boundaries were preliminarily drawn using the mapped evidence base and refined to follow logical geographical borders such as roads, rivers, etc. and to exclude non-residential areas. The proposed Direction will apply to all existing and any future properties in the outlined areas.
- 4.3 The full report on the proposed Article 4 Direction relating to conversions of dwelling-houses to small HMOs is available online on the City Council's consultation portal, along with maps of the areas to be covered, and maps and graphs related to the evidence base. They can be viewed at:  
<https://consultations.leicester.gov.uk/sec/article-4-direction-extension/>

## 5 **Assessment**

- 5.1 Comments are welcomed from members of the Planning and Development Control Committee on the proposed new Article 4 Direction relating to conversion of houses (Class C3) to small houses in multiple occupation (Class C4).
- 5.2 The 8-week external consultation period will close on the 13<sup>th</sup> January 2022. Feedback from the consultation will be assessed in January/February 2022 and a further paper will be taken to the City Mayor for potential approval.

## 6 **Recommendations**

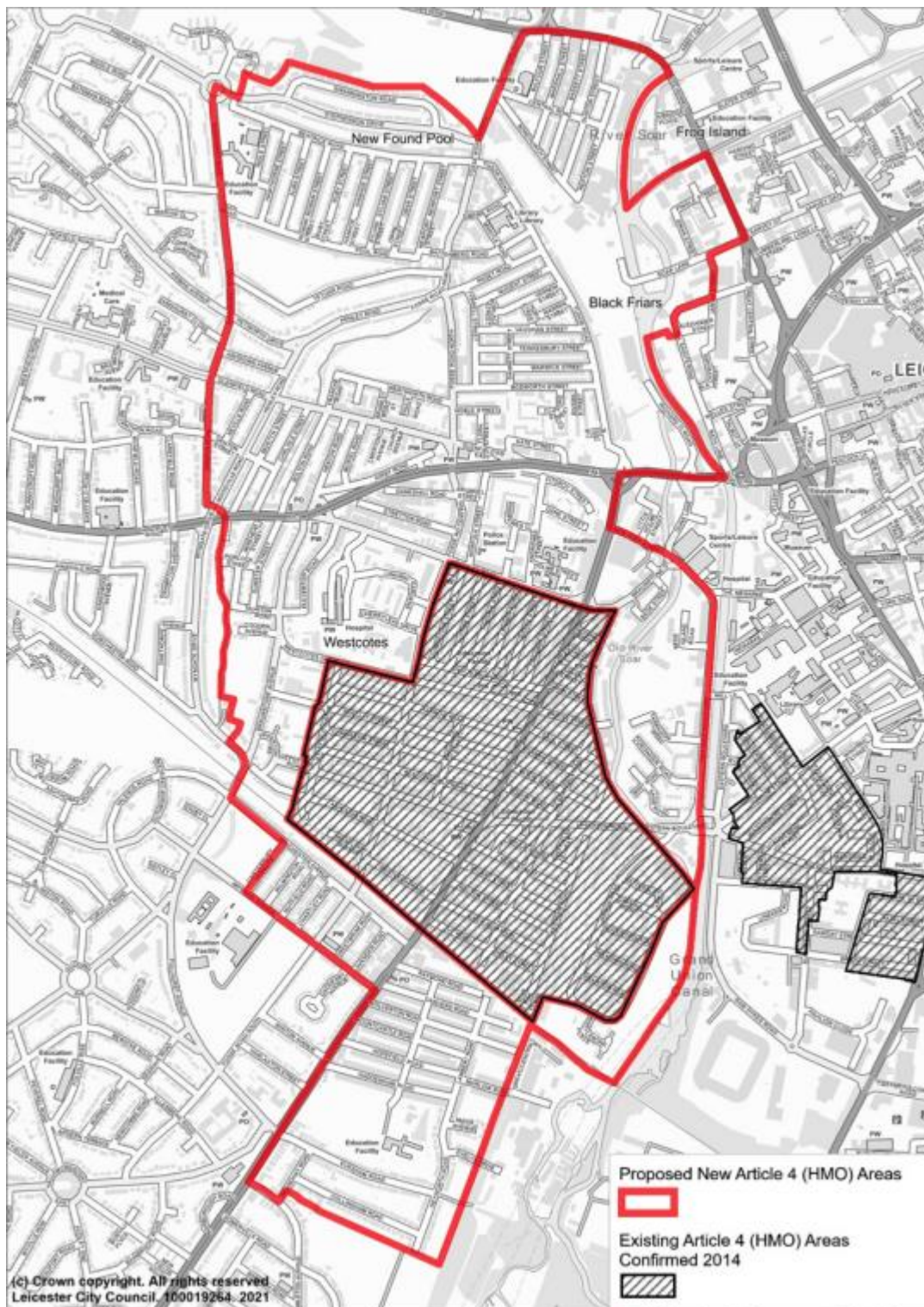
- 6.1 Comments are requested on:
- The proposed new Article 4 Direction and the areas it is intended to cover.
  - The retention of the 2013 Article 4 Direction, which will apply alongside the proposed new A4D, and the areas it covers

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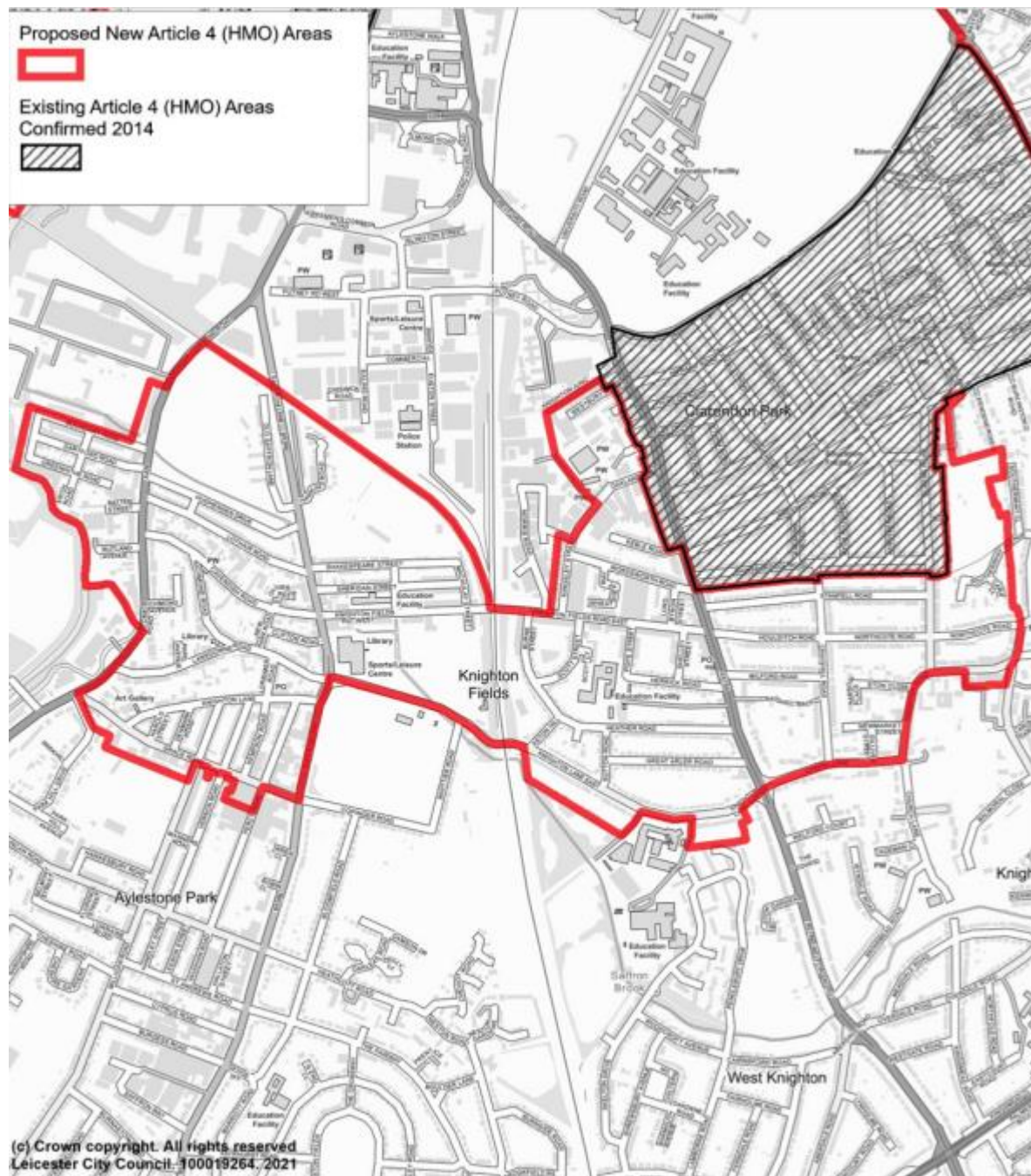
## Appendix A – Maps of the proposed Article 4 Direction Areas

### Proposed Article 4 (HMO) Area – West

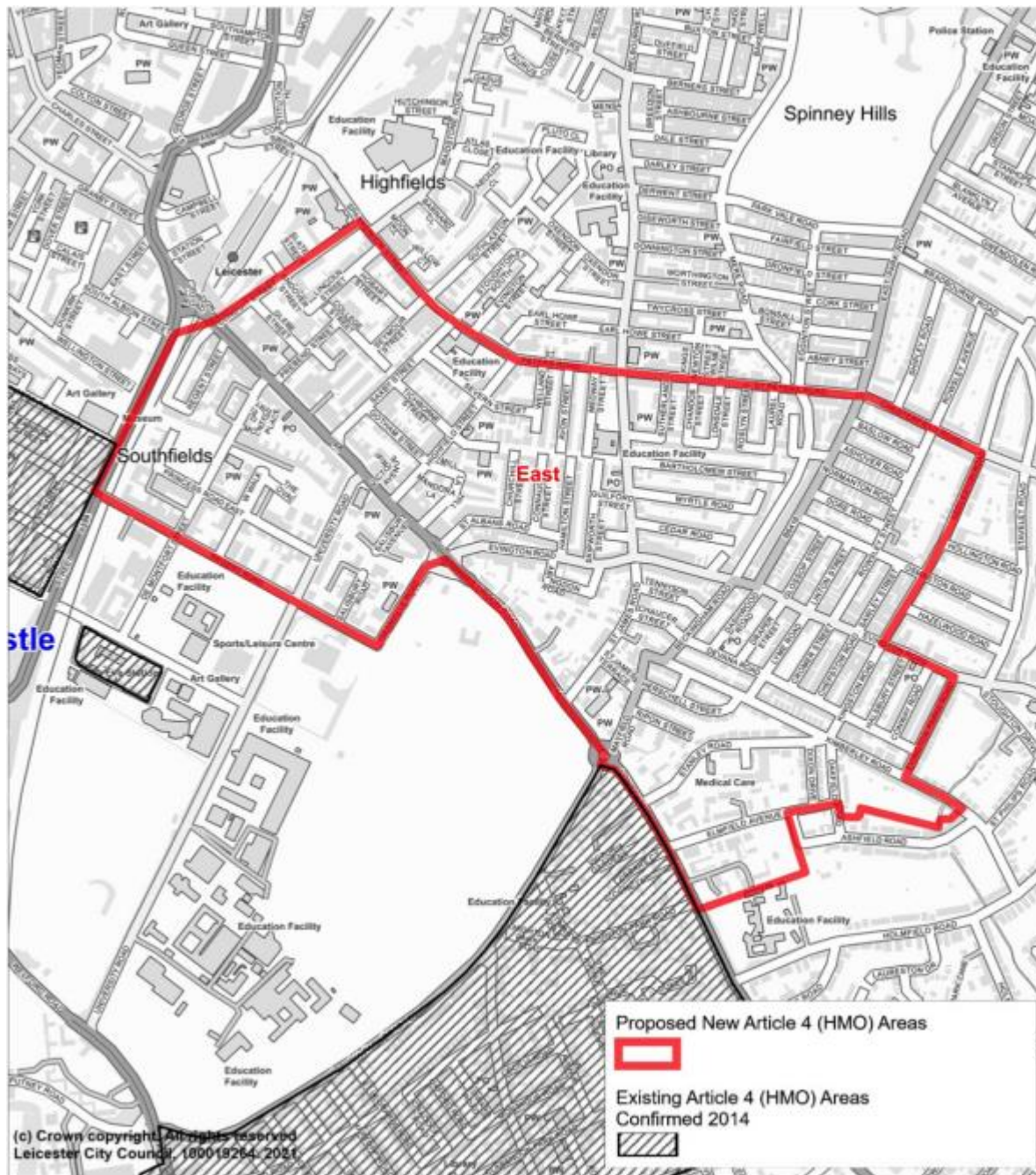




## Proposed Article 4 (HMO) Area – South



## Proposed Article 4 (HMO) Area – East





## Existing and Proposed Article 4 (HMO) Areas

