Maidstone Borough Council

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Jonathan Purle

Councillor for Bridge Ward & Deputy Leader of the Council

Paul Cooper Chairman Strategic Planning & Infrastructure Committee Maidstone Borough Council Maidstone House Maidstone ME15 6JQ

By Email:

PaulCooper@maidstone.gov.uk

04 March 2022

Dear Paul

COUNCIL PROCEDURE RULE 33(8) CALL-IN OF SPI COMMITTEE DECISION IN RESPECT OF HOUSES OF MULTIPLE OCCUPATION ("HMOs")

- 1. We write following the meeting of the Strategic Planning & Infrastructure Committee ("SPI") on 08 February 2022 and the request received by the Council from three (3) members to call-in the Committee's decision concerning HMOs and the use of an Article 4 direction.
- 2. You will recall that work on this issue followed a motion to Full Council on 29 September 2021. As members covering or neighbouring the ME16 8 postcode, we procured an amendment to that motion so that it called for action across the postcode.
- 3. We were disappointed when SPI resolved, at Officers suggestion, that initial work focus on just two (2) streets which had not featured in our own correspondence with local residents. That initial work on these two (2) streets has not revealed much of note hardly deals with the original problem: the intensity and cumulative impact of the process of family housing being converted into HMOs ("HMOfication") across the ME16 8 postcode.
- 4. This process is removing lower priced family housings, whether for buyers or renters. It is changing the character of the streets away from being a family-friendly area. It is contributing to anti-social behaviour and it is seriously aggravating the problems associated with parking in what are often Victorian streets with no off-road parking.
- 5. We therefore agree that the SPI decision in this instance needs to be reconsidered. To this end, we would urge the Committee to consider a potentially four-pronged approach.



- 5.1. Firstly, there remains the use of Article 4 Directions. In other places, these have been used to tackle HMOfication over quite wide areas (such that we do not accept any argument that they cannot extend to the afflicted postcode). We appreciate that by itself, requiring a planning application that the Council would then be obliged to approve within the constraints of national and local planning policy would not achieve much. We therefore suggest work is progressed on an Article 4 direction as per the original motion to Full Council, with a view to implementation upon adoption of tighter planning policy in respect of HMOs.
- 5.2. Secondly, it is common ground that current MBC Planning Policy DM9 is far too weak in addressing the harm being caused by the process of HMOfication across the Borough. We therefore suggest that the Committee renews its resolve develop further policy, at least at the level of a supplementary planning document ("SPD"), to address these issues. We believe that with an Article 4 direction, this will be a potent combination.
- 5.3. Thirdly however, we believe the economics driving HMOfication across the Borough need to be tackled. Relative to family housing, HMOs provide substantially greater rental incomes net of expenses. In areas with lower house prices, these produce substantial rental yields allowing slum landlords to purchase these properties, often with large amounts of mortgage finance and little of their own capital.

From press reports and discussions with Council Officers, we are of the view that this Council may not be using the tools utilised by other authorities, notably Council Tax.

A family house in ME16 8 might pay £1,988.63 (Band D) in Council Tax. If it is converted to (say) a 5-room HMO, the landlord will still pay the same Council Tax. A development of 5 self-contained flats or studios however would result in a Council Tax bill of at least 5 Band A dwellings e.g. $5 \times £1,325.75 = £6,628.75$. We see no reason why an HMO should not pay this higher figure, given its obvious impact on services, and suggest that such increase costs would push-back on the incentives for slum landlords to convert family housing to HMOs.

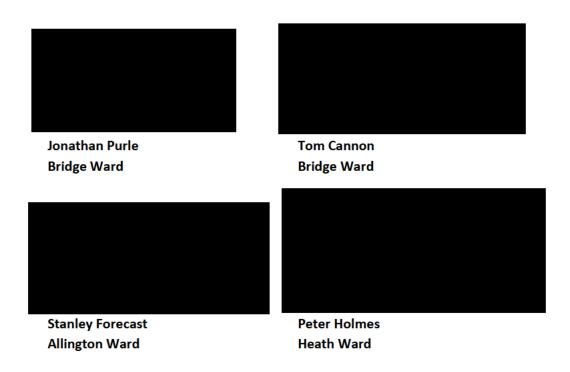
We would therefore like the Council to consider methods of referring HMO conversions back to the Valuation Office to ensure that Council Tax increases for these properties. Where this did not prevent HMOfication, or perhaps for the spate of recent HMO conversions, one option to be considered might be for the extra revenue might to be earmarked for projects in the afflicted areas.

5.4. Fourthly, since the matter was first raised, the Council has adopted a capital programme to support the Administration's initiative to acquire 1,000 dwellings that would otherwise be market-housing for use as affordable housing for local residents, with rents capped at the Local Housing Allowance. We believe that such an acquisition of properties provides another avenue to explore in retaining housing as family housing and blocking HMOfication.

We accept that this is not a straight-forward matter. We would, for example, not want to block local families and first-time buyers from acquiring these lower-price properties. Nevertheless, we feel this option requires some proper analysis.

- 6. We would therefore urge the Committee to make a revised decision adopting the first two points above and to make reference to the Policy & Resources Committee in respect of the second two.
- We believe that this multi-pronged approach would be a more acceptable course of action and provide a better method of resolving this matter to the satisfaction of the Committee and the wider stakeholders.
- 8. We therefore urge you to call a further meeting of the SPI Committee to reconsider the original matter and consider the approach suggested above.

Yours sincerely



cc. Proper Officer