

Public report

Cabinet

Cabinet 18 March 2025 Council 25 March 2025

Name of Cabinet Member:

Cabinet Member for Housing and Communities – Councillor N Akhtar

Director Approving Submission of the report:

Director of City Services and Commercial

Ward(s) affected:

All Wards

Title:

Homes in Multiple Occupation (HMOs) Development Plan Document (DPD) Adoption

Is this a key decision?

Yes - the proposals are likely to have a significant impact on residents or businesses in two or more electoral wards in the City

Executive Summary:

Homes in Multiple Occupation (HMOs) can provide important accommodation for a range of people including those entering the housing market. However, they can also bring significant disruption to settled neighbourhoods. In order to ensure that HMOs can only come forward in ways that integrate with existing neighbourhoods a Development Plan Document (DPD) has been prepared. As background, the DPD and accompanying Sustainability Scoping / Appraisal were consulted upon between 20 September and 15 November 2022 at the Regulation 18 stage and between 27 March and 15 May 2023 at the Regulation 19 stage. These consultations were undertaken in the formulation of the DPD which was then submitted to the Planning Inspectorate in September 2023, with hearings held January 2024 and subsequent Main Modifications consultation held between 10 June and 22 July 2024.

This report provides an update on the Main Modifications consultation and the published Inspector's Report, in which the Inspector concluded, through independent Examination, that the HMO DPD is 'sound' and has been prepared in accordance with legal and procedural requirements subject to her recommendations (main modifications). The report therefore seeks agreement to adopt the Homes in Multiple Occupation (HMOs) Development Plan Document (DPD). If adopted, it will become part of the Development Plan for the city.

Recommendation:

Cabinet is requested to recommend that Council:

- 1. Notes the Inspector's Report on the Examination of the Homes in Multiple Occupation Development Plan Document (Appendix 1), and specifically that she has concluded that subject to her main modifications, the Plan meets the tests of soundness and has been prepared in accordance with legal and procedural requirements and thus is 'capable of adoption'.
- 2. Adopts the Homes in Multiple Occupation Development Plan Document (Appendix 2), in accordance with Section 23 of the Planning and Compulsory Purchase Act 2004 which will be the Plan submitted on 25 August 2023 as amended by the schedule of Main Modifications (Appendix 3) and Additional Modifications (Appendix 4).
- 3. Notes that the Equalities Impact Assessment (Appendix 5), Sustainability Appraisal report (Appendix 6), Sustainability Appraisal Adoption Statement (Appendix 7) and draft Adoption Statement (Appendix 8) will be published as soon as reasonably practicable after 25 March 2025 in accordance with Regulations 17 and 26 of the Town and Country Planning (Local Planning) Regulations 2012 (as amended).
- 4. Delegates authority to the Strategic Lead Planning, following consultation with the Cabinet Member for Housing and Communities, to make further minor modifications to the Plan prior to final publication, where these modifications are confined to the correction of typographical errors, amendments to policy or paragraph reference numbers and consequential cross referencing, where appropriate.

Council is requested to:

- Note the Inspector's Report on the Examination of the Homes in Multiple Occupation Development Plan Document (Appendix 1), and specifically that she has concluded that subject to her main modifications, the Plan meets the tests of soundness and has been prepared in accordance with legal and procedural requirements and thus is 'capable of adoption'.
- 2. Adopt the Homes in Multiple Occupation Development Plan Document (Appendix 2), in accordance with Section 23 of the Planning and Compulsory Purchase Act 2004 which will be the Plan submitted on 25 August 2023 as amended by the schedule of Main Modifications (Appendix 3) and Additional Modifications (Appendix 4).
- 3. Note that the Equalities Impact Assessment (Appendix 5), Sustainability Appraisal report (Appendix 6), Sustainability Appraisal Adoption Statement (Appendix 7) and draft Adoption Statement (Appendix 8) will be published as soon as reasonably practicable after 25 March 2025 in accordance with

Regulations 17 and 26 of the Town and Country Planning (Local Planning) Regulations 2012 (as amended).

4. Delegate authority to the Strategic Lead – Planning, following consultation with the Cabinet Member for Housing and Communities, to make further minor modifications to the Plan prior to final publication, where these modifications are confined to the correction of typographical errors, amendments to policy or paragraph reference numbers and consequential cross referencing, where appropriate.

List of Appendices included:

Appendix 1: Inspector's Report

Appendix 2: Homes in Multiple Occupation Development Plan Document - Adoption

Appendix 3: Schedule of Main Modifications

Appendix 4: Schedule of Additional Modifications

Appendix 5: Equalities Impact Assessment Appendix 6: Sustainability Appraisal report

Appendix 7: Sustainability Appraisal Adoption Statement

Appendix 8: Draft Adoption Statement

Background papers:

None.

Other useful documents

HMO DPD website - https://www.coventry.gov.uk/planning-policy/homes-multiple-occupation-development-plan-document

DPD and Article 4 Direction, August 2022 & Houses in Multiple Occupation – The Need for an Article 4 Direction, July 2022

HMO DPD Regulation 18 consultation documents (Draft DPD, Strategic Environmental Assessment Scoping report, Equalities and Health Impact Assessment)

Report to Cabinet and Council (30 August and 6 September 2022 respectively) (Regulation 18)

Report to Cabinet and Council (14 March and 21 March 2023 respectively) (Regulation 19)

Report to Cabinet Member (16 April 2024) (Main Modifications)

Has it been or will it be considered by Scrutiny?

Yes - The draft HMO DPD and associated Article 4 Direction was considered by the Communities and Housing Scrutiny Board (4)on 6 October 2022

Has it been or will it be considered by any other Council Committee, Advisory Panel or other body?

Yes:

Cabinet Member for Housing and Communities – (Main Modifications) 16 April 2024 - https://edemocracy.coventry.gov.uk/ieListDocuments.aspx?Cld=739&Mld=13166&Ver=4

Will this report go to Council?

Yes - 25 March 2025.

Report title: Homes in Multiple Occupation (HMO) Development Plan Document (DPD) Adoption

1. Context (or background)

- 1.1 Homes in Multiple Occupancy (HMOs) are dwellings where unconnected individuals live with communal facilities. They provide important accommodation for a range of individuals with a range of different needs, including entry-level housing. However, they can also bring significant disruption to settled neighbourhoods. In order to ensure that HMOs can only come forward in ways that integrate with existing neighbourhoods a draft Development Plan Document (DPD) (Regulation 18), was consulted upon between 20 September and 15 November 2022 which identified the key issues and proposed a series of planning policy responses which provide a far more detailed framework for assessing planning applications that that currently provided for through Policy H11 of the adopted Local Plan.
- 1.2 Following consideration of representations on the Issues and Preferred Option, work commenced on the Publication HMO DPD (Regulation 19). The evidence base which supported the HMO DPD was updated in relation to the Duty to Cooperate and Sustainability Appraisal. The above evidence combined with the previous consultation responses at Regulation 18 stage informed a secondary public consultation, known as Regulation 19, which was published between 27 March 2023 to 15 May 2023.
- 1.3 As a result of the consultation and comments received, a suite of modifications to the DPD were identified and submitted to the Planning Inspectorate to help assist the Inspector in understanding the Councils position based on the representations received to the Regulation 19 consultation. Council agreed on the 21st March 2023 that the HMO DPD and accompanying documents be submitted to the Planning Inspectorate at the earliest opportunity following the conclusion of the publication (Regulation 19) period.
- 1.4 The Council formally submitted the HMO DPD for Examination in Public on 25 August 2023. The Examination Hearings took place on 23 January 2024 which culminated in the production of a schedule of Main Modifications to the HMO DPD. The Main Modifications were published for a statutory six week period of public consultation in accordance with legislative requirements and in accordance with the Councils adopted Statement of Community Involvement (SCI) between 10 June and 22 July 2024.
- 1.5 In addition, to the Main Modifications, the Council also developed a schedule of additional modifications which and were published alongside the schedule of Main Modifications. However, these additional modifications were non substantive for example to correct typographical errors and make factual corrections and were not before the Inspector for consideration but were published for completeness.
- 1.6 On 4 November 2024 Council officers received the Inspectors final report (see Appendix 1) together with the suite of main modifications (MMs) (see Appendix 3). The Inspector has concluded:

"The Council has requested that I recommend MMs to make the DPD sound and capable of adoption. I conclude that the duty to cooperate has been met and that with the recommended MMs set out in Appendix 1, the Coventry City Homes in Multiple Occupation Development Plan Document satisfies the requirements referred to in Section 20(5)(a) of the 2004 Act and is sound".

2. Options considered and recommended proposal.

2.1 In light of the Inspector's report, the Council now has to decide whether it wishes to formally adopt the DPD forming part of the Development Plan for the city. In doing so, the Council can only adopt the Plan with the agreed Main Modifications, recommended by the Inspector together with the agreed Additional Modifications.

Do Nothing (Not Recommended)

2.2 An alternative option is for Cabinet to recommend to Council not to adopt the DPD. Non-adoption is not recommended as there would remain a lack of robust policy to assist with the determination of planning applications for HMO proposals. It would also mean that significant resources would have been wasted on the development of this DPD policy document.

Adopt the DPD (Recommended)

- 2.3 This would enable further elaboration on adopted Local Plan policy in line with its commitments. It will provide the necessary policy basis to help applicants so that they are clear about what is expected when bringing forward HMO proposals in the city.
- 2.4 This DPD will strengthen the Council's ability to provide greater clarity and certainty in respect of the planning negotiation process and assist in accelerating the process of determining planning applications.

3. Results of consultation undertaken

- 3.1 Prior to receipt of the Inspectors report, the Council undertook a statutory public consultation in respect of the HMO DPD Main Modifications between 10 June and 22 July 2024. This consultation was carried out in accordance with the findings and subsequent modifications agreed with the Planning Inspector and in line with legislative requirements and the Councils adopted Statement of Community Involvement (SCI).
- 3.2 This consultation was not an opportunity to raise matters that either were, or could have been, part of the earlier representations or hearings on the submitted plan. Comments had to be focussed on matters of soundness. These are the issues on which the appointed Planning Inspector focused and considered before issuing the final report and whether the Council can proceed to adoption of the DPD. A total of five representations were duly made and submitted directly to the Planning Inspector for her consideration before issuing her final report.

4. Timetable for implementing this decision

4.1 Should Council approve the recommendations set out in this report the decision will take effect from the following day (26 March 2025). The Council will issue the Adoption Notice and other supporting documents on its website and make them available in the relevant and necessary Council offices and local libraries. The new HMO Development Plan Document will then form a statutory basis for the determining planning applications in respect of Homes in Multiple Occupation across Coventry.

5. Comments from the Director of Finance and Resources and the Director of Law and Governance

5.1. Financial implications

The primary costs associated with the Adoption of the DPD is the publication of the documents for use by officers, Councillors and other stakeholders. These costs are considered minimal and will be funded from existing budget provisions. The preparation of the DPD to date has incurred costs through the development and examination process. These costs have already been incurred and are reported within the current financial year.

5.2. Legal implications

It is a statutory requirement for the Council, if it is to adopt the Homes in Multiple Occupation (HMOs) Development Plan Document, to do so in accordance with the Inspector's recommended Main Modifications (S23(2) Planning and Compulsory Purchase Act 2004, as amended).

The recommended adoption of the DPD means that it has been deemed to be sound and legally compliant in accordance with national legislation and guidance. If the recommendations are approved by Council, an Adoption Statement, a draft of which is included at Appendix 8, and Sustainability Appraisal report are required to be issued alongside the finalised Plans at the earliest convenience in accordance with Regulations 17 and 26 of the Town and Country Planning (Local Planning) (England) Regulations 2012 (as amended). This Statement is be published on the Council's website and sent to all interested parties as well as the Secretary of State for their information.

The statutory legal challenge period is set out in Section 113 of the Planning and Compulsory Purchase Act 2004. Challenges should focus on the legal process and correctness, as opposed to matters of soundness. Challenges should be made promptly and directed to the High Court. Should the Development Plan Document be subject to legal challenge a further report will be brought before Council to outline the proposed timescale and process.

The decision to adopt the DPD is one that must be made by Full Council as the plan is a policy framework document.

Once adopted by the Council, the HMO DPD will become the starting point for

determining HMO planning applications that are submitted to the Council for consideration. Accordingly, the adoption of the HMO DPD as proposed in this report will ensure that future planning decisions and appeals can be robustly defended.

6. Other implications

6.1. How will this contribute to the One Coventry Plan (https://www.coventry.gov.uk/strategies-plans-policies/one-coventry-plan)

This DPD will help ensure that resident's quality of life is maintained and that, where an application is appropriate, that HMOs are well integrated within their environment, thereby supporting the aims and objectives of the One Coventry Corporate Plan.

6.2. How is risk being managed?

The primary area of risk now sits with the statutory legal challenge period. This remains open for a 6-week period and will run between the 26 March 2025 and 8 May 2025. Throughout the development of the HMO DPD, we have sought to undertake extensive engagement, consider all reasonable alternatives. This work has been undertaken over several years and has been with a view to minimising the risk of challenge. The Council's approach to the development of the DPD has been endorsed by the Inspector.

6.3. What is the impact on the organisation?

No direct impact.

6.4. Equality/ EIA

A full Equalities Impact Assessment (EIA) was undertaken as part of the development of the DPD and formed part of the Council's submission to the Secretary of State. This stage of the process will result in the adoption of the HMO DPD with no further changes or impacts on the aims, objectives and direction, therefore a further update of the EIA has not been deemed appropriate at this stage.

As part of developing its EIA considerations the Council has had due regard to its public sector equality duty under section 149 of the Equality Act 2010. In summary, the HMO DPD advocates higher quality housing and management which helps to promote good relations between different communities in that it addresses some of the negative impacts of the over concentration of HMOs

6.5. **Implications for (or impact on) climate change and the environment**There is no direct impact from the recommendations of the report.

6.6. Implications for partner organisations? No direct impact.

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