

National Development Framework

Call for Evidence and Projects

ABOUT THE RESIDENTIAL LANDLORDS ASSOCIATION

The Residential Landlords Association (RLA) represents 30,000 small and medium-sized landlords in the private rented sector (PRS) who manage over 250,000 properties across the UK. It seeks to promote and maintain standards in the sector, provide training for its members, promote the implementation of local landlord accreditation schemes and drive out those landlords who bring the sector into disrepute. Members also include letting and managing agents.

March 6, 2017

Dear Sir/Madam,

I am writing on behalf of the Residential Landlords Association (RLA), to make representations in response to the Welsh Government's Call For Evidence and Projects- National Development Framework Consultation.

Submission of Evidence- National Development Framework

Name: Douglas Haig, RLA Vice-Chair & Director for Wales

Contact Details: [REDACTED]

Date: 07 March 2017

Title of Evidence: Current Planning Policy Impinges on Creating Affordable Housing and Establishing Sustainable Communities.

Summary of Evidence:

The Spatial Planning Policy of Wales states that housing deprivation is an ongoing problem and is a particular impediment to building sustainable communities. At 15.22, the document states,

"[Sic] A key priority is to ensure access to affordable homes (to buy or rent) in locations which are convenient for local work and services, ensuring a range of housing types are available in a choice of high-quality environments."

Current Welsh planning guidelines specifically refer to the need to create sustainable communities. However, planning laws are used extensively throughout the UK to restrict development of HMOs, a popular type of accommodation for many groups in Wales. National and local policy has been devised to restrict the growth of HMOs based on specious evidence that lacks robust cost-benefit analysis of the detrimental effects these restrictions will and have had on local housing markets. This is not a policy commensurate with establishing sustainable communities.

The National Development Framework must set firm and detailed guidance on the types of evidence/criteria required to pass planning restrictions that limit the development of HMOs in Wales. Current policy allows for local authorities to arbitrarily dictate changes to policy based on evidence that they alone deem appropriate. Such a decision will have far-reaching impacts on the housing sector.

Relevant stakeholder groups should have a say before this happens. Therefore, any variation from the proscribed guidance and the methods to collect and to support the deviation should be agreed upon in collaboration with local housing partners to include the private sector.

Summary of Key Issues/Conclusions:

Areas with concentrations of HMOs are renowned for their vibrant nature with local, independent retailers, and a café culture, which help promote a diverse and strong local economy. The presence of HMOs also greatly helps provide adequate housing for large employers like Cardiff's universities and hospitals.

HMOs are not just occupied by students, but with rising rents and difficulties getting a mortgage, are increasingly required by working people. They are also a popular accommodation choice to most vulnerable groups.

HMOs provide a vital service to the economies of many of our town and cities across Wales. This kind of accommodation is key to the mobility of the workforce, especially young workers and young professionals.

Current planning guidance obsesses with concentration thresholds and physical standards with very detailed conditions being laid down for housing providers. Planning conditions may be attached to any permission granted by Councils. Planning permission is often cited as the answer to overcoming alleged issues of high "concentration problems." However, what happens is that investment in the area drops, which in turn leads to a decrease in the total amount of accommodation available, further straining an already over-taxed and insufficient housing market.

At 9.2.4 "Development Plans and new housing provision," Planning Policy in Wales, it states that,

*"Local planning authorities, in partnership with the community, including the private sector, must develop policies to meet the challenges and particular circumstances evident in their areas in specific locations. If these policies need to diverge from national policies....local authorities will need carefully to justify the variation with robust evidence **that they deem appropriate.**"*

Planning guidance is often devised without any representation by existing residents that use of HMOs other than for family use will result in harm to amenity or character of the area, a ground used extensively to justify planning restrictions. Often local residents are not offered the opportunity to provide feedback on proposed planning changes before the change is codified by the local Council. This happened recently in Swansea when the new C4 planning permission requirements were ushered in without querying local individuals for their thoughts on this change.

As stated previously, the National Development Framework must set firm and detailed guidance on the types of evidence required to pass planning restrictions that limit the development of HMOs in Wales. Any variation from the proscribed guidance and the methods to collect and to support the deviation should be agreed upon in collaboration with local housing partners to include the private sector.

Why have you submitted this evidence? Demand for housing in Wales, particularly in bigger cities cannot be met without further development of HMOs, despite seemingly high concentration thresholds in certain areas.

The National Development Framework must directly address planning restrictions placed on HMOs by establishing criteria that a local authority, in collaboration with local partners, must meet to devise policy

that deviates from national policies. The robust evidence, i.e., the methods and studies for substantiating the change, must be agreed upon by local partners.

How should this evidence inform the development of the NDF? Populations have shifted and demographics have changed, a fact poorly reflected in current HMO Use Class planning policy. In many areas where there is a concentration of HMOs, landlords are making intensive use of the existing stock in places where it might otherwise be under-utilised and poorly maintained. Even with higher density areas, there is still a benefit—housing needs are being met.

The private rented sector (PRS) remains larger than the Social Rented Sector, accounting for 4.5 million (20%) of households. In the PRS, the most common household type is one person households (24%), and a very popular choice of accommodation for single-person households is HMOs. This kind of accommodation is key to the mobility of the workforce, especially young workers and young professionals.

How does this evidence and any actions it recommend help achieve the 7 well-being goals?

- 1. A Prosperous Wales:** Housing places a strain on resources. Use of existing stock to accommodate demand should be and is encouraged by major political parties. HMOs are an efficient way of utilising existing stock, particularly to accommodate students and single, working professionals who often do not need elaborate accommodation. Placing planning restrictions on the development of this type of housing hinders the utilisation of existing stock. It decreases choice and access. People migrate to major cities to access education and work opportunities. There must be adequate housing available to accommodate them.
- 2. A More Equal Wales/ A Wales of Cohesive Communities:** Planning restrictions have a discriminatory effect against young people, students, those on benefits, and most disadvantaged groups. These groups constitute the predominant user class of HMO accommodation. Limiting development takes away the freedom of people to choose where they want to live.

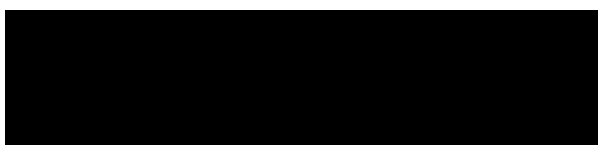
Why is the evidence of national significance? Barriers to accessing housing in the form of planning restrictions poses a nation-wide problem. As access and choice decrease in one area, demand is driven up in other areas. See point 2 at question above.

Do you agree for your evidence to be made public?

Yes.

We thank you for consideration of the RLA's response.

Yours faithfully,



Douglas Haig
Vice-Chairman & Director for Wales
Residential Landlords' Association



