

DRAFT REPORT OF THE SCRUTINY PANEL: To what extent is the Borough Council successful in achieving its objective of managing student occupancy in Loughborough?

Foreword by Councillor Ron Jukes, Chair of the Scrutiny Panel



Loughborough is a market town with an internationally recognised University in its heart. The University has a student population of c. 16,000, with a permanent resident population of c. 62,000. Such a large number of students has both positive and negative effects on the area, particularly those areas adjacent to the University campus, where students choose to live, many now recognised student areas.

This Panel was tasked with scrutinising how the Council manages the occupancy of students in the town and has undertaken its work by the separating the subject into Planning Matters, Housing Matters and Partnership Matters.

The Panel has taken evidence from witnesses with differing views, who were very open to some very pressing questioning. The conclusions reached by the Panel will be submitted to the Council's Cabinet for its consideration and implementation.

The Panel wishes to acknowledge and thank all those who acted as witnesses or provided written evidence to assist the Panel with its deliberations.

Councillor Ron Jukes
Chair of the Managing Student Occupancy Scrutiny Panel.

DRAFT

To what extent is the Borough Council successful in achieving its objective of managing student occupancy in Loughborough?

1. INTRODUCTION

1.1 Following public concerns in respect of the Council's policies for addressing high concentrations of student occupancy, the methods by which policies were carried out and in order to facilitate a debate in respect of what matters relating to student occupancy the Council could and should seek to control, the Scrutiny Management Board established the Panel at its meeting held on 30th January 2013 and subsequently agreed the process for how the Panel review would be conducted, together with the structure for reporting the findings of the Panel, at its meeting held on 27th March 2013.

1.2 Panel Membership

In February 2013 Councillors were invited to put themselves forward to sit on the Panel. On 7th March 2013 all fourteen Members who expressed an interest in becoming a member of the Panel met to consider a way forward, as it was agreed that the number of interested members was too great to be an effective Panel, it was agreed that Group Leaders be asked to consider reducing the size of the panel to nine members.

By consensus it was agreed to recommend to the Scrutiny Management Board that Councillor Ron Jukes chair the Panel.

Panel membership was agreed as follows:

Councillor Ron Jukes, (Chair)

Councillor Marion Smith (Vice-chair)

Councillors Bradshaw, M. Hunt, Pacey, Parton, Ranson and Smidowicz

In addition Councillor Burr was appointed to the Panel, but sadly passed away before the Panel reached its conclusions.

Panel Members felt that the makeup of the Panel was particularly suitable as it consisted of Members that represented a good cross-section of the different Wards in the Borough.

1.3 Terms of Reference and Reason for Scrutiny

Terms of Reference and Reasons for Scrutiny were agreed by the Scrutiny Management Board as follows:

- To identify the areas of public concern in relation to the management of student occupancy in Loughborough.
- To review how the Student Housing Provision in Loughborough SPD is working in practice.
- To review the effectiveness of the introduction of the Article 4 Direction in controlling student occupancy.
- To review how other planning policies and tools, including the use of Section 106 Agreements to control occupancy, the licensing of Houses in Multiple Occupation (HMOs) and engagement with landlords are used to control student occupancy.
- To identify the consequences of the policy approaches and tools used by the Council and whether there have been any unintended consequences.
- To consider whether and how any undesirable consequences of the policy approaches and tools used by the Council can be addressed.

- To consider, using current research and best practice, whether the policy approaches adopted by the Council remain relevant and fit for purpose.

1.4 Reasons for Scrutiny

- To address public concerns about the policies for addressing student occupancy and the methods by which the policies are carried out.
- To facilitate a debate about what matters relating to student occupancy the Council can and should seek to control.

1.5 Evidence, Stakeholders and Witnesses

Witnesses who gave evidence to the Panel were:

Council Officers:	Peter Blitz – Team Leader Development Control David Harris - The Head of Strategic and Private Sector Housing Rebecca Short - The Private Sector Housing Manager
Decent and Safe Homes (DASH) Services Manager	Linda Selvey
Loughborough University Loughborough University Accommodation Officer	Professor Darren Smith Kerry McPheeley
Loughborough University Communications Officer	Alison Barlow
Loughborough Students' Union	Ellie Read and Ally McDonald
Local Landlords Association:	Andrew Chell
Residents' Groups:	
Kingfisher Area Residents' Group: (KARG)	David Harris Richard White
Storer Area Residents Group: (SARG)	John Burnard Hilda Puttick
Swamped by Cars: (SbC)	Nicholas Ball Ian Webb

Written evidence was submitted by Nanpantan Residents Network and Loughborough College.

Representatives from relevant Local Letting Agencies were invited to give evidence to the Panel, but none accepted that invitation, one submitted a response to the written questionnaire.

An online questionnaire was published on the Councils website, to enable as many residents and Residents' Groups as possible to participate with the work of the Panel. The questions were written to ascertain views in respect of people's perceptions of how student occupancy is managed and changes in recent years, views on how the Student Housing Provision in the Loughborough Supplementary

Planning Document is working in practice, the effects of the introduction of the Article 4 Direction, views on the use of Section 106 Agreements, licensing of HMOs, unintended consequences of Council policies and any areas of concern. Details of 16 responses received are recorded in the background papers.

Prior to the commencement of its work and during its deliberations, the Panel received background documents to provide detailed information to support its work.¹

1.6 Summaries of Panel Meetings

A summary of the work undertaken at each meeting of the Panel, including full details of the information provided by witnesses and the issues considered by the Panel are set out in the Action Notes of each meeting, attached at appendix ?.

1.7 Equality Impact Assessment

An Equality Impact Assessment will be considered once the Panel has agreed its final recommendations.

1.8 Background Information

Studentification is a term coined by Professor Darren Smith to describe areas around a University that changed quite dramatically, as the result of the growth in student population. Owner occupiers moved out of an area and increasing numbers of students and houses of multiple occupation appeared.²

A map showing areas of Loughborough identified by Professor Smith as areas of Loughborough with a high density of student population is attached to the report at Appendix ?

The definition of an HMO is as follows:

- a shared house that is occupied by more than one household and who share one or more amenities (i.e. w/c, wash hand basin, shower, bath, cooking facilities)
- a house divided into bed sits, occupied by people who do not form one household and who share one or more amenities
- an individual flat that is occupied by more than one household and who share one or more amenities
- a building of self-contained flats, that do not meet as a minimum standard the requirements of the 1991 Building Regulation, and at least one third of the flats are privately rented.

In order to be an HMO the property must be used as the tenants' only or main residence and it should be used solely or mainly to house tenants. Properties let to students and migrant workers will be treated as their only or main residence and the same will apply to properties which are used as domestic refuges.

To ameliorate the impact of high concentrations of students living in HMOs on their communities. Groups, such as the National HMO Lobby promote sustainable communities defined as 'places where people want to live and work, now and in the future. They meet the diverse needs of existing and future residents, are sensitive to

¹ Background documents detailed at appendix ?

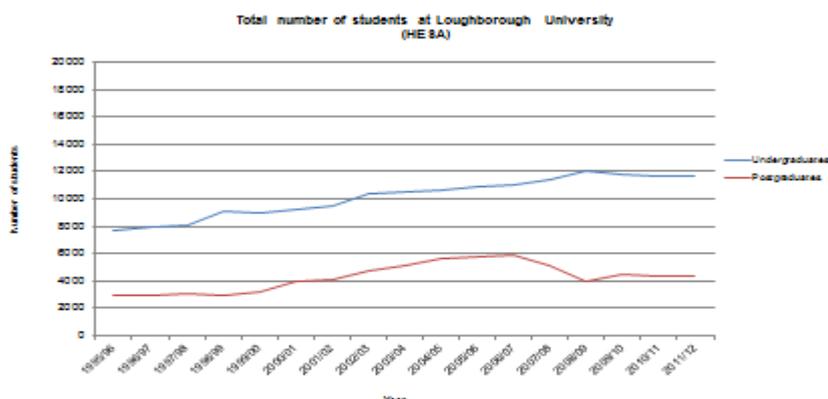
² On the Street Where They Live -The View 2010

their environment, and contribute to a high quality of life. They are safe and inclusive, well planned, built and run, and offer equality of opportunity and good services for all.’ CLG identifies eight components – sustainable communities are active, inclusive & safe, well run, environmentally sensitive, well designed & built, well connected, thriving, well served, and fair for everyone. But this definition entirely overlooks the obvious fact that what’s necessary for a sustainable community is a resident population willing and able to sustain that community³, and oppose concentrations of HMOs in general (as a unique threat to the sustainability of communities) and studentification in particular (as the principal cause and effect of HMO concentrations)⁴.

Representatives of local residents groups in Loughborough are members of the HMO Lobby and referred to its work and statistics during the evidence gathering part of the Panel’s work.

Student Number data⁵

HESA data



The University had reported significant growth from 1990 onwards, which reflected the national policy to encourage more young people to attend University. During the past 4 years, student numbers had levelled out and the current University strategy is to further develop research rather than substantial growth in student numbers. However, the University did seek to redress the under recruitment in 2012 in the 2013/14 academic year. The University recognised that on-campus accommodation had not kept pace with the rise in student numbers, but the current outlying planning permission for additional on campus accommodation was unlikely to be taken forward. Currently there were approximately 5,300 beds on campus, 12% of full time students lived at home, with that figure increasing by 1% each year, which the University is monitoring.

1.9 Key Findings

³ Background Paper A – Balanced Communities and Studentification: Problems and Solutions

⁴ www.hmobby.org.uk

⁵ Higher Education Statistics Authority

Following its deliberations and having received considerable evidence to support its final views, including from witnesses and background documents as attached in the appendices, the Panel came to the following key findings:

RECOMMENDATIONS:

1. The new SPD should not weaken the intent and provisions in the existing SPD on Student Housing Provision in Loughborough and should at a minimum cover the whole of Loughborough including the town centre.
REASON: To acknowledge the achievements of the existing SPD and address an omission in its current extent.
2. The new SPD should be based on a threshold approach using the proportion of properties in a given area which were houses in multiple occupation (HMOs).
REASON: Problems were caused by an over concentration of houses in multiple occupation and the SPD should address this issue directly. It was also easier to measure this variable than a series of variables relating to particular aspects of harm.
3. The basis of the new SPD should be that:
 - the percentage of properties in multiple occupation be no more than 10% within a radius of 100m of the property in question
 - no property in a street should have a house in multiple occupation on both sides of it
 - halls of residence for students should be included in the calculation of the number of houses in multiple occupation on the basis of their total capacity divided by six
 - where halls of residence were granted permission consideration would be given to requiring no-car agreements for their occupation.*REASON: To establish a robust policy to prevent over concentration of HMOs developing in a given area.*
4. Any measure of the concentration of houses in multiple occupation required a comprehensive database of properties with information drawn from a range of sources which should include:
 - Council Tax exemptions
 - Electoral Registration
 - University and College data
 - Licensing informationInformation provided by local residents and councillors
REASON: To ensure a robust evidence base to calculate concentrations was available for determining planning applications which was not subject to doubt and retained the confidence of the public.
5. The Council should discuss the development of information sharing agreements with Loughborough University and Loughborough College and explore opportunities for information sharing with landlords and letting agents

in respect of houses occupied by students and/or by three or more unrelated persons.

REASONS:

1. *To achieve the comprehensive database referred to above and acknowledge the work of Professor D. Smith in promoting such an approach.*
2. *To support partnership working.*

6. The Council explores ways in which information showing the location or distribution of houses in multiple occupation can be made available to the public, either wholly or in an aggregated form.

REASON: To provide public access to information and promote confidence in the process.

7. The Council should have in place robust enforcement policies and mechanisms to obtain evidence, for example regular inspections, to ensure that permitted uses, conditions to planning permissions and housing legislation are adhered to. The Council should publicise how the public could raise issues of concern.

REASON: To encourage issues to be reported and ensure all reported complaints are investigated and the processes followed through to a satisfactory conclusion.

8. The Loughborough Off-Campus Community Delivery Strategy and Action Plan should be amended to promote or make reference to the following:

- the role of the University in regulating students bringing cars to the town
- the opportunities offered by residents' parking schemes and restrictions on parking times
- developing a common tenancy agreement that included, for example, clear responsibilities in relation to maintaining gardens and identified the responsibilities of landlords and agents
- support for the Students' Union's 'Rate my Landlord' scheme and an undertaking to provide resources for this if required.

REASON: To enable partners to work together to address issues identified by the panel and to support students in finding appropriate, safe and well maintained accommodation.

9. The Council should embark on a process to collect the evidence required to initiate a consultation process in respect of the introduction of Discretionary Licensing including the complaints received by all relevant Council departments and by partners and the ability of the Council and its partners to resolve those complaints using the current powers available.

REASON: To develop an evidence base to support further regulatory action.

10. The Panel does not recommend any policies at this stage to restore community balance in areas already above an agreed threshold.

REASON: To reflect the Panel's view that the best method for restoring community balance would be through market forces. However this issue could

be revisited by the Panel as part of the separate recommendation to the Scrutiny Management Board that it re-convene to consider the draft SPD.

11. That concerns in respect of some Purpose Built Student Accommodation in Loughborough being used to house non-students be investigated as planning and Council Tax/Business Rates collection issues.
REASON: To ensure that planning controls and Council Tax/Business Rates liabilities are complied with.
12. Contact Centre scripts be revisited to include questions regarding whether a property is an HMO are asked when appropriate.
REASON: To ensure that all data relevant to HMOs is recoded appropriately and to support the evidence gathering referred to in recommendation 9 above.
13. As part of developing the SPD, consideration be given to including issues in respect of routes used by students as well as areas where they live.
REASON: Witnesses raised concerns in respect of anti-social behaviour caused by large numbers of students as they moved from home to university or into town at unsociable hours.
14. The Panel acknowledges the work of the DASH accreditation scheme and would like to encourage its further use, with the involvement of wider partner agencies visiting properties.
REASON: The DASH scheme allows competent landlords to publicise their properties and with sufficient information available to them, other agencies representatives could provide advice and direct residents to appropriate support networks.
15. The Panel supports the legal framework in respect of the display of Letting Boards and wishes to ensure that the regulations are adhered to and enforcement action taken when necessary.
REASON: To ensure that a plethora of Letting Boards are not a blight on the street scene in areas of Loughborough.
16. The Panel recommend an amendment to the voluntary scheme currently in place to restrict Letting Boards, by proposing no Letting Boards be erected for the following academic year until the Spring term of the previous academic year.
REASON: To ensure that the Letting Boards would not be evident for unnecessarily long periods of time, while acknowledging that details of houses to let for the following academic year would be available on the web, where most students look for properties.
17. The Council should discuss the development of information sharing agreements with Loughborough University and Loughborough College and explore opportunities for information sharing with landlords and letting agents in respect of houses occupied by students and/or by three or more unrelated persons.
REASONS:

1. *To achieve the comprehensive database referred to above and acknowledge the work of Professor D. Smith in promoting such an approach.*
2. *To support partnership working.*

REFER TO SCRUTINY MANAGEMENT BOARD

18. The Panel re-convenes to consider the draft SPD at an appropriate point in 2014.
REASON: To enable the Panel to provide input into the development of the guidance set out in the document including how exceptions within the SPD might be dealt with.

CONCLUSIONS NOT REQUIRING FURTHER ACTION

19. Partnership working, especially through the Loughborough Campus and Community Liaison Group and the Off-Campus Student Delivery Strategy Group, is welcomed and should be encouraged.
REASON: To recognise the importance of this work in addressing community concerns and the problems that can be caused by a high concentration of students.
20. The following statement in the submitted draft Core Strategy is supported: "We value the University and College and the significant economic, social and cultural contribution our student population brings to Loughborough. However, a negative impact has been experienced in some neighbourhoods because of the over concentration of houses in multiple occupation. These impacts have affected some community facilities, the character and appearance of the area and caused disturbances and parking problems".
REASON: To acknowledge both the benefits and problems caused by a large student population in a town the size of Loughborough and to clarify the Council's objectives in managing student occupancy.
21. The intention in the Core Strategy to prepare a new Supplementary Planning Document (SPD) on houses in multiple occupation is welcomed.
REASON: The current SPD needs updating to reflect the introduction of the Article 4 Direction, the new policy statement in Core Strategy and appeal decisions.
22. The Panel record its disappointment that the major Letting Agents for student properties in Loughborough declined or ignored invitations to engage with the work of the Panel.
REASON: The Panel consider the Letting Agents to be major players in the issues relating to student accommodation and despite numerous invitations only one letting agent responded to the questionnaire, and that was from an agent with few student properties.

23. The Panel support the additional work undertaken by the University to record student term time addresses and encourage further work in that area to capture further data.
REASON: The Panel recognises the work undertaken by the University during the deliberations of the Panel, however, it has concerns that the University does not hold a complete data set for student term time addresses and the possible consequences of that fact.
24. The Panel notes the information received in respect of national legislation for non-payment of Council Tax by students and non-payment of business rates by landlords noted – no further action.
REASON: The Panel acknowledges national legislation covers these issues and the Panel is unable to influence policy in these areas even though it disagrees with it.
25. The proposals put forward by the Street Management Team for accelerating the process for taking enforcement action in relation to waste left outside properties be welcomed.
REASON: To support speedier action in relation to the issue.

2. PLANNING MATTERS

During the meetings of the Panel, the main issues relating to student occupancy and planning matters highlighted the use of the Supplementary Planning Document on Student Housing Provision in Loughborough, the Article 4 Direction and the current adopted Local Plan. Specific consideration was given to defining thresholds of student occupancy at which harm may occur and policy interventions be appropriate, the large number of student houses on the Kingfisher Estate and whether separate policies in this location were justified, student accommodation moving to other residential areas adjacent to the University campus and the impact of purpose built student accommodation.

The Team Leader of Development Control discussed with the Panel issues relating to planning, planning enforcement and student occupancy - Houses in Multiple Occupation (HMOs) in particular, to expand on the information submitted to the Panel as a background paper.¹ The Panel received comprehensive evidence from local residents on their experiences of the planning process.

2.1 PLANNING POLICES

The Council currently has the following four planning policies in place, relevant to the work of the Panel, set out in the current Adopted Local Plan:

H12 – General permissive policy - indicates that planning permission will be granted for new buildings or the re-use of non-residential properties specifically for student accommodation at locations on, or readily accessible by, cycle, public transport or on foot to the university and college campuses. Planning permission will be granted for developments which include reduced parking standards where it can be shown that there would be no adverse impact in the vicinity of the site.

H13 - indicates that planning permission for the conversion of properties within primarily residential areas to hostels, self-contained flats, cluster flats or to any use within Class C1 (hotels) of the Town and Country Planning (Use Classes) Order 1987 (as amended) will be granted provided the application would not be affected by a list of five criteria in respect of noise and disturbances. Reference was made to Large Unmanaged Residences for Students (LURS).

EV1 – a general design policy – not student specific.

EV39 – a general policy in respect of pollution and development in its widest sense. At the time of introduction of that policy there was no requirement to apply for planning permission for up to six unrelated people living in a property. The introduction of the Article 4 Direction changed that position.

The Student Housing SPD provides guidance on how to take decisions using the above policies, which had resulted in a matrix of responses and a threshold for

¹ Background Papers 2 – Enforcement (Planning) & 8 – Planning

making judgements. Prior to the introduction of the SPD with no control there had been a large number of HMOs established in specific areas of Loughborough.

The Article 4 Direction gave officers the ability to take decisions in respect of changes of use from Class C3 to C4 properties. As the policies in the Local Plan were written prior to the introduction of the Article 4 Direction, this affected the weight that could be given to those policies when determining planning applications for changes of use from C3 to C4.

The current Adopted Local Plan expired in 2011, but would continue to be used until policies introduced as part of the draft Core Strategy were adopted. The new National Planning Policy Framework (NPPF) made it clear that where policy was consistent with the NPPF weight could continue to be applied to them until new policies were adopted.

The Panel is aware of the draft Core Strategy that will form part of the Borough Council's Local Plan which sets out how development will take place to 2028. The draft Core Strategy includes a policy specifically on Houses in Multiple Occupation which contains an intention to develop a supplementary planning document on Houses in Multiple Occupation².

The current SPD responds to concerns expressed by the public in respect of the impact of student accommodation, many of which remain and have been discussed by the Panel with witnesses:

- The erosion of the sense of community and social interaction normally engendered in a stable, balanced community.
- Exclusion of first time and young family buyers from the housing market, to the detriment of the social balance and community facilities, especially schools.
- Congestion and disturbance during term time, sharply contrasted with an air of abandonment during vacations.
- Higher incidence of anti-social behaviour, particularly at unsociable hours.
- Increased levels of crime and the fear of crime.
- Poorer standards of property maintenance and repair.
- Accumulations of waste and rubbish, particularly towards the end of the academic year.
- Littering and fly-posting.
- The proliferation of letting signs, adding to the impression of transience and detracting from the character of the street scene.

Other local concerns that have been expressed over time include:

- That the permissive approach to student housing in the town centre has driven up land values as developers have seen higher returns than those from family housing and homes for the elderly. Alternative development options have effectively been priced out, resulting in an unbalanced town centre community.
- The concentration of student housing has resulted in the "ghettoisation" of the town centre.

² Charnwood Local Plan 2006-2028 - Core Strategy Pre-Submission Draft - June 2013, Policy CS4

- Night time economy has been overwhelmed by the number of incidents of anti-social behaviour, discouraging others from using those facilities.
- Out of term town the town centre is reduced to a “ghost town”, undermining the viability of businesses.

The Panel considered the use of Section 106 Agreements to assist with controlling student occupancy, both with purpose built student accommodation (PBSA) and the inclusion of ‘no car’ terms within tenancy agreements for specific student accommodation blocks. It was however noted that there were instances where such agreements had not been adhered to, for example reports that some PBSA within the town centre was currently housing non students and residents living close to The Cube complained of students from that accommodation parking cars in their area.

Witnesses from some local residents’ associations and those not members of a residents association, raised concerns in that the use of the SPD and Article 4 Direction did not assist their areas remaining as balanced communities. For example, on the Kingfisher Way Estate, there were instances with very few family properties living in a road and those families felt unable to sell their homes, at a fair market price, due to the restrictions of no further HMOs in the area.

Witnesses from SARG gave an overview of the changes they had witnessed in their area, stating that in 1992 the area had been a model of sustainability, including a manageable percentage of students, contributing to a vibrant atmosphere. An erosion of that balance took place between 1994 and 1998 and the Residents’ Group alerted the Council to the situation in 1999. Since 2004 changes had occurred to improve the quality of life in the area, with the support of the Council, University, Students’ Union and Police. It was the opinion of SARG that the adoption of the Student Housing SPD and the Article 4 Direction had helped to control the balance of student accommodation in its area.

There was evidence submitted to the Panel that the policies were not working as successfully in other areas of the town. For example, evidence from KARG, NRN and SbC all raised concerns that the policies were not preventing residents having HMOs on both sides of their property (which was described as an HMO sandwich), and the Panel was presented with examples of unacceptable litter and refuse with wheelie bins left on the street, excessive student parking in residential streets and garage conversions into living accommodation. The Panel also heard that there was considerable frustration among residents about how particular planning applications had been determined.

The Panel agreed with this evidence, believing that the Council’s policies were appropriate but there were issues still to be addressed in terms of their implementation. The new SPD should therefore build on previous experience and address current concerns.

RECOMMENDATIONS AND CONCLUSIONS NOT REQUIRING FURTHER ACTION

Conclusions not requiring further action

- a) The following statement in the submitted draft Core Strategy is supported: “We value the University and College and the significant economic, social and cultural contribution our student population brings to Loughborough. However, a negative impact has been experienced in some neighbourhoods because of the over concentration of houses in multiple occupation. These impacts have affected some community facilities, the character and appearance of the area and caused disturbances and parking problems”.
REASON: To acknowledge both the benefits and problems caused by a large student population in a town the size of Loughborough and to clarify the Council’s objectives in managing student occupancy.
- b) The intention in the Core Strategy to prepare a new Supplementary Planning Document (SPD) on houses in multiple occupation is welcomed.
REASON: The current SPD needs updating to reflect the introduction of the Article 4 Direction, the new policy statement in Core Strategy and appeal decisions.

Recommendations

- (i) The new SPD should not weaken the intent and provisions in the existing SPD on Student Housing Provision in Loughborough and should at a minimum cover the whole of Loughborough including the town centre.
REASON: To acknowledge the achievements of the existing SPD and address an omission in its current extent.
- (ii) As part of developing the SPD, consideration be given to including issues in respect of routes used by students as well as the areas where they live.
REASON: Witnesses raised concerns in respect of anti-social behaviour caused by large numbers of students as they moved from home to university or into town at unsociable hours.
- (iii) The Panel reconvenes to consider the draft SPD at an appropriate point in 2014. (recommendation to the Scrutiny Management Board)
REASON: To enable the Panel to provide input into the development of the guidance set out in the document including how exceptions within the SPD might be dealt with.

2.2 THRESHOLDS FOR MANAGING STUDENT OCCUPANCY

The current SPD sets out levels of student occupancy at which planning permission for certain types of development would be permitted or refused. The method set out in the SPD uses small output areas to calculate the proportion of houses in an area that are occupied by students. The Panel considered the merits of a threshold-based method to determine planning applications, how to define areas and how to identify an appropriate threshold.

It was unclear how the current thresholds in the SPD had been arrived at. Consideration was given to identifying an appropriate saturation threshold, one for the whole area or different ones for different areas of the town. Details of methodologies adopted by other authorities included 20% along a street in Oxford, a radius approach in Warwick, 25% within a radius of 100 metres in Bath, and 10% within a 50 metre radius in Portsmouth³.

While considering the data available when defining thresholds, the Panel considered that accurate HMO data was required and raised concerns that, for example, where electoral registration information was used it may not be totally accurate, with a number of houses not having any recorded occupants. It was suggested that consideration be given to the establishment of a GIS System, to include university term time address information, Council Tax exemption data, the electoral register and other data to provide more accurate information about the location of student HMOs. The Panel was made aware that there could be costs associated with preparing new data sets. Officers urged caution on using mathematical formulas in isolation, as there were often mitigating factors.

If a policy was designed to maintain balanced communities, it was suggested that the area being considered should probably not be too small. By using a method based on streets, it may be easier to work out percentages and conclude when a saturation figure had been reached. However, there were dangers with being too prescriptive, for example there could be effects from cars parked on an adjacent road or from people moving to and from properties.

The Panel heard about concerns of a residential home being sandwiched between two HMOs and the consequences of such a position and the impact that Halls of Residence can have on amenity. The Panel concluded that these factors should form part of a threshold-based approach.

RECOMMENDATIONS

- (iv) The new SPD should be based on a threshold approach using the proportion of properties in a given area which were houses in multiple occupation (HMOs).
REASON: Problems were caused by an over concentration of houses in multiple occupation and the SPD should address this issue directly. It was also easier to measure this variable than a series of variables relating to particular aspects of harm.
- (v) The basis of the new SPD should be that:
- the percentage of properties in multiple occupation be no more than 10% within a radius of 100m of the property in question
 - no property in a street should have a house in multiple occupation on both sides of it
 - halls of residence for students should be included in the calculation of the number of houses in multiple occupation on the basis of their total capacity divided by six.

³ <http://hmolobby.org.uk/>

- Where halls of residence were granted permission consideration would be given to requiring no-car agreements for the occupants.
REASON: To establish a robust policy to prevent over concentration of HMOs developing in a given area.

(vi) The Panel does not recommend any policies at this stage to restore community balance in areas already above an agreed threshold.

REASON: To reflect the Panel's view that the best method for restoring community balance would be through market forces. However this issue could be revisited by the Panel as part of the separate recommendation to the Scrutiny Management Board that it re-convene to consider the draft SPD.

2.3 INFORMATION SHARING

Professor Darren Smith, a nationally recognised authority on studentification, had stated 'Loughborough was no different from other university towns in the difficulties it faced (with student accommodation) but I think it was the pioneer in taking the issue seriously'.⁴ He attended a panel meeting, as a witness and provided information about his work in this area, with specific reference to data for Loughborough.

The majority of undergraduate students wished to live off campus for their second and third years and many were becoming more discerning when looking for accommodation, wanting better quality accommodation with more facilities. Students appeared to be splitting in to definite groups; one which was affluent and happy to absorb higher costs for better quality accommodation and facilities and another seeking lower rental costs and moving to different areas of the town to find them.

Reference was made to concerns about student movement into new ones. The Kingfisher estate had been saturated for 5 years. The submitted data did not show the numbers moving to the Nanpantan Residents Network (NRN) area or the exact numbers moving from the Storer Road area. Movement of students and a fall in student numbers in 2012/13 had resulted in previously rented houses in areas of town popular with students having vacant rooms or those properties being put for sale on the open market. The Panel believed that consideration should be given to supporting areas students were leaving as it raised questions of would they be left for transient people to use for short periods – which would cause other problems – or return to family accommodation? These issues were, however, outside its terms of reference.

Professor Smith believed he had a dataset on student residences that was robust. Previous issues with the data were believed to arise from students who had completed short courses and have not been removed from the system. His statistics did not include figures for Loughborough College students but information was provided by Loughborough College which indicated that there were 331 properties with an LE 11 postcode, where three or more Loughborough Students were registered as living.⁵

⁴ On the Street Where They Live -The View 2010

⁵ Figures supplied by Loughborough College

A postcode had been added to each address to assist in analysing the data. The 2011 census had been used to as a baseline and to benchmark changes year by year. Hotspots of high student density in Loughborough remained similar in 2011 and 2012/13.

Data sets could be made available to planners at the Borough Council, but not on an ad hoc basis. The best quality data set would be available in February each year, following the submission of data by the University to the Higher Education Statistics Agency (HESA).

The Panel strongly supported the principle of developing methods of information sharing to improve the effectiveness of, and confidence in, a threshold-based approach to determining planning applications.

RECOMMENDATIONS

- (vii) Any measure of the concentration of houses in multiple occupation required a comprehensive database of properties with information drawn from a range of sources which should include:
- Council Tax exemptions
 - Electoral Registration
 - University and College data
 - Licensing information
 - Information provided by local residents and councillors
- REASON: To ensure a robust evidence base to calculate concentrations was available for determining planning applications which was not subject to doubt and retained the confidence of the public.*
- (viii) The Council should discuss the development of information sharing agreements with Loughborough University and Loughborough College and explore opportunities for information sharing with landlords and letting agents in respect of houses occupied by students and/or by three or more unrelated persons.
- REASONS:*
1. *To achieve the comprehensive database referred to above and acknowledge the work of Professor D. Smith in promoting such an approach.*
 2. *To support partnership working.*
- (ix) The Council explores ways in which information showing the location or distribution of houses in multiple occupation can be made available to the public, either wholly or in an aggregated form.
- REASON: To provide public access to information and promote confidence in the process.*

2.4 ENFORCEMENT

The implementation of planning policies is supported by enforcement action where this is necessary. Planning control was about the use of land/physical development, it was not about duplicating controls that existed elsewhere. It was not possible, for

example, to control refuse bins, the state of gardens, the condition of curtains or the position of washing and washing lines through the planning process. However some of these issues are considered later in this report as there are other ways in which the Panel believes improvements can be made. The Panel also believed that it was outside the powers of the planning system to revert C4 homes back to C3 use and that market forces would eventually redress the situation.

The Panel was also concerned about student accommodation blocks being used by non-students in contravention of the planning permission for those buildings. The Panel believes that this could also have implications for the way Council Tax exemptions for students are applied.

The Panel heard evidence in respect of conversions of garages to bedrooms, and officers stated that C3 ordinary dwellings did not require planning permission to convert to a room, if it was in association to the existing dwelling. In a C4 property the decision whether it would be a material change was a more difficult judgement to make. Should a separate access be made into a converted garage making a self-contained dwelling, that would be in contravention of planning rules and Enforcement officers would investigate any such reports.

Conditions continued to be introduced to planning permissions for new purpose built student accommodation, controlled through tenancy agreements, for example at the Cube and the Wharf developments in respect of no car agreements. The Panel supported this and noted that such tenancy agreements were used in other university towns and cities.

The Panel heard evidence about Charnwood's current schemes for regulating letting boards and experiences at other authorities. While the local successes were noted, further changes had been identified during the course of its work.

The Panel acknowledged that when officers investigate information supplied by the public from other sources, breaches of planning or other controls cannot always be substantiated. However the Panel firmly believes in the robust investigation of information supplied to planning and other enforcement services.

RECOMMENDATIONS

- (x) The Council should have in place robust enforcement policies and mechanisms to obtain evidence, for example regular inspections, to ensure that permitted uses, conditions to planning permissions and housing legislation are adhered to. The Council should publicise how the public could raise issues of concern.

REASON: To encourage issues to be reported and ensure all reported complaints are investigated and the processes followed through to a satisfactory conclusion.

- (xi) That concerns in respect of some Purpose Built Student Accommodation in Loughborough being used to house non-students be investigated as planning and Council Tax/Business Rates collection issues.

REASON: To ensure that planning controls and Council Tax/Business Rates liabilities are complied with.

- (xii) The Panel supports the legal framework in respect of the display of Letting Boards and wishes to ensure that the regulations are adhered to and enforcement action taken when necessary.

REASON: To ensure that a plethora of Letting Boards are not a blight on the street scene in areas of Loughborough.

- (xiii) The Panel recommend an amendment to the voluntary scheme currently in place to restrict Letting Boards, by proposing no Letting Boards be erected for the following academic year until the Spring term of the previous academic year.

REASON: To ensure that the Letting Boards would not be evident for unnecessarily long periods of time, while acknowledging that details of houses to let for the following academic year would be available on the web, where most students look for properties.

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3. HOUSING MATTERS

During the meetings of the Panel, the main issues relating to student occupancy and housing matters, the Panel considered in detail the need for additional HMO licensing designation, the need for all Council Services to use the same data recording to systems to be able to share information and collate evidence, the work of the Decent and Safe Homes accreditation scheme and enforcement matters.

3.1 LOCAL LANDLORDS ASSOCIATION

A representative of the Landlords Association provided information from the landlord's perspective. He stated that Loughborough was unusual in that there was a large University in a small town, approximately 15,000 students and a population of 50,000 residents. The University was not able to provide the number and type of accommodation required by students. Therefore a large market for the provision of student accommodation had grown in the private sector. There was a significant amount of capital investment required from local businessmen. An estimated investment of £40,000 to £50,000 per room resulted in an overall investment of £250m to £300m from the private sector, allowing the University to focus on other investments.

The Local Students Landlord Association was an informal group that met on an ad hoc basis, when there was an issue to address. More regular email discussions took place within the group, which was responsible for an estimated 90% of private student bed spaces in Loughborough but they remained competitors in a single market. The vast majority of landlords lived locally, however there were growing numbers of national companies managing properties, for example Club Easy. Non local ownership did not mean those properties were badly managed.

With the addition of purpose built student accommodation (PBSA) in recent years and an influx of landlords, there was currently an oversupply of beds, (estimated at 1,000). Students had growing expectations for the quality of accommodation and facilities they required, some of which was in response to legislation. Students in their second year and onwards had friendship groups and preferred to live in self-contained houses. The oversupply had led to competition, with standards above average compared to other University towns and competitive rents.

3.2 DISCRETIONARY HMO LICENSING DESIGNATION

The Council has a protocol in place for dealing with the mandatory licensing regime established by the Housing Act 2004¹. The legislation gives local authorities powers to license certain, large HMOs, generally those with at least three storeys and at least five occupants. The legislation also gives local authorities the discretionary power to expand the types of properties that require a licence where this can be justified.

The Panel received a presentation from Housing officers, which included information in respect of property/household types, a summary of service requests, courses of action currently available to manage student occupancy, the Off Campus Student

¹ Housing Act 2004 - Houses in Multiple Occupation (HMO) Licensing Protocol

Delivery Strategy and Charnwood Borough Council services linked to student accommodation. Officers also made reference to the conditions to consider before making any Discretionary HMO Licensing designation and the process that would need to be followed.

The Panel considered whether it was appropriate to introduce discretionary HMO Licensing and officers made reference to the matters to consider prior to taking such a decision in Loughborough:

- (a) A Local Authority must consider that a significant proportion of HMOs are being managed sufficiently ineffectively as to give rise to *one or more particular problems* for those occupying the HMO or for members of the public:
 - External condition adversely impacting upon the area
 - Internal condition adversely impacting upon the health, safety and welfare of the occupiers
 - Significant and persistent problem of anti-social behaviour
 - Landlords of HMOs failing to take appropriate steps to address the above issues.
- (b) Unless a Local Authority has significant evidence of problems that they are unable to deal with under current measures, there is a strong likelihood that proposals for additional licensing would be challenged by judicial review.
- (c) A Local Authority must consider whether there are any other courses of action available to them that might provide an effective method of dealing with the problems in question.
- (d) A Local Authority must be clear that making the designation will significantly assist them to deal with the problems.
- (e) Consult persons likely to be affected by the designation over a minimum 10 week period.

It was the opinion of the Head of Strategic and Private Sector Housing and the Private Sector Housing Manager that the situation in Charnwood was not sufficiently serious to warrant introducing discretionary HMO licensing. The Panel were informed about the situation in areas of Nottingham where a discretionary HMO Licensing scheme was being introduced and received reports on the experiences of other local authorities that had considered introducing schemes².

The Panel heard evidence from local residents regarding problems they had experienced arising from certain properties rented by students. The Panel believes that further work should be undertaken to determine the extent of the problems caused by student-occupied HMOs. The Panel received details of the different data systems used by the Borough Council to record relevant information, for example Private Sector Housing use FLARE, Neighbourhood Management use SENTINEL and Customer Services use LAGAN. The Panel believes that further work to develop the capturing and sharing of information between departments will be a necessary part of this work.

² Agenda items 3 and 4, Panel meeting on 20th September 2013

It was therefore proposed that as a first step towards the consideration of whether Discretionary HMO Licensing was appropriate, the Panel recommend collation of all relevant data from Council Services to obtain a comprehensive evidence base, so that this could be done from an informed position.

The Panel believed that the Council worked well with partners to address concerns, for example with the Police when reports of a cannabis factory had been received and the Police reported housing issues for the Council to address, and with the University. Further aspects of partnership working are covered in the next section of the report.

RECOMMENDATIONS

(xiv) The Council should embark on a process to collect the evidence required to initiate a consultation process in respect of the introduction of Discretionary Licensing, including the complaints received by all relevant Council departments and by partners and the ability of the Council and its partners to resolve those complaints using the current powers available.

REASON: To develop an evidence base to support further regulatory action.

(xv) Contact Centre scripts be revisited to include questions regarding whether a property is an HMO are asked when appropriate.

REASON: To ensure that all data relevant to HMOs is recorded appropriately and to support the evidence gathering referred to in recommendations (xiv) above.

3.3 VOLUNTARY ACCREDITATION SCHEMES

The Panel heard evidence from the Head of Strategic and Private Sector Housing, the Private Sector Housing Manager and the Decent and Safe Homes (DASH) Services Manager about the DASH Accreditation Scheme, the accreditation process, funding, successes of the scheme in Charnwood, recent updates and future developments. DASH is a self-regulating body, able to enforce its own Code of Conduct. Its accreditation scheme allows officers to work with those landlords who were willing to influence them to change their behaviour and ways of working, to ensure minimum standards are met and hazards reduced or removed.

The University Student Accommodations Officer provided the Panel with details of the service the University provided to students. Since 2010, for mainly commercial reasons, the Service only provided an advertising service to accredited landlords.

The Students' Union worked in conjunction with the Accommodation Service and the Borough Council to provide an annual Housing Bazaar, encouraging students to use accredited landlords when choosing accommodation for the next academic year. The Students' Union is also developing its own online 'Rate My Landlord' scheme which was an initiative which the Panel supported. The Panel believes that this project could be supported through the work of the Loughborough Off-Campus Community Liaison Group and the Loughborough Off-Campus and Community Service Delivery Strategy Action Team and this is referred to in recommendation (xviii) in the next section of the report.

The Panel believes that such voluntary schemes have a value but are not a substitute for appropriate enforcement action where the evidence exists that this is necessary to ensure the well-being of students and other residents.

RECOMMENDATIONS

- (xvi) The Panel acknowledges the work of the DASH accreditation scheme and would like to encourage its further use, with the involvement of wider partner agencies visiting properties.

REASON: The DASH scheme allows competent landlords to publicise their properties and with sufficient information available to them, other agencies representatives could provide advice and direct residents to appropriate support networks.

3.4 COUNCIL TAX, BUSINESS RATES AND ENFORCEMENT

The Panel received information in respect of liability for Council Tax in properties occupied by students and liability for Business Rates (National Non-Domestic Rates) by landlords³. As both are governed by national legislation the Panel acknowledged the information, but was not able to agree with it.

In section 2.9 of the report above the Panel has set out its findings and recommendations in respect of enforcement matters. These relate particularly to planning matters but also apply to enforcement of the Council's responsibilities in relation to private sector housing and the collection of Council Tax. As a result the Panel made two recommendations (numbers (x) and (xi) above).

CONCLUSIONS NOT REQUIRING FURTHER ACTION

- c) The panel notes the information received in respect of national legislation for non-payment of Council Tax by students and non-payment of business rates by landlords noted – no further action.

REASON: The Panel acknowledges national legislation covers these issues and the Panel is unable to influence policy in these areas, even though it disagrees with it.

³ Agenda item 5, Panel meeting on 30th July 2013

4. PARTNERSHIP MATTERS

The Panel was made aware of the positive work of the Loughborough Campus and Community Liaison Group and the Loughborough Off-Campus and Community Service Delivery Strategy Action Team. The representatives of the partner agencies, include, the Borough Council, Leicestershire County Council, Landlords, Loughborough College, the Police, the Students' Union and Loughborough University, together with recognised Residents Associations and co-opted members. Both Groups 'Recognise the need for positive co-existence, for the mutual benefit of all parties in Loughborough. It is however, inevitable that potential conflicts of interest will arise, as well as areas of agreement act as a forum within which matters relating to the presence of the University and College in the community can be discussed in an atmosphere of mutual trust, co-operation and support, so avoiding misunderstanding and with a view to establishing an approach to the resolution of local issues and problems'¹.

Representatives of the University, Students' Union, the Landlords Association and interested Residents' Groups attended meetings to provide evidence to the Panel. The Panel also received information from Professor Darren Smith in respect of studentification, including historical information and current data on student numbers, the spatial distribution of the student population, purpose built accommodation (both on and off campus), and information about destudentification in the Storer and Burleigh Road areas.

The Panel recognises the partnership work that continues between the Borough Council, Loughborough University, the Students' Union, Loughborough College and local residents, together with other agencies, all of whom 'recognise the need for positive co-existence, for the mutual benefit of all parties in Loughborough'².

4.1 PARTNERSHIP WORKING AND INFORMATION SHARING

Throughout the meetings with witnesses, the Panel has discussed information sharing between partner agencies and with local residents associations. Examples include:

- Data compiled by Professor D. Smith to support his work with studentification which could be used by the Council
- Information residents associations compiled in respect of HMOs in their areas
- Reporting of instances of anti-social behaviour to different agencies.

The Panel acknowledges the on-going work of the Borough Council's Community Safety Manager and her team, specifically the information Sharing Protocol that will allow the lawful exchange of information between the Borough Council, the Police and the University.³

¹ Extract from the LCCLG Terms of Reference

² Extract from Loughborough Campus and Community Liaison Group (LCCLG) Terms of Reference

³ Background Paper 1 – Anti-social Behaviour

Concerns were raised by the Panel in respect of student term time address data held by the University, as a large number of students appeared not to provide a local address. Officers at the University had agreed to investigate the issue and returned to a later Panel meeting to report on registration of term time addresses for students and clarification of the position of the University in recording that data. The University chose not to make submission of a term time address compulsory at the time of registration, for reasons detailed in a document submitted to the Panel.⁴

RECOMMENDATIONS AND CONCLUSIONS NOT REQUIRING FURTHER ACTION

RECOMMENDATIONS

- (xvii) The Council should discuss the development of information sharing agreements with Loughborough University and Loughborough College and explore opportunities for information sharing with landlords and letting agents in respect of houses occupied by students and/or by three or more unrelated persons.

REASONS:

- 1. To achieve the comprehensive database referred to above and acknowledge the work of Professor D. Smith in promoting such an approach.*
- 2. To support partnership working.*

CONCLUSIONS NOT REQUIRING FURTHER ACTION

- d) Partnership working, especially through the Loughborough Campus and Community Liaison Group and the Off-campus Student Delivery Strategy Group, is welcomed and should be encouraged.

REASON: To recognise the importance of this work in addressing community concerns and the problems that can be caused by a high concentration of students.

- e) The Panel support the additional work undertaken by the University to record student term time addresses and encourage further work in that area to capture further data.

REASON: The Panel recognises the work undertaken by the University during the deliberations of the Panel, however, it has concerns that the University does not hold a complete data set for student term time addresses and the possible consequences of that fact.

4.2 OTHER ISSUES RELATING TO STUDENTS IN LOUGHBOROUGH

The terms of reference of the Panel were focussed on whether the Council's policy approaches to managing student occupancy are being successful. By managing student occupancy the Panel means those policies which address where shared student housing is located and other housing and planning policies which regulate occupancy. These policies are intended to maintain sustainable, balanced

⁴ Panel Report 29th October 2013

communities, appropriate land use development and provide safe accommodation rather than deal with the behaviour of students. However the panel recognises that it is often concerns about the latter which are the trigger for public concern. These issues therefore formed part of the evidence it heard from witnesses

Representatives of the University recognised the frequent issues raised in respect of noise, ASB, waste and rubbish collections and is working with partners to address these issues and encourage students to respect the local community. Six Community Wardens offered welfare support and addressed discipline issues. A 24/7 telephone support system was also available, to both students and local residents wishing to report matters relating to ASB.

Council officers provided a briefing paper in respect of proposals put forward by the Street Management Team to accelerate processes for taking enforcement action in relation to waste left outside properties, which was welcomed by the Panel.

The University recognised there was a problem with student parking on residential roads around the University and had introduced a car registration scheme, making it compulsory for students to register cars they brought to Loughborough, although there were no powers to enforce this requirement. During the last academic year there were 1,800 student cars registered. That data was used to enforce traffic regulations in areas with traffic restrictions.

The University supported the Residential Preference Parking Schemes, however, the Panel concluded the schemes are not universally support by local residents, as evidenced within the recent West Loughborough Parking survey, undertaken by Leicestershire County Council.

The Panel is aware of the work of the Universities Entrances and Parking Scrutiny Panel and the follow on work being undertaken on behalf of the Borough Council by the Loughborough Campus and Community Liaison Group.⁵

RECOMMENDATIONS

(xviii) The Loughborough Off-Campus Community Delivery Strategy and Action Plan should be amended to promote or make reference to the following:

- The role of the University in regulating students bringing cars to town
- The opportunities offered by residents' parking schemes and restrictions on parking times
- Developing a common tenancy agreement that included, for example, clear responsibilities in relation to maintaining gardens and identified the responsibilities of landlords and agents
- Support for the Students' Union's 'Rate My Landlord' scheme and an undertaking to provide resources for this if required.

REASON: To enable partners to work together to address issues identified by the panel and to support students in finding appropriate, safe and well maintained accommodation.

⁵ Background Paper 10 Loughborough University Entrances and Parking Policies

CONCLUSIONS NOT REQUIRING FURTHER ACTION

- f) The proposals put forward by the Street Management Team for accelerating the process for taking enforcement action in relation to waste left outside properties be welcomed.
REASON: To support speedier action in relation to the issue.

4.3 LETTING AGENTS

The Panel consider Letting Agents to be major players in the issues relating to student accommodation. Despite numerous invitations to attend a meeting as a witness or submit responses to the questionnaire, the Panel wish to record its disappointment that these invitations were declined or ignored, with only one letting agent responding to the questionnaire, and that was from an agent with few student properties.

CONCLUSIONS NOT REQUIRING FURTHER ACTION

- g) The Panel record its disappointment that the major Letting Agents for student properties in Loughborough declined or ignored invitations to engage with the work of the Panel.
REASON: The Panel consider the letting Agents to be major players in the issues relating to student accommodation and despite numerous invitations only one letting agent responded to the questionnaire, and that was from an agent with few student properties.

APPENDICES

Bibliography

Glossary

Letting Agents response summary

Meeting Action Notes

On-line questionnaire summary of responses

Residents Groups responses to questionnaire