

BP12: Houses of multiple occupation

**Deposit Plan
November 2022**

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**Conwy County, the right environment to live,
work and discover**

HMO Policy Review

Conwy County Borough Council Replacement LDP

Background Evidence

Conwy County Borough Council

November 2022

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1.0 Introduction

- 1.1 This report has been prepared by Lichfields on behalf of Conwy County Borough Council (CCBC) to inform its replacement Local Development Plan (rLDP) policy relating to Houses in Multiple Occupation (HMO). It presents Lichfield's findings from a comprehensive assessment of background evidence relating to:
- 1 The demographic profile and housing stock in Conwy County Borough;
 - 2 An understanding of the current quantum and location of HMOs within the local authority area;
 - 3 A review of alternative policy approaches that have been adopted by other local authorities in Wales;
 - 4 An assessment of the key planning considerations that are relevant to the determination of any planning application for an HMO; and,
 - 5 The findings from our extensive stakeholder engagement exercise.
- 1.2 It also provides recommendations for the Council to formulate its policy relating to HMOs as necessary, including recommended policy wording.
- 1.3 The analysis contained in this report and the recommended policy approach is designed to guide the determination of planning applications for new HMOs across the Council area. In so doing it will thereby help to manage areas where there is a currently a high number and concentration of HMOs and where there may be a high level of demand for additional provision. It is intended to address and respond to concerns relating to HMOs and to shortcomings in the existing LDP Policy HOU/10 relating to HMOs. As detailed below and in Section 2, this adopts a very restrictive approach which seeks to prevent the creation of new shared HMOs.
- 1.4 This work is being prepared alongside the Holiday Accommodation Zone work that Lichfields is preparing for the Llandudno area in Conwy County Borough.

Terms of reference

- 1.5 The planning system identifies the following two different types of HMOs. These reflect the definitions set out in Section 254 of the Housing Act 2004:
- 1 **Small HMOs:** includes shared houses or flats occupied by between three and six unrelated individuals who share basic amenities. In planning terms, this is defined as falling within Use Class C4.
 - 2 **Large HMOs:** Properties containing six or more people that share basic amenities. This is a *Sui Generis* use.
- 1.6 The Use Classes Amendment Order 2016, which came into force in February 2016 and created the C4 use class in Wales. Changes of use to both Use Class C4 and Sui Generis require planning permission, although changes from Class

C4 to C3 (dwelling houses) are permitted. Planning permission would also be required for any changes to the external appearance of properties that are needed to facilitate the change of use to an HMO.

- 1.7 It is noted that these definitions of an HMO differ to those used for the purposes of licensing. The Housing Act 2004, enforces a mandatory licensing scheme for certain HMOs. From the 1st October 2018, this extended such that a licence is now required for:
- 1 Properties occupied by five or more people, making up more than one household, who share facilities or amenities, such as a kitchen or a bathroom (as defined in paragraph 2.14 of this report);
 - 2 Buildings or converted flats occupied by five or more people, making up more than one household, who share facilities or amenities; and,
 - 3 Purpose built flats where there are up to two flats in the block and at least one of these is occupied by five or more people, making up more than one household, who share facilities or amenities.
- 1.8 The Housing Act 2004 also enables local authorities to introduce "Additional HMO" licensing schemes in areas where they are concerned about problems arising from a significant proportion of HMOs being poorly managed. In such areas, HMOs that would not otherwise be subject to mandatory licensing would require a license. An Additional HMO licensing scheme has been introduced by CCBC and covers the areas of Abergele Pensarn, Colwyn Bay and Llandudno/ Craig y Don.
- 1.9 The focus of this report and the policy recommendations that are set out in Section 8 is on the HMOs that are subject to planning controls only. To this end, the focus of our consideration relates to the material change of use (as identified above) to HMOs. As set out in Section 5, the majority of HMOs in Conway County Borough are those that fall outside of the planning system which is therefore limited in its ability to manage the provision of such accommodation.
- 1.10 It is also recognised that the town planning system is limited in the extent to which it can address some matters relating to HMOs – such as management and the provision and maintenance of internal facilities. Furthermore, the planning system also does not differentiate between HMO flats and self-contained flats. These are, however, matters that are addressed through the licensing system. Close working between planning and licensing can help manage these matters.
- 1.11 More information about the licensing requirements for HMOs is available on CCBC's website and the relevant team can be contacted at regulatoryservices@conwy.gov.uk.

Context

- 1.12 The broader context to this report relates firstly to the importance of ensuring an appropriate and balanced housing stock within Conwy County Borough that meets the needs of all residents within the context of rising house prices and worsening affordability. Secondly, it is intended to provide a basis by which the need for and importance of HMO accommodation can be set against the potentially adverse impacts of such properties and the desire to minimise any problems arising from the over-concentration of HMOs.
- 1.13 As set out above, the current policy approach (contained within LDP Policy HOU/10) seeks to restrict new HMOs, although it does permit the conversion of residential properties to self-contained flats. It was introduced at a time when many HMOs comprised of large family homes or buildings previously used for tourism accommodation that had been converted into shared housing units. A lack of regulation meant that many of these provided poor living standards and some had a detrimental impact on their surrounding area. Whilst the policy is credited with having helped address some of the problems associated with the uncontrolled growth of HMOs, the Council has more recently found difficulty in successfully defending this policy at appeal and a number of proposed HMOs have been allowed at appeal. Over time the problems associated with HMOs are reported to have eased, albeit that an ongoing housing crisis has served to maintain the demand for shared HMOs and self-contained flats.
- 1.14 The level of interest in and demand for shared HMOs across the UK has continued as it is viewed as providing a beneficial solution for those people that do not qualify for affordable housing yet are unable to access the private market, and who might also be reluctant to enter into lengthy private tenancies with people that they do not know. It is also a powerful way in which to combat the chronic loneliness that people can face, particularly if they move to a new area and live alone. Shared HMOs are commonly being re-branded as co-living schemes and whilst many are aimed at younger people, they can equally be targeted at people in later life who are downsizing and would welcome the combination of private accommodation and being part of a community.
- 1.15 It is clear that there is a need for greater flexibility in the policy approach relating to HMOs so that the need for low cost, good quality accommodation can be met, whilst also ensuring that the stock of larger family homes and visitor accommodation can be maintained, and that the amenity of existing residential areas is preserved.

Report structure

- 1.16 This report is structured as follows:
- 1 Section 2 considers the policy context for HMOs at the local and national level;

- 2 Section 3 reviews the socio-economic baseline and housing stock in Conwy County Borough;
- 3 Section 4 outlines the findings from the stakeholder engagement events undertaken with various Officers at CCBC, landlords, and ward members;
- 4 Section 5 analyses the existing provision of HMOs in Conwy County Borough, their distribution across the rDLP area and what implications this may have on the rDLP area;
- 5 Section 6 reviews policy approaches adopted by other local planning authorities in Wales and their suitability for Conwy County Borough;
- 6 Section 7 identifies planning considerations described in HMO-related policies and SPGs in authorities in Wales and their applicability to Conwy County Borough; and,
- 7 Section 8 provides policy recommendation for the management of HMO development in Conwy County Borough.

2.0 Policy Context

- 2.1 This Section sets the policy context for the management of HMOs at the national level in Wales and the existing policy context in Conwy County Borough Council.

National Planning Policy and Guidance

Planning Policy Wales (PPW)

- 2.2 Planning Policy Wales (Edition 11, adopted February 2021 (PPW)) sets out the land use planning policies for Wales so that the “planning system manages the development and use of land in the public interest.”
- 2.3 PPW defines Sustainable Development as:
- 2.4 “The process of improving the economic, social, environmental, cultural and well-being of Wales by taking action, in accordance with the sustainable development principle, aimed at achieving the well-being goals.” (Page 7).
- 2.5 To achieve sustainable development, the development of Local Development Plans (LDPs) should have regard to the Well-being of Future Generations (Wales) Act 2015. The Act sets seven well-being goals which are “intended to shape the work of all public bodies in Wales” (paragraph 1.13). These are as follows:
- 1 A Prosperous Wales;
 - 2 A Resilient Wales;
 - 3 A More Equal Wales;
 - 4 A Healthier Wales;
 - 5 A Wales of Cohesive Communities;
 - 6 A Wales of Vibrant Culture & Thriving Welsh Language; and,
 - 7 A Globally Responsible Wales.
- 2.6 Of particular relevance to the provision of suitable housing are Goals 1, 2, 3, 4 and 5.
- 2.7 PPW adopts a placemaking approach to guide plan making and planning policy in Wales. At the local level, this involves considering a proposed development’s potential “amenity impact on neighbouring properties and people” (paragraph 2.7).
- 2.8 There is no specific reference to HMOs in PPW. However, it acknowledges the shortage of affordable homes in Wales and recognises that the provision of good quality, affordable housing is a vital part of people’s lives. For example, to achieve a Prosperous Wales, PPW states that good quality affordable homes can provide the “foundation of living well which brings a wide range of benefits

to health, learning and prosperity” (page 42). Good housing is also recognised as a contributor to a Resilient Wales in that it helps “create the right conditions for better health and well-being” (page 42). Although HMOs do not formally constitute affordable housing, they can serve an important role in meeting the needs of those that might otherwise be homeless – this is particularly significant following the policy change from prioritising those in greatest need to one whereby all homeless people are to be accommodated, a change that has resulted in 175 households¹ living in bed and breakfast accommodation across the Conwy Council area with limited prospect of being able to move on due to a lack of suitable alternative accommodation.

- 2.9 In addition, HMOs are important in accommodating those people – for example young professionals – that might not qualify for affordable housing yet are unable to compete in the open market given the costs of entry-level accommodation.
- 2.10 Related to housing, PPW states that “planning authorities must understand all aspects of the housing market in their areas, which will include the requirement, supply and delivery of housing” (paragraph 4.2.1). It further states that in planning for the delivery of housing, local planning authorities should “specifically consider the differing needs of their communities” (paragraph 4.2.5). This should include the provision of HMO accommodation, as appropriate. Planning authorities must “develop policies to meet the challenges and particular circumstances evident in their areas” (paragraph 4.2.9) by working in partnership with the community, including the private sector.

Ministerial Letter

- 2.11 In February 2018, the Minister for Energy, Planning and Rural Affairs wrote to all Chief Planning Officers in Wales to remind local authorities of their role and responsibility in managing HMOs. The letter first reminded LPAs of the changed use class order regarding large HMOs before requiring them “to consider whether any concentrations of HMOs in their local area are causing problems and, if so, to put in place robust local evidence policies in the Local Development Plan against which planning applications for HMOs can be assessed”.
- 2.12 Whilst the letter noted that “further details on the policies can be set out in Supplementary Planning Guidance (SPG)”, it emphasised that “only the policies in the development plan have legal status under section 38(6) of the Planning and Compulsory Purchase Act 2004 in determining planning applications” and that “LDPs must not delegate the criteria for decisions on planning applications to SPG which should only contain guidance and advice.”
- 2.13 Therefore, whilst local planning authorities are able to have a SPG guiding developers and landlords on the management of HMOs, they should have specific LDP policies in place to guide the determination of planning

¹ As reported by CCBC Housing Officers during an engagement meeting on 10 October 2022

applications for HMOs. This reflects the position that was set out in the case of *William Davis & Ors v Charnwood Borough Council* (2017)² where the central question was whether the policies relating to housing mix that were set out in a Supplementary Planning Document should have been issued in a Development Plan Document as a Local Plan. In quashing the SPD policy relating to housing mix, Gilbert J found that the stipulation of housing mix constituted policies which:

- 1 Clearly related to forms of development to be encouraged; and,
- 2 Imposed development management policies against which applications could be refused (or conditions to control unit mix imposed).

2.14 The implication of this is the need to ensure that the rLDP contains an appropriate policy to deal with applications for HMOs and that this important policy matter is not delegated to a Supplementary Planning Document for consideration.

Houses in Multiple Occupation: Practice Guidance

2.15 The Practice Guidance for HMOs was issued by Welsh Government in March 2017 to promote good practice in managing HMOs following the Use Class Amendment Order 2016. It emphasised how HMOs should be separated into two types, dependent on their size:

- 1 Small HMOs: This property is defined as Use Class C4 and in broad terms it “covers shared houses or flats occupied by between three and six unrelated individuals who share basic amenities.”

Properties must be occupied as the main residence to be defined as an HMO and properties “containing the owner and up to two lodgers to not constitute an HMO for these purposes.”

The following are excluded from use class C4 and instead constitute use class C3 or are treated as *Sui Generis*:

- a Social housing;
 - b Children’s homes;
 - c Bail hostels;
 - d Properties occupied by students which are managed by education establishment; and,
 - e Properties occupied by religious community whose main occupation is prayer, contemplation, education and the relief of suffering.
- 2 Large HMOs: Properties containing six or more people that share basic amenities are “unclassified by the Use Classes Order and in planning terms are therefore considered to be ‘sui generis’ (of their own kind).” The change of use from a dwellinghouse or a class C4 HMO to a large HMO is

² EWHC 3006

considered to be a material change of use given its significance on the impact on the surrounding area.

- 2.16 As set out in Section 1, the legal definitions of an HMO used by local planning authorities for the purposes of planning control are based on the Use Classes Order. This differs from those which have to be used by the Housing and Public Protection Services for HMO property licensing purposes. This appears to have generated a degree of confusion and, whilst the legal definition of HMOs and the scope of planning control is beyond the power of CCBC to address, any efforts to provide some clarity would be useful.
- 2.17 The majority of the Practice Guidance relates to the management of student accommodation and case studies of good practice in Wales and England. Given the absence of a university or any higher education establishments, Conwy County Borough does not face the same issue of high-density student accommodation as other local planning authorities in Wales. Whilst the small HMO use class is the most applicable to the local authority area now, Conwy County Borough's historic problems relating to HMO development have related to larger HMOs. The development and management of both HMO classes will therefore require careful consideration.

Local Planning Policy

Adopted Development Plan

- 2.18 The Conwy Local Development Plan 2007-2022 was adopted in October 2013. It provides the statutory basis for determining planning applications in the local authority area. It seeks to address Conwy County Borough's housing shortage by delivering approximately 6,520 dwellings over the plan period under Strategic Policy HOU/1: Meeting the Housing Need.
- 2.19 As set out in Section 1, planning applications that propose the change of use to an HMO are considered against Policy HOU/10: Houses in Multiple Occupation and Self-Contained Flats. The policy wording for Policy HOU/10 is as follows:
- 1 "The Council will control the development of Houses in Multiple Occupation to aid regeneration, improve housing quality and choice, and contribute to an enhanced environment within the Plan Area. This will be achieved by resisting all proposals to create Houses in Multiple Occupation.
 - 2 "The sub-division of residential properties within the Urban Development Strategy Area to self-contained flats will be permitted provided that:
 - a "The scheme of conversion and change of use does not create a House in Multiple Occupation;
 - b "Where appropriate, the development complies with the Development Principles, the Council's Parking Standards and all self contained flats are designed to a high quality in line with the Welsh Government's Development Quality Requirements – Design Standards and Guidance

2005 which includes space and Lifetime Home standards and the minimum standards to be met in relation to the Code for Sustainable Homes;

- c “The level of resident activity and traffic generated would not seriously impact upon the privacy and the amenity of occupants of neighbouring properties; and,
- d “The Development is supported by an identified need set out in the Local Housing Market Assessment (Phase 2).”

2.20 The supporting text to Policy HOU/10 recognises the potential for self-contained flats to help meet a housing need, but identifies the following consequences as reasons for caution:

- 1 Increased pressure on local services like a shortage of on-street parking and bin storage;
- 2 Lower levels of owner occupation which can “lead to lower standards of maintenance and associated environmental degradation issues”; and,
- 3 Reducing the number of family homes in a local area and thereby creating challenges in creating mixed and balanced communities.

2.21 Relating specifically to HMOs, paragraph 4.2.25.3 states that HMOs have “historically been a problem in Conwy... HMOs often provide a relatively poor living environment and rarely contribute positively towards the quality of an area.” As set out in Section 1, it is understood that the context to this policy was a time when a number of larger properties (including hotels and holiday accommodation) had been converted into poor quality HMOs. The practical implementation of this policy, which pre-dates the changes to the Use Classes Order, has proven difficult, as highlighted by the evidence of appeal decisions.

2.22 Whilst the opportunity to change the use of buildings to HMOs is limited by Policy HOU/10, the LDP recognises the housing issues facing Conwy County Borough:

“The shortage of affordable housing to rent or to buy is one of the greater challenges facing many communities in Conwy... The accessibility and affordability of housing is an essential factor in securing long term sustainability of our communities” (paragraph 4.2.2.1). This does underline the need for HMO facilities as part of a balanced housing stock. As indicated in Section 3, the worsening affordability of housing in Conwy County Borough has served to exacerbate this need.

Emerging Development Plan

2.23 The Council is in the process of preparing the Conwy Replacement Local Development Plan, which on adoption will replace the existing LDP and will cover the period from 2018-2033. The Preferred Strategy states that Background Paper 12 (Houses of Multiple Occupation) will be prepared “in light

of changes to the Use Classes Order related to HMOs and the need to accommodate single household accommodation.”

Conclusion

- 2.24 A number of policy changes have taken place since the Conwy LDP was adopted. These have a direct bearing on the continued applicability of Policy HOU/10 and the extent to which it can continue to act as an effective tool for the management of HMOs through the planning system. The key changes in circumstance include:
- 1 The Planning (Wales) Act 2015 defined a new planning use class (small HMOs) in March 2017. Planning permission is now required if an owner proposed a change in planning use from a dwelling to a small HMO.
 - 2 The Housing (Wales) Act 2014 introduced mandatory registration and licensing of all landlords and/or managing agents creating a new layer of professional codes of practice and enforcement in the management of HMOs.
 - 3 Further fire safety regulation and community safety legislation have been introduced to tackle anti-social behaviour, pollution, and other social challenges perceived to be associated with HMOs and high density living.
- 2.25 These changes in the context regarding the definition of HMOs and the implications for planning control give rise to the need to review and revise policy HOU/10 through the rLDP process. Such a review is further necessary in the light of the operation of policy HOU/10 through the development management and appeal process. The current wording of the Policy is rigid and may no longer be appropriate given the change in circumstances, particularly in the context of rising house prices and an increase in the number of people in Conwy County Borough struggling to find suitable accommodation to meet their needs. CCBC has also raised concerns that the current wording of the Policy may place the LDP in breach of the Equality Act 2010 given the barriers it poses against young people accessing suitable housing.

3.0 Socio-economic baseline

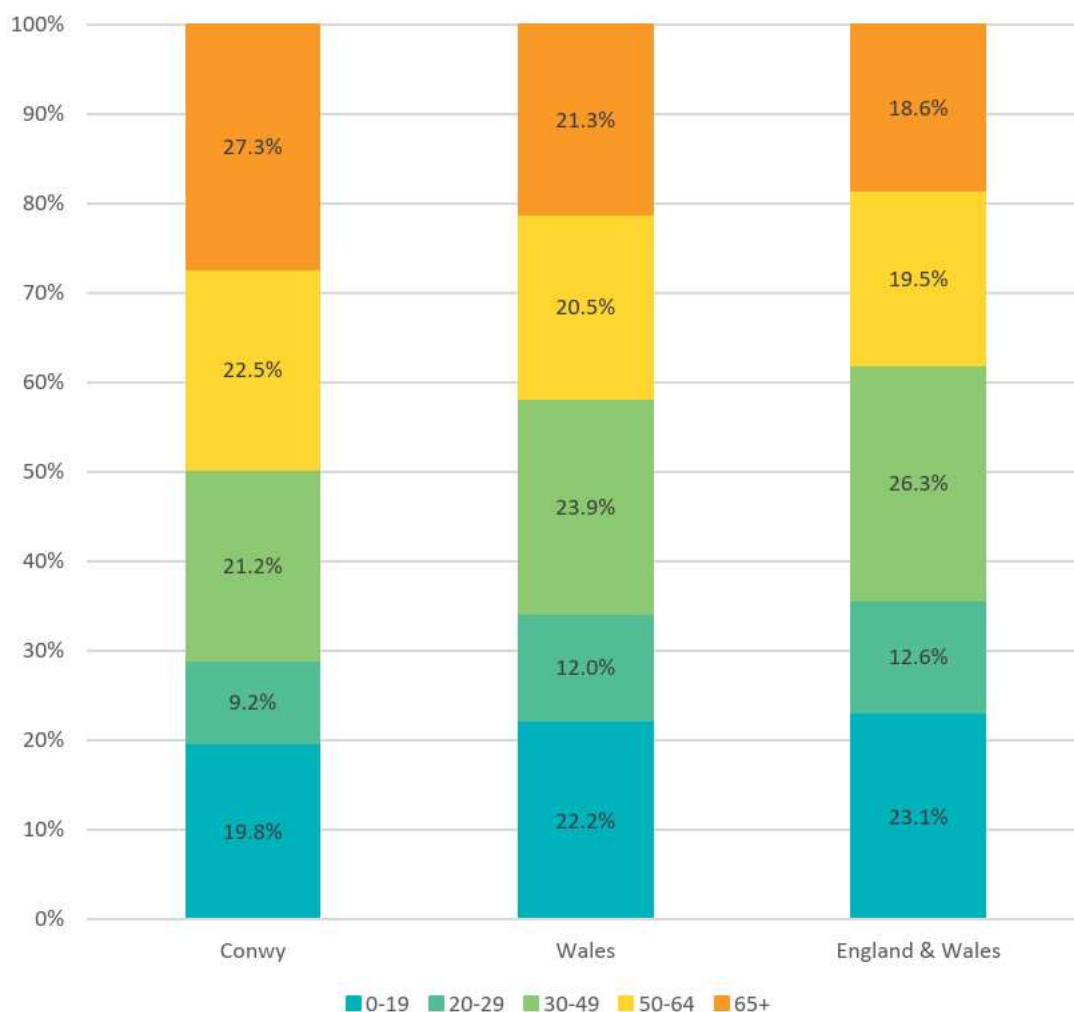
- 3.1 This Section considers the character of the housing market in the Conwy County Borough relative to that of Wales, and England & Wales. In doing so, it explores wider trends in the housing market including the existing housing stock profile, occupancy rates and house prices. This data is supplemented by analysis of HMO provision and occupancy in Conwy County Borough. To set these factors into context, it starts with a demographic overview of the local authority area.

Population

- 3.2 According to the 2021 Census results, Conwy County Borough has a population of 114,800.
- 3.3 Figure 3.1 illustrates the demographic profile of the population. This shows that Conwy County Borough has a significantly higher proportion of older aged adults (aged 65+) compared to that of Wales and the rest of England and Wales. The demographic profile also shows that Conwy County Borough has a smaller proportion of children³ and adults under the age of 65 compared to that of Wales and the rest of England and Wales. This reflects the older population of Conwy County Borough.
- 3.4 A review of the age cohorts that make up the working age population shows that Conwy County Borough has a lower proportion of younger and middle-aged workers (aged 20-49) but a higher proportion of older workers when compared to Wales and England & Wales. This again points towards the wider age profile of the local area being older.

³ Because of the way the Census data is provided in five year cohorts, this analysis includes people aged 19 within the definition of children

Figure 3.3.1 Age structure - 2021



Source: Lichfields analysis of Census 2011 and 2021

3.5

The Welsh Government's 2018-based population projections anticipate that the total population of Conwy County Borough will increase by 5.5% between 2021 and the end of the rLDP period in 2033. This increase will be driven entirely by a 29.8% in the number of people over the age of 65. All over age cohorts will experience a reduction in population, as summarised in Table 3.1

Table 3.1 Projected population change by age cohort

	2021	2033	% change
0-19	22,700	22,614	-0.4%
20-29	10,600	10,123	-4.5%
30-49	24,400	24,158	-1.0%
50-64	25,800	23,555	-8.7%

	2021	2033	% change
65+	31,400	40,763	29.8%
Total	114,900	121,213	5.5%

Source: Lichfields analysis of 2021 Census and 2018-based Welsh Government Population Projections

- 3.6 The implication of the projected changes are highlighted in Figure 3.2 which shows the extent to which the demographic profile of Conwy County Borough is expected to change between 2021 and 2033, such that by the end of the rLDP period over one third of the total population will be over the age of 65.
- 3.7 The two age cohorts which are projected to experience the greatest level of population decline are those aged between 20 and 29 – a key age cohort in respect of the potential demand for HMOs – and older working-age adults, aged between 50 and 64.

Figure 3.2 Projected change in demographic profile between 2021 and 2033

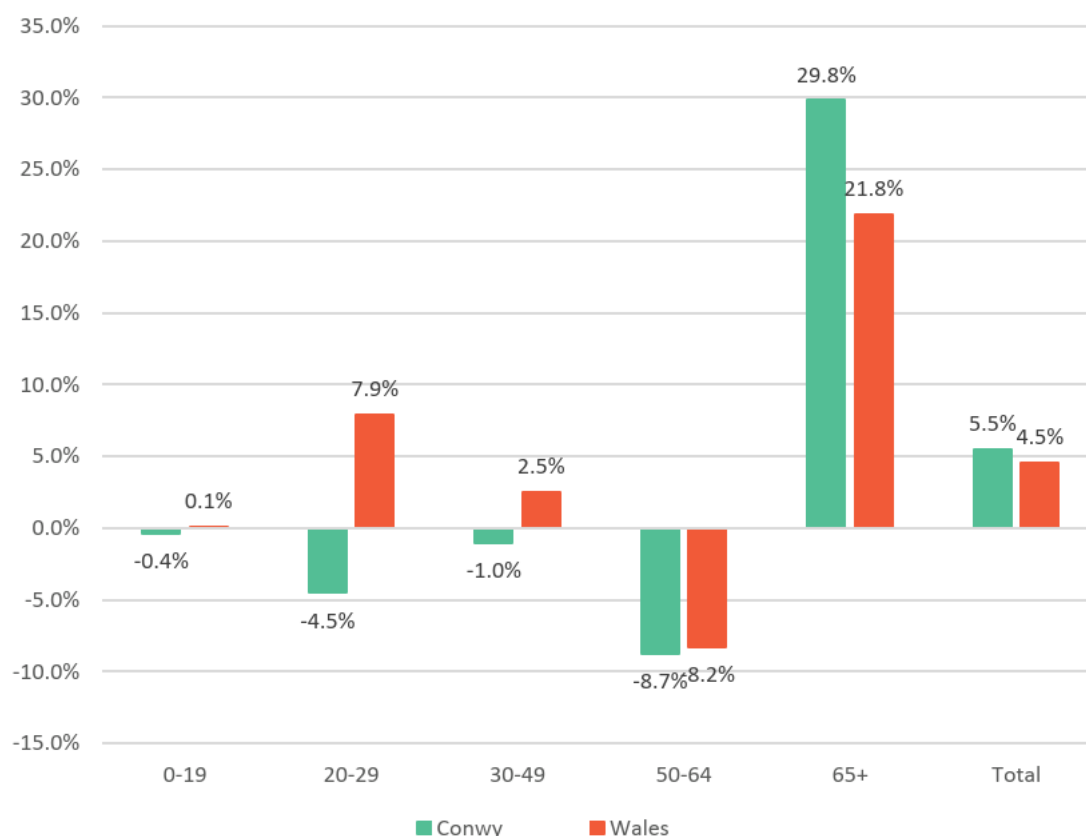


Source: Lichfields analysis of 2021 Census and 2018-based Welsh Government Population Projections

- 3.8 Although Wales is projected to experience a similar rate of population growth over the remainder of the rLDP period (+4.5%) only one age cohort (50-64) is expected to decline in size (-8.2%, a figure that is closely aligned with the -8.7% in Conwy County Borough for the same age cohort) and the scale of population

growth amongst those aged over 65 is lower, at 21.8%. The implication of this is that by 2033, c.25% of the Welsh population will be over the age of 65 – a significantly lower proportion than expected in Conwy County Borough.

Figure 3.3 Comparison of projected population change by age cohort in Conwy County Borough and Wales



Source: Lichfields analysis of 2021 Census and 2018-based Welsh Government Population Projections

- 3.9 The Council has produced its own population and household projections for the rLDP. Further details can be seen in rLDP Background Paper 1.

Household Composition

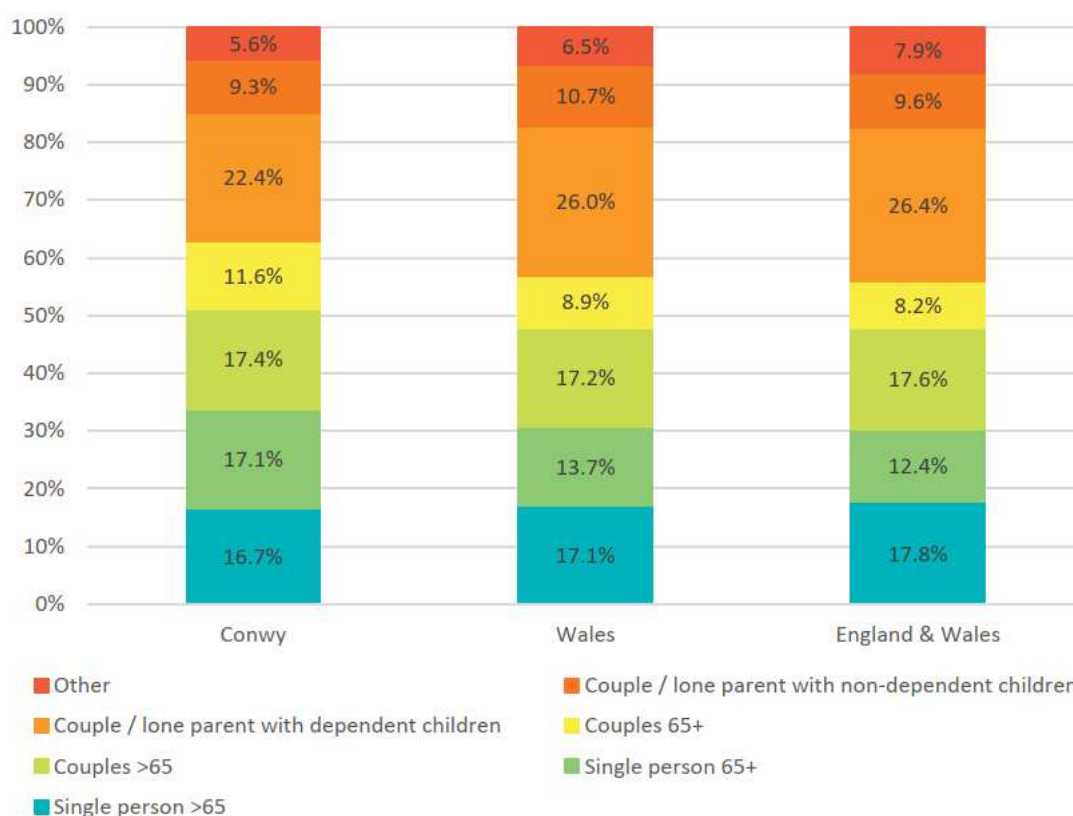
- 3.10 The household profile of Conwy County Borough and comparator areas is shown in Figure 3.3. This shows that Conwy County Borough is home to:

- 1 A significantly higher proportion of single person households aged 65+ (17.1%) compared to that of Wales (13.7%) and England and Wales (12.4%); and,
- 2 A higher proportion of households with couples aged 65+ (11.6%) compared to that of Wales (8.9%) and England and Wales (8.2%); but,

- 3 A lower proportion of households comprising couples/lone parent with dependent children (22.4%) compared to Wales (26%) and England and Wales (26.4%); and,
- 4 A lower proportion of “other” households which include people that reside in the same property but not as a family – this therefore indicates that there are proportionately fewer households living in HMO-type accommodation in Conwy County Borough than in Wales and England & Wales.

3.11 This evidence supports the wider position regarding the older population in Conwy County Borough. Going forwards, however, it is important to avoid conflating this evidence of household composition with an assessment of the need for different types of dwellings.

Figure 3.3 Household composition - 2011⁴



Source: Lichfields analysis of Census 2011 data (LC4101EW)

Average Household Size

3.12 The average household size in Conwy County Borough in 2021 was 2.20 persons⁵. This is 2.6% lower than the Welsh average of 2.31 persons and represents a 2.2% decrease from Conwy County Borough’s average household size of 2.25 persons in 2011. This data reflects the evidence of household

⁴ Note that 2021 Census data on household composition is not yet available.

⁵ Census 2021.

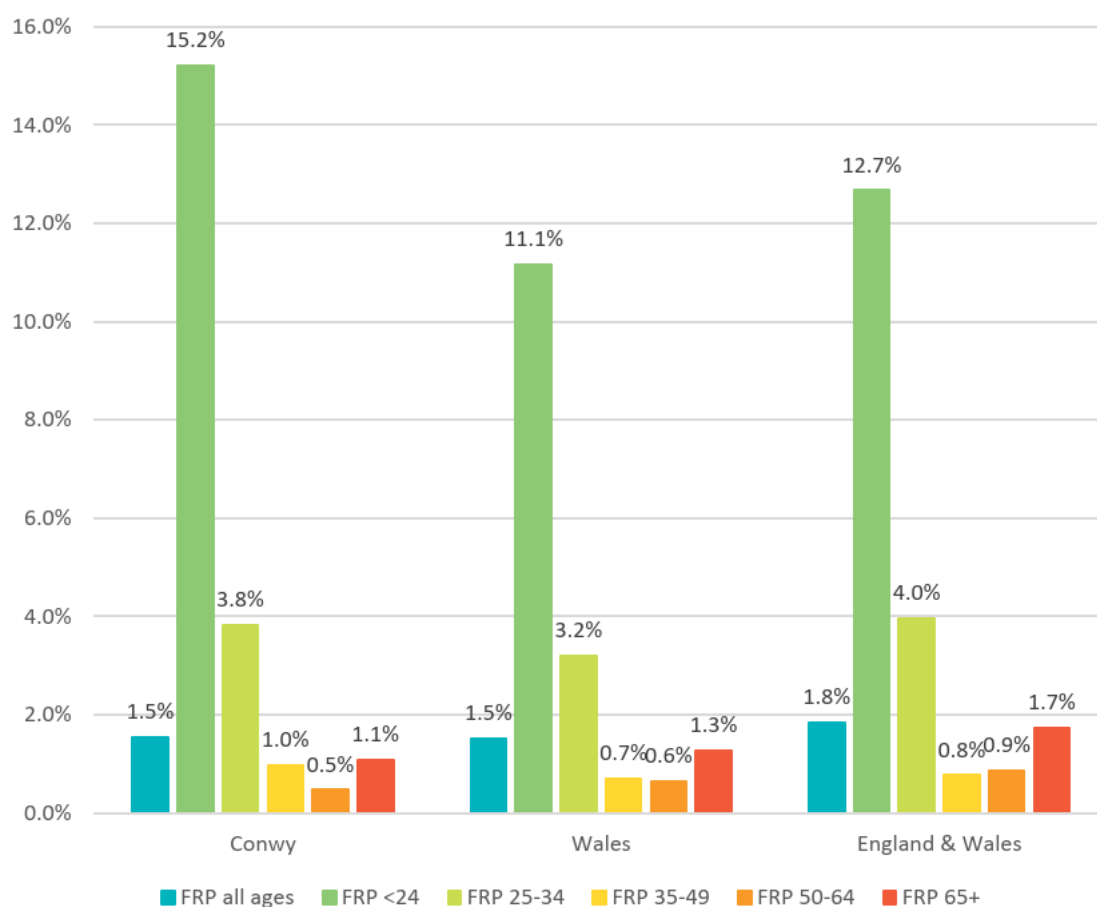
composition set out above, with 62.8% of households in Conwy County Borough being formed of single people or couples, compared to 56.9% in Wales and 56% in England & Wales – therefore with a commensurately smaller proportion of larger households in Conwy County Borough.

Concealed Families

- 3.13 Census data looking at concealed families identifies families living in multiple-family households because of an inability to access separate accommodation. Nationally, the number of concealed households increased by over 70% between the 2001 and 2011 census⁶, despite being in decline prior to 2001.
- 3.14 Figure 3.4 shows that 1.5% of households in Conwy County Borough were concealed in 2011. This is the same as Wales but slightly lower than England & Wales (1.8%). A matter of particular concern, however, is the fact that 15.2% of younger households (under 24 years of age) and 3.8% of households aged between 25 and 34 were concealed. The first figure exceeds the averages for the other geographical scales considered while the second figure is higher than the average for Wales (3.2%), but slightly below the average for England & Wales (4.0%). This points towards a potential under-supply of suitable accommodation and/or issues regarding the affordability of housing for younger people in Conwy County Borough.

⁶ Note that 2021 Census data on concealed households is not yet available.

Figure 3.4 Proportion of concealed households

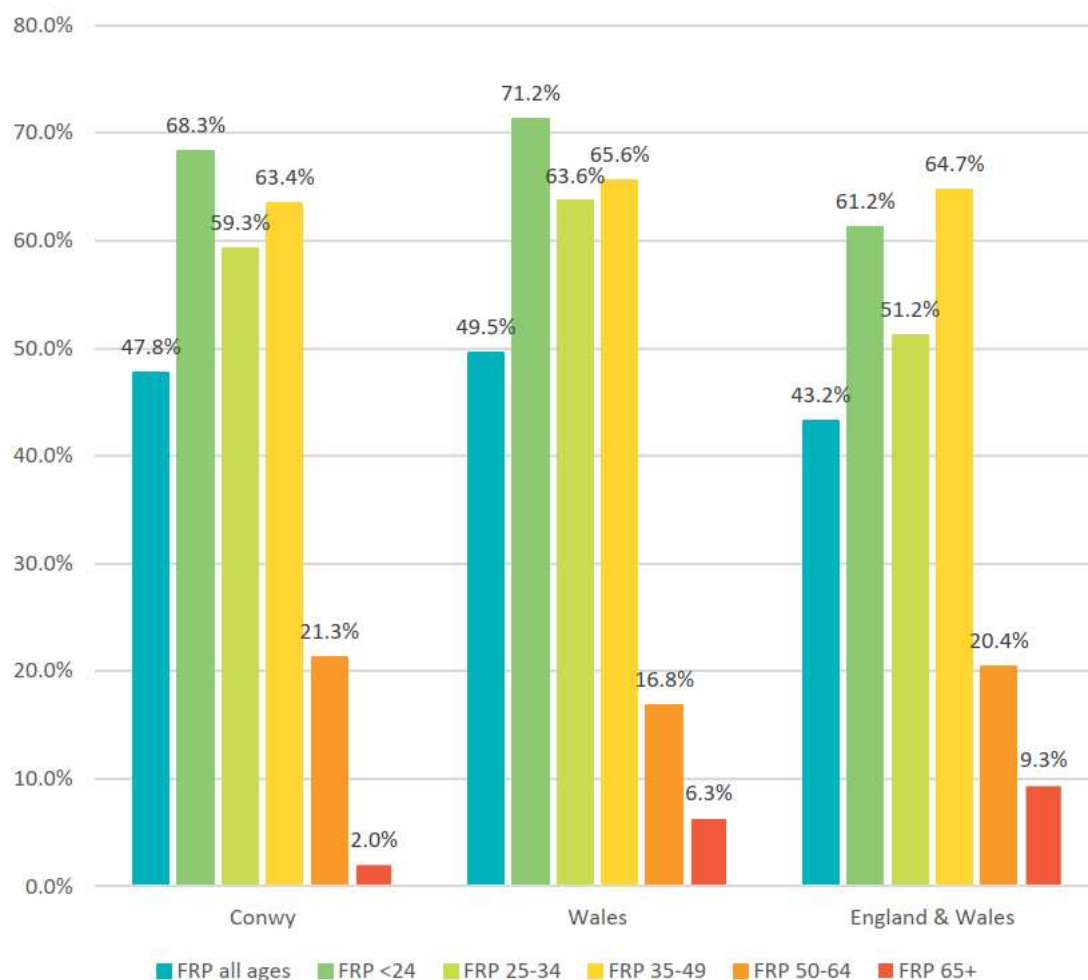


Source: Lichfields analysis of Census 2011 (LC1110EW)

3.15

The rate of concealment is significantly higher among younger families with dependent children across all geographical levels studied, and the evidence shows that concealment amongst families of all ages and families under the age of 34 is slightly lower in Conwy County Borough than in Wales, but higher than the average across England & Wales.

Figure 3.5 Proportion of concealment amongst families with dependent children



Source: Lichfields analysis of Census 2011 (LC1110EW)

- 3.16 The evidence of housing concealment underlines the affordability pressures that exist in Conwy County Borough and the extent to which this affects the ability of (particularly younger people) to meet their housing needs. However, it should be noted that so long as the concealed households are residing in properties that are large enough and of a suitable condition, they are not officially regarded as being in housing need.

Housing stock

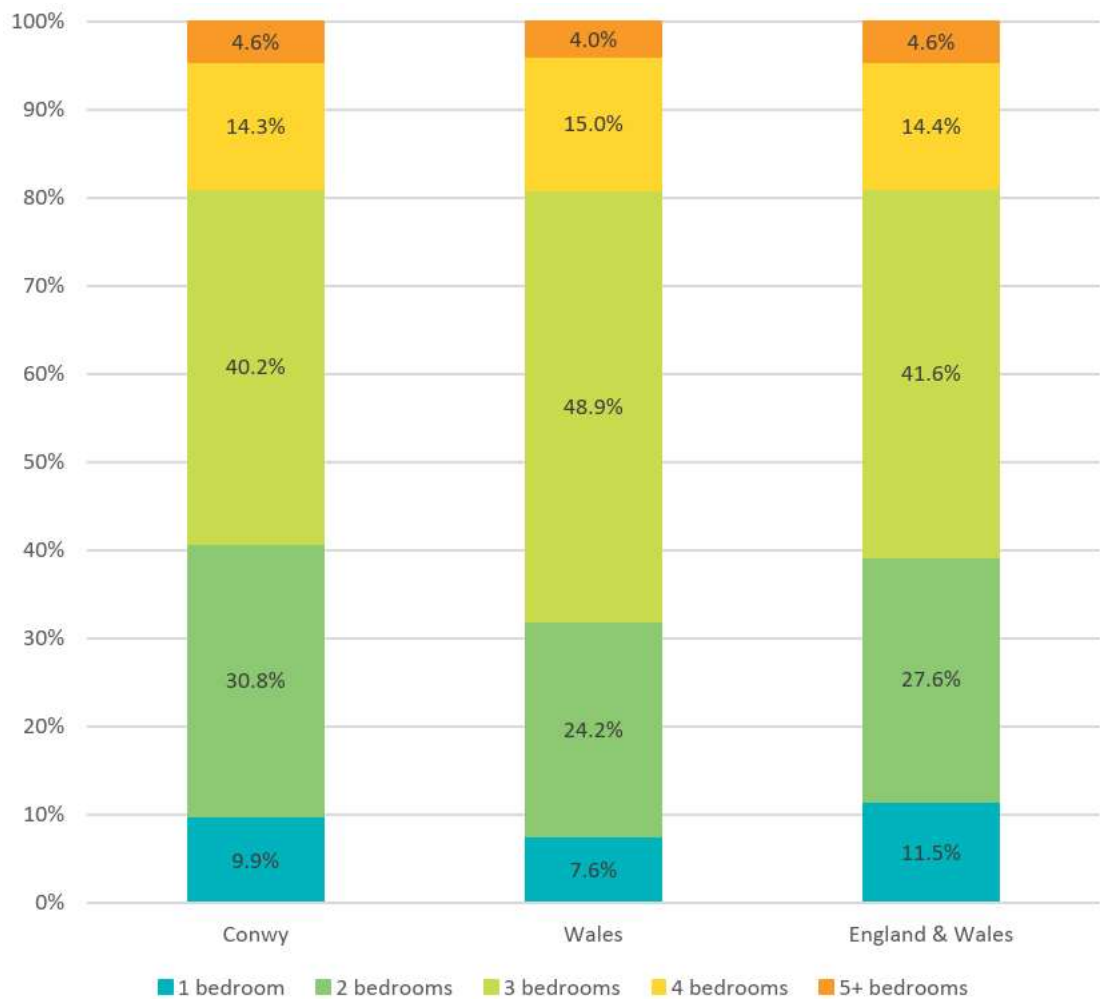
Dwelling size

- 3.17 The housing stock in Conway is more oriented towards the provision of smaller houses than the Welsh housing market, with 40.7% of its houses containing one or two bedrooms compared with 31.8% of those in Wales. This proportion is however more similar to England & Wales combined, where 39.2% of the total housing stock have one or two bedrooms. There is a particularly high provision

of two-bedroom houses in Conwy County Borough (30.8% of the total housing stock) when compared with Wales (24.2%) and England & Wales (27.6%).

3.18 In turn, there are fewer houses with three+ bedrooms in Conwy County Borough (59.2%) when compared with the average in Wales (68.0%). Just 40.2% of Conwy County Borough's housing stock contain three bedrooms in comparison with 48.9% of the housing stock in Wales. There is a closer alignment between Conwy County Borough's housing market and that of England & Wales, than with the Welsh housing stock.

Figure 3.6 Housing stock by size



Source: Lichfields analysis of Census 2011⁷ (QS411EW)

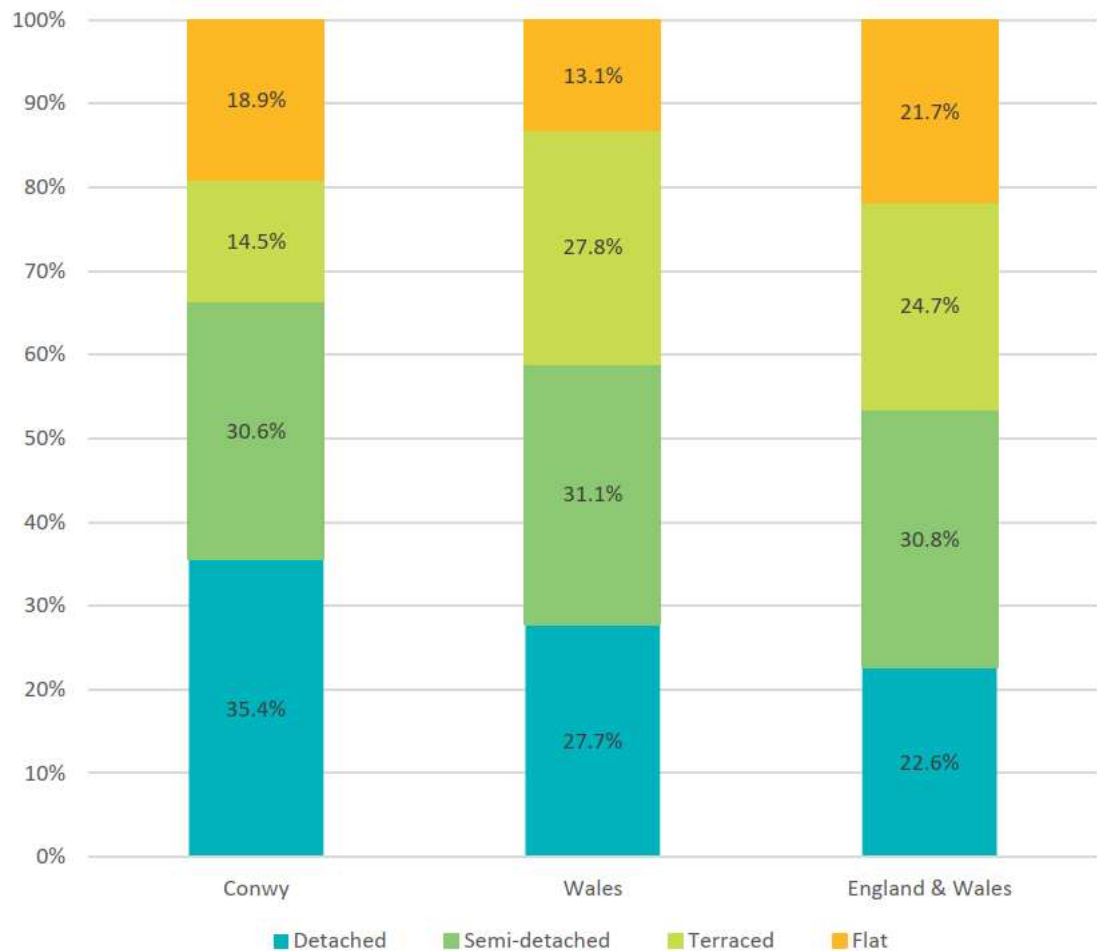
3.19 Whilst Conwy County Borough's housing stock is generally less oriented to larger houses, we note that 4.6% of the stock have five or more bedrooms – a figure that exceeds the average for Wales and England & Wales. In addition, there is a significantly higher proportion of detached houses (35.4%) in Conwy County Borough than in Wales (27.7%) and England & Wales (22.6%). This

⁷ Note that 2021 Census data on housing stock is not yet available.

could reflect its rural characteristics. Semi-detached houses account for a similar proportion of Conwy County Borough's housing stock (30.6%) to Wales (31.1%), and England & Wales (30.8%).

3.20 The proportion of the housing stock in Conwy County Borough that comprises flats (18.9%) is broadly similar to that of England & Wales (21.7%); however, this is much higher than the Welsh average of 13.1%. There are significantly fewer terraced houses in Conwy County Borough (14.5%) compared with the wider geographical areas reviewed (27.8% in Wales and 24.7% in England & Wales).

Figure 3.7 Dwelling stock by type



Source: Lichfields analysis of Census 2011⁸ (KS401EW)

3.21 The majority (70.1%) of the housing stock in Conwy County Borough is either owned or under shared ownership. This is higher than both Wales (67.8%) and England & Wales (64.3%).

3.22 The proportion of socially rented housing is broadly similar in Conwy County Borough (16.7%), Wales (16.5%) and England & Wales (17.6%). However, the

⁸ Note that 2021 Census data on housing stock is not yet available.

proportion of housing stock in Conwy County Borough that is social rented (11.6%) is lower than the wider geographical areas reviewed (14.1% in Wales and 16.7% in England & Wales).

Figure 3.8 Housing stock by tenure



Source: Lichfields analysis of Census 2011 (KS402EW)

3.23 Estimates for housing tenure are also produced annually by Welsh Government. Detailed figures have not been included here due to concerns with the accuracy of the data. The estimates to, however, give an indication of the split between the social rented sector and private rented sectors.

Table 3.2 Dwelling stock estimates by tenure, March 2010 and 2020

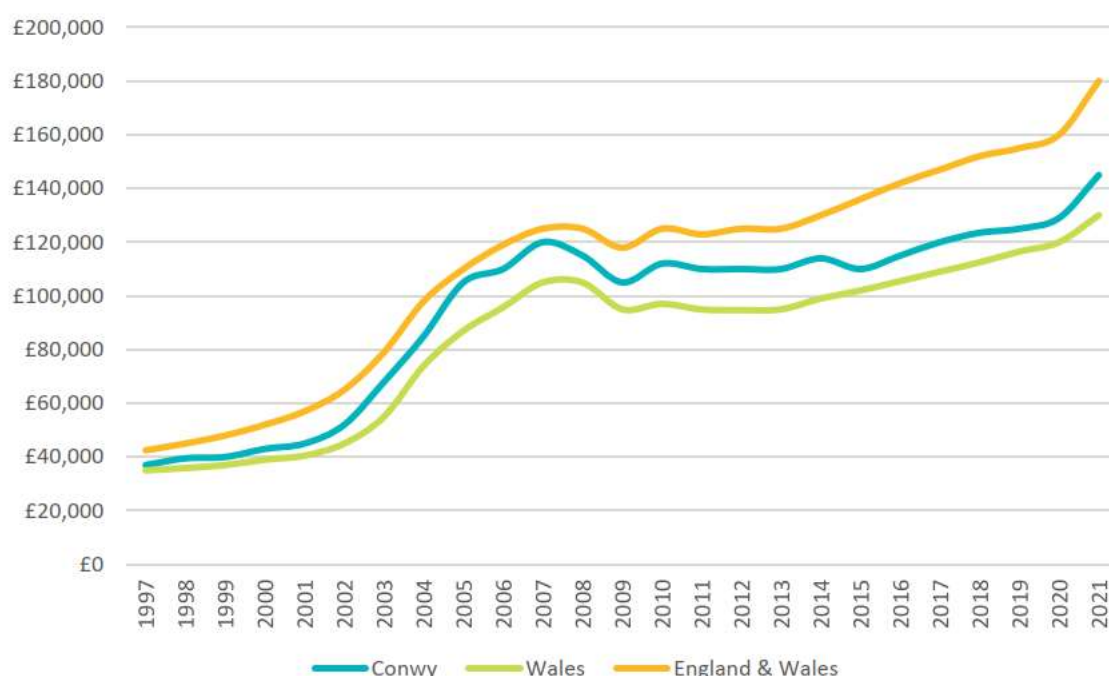
	Conwy CB		Wales	
	2020	2010	2020	2010
Owner occupied	75.8%	89.5%	69.8%	71.5%
Privately rented	13.5%		14.3%	12.4%
Total social rented	10.7%	10.5%	16.0%	16.1%

Source: dwelling stock estimates, Welsh Government

House prices

- 3.24 The housing stock identified above influences the relative house prices in the local area which can be a function of the characteristics of the housing stock and the relative balance of supply and demand for housing. In September 2021, the lower quartile median house price (an indication of entry-level prices) in Conwy County Borough was £145,000. This was 10.3% higher the lower quartile price for Wales (£130,000) but 24.1% lower than the lower quartile price in England & Wales (£180,000). Between 1995 and 2021, there was a higher rate of increase in the lower quartile property prices in Conwy County Borough (+291.9%) than in Wales (+271.4%), although this was lower than the rate of increase that was experienced in England & Wales (+323.5%).

Figure 3.9 Comparison of growth in lower quartile prices for houses in Conwy County Borough, Wales and England & Wales - September 2021

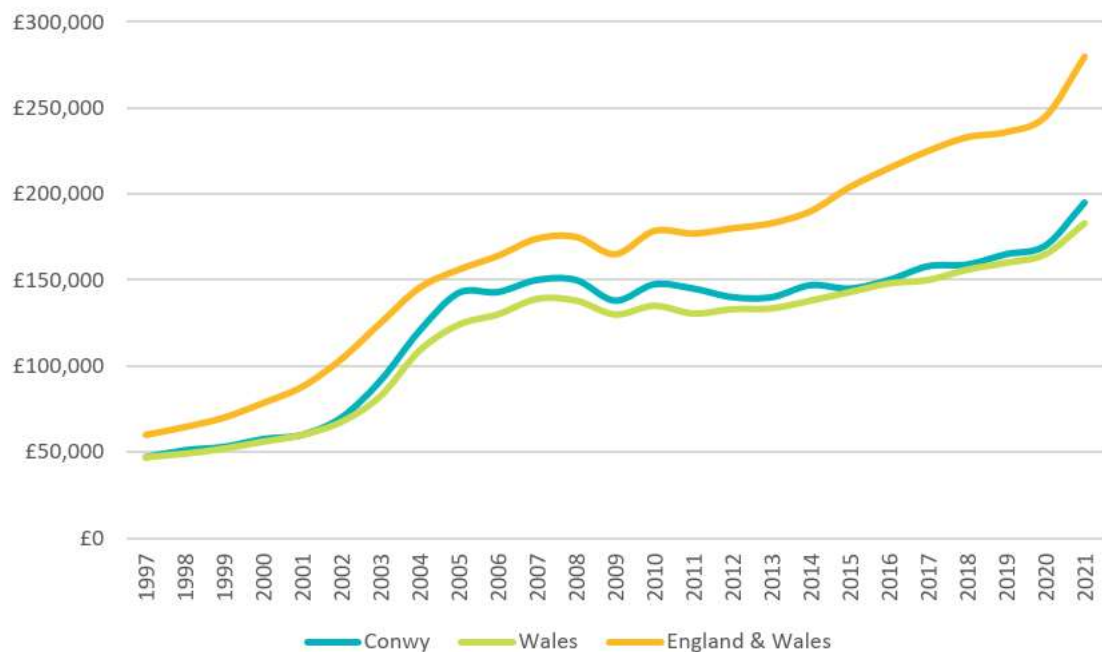


Source: ONS lower quartile house price statistics

- 3.25 Conwy County Borough's lower quartile house prices relative to those in Wales and England & Wales are representative of its lower quartile affordability ratios. This metric comprises a ratio of lower quartile house prices to lower quartile gross annual workplace-based earnings to show the affordability of house prices relative to workplace-based earnings in a local area. In September 2021, the affordability ratio in Conwy County Borough was 7.21, meaning that lower quartile house prices were 7.21 times higher than annual salaries in the local authority area. This was 16.6% higher than in Wales (affordability ratio of 6.01) but 8.9% lower than in England and Wales (affordability ratio of 7.85).

- 3.26 Figure 3.11 shows that median house prices in Conwy County Borough (£195,000) were much more closely aligned with the figures for Wales (£183,000) but substantially lower than the England & Wales average of £279,780 (43.5% lower). Median house prices grew from £47,000 to £195,000 (+314.9%) in Conwy County Borough between 1995 and 2021. This compares to a growth rate of +289.4% in Wales and +366.7% in England & Wales over the same period.

Figure 3.11 Comparison of growth in median house prices in Conwy County Borough, Wales, and England & Wales – September 2021



Source: ONS median house price statistics

- 3.27 The median affordability ratio in Conwy County Borough in September 2021 was 7.37 which was 12.9% higher than Wales (6.42) and 21.2% lower than in England & Wales (8.93).

Second homes in Conwy County Borough

- 3.28 Second homes and short-term holiday lets are placing increasing pressures on house prices in local housing markets in Wales. This has been acknowledged by the Welsh Government which is seeking to respond through the implementation of changes to council tax rules that will enable local authorities to set council tax premiums (of up to 300%) on second homes and long-term empty properties. These measures are intended to ensure that properties concerned are making a substantial contribution to the local economy, and to address barriers to the local housing market where these properties are not.
- 3.29 In addition to changes to council tax rules on second homes and long-term empty properties, Welsh Government issued a statement on 30 September

2022 regarding its plan to change planning legislation relating to second homes and short-term:

1 “The Town and County Planning (Use Classes) Order 1987 (the UCO) is being amended to create new use classes for ‘Dwellinghouses, used as sole or main residences’ (Class C3), ‘Dwellinghouse, used otherwise than as sole or main residence’ (Class C5), and ‘Short-term Lets’ (Class C6);

3.30 “The Town and County Planning (General Permitted Development) Order 1995 (the GDPO) is being amended to allow permitted changes between the new use classes, C3, C5 and C6. These permitted development rights can be dis-applied within a specified area by an Article 4 Direction made by a local planning authority on the basis of robust local evidence⁹. These changes came into force on 20 October 2022 and will assist local authorities in tackling issues associated with second homes and short-term lets.

3.31 The draft CCBC Local Housing Market Assessment (LHMA) analysed data from CCBC Council Tax to identify the number of second homes in Conwy County Borough. In 2021, there were 1,401 second homes in Conwy County Borough which represents a 9.2% reduction from the 1,540 second homes in Conwy County Borough in 2016 (-142 second homes). A number of these are thought to have ‘flipped’ to the non-domestic register and operate as a short-term holiday let, rather than returning to full-time residential use.

3.32 Whilst there has been a decrease in the number of second homes in Conwy County Borough since 2016, second homes accounted for 2.4% of Conwy County Borough’s total housing stock in 2021. By comparison, an average of 1.4% of Wales’ housing stock are second homes¹⁰. Second homes are therefore more prevalent in Conwy County Borough than Wales on average. Whilst this is not surprising given its location, the popularity of its coastal towns and the quality of its natural environment, the above-average level of second homes serves to increase pressure on house prices whilst also reducing the supply of suitable housing for local residents. It is further understood that there has been a particular increase in the number of Airbnb properties in Conwy County Borough in recent years, particularly in Llandudno and Colwyn Bay.

Rental prices

3.33 The most recent official data on rental prices in Conwy was released in 2019 (ONS Private Rental Market Statistics). More recent data on rental prices has been provided by the Housing Team at CCBC for October 2022 (as seen in Table 3.2), however for the purpose of comparison of rental prices at the national scale, the data from 2019 will be analysed in this section.

3.34 Rental prices for one-bedroom properties at the lower quartile level in Conwy County Borough in the 12 months to December 2019 (£347.50/month) were

⁹ Welsh Government Written Statement: Changes to planning legislation and policy for second homes and short-term lets [Written Statement: Changes to planning legislation and policy for second homes and short-term lets \(30 September 2022\)](#)

¹⁰ ONS Local Authority Council Tax data

7.5% lower than in Wales (£375/month). Similarly, rental prices for one-bedroom properties at the median level were 11.1% lower in Conwy County Borough (£400/month) than in Wales over the same period (£450/month).

- 3.35 By contrast, rental prices for two-bedroom properties at the lower quartile level in Conwy County Borough over the same period (£550/month) were 4.8% higher than in Wales (£525/month). Rental prices for two-bedroom properties at the median level were also higher (+10.0%) in Conwy County Borough (£495/month) than in Wales (£450/month).

Figure 3.13 Monthly rents by dwelling type and location - September 2019



Source: ONS Private Rental Market Statistics

Shortfall between existing rental prices and the sum people receiving Housing Benefits receive

- 3.36 The financial pressures associated with the rental market in Conwy County Borough are likely to be even more acute for those in receipt of housing benefit. Table 3.2 summarises data provided by the Housing Team at CCBC from their analysis of current rental prices for one-bedroom properties advertised in Conwy County Borough in the week commencing 3 October 2022 and the financial shortfall facing residents receiving Housing Benefits based on their weekly payments.

- 3.37 Residents receiving £58.95 per week are typically people in shared accommodation or are single persons under the age of 35 that may or may not be in shared accommodation. Residents receiving £80 per week are entitled to the full Local Housing Allowance for a one-bedroom property, meaning they are a single person aged over 35 or in a couple.
- 3.38 This analysis shows that the average rental price for a one-bedroom property in Conwy County Borough in the week commencing 3 October 2022 was £597.86/month. Rental prices vary significantly between different areas, from an average of £540/month in Colwyn Bay (the lowest being £415/month), to £750 in Old Colwyn. These figures highlight the extent to which rents have increased in recent years (compared to the 2019 figures identified in Figure 3.13).
- 3.39 Table 3.2 indicates that none of the one-bedroom properties advertised on Rightmove are priced at a level to which one-person households receiving Housing Benefits could afford. Single people aged under 35 receiving Housing Benefits are worst affected by Conwy County Borough's high rental prices with the shortfall in their Housing Benefits as a percentage of the average rent per month ranging from 38.4% for the cheapest property in Colwyn Bay to 65.9% for the most expensive property in Old Colwyn.

Table 3.2 Rental price(/month) for flats advertised on Rightmove (w/c 3/10/2022) and the financial shortfall in the amount those receiving Housing Benefits face in meeting this

Property type & area	Rent per month	Housing Benefit shortfall per month (based on £58.95 per week – shared accommodation) (£255.45/month)	Shortfall as % of rent per month	Housing Benefit shortfall per month (based on £80 per week for 1 bed property) (£346.67/month)	Shortfall as % of rent per month
1 bed flat Colwyn Bay	£415	£159.55	38.4%	£68.33	16.5%
1 bed flat Colwyn Bay	£525	£269.55	51.3%	£178.33	34.0%
1 bed flat Pensarn	£550	£294.55	53.6%	£203.33	37.0%
1 bed flat Colwyn Bay	£570	£314.55	55.2%	£223.33	39.2%
1 bed flat Colwyn Bay	£650	£394.55	60.7%	£303.33	46.7%
1 bed flat Llandudno Junction	£725	£469.55	64.8%	£378.33	52.2%

Property type & area	Rent per month	Housing Benefit shortfall per month (based on £58.95 per week – shared accommodation) (£255.45/month)	Shortfall as % of rent per month	Housing Benefit shortfall per month (based on £80 per week for 1 bed property) (£346.67/month)	Shortfall as % of rent per month
1 bed flat Old Colwyn	£750	£494.55	65.9%	£403.33	53.8%
Average	£597.86	£342.41	55.7%	£251.19	£39.9%

Source: Rightmove & CCBC

- 3.40 The implication of the above is that even with the financial support of receiving Housing Benefits, a significant proportion of Conwy County Borough's lower income population is priced out from the local rental market for one-bedroom properties. In this situation, shared accommodation, like HMOs, can provide more reasonably priced rental accommodation to meet the needs of those facing a shortfall in their ability to pay monthly rent and the rental prices advertised on Rightmove.

Need for HMOs

- 3.41 This evidence of affordability points towards a clear need for HMO accommodation. The 2022 Local Housing Market Assessment includes reference to the importance of HMOs as a component of an effective housing market. However, it does not quantify the future need for such accommodation. Evidence of need can be taken from the Council's latest (October 2022) housing need data and that fact that 175 households are currently living in temporary Bed and Breakfast accommodation in Conwy County Borough without any realistic prospect of moving on.
- 3.42 The housing need data indicates that there are currently 849 (one and two person) households on the housing waiting list in Conwy County Borough. Of this total, 88.5% are single person households and 165 (19.5%) are currently living with family and friends and 251 (29.6%) currently reside in temporary accommodation or have no fixed abode.

Table 3.3 Conwy County Borough housing need data (October 2022)

	One person household - 18-34	One person household - 35-54	One person household - 55+	Two person households - 18-34	Two person households - 35-54	Two person households - 55+
Private rented tenant	21	63	55	8	5	16
RSL tenant	18	45	115	1	10	26

	One person household - 18-34	One person household - 35-54	One person household - 55+	Two person households - 18-34	Two person households - 35-54	Two person households - 55+
Living with family/friends / tenant in family owned property	98	40	14	9	3	1
Temporary accommodation, hostel/refuge, no fixed abode	129	98	9	9	4	2
Hospital / residential care / prison	7	11	2	-	-	-
Other (Owner occupier / tenant in house share / housing provided by their job)	2	6	19	0	0	3
Total	275	263	214	27	22	48
	752			97		

Source: CCBC

- 3.43 The largest age cohort in terms of housing need is the young adult (18-34 years old) group. This accounts for 35.6% of all need, including 36.7% of single person households in need of accommodation. This evidence is powerful in further highlighting the scale of the crisis and underlining the need for additional HMO accommodation in Conwy County Borough.

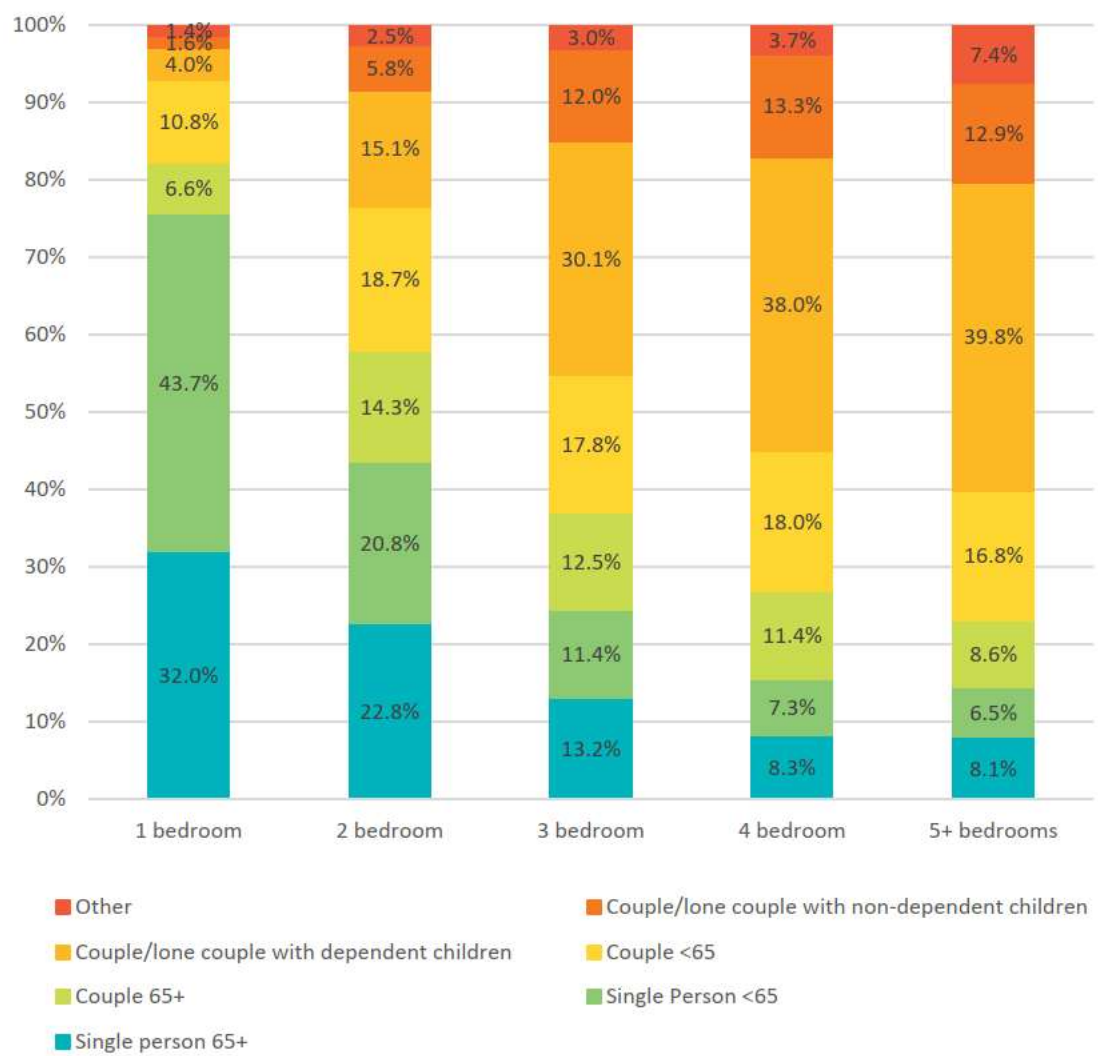
Household occupancy and HMOs

- 3.44 Figure 3.14 provides a breakdown of the occupancy of different sized properties by household type whilst Figure 3.15 provides an overview of the occupancy rating of different household types. Together, this gives an indication of whether houses are over- or under-occupied, and whether the needs of specific households are being adequately met.
- 3.45 52.7% of the largest (five- or more bedroom houses) and 51.3% of four-bedroom dwellings in Conwy County Borough are occupied by families, whilst 14.5% of five-bedroom dwellings and 15.5% of four-bedroom dwellings are occupied by couples without children. The category of “other” households includes full-time student and young professional households (i.e. HMOs) and these account for double the proportion of five-bedroom dwellings (7.4%)

compared to four-bedroom dwellings (3.7%) in Conwy County Borough. It is noted that there is a broad similarity in the proportion of properties with two, three and four bedrooms that are occupied as “other” households.

3.46 By contrast, the smallest dwellings in Conwy County Borough are occupied by a much higher proportion of single people and couples without children. Single people account for 75.7% of the occupants of one-bedroom properties whilst couples (under and over the age of 65) account for 17.4% of the one-bedroom properties and 33.0% of Conwy County Borough’s two-bedroom properties. Just 5.6% of Conwy County Borough’s one-bedroom and 20.9% of its two-bedroom properties are occupied by families.

Figure 3.14 Dwelling size by household type in Conwy County Borough



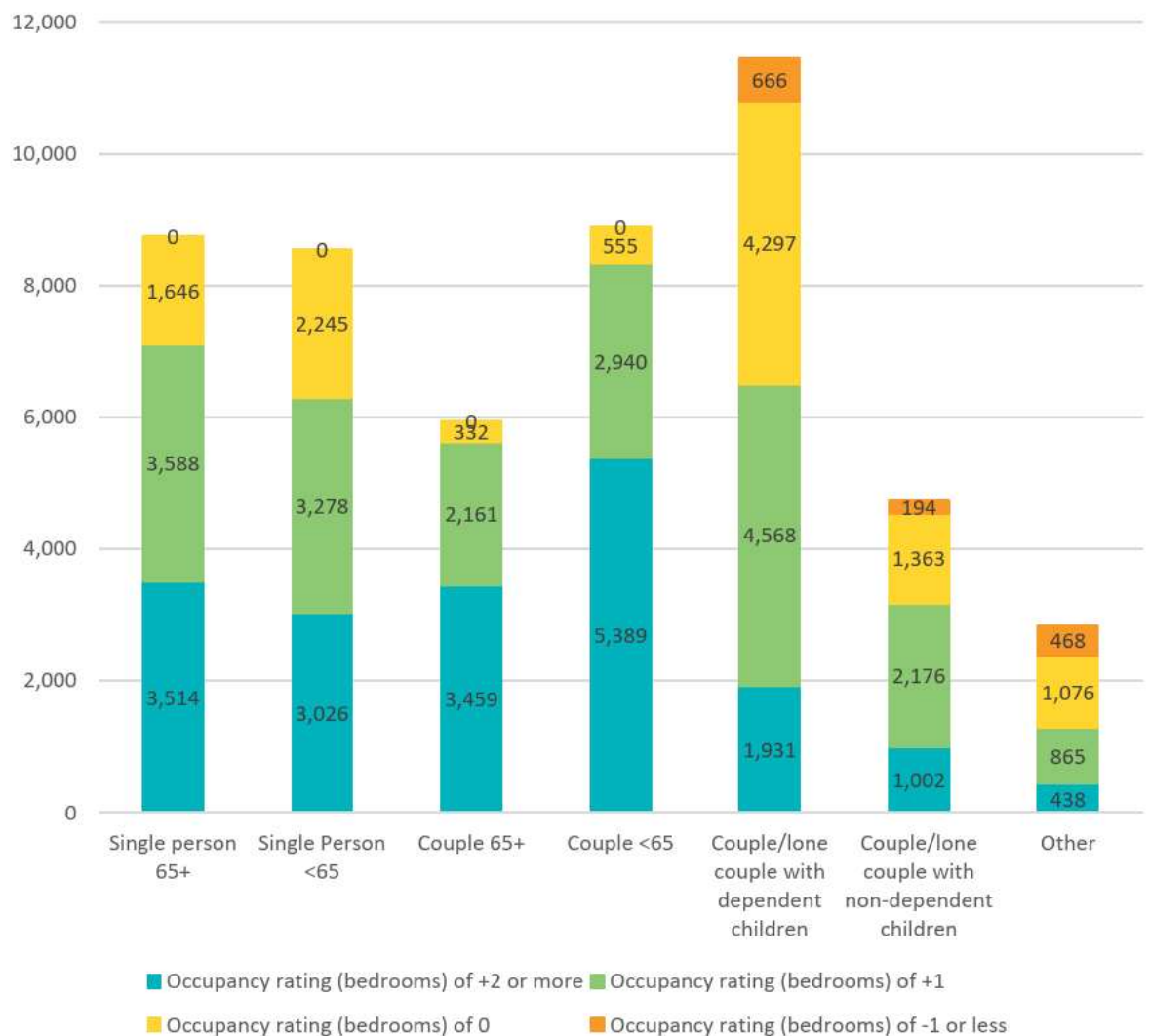
Source: Lichfields analysis of Census 2011¹¹ (DC1402EW)

¹¹ Note that 2021 Census data on housing stock is not yet available.

3.47

Under-occupancy is evident in Conwy County Borough's local housing market. As shown in Figure 3.14, under-occupancy is most prevalent amongst single people and couples. 94.4% of couples aged over 65 have an occupancy rating of at least +1 (implying at least one spare bedroom), as do 93.7% of couples aged under 65. By contrast, 5.8% of couples with dependent children have an occupancy rating of -1 or less (implying they are short of one bedroom), and 16.4% of other households are similarly over-occupied.

Figure 3.15 Occupancy ratings in Conwy County Borough



Source: Lichfields analysis of Census 2011¹² (DC4105EW1a)

¹² Note that 2021 Census data on housing occupancy is not yet available.

Multiple Adult Households

- 3.48 This sub-section analyses Census 2011 data about multiple adult households in Conwy County Borough and overcrowding in HMOs. More recent data on Conwy County Borough's existing HMO provision is set out in Section 5.
- 3.49 In 2011, there were 1,539 multiple adult households in Conwy County Borough. These accounted for 3.0% of all households in the authority area, compared to 3.3% in Wales and 4.4% in England & Wales.

Table 3.3 Provision of HMOs as a proportion of total households - 2011

	Conwy County Borough	Wales	England & Wales
Total households	51,188	1,302,676	23,366,044
Multiple adult households	1,539	43,316	1,038,993
HMOs as % of total	3.0%	3.3%	4.4%

Source: Census 211 (DC4101EW)

- 3.50 Table 3.4 shows the concentration of household residents that are aged between 16 and 49 living in multiple adult households. These people represent a large component of the demand for HMOs. Within Conwy County Borough, 17.1% of people aged between 16 and 49 live in HMOs, compared to 22.5% in Wales and 27.9% in England and Wales.

Table 3.4 Concentration of 16-49 year olds living in HMOs

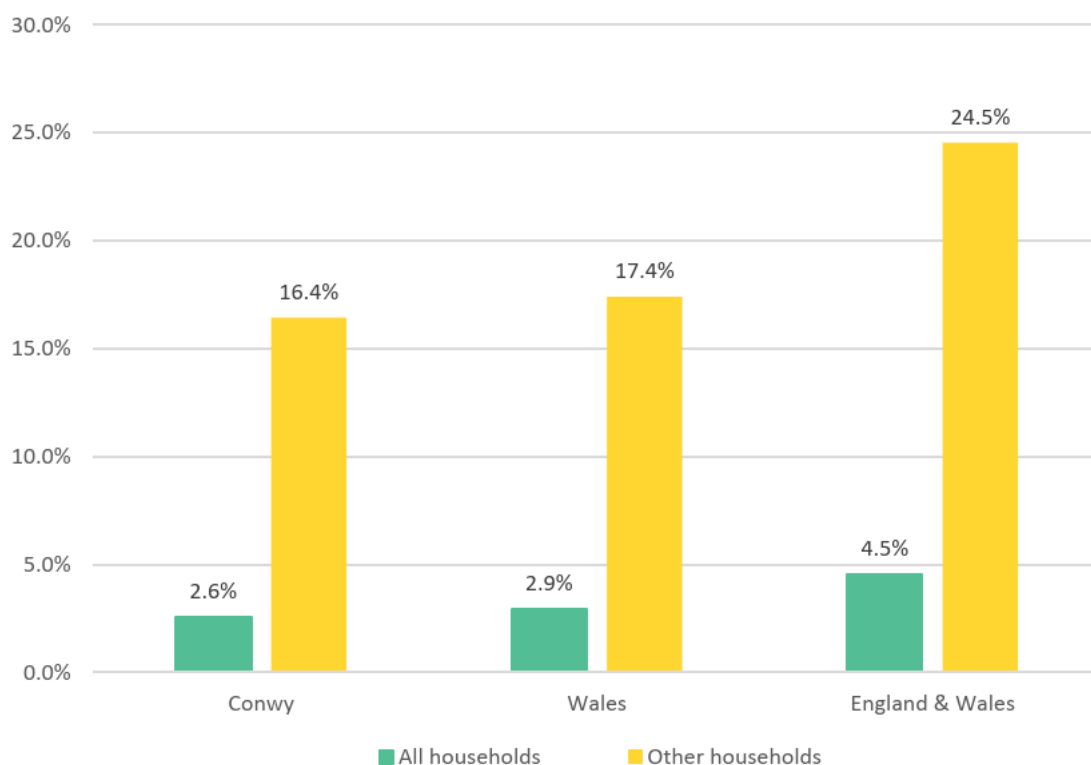
	Total	Live in HMO	% of all 16-49 year olds living in HMOs
Conwy County Borough	43,161	7,378	17.1%
Wales	1,322,710	297,330	22.5%
England & Wales	25,542,250	7,136,608	27.9%

Source: Census 2011 (LC1109EW)

Overcrowding in HMOs

- 3.51 Multiple adult households are significantly more likely to be overcrowded compared to other types of households. Figure 3.16 compares the proportion of all households and other households that are overcrowded. Across all of the spatial scales, it shows that the level of overcrowding within other households is significantly higher than for all households.
- 3.52 The level of overcrowding within other households is likely to be indicative of pent-up demand for smaller properties, and difficulties relating to the affordability of such properties. Whilst a lower proportion of total and other households in Conwy County Borough are overcrowded than the other spatial scales reviewed, this still presents an issue that needs to be addressed.

Figure 3.16 Level of overcrowding amongst all households and "other" households (excluding those with dependent children) - 2011

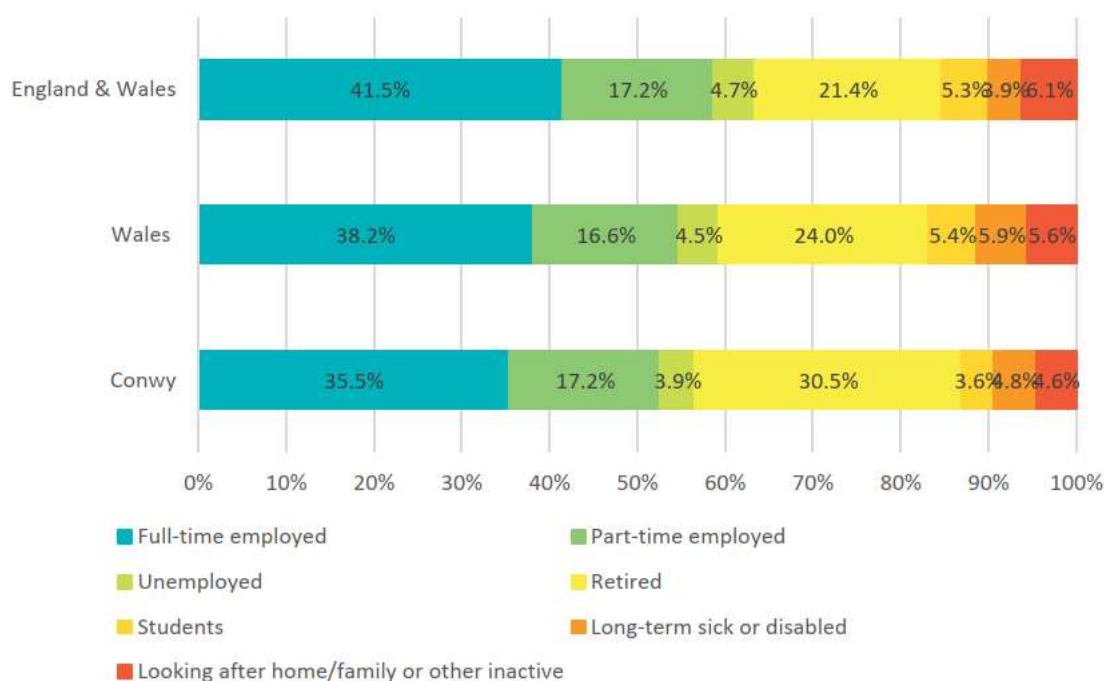


Source: Lichfields analysis of Census 2011 (LC4105EW)

Employment

- 3.53 Reflecting its older population, there are fewer people in Conwy County Borough in full-time employment (35.5%) when compared with Wales (38.2%) and England & Wales (41.5%). However, there is a similar proportion of people in part-time employment in each of the geographical areas reviewed (17.2% in Conwy County Borough and England & Wales, 16.6% in Wales). The lower proportion of student in Conwy County Borough reflects the fact that there is no university of higher education establishment within the County Borough. These are a major source of demand for HMOs in other local authority areas.
- 3.54 In turn, a significantly higher proportion of Conwy County Borough's working age population are retired (30.5%) than Wales (24.0%) or England & Wales (21.4%).

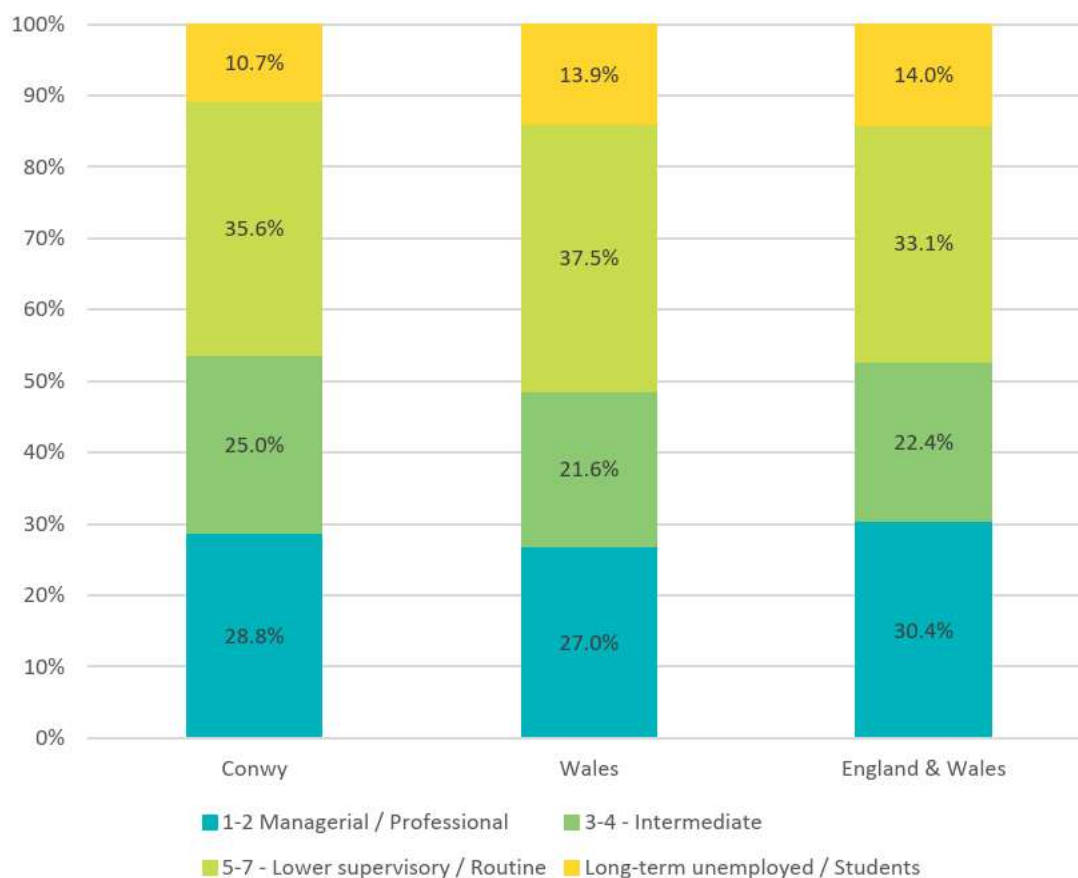
Figure 3.17 Economic activity



Source: Lichfields analysis of Census 2011 (DC6107EW)

- 3.55 When compared with Wales, more residents in Conwy County Borough are in upper NS-Sec groups, with 53.7% working in managerial/professional or intermediate occupations (compared with 48.5% in Wales). Conwy County Borough's socio-economic profile is therefore more closely aligned with England and Wales' combined, where 52.8% of its residents work in managerial/professional or intermediate occupations. These jobs include being directors of major organisations, senior officers in government, academics, teachers, and journalists.
- 3.56 Conwy County Borough's socio-economic classification profile may be explained by its older population and the fact that students and younger people account for a lower proportion of its total population.

Figure 3.18 National Statistics Socio-Economic Classification of residents 2011



Source: Lichfields analysis of Census 2011 (LC6114EW)

Earnings

3.57 Median full time gross weekly earnings for Conwy County Borough residents were £554.50 in 2021. This compared with £570.60 in Wales and £613.10 in Great Britain.

3.58 Conwy County Borough's gross weekly workplace earnings (£523.80) were lower than in Wales (£562.80) and Great Britain (£612.80).

Table 3.4 Median gross weekly earnings for all workers

	Conwy County Borough	Wales	Great Britain
By residence	£554.50	£570.60	£613.10
By workplace	£523.70	£562.80	£612.80

Source: ONS Annual Survey of Hours and Earnings 2021

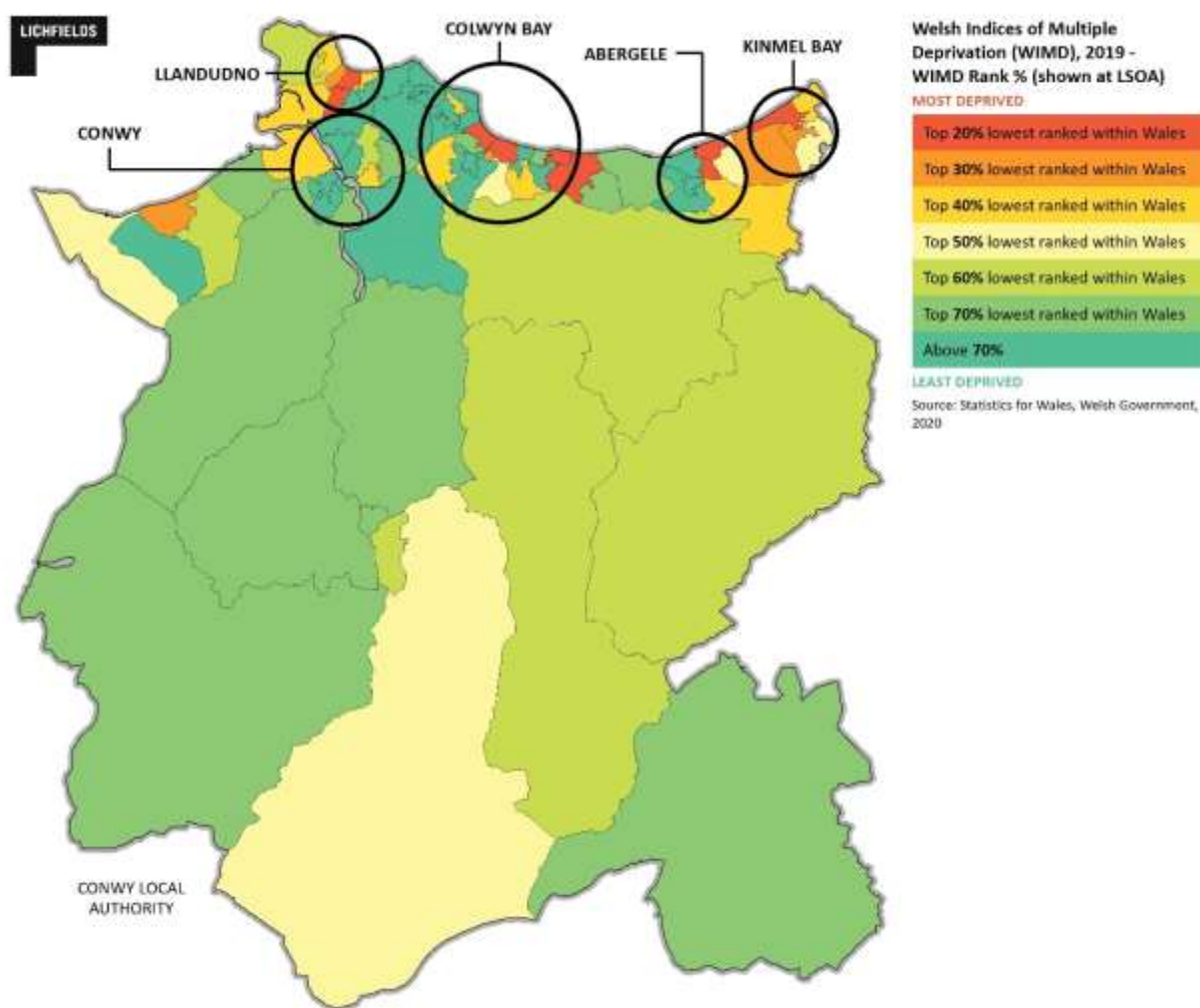
3.59 This data indicates that both workers and residents in Conwy County Borough earn less than in both Wales and Great Britain. These differences may be indicative of the need for a higher quantum of affordable housing and rental

options for residents that may be limited in their ability to buy or rent on the open market.

Deprivation

- 3.60 Deprivation at the local level is measured by the Index of Multiple Deprivation (IMD) (2019) which uses a series of data to rank across seven domains ranging from income to health. Together, these categories produce a multiple deprivation score for each local area.

Figure 3.4 WIMD comparison around Conwy County Borough



Source: Lichfields analysis of 2019-based Welsh Indices of Multiple Deprivation

- 3.61 The WIMD 2019 notes that Conwy County Borough contains 71 LSOAs, which equates to 3.7% of the 1,909 total LSOAs in Wales. It goes on to indicate that:

- 1 There are four LSOAs in Conwy County Borough that fall within the 10% most deprived in Wales; this equates to 5.6% of those in the local authority area and just 0.2% of those in Wales;

- 2 There are ten LSOAs in Conwy County Borough that fall within the 10% to 30% most deprived in Wales; this equates to 14.1% of those in the local authority area and just 0.5% of those in Wales;
- 3 There are 15 LSOAs in Conwy County Borough that fall within the 30% to 50% most deprived in Wales; this equates to 21.1% of those in the local authority area and just 0.8% of those in Wales; and,
- 4 The remaining 42 LSOAs in Conwy County Borough fall within 50% least deprived in Wales; this equates to 59.2% of those in the local authority area.

3.62

As summarised below, the position is broadly consistent across all of the indices of deprivation, albeit with the greatest level of deprivation relating to access to services and community safety and the lowest level relating to the physical environment. As illustrated in Figure 3.4, the main concentration of deprivation is within the coastal towns.

Table 3.5 Bandings of deprivation by individual metric

	No. Conwy County Borough LSOAs in each category of deprivation (out of total 71) - 10% most deprived in Wales	No. Conwy County Borough LSOAs in each category of deprivation (out of total 71) - 10% to 30% most deprived in Wales	No. Conwy County Borough LSOAs in each category of deprivation (out of total 71) - 30% to 50% most deprived	No. Conwy County Borough LSOAs in each category of deprivation (out of total 71) - 50% least deprived
Overall	4	10	15	42
Income	5	14	15	37
Employment	5	15	11	40
Health	3	9	14	45
Education	1	13	13	44
Access to services	9	11	19	32
Community safety	6	14	16	35
Physical environment	0	9	6	56
Housing	6	14	13	38

Source: 2019-based Welsh Indices of Multiple Deprivation

Summary and implications

- 3.63 Going forwards there is a clear need to address some of the challenges identified in this section, as summarised below. These relate to an ageing population, house prices, affordability and localised deprivation. Ensuring a balanced supply of housing – including HMOs – which meet the needs of all will be very important in this regard.

1. Older population

- 3.64 Conwy County Borough has a significantly older population than the average for Wales and England & Wales, with over 65 year olds accounting for 27.3% of its total population in comparison with 21.3% in Wales and 18.6% in England and Wales. The younger and middle-aged working population (20-49 year olds) in Conwy County Borough account for a lower proportion of its total population (30.4%) than in Wales (35.9%) and England and Wales (38.9%).
- 3.65 This trend is projected to go on, with the local population over the age of 65 being projected to increase by 29.8% over the rLDP period to 2033, whilst its younger working age population (20-29 year olds) is projected to decrease by 4.5%.

2. Household characteristics

- 3.66 Conwy County Borough is home to a lower proportion of “other” households which include people that reside in the same property but not as a family. This is indicative that there are proportionately fewer households living in HMO-type accommodation in Conwy County Borough than in Wales and England & Wales. The fact that there are no universities or higher education facilities in the local authority area has a significant influence on the local demand for HMOs.

3. More small houses & more detached houses

- 3.67 Whilst the local housing stock is more oriented towards the provision of smaller house than the Welsh housing market (40.7% of its houses contain one or two bedrooms compared with 31.8% in Wales), five-bedroom houses account for a higher proportion of Conwy County Borough’s housing stock than the Welsh average. Detached houses account for a significantly higher proportion of the housing stock (35.4%) in Conwy County Borough than Wales (27.7%) and England & Wales (22.6%).

4. Higher average house prices than Wales

- 3.68 Average lower quartile house prices in Conwy County Borough exceed the average for Wales (10.4% higher), however they are significantly lower than the average for England & Wales. Median house prices in Conwy County Borough are more closely aligned with the figures for Wales, however these are substantially lower than the England & Wales average (43.5% lower).
- 3.69 The fact that house prices in Conwy County Borough are higher than Wales gives rise to affordability pressures. This issue is exacerbated by the demand

for second homes in the local authority area, as demonstrated by the fact that 2.4% of the local housing stock comprises second homes compared with 1.4% in Wales.

5. Lower proportion of HMOs than elsewhere in Wales

- 3.70 There is a lower proportion of HMOs in Conwy County Borough than elsewhere in Wales. Whilst this is partly due to the lack of a higher education establishment that attracts students seeking HMO accommodation in cities like Cardiff and Swansea. However, given the context of high house prices and high affordability ratios, this could be seen as a potential basis for the changing demographic profile, which, as set out above, shows a continuing fall in the number of younger adults. There is a concern that, if maintained, this could give rise to an unbalanced community.

6. Shortfall between average rent and sum of Housing Benefits

- 3.71 Rental prices are typically lower in Conwy County Borough than in Wales across dwelling types. However, analysis carried out by CCBC's Housing Team indicated that there is a significant shortfall between the sum eligible residents receive from Housing Benefits and average monthly rentals. This more up-to-date research, whilst having been undertaken on a smaller scale, indicates that average rental prices have increased significantly since 2019.

7. Limited overcrowding in HMOs

- 3.72 Overcrowding in HMOs (measured by the assessment of "other" households) can be indicative of a built-up demand for smaller properties and the affordability issues associated with this. Whilst there is overcrowding prevalent in some HMOs in Conwy County Borough, it is limited when compared with overcrowding rates in Wales and England & Wales.

4.0 Findings from stakeholder engagement meetings

- 4.1 In addition to undertaking an analysis of demographic, economic and housing market data, consideration was also given to the views of key stakeholders in order to ascertain their views regarding the provision of HMOs in Conwy County Borough.
- 4.2 Engagement meetings were held with the following stakeholders:
- 1 CCBC Development Management & Enforcement officers;
 - 2 CCBC Planning Policy officers;
 - 3 CCBC Environmental Health officers;
 - 4 CCBC Housing Service officers;
 - 5 A sample of local ward members; and,
 - 6 A number of HMO landlords.
- 4.3 This Section provides an overview of the understanding of HMO management gathered from each stakeholder group and what policy approach they think would be suitable to manage HMO development in Conwy County Borough going forwards.

Development Management & Enforcement

- 4.4 Reflecting the findings of a review of recent planning applications relating to HMO development in Conwy County Borough, Development Management (DM) officers confirmed that there have been a limited number of applications to convert dwellings to HMOs in recent years. An Enforcement officer in attendance similarly report a limited number of enforcement cases in recent years addressing unconsented change of uses to HMOs. DM and Enforcement suggested the following reasons for the limited number of applications:
- 1 The rigidity of the current policy wording that fails to separate well managed and poorly managed HMOs.
 - 2 The limited number of enforcement notices does however suggest that there will not be too significant an increase in the number of applications to convert dwellings in HMO were the policy to become more flexible.
- 4.5 The key design considerations relating to the living environment created within HMO development highlighted by officers were as follows:
- 1 Design considerations like adequate daylight and overlooking standards, and privacy should be addressed, particularly for applications wherein dwellings are being converted;
 - 2 Higher standards for design consideration should be implemented in Conservation Areas; and,

- 3 Considerations like cycle and refuse storage and soundproofing should be addressed in the Policy's supporting text, however care should be taken to ensure that the role of licensing and Building Regs are not duplicated or that the policy does not extend beyond the lawful scope of the planning system.

4.6 When asked what policy approach DM and Enforcement officers would like to see adopted, the following approaches were suggested:

- 1 The policy should seek to reduce/maintain the concentration of HMOs in certain areas (Colwyn Bay, Abergele Pensarn, and Llandudno);
- 2 The policy should seek to ensure that HMOs are well managed and that the living environment is of a high standard, whilst avoiding duplication of the role of licensing; and,
- 3 The policy should provide flexibility to enable DM Officers assess the context of each individual HMO proposal.

4.7 However, it was agreed that any such flexibility should not undermine the robustness of the policy and risk inappropriate HMO proposals being "forced through" the planning system, whether at application or appeal stage.

Planning policy

4.8 Defining an HMO was a key issue discussed during this engagement meeting. There was a consensus that there should be two separate policies managing the development of HMOs and self-contained flats given that self-contained flats do not meet the key criteria for an HMO: that residents share facilities like a bathroom and kitchen. Whilst the existing Policy HOU/10 separates HMOs and self-contained flats within the policy, the political push behind this policy seemed to be driven by the need to resist HMO development and to seek higher living standards in self-contained flats.

4.9 The localised impacts of C4 and Sui Generis HMOs was identified by a planning officer that suggested differentiating between these use classes within the policy. It was recognised that the criteria for both types of development would be the same; however, it was suggested that there could be a lower percentage threshold for Sui Generis HMOs that are often associated with converted hotels in Conwy County Borough.

4.10 Two further areas of focus highlighted by policy officers were:

- 1 That the policy should include an element of flexibility when applied to application of percentage threshold to consider environmental factors like parking standards, a proposal's potential impact on community cohesion etc; and,
- 2 That no HMO development will be permitted within Holiday Accommodation Zones.

Housing Services

- 4.11 The stakeholder engagement meeting with Housing officers focused on the demand for HMOs and what role HMOs could play in meeting local housing need. Housing officers identified a general shortage in housing provision and recognised that shared accommodation in the form of HMOs could help meet some of this need.
- 4.12 The demand for one-person flats has increased significantly since Covid-19. In addition to this, changes to Welsh Government Regulations relating to the 'priority need' test for the local authorities to find accommodation for those facing homeless has drastically increased demand for CCBC's Housing Services. Before the pandemic, the Priority Need test in Wales required local authorities to secure accommodation for people with children who were in some way vulnerable, unless they were found intentionally homeless. During the pandemic, the priority needs approach was removed and local authorities were responsible for securing accommodation for all homeless people. As a result, CCBC is now housing 175 households in bed and breakfast accommodation as a form of temporary accommodation. This is placing significant financial pressure on the Council's resources.
- 4.13 Whilst housing officers cited a high demand for one-bed units, they recognised that this demand could change over time and that the accommodation delivered to meet this need should be flexible to accommodate changing needs. As such, developing a block of one-bedroom flats would both be difficult to convert into larger units if they had shared amenities, and would fail to deliver on Housing Officers goal of creating sustainable, mixed, and balanced communities.
- 4.14 Housing officers voiced a concern that the current policy approach in Conwy County Borough is unhelpful in providing much needed accommodation for small, younger households that may be facing financial difficulties. Whilst shared accommodation is not a direct alternative for self-contained one-person flats, it may help ease the demand for temporary accommodation being sourced by CCBC.
- 4.15 The following recommendations were made by Housing officers regarding the new policy managing HMO development:
- 1 That a threshold approach is adopted setting different concentrations in different areas. Whilst it was generally agreed upon that there should be an open policy allowing HMO development, an over-concentration of HMOs in certain areas (namely Llandudno) may have unintended negative consequences.
 - 2 That the policy does not overly prescribe the need for landlords to provide services or facilities like cycle and refuse storage. Concern was raised that this could prompt landlords to set a 'service charge' for the provision of such services, thereby increasing the cost of the accommodation and potentially

preventing those people in greatest need from being able to access suitable accommodation.

- 3 Cost was the key area of concern related to the provision of additional accommodation. Whilst planning cannot enforce rent control standards, an increase in options of shared accommodation could reduce competition for such accommodation and decrease rent.

Environmental health

- 4.16 Stakeholder engagement with Environmental Health officers (EHOs) highlighted that the majority of HMO-related complaints relate to self-contained flats rather than shared housing. For the purpose of this policy recommendation, it is important to reiterate that the planning definition of an HMO (as set out in paragraph 1.5) will be used throughout this report. As such, self-contained flats are not included.
- 4.17 EHOs reiterated the sentiment from DM & Enforcement officers that it is important to separate poorly managed HMOs from those that are well managed. It was recognised that planning cannot control property owners; rather, this is the role of the licensing regime.
- 4.18 It was requested that the policy set standards for the provision of refuse storage and to minimise its visual impact, particularly in Conservation Areas. It was however again recognised that planning's role is limited in its ability to require residents to make use of the installed refuse storage. Figure 7.1 shows Conservation Area boundaries and the concentration of HMOs within these areas. It shows that there is not a very high number of HMOs within the existing Conservation Areas and that the presence of such properties need not undermine the quality of such areas.
- 4.19 When asked what policy approach EHOs would propose to manage the development of new HMOs, it was suggested that a threshold approach could be adopted with different thresholds being set in different areas. However, policy wording should emphasise the need for material considerations to play a large role in the determination of each individual application.

Council Members

- 4.20 The Council Members with whom we spoke provided a detailed overview of the history to Policy HOU10. At the time of its preparation, there was a "huge" number of HMOs in Colwyn Bay which predominantly comprised of bedsits. Significant problems relating to drug and alcohol abuse and wider social problems existed in these areas. In addition, many of the properties offered a poor quality of living environment for their residents.
- 4.21 As a result of these issues, CCBC sought special control powers from Welsh Government. The implementation of Policy HOU10 was intended to prevent a continued proliferation of HMOs. It was described as very successful in

addressing the problems, resulting in a 40% reduction in the number of HMO units which brought it down to a more manageable level. The policy also helped to raise public awareness of HMO issues which has also had a positive effect in addressing some of the most severe problems that had existed.

- 4.22 However, it was also noted that HMOs should play a part of the solution to the ongoing housing crisis and that a “middle ground” is required in any future policy. This should seek to manage provision and avoid any unacceptable levels of concentration whilst also addressing issues relating to location, amenity and potential impact.
- 4.23 It was also noted that the Council should adopt a more proactive approach in prosecuting landlords that fail to provide an adequate quality of accommodation and do not maintain their properties.

Landlords

- 4.24 The landlords that we consulted as part of this study all own self-contained HMO flats. Their properties are all located either in Colwyn Bay or Llandudno. In total the five landlords that were consulted own a total of 51 flats. They all self-manage their properties and emphasised the importance of being “hands on” and addressing any repair and maintenance issues swiftly.
- 4.25 The landlords emphasised that their rental properties have been very successful, with only limited problems relating principally to noise and rent arrears. However, it was noted that some landlords are seeking to sell their properties due to increasingly stringent regulations and requirements that they see as placing an unsustainable burden on them.
- 4.26 It was noted that there is a very significant shortage of HMOs in Conwy County Borough with considerable demand for one and two-bedroom flats, albeit that these do need to be affordable and it was recognised that the cost of housing is rising considerable, albeit that a number of the landlords have not increased the rents that they charge for a very considerable period of time.
- 4.27 It was noted that changes to legislation and regulations are having an impact on need. This reflects a point that was also made by the housing officers.
- 4.28 It was suggested that CCBC should seek to bring empty and unused properties into use to help meet identified need. Empty hotels were identified as a potential source of supply, as were spaces above shops although concern was expressed regarding the impact of a loss of family housing on the wider market.
- 4.29 Bin storage was identified as a common problem, particularly where there is nowhere for them. It was stated that refuse is regularly kicked around, creating a mess on the street outside the flats.
- 4.30 In respect of car parking provision, it was indicated that not all tenants have access to a car so the policy requirements might lead to an over-provision and may not be achievable in some locations. In respect of this and some other

requirements, it was suggested that if the policy was too demanding in terms of what is required then the effect might be to force rents to increase, to the detriment of those at greatest need.

5.0 **Current HMO provision in Conwy County Borough**

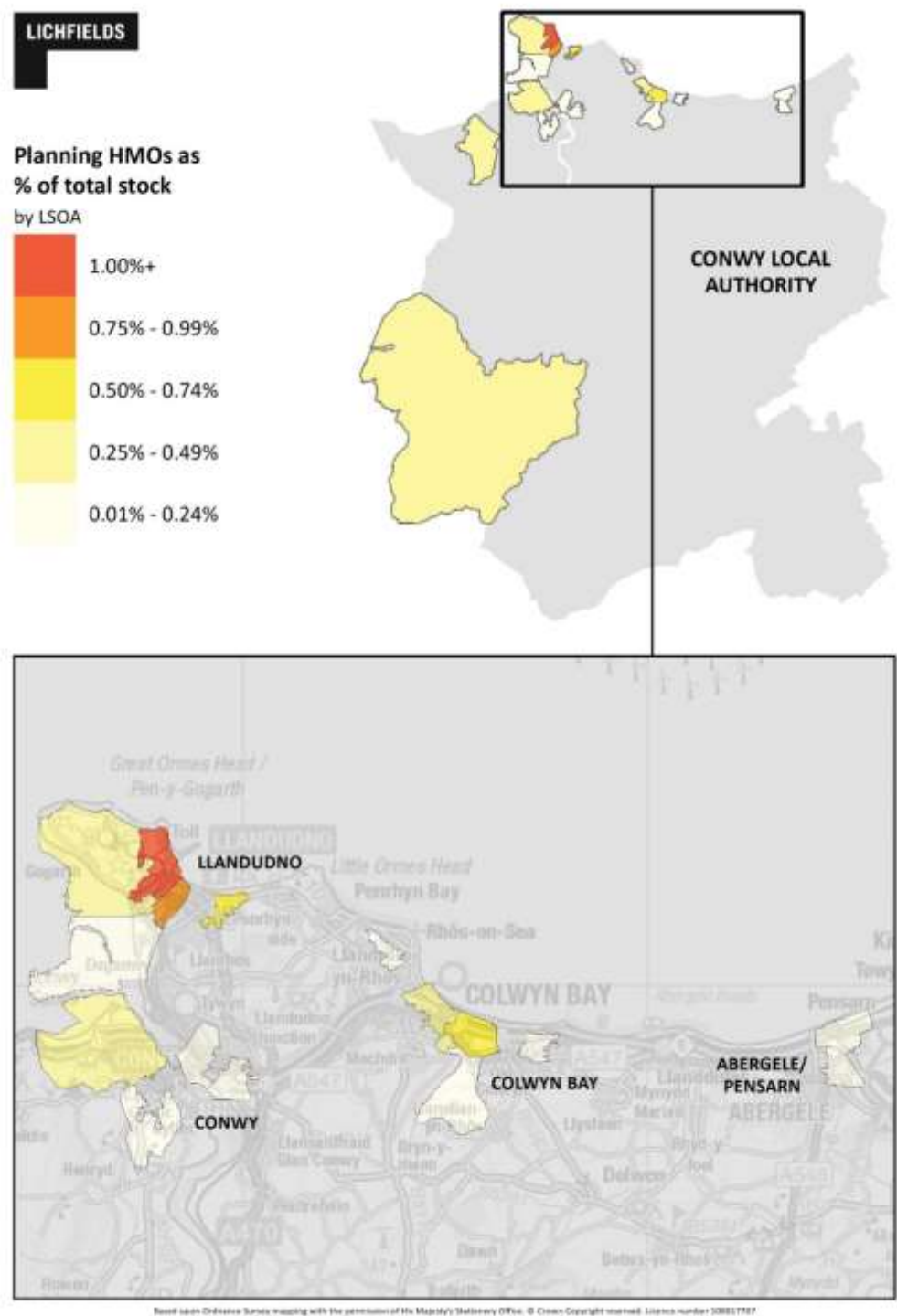
- 5.1 This Section considers existing HMO provision in Conwy County Borough and reviews how LDP Policy HOU/10 has operated through the development management and appeal system. It provides an understanding of shortcomings in the operation of the existing policy and provides the basis for the establishment of a revised policy approach that will more effectively balance the need to ensure an adequate supply of housing against the importance of avoiding any adverse impacts on the local amenity.

Current provision

- 5.2 Data from CCBC has identified a total of 754 HMOs, including:
- 1 59 units "standard HMOs" that fall within the definition under s254 of the Housing Act and are therefore subject to planning control. These equate to 7.8% of all HMOs and just 0.1% of the total housing stock across Conwy County Borough.
 - 2 530 additional licensable HMOs within Colwyn Bay, Llandudno and Abergele Pensarn. This reflects the concentration of HMOs in these coastal towns – which was the rationale for the establishment of the additional HMO licensing schemes. However, whilst these equate to 70.3% of all HMOs, they only equate to 0.9% of the total housing stock across Conwy County Borough. Some of the HMOs in this category would otherwise be defined as standard HMOs under category one above. However, data is not currently available as to the breakdown of these units.
 - 3 165 self-contained flats which are defined as HMOs for the purposes of licensing but not for planning. For the purposes of planning, these are indistinguishable from self-contained flats. These equate to 21.8% of all HMOs and 0.3% of the total housing stock across Conwy County Borough.
- 5.3 In addition, the Council's data indicates that there are an additional 56 non-licensable HMOs. In total, the HMOs (including self-contained flats and non-licensable HMOs) account for just 1.4% of the total housing stock in Conwy County Borough.
- 5.4 A further 300 units are defined by the Council as "HMO Check Occupation". It is understood that these can move in and out of being an HMO, predominantly because of the method of occupation. For the purpose of this study, however, we have not included these units.
- 5.5 Figure 5.1 shows the distribution of planning (shared) HMOs as a percentage proportion of the total housing stock in Conwy County Borough by LSOA as of October 2022. It shows that most HMOs are found in Conwy County Borough's coastal areas and that these are the areas in which they account for the highest proportion of total housing stock – albeit that this is still very low as a proportion.

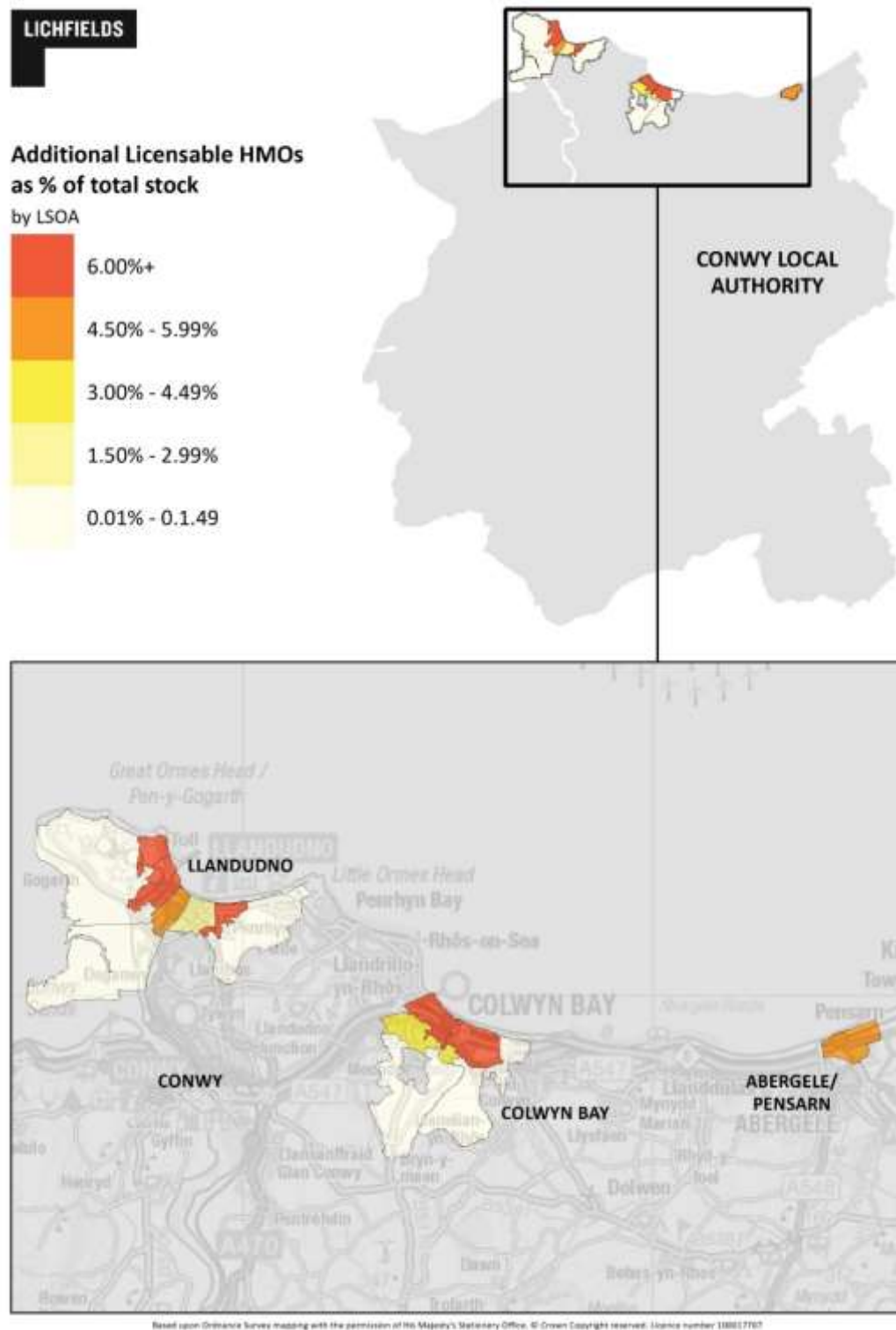
in these areas. The peak concentration is in LSOA 001B, in Llandudno, where they account for above 1.01% of the total housing stock. In Colwyn Bay, between 0.25% and 0.74% of the total housing stock comprises HMOs. However, in all LSOAs, the proportion of planning HMOs is very limited.

Figure 5.1 Distribution of planning HMOs as % of total housing stock in Conwy County Borough by LSOA



Source: Lichfields analysis of CCBC Licensing data on HMOs

Figure 5.2 Additional licensable HMOs as % of total stock in Conwy County Borough by LSOA



Source: Lichfields analysis of CCBC Licensing data

- 5.6 Figure 5.2 shows the distribution of additional licensable HMOs as a percentage proportion of the total housing stock in Conwy County Borough by LSOA as of October 2022. As set out in paragraph 1.8, there are three additional licensable schemes in Conwy County Borough for Llandudno, Colwyn Bay, and Abergele Pensarn. The additional licensable HMOs are largely issued to self-contained flats as opposed to shared HMOs. Llandudno and Colwyn Bay have the highest concentration of additional licensable HMOs as a proportion of their total housing stock, however there are significant differences within Llandudno itself although the peak concentration (LSOA 001B) equates to just 6.8% of total stock. The highest level of concentration of additional licensable HMOs is in LSOA 007C (Colwyn Bay) where they account for 11.3% of stock.
- 5.7 The implication of this analysis is to show that HMOs – of all types, but shared (planning) HMOs in particular – only account for a limited proportion of the housing stock within Conwy County Borough. The areas of peak concentration identified by this analysis reflect those highlighted during engagement meetings, i.e. Llandudno and Colwyn Bay. However, even in the areas where the concentration is greatest, the sum of all (shared and additional licensable) HMOs only account for 7.8% of the stock in one LSOA in Llandudno (001B) and 11.9% of one LSOA in Colwyn Bay (007C). This is considerably more limited than in other parts of Wales and provides evidence to support the point raised by a number of consultees to this study that HMOs do not represent a significant issue in Conwy County Borough.
- 5.8 This analysis shows that at a County Borough level and even at a much smaller LSOA level, the proportion of existing HMOs is generally very low. However, this could disguise much more significant levels of concentration at a smaller scale. For example, some streets do have large numbers of HMOs. Table 5.1 identifies a sample of streets in the main towns which have a particularly high concentration of HMOs – ranging from 15% to 28%. It is noted that only one road (Clifton Road, Llandudno) has a very high proportion of shared HMOs – equivalent to 15% of the total stock in Conwy County Borough being located on a single street.

Table 5.1 Localised concentrations of HMOs

Street	Location	No. properties	No Shared HMOs	% Shared HMOs	No Additional HMOs	% Additional HMOs	Total % of all HMOs
Clifton Road	Llandudno	76	9	11.8%	10	13.2%	25.0%
Abergele Road	Old Colwyn	248	2	0.81%	35	14.11%	14.92%
Caroline Road	Llandudno	51	1	1.96%	12	23.53%	25.49%
Marine Road	Abergele Pensarn	146	1	0.68%	23	15.75%	16.43%

Street	Location	No. properties	No Shared HMOs	% Shared HMOs	No Additional HMOs	% Additional HMOs	Total % of all HMOs
Greenfield Road	Colwyn Bay	104	0	0.0%	24	23.08%	23.08%
South Parade	Abergele Pensarn	56	0	0.0%	16	28.57%	28.57%

Source: Lichfields analysis of CCBC data. Number of properties per street taken from Zoopla

HMO Licences in Conwy County Borough and Wales

- 5.9 Table 5.1 details the number of mandatory and additional licences issued for HMOs in Conwy County Borough and other authorities in Wales. This is based on StatsWales data and does not align precisely with that provided by CCBC. It shows that in the year from 2020-21, there were 39 HMOs in Conwy County Borough with mandatory licences and 384 with additional licences. These accounted for 1.6% of all HMOs with mandatory licences and 8.0% of additional licences in Wales. Overall, 5.6% of HMO licences in Wales have been issued to properties in Conwy County Borough.
- 5.10 Additional licences account for an average of 66.2% of total HMO licences across Wales but these account for 90.8% of those issued in Conwy County Borough. This shows that the additional licensing scheme adopted in Llandudno, Abergele Pensarn, and Colwyn Bay has had a significant effect on the overall number of HMOs across Conwy County Borough.

Table 5.2 HMO Licences in authorities in Wales

LPA	Mandatory licence	Additional licence	Total licences	Total licences as % of housing stock
Wales	2,443	4,786	7,229	0.5%
Isle of Anglesey	13	0	13	0.0%
Gwynedd	283	540	823	1.3%
Conwy	39	384	423	0.7%
Denbighshire	27	127	154	0.3%
Flintshire	11	0	11	0.0%
Wrexham	38	221	259	0.4%
Powys	4	0	4	0.0%
Ceredigion	285	242	527	1.5%
Pembrokeshire	3	0	3	0.0%
Carmarthenshire	29	0	29	0.0%
Swansea	736	902	1,638	1.4%

LPA	Mandatory licence	Additional licence	Total licences	Total licences as % of housing stock
Neath Port Talbot	7	0	7	0.0%
Bridgend	29	0	29	0.0%
Vale of Glamorgan	12	0	12	0.0%
Cardiff	604	1,815	2,419	1.5%
Rhondda Cynon Taf	85	443	528	0.5%
Merthyr Tydfil	0	0	0	0.0%
Caerphilly	7	0	7	0.0%
Blaenau Gwent	4	0	4	0.0%
Torfaen	1	0	1	0.0%
Monmouthshire	3	0	3	0.0%
Newport	223	112	335	0.5%

Source: StatsWales Hazards and Licences 2020-2021

- 5.11 The data set out in Table 5.2 indicates that licensed HMOs account for 0.7% of Conwy County Borough's housing stock (423 licensed HMOs of 57,580 dwellings). By comparison, 0.5% of Wales' housing stock are HMOs (7,229 licensed HMOs of 1,453,510 dwellings). Whilst this data indicates that HMOs account for a higher proportion of Conwy County Borough's total housing stock than the average in Wales, this is significantly lower than areas facing more issues relating to HMOs. For example, HMOs account for 1.5% of the total housing stock in Cardiff, 1.4% in Swansea, and 1.3% in Gwynedd¹³.
- 5.12 The differences between the number of HMO licences identified by StatsWales and by CCBC's licensing team is noted. However, both sets of data highlight that additional HMO licences account for a considerably higher proportion of Conwy County Borough's total HMO licences than other local authorities in Wales. For example, whereas HMOs with mandatory licences account for 0.5% of Gwynedd's housing stock and 0.6% of Swansea's, they account for just 0.1% of Conwy County Borough's total housing stock. HMOs with mandatory licences are therefore significantly less concentrated in Conwy County Borough than other local authorities in Wales.
- 5.13 It is noted that StatsWales also holds a second dataset relating to HMOs which identifies the number of known and estimated HMOs¹⁴. These figures differ substantially to those set out above and whilst different to those provided by CCBC are better aligned with them.

¹³ Welsh Government StatsWales Hazards and Licences 2020-2021 & ONS Table CTSOP1.1: Number of properties by Council Tax band and region, county, local authority district and lower and middle super output area, 2021

¹⁴ <https://statswales.gov.wales/Catalogue/Housing/Hazards-and-Licences/housesinmultipleoccupation-by-area>

5.14

This reflects the previous StatsWales dataset in showing that, whilst Conwy County Borough does not have the same level of concentration of HMOs as Cardiff, Ceredigion or Swansea, it does have an above-average proportion. As indicated above, it is important to recognise how a comparatively limited overall proportion of HMOs can obscure local concentrations that may be more problematic.

Table 5.3 Number of known and estimated HMOs by local authority area

	Known HMOs in local authority area - Number	Known HMOs in local authority area - % of total housing stock	Estimate of all HMOs in local authority area - Number	Known HMOs in local authority area - % of total housing stock
Wales	15,247	1.0%	19,587	1.3%
Isle of Anglesey	95	0.3%	250	0.7%
Gwynedd	903	1.5%	1,000	1.6%
Conwy	802	1.4%	934	1.6%
Denbighshire	242	0.5%	1336	2.9%
Flintshire	500	0.7%	900	1.3%
Wrexham	276	0.5%	962	1.6%
Powys	223	0.3%	571	0.9%
Ceredigion	669	1.9%	710	2.0%
Pembrokeshire	64	0.1%	90	0.1%
Carmarthenshire	434	0.5%	434	0.5%
Swansea	1,801	1.6%	2,100	1.8%
Neath Port Talbot	455	0.7%	455	0.7%
Bridgend	511	0.8%	550	0.8%
Vale of Glamorgan	479	0.8%	500	0.8%
Cardiff	6,419	4.0%	7,000	4.4%
Rhondda Cynon Taf	528	0.5%	666	0.6%
Merthyr Tydfil	51	0.2%	51	0.2%
Caerphilly	233	0.3%	250	0.3%
Blaenau Gwent	46	0.1%	68	0.2%
Torfaen	38	0.1%	60	0.1%
Monmouthshire	68	0.2%	200	0.5%
Newport	410	0.6%	500	0.7%

Source: StatsWales Hazards and Licences 2020-2021

Recent planning applications relating to HMO development

5.15

Since regulations for the Practice Guidance for HMOs was issued by Welsh Government in March 2017, seven planning applications have been determined relating to HMO development by the local planning authority. These are detailed below:

Table 5.4 Planning applications relating to HMO development since March 2017

LPA reference	Address	Description	Decision	Decision date
0/43711	21 Llewelyn Road, Colwyn Bay, Conwy, LL29 7AS	Retrospective permission for the change of use of a property from a Dwellinghouse (Use Class C3) to a House of Multiple Occupation (Use Class C4)	Appeal upheld	Refusal: 07/04/2017 Appeal: 18/08/2017
0/43581	Flat 1, 9 Marine Road, Colwyn Bay, Conwy, LL29 8PH	Discharge of conditions 5 & 8 of planning permission 0/40603	Approved	15/05/2017
0/44640	Xanadu, 4 Brompton Avenue, Colwyn Bay, Conwy, LL28 4TE	Change of use from Class C3 (dwelling) to Class C4 / Category B (house in Multiple Occupation)	Appeal upheld	Refusal: 24/01/18 Appeal: 15/10/18
0/46592	29 Maelgwyn Road, Llandudno, LL30 2YN	Certificate of lawful development for the existing use of entire premises within C4 use class	Approved	11/12/2019
0/48081	2 Penrhyn Drive, Rhos on Sea, LL28 4LD	Change of use of the property from a C3 residential 3 bedroom property to a C4 4 bedroom HMO	Refused (no appeal)	12/03/21
0/48406	The Bell Hotel, 2 Upper Promenade, Colwyn Bay, LL28 4BS	Full planning application for the change of use from an HMO to a 4 two-bedroom, one-bathroom self-contained flats	Approved with conditions	08/07/21
0/49626	Mayfair, 11 Deganwy Avenue, Llandudno, LL30 2YB	C4/Houses in Multiple Occupation after 05/July/2022	Refused	06/10/2022

Source: Conwy County Borough Council

- 5.16 Three¹⁵ of the seven planning applications relate to a dwelling's proposed change of use to an HMO and all of these have been determined. All three applications were refused by delegated powers although two of these were subject to a successful appeal¹⁶. The following reason was provided for the refusal of planning application 0/44640:
- "The application would create a House of Multiple Occupation (HMO) which would be contrary to Policy HOU/10 of the Conwy Local Development Plan 2013 which notes that HMO units will be strongly resisted and an emphasis should be placed on the reduction of such properties within Conwy. The Local Planning Authority considers that there are no exceptional circumstances in this case which are of significant weight as to warrant departure from Policy HOU/10."*
- 5.17 In considering the outcome of this application (appeal ref: APP/T6905/A/18/3206093), the Inspector stated that:
- "The LDP states, at paragraph 4.2.25.4, that SPG will be produced on HMOs to support Policy HOU/10, however, none has yet been produced. Given the change in circumstances¹⁷ since the adoption of the LDP clarification of the Council's objectives, as set out in Policy HOU/10, in the form of SPG would be beneficial. The change in circumstances since the adoption of policy is a material factor for me to take into account when assessing the appeal proposal."* (para.7)
- 5.18 In addition to the absence of evidence provided by CCBC to demonstrate an overprovision of HMOs, it was recognised that the Conwy Local Housing Strategy supports the need for some level of HMO development, in particular for single persons under the age of 35. In light of this, the Inspector concluded:
- "Whilst LDP Policy HOU/10 seeks to control the creation of HMOs by resisting them, this is not the same as precluding all HMO development. In this case I have found no harm in allowing an HMO in terms of the Council's objectives to: aid regeneration; improve housing quality and choice; and contribute to an enhanced environment within the plan area, to warrant refusal on policy grounds alone. Indeed the HMO would add to the housing choice available in the area for households on low incomes as set out in the LHMA."* (para.13)
- 5.19 The same reason for refusal was provided for retrospective planning application 0/43711 (appeal ref: APP/T6905/A/17/3176065). In assessing the reason for refusal, the Inspector in that case drew attention to the explanatory text accompanying Policy HOU/10 that refers to the historically problematic provision of HMO accommodation in Colwyn Bay in particular, that *"rarely contributes positively to the area."* (para.5) However, having considered the proposed development, the Inspector determined that:

¹⁵ 0/43711, 0/44640 and 0/48081

¹⁶ 0/44640 and 0/43711

¹⁷ The Written Ministerial letter dated 27 Feb 2018 (detailed in paragraph 2.10 of this report)

“The accommodation being provided is well managed and offers a superior standard of accommodation as confirmed by the Council’s Housing Strategy Section... To my mind the development subject of this appeal contributes positively to the area and is highly likely to support local regeneration aims through its provision of high quality accommodation. The accommodation being provided is therefore not reflective of that cited in policy HOU/10; this weights in favour of allowing the appeal.” (para.6)

- 5.20 In addition, the Inspector referenced the Council’s Housing Strategy Section that indicated a *“significant demand for low cost, good quality accommodation within the area, particularly for the single person.”* (para.7) The Council was also unable to provide detailed explanation of any actual harm that would result from the development. The Inspector in turn stated that:

“I appreciate the concerns raised in regards to historical problems associated with HMO development, nonetheless there is no substantive evidence before me to indicate that the appeal development specifically has had in the past, or will be likely to have in the future, any detrimental impact on the local community.” (para.8)

- 5.21 These appeal decisions highlight the changed circumstances in which they are being determined to those in which Policy HOU/10 was adopted. This was recognised in the Officers Report submitted to determine the outcome of planning application 0/48081 (that was refused), however the Case Officer determined that:

“There are contrasts between this appeal decision and the application hereby proposed. The scheme hereby proposed does not provide for good living accommodation and there has been significant objections to the application. Therefore officers do not consider that this appeal is comparable with the application hereby proposed and have therefore provided little weight to this appeal decision.”

- 5.22 The Officer’s report ultimately concluded that there were not exceptional circumstances to justify departure from Policy HOU/10.

- 5.23 Planning application 0/49626 proposed to change the use of an existing hotel (C1) to an HMO (C4). It was presented to planning committee for the second time on 28 September 2022 and Members refused the application for the following reasons:

- 1 In order to aid regeneration, improve housing quality and choice, and contribute to an enhanced environment, Policy HOU/10 of the Conwy Local Development Plan states that all proposals to create Houses in Multiple Occupation will be strongly resisted and emphasis should be placed on the reduction of such properties within Conwy County Borough. The use of the property as a House in Multiple Occupation is therefore contrary to Policy HOU/10 of the Conwy Local Development Plan 2013.

- 2 The application site falls within the holiday accommodation zone as designated by the Conwy Local Development Plan. In order to safeguard an appropriate level of serviced accommodation for tourism, Policy TOU/3 states that proposals for the redevelopment or conversion of existing servicing accommodation to other uses will not be permitted within holiday accommodation zones. The proposal is therefore contrary to Policy TOU/3 of the Conwy Local Development Plan 2013.

Implications

- 5.24 Data from CCBC identified a total of 754 HMOs (accounting for 1.3% of Conwy County Borough's total housing stock) in October 2022. Of this total, only 59 units are defined as HMOs in planning terms. These equate to 7.8% of all HMOs and just 0.1% of the total housing stock across Conwy County Borough. These are mostly concentrated in Conwy County Borough's urbanised coastal areas, particularly in Llandudno. Even in the LSOA with the highest concentration of HMOs in Llandudno, they account for c.1.0% of the total housing stock. However, there are streets with a much higher concentration although the majority of consultees that inputted into this study acknowledged that the number and presence of HMOs do not represent a major problem.
- 5.25 Just seven planning applications have been determined relating to HMO development since the new Practice Guidance for HMOs was issued by Welsh Government in 2017. This limited number indicates that there is not a significant level of pressure for additional provision. Three applications related to the change of use to an HMO and all were refused due to the restrictive policy approach.
- 5.26 Two of the refusals were appealed successfully. The main areas of focus raised by the Inspectors included:
- 1 The change in circumstances – relating both to HMO Planning Guidance from Welsh Government and the types of HMOs being proposed – since the policy's adoption is a material consideration in the determination of the appeal.
 - 2 Whereas the policy intends to resist the development of HMOs in order to aid regeneration and improve housing quality and choice, the Inspectors concluded that the proposed change of use would indeed improve the housing choice for lower income households.
 - 3 Drawing attention specifically to the historically problematic provision of HMOs in Colwyn Bay, the Inspectors recognised that the high-quality design of the proposed HMOs had the potential to support the Council's aim in aiding the area's regeneration.
 - 4 Principally, a lack of evidence was submitted to both Inspectors indicating that the proposed change of uses would have a detrimental impact on the surrounding areas.

- 5 Reference was made to historic problems relating to HMOs but there was a lack of evidence relating to more recent problems. This is reflected in the consultation responses regarding the absence of any major problems arising from HMOs.
- 5.27 The similarity in the conclusions of both Inspectors indicates the need for a change in policy approach to reflect the latest circumstances, both in policy terms, and the role that HMOs can play in providing a suitable, more affordable form of accommodation. Including certain criteria in the policy for HMO development in the rDLP will help ensure that new HMOs will meet the high design standards sought by officers, members, and future residents.
- 5.28 The limited number of planning applications for HMOs, combined with CCBC's Enforcement Officer's comment that they have not been notified of many unlicensed HMOs in recent years, suggests that a more permissive and flexible policy approach would not result in unsustainable pressure on the planning system or give rise to an unacceptable or unsustainable proliferation of shared HMOs. In any event, there is no suggestion that there should be no controls on HMO provision and any future policy should strike a balance between the need for and benefits of such accommodation and its potential risks to local amenity and community wellbeing.
- 5.29 The evidence points towards the predominance of HMO flats within Conwy County Borough. As outlined throughout this report, these are subject to licensing controls but not planning requirements, although they were addressed by the second part of Policy HOU/10. There is merit in providing policy support for the conversion of properties to flats – in those cases where planning permission would be required – although any such policy could not distinguish between HMOs and self-contained flats.

6.0 Other Planning Policy Approaches

- 6.1 In considering a future policy approach, it is useful to consider how other local authorities in Wales have dealt with the issue of HMOs and the different approaches that have been adopted. A review of HMO policies of the 21 other local planning authorities in Wales was undertaken to identify common practices and approaches, and to assess their applicability to Conwy County Borough. A summary of this analysis is set out in Appendix 3. As of August 2022, nine other authorities in Wales had policies set in the LDP that relate specifically to HMO provision whilst a further two authorities are seeking to introduce a policy relating to HMOs in their emerging LDPs.
- 6.2 Five authorities in Wales have an SPG providing guidance relating to the development of HMOs¹⁸. As explained in the 2018 Ministerial Letter, these SPGs cannot form the policy basis against which proposals for new HMOs will be assessed. Rather, these provide guidance about the design standards and facilities expected for new HMOs, and some provide further detail about the threshold policy against which proposals will be assessed.
- 6.3 The nature of HMO-related policies differs between authorities, dependent on the challenges faced. Alongside Conwy County Borough, two other authorities in Wales have blanket policies in place that seek to resist the change of use of dwellings to HMOs:
- 1 Policy LU07 in the Ceredigion LDP states: “*Conversion of residential units to HMOs, that require planning permission, will not be permitted.*”
 - 2 Policy BSC 7 in the Denbighshire LDP states that “*Proposals which would lead to the creation of HMOs or non-self-contained flats will not be permitted... Further developments of this type will not be allowed anywhere in Denbighshire.*”
- 6.4 In those areas that adopt a more flexible and permissive approach, three main policy approaches are identifiable in respect of the management of HMO development. These include:
- 1 Setting thresholds to limit the number of HMOs in certain areas;
 - 2 Introducing “anti-sandwiching” policies that restrict HMOs being approved on both sides of a C3 dwelling; and,
 - 3 Setting criteria that proposals must meet in order to be approved.
- 6.5 Further detail of these approaches is set out below.

Thresholds

- 6.6 Cardiff, Newport, Rhondda Cynon Taf, Swansea, and Wrexham either have LDP policies or standards set in Supplementary Planning Guidance documents

¹⁸ Cardiff, Newport, RCT, Swansea, and Wrexham. Flintshire has a Revised Planning Obligations SPG which details that certain accommodation, including HMOs, may be exempt from LDP Policy H4 (Affordable Housing)

defining thresholds for HMO development in different areas. Table 6.1 sets out the thresholds set by different authorities in Wales and shows whether different approaches have been applied across the individual local authority area.

Table 6.1 % Thresholds for HMO concentration in authorities in Wales

Local Planning Authority	Threshold approach	% Threshold applied	% Threshold applied
Cardiff (SPG)	Two-tier threshold applied to a 50m radius of proposed HMO	Cathays and Plasnewydd: 20%	All other wards: 10%
Gwynedd & Isle of Anglesey (LDP Policy TAI 9)	Applied across all residential properties in electoral ward	Menai (Bangor) and Deiniol: 25%	All other wards: 10%
Newport (SPG)	Two-tier threshold applied to 50m radius. In less dense areas, this will be applied to radius that contains at least 10 dwellings	Threshold area: 15%	All other areas: 10%
Rhondda Cynon Taf (SPG & LDP Policy HMO1 & HMO2)	Two-tier threshold applied to a 50m radius of proposed HMO	Treforest: 20%	Rest of RCT: 10%
Swansea (LDP Policy H9)	Two-tier threshold applied to a 50m radius of proposed HMO	HMO Management Area: 25%	Outside of HMO Management Area: 10%
Wrexham (SPG)	Applied to a 50m radius of proposed HMO	10% across whole LPA area	10% across whole LPA area

Source: Cardiff, Gwynedd & Isle of Anglesey, Newport, RCT, Swansea & Wrexham LDP / SPG

- 6.7 Each of these authorities apply a similar approach in terms of considering the proportion of HMOs within a 50-metre radius of the site of a proposed new HMO. This is a reasonable approach that avoids the potential difficulties associated with applying a threshold to too large an area (i.e. a local authority, ward or lower super output area). It also represents a consistent approach and will allow considerations to be taken into account in a uniform manner – something that would not be feasible were a street-by-street approach to be

adopted (i.e. considering the proportion of HMOs on the street of the proposed new unit) as this would take account of a different area, depending on the length of the street. When counting the number of dwellings in a 50-metre radius, individual dwellings are counted rather than properties that may have been converted into self-contained flats.

- 6.8 The objective of this approach is to minimise the residential amenity challenges sometimes associated with HMOs by preventing a high level of concentration in any particular area. By applying this threshold to a specific radius around a proposed HMO site, the policy will take account of a consistent local area in all circumstances. This approach may either give rise to an effective cap on the number of HMOs that are delivered or will alternatively distribute the provision of HMOs more evenly across authority areas. In the examples identified above, a lower threshold is set in areas without a large existing concentration of HMOs so that demand can be met whilst the character of areas can be retained and its community is mixed and well balanced. The minimum figure of 10% is consistent across all of the local authorities with a threshold policy.
- 6.9 Under this approach, care is needed to ensure that the threshold is set at a level which will strike the appropriate balance between meeting identified needs and avoiding any adverse impacts on the surrounding area. If set too low, it may not be possible to ensure the delivery of an adequate supply of HMOs where they are most needed. By contrast, if set too high then there might be concerns about the impact on the supply of other forms of accommodation and on the considerations set out in Section 7. The identified rate should be set in the light of an analysis of existing supply in different parts of the authority area. Different thresholds can be set in different parts of the authority area and any threshold need not be greater than the current maximum level of supply. In cases where the threshold is lower than the current maximum, it would not necessitate the removal of exiting HMOs but would provide a strong policy direction that additional provision would not be supported.
- 6.10 In applying a threshold approach, it is important to ensure that there is scope for some flexibility so that if, for example, a new HMO would take the proportion of HMOs within the defined area to slightly above the identified percentage, there would be scope to approve this subject to key criteria being satisfied. This is important given that the number of dwellings within a (say) 50 metre radius may vary depending on location and that the identified percentage may not result in a whole number of dwellings – for example, if there are 38 dwellings within a 50-metre radius of the site, and the policy applies a 10% limit, that would equate to 3.8 dwellings. In that instance, the policy should be sufficiently flexible to be able to permit a fourth HMO in the area if it is considered that this would be acceptable when assessed against identified criteria. Conversely, there might be circumstances in which an HMO proposal might not be acceptable even though it does not breach the identified threshold because of the potentially adverse impacts that it might have.

6.11

The approach to thresholds can be illustrated by reference to Figures 6.1 and 6.2:

- 1 In Figure 6.1 there are 30 properties within 50 metres of the proposed new HMO and just one existing HMO. This equates to an existing provision of 3.3%. The additional provision would increase this to 6.7% and would be considered acceptable in terms of concentration of HMOs.
- 2 In the scenario set out in Figure 6.2, the existing level of provision is much greater – equivalent to 23.3% of the 30 properties within 50 metres of the proposed new HMO. A new HMO within this radius would increase the provision to 26.7% which would be considered an unacceptable concentration of HMOs unless there are material considerations that substantially push the planning balance the opposite way.

Figure 6.1 Example of threshold approach – Scenario 1



Figure 6.2 Example of Threshold approach – Scenario 2



Non-sandwiching of C3 properties

- 6.12 A policy relating to sandwich seeks to ensure that an existing C3 residential property is not sandwiched between two HMOs. In practice, this means that planning permission would not be granted for a proposal seeking to introduce a new HMO alongside a C3 residential property that is already adjacent to an HMO on its other side. This would not apply where:
- 1 The properties are separated by an intersecting road; or,
 - 2 Where properties have a back-to-back relationship on different streets.
- 6.13 This policy is intended to prevent the potential for residents in a C3 property to experience negative amenity impacts as a result of it being sandwiched between two HMOs.

- 6.14 Rhondda Cynon Taf and Swansea currently have this type of policy in place whilst Bridgend and Flintshire are seeking to implement it through their emerging LDP process.
- 6.15 Although the overall proportion of HMOs in Conwy County Borough is low, there are pockets of concentration in areas like Llandudno, Abergele Pensarn and Colwyn Bay where this approach could be adopted to prevent the sandwiching of existing C3 properties from having a harmful impact on the amenity of non-HMO residents.
- 6.16 There is a risk that a non-sandwiching policy response may imply an 'in principle' negative impact associated with the notion of residing next door to an HMO. There is also a concern that if applied in isolation without consideration to the number of HMOs in the immediate area, it could still give rise to a large number of such units. This policy approach should therefore be applied in conjunction with other policy measures.
- 6.17 Furthermore, it is also important to note that existing residential properties that are already sandwiched between two HMOs may find that the market is demonstrably weaker for its use as a C3 residential property. This means that owners may find it difficult to sell or re-let as a non-shared residential property. Also, in some instances the residential property may be more suited to an HMO use rather than non-shared accommodation, particularly in the case of larger dwellings or properties requiring significant repair works within a very high concentration of other HMO uses.
- 6.18 In these instances, it may be appropriate to take a flexible approach to ensure the sustainable use of these properties rather than have C3 properties standing vacant for long periods.
- 6.19 Exceptions to the proposed approach to non-sandwiching could therefore be made in cases where:
- 1 Evidence is provided to show that the property has been unsuccessfully marketed for a C3 use at a reasonable asking price for a period of at least six months;
 - 2 There are reasons why, and evidence to justify, that the property is unviable for C3 use (e.g. financial viability of any renovations needed; lack of demand for traditional family accommodation in that area);
 - 3 Evidence is available to demonstrate any particular characteristics of the property (e.g. scale or layout) which make it suited to HMO use and unsuitable for other uses such as C3;
 - 4 The proximity to a commercial area means that the property is already subject to noise disturbance; and/or,
 - 5 There are any other relevant material considerations.
- 6.20 This approach is illustrated in Figure 6.3 which shows an example of an HMO proposal that would be unacceptable in policy terms because its approval would

result in a C3 dwelling being 'sandwiched' between adjoining HMOs sharing the same street frontage, unless evidence can be provided that material considerations can demonstrably outweigh the identified concerns.

Figure 6.3 Example of non-sandwiching policy



- 6.21 Figure 3.4 illustrates a proposal for a new HMO adjacent to a C3 dwelling that is located on the corner of a road. As there is a road intersecting between these two properties, the proposal would not be determined to cause a sandwiching effect and it would be considered acceptable in policy terms, subject to the satisfaction of other policy requirements relating to the threshold and specific criteria.

Figure 6.4 Example of non-sandwiching where the properties are separated by an intersecting road



Other Material Considerations and Exceptional Circumstances

- 6.22 There will likely be proposals where specific material considerations and/or exceptional circumstances demonstrably outweigh the outcome of the 50m radius 'threshold test' or 'sandwiching test' as a determining factor in the decision-making process. As indicated above in respect of the threshold policy, some flexibility may be applied in assessing a proposal against the threshold and/or sandwiching test as to determine whether planning permission for conversion to a new HMO should be granted planning permission. These tests will therefore guide decision-makers rather than be the final determining factor in respect of every application.

- 6.23 A proposal for an HMO proposal may be considered acceptable in terms of its ability to meet both the threshold and sandwiching test, but its design and other details may not be satisfactory, such that the proposal would be viewed as having a potentially detrimental impact on the local area. Therefore, the individual circumstances of an application will be assessed alongside the threshold and sandwiching test to determine whether there is evidence that a significant adverse effect would arise from a proposal to change the unit's use to an HMO.

Criteria

- 6.24 The criteria set for a change of use application to an HMO to be approved vary between quantitative tests e.g. the clustering of HMOs in an area, and more qualitative tests that assess a proposed HMO's effect on residential amenity. Examples of specific criteria are described in the following Section.

Implications

- 6.25 In seeking to frame an HMO policy for the rLDP, it is not considered appropriate to maintain a blanket policy of resisting additional provision. Such an approach has not proven to be successful and we would be concerned about the soundness of any such policy position.
- 6.26 In the context of a more permissive and flexible policy position going forwards, it would be helpful to have regard to each of the approaches identified in this section, noting that the preferred solution may incorporate elements of each. Indeed, it may not be appropriate to present a threshold as absolute in every circumstance, because there will be cases where the creation of one additional HMO in a defined area may "tip the balance" but without causing any harm to the local area. In such cases, the policy should allow for a more pragmatic solution to be achieved. However, if the policy is drafted in too flexible a manner it might result in unacceptable HMO proposals being approved (either by CCBC or at appeal) and could thereby prevent the Council from achieving its policy objectives.
- 6.27 Similarly, even if the threshold would not be breached by a proposed development, there may be specific planning considerations that might justify the refusal of planning permission in an individual case.
- 6.28 Our recommendation is therefore that the rLDP policy applies:
- 1 A maximum threshold percentage that is to apply to a 50-metre radius around the site of a proposed HMO (rounded up to the nearest whole number of dwellings), unless there are justifiable reasons to exceed this slightly;
 - 2 An expectation that there will be no sandwiching of C3 units by HMOs unless there is very clear evidence (relating to an individual property) that this would be acceptable; and,

- 3 A consideration of all other relevant planning considerations as detailed in the next Section.

7.0 Planning considerations

- 7.1 This Section provides guidance on the issues that are relevant in the determination of planning applications for HMOs. This has been derived from the identification of issues and concerns related to HMOs identified from a review of local development plans and supplementary planning guidance documents in other Welsh local planning authorities, as well as from engagement meetings that were held as part of this study.

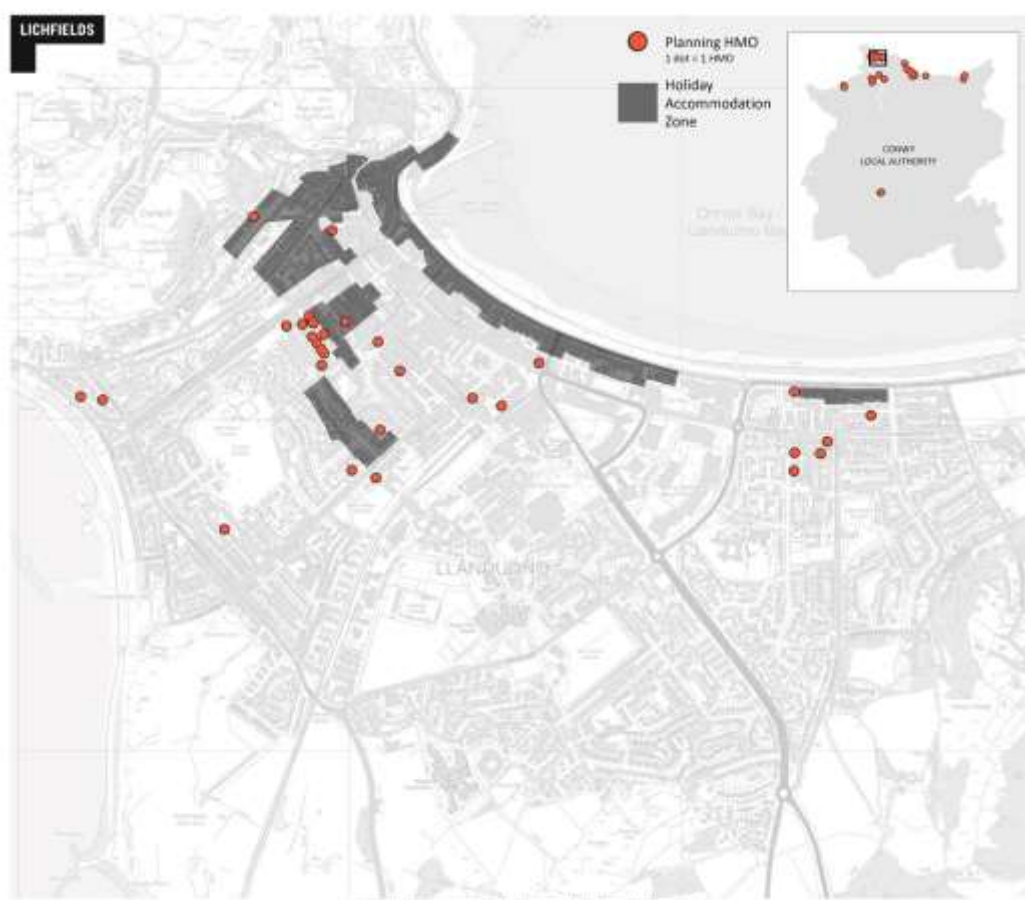
Need

- 7.2 There is a significant need for more suitable, affordable housing for lower income households in Conwy County Borough, as identified both by consultees, CCBC's draft Local Housing Market Assessment (LHMA) and evidence contained in this report. Whilst not a direct alternative to affordable one-bedroom flats, HMOs can play a role in providing accommodation for residents that cannot afford Conwy County Borough's increasingly high property and rental prices.
- 7.3 The LHMA recognises the role that the existing Policy HOU/10 has played in requiring higher standards for the living environment of self-contained accommodation, but also that *"HMOs offer an important housing option, smaller units and shares are more likely to be affordable for low income households."* (paragraph 101).
- 7.4 Focusing more on the immediate housing need, the LHMA states that *"the current supply (of affordable housing) is failing to meet a growing demand. The market analysis indicates that 46.7% of first time buyers and newly forming households are priced out of the market, both to rent and to buy."* (paragraph 8).
- 7.5 The significant need for an increased supply of affordable accommodation should be weighed in the planning balance against other considerations in the determination of planning applications relating to proposed HMOs. As part of the assessment of need, regard should also be given to the application of any threshold, sandwiching and criteria requirements – as detailed in the previous section.
- 7.6 In cases where a conversion is required (rather than a new build HMO), further consideration should also be given to the impact of the proposed change of use on the stock-availability of the type of property from which the change is proposed. A number of alternative options exist:
- 1 **Large homes:** 4.6% of Conwy County Borough's housing stock have 5+ bedrooms. Critically, there is evidence that a high proportion of these homes are under-occupied. A review of 2011 Census data shows that over 78% of 5+ bedroom properties were under-occupied and that 67% of four-bedroom properties were also under-occupied. It does not automatically follow that the presence of under-occupied homes would mean that there is capacity for the creation of HMOs as there are many reasons why a dwelling might

be under-occupied, and it is equally important to ensure that a reasonable supply of large homes remain as C3 dwellings to ensure a balanced need to meet the needs of families. When considering planning applications for the conversion of large dwellings to HMOs, careful consideration should therefore be given to the impact of that change of use on the stock of larger HMO properties and the implications of this on the ability to meet the housing needs of those seeking larger homes.

- 2 **Former hotel accommodation:** The conversion of old hotels (Use Class C1) to self-contained flats (rather than HMOs) in Conwy County Borough is viewed as the primary source of the County Borough's problematic history with HMO conversions. It is important to ensure an adequate stock of holiday accommodation given this sector's significance to the local economy – for example, data provided through STEAM suggests that over 9 million people visited Conwy County Borough in 2018, generating an economic impact of over £900 million. Protecting Conwy County Borough's existing hotel accommodation is a priority in the existing LDP (under Policy TOU/3: Holiday Accommodation Zone (HAZ)) that will be continued in the rLDP. Conwy County Borough's HAZ is centred in Llandudno and is shown in Figure 7.1. This indicates that there are just two shared HMOs but 32 additional licensable HMOs within the HAZ in Llandudno. Although this level of provision would not necessarily indicate a problem in respect of the well-being of the local tourism market and the stock of holiday accommodation, future policy should not permit any additional provision of HMOs in this area. This will require a coordinated approach by policies relating to HMOs and the HAZ.

Figure 7.1 Holiday Accommodation Zone and existing planning HMOs in Llandudno



Source: Lichfields analysis of CCBC data

- 3 **Space over shops and office/other space in edge of town centres:** The conversion of units above shops and office spaces has the potential to aid town centre regeneration by increasing the number of people living in town centres and the people supporting local services and facilities. A lack of suitable sites for residential development within or close to town centres makes the conversion of these units a beneficial opportunity to attract the County Borough's residents to live in the town centre.

The Conwy Town Centres First study noted that the town centres and retail stores across Conwy County Borough are suitable locations for residential and mixed-use development as they are generally very well served by public transport and supported by the co-location of employment uses and social infrastructure. It stated that:

“The accelerated repurposing and downsizing of an element of retail space forecast in this report creates opportunities to bring forward of a wider range of uses including residential, community uses and more agile flexible spaces serving multiple functions to ensure that the County Borough’s

towns remain vibrant and attractive places to live and visit” (paragraph 20.72).

The study recommended that residential development should be permitted on appropriate sites within designated town and local centres when to the following circumstances apply:

- a On upper floors within primary and secondary shopping frontages, where identified;
- b On backland sites with no street level retail and commercial frontages including within defined Town and Local Centre boundaries;
- c Within any area that has been formally identified by CCBC for planned contraction of the Town Centre boundary;
- d Ensuring that the operations of existing and future businesses and community facilities are not adversely impacted by the proposed development/conversion.

This approach could similarly apply to applications for HMOs.

- 7.7 In the event that the proposal would give rise to a shortage of other land uses, then its suitability should be considered carefully alongside other planning matters. Even where the threshold would not be breached, this could be a justifiable reason for the refusal of planning permission.

Effect upon residential amenity of neighbours and residents: including noise, overlooking, nuisance, and/or general disturbance

- 7.8 Planning policy supports the efficient use of buildings and recognises the benefits of making the best use of resources which can include encouraging residential living above retail and commercial uses in town centres. Creating a mix of uses can help to create a sustainable, vibrant and mixed community; however, it requires careful consideration to minimise potential conflicts between uses.

Noise

- 7.9 Higher density living, related to large HMOs in particular, is likely to create more noise pollution as residents are less connected to one another which will drive a greater number of comings and goings to a dwelling. Consideration should therefore be given to the use of noise insulation when converting existing properties into large HMOs (i.e. those with more than six residents and comprising *Sui Generis* uses) and the extent to which the design and layout of a proposal minimises the potential for noise nuisance. Whilst this is primarily the preserve of Building Regulations, it may be deemed necessary to attach planning conditions which require the installation of noise insulation to properties in certain circumstances.

7.10 Noise criteria are taken into account by Policy H8(iii) of the Newport LDP:

“Within the defined settlement boundaries, proposals to subdivide a property into self contained accommodation, bedsits or a house in multiple occupation will only be permitted if:

...

iii) adequate noise insulation is provided;...”

7.11 In addition, Policy H9(v) of the Swansea LDP also includes noise as a criteria that will be taken into consideration in the determination of any planning application for an HMO:

“Proposals for the conversion of a dwelling or non-residential property to a House in Multiple Occupation (HMO) will only be permitted where:

...

v. There would be no unacceptable adverse impacts caused by noise nuisance and general disturbance.”

Overlooking

7.12 The higher density of bedrooms in buildings can create concerns regarding overlooking and a lack of privacy, both for existing neighbours and future residents. This is a planning consideration/criterion for a number of Welsh authorities reviewed as part of this evidence base, with privacy and the living standards of occupants being identified as reasons for refusing planning applications that do not adequately consider this. Policy H5 of the Cardiff LDP requires there to be *“no material harm to the amenity of existing, nearby residents by virtue of general disturbance, noise or overlooking.”* The Cardiff HMO SPG further underlines this point, stating that:

“All habitable rooms must have natural light as a means of outlook, light and ventilation. As an example, a living room reliant on roof lights is not acceptable... Rooms should be arranged in a manner that maximises the living standards of occupants, preventing the overlooking of neighbouring properties and avoiding bedrooms facing high boundary walls.”

Quality of living environment

7.13 As explained in the introduction of this report, HMOs are often associated with poor living standards. Although the internal layout of properties is not a planning consideration (other than in respect of listed buildings), it will be important to ensure that adequate facilities are provided and that a suitable quality of accommodation can be assured. This should include ensuring that all relevant standards are met in relation to amenity, energy efficiency and safety.

7.14 Policy H9(iv) of the Swansea LDP refers specifically to this matter, stating that HMO proposals will only be permitted where (*inter alia*):

“v. The property is suited for use as a HMO, and will provide satisfactory private amenity space, dedicated areas for refuse storage and appropriate room sizes...”

- 7.15 Similarly, Policy H5(i) of the Cardiff LDP applies a similar approach, stating that:
“Proposals for any conversion to flats or Houses in Multiple Occupation will be permitted where:

i. The property is of a size whereby the layout, room sizes, range of facilities and external amenity space of the resulting property would ensure an adequate standard of residential amenity for future occupiers...”

Character and appearance of area

Appearance of area

- 7.16 The acceptability of any physical alterations on HMO properties (for example external extensions, new access routes, dormer windows) will be considered against guidance including ‘LDP1: Householder Design Guide’ SPG (adopted February 2014) and LDP09 ‘Design’ (adopted July 2015), as amended by any updated design policies contained in the rLDP. Some conversions to an HMO can result in excessive extension proposals and such over-development should not be permitted. Listed Building and/or Conservation Area consent may be required for both internal and external alterations to a listed building or property within a conservation area.
- 7.17 A review of existing LDPs and SPGs relating to the character and appearance of HMOs also identified the future maintenance of HMOs as a consideration in determining change of use applications. Policy H5(iii) of the Cardiff LDP identifies the impact of conversions on the amenity and character of the area as a factor to be considered when determining any planning application for an HMO:
“ii. The cumulative impact of such conversions will not adversely affect the amenity and/or the character of the area;”
- 7.18 As well as incorporating durable materials into the design of proposed external alterations, Cardiff Council’s SPG for HMOs recommends retaining existing garden *“for amenity value, biodiversity and to assist flood prevention.”* Newport City Council’s SPG guiding HMO development further states that *“any conversion involving external alterations should respect the form, scale and materials of the original building and the visual character of the area.”*
- 7.19 In addition, Policy H6(a) of the Torfaen LDP identifies character and amenity of the area as a key criteria that must be addressed by any proposal for an HMO:

“Development proposals for the use of buildings for residential purposes within the Urban Boundary involving the sub-division of existing dwellings, conversion of non-residential buildings and the re-use of buildings for multiple occupation in the form of non self contained (shared) accommodation will be permitted provided that the proposal satisfies all of the following criteria: -

a) The building is capable of re use without adversely impacting on the character and amenity of the area;...”

- 7.20 The common theme identified between local authorities managing the appearance of HMOs is that their design should be in-keeping with the dwelling and the existing character of the local area, indicating a preference for HMOs to be unidentifiable from adjoining residential dwellings.

Character of area and community cohesion

- 7.21 The change to an area’s character caused by an over-concentration of HMOs is an area of concern for residents and policymakers alike. The previous over-concentration of HMOs along Conwy’s coastline towns appears to have been what drove the zero-tolerance approach to HMO development in Policy HOU/10. As recognised by HMO policies for other authorities in Wales, an over-concentration of HMOs can be associated with a higher level of noise and waste complaints, and they may place a strain on services.

- 7.22 Additionally, HMOs are typically occupied by younger, single residents that cannot afford to rent or buy their own property. As a result, there may be a greater level of churn amongst residents that might be more transient, with fewer longer-term households and established families. Ensuring that communities are mixed and balanced in their demographic profile is a key consideration for planning policy and CCBC’s housing teams, so a policy restricting the over-concentration of HMOs in particular areas will support the goal of balancing communities.

- 7.23 Policy H8(ii) of the Newport LDP considers this point through the following criteria:

“The proposal does not create an over concentration of houses in multiple occupation in any one area of the City which would change the character of the neighbourhood or create an imbalance in the housing stock.”

- 7.24 It does not, however, define what might constitute an over-concentration of HMOs or an imbalance in the housing stock.

Access

- 7.25 Private access should be provided for new HMOs that will not affect neighbouring residents and be secure and safe for future residents. A review of SPGs and planning policies relating to the provision of private access to new HMOs highlighted two key areas of focus:

- 1 In instances wherein a unit above a retail unit or office is being converted to an HMO, residents should have a separate access to the street frontage. This will minimise any potential risk of conflict with the commercial properties on the lower floors and will be critical in town centres to ensure the drive to aid regeneration is maintained.
- 2 Entrances to HMOs should be visible, well lit, and secure. They would ideally be located with direct access from the street or a shared entrance hallway off the street entrances. Cardiff's HMO SPG states that "*external staircases at the back of the building, via a back alley are not acceptable as the main access as they cause a loss of privacy for neighbouring properties*" (paragraph 6.8.3).

7.26 Planning concerns relating to access to HMOs therefore centre around minimising their impact on surrounding uses like retail, office or leisure units, and ensuring that neighbouring properties' privacy is not impacted by new entrances being installed.

7.27 Access is considered by Policy H6(c) of the Torfaen LDP which states that permission would only be permitted if:

"c) The site can be adequately accessed and serviced, including acceptable levels of car parking provision (in line with the Councils adopted guidelines) and acceptable provision of clothes drying space, cycle storage and bin storage facilities on site."

Driving, cycling and parking

Highway safety

7.28 The higher density nature of HMO accommodation could increase the number of cars both being parked and driven in the local area. A review of policy approaches adopted by other local authorities showed that HMO proposals are assessed against the same highway safety criteria as other housing schemes. For example, Rhondda Cynon Taf's HMO SPG notes Policy AW 5 (New Development) as a relevant policy which states that development proposals will be support where a number of criteria are met, including "*the development would have safe access to the highway network and would not cause traffic congestion or exacerbate existing traffic congestion*" (p.13). A change in traffic congestion is a material consideration that could fundamentally change the way a property is used and how it affects the local area. As such, it should be considered in the determination of an application to change the use of a dwelling to an HMO.

Parking provision

7.29 Criterion relating to parking provision are amongst the common identified in a review of policy approaches to the management of HMOs.

7.30

Planning applications for the change of use of dwellings to HMOs should have regard to the CCBC *LDP2: Parking Standards* SPG (adopted in February 2014) which sets the standard for parking provision and cycle storage for residential dwellings alongside other uses unless updated by rLDP policies. As detailed below, the SPG sets the requirement for parking provision for different types of housing based on their location within Zone 1 (City Core) or Zones 2-6 (2: Town Centre or City Centre Fringe; 3: Urban; 4: Suburban or Near Urban; 5: Countryside; 6: Deep Rural):

Table 7.1 Parking provision for different types of residential development in Conwy County Borough

Type of development	Residents	Visitors
ZONE 1		
Houses	0.5 to 1 space per unit	Nil
Apartments	0.5 to 1 space per unit	1 space per 5 units
House conversions to bedsits or self-contained apartments	0.5 to 1 space per unit	Nil
Purpose-built student accommodation	1 space per 25 beds for servicing, wardens and drop-off areas	Nil
Self-contained elderly persons accommodation (not wardened)	1 space per 2-4 units	Nil
Self-contained elderly persons accommodation (wardened)	1 space per 4 units 1 space for warden 1 space per 2 ancillary staff	Nil
ZONES 2-6		
Houses	1 space per bedroom (maximum requirement 3 spaces)	1 space per 5 units
Apartments	1 space per bedroom (maximum requirement 3 spaces)	1 space per 5 units
House conversions to bedsits or self-contained apartments	1 space per bedroom (maximum requirement 3 spaces)	1 space per 5 units
House conversions to residential hostel	1 space per resident staff 1 space per 3 non-resident staff	Nil
Self-contained elderly persons	1 space per 2-4 units	1 space per 4 units

Type of development	Residents	Visitors
accommodation (not wardened)		
Self-contained elderly persons accommodation (wardened)	1 space per 4 units 1 space for warden 1 space per 2 ancillary staff	1 space per 4 units
Purpose built student accommodation under College/University control	1 space per 25 beds for servicing, wardens and drop-off areas	1 space per 10 beds (for students &/or visitors)
Residential children's homes / homes for elderly persons / nursing homes	1 space per resident staff 1 space per 3 non-resident staff	1 space per 4 units

Source: Conwy LDP2: Parking Standards SPG

- 7.31 The criteria for parking provision for small HMOs could be determined in line with the standards set for dwellings converted to bedsits or self-contained apartments. However, it may be necessary to set new standards for parking provision for large HMOs given the number of potential residents and the additional pressure this could place on local parking provision.
- 7.32 A number of other LDPs – including the existing policies in Cardiff, Gwynedd/Anglesey, and Carmarthenshire and emerging policies in Carmarthenshire, Bridgend and Flintshire – indicate that due account will be taken of car parking provision in the determination of planning applications for HMOs. In addition, Rhondda Cynon Taf, Swansea and Wrexham take account of car parking provision in their Supplementary Planning Guidance.
- 7.33 It is noted that some sites might not be able to accommodate any on-site car parking provision and so a pragmatic approach might be required, bearing in mind that not all future residents would necessarily have access to a car and the requirement for a specific provision might hinder the potential delivery of additional accommodation. In such cases, consideration should be given to the location and accessibility of the site and the availability of existing car parking facilities in the local area, so as to ensure that the proposed HMO would not have an adverse impact on the amenity of the area of the surrounding highway network.

Cycle storage

- 7.34 In addition to setting standards for parking provision, consideration should also be given to criteria relating to secure cycle parking. The *LDP2: Parking Standards* SPG sets standards for cycle storage, and it refers readers to the DfT Traffic Advisory 5/02 “Key Elements of Cycle Parking” and in Sustrans Information Sheet FF37 “Cycle Parking” of further guidance on the design of cycle parking.

- 7.35 The LDP2: Parking Standards SPG sets the following standards for cycle parking provision for residential uses:

Table 7.2 Cycle parking provision for residential development

	Long stay	Short stay
Apartments	1 stand per 5 bedrooms	No requirement
Purpose built student accommodation	1 stand per 2 bedrooms	No requirement
Self-contained elderly persons accommodation	1 stand per 20 bed spaces	1 stand per 20 bed spaces

Source: Conwy LDP2: Parking Standards SPG

- 7.36 Policy H6(c) of the adopted Torfaen LDP and Policy COM7 of the emerging Bridgend LDP are the only LDP policies that refer to cycle provision although a number of SPG documents also emphasise the importance of providing adequate cycle provision.
- 7.37 Given the more recent drive towards the facilitation of active travel, it would be reasonable to seek a level of provision for HMOs to be higher than for apartments. For example, Cardiff City Council requires the provision of one cycle parking space per bedroom in HMOs and the SPG states that cycle storage *“should be located externally and there must be no storage of bicycles in communal hallways, stairways, or landings, as this obstructs the means of escape in case of fire. Cycle parking and storage provision should be considered into the design of an HMO and shown in plans.”*¹⁹ However, it is recognised that the conversions of dwellings to HMOs may restrict the ability of landlords’ to provide one stand per bedroom, so the provision of cycle storage may have to be assessed on a case-by-case basis with some flexibility being offered in locations where it is not possible to accommodate any cycle storage.
- 7.38 In designing cycle storage, it is further recommended that all cycle storage areas visible from the public realm should be well integrated into the street scene and visually unobtrusive. Where rear access arrangements allow, cycles should be stored to the rear of properties rather than in front gardens.

Provision of external amenity space

- 7.39 The provision of external amenity space is included as a criterion in policies for some local authorities in Wales, like Wrexham and Cardiff, to ensure that where possible, future residents will have an adequate standard of residential amenity. Applicants intending on undertaking conversion work on the property are encouraged to avoid over-intensifying the development in a way that would limit outdoor amenity space.

¹⁹ Cardiff City Council HMO SPG (October 2016)

Provision of appropriate refuse storage

- 7.40 The provision of appropriate facilities for the storage and collection of refuse was identified by a number of stakeholders as an important consideration that should be taken into account in respect of HMO proposals. It is identified as a criterion in numerous LDPs – including Gwynedd/Anglesey, Swansea and Torfaen – and SPGs – including Cardiff, Rhondda Cynon Taf and Wrexham.
- 7.41 All HMOs should incorporate adequate and effective provision for the storage, recycling and other sustainable management of waste, and where relevant, allow for appropriate access arrangements for recycling and refuse collection vehicles and personnel.
- 7.42 All refuse and recycling for HMOs should be suitable stored in landlord provided bins. Where possible, these bins should be provided in a dedicated refuse store which is able to accommodate the maximum number of bins required, based on an assessment of refuse emerging.
- 7.43 Refuse storage areas should be located to the rear of properties where possible. Proposals for refuse storage to the front of properties which will detract from the local street scene should not normally be permitted. Details of the proposed refuse storage arrangements should be provided with the planning application.

Implications

- 7.44 A wide range of considerations need to be taken into account when determining planning applications for HMOs to ensure that they do not have an adverse impact on the local area but instead can provide a beneficial addition to the local housing market.
- 7.45 By setting out the range of criteria that are to be taken into account in the determination of planning applications, it will be possible to ensure that the rLDP policy is robust and that it provides very clear guidance to applicants regarding the issues that they must address in drawing up any proposals for HMOs and the prospect of success of any planning application.

8.0 Recommended policy approach

- 8.1 This report has been prepared to provide evidence and policy recommendations in respect of the Conwy County Borough rLDP policy on Houses in Multiple Occupation. The starting point for this review has been the existing Policy HOU10 which has adopted a very restrictive approach to the provision of shared HMOs. Whilst there were clear historical reasons for the implementation of this policy, and it is evident that it has played a role in overcoming some of the most severe problems associated with HMOs, it has become increasingly difficult to implement, as demonstrated by the refusal of planning permission for HMO units at appeal.
- 8.2 Wider changes in circumstances relating to planning legislation, the increasing (un)affordability of housing and the role of HMOs as part of a balanced housing solution mean that a more balanced approach is now required. There is no suggestion that HMOs should not be subject to any policy control, but that there needs to be a basis by which high quality HMO proposals in suitable locations might be able to come forward.
- 8.3 There is no evidence to suggest any such change to the policy approach would give rise to a significant increase in the number of HMOs coming forward.
- 8.4 In framing a policy relating to the provision of HMOs, it is important to be very clear regarding the scope of the planning system and any such policy. As set out in Sections 1 and 2, the planning system is able to control the HMOs that are defined in Section 254 of the Housing Act 2004, as follows:
- 1 **Small HMOs:** includes shared houses or flats occupied by between three and six unrelated individuals who share basic amenities. In planning terms, this is defined as falling within Use Class C4.
 - 2 **Large HMOs:** Properties containing six or more people that share basic amenities. This is a *Sui Generis* use.
- 8.5 These definitions of an HMO differ to those used for the purposes of licensing. The Housing Act 2004, enforces a mandatory licensing scheme for certain HMOs. From the 1st October 2018, this extended such that a licence is now required for:
- 1 Properties occupied by five or more people, making up more than one household, who share facilities or amenities, such as a kitchen or a bathroom (i.e. shared HMOs as identified above and falling within the scope of the planning system);
 - 2 Buildings or converted flats occupied by five or more people, making up more than one household, who share facilities or amenities; and,
 - 3 Purpose built flats where there are up to two flats in the block and at least one of these is occupied by five or more people, making up more than one household, who share facilities or amenities

- 8.6 The planning system is The Use Classes Amendment Order 2016, which came into force in February 2016 and created the C4 use class in Wales. Changes of use to both Use Class C4 and Sui Generis require planning permission, although changes from Class C4 to C3 (dwelling houses) are permitted. Planning permission would also be required for any changes to the external appearance of properties that are needed to facilitate the change of use to an HMO.
- 8.7 We would recommend that the supporting text should include the definition of a shared HMO and should seek to overcome any potential confusion relating to the differences between planning and licencing controls. However, it is important to ensure that the supporting text does not seek to address matters that ought to be included in the main policy text. This issue was considered in the case of *R (Cherkley Campaign Ltd) v Mole Valley District Council and Longshot Cherkley Court Ltd* (2014)²⁰ in which Richards LJ drew an important distinction between the provisions of a Local Plan policy and supporting text:
- “The policy is what is contained in the box. The supporting text is an aid to the interpretation of the policy but is not itself policy. To treat as part of the policy what is said in the supporting text about a requirement to demonstrate need is to read too much into the policy. ... In my judgment paragraph 12.71 goes further than the policy and has no independent force when considering whether a development conforms with the Local Plan...”* (Paragraph 21).
- 8.8 Drawing on the evidence contained within this report, we would recommend the following as draft text for the rLDP policy relating to HMOs:
- Proposals for the conversion of a dwelling or non-residential property to a House in Multiple Occupation (HMO) will only be permitted where all of the following criteria are satisfied:*
- a *It would not lead to more than 10% of all residential properties within a 50m radius of the proposal being HMOs (rounded to the nearest whole number of dwellings).*
 - b *The development would not result in a Class C3 dwelling being ‘sandwiched’ between two adjoining HMO properties unless specific evidence is provided to demonstrate that the intervening C3 property:*
 - i *Has been unsuccessfully marketed at a reasonable asking price for a period of at least six months for its current use; or,*
 - ii *Cannot be viably returned to C3 use; or,*
 - iii *Is not suited to continued use as a C3 property; or,*
 - iv *Is already subject to noise disturbance that would undermine its amenity.*

²⁰ EWCA Civ 567

- c *The property is suited for use as a HMO, and will provide satisfactory private amenity space, dedicated areas for refuse storage and appropriate room sizes.*
- d *There would be no unacceptable adverse impacts caused by noise nuisance, overlooking or general disturbance.*
- e *The site can be adequately accessed and serviced and adequate provision can be made for car parking and cycle storage or it can be demonstrated that the proposed HMO would not have an adverse effect on local parking provision.*
- f *The proposed HMO will not have an adverse effect on the supply of the type of property that is proposed for conversion.*

HMO proposals that would lead to a breach of the maximum thresholds will only be permitted where there are exceptional circumstances or overriding material considerations that demonstrably outweigh any concerns regarding harmful concentration or intensification.

Holiday Accommodation Zone policy requirements will apply to HMO proposals in this designated area.

- 8.9 The supporting text should provide details as to the requirement for “satisfactory” private amenity space and “adequate provision” for car and cycle parking.
- 8.10 The percentage threshold of 10% has been selected for two reasons:
- 1 A threshold of 10% in conjunction with a small radius of 50m will make ensuring that HMOs are distributed evenly across Conwy. For example, where there were 30 dwellings in Figures 6.1 and 6.2, the highest number of HMOs in this area would be 3. Setting a lower threshold at a smaller distance will facilitate a greater distribution of HMOs (and prevent the over-concentration in specific locations) and will thereby reduce the potential for HMOs to have an adverse impact on residential amenity as perceived by some residents and ward members.
 - 2 It is consistent with the approach other authorities in Wales have adopted in areas that do not face high concentrations of existing HMOs, as is the case in Conwy – thereby demonstrating that such a threshold can provide a robust basis for sound policy.
- 8.11 Given the generally limited proportion of shared (planning) HMOs in Conwy County Borough, we do not consider that there is a need to apply a tiered threshold with a higher requirement in specific parts of the County Borough.
- 8.12 Figure 8.1 provides an example of an HMO proposal that would be considered acceptable in policy terms unless there were material considerations that would significantly outweigh this balance. This is because the proposal:

- 1 Would not take the concentration of HMOs within 50m of the radius above 10%; and,
- 2 Would not result in a C3 dwelling being sandwiched between two HMOs.

Figure 8.1 Example of acceptable HMO proposal, subject to compliance with relevant criteria



Other recommendations

8.13 In addition to the recommended policy text relating to HMOs, we would also make the following broader recommendations, some of which extend beyond the scope of the planning system:

- 1 At present, the second part of Policy HOU10 relates to the sub-division of residential properties to self-contained flats. Whilst there is considerable merit in including a similar policy provision within the rLDP, this should not differentiate between those flats that would require an HMO licence and

those that do not. The broad criteria contained within the policy – relating to need, amenity, design quality, car parking and traffic generation – would apply to all types of apartment development.

- 2 CCBC should support HMOs as part of a balanced housing solution and recognise their potential particularly to help those in temporary accommodation and/or those unable to afford entry-level market rents.
- 3 Greater clarity should be provided to overcome any potential confusion regarding the different planning and licencing requirements for HMOs.
- 4 It has been suggested that the cost of HMO licences can be prohibitive and CCBC should undertake a review in respect of this.
- 5 CCBC should continue to proactively monitor the management of HMOs and take action in the event that they are found not to provide an appropriate standard of accommodation and/or they become the focus of unlawful or anti-social behaviour.
- 6 CCBC should seek support efforts to maximise the energy efficiency and sustainability of HMO properties (links with the Local Area Energy Plan and retro-fit plans).

8.14 Further working will be required between planning, licensing and housing to consider these.

Appendix 1 List of consultees

Development Management and Enforcement

Development and Building Control Manager

Principal Planning Officers for Development Management

Principal Enforcement Officer

Planning Policy

Strategic Planning Policy Manager

Senior Planning Officers

Planning Obligations and Community Infrastructure Officer

Environmental Health

Principal Environmental Health Officer

Pollution & Housing Officer

Pollution & Housing Officer

Principal Enforcement Officer (Planning)

Housing

Housing Strategy Manager

Development Officer – Empty Homes

Senior Caseworker

Members

Cllr Anne McCaffrey: Penmaenmawr ward

Cllr Andrew Wood: Gele and Llanddulas ward

Cllr Carol Beard: Penrhyn ward

Cllr Chris Hughes: Glyn ward

Cllr Cheryl Carlisle: Colwyn ward

Cllr Emily Owen: Cabinet Member for Housing & Regulatory & Deputy Leader, & Conwy ward

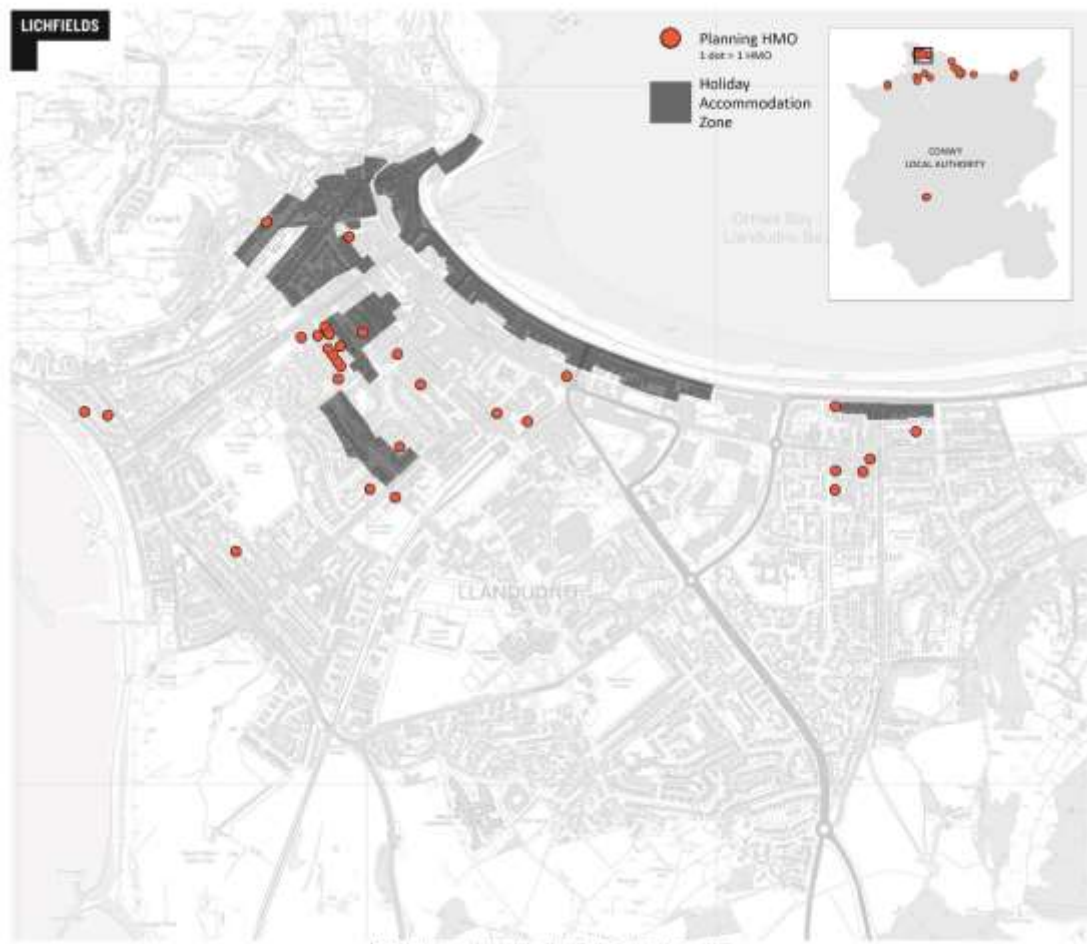
Peter Brown – Head of Regulatory Services and Planning

Landlords

Five landlords took part in the engagement. All were landlords of HMO flats rather than shared HMOs

Appendix 2 Additional mapping of HMOs

Figure 8.2 Shared HMOs in Llandudno



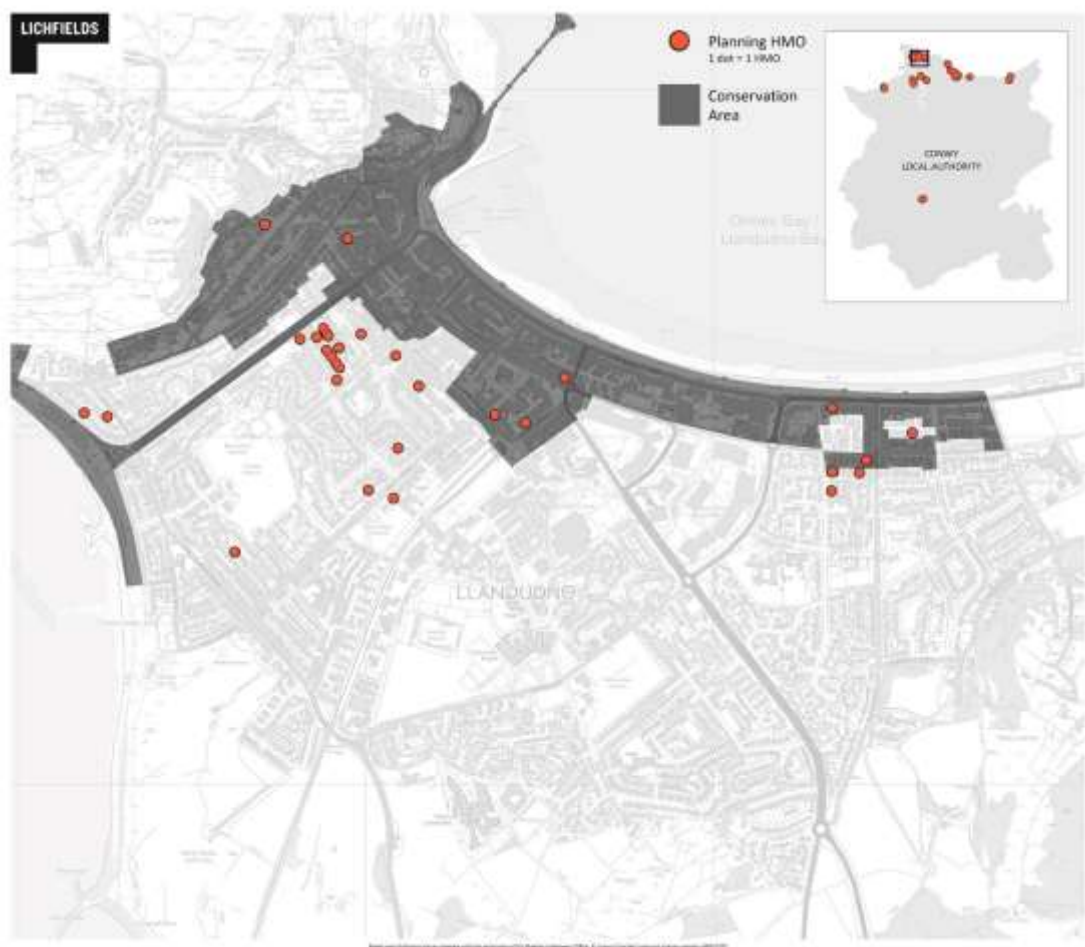


Figure 8.3 Shared HMOs in Colwyn Bay



Figure 8.4 Shared HMOs in Conwy

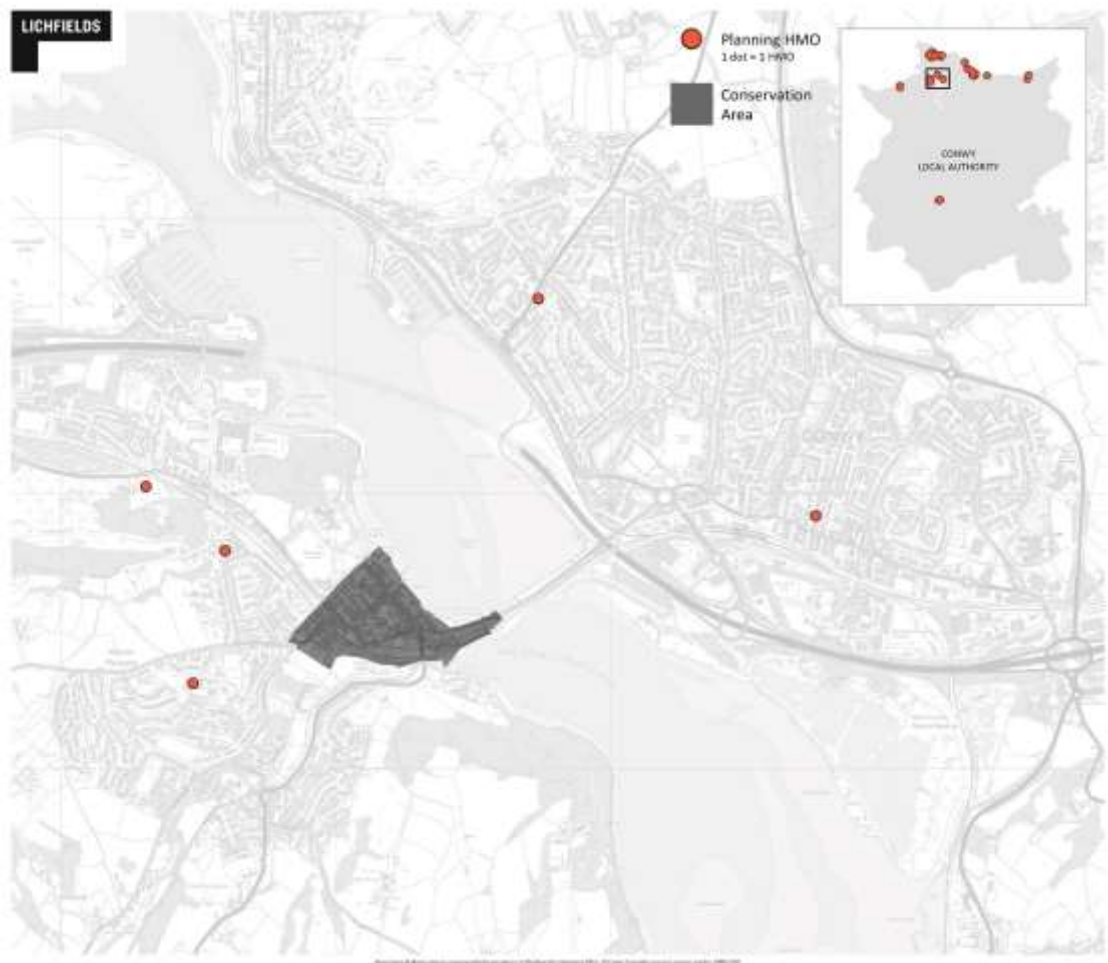


Figure 8.5 Additional licensable HMOs in Llandudno

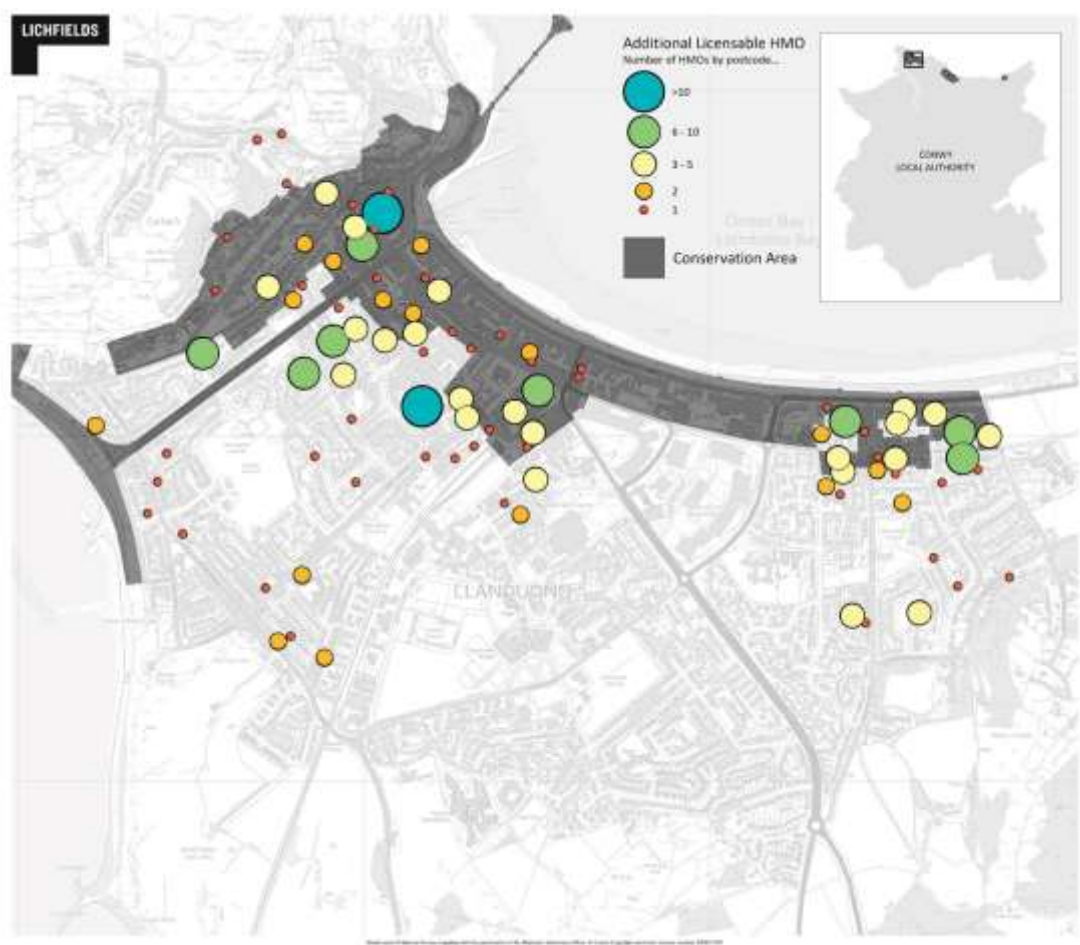


Figure 8.6 Additional licensable HMOs in Colwyn Bay

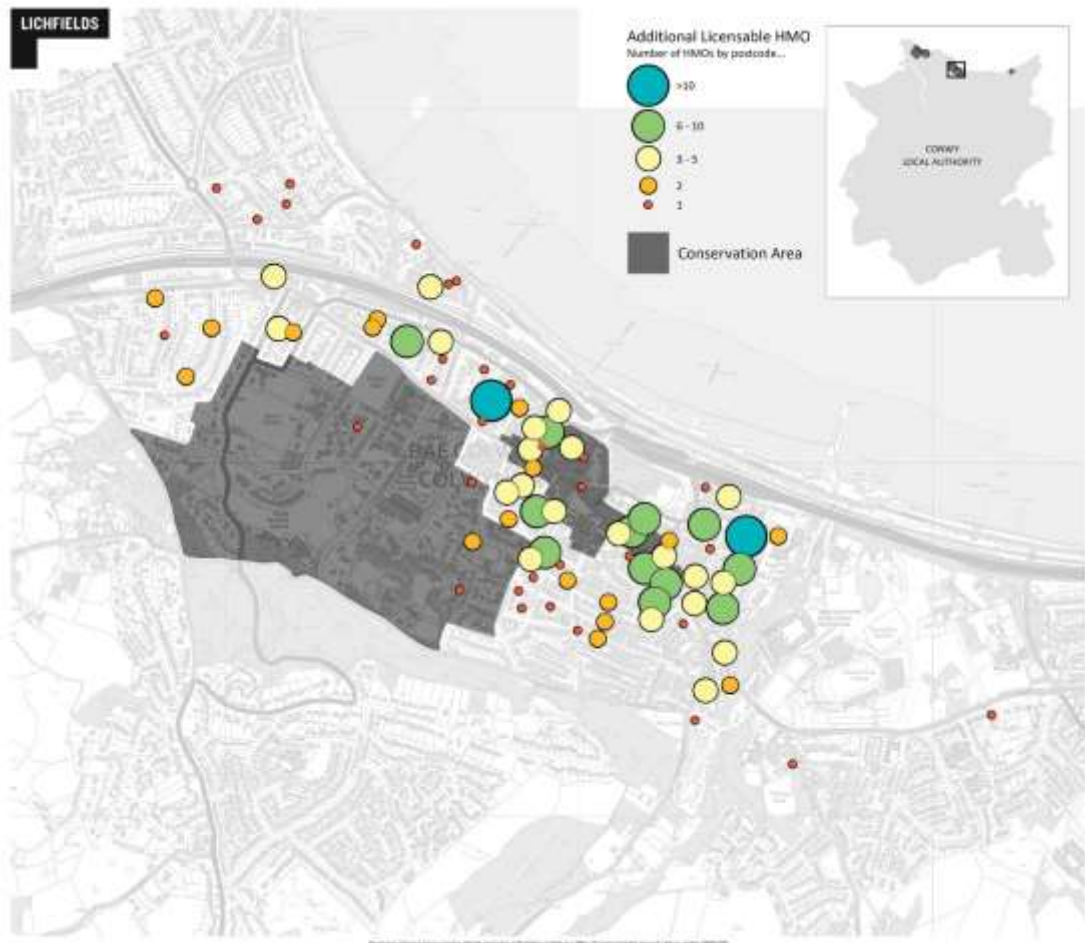
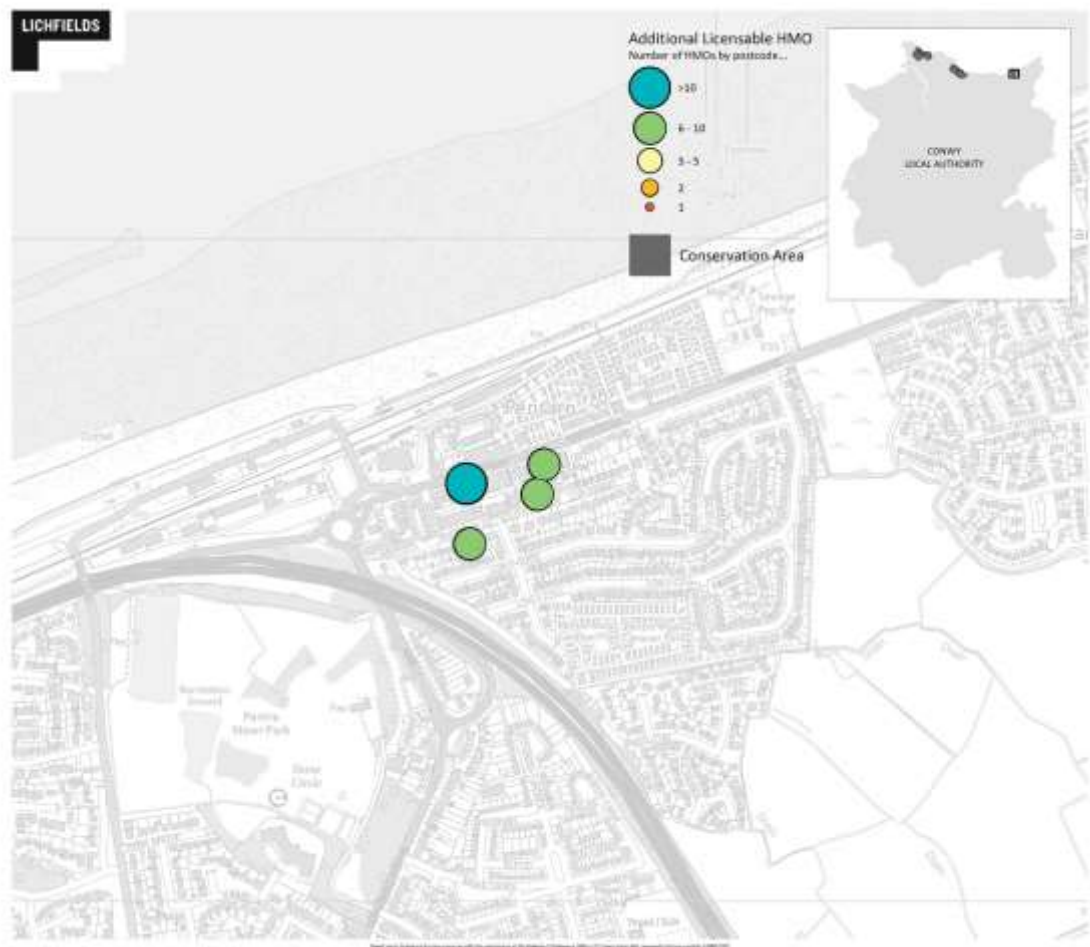


Figure 8.7 Additional licensable HMOs in Abergele Pensarn



Appendix 3 Overview of other LDP policies

Theme	Threshold	Sandwich policy	Additional licensing	Criteria	Strict 'not permitted'
Blaenau Gwent					
Bridgend		Emerging Policy COM7		Emerging Policy COM7	
Caerphilly					
Cardiff	HMO SPG		HMO SPG	LDP Policy H5	
Carmarthenshire				LDP Policy H3 & Emerging Policy HOM5	
Ceredigion			Additional Licensing of HMOs		LDP Policy LUO7
Conwy			Additional Licensing of HMOs		LDP Policy HOU/10
Denbighshire					LDP Policy BSC 7
Flintshire		Emerging Policy HN7			
Gwynedd / Isle of Anglesey	Adopted Policy TAI 9			Adopted Policy TAI 9	
Merthyr Tydfil					
Monmouthshire					
Neath Port Talbot					
Newport				LDP Policy H8	

Theme	Threshold	Sandwich policy	Additional licensing	Criteria	Strict 'not permitted'
Pembrokeshire					
Powys					
Rhondda Cynon Taff	HMO SPG Policy HMO1 & HMO2	HMO SPG Policy HMO3			
Swansea	LDP Policy H9	LDP Policy H9		LDP Policy H9	
Torfaen				LDP Policy H6	
Vale of Glamorgan					
Wrexham	HMO SPG		HMO SPG	LDP Policy H4	

orange = no adopted / emerging policy or SPG relating to HMOs

Theme	Cycle storage	Parking provision	Refuse storage	Outdoor amenity space	Clothes drying area	Character and appearance of area	Residential amenity e.g., noise, overlooking, general disturbance	Cumulative impact / Over-intensification	Size of rooms - residential amenity of future occupiers	Private access	Building suitability / no external alterations required
Blaenau Gwent											
Bridgend	Emerging Policy COM7	Emerging Policy COM7	Emerging Policy COM7		Emerging Policy COM7	Emerging Policy COM7	Emerging Policy COM7	Emerging Policy COM7			
Caerphilly											
Cardiff	HMO SPG	LDP Policy H5	HMO SPG	HMO SPG	HMO SPG	HMO SPG	LDP Policy H5	LDP Policy H5	LDP Policy H5	HMO SPG	
Carmarthenshire		LDP Policy H3 & Emerging Policy HOM5				LDP Policy H3 & Emerging Policy HOM5		LDP Policy H3 & Emerging Policy HOM5			
Ceredigion											
Conwy											
Denbighshire											
Flintshire		Emerging Policy HN7				Emerging Policy HN7		Emerging Policy HN7			
Gwynedd / Isle of Anglesey		Adopted Policy TAI 9	Adopted Policy TAI 9				Adopted Policy TAI 9 (although references parking &				

Theme	Cycle storage	Parking provision	Refuse storage	Outdoor amenity space	Clothes drying area	Character and appearance of area	Residential amenity e.g., noise, overlooking, general disturbance	Cumulative impact / Over-intensification	Size of rooms - residential amenity of future occupiers	Private access	Building suitability / no external alterations required
							refuse rather than noise etc)				
Merthyr Tydfil											
Monmouthshire											
Neath Port Talbot											
Newport						LDP Policy H8	LDP Policy H8	LDP Policy H8	LDP Policy H8		
Pembrokeshire											
Powys											
Rhondda Cynon Taff	HMO SPG	HMO SPG	HMO SPG				HMO SPG				
Swansea	HMO SPG	HMO SPG	LDP Policy H9	HMO SPG	HMO SPG	HMO SPG	LDP Policy H9	HMO SPG	LDP Policy H9	HMO SPG	HMO SPG
Torfaen	LDP Policy H6		LDP Policy H6		LDP Policy H6	LDP Policy H6				LDP Policy H6	LDP Policy H6
Vale of Glamorgan											
Wrexham		HMO SPG	HMO SPG	LDP Policy H4		LDP Policy H4 (dwelling instead of area)		LDP Policy H4			LDP Policy H4

FLEXIBILITY RE THRESHOLDS

Council	FLEXIBILITY RE THRESHOLDS
Cardiff	Not flexible
Gwynedd & Mon	Not flexible re. going above threshold, however the policy's supporting text states that the Council will provide data on the no. HMOs in an area on an annual basis. In circumstances where an applicant disagrees with the Council's assessment of the number of HMOs in a given area, then the applicant will be afforded an opportunity to provide evidence and demonstrate otherwise
RCT	Not flexible: "If the proposed HMO would result in this threshold percentage being exceeded, it would be considered unacceptable in principle, and permission refused."
Swansea	Some flexibility: "HMO proposals that would lead to a breach of the maximum thresholds will only be permitted where there are exceptional circumstances or overriding material considerations that demonstrably outweigh any concerns regarding harmful concentration or intensification."
Wrexham	Some flexibility: "Where the concentration exceeds 10%, planning permission will not normally be granted unless there are relevant material planning considerations to justify doing so."