

31

**Carey SJ (Sandra)**

**From:** DAVID MIDDLETON [clanlands@btinternet.com]  
**Sent:** 24 June 2007 23:25  
**To:** Planning and Sustainable Development  
**Subject:** SUSCOMS - Response to Consultation Draft "Guidance on Planning and Sustainable Development"

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Dear Ms Carey,

I enclose a response (which includes the further attachment) to the Draft Statutory Guidance on Planning and Sustainable Development on behalf of SUSCOMS (Sustainable Communities Scotland)

I apologise that this is a little late, but trust it is still acceptable.

Suscoms agrees to its response being published and otherwise made available to the public.

Yours sincerely,  
David Middleton  
For SUSCOMS

David Middleton'  
"Glenesk",  
Lade Braes, St Andrews,  
KY16 9DA

Telephone 01334 475270

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## STATUTORY GUIDANCE ON PLANNING AND SUSTAINABLE DEVELOPMENT – CONSULTATION PAPER

### Comment by Sustainable Communities (Scotland)

1. We welcome the intention outlined in the draft guidance to promote sustainable development, which we understand to include environmental, economic and social sustainability, but regret that social sustainability is neither described nor supported by the present provisions of the guidance.
2. In particular, it does not offer any framework for resolving one of the greatest threats to social sustainability affecting our local communities today, the unrestricted expansion of buy-to-let houses in multiple occupation. This relatively recent phenomena causes communities to become seriously unbalanced in an apparently unstoppable process by which the permanent population is replaced by young, short term residents with an average tenancy of ten months. The social and environmental impact of this development causes severe social and environmental deterioration which spirals downwards into slum conditions in a very short time as those people with a long term commitment to the area give up and move elsewhere.
3. This compromises the quality of life for everyone, and due to the serious age imbalance in such communities (Typically there are less than half the average number of children in such areas, and primary school children can be as little as 1.9% of the population instead of the 9.4% Scottish average). Such areas are socially unsustainable and schools close as a result. Local retail services respond to this population imbalance and do not cater for the remaining permanent residents, further accelerating the area into decline.
4. Such areas are compromised in terms of long term sustainability, as result of the population age imbalance and the absence of social cohesion. Without a stable population which expresses the cultural heritage of the area, and the hopes and aspirations for the future, such areas cannot meet the criteria required to qualify as a sustainable community.
5. Families cannot compete in this market because of the advantages enjoyed by buy-to-let investors, and the award of an HMO licence typically increases the value of a property by £100,000.
6. We are encouraged by the statement in Paragraph 27 that: *“the cumulative impact of some developments, particularly those that impact on the quality of life in an area, can have negative effects on community confidence and well being.”* This provides a useful criterion for assessing the adverse impact of excessive HMO development, but it is considered that if such an assessment is to have value, the guidance must also provide a basis for dealing effectively with these adverse results.

7. The motivation for many buy-to-let landlords, is not property management, but the tax exemptions available on buy-to-let mortgages, taper relief on capital gains, and incomes typically three to four times that gained by housing an ordinary family.

Such landlords, most of whom are absentee, cannot be allowed to set the tone for our residential areas. Unrestricted market forces have been disastrous for many inner city areas and the immediate environs of our Universities.

8. The cumulative effects of unrestricted buy-to-let investors targeting an area must be regulated by the planning system if this social blight is not to spread and become more embedded. Many communities are now so blighted that this trend will be difficult to reverse. The emphasis must now be on preventing the further spread of monocultures of young single and essentially transient residents in particular areas.

**We suggest a three pronged approach to this issue:**

1. The inclusion of all HMOs in a Use Class of their own, which means that all HMOs as prospectively defined by the Housing (Scotland) Act 2006 are regarded as businesses, rather than normal domestic use. The Glasgow definition of why HMOs do not represent normal domestic use provides a sound basis for this change. The Use Classes Order has already been changed in Northern Ireland to bring all HMOs into the Planning System.
2. The provision of Executive Guidance to Local Authorities on establishing sensitive local policies to ensure that tenancies in Houses in Multiple Occupation do not exceed 15% in population terms in any area.
3. The issue of Circular Advice to Local Authorities in relation the including the housing needs of single young people, including students (in conjunction with HIEs) and single immigrants in local plans in the same way as they do currently for affordable housing for families. Social Landlords are more likely to provide safe, good quality housing for young people than landlords who are motivated by profits.

The adverse affects on the sustainability of communities experiencing a high incidence of HMO development is described in the *Guardian* article (attached) which forms part of this submission. This indicates that the problem is widespread and that there is a consistency in reports describing the deterioration of the environmental and social fabric of communities as a result of unrestricted HMO development. We feel that this issue has now been well described and analysed. While it is accepted that the draft statutory guidance is intended to provide a broad-brush approach to sustainability, it will fail in its task if it does not provide a source of practical and effective advice for communities which are experiencing the type of problems we have described.

**SUSCOMS Sustainable Communities (Scotland)**

GUARDIAN 16<sup>th</sup> June 2007

## Nottingham's forest of housing despair

Landlords aiming to make a fast buck out of a huge population of student tenants are taking a heavy toll on the city's social fabric. Tony Levene reports from the front line

Saturday June 16, 2007

The Guardian

The citizens of Nottingham are calling on the sheriff to take a leaf out of Robin Hood's book and tackle the buy-to-let landlords who take homes out of the reach of ordinary families.

The city's buy-to-let boom has created whole areas where local parents and young couples are outgunned financially by landlords, many of whom do not live there.

And in some parts of the city, such as Lenton and Dunkirk, the council is considering shutting schools. Primary school children who should arguably be living in the three and four-bedroomed homes are simply not there.

Article continues

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But the city council intends to fight back. It is now demanding changes in the rules that would give it more power to control buy-to-let.

A tour of the city indicated that small-time landlordism and the transient student population it encourages have turned some areas into "tips" - overflowing wheelie bins and rubbish-strewn front gardens.

"Buy-to-let has caused the physical degradation of the area. Landlords don't clean up the mess of old furniture and disused pizza cartons, and the students, many from wealthy backgrounds, contribute no council tax," says Lenton resident Maya Fletcher.

She's a prime mover in the Nottingham Action Group, one of a number of similar initiatives across the country set up to combat buy-to-let blight. Lenton lies next to the University of Nottingham and in some streets, "studentification" has driven out all but a tiny percentage of families.

"There's no more feeding next door's cat or taking in parcels. The government talks of cohesion and community. We've lost it," she says.

Nottingham was once a low-cost city, but a huge expansion in the student population over the past 15 years, including the creation of Nottingham Trent University, has led to the city being touted to investors as a buy-to-let hotspot. At a property investment show in 2005, Nottingham was being sold alongside Brazil and Bulgaria as a hugely profitable destination.

The results can be seen everywhere. In the city centre there is a rash of newly-built two-bedroom flats - some well designed but others not. Many are empty - the result of developers interested only in selling flats to amateur landlords rather than meeting real need.

But it is in Greater Nottingham "family areas" such as Lenton, Radford, Dunkirk and Beeston where buy-to-let blight has struck the worst. Estate agents turn what would elsewhere be a three-bedroom semi into a "five to six letting room property", and a four-bedroom house is marketed as "seven to eight letting rooms".

"Nothing is sold in the normal way," says Ms Fletcher. "With each student paying around £3,500 a year, landlords can earn about 8.5% on their investments. Even before tax relief, that's substantially more than the cost of borrowing, so they can outbid families. Estate agents have no interest in selling to parents with children. Investors pay more so there is more commission."

Ms Fletcher says that even if families could afford to buy, they would be put off by streets which lack the care that long-term residents give. "Many houses are rebuilt internally, splitting rooms into two or turning garages into bedrooms, so restoration to their original family condition is not cost-efficient," she says.

Ms Fletcher's group is aware students have to live somewhere. "The university ignored this for years. There needs to be a policy of purpose-built student accommodation plus dispersal across the city, backed by public transport. I don't want my neighbours to change every June or July," she adds.

A city council consultation paper, "Students and Balanced Communities", acknowledges the two universities as a "mixed blessing".

Dave Trimble, ward councillor for Lenton and "portfolio holder for adult services" (effectively the planning supremo), wants government action.

"At the moment we are powerless to stop areas changing. In Lenton, for example, shops have shut, takeaways have opened. One pub shuts when university term ends. There are severe parking issues, often four cars or more per house as well as litter problems and noise pollution. Some streets are now so student-dominated that we are seriously considering shutting local primary schools for want of children."

The council wants a change in the "houses in multiple occupation" (HMO) rules which compel local authorities to license houses let out to five or more individuals, but only when the property has three or more floors.

"Most of our HMOs are two-storey so the rules do not apply. There is evidence that landlords are selling three-storey properties and buying two-floor homes to avoid licensing," he says. "If we can stretch HMOs to two-storey with five or more people, the next stage will be to ask government to change planning rules so we could control the number of HMOs in an area in the same way as we can limit other property uses."

Local housing authorities have discretion to widen the remit of licensing to include smaller HMOs if they think that enough of them in an area are managed badly, but that is only after consultation with landlords - and many are difficult to find.

Around 30 other local authorities are now lobbying towards the same end.

But central government appears unwilling to interfere in the private market. "We're seen as low priority. Department for communities and local government minister Baroness Andrews has twice cancelled appointments to discuss the issue," Mr Trimble says. The department refused to confirm or deny this, but says she has met students. It says it has no plans to change the HMO rules and that no authority has successfully widened the HMO rules to take in larger two-storey properties.

But buy-to-let landlords could end up losing out. At least 5,000 new purpose-built student rooms are in the Nottingham pipeline, financed by specialist companies. These are better-quality than many student houses and often no more expensive. Rents, which have risen each year, are now under pressure - and interest rates are rising.

Some landlords have already offered properties back to the council but it has refused. "Any ex-HMO needs big expenditure to turn it back into a family house. We plan a scheme next year which will restore these properties, with the council retaining a percentage through a shared ownership scheme to ensure they go to families," Mr Trimble adds.