

# WEST NORTHAMPTONSHIRE COUNCIL PLANNING POLICY COMMITTEE

26 June 2023

**Cllr Rebecca Breese, Cabinet Member for Strategic Planning, Built Environment and Rural Affairs**

<b>Report Title</b>	<b>Government consultation on the introduction of a use class for short term lets and associated permitted development rights</b>
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## List of Approvers

<b>Deputy Monitoring Officer</b>	Sarah Hall	Approval email received 1 <sup>st</sup> June 2023
<b>Legal</b>	Theresa Boyd	Approval email received 5 <sup>th</sup> June 2023
<b>Chief Finance Officer (S.151)</b>	Martin Henry	Approval email received 5 <sup>th</sup> June 2023
<b>Other Director</b>	Stuart Timmiss	Approval email received 7 <sup>th</sup> June 2023
<b>Communications Lead/Head of Communications</b>	Becky Hutson	Approval email received 5 <sup>th</sup> June 2023

## List of Appendices

**Appendix A** – West Northamptonshire Council’s provisional response to DLUHC’s consultation on the introduction of a use class for short term lets and associated permitted development right.

**Appendix B** – West Northamptonshire Council’s response to DCMS’s consultation on a registration scheme for short term lets in England.

## 1. Purpose of Report

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- 1.1. The purpose of this report is to seek the Committee's endorsement of the provisional response sent to the Government's consultation on the introduction of a use class for short term lets and associated permitted development rights.

## **2. Executive Summary**

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- 1.2. This report sets out the Council's provisional responses to government consultation on the introduction of a use class for short term lets and associated permitted development rights. The provisional response includes comments about the potential use of Article 4 Directions, should the council need to control the proliferation of short term lets, the number of nights per year that homeowners could let out their own homes as short term lets and the planning application fee for new short term let developments.

## **3. Recommendations**

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- 3.1 It is recommended that the Committee endorses the provisional consultation responses sent by the officers to the Department for Levelling Up, Housing and Communities (DLUHC).

## **4. Reason for Recommendations (NOTE: this section is mandatory and must be completed)**

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- To confirm the Council's responses to the Government's consultation on the introduction of a use class for short term lets and associated permitted development rights scheme for short-term lets in England formally with the DLUHC and DCMS respectively.

## **5. Report Background**

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- 5.1 On 12<sup>th</sup> April, the Department for Levelling Up, Housing and Communities issued public consultation on the introduction of a new use class for short term lets and associated permitted development rights. The closing date for the consultation was 7<sup>th</sup> June 2023. To meet that deadline, a provisional response has been sent to the DLUHC by officers in consultation with the Cabinet Member for Planning, Built Environment and Rural Affairs, pending the endorsement of this Committee.
- 5.2 At present houses and flats that are used for short term lettings, such as holiday cottages, remain within Class C3 of the Town and Country Planning (Use Classes) Order 1987, as amended. To address concerns in certain parts of the country about the increase in the numbers of short term lets and the impact this can have on the sustainability of communities and the availability and affordability of homes for local people, this consultation seeks views on proposals in respect of use classes and permitted development rights for short term lets.
- 5.3 This public consultation includes a proposal to create a new Use Class C5 specifically for residential properties that are used as short term lets. The consultation also seeks views on the

introduction of new permitted development rights to provide flexibility where short term lets are not a local issue by way of permitted development rights to enable a change of use from Class C3 to Class C5 and from Class C5 back to Class C3. The consultation is also seeking views on allowing for this flexibility to be removed, where there is a local concern, by way of Article 4 Directions to remove these permitted development rights.

- 5.4 The consultation is also seeking views on how homeowners might be provided with flexibility to let out their sole or main home for a number of nights in a calendar year. Views are also being sought on the planning application fee required where permission is required for the development of a new build short term let.
- 5.5 Associated with this, and following a call for evidence last year, the Department for Culture, Media and Sport issued public consultation on a registration scheme for short-term lets in England on 12th April with a closing date of 7<sup>th</sup> June.

## **6. Issues and Choices**

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- 6.1 The issue of areas becoming dominated by short term lets is increasingly prevalent in areas of the country that are attractive to tourists such as Cornwall. There has been a significant expansion in the number and range of accommodation suppliers nationally. This change has been facilitated in part by the growth of digital platforms such as Airbnb. Locally, it has become apparent that there are increasing numbers of properties in Northampton that are being let via platforms such as Airbnb that specialise in short term lets, though the precise number of properties let in this way has not been quantified.
- 6.2 The DCMS is also carrying out consultation on introducing a system for registering short term lets, follows a commitment in the Levelling Up and Regeneration Bill to introduce a registration scheme. The Head of Private Sector Housing has submitted a response on behalf of the Council, which is attached at Appendix B to this report. If such a scheme were introduced, it would allow relevant data to be collected on the types and numbers of short term lets in each local authority area. Such information could be used alongside evidence gathered locally to make the case to the Government for the introduction of an Article 4 Direction, should this prove to be appropriate in future, to restrict changes of use from Class C3 dwellinghouses to Class C5 short term lets.
- 6.3 The consultation questions concerned with allowing flexibility for homeowners to let out their homes ask if that flexibility should be expressly provided for and, if it is, how many days per year that flexibility should be allowed for (30 days, 60 days or 90 days). The provisional response sets out that 30 days would be the most appropriate in this situation as it would allow reasonable flexibility for homeowners but minimise inconvenience to nearby residents. The provisional response states that it is preferable for this to be a permitted development right rather than an amendment to Use Class C3 as this would allow the local planning authority to introduce an Article 4 Direction if local evidence showed that this was causing adverse impacts for local communities.

6.4 Concerning planning application fees, the consultation asks if a fee equivalent to each new dwellinghouse should apply to applications for each new build short term let. This seems reasonable, so the provisional response expresses agreement with this suggestion.

6.5 The Council's provisional responses to the DLUHC are attached at Appendix A. The responses to each question have been couched in terms of the situation pertaining in West Northamptonshire.

## **7. Implications (including financial implications)**

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### **7.1 Resources and Financial**

7.1.1 There are no resource or financial implications arising directly from the Government's consultation exercise. However, if the Government chooses to implement the new use class and it transpires that the Council wishes to implement an Article 4 Direction at a later date, costs would be incurred in terms of staff time, carrying out the necessary public consultation and the making and confirmation of an Article 4 Direction which would have to be covered by base budgets.

### **7.2 Legal**

7.2.1 There are no specific legal implications arising from the proposals in this report.

### **7.3 Risk**

7.3.1 There are no significant risks arising from the proposed recommendations in this report.

### **7.4 Consultation and Communications**

7.4.1 As the proposals in this report relate to a Government consultation exercise, no consultation has been carried out by the Council.

### **7.5 Consideration by Overview and Scrutiny**

7.5.1 The proposed response has not been considered by Overview and Scrutiny.

### **7.6 Climate Impact**

7.6.1 No climate/environmental impacts have been identified directly as a result of the recommendations in this report.

### **7.7 Community Impact**

7.7.1 No community impacts have been identified directly as a result of the recommendations in this report. However, should the new use class and the associated possibility of introducing Article 4

Directions come into force, the Council will have the ability to manage the impact of short term lets on the community.

## **8. Background Papers**

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- 8.1 [Introduction of a use class for short term lets and associated permitted development rights - GOV.UK \(www.gov.uk\)](http://www.gov.uk)