



SUMMONS AND AGENDA

MAYOR AND CABINET

The Mayor and Cabinet are summoned to attend this meeting



Jeremy Chambers, Monitoring Officer
28 April 2023

Meeting Date: WEDNESDAY, 10 MAY 2023 at 6.00 pm
Council Chamber
Civic Suite
London SE6 4RU

MEMBERS:

Damien Egan	Mayor
Councillor Brenda Dacres	Deputy Mayor and Housing Development and Planning
Councillor Chris Barnham	Children and Young People
Councillor Paul Bell	Health and Adult Social Care
Councillor Andre Bourne	Culture, Leisure and Communication (job share)
Councillor Juliet Campbell	Communities, Refugees and Wellbeing
Councillor Sophie Davis	Housing Management, Homelessness and Community Safety
Councillor Amanda De Ryk	Finance and Strategy
Councillor Louise Krupski	Environment and Climate Action
Councillor Kim Powell	Businesses, Jobs and Skills
Councillor James-J Walsh	Culture, Leisure and Communication (job share)

ORDER OF BUSINESS – PART 1 AGENDA

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The public are welcome to attend our Committee meetings, however, occasionally, committees may have to consider some business in private.

MINUTES OF THE MAYOR AND CABINET

Wednesday, 8 March 2023 at 6.00 pm

PRESENT: Councillors Damien Egan (Mayor), Brenda Dacres, Chris Barnham, Paul Bell, Sophie Davis, Amanda De Ryk, Louise Krupski, Kim Powell and James-J Walsh

ALSO PRESENT: Jennifer Daothong - Acting Chief Executive, Emma Aye-Kumi - Head of Governance and Committee Services, Melanie Dawson - Deputy Monitoring Officer

Apologies for absence were received from Councillor Andre Bourne and Councillor Juliet Campbell

1. Minutes

The Minutes of meeting of held on 8 February 2023 were agreed as an accurate record.

2. Declaration of Interests

None.

3. Matters Raised by Scrutiny and other Constitutional Bodies

It was MOVED, SECONDED and RESOLVED that the Mayor and Cabinet agree to:

- Note the comments of the Sustainable Development Committee on the Climate Emergency Action plan
- Note the officer response included in the report at Item 17
- Note the Response to the Housing Select Committee on Presentations by Social Housing Providers regarding their retrofitting work.

4. Approval to Procure - Occupational Health Service and Employee Assistance Programme Provider

Having considered an open officer report, Cllr De Ryk MOVED, Cllr Bell SECONDED and it was RESOLVED that Mayor & Cabinet:

1. Approves the re-procurement of an external provider to deliver an Occupational Timeline of engagement and decision-making
 - September 2015 – Current contract commenced
 - August 2019 – Extension of the contract approved by Mayor and Cabinet for 1 year to 30 August 2020
 - August 2020 – Extension approved by the Interim Executive Director of Corporate Services until 31 August 2021
 - April 2021 – Exceptional Covid-19 extension of contract for 1 year until 31

August 2022

- October 2022 – Extension of contract for 1 year until 31 August 2023 approved by Chief Executive Officer and Director of People and Organisational Development
 - February 2023 - Approval to Procure Report
 - April 2023 - Tender live
 - June/July 2023 – Approval of Contract Award Report
 - September 2023 – Commencement of new contract Health Service and Employee Assistance Programme Service to the Council Staff and an Occupational Health Service only for School staff. The terms of the contract would be four years contract (from 1 September 2023 to 31 August 2027), with the option to extend for up to a further 3 years at a maximum total value of £1,118,670.
2. Approves the use of the Crown Commercial Services framework - Occupational Health, Employee Assistance Programmes and Eye Care Services (RM6182) Lot 1.
 3. Approves the subsequent award of contract to the preferred service provider, provided the contract value is within authorised limits.
 4. Delegates authority to the Chief Executive (in consultation with Director of Law and Corporate Governance and the Director of People and Organisational Development) to select the preferred service provider in accordance with the selection criteria published in the tender documentation.

5. Permission to extend Lewisham residents' access to Sexual Health London (SHL) for delivery of online sexual and reproductive health services (e-service)

Having considered an open officer report, Cllr Bell MOVED, Cllr Dacres SECONDED and it was RESOLVED that Mayor and Cabinet agrees to extend the Inter-Authority Agreement (IAA) with the City of London to access online sexual health 'e-service' provided by Sexual Health London for 2 years commencing 1st April 2023 with the contract value of £1m per annum, and £2m for the total contract value for the 2 years of the contract.

6. Learning Disability Framework - Permission to approve the reprocurement of a Supported Living service and extension of contracts

Having considered an open officer report, It was MOVED, SECONDED and RESOLVED that Mayor and Cabinet:

1. Reprocure a supported living service for adults with learning disabilities as a call-off under the Framework Agreement for Services to Adults with Learning Disabilities: Lot 1 Supported Living. This service will be added to the list of in-borough Learning Disability Framework contracts that are due to be procured in the fourth phase of Framework contracts coded as LDF4.
2. Approve the award of contract to the preferred service provider(s) at the completion of the LDF3 and LDF4 tender exercises, provided the contract value is within previously authorised limits.
3. Delegate authority to Executive Director for Community Services (in consultation with the Assistant Director, Complex Care & Learning Disability

and the Director of Law, Governance and Elections) to select the preferred service provider in accordance with the selection criteria published in the tender documentation and agree final form of contract.

7. Permission to extend the Lead Neighbourhood Home Care contracts - Part 1

Having considered open and closed officer reports, it was MOVED, SECONDED and RESOLVED that Mayor and Cabinet approves extension of the contracts outlined in the recommendation of the report

8. Permission to procure and extensions for Mental Health Supported Housing

Having considered an open officer report, it was MOVED, SECONDED and RESOLVED that:

1. Mayor and Cabinet are recommended to authorise officers to run a procurement for a 15 unit 24 hour supported housing service for people with mental health needs. This will be made up of 2 buildings currently used for 2 separate supported housing contracts. The contract will be for a period of 3 years, with an option to extend for 2 further years, commencing 1st of April 2024. The contract will have a capped yearly cost of £529,000 per year, a 5 year value of £2,645,000.
2. Mayor and Cabinet are also recommended to extend three supported housing contracts by one year, to give officers time to run good quality open procurements to which the market will be better able to respond. All of these contracts have their last year of permitted extension expiring on April 2024. The contract values for the year are:
 - £387,902 for Lewisham Assessment and Recovery Centre.
 - £543,899 for Young Persons Specialist Service.
 - £854,950 for Honor Lea & Rokeby House.

9. Permission to procure Supported Housing for Care Leavers

Having considered an open officer report, it was MOVED, SECONDED and RESOLVED that Mayor and Cabinet authorise officers to run a procurement for ten to twenty units of supported housing across one or two buildings for Care Leavers.

10. Housing Acquisition Programme - Part 1

Having considered open and closed officer reports, it was MOVED, SECONDED and RESOLVED that Mayor and Cabinet:

1. Delegate authority to the Executive Director of Housing Regeneration and Public Realm to purchase up to 300 homes from the open market for the benefit of homeless households, up to a maximum of £600,000 per property, provided that the total acquisition costs do not exceed the total budget envelope for the scheme as set out in the Part 2 Report.
2. Approve the use and acceptance of GLA and other grant funding that facilitates the programme's successful delivery. and delegate authority to

Executive Director of Housing Regeneration and Public Realm in consultation with the Director of Law and Corporate Governance to approve and enter into such agreements and ancillary documentation as may be required to utilise such grant funding.

3. Approve the procurement of an external partner(s) to provide refurbishment, maintenance and housing management services for the 300 properties, and to approve the award of such contract provided it is in within the financial limits set out in the Part 2 Report, noting that the Executive Director for Housing, Regeneration and Public Realm will be responsible for selecting the preferred contractor in accordance with the selection criteria published in the tender documentation and agree the final form contract. Delegate to the Executive Director for Housing, Regeneration and Public Realm the authority to extend the term of the contract beyond its initial term, provided such extension is in accordance with the provisions of the contract.

11. Provision of Bus Shelters and On Street Advertising Contract Variation and Extension - Part 1

Deferred.

12. Selective licensing: Consultation response and proposals to introduce a new licensing scheme

Having considered an open officer report, it was MOVED, SECONDED and RESOLVED that Mayor and Cabinet support the recommendation to proceed with an application to introduce the proposed selective licensing scheme designations to the Department for Levelling Up, Housing and Communities (DLUHC).

1.1. Mayor and Cabinet Committee are asked to review and approve the report of the selective licensing consultation, and the council response to the consultation, as outlined in Appendix 1 – Consultation report and – Response to consultation representations.

1.2. Approve three proposed selective licensing designations to apply to all privately rented single occupancy dwellings in the three designated areas as set out in Appendix 5 in line with sections 80 and 81 of the Housing Act 2004.

1.3. Approve the proposed post-consultation changes to the scheme. (see section 10)

1.4. Note the proposed selective licensing scheme fee, as outlined in section 11 and Appendix 7 on licensing fees;

1.5. Approve the proposed new licensing conditions for properties in the Private Rental Sector in the affected wards, as outlined in Appendix 6 – Amended selective licence conditions;

1.6. Approve the submission of an application to the Secretary of State for Levelling Up, Housing and Communities to confirm the council's designation for a Selective Licensing Scheme as set out in Section 82 of the Housing Act 2004, as outlined in Section 7;

1.7. Delegate authority to the Executive Director for Housing, Regeneration and Public Realm:-

1.7.1. to finalise the submission for approval for the council's designation and submit to the Department for Levelling Up, Housing and Communities (DLUHC);

1.7.2. to implement the Selective Licensing Scheme and publish the 3-month Statutory Notice for the scheme as part of the implementation, pending confirmation from the Department for Levelling Up, Housing and Communities (DLUHC).

13. Approval to procure and award Oracle Fusion Licensing

Having considered an open officer report, it was **MOVED, SECONDED and RESOLVED** that Mayor and Cabinet approve to award a contract for the procurement of licensing for Oracle Fusion Cloud products under the framework agreement RM6194

– Crown Commercial Service, Back Office Software (BOS) agreement which has been designed to provide all public sector customers a route to buy software as a service (SaaS) including enterprise resource planning (ERP), human capital management (HCM) and productivity software directly from major vendors. This agreement will also cover the procurement of support and maintenance for these products.

14. Permission to consult on the proposal to open a new SEN Provision at Launcelot Primary School

Having considered an open officer report, it was **MOVED, SECONDED and RESOLVED** that Mayor and Cabinet note the report and provide permission for officers to conduct the statutory Publication and period of Representation for consultation on the proposal, prior to reporting back to Mayor and Cabinet seeking a Decision.

15. Permission to Award Contract for Agency Managed Service Provider

Having considered open and closed officer reports, it was **MOVED, SECONDED and RESOLVED** that Mayor and Cabinet award a contract to Matrix SCM Ltd to deliver a MSP for the provision of agency workers as required by the Council.

This will be a direct award via the London Councils Collaboration contract. The annual estimated value of the contract is £23.7m. The contract term is proposed as a two-year contract from 1 July 2023 to 30 June 2025, with the option to extend for a further two years at the Council's discretion. Therefore, the estimated total value would be £94.8m over the length of the entire contract, including discretionary extensions

16. Reduction and Recycling Plan 2023-2025

Having considered an open officer report, it was **MOVED, SECONDED and RESOLVED** that Mayor and Cabinet approve the Reduction and Recycling Plan actions and targets so that it can be submitted to the Greater London Authority (GLA) for approval by the Mayor of London

17. Lewisham Climate Emergency Action Plan

Having considered an open officer report, it was **MOVED, SECONDED and RESOLVED** that Mayor and Cabinet agree the response to the referral made by

the Sustainable Development Select Committee following its meeting on 10 January 2023

18. Lewisham Modern Slavery Statement 2023-24

Having considered an open officer report, it was MOVED, SECONDED and RESOLVED that Mayor and Cabinet approve the Modern Slavery Statement for 2023-2024 as appended to the report

19. Exclusion of Press and Public

All closed (Part 2) reports were considered alongside their open (Part 1) counterparts, therefore there was no need to exclude the Press and Public.

20. Permission to extend Lead Neighbourhood Home Care contracts - Part 2

Considered alongside Item 7.

21. Housing Acquisition Programme for Homeless Households - Part 2

Considered alongside Item 10.

22. Provision of Bus Shelters and On-street Advertising Contract Extension - Part 2

Deferred.

23. Permission to Award Contract for Agency Managed Service Provider - Part 2

Considered alongside Item 15.



Mayor and Cabinet

Declarations of Interest

Date: 10 May 2023

Class: Part 1

Contributors: Head of Governance and Committee Services

Outline and recommendations

Members are asked to consider declare any personal interest they have in any item on the agenda.

Declaration of interests

Members are asked to declare any personal interest they have in any item on the agenda.

1 Personal interests

There are three types of personal interest referred to in the Council's Member Code of Conduct :-

- (1) Disclosable pecuniary interests
- (2) Other registerable interests
- (3) Non-registerable interests

2 Disclosable pecuniary interests are defined by regulation as:-

- (a) Employment, trade, profession or vocation of a relevant person* for profit or gain
- (b) Sponsorship –payment or provision of any other financial benefit (other than by the Council) within the 12 months prior to giving notice for inclusion in the register in respect of expenses incurred by you in carrying out duties as a member or towards your election expenses (including payment or financial benefit from a Trade Union).

- (c) Undischarged contracts between a relevant person* (or a firm in which they are a partner or a body corporate in which they are a director, or in the securities of which they have a beneficial interest) and the Council for goods, services or works.
- (d) Beneficial interests in land in the borough.
- (e) Licence to occupy land in the borough for one month or more.
- (f) Corporate tenancies – any tenancy, where to the member’s knowledge, the Council is landlord and the tenant is a firm in which the relevant person* is a partner, a body corporate in which they are a director, or in the securities of which they have a beneficial interest.
- (g) Beneficial interest in securities of a body where:-
 - (a) that body to the member’s knowledge has a place of business or land in the borough; and
 - (b) either
 - (i) the total nominal value of the securities exceeds £25,000 or 1/100 of the total issued share capital of that body; or
 - (ii) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which the relevant person* has a beneficial interest exceeds 1/100 of the total issued share capital of that class.

*A relevant person is the member, their spouse or civil partner, or a person with whom they live as spouse or civil partner.

(3) Other registerable interests

The Lewisham Member Code of Conduct requires members also to register the following interests:-

- (a) Membership or position of control or management in a body to which you were appointed or nominated by the Council
- (b) Any body exercising functions of a public nature or directed to charitable purposes, or whose principal purposes include the influence of public opinion or policy, including any political party
- (c) Any person from whom you have received a gift or hospitality with an estimated value of at least £25

(4) Non registerable interests

Occasions may arise when a matter under consideration would or would be likely to affect the wellbeing of a member, their family, friend or close associate more than it would affect the wellbeing of those in the local area generally, but which is not required to be registered in the Register of Members’ Interests (for example a matter concerning the closure of a school at which a Member’s child attends).

(5) Declaration and Impact of interest on members' participation

- (a) Where a member has any registerable interest in a matter and they are present at a meeting at which that matter is to be discussed, they must declare the nature of the interest at the earliest opportunity and in any event before the matter is considered. The declaration will be recorded in the minutes of the meeting. If the matter is a disclosable pecuniary interest the member must take no part in consideration of the matter and withdraw from the room before it is considered. They must not seek improperly to influence the decision in any way. **Failure to declare such an interest which has not already been entered in the Register of Members' Interests, or participation where such an interest exists, is liable to prosecution and on conviction carries a fine of up to £5000**
- (b) Where a member has a registerable interest which falls short of a disclosable pecuniary interest they must still declare the nature of the interest to the meeting at the earliest opportunity and in any event before the matter is considered, but they may stay in the room, participate in consideration of the matter and vote on it unless paragraph (c) below applies.
- (c) Where a member has a registerable interest which falls short of a disclosable pecuniary interest, the member must consider whether a reasonable member of the public in possession of the facts would think that their interest is so significant that it would be likely to impair the member's judgement of the public interest. If so, the member must withdraw and take no part in consideration of the matter nor seek to influence the outcome improperly.
- (d) If a non-registerable interest arises which affects the wellbeing of a member, their, family, friend or close associate more than it would affect those in the local area generally, then the provisions relating to the declarations of interest and withdrawal apply as if it were a registerable interest.
- (e) Decisions relating to declarations of interests are for the member's personal judgement, though in cases of doubt they may wish to seek the advice of the Monitoring Officer.

(6) Sensitive information

There are special provisions relating to sensitive interests. These are interests the disclosure of which would be likely to expose the member to risk of violence or intimidation where the Monitoring Officer has agreed that such interest need not be registered. Members with such an interest are referred to the Code and advised to seek advice from the Monitoring Officer in advance.

(7) Exempt categories

There are exemptions to these provisions allowing members to participate in decisions notwithstanding interests that would otherwise prevent them doing so. These include:-

- (a) Housing – holding a tenancy or lease with the Council unless the matter relates to your particular tenancy or lease; (subject to arrears exception)
- (b) School meals, school transport and travelling expenses; if you are a parent or guardian of a child in full time education, or a school governor unless the matter relates particularly to the school your child attends or of which you are a governor;
- (c) Statutory sick pay; if you are in receipt
- (d) Allowances, payment or indemnity for members
- (e) Ceremonial honours for members
- (f) Setting Council Tax or precept (subject to arrears exception)



Mayor and Cabinet

Report title: Children and Young People Select Committee referral of ideas to amplify children and young people's voices within the Council

Date: 10 May 2023

Key decision: No

Class: Part 1

Ward(s) affected: All

Contributors: Children and Young People Select Committee

Outline and recommendations

On 15 March 2023, the Children and Young People Select Committee received a report and heard oral evidence from officers and young people regarding amplifying young people's voices within the council. This report asks Mayor and Cabinet to agree to direct officers to explore the feasibility of adopting suggestions made by young people who are already engaged with the council.

- The Mayor and Cabinet is recommended to direct officers to explore the feasibility of the suggestions at paragraph 4.1 and report back to the Children and Young People Select Committee.

1. Summary

- 1.1 This report refers to Mayor and Cabinet suggestions put to the Children and Young People Select Committee in a report entitled 'Amplifying the Voices of Children and Young People'. The Committee received an overview of the report from Katy Brown and Jacob Sakil and put questions to the Young Mayor and a number of Young Advisors. The Committee resolved to refer to the Mayor and Cabinet a recommendation that the feasibility of the young people's suggestions be explored and reported back to the Committee.

2. Recommendation

- 2.1 The Mayor and Cabinet is recommended to direct officers to explore the feasibility of the suggestions at paragraph 4.1 and report back to the Children and Young People Select Committee.

3. Policy Context

- 3.1 Scrutiny's work programme has regard to the corporate strategy¹ which sets out the Council's values, priorities and focus for 2022-2026. These are categorised under the following headings:

- Cleaner and Greener
- Strong Local Economy
- Quality Housing
- Children and Young People
- Safer Communities
- Open Lewisham
- Health and Wellbeing

4. Suggestions to amplify children and young people's voices in the council

- 4.1 At its meeting on 15 March 2023, the Committee received the following suggestions to amplify children and young people's voices in the council:

- a) *More awareness inside and outside the council about how young people can be involved and participate in decision making. Support with communications so more people know what young people are doing and how to get involved – social media.*

The Committee heard:

- the council's social media insufficiently features young people, aside from when there is a Young Mayor election;
 - the council can help by using its social media to promote the work of the Young Mayor and Advisors;
 - social media structures and algorithms favour certain types of content, and the council should consider how to maximise the reach of its social media content;
 - as almost a quarter of the borough's residents are aged under 19, the council should do more to engage young people via schools; and
 - opportunities for children in the care system to have their voices heard should be promoted to them in a targeted manner.
- b) *Regular meetings with senior officers and politicians, it is intermittent if it was established regularly young people, and everyone could contribute more*

¹ <https://lewisham.gov.uk/mayorandcouncil/corporate-strategy>

purposefully. Senior Officers and politicians to know about the Young Mayor and Young Advisors and encourage their teams to engage not just about their services but as residents and citizens and be identified in the corporate and other strategies.

A Young Advisor told the Committee of their desire to discuss the inaccessibility of non-council venues with a senior officer. The Committee has referred the Young Advisor's concerns to the Cabinet Member for Business, Jobs and Skills.

- c) *Being involved at the beginning of consultations and hearing the results though we understand this can take years for projects to arrive at the outcome. Young people knowing what consultations are coming up and can decide which they want to get involved with, enabling a more in-depth participation in the decision making.*
- d) *Continue to develop the Curriculum for Life which is understood and contributed to by officers across directorates – what can we offer to young people so they can understand and be part of what we do? Everyone's responsibility to think about young people.*

The Committee heard that Curriculum for Life is valuable.

- e) *Work experience with politicians and officers, educate students in schools about what people in the council actually do for their jobs. Opportunities to learn about different roles and work experience. Young people learn how the council works, budgeting and decision making.*

The Committee heard that:

- young people recognise the importance of clear career pathways in a variable jobs market; and
- many young people are particularly interested in careers in law or politics, but pathways are unclear.

- f) *Develop other pathways for young people to be involved and paid for some roles, like the Downham Youth Ambassadors or if they are doing an officer role, monitoring, evaluating etc. – explore with HR how that can happen.*

A young person described entering a paid council apprenticeship after a period as a Young Advisor as invaluable but recognised that their experience was atypical.

- g) *Earlier work with commissioners about young people services, potentially develop a group specifically around commissioning so that they understand the processes.*
- h) *Officers and politicians spend time with the young people of Lewisham and can relate to their lived experience, in and outside of school.*

The Young Mayor suggested the council go to young people rather than the other way around. They suggested Question Time-style panels in schools and engaging young people in the streets as useful modes of engagement.

- i) *Young people could vote on different issues or decisions that affect young people, in order to do this they would need to be a process so they can understand all aspects of the decision being made.*

In connection with the comments noted above regarding career pathways in law and politics, the Committee heard that young people are keen to understand "how things work".

- j) *More projects to involve young people, there is so much to get involved with difficult for one group to do it all.*

A Young Advisor submitted that the council should organise more events for young people with Special Educational Needs and Disabilities, as they need a greater focus year round, and not just at set times such as Autism Acceptance Week.

- k) *A participation strategy created with and by children and young people which*

identifies the rights, roles and responsibilities of children and young people across the borough, and how they can get involved in decision making and influencing change in different ways that address their needs and interests.

NB: italicised text is copied from the report received by the Committee.

5. Financial implications

5.1 There are no direct financial implications arising from the implementation of the recommendation in this report.

6. Legal implications

6.1 The Constitution provides for select committees to refer reports to the Mayor and Cabinet, who are obliged to consider the report and the proposed response from the relevant Executive Director; and report back to the Committee within two months (not including recess).

7. Equalities implications

7.1 The Equality Act 2010 brought together all previous equality legislation in England, Scotland and Wales. The Act included a new public sector equality duty, replacing the separate duties relating to race, disability and gender equality. The duty came into force on 6 April 2011. It covers the following nine protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

7.2 The Council must, in the exercise of its functions, have due regard to the need to:

- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act
- advance equality of opportunity between people who share a protected characteristic and those who do not.
- foster good relations between people who share a protected characteristic and those who do not.

8. Climate change and environmental implications

8.1 There are no direct climate change or environmental implications arising from the implementation of the recommendation in this report.

9. Crime and disorder implications

9.1 There are no direct crime and disorder implications arising from the implementation of the recommendation in this report.

10. Health and wellbeing implications

10.1 There are no direct health and wellbeing implications arising from the implementation of the recommendation in this report.

Background papers

[Amplifying the Voices of Children and Young People](#) – Children and Young People Select Committee, 15 March 2023

Report contact: Ben Awkal, Scrutiny Manager, benjamin.awkal@lewisham.gov.uk



Mayor and Cabinet

Report title: Response to Children and Young People Select Committee referral of ideas to amplify children and young people's voices within the Council

Date: 18.04.2023

Key decision: No

Class: Part 1

Ward(s) affected: All

Contributors: Sara Rahman

Outline and recommendations

On 15 March 2023, the Children and Young People Select Committee received a report and heard oral evidence from officers and young people regarding amplifying young people's voices within the council.

This report is in response to a referral from Mayor and Cabinet directing officers to explore the feasibility of adopting suggestions in paragraph 4.1 made by young people who are already engaged with the council.

1. Summary

- 1.1 Following a report to the Children and Young People Select Committee on 'Amplifying the Voice of Children and Young People', Mayor and Cabinet has asked officers to provide a response to the feasibility of adopting the suggestions made in paragraph 4.1 in the report.

2. Recommendation

- 2.1 Officers accept the recommendations outlined in the Mayor and Cabinet referral following Children and Young People Select Committee on 15.03.2023.
- 2.2 Officers welcome the views and ideas shared by young people and support the suggestions outlined in paragraph 4.1 points 'a' to 'k' that include; involving young people in decision making, improving social media communication, the contribution of young people to the corporate and other strategies, involving children and young people in commissioning and Officers in the Children and developing a participation strategy with children and young people.
- 2.3 To begin this process officers have arranged a workshop on the 5th of May including Jacob Sakil and Katy Brown from the Young Mayors Team. Out of the workshop it is expected that a plan and proposal for reviewing the Council's participation strategy and offer will be developed. These proposals will be shared with the Young Mayors Team and following their input officers will pull together a working group including young people, to begin the process of designing a new participation strategy.

3. Policy Context

- 3.1 Scrutiny's work programme has regard to the corporate strategy¹ which sets out the Council's values, priorities and focus for 2022-2026. These are categorised under the following headings:
- Cleaner and Greener
 - Strong Local Economy
 - Quality Housing
 - Children and Young People
 - Safer Communities
 - Open Lewisham
 - Health and Wellbeing

4. Financial implications

- 4.1 There are no direct financial implications arising from the implementation of the recommendation in this report.

5. Legal implications

- 5.1 The Constitution provides for select committees to refer reports to the Mayor and Cabinet, who are obliged to consider the report and the proposed response from the relevant Executive Director; and report back to the Committee within two months (not including recess).

6. Equalities implications

- 6.1 The Equality Act 2010 brought together all previous equality legislation in England, Scotland and Wales. The Act included a new public sector equality duty, replacing the

¹ <https://lewisham.gov.uk/mayorandcouncil/corporate-strategy>

separate duties relating to race, disability and gender equality. The duty came into force on 6 April 2011. It covers the following nine protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

- 6.2 The Council must, in the exercise of its functions, have due regard to the need to:
- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act
 - advance equality of opportunity between people who share a protected characteristic and those who do not.
 - foster good relations between people who share a protected characteristic and those who do not.

7. Climate change and environmental implications

- 7.1 There are no direct climate change or environmental implications arising from the implementation of the recommendation in this report.

8. Crime and disorder implications

- 8.1 There are no direct crime and disorder implications arising from the implementation of the recommendation in this report.

9. Health and wellbeing implications

- 9.1 There are no direct health and wellbeing implications arising from the implementation of the recommendation in this report.

Background papers

[Amplifying the Voices of Children and Young People](#) – Children and Young People Select Committee, 15 March 2023

Report contact: Sara Rahman sara.rahman@lewisham.gov.uk



Mayor and Cabinet

Comments of the Safer Stronger Communities Select Committee on the Borough of Sanctuary strategy

Date: tbc May 2023

Key decision: No.

Class: Part 1.

Ward(s) affected: All (none specific)

Contributor: Safer Stronger Communities Select Committee

Outline and recommendations

This report informs the Mayor and Cabinet of the comments and views of the Safer Stronger Communities Select Committee on the Borough of Sanctuary strategy.

Mayor and Cabinet is asked to consider the Committee's comments and ask the relevant officers to provide a response.

1. Summary

- 1.1. On Thursday 2 March 2023, the Safer Stronger Communities Select Committee considered a report from officers on the Borough of Sanctuary strategy ([link to the agenda](#)) The Committee reflected on the contents of the report – and received a presentation from officers as well as representations from an organisation working with refugees and asylum seekers in Lewisham. Following questions to officers, the Committee agreed to refer its views to Mayor and Cabinet.

2. Recommendation

- 2.1. Mayor and Cabinet is asked to consider the Committee's comments and ask the relevant officers to provide a response.

3. Safer Stronger Communities Select Committee views

- 3.1. The Committee believes that the Borough of Sanctuary strategy is of vital importance to the Council's work supporting the most vulnerable. It welcomes the work being carried out to deliver the strategy and it recognises and commends the work being carried out by community and voluntary sector organisations to ensure that those seeking sanctuary are supported and protected from harm. Nonetheless, there are opportunities to ensure that the sanctuary strategy is more effective. The Committee recommends that:

- Mayor and Cabinet should reiterate and reinforce the Borough of Sanctuary messaging across Council departments. It is important that there is management support for the delivery of the strategy in all parts of the organisation.
- There should be an enhanced focus on the delivery of operational work to deliver the Council's Borough of Sanctuary ambitions. Members are particularly concerned about potential discrepancies in decision-making processes and the delivery of frontline services for those seeking sanctuary.
- An assessment of the training needs for frontline staff in relevant directorates (specifically in social care and housing) should be carried out. The prioritisation and development of this work might include input from community and voluntary sector partners who have experience of engaging with the Council – and of supporting vulnerable families and individuals.
- An update on the use of migration dispersal funding should be provided to the Committee.
- There should be a risk assessment of the measures needed to ensure that the Council will be successful in its attempts to be reaccredited as a Borough of Sanctuary.
- A refugee and migrant champion should be appointed by the Mayor to act as a senior stakeholder and critical friend to the Council and its partners.
- Work should take place to communicate with Lewisham's partner organisations (including health, education and community safety) about what the Council expects of them in relation to the Borough of Sanctuary.
- Consideration should be given to the resources available for frontline work. Specific attention should be given to the funding available for community and voluntary sector organisations.
- Lewisham should work with its partners and with other local authorities to highlight the detrimental impacts of the Immigration and Asylum Act (1999) and the costs and harm caused by leaving people with no recourse to public funds.

4. Financial implications

- 4.1. There are no direct financial implications arising from the implementation of the recommendations in this report. However, there will be implications arising from them implementation of the Committee's recommendations. These should be considered in the response.

5. Legal implications

- 5.1. The Constitution provides for select committees to refer reports to the Mayor and Cabinet, who are obliged to consider the report and the proposed response from the relevant Executive Director; and report back to the Committee within two months.

6. Equalities implications

- 6.1. Equality Act 2010 brought together all previous equality legislation in England, Scotland and Wales. The Act included the public sector equality duty, replacing the separate duties relating to race, disability and gender equality. It covers the following nine protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 6.2. The Council must, in the exercise of its functions, have due regard to the need to:

- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act
- advance equality of opportunity between people who share a protected characteristic and those who do not.
- foster good relations between people who share a protected characteristic and those who do not.

6.3. There are no direct equalities implications arising from the implementation of the recommendations in this report. There will be implications arising from the implementation of the Committee's recommendations – these will need to be considered in the response.

7. Health and wellbeing implications

7.1. There are no direct health and wellbeing implications arising from the implementation of the recommendations in this report. There may be implications arising from the implementation of the Committee's recommendations.

8. Further implications

8.1. There are no direct climate change or crime and disorder implications arising from the implementation of the recommendation in this report.

9. Report author and contact

9.1. If you have any questions about this report, then please contact: Timothy Andrew (Scrutiny Manager) timothy.andrew@lewisham.gov.uk

Report for: Mayor and Cabinet

Part 1 **X**

Part 2

Key Decision


Date of Meeting	10 th May 2023	
Title of Report	Catford Regeneration Partnership Limited (CRPL) Director Appointment	
Author	Kplom Lotsu – Head of Property, Estates and Capital Programmes	Ext. 49283

At the time of submission for the Agenda, I confirm that the report has:

Category	Yes	No
Financial Comments	X	
Legal Comments	X	
Cabinet Briefing consideration	X	
EMT consideration	X	



Signed:
 Cabinet Member: Brenda Dacres – Cabinet Member for Housing Development and Planning
 Date: 25.04.2023



Signed:
 Executive Director: Nazeya Hussain – Interim Executive Director for Place
 Date: 24.04.2023

Control Record by Committee Services

Action	Date
Listed on Key Decision Plan	
Date submitted to Legal & Finance	
Date submitted to Cabinet Members for sign off	
Date submitted to Executive Director for sign off	



Mayor and Cabinet

Catford Regeneration Partnership Limited (CRPL) Director Appointment

Date: 10th May 2023

Key decision: No

Class: Part 1.

Ward(s) affected: Rushey Green/ Catford South

Contributors: Director of Inclusive Regeneration; Head of Property, Estates and Capital Programmes.

Outline and recommendations

Outline and recommendations:

This report seeks the appointment of a director for the wholly owned Council Company Catford Regeneration Partnership Limited (CRPL) following the resignation of two Directors.

Recommendation:

Mayor and Cabinet approves the appointment of John Bennett as Company Director to replace Zahur Khan, an officer Director who resigned from the role.

Timeline of engagement and decision-making

- Nomination of a new director by Exec Director for Place – April 2023

1. Summary

- 1.1. The Catford Regeneration Partnership Limited (CRPL) is a wholly owned company of Lewisham Council. The company was originally created in January

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2010 to purchase the leasehold interests in and around the Catford Centre in order to manage and regenerate the assets to improve the economic, social and environmental wellbeing of the people of the London Borough of Lewisham (LBL).

- 1.2. The day to day activities of the Company is managed by three Directors comprising two Council officers and a local Councillor supported by other Council employees in the Property, Estates and Capital Programme team. Following the resignation of two directors, it has been agreed to appoint a new officer director to support the only remaining director in managing and overseeing the activities of the company.
- 1.3. This report recommends the appointment of John Bennett, Head of Economy Jobs and Partnerships as director of the company to support the activities of CRPL. The appointment will be made using the same Director's Mandate agreed at the inception of the company.

2. Recommendations

Mayor and Cabinet is asked to:

- 2.1 approve the appointment of John Bennett as a Director of Catford Regeneration Partnership Limited (CRPL);
- 2.2 agree that John Bennett is indemnified as a director in accordance with the attached Deed of Indemnity agreed at the inception of the Company.
- 2.3 to note, that the appointment of a third director will be reported in due course.

3. Policy Context

- 3.1 The Council's Local Development Framework sets the vision, objectives, strategy and policies that will guide development and regeneration in the borough to 2025 and together with the Mayor of London's 'London Plan', forms the statutory development plan for the Borough. It anticipates major change and includes a focus on Catford Town Centre as a major development opportunity. The London Plan reinforces this view by identifying Catford as having potential for significant urban renewal.
- 3.2 In July 2021 the Mayor and Cabinet agreed the Catford Town Centre Framework. The framework sets out a long term strategy for the transformation of the town centre along with a 15-20 year development programme.
- 3.3 The content of this report is consistent with the Council's policy framework, namely the Corporate Strategy 2022 – 2026. Delivering this strategy includes the following priority outcomes that relate to the Council's regeneration activities:
 - Cleaner and Greener – working to tackle the climate crisis through our development policies.
 - A Strong Local Economy – continue to expand our apprenticeship programme and invest in our high streets, doing what we can to be the best place in London for new businesses.

- Quality Housing and Safer Communities – we will deliver more social homes for Lewisham residents, providing as many people as possible with safe, comfortable accommodation that they can be proud of and happy to live in.
 - Open Lewisham – we will co-design services and ensure strong consultation processes that reach out to people whose voices are seldom heard.
- 3.4 The Local Authority has a duty to ensure the long-term growth of its town centres is planned and managed, to ensure that viable and vital functions of its town centres are integrated as part of a sustainable development strategy.
- 3.5 CRPL’s core objectives accords with the above. It is against this policy background that the proposed appointment of John Bennett to the directorship of CRPL is being made as well as furthering the objectives of CRPL as set out in its Articles of Association.

4. Background and Narrative:

- 4.1. CRPL is a wholly owned company of Lewisham Council. The company was originally created in January 2010 to purchase leasehold interests in and around the Catford Centre in order to manage and regenerate the properties to improve the economic, social and environmental wellbeing of the people of the London Borough of Lewisham.
- 4.2. The Company’s Articles of Association appear at Appendix 1. The appointment of Directors is the responsibility of the London Borough of Lewisham as the sole shareholder.
- 4.3. The primary duty for the Directors when considering company business is to the Company, with a secondary duty being owed to the Council.
- 4.4. In essence, Directors owe a fiduciary duty to act in the best interest of the company. A Director’s Mandate (attached as Appendix 2) is also given to each director including reference to their indemnity, setting out their duties as a Director. The Mandate includes a requirement to respect their position as Council appointee and not to act in contravention of a properly given Council instruction.
- 4.5. Many key decisions in relation to the Company are classified as reserved matters and must be approved by the Council as sole shareholder. The complete list of shareholder reserved matters are listed in the Articles of Association at paragraph 25. These reserved matters ensure that the Council retains control over the direction of the Company and that the Company operates strictly within its approved business plan.
- 4.6. At its inception, two Directors were appointed, both of them Council officers. Initially one was a senior finance officer and the other a senior regeneration officer. However, to avoid any perception of conflict of interest for the regeneration officer, it has become the Council’s practice not to appoint a senior regeneration officer. In 2019, following an audit recommendation, a local Ward Councillor was appointed as a non-executive director increasing the number of directors to three.

- 4.7. The most recent directorships were David Austin, Director of Finance; Zahur Khan, Director of Public Realm and Cllr Eva Stamirowski, Councillor for Catford South.
- 4.8. The three directors, together, have been actively managing the affairs of the company over the past two years. In December 2022, one of the Directors – Zahur Khan – resigned from the Council’s employ as Director of Public Realm. More recently in March 2023, Cllr Eva Stamirowski also resigned as Director of the company due to increased workload, leaving David Austin as a sole director of the company.
- 4.9. To ensure effective management and governance of the affairs of the company, it is proposed that John Bennett – Head of Economy, Jobs and Partnerships is appointed to replace Zahur Khan as Director of CRPL. John will bring an understanding of the local economic context to the role, and of the council’s plans to bring more jobs to the borough and to create more vibrant town centres.
- 4.10. If the Council agrees to the appointment of John Bennett, it is proposed that it should be on the same terms as all former and current directors and that they he is given the same indemnity against personal liability as is currently afforded David Austin.
- 4.11. The proposed appointment acknowledge the current status of the wider Catford Town Centre Regeneration Framework plan recently agreed by Mayor and Cabinet and its implications for the operations of the company. As a result of this, further changes are likely in the nature and form of CRPL’s operations in the medium term as the delivery structure for the framework begins to take shape. Any proposed changes together with their effect and implications for CRPL will be reported to M&C in the usual way.

5. Financial Implications:

- 5.1. Directors are nominated by the Council and do not receive additional remuneration for undertaking this role. There is therefore no direct financial implications resulting from this appointment.
- 5.2. The indemnity against personal liability provided to the proposed new director will be on the same terms as all former and current directors and is therefore not expected to lead to an increase in the relevant insurance premium.

6. Legal Implications:

- 6.1. Appointments to CRPL are an executive function, under Part III of the Council’s Constitution and must therefore go to Mayor and Cabinet for approval. There is no constitutional change required.
- 6.2. Under the Local Authorities (Indemnities for Members and Officers) Order 2004 (Statutory Instrument 3082) local authorities are empowered to indemnify Members and officers in a wide range of circumstances and any additional appointment would be subject to the existing Director’s Mandate and Indemnity.

7. Equalities implications

7.1. There are no immediate equalities implications directly arising from this report.

8. Climate change and environmental implications:

8.1. There are no immediate climate change and environmental implications directly arising from this report.

9. Crime and disorder implications

9.1. None specific to this report.

10. Health and wellbeing implications

10.1. None specific to this report.

11. Background papers

11.1. None

12. Report author and contact

12.1. Kplom Lotsu – Head of Property, Estates and Capital Programmes
020 8314 9283 – kplom.lotsu@lewisham.gov.uk

13. Comments for and on behalf of the Executive Director for Corporate Resources

13.1. Katharine Nidd – Head of Financial Strategy, Planning and Commercial
020 8314 6651 – katharine.nidd@lewisham.gov.uk

14. Comments for and on behalf of the Director of Law, Governance and Elections

14.1. Melanie Dawson – Principal Lawyer and Deputy Monitoring Officer
0208 314 7937 – melanie.dawson@lewisham.gov.uk

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dated 27 January 2010

Catford Regeneration Partnership Limited

Articles of Association

adopted by special resolution on 27 January 2010

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draft dated 22.01.2010

Company number: 07077434

Private company limited by shares

Articles of Association

of

Catford Regeneration Partnership Limited

Model Articles

- 1 The model articles of association for private companies limited by shares contained in Schedule 1 to the Companies (Model Articles) Regulations 2008, as amended prior to the date of adoption of these Articles (the **Model Articles**), shall apply to the Company save in so far as they are excluded or varied hereby and such Model Articles (save as so excluded or varied) together with the following articles shall be the articles of association of the Company. References to **these articles** shall be to the following articles as amended from time to time together with such Model Articles as apply to the Company.

Objects clause

- 2 The Company's objects are unrestricted and include but are not limited to:
 - 2.1 carry on a business with a view to improving the economic, social and environmental well being of the area and residents of Catford and wider London Borough of Lewisham; and
 - 2.2 carry out the management and regeneration of the Catford Centre and adjacent land in the London Borough of Lewisham.

Unanimous decisions

- 3 A decision of the directors which takes the form of a resolution in writing may consist of several copies each signed by one or more eligible directors. Article 8 of the Model Articles shall be modified accordingly.

Calling a directors' meeting

- 4 A director may waive the requirement that notice of a meeting of the directors or of a committee of the directors be given to him at any time before or after the date on which the meeting is held by notifying the Company to that effect. Where a director gives such notice to the Company after the meeting has been held, that does not affect the validity of the meeting or of any business conducted at it. Article 9(4) of the Model Articles shall be modified accordingly.

- 5 If all the directors participating in a meeting are not in the same place, the meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting is. Article 10(3) of the Model Articles shall not apply to the Company.

Quorum for directors' meetings

- 6 The quorum for the transaction of business of the directors shall be two unless there is a sole director, in which event, the sole director shall constitute a quorum. A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum. Article 11(2) of the Model Articles shall be modified accordingly.
- 7 If the total number of directors for the time being is less than the quorum required, the directors must not take any decision other than a decision:
- 7.1 to appoint such number of further directors as are required to make up the quorum required; or
- 7.2 to call a general meeting so as to enable the shareholders to appoint further directors. Article 11(3) of the Model Articles shall not apply to the Company.

Authorisation of directors' conflicts of interest

- 8 Notwithstanding section 175(4)(b) of the Companies Act 2006, as amended, consolidated or re-enacted from time to time (the **2006 Act**), the directors shall not have the power to authorise any matter which would or might otherwise constitute or give rise to a breach by a director of the duty to avoid conflicts of interest set out in that section of the 2006 Act. Any such matter shall require the prior written approval of the members. Any reference in these articles to a conflict of interest includes a conflict of interest and duty and a conflict of duties.
- 9 If a director receives or has received any information otherwise than by virtue of his position as a director of the Company and in respect of which he owes a duty of confidentiality to another person, the director is under no obligation to:
- 9.1 disclose any such information to the Company, the directors or any other director or employee of the Company; or
- 9.2 use or apply any such information in connection with the performance of his duties as a director;
- provided that to the extent that such duty of confidentiality arises out of a situation or relationship which would or might otherwise constitute or give rise to a breach by the director of the duty to avoid conflicts of interest set out in section 175 of the 2006 Act, this article shall apply only if such situation or relationship has been authorised by the members under article 8.
- 10 A director shall not, save as otherwise agreed by him, be accountable to the Company for any benefit which he (or a person connected with him) derives from any matter

authorised by the members under article 8 and any contract, transaction or arrangement relating thereto shall not be liable to be avoided on the grounds of any such benefit.

Appointment and removal of directors

- 11 Unless otherwise determined by ordinary resolution, the number of directors is not subject to any maximum and the minimum number is one.
- 12 Notwithstanding any other provision of these articles, the holder or holders of a majority in nominal value of the issued ordinary shares in the capital of the Company may at any time and from time to time:
- 12.1 appoint any person to be a director (provided that any such appointment does not cause the number of directors to exceed a number fixed by or in accordance with these articles as the maximum number of directors); or
- 12.2 remove any director from office.

Every such appointment or removal shall be effected by notice in writing to the Company and shall take effect immediately (or on such later date, if any, specified in the notice). Any such notice of appointment or removal may consist of several documents in similar form, each signed by or on behalf of one or more holders.

- 13 In any case where, as a result of bankruptcy, the company has no shareholders and no directors, the trustee in bankruptcy or other transmittee(s) of the last shareholder to have a bankruptcy order made against him has the right, by notice in writing, to appoint a natural person (including himself) who is willing to act and is permitted to do so to be a director.

Termination of a director's appointment

- 14 Notwithstanding any other provision of these articles, a person ceases to be a director as soon as he has for more than six consecutive months been absent without permission of the directors from meetings of directors held during that period and the directors resolve that his office be vacated.

Appointment and removal of alternate directors

- 15 Any director (the **appointor**) may appoint as an alternate any other director, or any other natural person to:
- 15.1 exercise that director's powers; and
- 15.2 carry out that director's responsibilities

in relation to the taking of decisions by the directors in the absence of the alternate's appointor. Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the appointor, or in any other manner approved by the directors. The notice must identify the proposed alternate and, in the case of a

notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the director giving the notice.

Rights and responsibilities of alternate directors

- 16 An alternate director has the same rights, in relation to any directors' meeting or directors' written resolution, as the alternate's appointor. Alternate directors are deemed for all purposes to be directors, are liable for their own acts and omissions, are subject to the same restrictions as their appointors, and are not deemed to be agents of or for their appointors. A person who is an alternate director but not a director may be counted as participating for the purposes of determining whether a quorum is participating (but only if that person's appointor is not participating), and may sign a written resolution (but only if it is not signed or to be signed by that person's appointor). No alternate may be counted as more than one director for such purposes.
- 17 An alternate director is not entitled to receive any remuneration from the Company for serving as an alternate director except such part of the alternate's appointor's remuneration as the appointor may direct by notice in writing made to the Company.

Termination of alternate directorship

- 18 An alternate director's appointment as an alternate terminates:
- 18.1 when the alternate's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;
- 18.2 on the occurrence in relation to the alternate of any event which, if it occurred in relation to the alternate's appointor, would result in the terminate of the appointor's appointment as a director;
- 18.3 on the death of the alternate's appointor; or
- 18.4 when the alternate's appointor's appointment as a director terminates, except that an alternate's appointment as an alternate does not terminate when the appointor retires by rotation at a general meeting and is then re-appointed as a director at the same general meeting.

Business Plans

- 19 No more than five months before nor less than two months before the start of each financial year the board of directors shall circulate a draft Business Plan for the next financial year to the members.
- 20 The draft Business Plan shall not take effect unless and until approved by the members in accordance with article 25.
- 21 The directors shall take account of the approved Business Plan when exercising their functions in the management of the Company.

Budgets

- 22 No more than five months before nor less than two months before the start of each financial year the board of directors shall circulate a draft Budget for the next financial year to the members.
- 23 The draft Budget shall not take effect unless and until approved by the members in accordance with article 25.
- 24 The directors shall take account of the approved Budget when exercising their powers in the management of the Company.

Shareholder reserved matters

- 25 The following matters shall require the prior written consent of the members:
- 25.1 the approval of each Business Plan;
- 25.2 the approval of each Budget and in any financial year changes over £20,000 in any one amendment to the Budget and changes to the Budget exceeding £100,000 in aggregate in any financial year;
- 25.3 the declaration and/or payment of any dividends by the Company save where such declaration and distribution is made in accordance with the Company's dividend policy;
- 25.4 the approval of and any change to the Company's dividend policy;
- 25.5 the increase in any indebtedness of the Company other than in accordance with the prevailing Budget;
- 25.6 the commencement by the Company of any new business not being ancillary to or in connection with the Business or making any change to the nature of the Business;
- 25.7 the Company participating in any activity which is detrimental to and/or incompatible with the Business;
- 25.8 the making of any political or charitable donation;
- 25.9 the making of any acquisition or disposal by the Company other than in accordance with the then current Business Plan and Budget;
- 25.10 writing off a bad debt exceeding £25,000 provided that if debts of that person or organisation have been written off by the Company in the previous three years in an aggregate amount of £50,000 or more, the decision to write off any further bad debts for that person or organisation shall also be a reserved matter;
- 25.11 the making of any application for external funding;

- 25.12 the repurchase or cancellation by the Company of any shares, or the reduction of the amount (if any) standing to the credit of its share premium account or capital redemption reserve (if any) or any other reserve of the Company;
- 25.13 a change of name of the Company or location of its registered office;
- 25.14 any issue of new shares in the Company.
- 25.15 the devolution or transfer of all or part of the management of the Company or its business to persons who are not directors of the Company and, if approved, the terms of such devolution;
- 25.16 without limiting the generality of article 25.15, the appointment of any Chief Executive Officer or person holding a similar role and the terms of such appointment;
- 25.17 the appointment or removal of any director of the Company;
- 25.18 the engagement of (and terms of engagement of) any individual person as a consultant (but excluding for such purposes any firm/professional advisers) or employee;
- 25.19 the engagement of (and terms of engagement of) any company, partnership, individual person or other entity for the provision of services to the Company where the services provided are not contemplated in the then current Business Plan and Budget and/or where the value of the services is above the Official Journal of the European Union limit for services and/or where the services have not been tendered in accordance with the Company's Contract Lettings Procedure;
- 25.20 any change to the terms of employment/engagement and/or remuneration of a person referred to in articles 25.18 and 25.19;
- 25.21 the letting of any contract for the provision of supplies to the Company where the supplies provided are not contemplated in the then current Business Plan and Budget and/or where the value of the contract is above the Official Journal of the European Union limit for supplies and/or where the contract has not been tendered in accordance with the Company's Contract Lettings Procedure;
- 25.22 the letting of any contract for the provision of works to the Company where the works provided are not contemplated in the then current Business Plan and Budget and/or where the value of the contract is above £200,000 and/or where the contract has been not tendered in accordance with the Company's Contract Lettings Procedure;
- 25.23 the instigation of any court proceedings where the directors have not taken appropriate legal advice or where such proceedings would be against that legal advice;
- 25.24 the authorisation of the levying of distress against the occupants of land or property in arrears where the directors have not taken appropriate legal advice or where such actions would be against that legal advice;

- 25.25 the making of any application for planning permission;
- 25.26 the implementation of any regeneration initiative other than in accordance with the then current Business Plan;
- 25.27 the commencement of any winding-up or dissolution of or the appointment of any liquidator, administrator or administrative receiver of the Company or any of its assets unless it shall have become insolvent.

Financial information

- 26 The members shall be entitled to have access to and to examine (and, if required, audit at their own cost) the separate books, records, accounts and tax records to be kept by the Company and to be supplied with all information in such form as they may reasonably require to keep them properly informed about the financial and business affairs of the Company and to be promptly notified of any significant event (including without limitation any litigation or arbitration) the outcome of which will or is likely to affect the Company or its business, finances, assets or affairs.
- 27 The members shall be entitled to require the Company, and the Company shall as soon as possible comply with such a request, to provide any documents, information and correspondence necessary to enable the members to comply with filing, elections, returns or any other requirements of HM Revenue and Customs or of any other revenue authority or tax authority.
- 28 The Company will prepare and deliver at its cost to the members:
 - 28.1 within fourteen days of the end of each calendar month, a financial statement and unaudited management accounts for the Company made up to and as at the end of the calendar month and cumulative management accounts for the current accounting period up to and including that month including a rolling cash flow forecast for a period of twelve months from the end of each month and details of the Company's capital expenditure and work in progress at such date and an explanation of any difference between the actual revenue and expenditure of the Company against the previous month's forecast.
 - 28.2 a report from the board of directors on the financial position and affairs of the Company within fourteen days after the end of each calendar quarter, and
 - 28.3 annual audited accounts of the Company to be prepared in accordance with GAAP and certified by the Auditors within two months of the end of the financial year to which they relate.

Company secretary

- 29 The directors may appoint a company secretary for such term, at such remuneration and upon such conditions as they think fit. Any company secretary may be removed or replaced by the directors.

Nil- or partly-paid shares permitted

- 30 Article 21(1) of the Model Articles shall not apply to the Company. If the Company at any time has nil or partly-paid shares in issue, articles 52 to 62 (inclusive) of the model articles of association for public companies contained in Schedule 3 to the Companies (Model Articles) Regulations 2008, as amended prior to the date of adoption of these articles, shall apply to the Company and form part of these articles as if the text of such provisions was set out in full in these articles.

Share certificates

- 31 Every share certificate must specify the amount paid up on the shares to which it relates. Article 24(2)(c) of the Model Articles shall not apply to the Company.

Share transfers

- 32 The instrument of transfer of any share taken on formation of the Company by a subscriber to the company's memorandum of association need not be executed by or on behalf of the transferee even where the share is not fully paid.

Calculation of dividends

- 33 Except as otherwise provided by these articles or the rights attached to shares, all dividends must be:

33.1 declared and paid according to the amounts paid up on the shares on which the dividend is paid; and

33.2 apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid.

If any share is issued on terms providing that it ranks for dividend as from a particular date, that share ranks for dividend accordingly. For the purposes of calculating dividends, no account is to be taken of any amount which has been paid up on a share in advance of the due date for payment of that amount. Article 30 of the Model Articles shall be modified accordingly.

Appropriation of capitalised sums

- 34 A capitalised sum which was appropriated from profits available for distribution may be applied in or towards paying up any amounts unpaid on existing shares held by the persons entitled.

Proceedings at general meetings

- 35 If a general meeting is adjourned, then notice of the time and place to which it is adjourned shall be given to all the members of the Company. Article 41(5) of the Model Articles shall be modified accordingly.

Poll votes

- 36 A poll may be demanded by any member (present in person or by proxy) having the right to attend and vote at the meeting or by a duly authorised representative of a corporation. Article 44(2)(c) of the Model Articles shall be modified accordingly.
- 37 A demand for a poll may, before the poll is taken, be withdrawn. A demand so withdrawn shall not invalidate the result of a vote on a show of hands declared before the demand was made. Article 44(3) of the Model Articles shall not apply to the Company.

Proxies and corporate representatives

- 38 The failure of any proxy or corporate representative to vote in accordance with any instructions given by the member by whom such proxy or corporate representative is appointed shall not invalidate the result of any vote in which the proxy or corporate representative has participated and the Company and the directors shall be under no duty to enquire as to the instructions given to any such proxy or corporate representative.

Written resolutions

- 39 A proposed written resolution of the members of the Company (or of a class of members) shall lapse if it is not passed before the end of the period of six months beginning with the circulation date of such resolution (as defined in section 290 of the 2006 Act).

Means of communication to be used

- 40 Any notice, document or other information shall be deemed served on or delivered to the intended recipient:
- 40.1 if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted (or five working days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least five working days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider);
- 40.2 if properly addressed and delivered by hand, when it was given or left at the appropriate address;
- 40.3 if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied; and
- 40.4 if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website.

For the purposes of this article, no account shall be taken of any part of a day that is not a working day.

- 41 In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by the 2006 Act.

Indemnity

- 42 The Company may indemnify any relevant officer out of the assets of the Company from and against any loss, liability or expense incurred by him or them in relation to the Company (including any liability incurred in connection with the activities of the Company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the 2006 Act)) **provided that** this article shall have effect, and any indemnity provided by or pursuant to it shall apply, only to the extent permitted by, and subject to the restrictions of, the 2006 Act. This article does not allow for or provide (to any extent) an indemnity which is more extensive than as permitted by the 2006 Act and any such indemnity is limited accordingly. This article is also without prejudice to any indemnity to which any person may otherwise be entitled. Article 52 of the Model Articles shall not apply to the Company.

- 43 To the extent permitted by, and subject to the restrictions in, the 2006 Act and without prejudice to any indemnity to which he may otherwise be entitled, the board shall have the power to provide funds to meet any expenditure incurred or to be incurred by any relevant officer in defending any criminal or civil (including regulatory) proceedings, or in connection with an application under the 2006 Act, or to enable him to avoid incurring such expenditure.

- 44 Without prejudice to the provisions of article 53 of the Model Articles, the directors may exercise all the powers of the Company to purchase and maintain insurance for the benefit of any person who is a relevant officer or an employee or former employee of the Company or any associated company or who is or was a trustee of a retirement benefits scheme or another trust in which a relevant officer or an employee or former employee is or has been interested, indemnifying him against liability for negligence, default, breach of duty or breach of trust or any other liability which may lawfully be insured against by the Company.

- 45 In these articles:

- 45.1 companies are **associated** if one is a subsidiary of the other or both are subsidiaries of the same body corporate;

- 45.2 **relevant officer** means any current or former director, alternate director, secretary or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined in section 235(6) of the 2006 Act)), other than any person (whether an officer or not) engaged by the Company (or associated company) as an auditor, to the extent he acts as an auditor;

- 45.3 **Budget** means the financial projections and forecasts, including anticipated expenditure, of the Company for each financial year;
- 45.4 **Business** means the objects as set out in article 2;
- 45.5 **Business Plan** means the business plan of the Company for each financial year.



DEED OF INDEMNITY

Dated May 2023

London Borough of Lewisham

and

(INSERT NAME)

Deed of Indemnity

relating to the carrying out of (INSERT NAME) duties as a Director on the Board of Catford Regeneration Partnership

This Deed

Dated May 2023

Parties

- (1) The Mayor and Burgesses of the London Borough of Lewisham of 1st Floor, Laurence House, 1 Catford Road, Catford, London SE6 4RU (the Council); and
- (2) (INSERT NAME) of 1st Floor Laurence House, 1 Catford Road, Catford, London SE6 4RU (the Director).

1 Introduction

- 1.1 On the 27th January 2010 the Council resolved to set up Catford Regeneration Partnership Limited (the Company). The objective of setting up the Company was to purchase the freehold and leasehold interests in and around the Catford Centre (the Property) from St Modwen Investments Limited in order to manage and regenerate the Property to improve the economic, social and environmental wellbeing of the area and residents of Catford and the wider London Borough of Lewisham.
- 1.2 On 10th May 2023 the Council nominated the Director as its representative on the board of the Company. On 10th May 2023 the Director was appointed to the board of the Company.
- 1.3 Under the Local Authorities (Indemnities for Members and Officers) Order 2004, the Council has power to indemnify its members and officers and insure them where they carry on functions when acting as a director of a company at the Council's request.
- 1.4 In exercising that power, the Council has agreed to enter into this Deed of Indemnity with the Director.

It is agreed as follows:

2 Definitions and Interpretation

- 2.1 In this Deed, unless the context otherwise requires, the following definitions apply:

Act means the Local Authorities (Indemnities for Members and Officers) Order 2004;

Relevant Liability means a liability falling within clause 3.1.

- 2.2 In this Deed (except for the context otherwise requires):

2.2.1 words in the singular include the plural and vice versa;

2.2.2 references to clauses are the clauses of this Deed;

2.2.3 the clause headings are included for ease of reference only and shall not affect the interpretation of this Deed; and

2.2.4 reference to a statute or statutory provision includes a reference to such a

statute or statutory provision as from time to time amended, re-enacted or replaced (whether before or after the date of this Deed).

3 Indemnity

3.1 Subject to the Act and the provision of this Deed, the Council shall indemnify and keep indemnified the Director against all liabilities (other than the liability set out in clause 3.2) attaching to her in connection with any negligence, default, breach of duty or breach of trust by her as a result of her acts and/or omissions relating to her role as the Council's representative on the board of the Company.

3.2 Clause 3.1 shall not apply to any liability incurred by the Director as a result of any action by or failure to act by her which:

3.2.1 constitutes a criminal offence; or

3.2.2 is the result of fraud, or other deliberate wrong doing or recklessness on her part.

3.3 Notwithstanding clause 3.2 and subject to clause 3.4 and clause 5, the Council shall provide an indemnity in relation to the defence of any criminal proceedings brought against the Director and any civil liability arising as a consequence of any action or failure to act which also constitutes a criminal offence provided that the Director believed that the action, or failure to act, in question was within the powers of the Company and it was reasonable for her to hold that belief at the time when she acted or failed to act.

3.4 Any indemnity payment by the Council to the Director pursuant to clause 3.1 is conditional upon:

3.4.1 compliance by the Director with clause 5 to the extent applicable in the circumstances; and

3.4.2 the Director having made an application in writing to the Council supported by the production of documentation which is, in the reasonable opinion of the Council satisfactory evidence that the Relevant Liability has been incurred by the Director and of the date that it was incurred.

3.5 The obligation of the Council to indemnify the Director pursuant to clause 3.1 shall (subject to clauses 3.2 and 3.4 and 5) remain in full force and effect in respect of any Relevant Liability arising from the acts or omissions of the Director at any time during her period of office as a director on the board including, without limitation, any Relevant Liability arising from the Director's acts or omissions during such period but incurred after she ceases to hold the office of director on the board.

4 Insurance

4.1 The Council shall secure in relation to this indemnity professional indemnity insurance cover for the Director which will include arranging for and paying for that insurance.

5 Conduct of Claims and Recovery

- 5.1 If the Director becomes aware of any circumstances which may lead to the Council being liable to make a payment or advance funds under this Deed, the Director shall:
- 5.1.1 as soon as practicable, give written notice of such circumstances;
 - 5.1.2 keep the Council informed of any developments in relation to such circumstances (including by providing the Council with such information and copies of such documents as the Council may reasonably request) and consult the Company regarding the conduct of any claim arising in connection with such circumstances; and
 - 5.1.3 not make any admission of liability, agreement or compromise with any person in relation to any such circumstances without the prior written consent of the Council (such consent not to be unreasonably withheld or delayed).
- 5.2 In the event that the Council makes any payment pursuant to this Deed, the Council shall be subrogated to the extent of such payment to all of the Director's rights of recovery against third parties (including any claim under any applicable directors' and officers' insurance policy) in respect of the payment and the Director shall do everything that may be necessary to secure any rights including:
- 5.2.1 the execution of any documents necessary to enable the Company effectively to bring an action in the name of the Director, and
 - 5.2.2 the provision of assistance as a witness.
- 5.3 If the Council makes any payment to or for the benefit of the Director pursuant to this Deed and the Director subsequently recovers or becomes entitled to recover from a third party any amount which is referable to any part of the liability for which payment was made by the Council, the Director shall immediately repay or procure the repayment to the Council of so much of the amount paid by the Council as does not exceed the amount recovered (or entitled to be recovered) by the Director, less any reasonable costs and expenses incurred by the Director in effecting any such recovery which are not recoverable from any third party.
- 5.4 The Director shall not be entitled to recover more than once pursuant to this Deed in respect of any matter giving rise to a Relevant Liability.
- 6 General
- 6.1 This Deed shall be binding on and shall inure for the benefit of the successors of the parties to this Deed.
- 6.2 A party may not (whether at law or in equity) assign, transfer, grant any security interest over, hold on trust or deal in any other manner with the benefit of the whole or any part of this Deed, nor purport to do any of the same.
- 6.3 A person who is not a party to this Deed (a third party) has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Deed, but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

- 6.4 No variation of this Deed shall be effective unless it is in writing and signed by or on behalf of each of the parties to this Deed.
- 6.5 Any notice or other communication to be given under this Deed shall be in writing and shall be delivered personally or sent by pre-paid first class recorded delivery post or receipted courier (marked, in the case of communications to the Council, for the attention of the Executive Director of Resources) to the parties' respective addresses set out in this Deed or as otherwise notified by the relevant party from time to time (in accordance with the provisions of this clause). A notice or other communication given under this Deed shall be deemed to have been received upon delivery to the address referred to in this Deed.
- 6.6 This Deed shall be governed by and construed in accordance with the laws of England.
- 6.7 Each party irrevocably agrees to submit to the exclusive jurisdiction of the courts of England and Wales over any claim or matter arising under or in connection with this Deed.

In witness of which this document has been executed by each of the Council and the Director as a Deed on the date set out at the head of this document.

THE COMMON SEAL of)
 THE LONDON BOROUGH)
 OF LEWISHAM was)
 hereunto affixed in)
 the presence of:-)

For Head of Law

Executed as a deed by)
 (INSERT NAME))

in the presence of

Witness Signature:.....

Witness Name:

Witness Address:.....

Occupation:.....

Agenda Item 5

Chief Officer Confirmation of Report Submission			
Cabinet Member Confirmation of Briefing			
Report for: Full Council			
Mayor and Cabinet	<input checked="" type="checkbox"/>	Mayor and Cabinet (Contracts)	<input type="checkbox"/>
Executive Director	<input type="checkbox"/>	Information	<input type="checkbox"/>
Part 1	<input checked="" type="checkbox"/>	Part 2	<input type="checkbox"/>
Key Decision	<input checked="" type="checkbox"/>		


Date of Meeting	10 th May 2023
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Title of Report	Report title: Confirmation of a non-immediate Article 4 Direction for the remainder of the borough withdrawing permitted development rights for the change of use from dwellinghouse (Use Class C3) to Small HMO (Use Class C4).
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Originator of Report	Head of Strategic Planning
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At the time of submission for the Agenda, I confirm that the report has:

Category	Yes	No
Financial Comments from Exec Director for Resources	X	
Legal Comments from the Head of Law	X	
Crime & Disorder Implications	X	
Environmental Implications	X	
Equality Implications/Impact Assessment (as appropriate)	X	
Confirmed Adherence to Budget & Policy Framework	X	
Risk Assessment Comments (as appropriate)	N/A	
Reason for Urgency (as appropriate)	N/A	

Signed: 

Cllr Brenda Dacres, Deputy Mayor of Lewisham and Cabinet Member for Housing Development and Planning
Date: 24/04/2023

Signed: 

Nazeya Hussain: Executive Director for Housing, Regeneration and Public Realm
Date: 25/04/2023

Control Record by Committee Support

Action	Date
Listed on Schedule of Business/Forward Plan (if appropriate)	
Draft Report Cleared at Agenda Planning Meeting (not delegated decisions)	
Submitted Report from CO Received by Committee Support	
Scheduled Date for Call-in (if appropriate)	



Mayor and Cabinet

Report title: Confirmation of a non-immediate Article 4 Direction for the remainder of the borough withdrawing permitted development rights for the change of use from dwellinghouse (Use Class C3) to Small HMO (Use Class C4).

Date: 10 May 2023

Key decision: Yes

Class: Part 1

Ward(s) affected: All wards apart from Bellingham, Downham and Grove Park

Contributors: Head of Strategic Planning

Outline and recommendations

The purpose of this report is to inform Mayor and Cabinet about the outcome of the representation period on the making of a non-immediate Article 4 Direction to withdraw permitted development rights for the change of use from C3 dwelling houses to class C4 Houses in Multiple Occupation (HMO's) for the remainder of the borough.

This report fulfils stage 4 in the process of implementing a non-immediate Article 4 Direction and seeks approval for the Director of Law to confirm the direction.

If authorised for confirmation, the Article 4 Direction will take effect on 19th January 2024 which is 12 months after notice of the direction was published.

It is recommended that Mayor and Cabinet:

- Considers the responses to the consultation set out in Section 5.
- Authorise the Director of Law and Corporate Governance to confirm the non-immediate Article 4 Direction, which removes permitted development rights from C3 Dwelling Houses to C4 Houses in Multiple Occupation (HMO) for the remainder of the borough.
- Authorise the Director of Planning to carry out the statutory notification of the decision to confirm the Article 4 direction
- Note the legal and financial implications set out in Section 6 and 7.

Timeline of engagement and decision-making

17 December 2018	Housing Select Committee expressed strong support for a Small HMO Article 4 Direction for Lewisham's southern wards of Bellingham, Downham, Whitefoot and Grove Park.
16 January 2019	Making of a non-immediate Small HMO Article 4 Direction for Lewisham's southern wards of Bellingham, Downham, Whitfoot and Grove Park (previous ward boundaries) was presented to and approved by Mayor and Cabinet, with such direction to come into force 12 months after notice of the direction is published.
18 September 2019	Following consultation, Mayor and Cabinet approved the confirmation of a non-immediate Small HMO Article 4 Direction for Lewisham's southern wards of Bellingham Downham, Whitefoot and Grove Park, with such direction to come into force on 7 March 2020.
21 October 2021	The MP for Lewisham East hosted a public meeting to discuss the impact of HMOs in Catford South ward; around 150 residents attended. The panel consisted of the Director for Housing, the Director for Planning, the Licensing and Enforcement Manger and the Cabinet Member for Housing and Planning.
6 June 2022	Housing Select Committee noted that the committee receives further information, at a date to be agreed, on the extent of 'exempt accommodation' in the borough.
6 July 2022	Making of a non-immediate Small HMO Article 4 Direction for the remainder of the borough approved by Mayor and Cabinet.
30 September to 5 December 2022	Representation period for initial Article 4 Direction. This was determined to be of no effect after a technical error was identified in the making of the Article 4.
11 th January 2023	Article 4 direction remade
18 th January to 1 st March 2023	Representation period for remade Article 4 Direction.

1. Summary

1.1. At its meeting of 6 July 2022, Mayor and Cabinet agreed the following recommendations to:

- Note the contents of the 2022 HMO Review and Evidence Paper.
- Approve the making of a non-immediate Article 4 Direction for the remainder of the borough to withdraw permitted development rights for the change of use from

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- Dwellinghouse (Use Class C3) to Small HMO (Use Class C4).
 - Authorise officers to carry out a consultation in accordance with Section 5 of the M&C report.
 - Note the financial and legal implications of making the Article 4 Direction set out in the M&C report.
- 1.2. The procedure for making the Article 4 Direction is set out in the Mayor & Cabinet report of 6th July 2022. Statutory consultation has occurred and the Council is required to consider any representations received prior to making a decision on whether to confirm the Article 4 Direction
 - 1.3. The recommendation was based on the 2022 HMO review which found a high and increasing demand for HMOs in Lewisham that has led to a significant increase in HMOs, with over concentrations likely to be occurring within most wards and that the evidence suggests a link between HMOs and anti-social behaviour, including rubbish and fly-tipping, worsening the street quality.
 - 1.4. Based on the strength of this data within the 2022 Review concludes that there was robust evidence to justify an Article 4 Direction for the remainder of the borough to better manage the impact of small HMOs and appropriately manage the supply of family housing (3 or more bedrooms).
 - 1.5. Following the recommendations authorised by Mayor and Cabinet on the 6 July 2022 the council carried out a representation period from 30th September to the 5th December 2022 on the Article 4 Direction
 - 1.6. The Council received 58 representations in total:
 - 5 written representations; and
 - 53 representations through Citizen Space
 - 1.7. 81% of respondents (47 in total) who made a representation felt positively regarding the Article 4 Direction within this representation period.
 - 1.8. At the beginning of the representation period, a version of the Article 4 Direction for adoption is published, which is a formal legal document. Having notified the Secretary of State of the Article 4 Direction and the start of the representation period it was brought to the attention of officers by the Department of Levelling Up, Communities and Housing (DLUCH) that the signed version of the Article 4 Direction published was not dated. This was an omission. The legislation requires that a valid direction must be dated.
 - 1.9. In order to rectify this the council remade the Article 4 Direction and recommenced consultation.
 - 1.10. This representation period was carried out in accordance with the requirements of the General Permitted Development Order 2015 (GPDO) and ran from 18th January to 1st March 2023.
 - 1.11. The Council received 31 representations in total through the Citizen Space consultation portal.
 - 1.12. 84% of respondents (26 in total) who made a representation felt positively regarding the Article 4 Direction within this representation period.

2. Recommendations

- 2.1. It is recommended that Mayor and Cabinet:
 - Note the responses to the consultation set out in Section 5.
 - Authorise the Director of Law and Corporate Governance to confirm the non-

immediate Article 4 Direction, which removes permitted development rights from C3 Dwelling Houses to C4 Houses in Multiple Occupation (HMO) for the remainder of the borough.

- Authorise the Director of Planning to carry out the statutory notification of the decision to confirm the Article 4 direction
- Note the legal and financial implications set out in Section 7 and 8.

3. Policy Context

Article 4 Directions

National Planning Policy Framework (NPPF)

3.1. The National Planning Policy Framework (NPPF) sets out the Government's planning policies for England and how these are expected to be applied. The NPPF advises that Article 4 Directions should be applied in a measured and targeted way.

3.2. Paragraph 53 of the 2018 NPPF states:

The use of Article 4 directions to remove national permitted development rights should be limited to situations where this is necessary to protect local amenity or the well-being of the area.

3.3. In July 2021, the Government revised the NPPF to make it more difficult for Councils to enact Article 4 Directions by adding that they should apply to the smallest geographical area possible. Paragraph 53 of the current 2021 NPPF states:

the use of Article 4 directions to remove national permitted development rights should be... limited to situations where this is necessary to protect local amenity or the well-being of the area [and]...be based on robust evidence, and apply to the smallest geographical area possible

Planning Practice Guidance (PPG)

3.4. The government's online planning practice guidance (PPG entitled "When is permission required?") gives further detail on the use of Article 4 Directions.

3.5. An Article 4 Direction can be used to remove specific permitted development rights in all or parts of the local authority's area. It does not restrict development altogether but instead ensures that development requires planning permission. A planning application for the proposal would need to be submitted that would then be determined in accordance with the development plan unless material considerations indicate otherwise.

3.6. An Article 4 Direction cannot be used to restrict changes between uses in the same use class of the Use Classes Order. (PPG paragraph 030 revised 2020).

3.7. The PPG states that an Article 4 Direction to remove national permitted development rights should be limited to situations where it is necessary to protect the local amenity or the well-being of an area. It also states that in deciding whether an Article 4 Direction would be appropriate, local planning authorities should identify clearly the potential harm that the Direction is intended to address. Where the withdrawal of permitted development rights relates to a wide area (e.g. covering a large proportion of or the entire area of a local planning authority), the PPG states particularly strong justification is needed (PPG paragraph 038 revised 2021).

3.8. A non-immediate Article 4 Direction can come into force at least 28 days but no longer than two years after the first date for making representations to the direction. In this case a 12 month period after notice of the direction is published has been given before the Direction comes into force. A non-immediate Article 4 Direction is made with a

longer period before it comes into effect to prevent compensation claims against the Council.

- 3.9. At this stage the Council considers any representations received after a period of at least 28 days from publication/service of the Notice and decides whether to confirm the Direction. Once a Direction has been confirmed, the council must give notice of the confirmation in the same way as it gave notice of the initial direction and must specify the date that the direction comes into force. A copy of the direction as confirmed must also be sent to the Secretary of State.

Lewisham's Housing Strategy (2020-2026)

- 3.10. The proposed Article 4 Direction will play a role in the implementation of Lewisham's Housing Strategy (2020-2026) vision, strategic direction and a number of the five key priorities, which are:

- *delivering the homes that Lewisham needs*
- *preventing homelessness and meeting housing need*
- *improving the quality, standard and safety of housing*
- *supporting our residents to live safe, independent and active lives*
- *strengthening communities and embracing diversity*

Corporate Strategy (2022-2026)

- 3.11. The proposed Article 4 Direction will help the Council to better manage the impact of small HMOs within the borough and balance their demand with the need for family housing. This, in turn, will help to deliver on the following corporate priorities:

- **Quality Housing** – *To provide as many people as possible with safe, comfortable accommodation that they can be proud of and happy living in.*
- **Safer communities** – *To ensure every resident feels safe and secure living here as we work together towards a borough free from the fear of crime.*

4. Background

Evidence Base

- 4.1. In establishing an evidence base for the 2016, 2018 and 2022 HMO Review, the accurate identification of the quantity and spatial distribution of HMOs in the borough is problematic due to several factors. These include:

- *The expansion of permitted development rights to allow conversion of a C3 dwelling house to Class C4*
- *Unauthorised development*
- *Underreporting of conversion*
- *The different definitions of HMOs used by different Council/government departments*

2018 HMO Review and Evidence Paper

- 4.2. However, for the 2018 Review an indicative picture of the range of HMOs was built up by assessing data from the following sources:

- *Planning Records*
- *Planning Enforcement Records*
- *2001 and 2011 census (Office for National Statistics)*
- *Council Tax records*
- *Benefits Data (Shared Accommodation Rate Claims)*

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- *Street Surveys for Bellingham Downham and Whitefoot wards once the initial assessment had been undertaken. This was carried out to strengthen the evidence, as whilst the initial assessment demonstrated a change in HMOs' location, it did not clearly indicate a significant rise.*
- 4.3. The review found that whilst the data available did not suggest a significant increase of HMOs within the borough, it did demonstrate a change in their spatial distribution with a significant increase and clustering within the borough's southern wards. It was deemed that these wards, which traditionally had the lowest proportion of HMOs in the borough, are unsuitable locations for high HMO concentrations due to their:
- *high levels of deprivation;*
 - *poor public transport accessibility; and*
 - *suburban character with a high concentration of family homes.*

2022 HMO Review and Evidence Paper

- 4.4. For 2022 Review, the same data sources were reviewed again apart from Census Data, Benefits Data and Street Surveys due to their unavailability. However, additional data sets were also reviewed. This includes predictive modelling undertaken by the Council's Housing data scientist, which uses a range of indicators to estimate the borough's total number of HMOs. And research previously undertaken by the Council into the private rental sector and HMOs to inform the Council's additional licensing scheme and the application for selective licensing.
- 4.5. The evidence has demonstrated a high and increasing demand for HMOs in the borough due to several factors, including:
- *a large and growing private rented sector;*
 - *the housing affordability challenge across London and within Lewisham;*
 - *a large and growing student population;*
 - *welfare reforms adding to the proportion of residents who can only afford a room in a shared house;*
 - *borough-wide Article 4 Directions in neighbouring local authorities; and*
 - *higher rental yields for HMOs than that of a single family dwelling.*
- 4.6. The data sets - council tax records and licensing records - show this has resulted in a significant increase of HMOs since 2018 in many wards with either a low, medium or high presence of HMOs traditionally. As a result, the spatial distribution of HMOs between wards has changed significantly in that there are now more wards with a high presence of HMOs compared to historically. The spatial distribution of HMOs has also changed at a street level with a greater degree of clustering. These changes have been corroborated by predictive modelling, which estimates there are currently 7,100 HMOs in the borough, representing a 274% increase since the 2017/18 estimate.
- 4.7. The evidence has shown that harm is arising from increased concentrations of HMOs:
- Predictive modelling indicates that over concentrations of HMOs (where at least 10% of properties in a neighbourhood are an HMO) are likely to exist throughout the borough, which is harmful in itself by creating unbalanced communities and reducing the supply of housing available for families.
 - Extensive research which supported the Council's new additional licencing scheme found that the proportion of anti-social behaviour incidents recorded close by to an HMO is higher than the private rented sector overall.
 - Concerns of the community through the submission of petitions and complaints to the Council's HMO inbox provided evidence that poorly managed and increased concentrations of HMOs can cause issues in terms of street quality, waste and management problems.

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- 4.8. However, it is important to emphasize that anti-social behaviour should not be attributed to all HMOs; many occupants of HMOs form part of and make a valuable contribution to the communities of Lewisham. Nonetheless, this does not take away from the need to better manage the cumulative impact of an increasing number of HMOs.
- 4.9. Based on the evidence, it is considered that an Article 4 Direction covering the remainder of the borough is the smallest geographical area possible to help ensure that the local amenity and well-being of areas are protected and the supply of family housing is appropriately managed.
- 4.10. A research briefing to the House of Commons in 2022 titled ‘Supported exempt accommodation (England)’ highlighted a rise in recent years nationally in non-commissioned providers utilising the exempt provisions of housing benefits to provide accommodation for vulnerable groups within HMOs. This also creates increased demand for HMOs within the borough, with local communities highlighting that HMO developers are targeting exempt accommodation in Catford, Lewisham and their surrounding areas. Research by Crisis explains that several factors have driven growth in poor quality non-commissioned exempt accommodation nationally, including:
- *reductions in spending on housing-related support;*
 - *reduced availability of social and private rented housing for single homeless adults; and*
 - *weak sector regulation and oversight.*
- 4.11. However, it is important to acknowledge the planning system has limited tools to ensure HMO exempt accommodation occupied by less than seven people is of high quality and not over-concentrated in an area, which is recognised nationally as an issue with legislation. This is because these types of HMOs are unaffected by Article 4 Directions as they would fall under use class C3(b) - not more than six residents living together as a single household where care is provided for residents - and single households are not defined in legislation for C3(b). Article 4 Direction cannot be used to restrict changes between uses in the same use class.
- 4.12. Exempt accommodation is also exempt from HMO licensing schemes as buildings controlled and managed by non-profit registered providers of social housing are not legally defined as HMOs in Schedule 14 of the Housing Act 2004. This is also recognised nationally as an issue with legislation.

Planning Applications

- 4.13. The effect of the withdrawal of permitted development rights is that planning permission will be required, the council would be obliged to determine any proposal in accordance with the development plan unless material considerations indicate otherwise. In Lewisham’s case, the development plan includes the London Plan, the Core Strategy, the Development Management Plan, the Site Allocations Plan and the Lewisham town centre Local Plan.
- 4.14. The relevant policy relating to Homes in Multiple Occupation (HMOs) in the Lewisham Development Management Plan is **DM Policy 6 Houses in multiple occupation (HMO)**:
1. *The Council will only consider the provision of new Houses in Multiple Occupation where they:*
 - a. *are located in an area with a public transport accessibility level (PTAL) of 3 or higher*
 - b. *do not give rise to any significant amenity impact(s) on the surrounding neighbourhood*

c. do not result in the loss of existing larger housing suitable for family occupation, and

d. satisfy the housing space standards outlined in DM Policy 32.

2. The Council will resist the loss of good quality Houses in Multiple Occupation.

3. The self containment of Houses in Multiple Occupation, considered to provide a satisfactory standard of accommodation for those who need shorter term relatively low cost accommodation will not be permitted, unless the existing floorspace is satisfactorily re-provided to an equivalent or better standard.

- 4.15. The draft new Lewisham Local Plan (Regulation 18 stage “main issues and preferred approaches” document) proposes a more thorough and stringent policy in regard to HMOs, which factors in their overconcentration. This is set out in policy **HO 9 Housing with shared facilities (Houses in Multiple Occupation)**, which will take effect once the new Local Plan is adopted. The draft policy may be subject to revisions following consultation feedback, and that any amendments would be set out in the Regulation 19 Lewisham Local Plan: Proposed Submission Version.

5. Representation Period

- 5.1. The representation period on the making the Article 4 Direction complied with the provisions set out in the General Permitted Development Order. Notice of the Direction was made by:
- Local advertisement in the press.
 - Site notices placed in visible locations for a period of at least 6 weeks.
 - The document will be made available on the Council’s website as well as in a number of convenient locations including Planning reception and local libraries
- 5.2. The requirement for written notification of individual owners and occupiers was not carried out (as permitted under the GPDO) as the number of owners and occupiers within the are affected by the Article 4 direction would make service of notice of it impracticable
- 5.3. Key organisations such as the Metropolitan Police, London Fire Brigade, South Lewisham Group Practice, Historic England, Environment Agency, Hexagon Housing, London and Quadrant, South Lewisham Group Practice, Phoenix Community Housing, Hexagon Housing Association, London and Quadrant, Age UK, Greater London Authority and neighbouring Councils.

Responses to representation period 18th January to 1st March 2023.

- 5.4. The Council received 31 representations in total through Citizen Space.
- 5.5. 84% of respondents (26 in total) who made a representation felt positively regarding the Article 4 Direction. Their reasons for support can be summarised as:
- Currently too many HMOs throughout the Borough
 - HMOs lead to an increase of anti-social behaviour
 - Too many HMOs are of poor quality and poorly managed
 - Loss of family housing
- 5.6. 16% of respondents (5 in total) who made a representation felt negatively regarding the Article 4 Direction. These can be summarised as:
- The Article 4 Direction could negatively impact the number of affordable rental properties in the Borough for single and young people or families on low incomes;

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5.7. Appendix 4 details a full schedule of representations made and responses.

6. Financial implications

6.1. The cost of making the Article 4 Direction did not exceed the £1,000 allocated within the existing budget.

6.2. There may be financial implications arising from the need to deal with future planning applications for change of use from C3-C4 which would have otherwise be allowed as permitted development. This will be managed within the existing planning budget. As of 17th January 2018 Lewisham now charges fees for applications covered by Article 4 Directions

6.3. An immediate article 4 was considered and discounted due to the financial risk attached to it, and that this approach was endorsed by scrutiny.

7. Legal implications

7.1. Article 4 Directions are made under the Town and Country Planning (General Permitted Development) (England) Order 2015 (“the GDPO”) and have the effect of removing the right to carry out the specified development without the need for planning permission. In this case the direction will remove permitted development rights for the change of use from dwelling houses (class C3) to small houses in multiple occupation (class C4) (HMOs), in the further areas covered by the order.

7.2. Section 107 as applied by Section 108 of the Town and Country Planning Act 1990 provides for property owners to claim compensation where permitted development rights have been withdrawn and planning permission for the development formerly permitted by those rights is refused or is granted subject to conditions other than those that would have applied to that PD right. The compensation payable comes within two heads, abortive expenditure and any other loss or damage directly attributable to the loss of PD rights, which can include any depreciation in the value of the land.

7.3. A person who makes a planning application for a development which would have been permitted development in the absence of the Article 4 direction has a right to claim compensation if that planning permission is refused. However, compensation can only be claimed if the planning application is made within a period of 12 months following the initial notification of an intention to adopt an Article 4 direction.

7.4. Therefore – as the local planning authority has given 12 months’ notice before the Article 4 Direction comes into force, no compensation is payable.

7.5. Pursuant to section 9D of the Local Government Act 2000 all functions of an authority are executive functions unless they are specified as not in either the 2000 Act or the Local Authorities (Functions and Responsibilities) (England) Regulations 2000 (as amended). Whilst some planning functions cannot be the responsibility of the Executive, the making of an Article 4 direction is not a specified function and it is therefore an Executive decision.

7.6. If an Article 4 direction is confirmed notification of this is required under Schedule 3 of the Town & Country (General Permitted Development) (England) Order 2015. The notice must include the description of the development and area affected, a statement of the effect of the direction, the date it will come into force and give details where the direction and map can be viewed. Notice is given by local advertisement, by site notice and if practicable by service on individual owners and occupiers of the properties subject to the Article 4 direction. The Secretary of State is also required to be notified of confirmation of the direction.

7.7. When considering the recommendations in this report, regard must be given to the public sector equalities duty to eliminate unlawful conduct under the Equality Act 2010.

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The duty is set out at Section 149 of the 2010 Act. It requires the Council, when exercising its functions, to have 'due regard' to the need to eliminate discrimination (both direct and indirect discrimination), harassment and victimization and other conduct prohibited under the Act, and to advance equality of opportunity and foster good relations between those who share a 'protected characteristic' and those who do not share that protected characteristic.

- 7.8. Implications in relation to the Human Rights Act 1998 Schedule 1, Part I – The Convention have been identified .If the Direction is confirmed this will affect the owners and occupiers' Article 1 property rights and their Article 8 rights to respect for Private & Family and Home rights
- 7.9. Under Article 1 Protection of Property every natural or legal person is entitled to the peaceful enjoyment of his possessions Under Article 8 Right to Respect for Private and Family Life Everyone has the right to respect for his private and family life, his home and his correspondence.. Interference in these rights by a public authority is only justified if it is in the public interest and subject to the conditions provided for by law.
- 7.10. The Council cannot act in a way which is incompatible with these rights. However these are qualified rights and therefore can be interfered with if it is in the public interest and proportionate to do so.

8. Equalities implications

- 8.1. The Equality Act 2010 (the Act) brings together all previous equality legislation in England, Scotland and Wales. The Act includes a public sector equality duty which covers the following nine protected characteristics: age; disability; gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 8.2. The Council must in the exercise of its functions, **have regard to** the need to:
 - Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
 - Advance equality of opportunity between people who share a protected characteristic and those who do not.
 - Foster good relations between people who share a protected characteristic and those who do not.
- 8.3. The Council's Single Equality Framework 2020-2024 provides an overarching framework and focus for the Council's work on equalities and helps ensure compliance with the Equality Act 2010.
- 8.4. HMOs are frequently occupied by low income, vulnerable, transient people. A refusal for a change of use from a dwelling house (Use Class C3) to a small HMO (Use Class C4) would not necessarily have a negative effect on these groups. Rather the Article 4 Direction would mean that the quality and location of HMOs could be managed through the planning system. If confirmed, it will assist in delivering better quality housing and regulate their concentration, improving the living conditions for occupants and those nearby.
- 8.5. The Public Sector Equality Duty is only one factor that needs to be considered when making a decision and may be balanced against other relevant factors. The council also took into account other relevant factors in respect of the decision, including financial resources and policy considerations. In appropriate cases, such countervailing factors may justify decisions which have an adverse impact on protected groups.

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9. Climate change and environmental implications

- 9.1. A Strategic Environmental Assessment (SEA) Screening Assessment was carried out and concluded that the use of the Article 4 Direction is unlikely to have any significant effects. This assessment formed part of the representation period and statutory consultees were given the opportunity to comment. No statutory consultee disagreed with the Screening Assessment. (see Appendix 3)

10. Crime and disorder implications

- 10.1. There are no direct implications relating to crime and disorder issues.
- 10.2. Although it is worth noting that the then Department for Communities and Local Government (DCLG), previous street surveys carried out by the Council and responses to the previous consultation on the small HMO Article 4 Direction for Lewisham's southern wards have all highlighted areas which have experienced an increased clustering of HMOs have also experienced a rise in anti-social behaviour.

11. Health and wellbeing implications

- 11.1. Housing has a huge influence on our mental health and wellbeing; poor housing conditions can have a long-term impact on health. The evidence suggests that the PRS, of which HMOs make a significant proportion, often provide a poor standard of living accommodations.
- 11.2. Combined with the new additional licensing scheme covering most HMOs, the confirmation of the Article 4 Direction would allow the Council to ensure that HMOs are of high quality and safe, providing appropriate internal and external spaces.

12. Background papers

- 12.1. Lewisham HMO Review and Evidence Paper Update November 2018.
<https://lewisham.gov.uk/myservices/planning/policy/adopted-local-plan/evidence-base/ldf-evidence-base--housing>
- 12.2. Report to Housing Select Committee 18 December 2018.
https://councilmeetings.lewisham.gov.uk/documents/s61360/04%20HMO_HousingComReport%20-%20171218.pdf
- 12.3. Report to Mayor and Cabinet 16 January 2019.
<https://councilmeetings.lewisham.gov.uk/documents/s61884/Article%204%20Direction%20to%20withdraw%20permitted%20development%20rights%20for%20the%20change%20of%20use%20from%20dwelling%20hou.pdf>
- 12.4. Report to Mayor and Cabinet 16 January 2019.
<https://councilmeetings.lewisham.gov.uk/documents/s67509/Article%204%20Direction%20for%20Lewishams%20southern%20wards%20of%20Bellingham%20Downham%20Whitefoot%20and%20Grove%20Park%20t.pdf>
- 12.5. Lewisham's existing adopted Local Development Framework.
<https://lewisham.gov.uk/myservices/planning/policy/adopted-local-plan> Which includes:
- Core Strategy 2011
 - Development Management Local Plan 2014
 - Site Allocations Local Plan 2013
 - Lewisham Town Centre Local Plan 2014
- 12.6. National Planning Policy Framework (NPPF) 2021.
<https://www.gov.uk/government/publications/national-planning-policy-framework—2>

- 12.7. National Planning Policy Framework (NPPF) 2018
<https://webarchive.nationalarchives.gov.uk/ukgwa/20210708211349/https://www.gov.uk/government/publications/national-planning-policy-framework--2>
- 12.8. Lewisham Local Plan Regulation 18 Stage “main issues and preferred approaches” document.
<https://lewisham.gov.uk/myservices/planning/policy/planning/about-the-lewisham-local-plan>
- 12.9. Department for Communities and Local Government, Evidence Gathering – Housing in Multiple Occupation and possible planning responses 2008.
<https://planningjungle.com/wp-content/uploads/Evidence-Gathering-Housing-in-Multiple-Occupation-and-possible-planning-responses-Final-Report-September-2008.pdf>
- 12.10. Article outlining research by Octane Capital, May 2022
<https://www.landlordzone.co.uk/news/shock-drop-in-number-of-hmos-blamed-on-growth-of-council-licensing-schemes/>
- 12.11. Research Briefing, Supported exempt accommodation (England) 2022, Houses of Commons Library.
<https://commonslibrary.parliament.uk/research-briefings/cbp-9362/>
- 12.12. Crisis Policy Briefing Supported exempt accommodation 2021
<https://www.crisis.org.uk/ending-homelessness/latest-briefings-and-responses/crisis-policy-briefing-exempt-accommodation/>
- 12.13. Report to Mayor and Cabinet 6 July 2022.
<https://councilmeetings.lewisham.gov.uk/ieListDocuments.aspx?CId=139&MId=7728>

13. Glossary

Term	Definition
Article 4 Direction	Article 4 direction is a direction under article 4 of the General Permitted Development Order which enables the Secretary of State or the local planning authority to withdraw specified permitted development rights across a defined area.
Development plan	The London Plan, Local Plans, other Development Plan Documents and Neighbourhood Plans.
Family housing	A residential unit with three or more bedrooms.
Exempt accommodation	Exempt accommodation is supported housing which is exempt from Housing Benefit regulations that limit rents to defined local levels. Exempt accommodation is defined as a resettlement place or accommodation provided by a county council, housing association, registered charity or voluntary organisation where that body or person acting on their behalf provides the claimant with care, support or supervision.
Large HMO	In planning terms it is property occupied by more than 6 unrelated individuals that share basic amenities such as a kitchen or bathroom.

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Term	Definition
National Planning Policy Framework	National Planning Policy Framework - Prepared by the Government to explain statutory provisions and provide guidance to local authorities and others on planning policy and the operation of the planning system.
Permitted development rights	Permitted development rights are a national grant of planning permission which allow certain building works and changes of use to be carried out without having to make a planning application
Regulation 18	Local Plans must be prepared in stages set out in law. Regulation 18 is a public consultation at an early stage in preparing the Plan. The Regulation 18 consultation document and the responses received will help us to prepare a final draft of Lewisham's new local plan.
Regulation 19	Local Plans must be prepared in stages set out in law. Regulation 19 the second stage of the consultation process providing local communities, businesses and other interested stakeholders with the opportunity to comment on the policy content of a draft Local Plan, within a specific remit. The remit for public consultation relates to the 'Tests of Soundness' and includes legal compliance, as set out in National Planning Policy Framework.
Small HMO	In planning terms it is where dwelling that is occupied by between 3 and 6 unrelated individuals who share basic amenities such as a kitchen or bathroom.

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15. Appendices

- Appendix 1: HMO Review and Evidence Paper May 2022
- Appendix 2: Plan indicating extent of Article 4 Direction
- Appendix 3: Strategic Environmental Assessment (SEA) Scoping Assessment
- Appendix 4: Schedule of representations and responses
- Appendix 5: Article 4 Direction

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Lewisham HMO Review and Evidence Paper

May 2022

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1. Introduction

- 1.1. This paper has been written in response to continued concern from Councillors, a Member of Parliament (MP) and local residents regarding the impact of Houses in Multiple Occupation (HMO) across the London Borough of Lewisham (LBL) but particularly in Catford South ward.

2016 Review

- 1.2. In 2016, the Council carried out a review of the quantity and spatial distribution of HMOs in the borough. This was in response to concern from Council Enforcement Officers, Councillors and local residents regarding the creation of poor quality HMOs, particularly within Bellingham, Downham and Whitefoot wards. The review looked at whether there was sufficient evidence to demonstrate sufficient harm arising from high concentrations of HMO to justify an Article 4 Direction.
- 1.3. It found that neither a high number nor concentration of HMO in any particular area could be identified with the data sets available. Therefore, the review concluded there was insufficient evidence to support an Article 4 direction. It also noted that the issues being faced could be dealt with more appropriately via licensing.

2018 Review

- 1.4. In 2018, the Council updated the 2016 review following concerns from Council Enforcement Officers, Councillors and local residents regarding the creation and concentration of poor quality HMOs.
- 1.5. The review found that whilst the data available did not suggest a significant increase of HMOs within the borough, it did demonstrate a change in their spatial distribution with a significant increase and clustering within the borough's southern wards. It therefore concluded there was insufficient evidence to support a borough-wide Article 4 Direction.
- 1.6. However, an Article 4 Direction to remove permitted development rights for small HMOs in Lewisham's southern wards of Bellingham, Whitefoot, Downham and Grove Park was recommended. It was deemed that these wards which traditionally had the lowest proportion of HMOs in the borough are unsuitable locations for high HMO concentrations due to their high levels of deprivation, poor public transport accessibility and suburban character with a high concentration of family homes. The Article 4 Direction came into effect in March 2020. The boundary of the Article 4 Direction is shown in Appendix 1.
- 1.7. The review also recommended that:
 - Alongside the Article 4 Direction, a selective or additional licensing scheme is explored to enable the Council to better manage the impact and improve the standard of small HMOs within Lewisham's southern wards.
 - The new Local Plan being prepared proposes development management policies which addresses the harmful overconcentration of HMOs.
 - A Council-wide monitoring system which facilitates cross-departmental data sharing and a better understanding of HMOs should be developed. It can be used to as part of a robust evidence to support future Article 4 Directions and extensions to licencing.

- 1.8. The following recommendations been implemented since the 2018 Review:
- The Council implemented a new Additional Licensing scheme covering most HMOs in April 2022.
 - The new Local Plan being prepared proposes more stringent and thorough development management policies regarding HMOs, which addresses harmful over concentrations.
- 1.9. However, the development of a Council-wide monitoring system facilitating cross-departmental data sharing and a better understanding of HMOs has been hampered by the Covid-19 pandemic, but improvements have been made. For instance, the Council have enacted a joint enforcement approach whereby officers from multiple Council services, including enforcement, building control and planning, have started to attend inspections together and commit to cross-departmental data sharing.

2022 Review

- 1.10. By September 2021, the Council were receiving regular correspondence and concerns about HMOs in Catford South ward and more generally across the borough from Councillors, local residents and the MP. As such, the Council has undertaken an update of the 2018 review. The purpose of this review is to:
1. Update the data sets and review new data sets on the quantity and spatial distribution of HMOs.
 2. Review evidence available on whether harm to the local amenity or wellbeing of an area are arising from HMOs.
 3. Ascertain whether there is sufficient evidence to justify further Article 4 Directions in other wards.

Evidence

- 1.11. For the 2018 Review, an indicative picture of the range of HMOs was built up by assessing data from the following sources:
- Planning Records
 - Planning Enforcement Records
 - 2001 and 2011 census (Office for National Statistics)
 - Council Tax records
 - Benefits Data (Shared Accommodation Rate Claims)
 - Street Surveys for Bellingham Downham and Whitefoot wards once the initial assessment had been undertaken. This was carried out to strengthen the evidence, as whilst the initial assessment demonstrated a change in HMOs' location, it did not clearly indicate a significant rise.
- 1.12. For the 2022 Review, the same sources were reviewed again apart from three data sets due to unavailability:
- **Census data:** whilst a new census was completed in 2021, the data is unreleased from the Office for National Statistics (it is anticipated to become available by 2023).
 - **Benefits data** (Shared Accommodation Rate Claims): no longer available to the Council due to the rollout of universal credit in July 2018, which absorbed housing benefits.
 - **Street surveys:** given that the initial assessment has clearly indicated significant rises in the number of HMOs within many wards, this was considered unnecessary

and would be too-resources intensive and costly to undertake comprehensive street surveys across the borough.

- 1.13. Additional data sets and research were also reviewed as part of this update. This includes predictive modelling, undertaken by the Council's housing data scientist, which predicts the probability of properties being an HMO using a range of indicators to estimate the borough's total number of HMOs. And research previously undertaken by the Council into the private rental sector (PRS) and HMOs to inform the Council's additional licensing scheme and the application for selective licensing.
- 1.14. New LBL ward boundaries has taken effect since the local elections on the 5th of May 2022. This review however uses previous ward boundaries for two reasons. Firstly, using previous ward boundaries enables direct comparison of the quantity and spatial distribution of HMOs between wards since the 2018 review. Secondly, the evidence drawn upon as part of this review used previous ward boundaries as the studies were undertaken before the new ward boundaries came into effect. However, this review includes maps showing the distribution of predicted HMOs in relation to both old and new ward boundaries.
- 1.15. In establishing an evidence base for 2016, 2018 and 2022 Review the accurate identification of the quantity and spatial distribution of HMOs in the borough was problematic due to several factors, the primary ones being:
 - the expansion of permitted development rights to allow conversion of a C3 dwellinghouse to C4 small HMO;
 - unauthorised development; and
 - under-reporting of conversions.

2. Background

- 2.1 The London Plan (2021) acknowledges the role of HMOs in meeting the housing needs of London's residents. HMOs are an important source of low-cost housing within the private rented sector, particularly for those on low incomes, students, young people and vulnerable groups who cannot access other types of market or affordable housing. HMOs are also an important source of flexible housing for those seeking temporary accommodation.
- 2.2 A report¹ produced by the then Department for Communities and Local Government (DCLG), now the Department for Levelling Up, Housing and Communities (DLUHC), was directly prepared in response to the problems associated with high concentrations of HMO. Despite the report noting that positive regeneration impacts can result from this spatial distribution, such as introducing a new population and life into an area, it notes that the following negative impacts can also be experienced:
 - Poor refuse management;
 - Anti-social behaviour, noise and nuisance;
 - Imbalanced and unsustainable communities;
 - Negative impacts on the physical environment and streetscape;
 - Pressures upon parking provision;

¹ [Evidence Gathering – Housing in Multiple Occupation and possible planning responses 2008.](#)

- Increased crime;
 - Growth in private sector at the expense of owner-occupation;
 - Pressure upon local community facilities, and
 - Restructuring of retail, commercial services and recreational facilities to suit the lifestyles of the predominant population.
- 2.3 Currently, 17 out of 32 London Boroughs have introduced an Article 4 Direction removing permitted development rights for the change of use from C3 dwellinghouse to C4 small HMO. 11 of these apply borough-wide, and 6 apply to focussed areas. The fact that over half of all London Boroughs have demonstrated a need to remove such permitted development rights - the majority of which are borough-wide - clearly indicates that an unregulated growth of small HMOs is an issue across London and not just in Lewisham.
- 2.4 As part of a balanced mix of housing, the Council recognises that HMOs are a legitimate form of housing that meets a need for some of Lewisham's residents. However, when highly concentrated and poorly managed, they can create harmful impacts for local communities, including the occupants of HMOs themselves, and reduce the supply of family housing units (3 or more bedrooms). Therefore, this review has been prepared to ascertain whether a further Article 4 Direction is required to ensure the local amenity and well-being of an area is protected and the demand for HMOs is balanced with the need for family housing.
- 2.5 An Article 4 Direction does not mean an application for small HMO would be automatically refused. It merely requires the submission of a planning application for a proposed HMO so that the impacts can be assessed in accordance with the relevant planning policies adopted in the local plan at the time.
- 2.6 It is important to note that issues surrounding HMOs cannot be mitigated by planning alone. Any further Article 4 Direction will form part of a corporate response across the Council, including licensing, to improve property standards and better manage the impacts of HMOs.

3. HMO definitions

- 3.1 HMOs are defined in a number of ways by different Council and government departments. This is an issue in itself for making the accurate identification of the quantity and spatial distribution of HMOs in the borough problematic.
- 3.2 The definitions of a HMO within the planning, housing, council tax and census context are set out below.

Planning

- 3.3 Planning law² divides HMO types into two categories:

- **A small HMO** is defined as a dwelling that is occupied by between 3 and 6 unrelated individuals who share basic amenities such as a kitchen or bathroom. A small HMO

² [The Town and Country Planning \(Use Classes\) Order 1987 \(as amended\) and The Town and Country Planning, \(General Permitted Development\) \(England\) Order 2015.](#)

is classified as a 'C4' use within the Use Class Order, 2015. Single family dwellings (classified as C3 use) are permitted to change use to a C4 use and vice-versa without the need to gain planning permission according to The Town and Country Planning, (General Permitted Development) (England) Order 2015.

- **A large HMO** is defined as a property that is occupied by more than 6 unrelated individuals that share basic amenities such as a kitchen or bathroom. A large HMO is classified as Sui Generis (a use that does not fall in any Class). The creation of a large HMO requires planning permission.

Housing

3.4 In summary, the definition of a HMO according to the Housing Act, 2004 is a building or part of a building that:

- is occupied by more than one household and where more than one household shares, or lacks an amenity, such as a bathroom, toilet or cooking facilities;
- is occupied by more than one household and which is a converted building, but not entirely into self-contained flats (whether or not some amenities are shared or lacking);
- and/or, is converted into self-contained flats, but does not meet as a minimum standard the requirements of the 1991 Building Regulations (known as S275 HMOs), and at least one third of flats are occupied under short tenancies.

Council Tax

3.5 The Council Tax (Liability for Owners) (Amendment) Regulations 1992 define a HMO as any which:

- Was originally constructed or subsequently adapted for occupation by persons who do not constitute a single household; or (and prior to 1 April 1995).
- is inhabited by a person who, or two or more persons each of whom, is either: the tenant of, or has a licence to occupy part only of the dwelling (e.g. a single room) or; has a license to occupy the dwelling, but is not liable (whether alone or jointly with other persons) to pay rent.

Census

3.6 The Census makes the distinction between shared and unshared dwellings. A dwelling is classified as shared if:

- the household spaces it contains have the accommodation type "part of a converted or shared house";
- not all the rooms (including kitchen, bathroom and toilet, if any) are behind a door that only that household can use; and,
- there is at least one other such household space at the same address with which it can be combined to form the shared dwelling.

4. Policy and legislative context

National

4.1. The National Planning Policy Framework (NPPF, 2021) does not set out specific guidance on HMOs. Although, paragraph 61 of the NPPF states that *the size, type and tenure of housing needed for different groups in the community should be assessed and reflected in planning policies.*

- 4.2. In addition, paragraph 7 of the NPPF states *that the purpose of the planning system is to contribute to the achievement of sustainable development*. At a very high level, the NPPF explains the objective of sustainable development as *meeting the needs of the present without comprising the ability of future generations to meet their own needs* (NPPF, paragraph 7).
- 4.3. In order to achieve sustainable development, the planning system has three overarching objectives: economic, social and environmental. The social objective seeks to ensure that *a sufficient number and range of homes can be provided to meet the needs of present and future generations* (NPPF, paragraph 8.b).

Planning Use Classes

- 4.4. Important changes affecting HMOs took place in 2010. The Town and Country Planning (Use Classes) (Amendment) (England) Order 2010 (SI 653) came into force on 6 April 2010 and its main effect was to amend Class C3:

Prior to the amendment Class C3 read as below:

Dwellinghouses

Class C3 Use as a dwellinghouse (whether or not as a sole or main residence) by- a single person or by people living together as a family, or by not more than six residents living together as a single household (including a household where care is provided for residents).

Post the amendment:

Class C3. Dwellinghouses

Use as a dwellinghouse (whether or not as a sole or main residence) - by

- a. a single person or by people to be regarded as forming a single household;
- b. not more than six residents living together as a single household where care is provided for residents; or
- c. not more than six residents living together as a single household where no care is provided to residents (other than a use within Class C4).

Interpretation of Class C3

For the purposes of Class C3(a) “single household” shall be construed in accordance with section 258 of the Housing Act 2004.”

Class C4. Houses in multiple occupation

Use of a dwellinghouse by not more than six residents as a “house in multiple occupation”.

Interpretation of Class C4

For the purposes of Class C4 a “house in multiple occupation” does not include a converted block of flats to which section 257 of the Housing Act 2004 applies but otherwise has meaning as in section 24 of Housing Act 2004.

- 4.5. After the publication of the 2010 amended Use Classes Order, the then DCLG published ‘Changes to planning regulations for dwelling houses and houses in multiple occupation’ (2010) which further explained that “*For the purposes of C3(b) and (c) single household is not defined in the legislation.*” (Paragraph 1) and “*Furthermore, C3(b) continues to*

make provision for supported housing schemes, such as those for people with disabilities or mental health problems.” (Paragraph 4).

- 4.6. The Town and Country Planning (General Permitted Development) (Amendment) (England) Order also highlights the tenure types and types of management arrangements that are excluded from C4 (HMO between 3 and 6 unrelated individuals):
- *Social housing is excluded from C4 as are care homes, children’s homes and bail hostels. Properties occupied by students which are managed by the education establishment, those occupied for the purposes of a religious community whose main occupation is prayer, contemplation, education and the relief of the suffering are also excluded. Some of these uses will be in C3, others will be in other use classes or fall to be treated as sui generis (Paragraph 30).*
 - *Properties containing the owner and up to two lodgers do not constitute a house in multiple occupation for these purposes (Paragraph 31).*
- 4.7. In the document ‘Changes to planning regulations for dwellinghouses and houses in multiple occupation’ Annexe A Guidance on Classes it gives the following guidance in regard to large HMOs:
- *Large houses in multiple occupation – those with more than six people sharing – are unclassified by the Use Classes order and are therefore considered to be ‘sui generis’ (Paragraph 16).*
 - *Although the control limit of six persons defines the scope of the C3 (b) and (c) dwellinghouses and C4 houses in multiple occupation classes, this does not imply that any excess of that number must constitute a breach of planning control. A material change of use will occur only where the total number of residents has increased to the point where it can be said that the use has intensified so as to become of a different character or the residents in relation to C3 no longer constitute a single household (Paragraph 17).*

Article 4 Directions

- 4.8. The Government has given Councils the power to remove certain ‘permitted development rights’ in all or part of their area through Article 4 of the General Permitted Development Order 2015 (as amended) if they consider it is appropriate to do so and there is sufficient planning justification.
- 4.9. There are two types of Article 4 directions under the 2015 Order:
- **An immediate Article 4 Direction** applies when the development to which the direction relates would be prejudicial to the proper planning of their area or constitute a threat to the amenities of their area. The direction withdraws permitted development rights with immediate effect once notice of the direction is published. However, a local planning authority may be liable to pay compensation to a landowner when permitted development rights are removed by an immediate Article 4 Direction. All claims for compensation must be made within 12 months of the date on which the planning application for development formerly permitted is refused.

- **A non-immediate Article 4 Direction** requires a 12 month interval after notice of the direction is published before the direction comes into force. A non-immediate Article 4 Direction is therefore implemented to reduce the likelihood of any compensation claims against the Council.

4.10. Paragraph 53 of the NPPF states the use of Article 4 directions to remove national permitted development rights should:

...be limited to situations where this is necessary to protect local amenity or the well-being of the area... [and]...be based on robust evidence, and apply to the smallest geographical area possible

4.11. Furthermore, Planning Policy Guidance (PPG) adds further clarity on when it is appropriate to use Article 4 Directions. Paragraph 038 states:

The potential harm that the article 4 direction is intended to address will need to be clearly identified, and there will need to be a particularly strong justification for the withdrawal of permitted development rights relating to a wide area (e.g. those covering entire area of a local planning authority).³

4.12. The PPG also clarifies that Article 4 Direction cannot be used to restrict changes between uses in the same use class of the Use Classes Order as movement from one primary use to another within the same use class is not development and therefore does not require planning permission.⁴

Regional

London Plan

4.13. The London Plan (2021) recognises the importance of HMOs. Policy H9 (Ensuring the best use of stock) of the London Plan states that *Boroughs should take account of the role of HMOs in meeting local and strategic housing needs. Where they are of a reasonable standard they should generally be protected.*

4.14. The supporting text of Policy H9 clearly acknowledges the important role HMOs play in London's Housing market by stating:

HMOs are an important part of London's housing offer, reducing pressure on other elements of the housing stock. Their quality can, however, give rise to concern. Where they are of a reasonable standard they should generally be protected and the net effects of any loss should be reflected in Annual Monitoring Reports. In considering proposals which might constrain this provision, including Article 4 Directions affecting changes between Use Classes C3 and C4, boroughs should take into account the strategic as well as local importance of HMOs (Paragraph 4.9.4).

4.15. Achieving high standards of residential quality and design internally and externally are matters that the 2021 London Plan seeks to deliver through Policy D56 Quality and Design of Housing Developments, in that *housing development should be of high quality design and provide adequately-sized rooms with comfortable and functional layouts*

³ [Paragraph: 038 Reference ID: 13-038-20210820](#)

⁴ [Paragraph: 036 Reference ID: 13-036-20140306](#)

which are fit for purpose and meet the needs of Londoners without differentiating between tenures.

Local

Adopted

- 4.16. DM Policy 6 of the Development Management Local Plan (2014) sets out the Council's planning policy approach to HMOs. DM Policy 6 states:
1. *The Council will only consider the provision of new Houses in Multiple Occupation where they:*
 - a. *are located in an area with a public transport accessibility level (PTAL) of 3 or higher;*
 - b. *do not give rise to any significant amenity impact(s) on the surrounding neighbourhood*
 - c. *do not result in the loss of existing larger housing suitable for family occupation, and*
 - d. *satisfy the housing space standards outlined in DM Policy 32.*
 2. *The Council will resist the loss of good quality Houses in Multiple Occupation.*
 3. *The self-containment of Houses in Multiple Occupation, considered to provide a satisfactory standard of accommodation for those who need shorter term relatively low cost accommodation will not be permitted, unless the existing floor space is satisfactorily re-provided to an equivalent or better standard.*
- 4.17. One of the purposes of DM Policy 6 is to protect family housing unless environmental issues such as noise and lack of amenity space render the retention of a dwellinghouse unsuitable. However, these exceptions are subject to accordance with the plan's design policies and a minimum floor space of 130 sqm.
- 4.18. The adopted local development framework does not contain policies which seek to address the harmful overconcentration of HMOs.

Proposed

- 4.19. The draft new Lewisham Local Plan (Regulation 18 stage "main issues and preferred approaches" document) proposes a more thorough and stringent policy in regard to HMOs, which factors in their overconcentration. This is set out in policy HO 9 Housing with shared facilities (Houses in Multiple Occupation) outlined below:
- A. *Development proposals for new housing with shared facilities (i.e. Houses in Multiple Occupation) (HMOs) in the Sui Generis Use Class will only be supported where they contribute to a beneficial mix and balance of uses within an area and:*
 - a. *Do not result in the loss of existing larger housing suitable for family occupation;*
 - b. *Do not result in an overconcentration of HMOs in the area;*
 - c. *Do not give rise to adverse impacts on the amenity of the surrounding properties and neighbourhood, including cumulative impacts taking account of other HMOs in the area;*
 - d. *Are appropriately located in areas of good transport accessibility; and*

- e. *Are well-designed and provide high quality accommodation that satisfies the relevant standards for HMOs along with other Local Plan policies, including for internal space standards and amenity space provision.*
- B. *Development proposals for small HMOs in the C4 Use Class (i.e. 3 to 6 unrelated people) within any area covered by an Article 4 Direction will only be permitted where they contribute to a beneficial mix and balance of uses within an area and:*
 - a. *The gross original internal floorspace of the existing dwelling is 130 sq. metres or greater; and*
 - b. *The requirements of (A)(b-e) above are satisfied*
- C. *Development proposals that result in the loss of an HMO, or the self-containment of any part of an HMO, will be resisted unless it can be suitably demonstrated that:*
 - a. *The existing building does not meet the appropriate standards for an HMO and has no realistic prospect of meeting the standards; and*
 - b. *Adequate replacement provision can be secured within the Borough, having regard to the requirements of (A) above, with no net loss in HMO floorspace; or*
 - c. *Any replacement use includes an element of residential provision that meets an acute local housing need, particularly genuinely affordable housing, with at least the equivalent amount of residential floorspace re-provided.*
- D. *Large-scale purpose-built shared living accommodation in the Sui Generis Use Class will generally be resisted as this type of use compromises opportunities to deliver conventional housing in the Borough. Development proposals will only be permitted where it is suitably demonstrated that:*
 - a. *They meet an identified local need for the type of housing proposed;*
 - b. *Private residential units within the development are demonstrably not accommodation in the C3 Use Class;*
 - c. *There is adequate provision of communal facilities and services suited to the intended occupiers;*
 - d. *They are appropriately located and designed to high quality standard, having regard to the requirements of (A) above;*
 - e. *The development will be suitably managed and maintained over its lifetime, as evidenced by a management plan;*
 - f. *Minimum tenancy lengths are available to occupants; and*
 - g. *A cash-in-lieu contribution is made towards affordable housing in the C3 Use Class.*
- 4.20. This draft policy may be subject to revisions following consultation feedback, and that any amendments would be set out in the Regulation 19 Lewisham Local Plan: Proposed Submission Version.

5. Licensing

- 5.1 Most HMOs within the borough have to be licensed. The Council currently operates the following licensing schemes.

National Mandatory Licensing Scheme

- 5.2 Since October 2018, by law, an HMO must have a national mandatory licence if it has five or more people in more than one household and share amenities, such as

bathrooms, toilets and cooking facilities. National mandatory licenses, if granted are valid for five years.

Lewisham Additional Licensing Scheme

- 5.3 An Additional License Scheme has been in effect in the Borough since February 2017 and applies to any HMO above commercial premises. This Additional Licensing Scheme was replaced with a new Additional Licensing Scheme, which came into force on 5 April 2022 and applies to most HMOs in Lewisham that the National Mandatory Scheme does not capture. This includes properties with three or more tenants forming two or more different households irrespective of the property type, i.e. it includes flats and houses. Each licence can last up to 5 years or until the scheme expires on 4 April 2027
- 5.4 Certain types of properties are exempt from HMO licensing as they are not legally defined as HMOs in Schedule 14 of the Housing Act 2004. These include buildings controlled and managed by a:
- local housing authority
 - non-profit registered provider of social housing
 - body which is registered as a social landlord
 - police and crime commissioner;
 - fire and rescue authority
 - health service body
- 5.5 These changes to licensing will help to achieve a higher quality of HMO accommodation across the borough by requiring them to meet set standards for room sizes, health and safety, and property management, ensuring safe, secure and well-managed properties for tenants. Landlords will also be required to have clear plans in place to tackle any anti-social behaviour related to their properties.
- 5.6 Whilst licensing will help to improve standards for private renters in HMOs, some issues assessed and mitigated as part of a planning application are not covered within a licensing application. Such issues can include: the loss of housing suitable for family occupation, the cumulative impact resulting from a harmful overconcentration of HMOs, ensuring HMOs are located in areas that are well-connected to local services, impacts on local amenities and refuse storage arrangements.

6. Evidence: high and increasing demand for HMOs

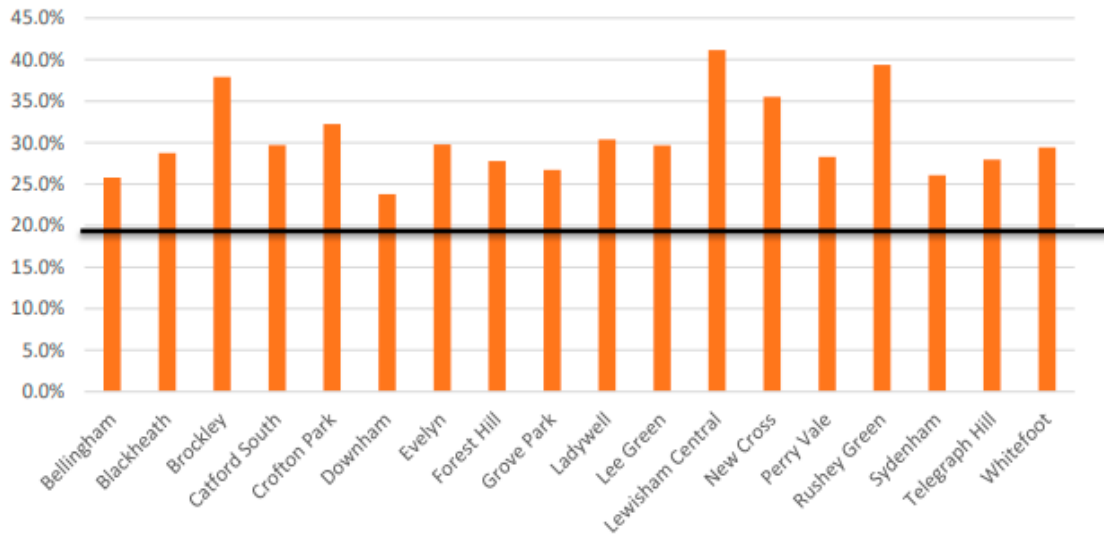
- 6.1 This section considers the opportunities in which HMOs are created and factors contributing to the increasing demand for HMOs within the borough.

Tenure

- 6.2 A large and growing private rented sector lends itself to HMO conversions within the borough.
- 6.3 The proportion of private sector housing in the borough has increased significantly at the expense of owner-occupation. Over the past two decades, the private rented sector (PRS) has more than doubled from 14% in 2001 (Office for National Statistics - ONS) to 31% in 2021 (Metastreet), whilst owner-occupation decreased from 50% in 2001 (ONS) to 41% in 2021 (Metastreet). Such changes in tenure are part of long term nationwide and regional trends, with the PRS in the UK growing from 9% in 2000 to 19% in 2020

(ONS). However, the PRS remains more prevalent across Lewisham when compared nationally. Figure 1 below shows that each ward in the borough has a higher percentage of private sector housing than the national average (19%). Lewisham Strategic Housing Market Assessment Update (SHMA) (2021/22) explains that the growth of the PRS for both 'active choice' renters and 'frustrated would-be' homeowners can be attributed to increasing house prices, a struggling sales market and less access to social rented housing.

Figure 1: Percentage of PRS dwellings by each ward. Horizontal black line shows national average at 19%



Source: LBL Private Rented Sector: Housing Stock Condition and Stressors Report (2021)

Affordability

- 6.4 The affordability challenge across London as a whole and Lewisham as a borough is likely to result in increased demand from lower-income households for HMOs.
- 6.5 Lewisham's SHMA Update (2021/2) states that prices in the borough have risen dramatically since 2000, with median prices increasing 330% from £99,995 in 2000 to £430,000 in 2020. This has been the largest proportionate increase compared with neighbouring boroughs, the South East and England. Affordability is a major issue within the Borough as the ratio of median house price to median gross annual (workplace-based) earnings (2021) for Lewisham is 14.23.

Student population

- 6.6 A large and growing student population in Lewisham means the demand for HMOs is likely to be high given that HMOs present a type of lower-income housing. The delivery of new purpose-built student accommodation (PBSA) will help to alleviate some of the demand for new HMOs resulting from a growing student population. However, there will still be increasing demand for HMOs from students who cannot afford PBSA.
- 6.7 There are four key higher education providers borough: Goldsmiths College located within the north borough with 10,090 full time students (2019/20)⁵, University of

⁵ Source: Higher Education Statistics Agency

Greenwich located to east of the borough with 19,825 full-time students (2019/20)⁶, Trinity Laban located within the north of the borough with 1,250 full-time students (2019/2020)⁷ and Lewisham College⁸ located within the north of the borough. Goldsmiths College also has significant expansion plans to grow the number of full-time students to 13,885 by 2025⁹.

- 6.8 2021 council tax data reports 1,013 dwellings that students wholly occupied, a significant proportion but not all of which are likely to be HMOs. Table 1 below shows these were located throughout the borough but mainly concentrated in the wards of Brockley, New Cross and Evelyn, given its proximity to Goldsmiths College.

Table 1: Council tax student exempt properties by ward

Ward	Number
Evelyn	146
New Cross	140
Brockley	110
Lewisham Central	101
Telegraph Hill	74
Blackheath	55
Bellingham	48
Sydenham	44
Rushey Green	41
Forest Hill	34
Whitefoot	34
Perry Vale	33
Lee Green	32
Grove Park	29
Ladywell	28
Downham	25
Crofton Park	21
Catford South	18

Source: Lewisham SHMA Update (2020/21)

⁶ Source: Higher Education Statistics Agency

⁷ Source: Higher Education Statistics Agency

⁸ No data available on the number of full time students enrolled at Lewisham College

⁹ Source: Planning Statement submitted for planning application DC/20/116334

Welfare Reform

- 6.9 The Shared Accommodation Rate (SAR) introduced in 1996 initially limited the Housing Benefit of a single person under the age of 25 to the average rent level charged for a room in a shared house. The government extended the SAR to cover single claimants up to age 35 from January 2012. Such changes to housing benefits have expanded the HMO market by adding to the proportion of the rental population who can only afford a room in a shared house. In effect, opportunities for landlords seeking to purchase single-family dwellings and convert them into HMOs have widened following this expansion in potential HMO occupants.
- 6.10 The 2018 HMO Review and Evidence Paper evidenced a growth in a clustered manor of this particular delivery model of small HMOs - those occupied by people with access to SAR for housing benefit - within the wards of Bellingham and Whitefoot. These two wards were targeted for small HMO conversions to house people claiming housing benefit because they have some of the lowest median property values for terraced and semi-detached houses within the geographical area to which the Inner South East London Local Housing Allowance Rate (LHA) applies.
- 6.11 Whether a growth in this particular delivery model of small HMOs has occurred in wards outside the current Article 4 Direction boundary cannot be ascertained as part of this updated review. This is because housing benefit data for SAR claims is no longer available to the Council due to the roll out in universal credit in July 2018, which absorbed housing benefits.

Exempt Accommodation HMOs

- 6.12 The growth in non-commissioned exempt accommodation nationally has added to the proportion of vulnerable groups who live in HMOs.
- 6.13 Exempt accommodation is supported housing which is exempt from Housing Benefit regulations that limit rents to defined local levels¹⁰. Exempt accommodation is defined as:
- a resettlement place or;
 - accommodation provided by a county council, housing association, registered charity or voluntary organisation where that body or person acting on their behalf provides the claimant with care, support or supervision.¹¹
- 6.14 The 'exempt' provisions of Housing Benefit have been in place since 1996 and are an established mechanism of funding, primarily, the housing-related costs of a wide range of supported housing schemes. It often houses vulnerable groups including: recent prison leavers; care leavers; those fleeing domestic violence; and homeless people experiencing substance dependence or mental health issues¹². When delivered well, exempt accommodation can play a useful role in providing good quality transitional accommodation and support for people to enable them to move onto mainstream housing.

¹⁰ Limits set by Local Housing Allowance rates. Help towards housing costs for people living in supported 'exempt' accommodation is provided.

¹¹This definition is set out in paragraph 4(10) of Schedule 3 to the Housing Benefit and Council Tax Benefit (Consequential Provisions) Regulations 2006.

¹² [Research Briefing, Supported exempt accommodation \(England\) 2022, Houses of Commons Library](#)

- 6.15 However, evidence highlighted in a research briefing to the House of Commons in April 2022¹³ has shown a rise in non-commissioned providers utilising the exempt provisions of housing benefit to provide poor quality, unsafe accommodation within HMOs with limited care, support and supervision. Despite exempt provisions of housing benefit being in place since 1996, the number of exempt accommodation properties has increased significantly in recent years. As of May 2021, 153,701 households in the UK were housed in exempt accommodation, representing a 62% increase from 2016 to 2021. Research by Crisis¹⁴ explains that several factors have driven growth in poor quality non-commissioned exempt accommodation, including reductions in spending on housing-related support, reduced availability of social and private rented housing for single adults experiencing homelessness and weak sector regulation and oversight (for instance, exempt accommodation is exempt from HMO licensing schemes).
- 6.16 Recent community concerns have highlighted that HMO developers are targeting exempt accommodation in Catford, Lewisham and their surrounding areas. Whilst the extent of exempt accommodation in the borough has not been verified as part of this review, it is reasonable to assume such growth is likely in line with national trends considering the borough has a large and growing private rented sector, high levels of deprivation in some areas and a notable proportion of homeless residents seeking accommodation (1.03 per 1,000 households)¹⁵.
- 6.17 It is important to acknowledge the planning system has limited tools to ensure HMO exempt accommodation occupied by less than 7 people is of high quality and not over concentrated in an area. This is because these types of HMOs are unaffected by Article 4 Directions as they would fall under use class C3(b) - *not more than six residents living together as a single household where care is provided for residents* - and single households are not defined in legislation for C3(b). As outlined in paragraph 4.12, an Article 4 Direction cannot be used to restrict changes between uses in the same use class.
- 6.18 This is recognised nationally as an issue with legalisation. Birmingham City Council, for instance, has the highest concentration of exempt HMO accommodation in the country despite having a city-wide Article 4 Direction on small HMOs in place. They are lobbying central government to change planning legislation to ensure exempt accommodation are subject to the same planning approval and licensing process as other HMOs.¹⁶

Higher yields for HMOs

- 6.19 Gross yields for HMOs are higher than the standard buy-to-let property. For example, the median rent for a three-bedroom property in Lewisham was £1350 in 2019¹⁷, whereas a room in a shared house was £600 in 2019¹⁸. When multiplied by three (3 x £600=£1800), the gross yield generated by three-person HMO when let on a single room basis is a third higher than that generated by a single-family. Therefore, landlords have a greater financial incentive to let properties as HMOs rather than single-family dwellings.

¹³ [Research Briefing, Supported exempt accommodation \(England\) 2022, Houses of Commons Library](#)

¹⁴ [Crisis Policy Briefing: Exempt Accommodation 2021](#)

¹⁵ [Trust for London Homelessness duties owed by London Boroughs 2021](#)

¹⁶ [Exempt Accommodation Report 2021, Birmingham City Council](#)

¹⁷ [Greater London Authority London Rents Map](#)

¹⁸ [Greater London Authority London Rents Map](#)

Article 4 Directions in neighbouring boroughs

- 6.20 Table 2 below shows five out of seven neighbouring boroughs to Lewisham have a borough-wide Article Directions withdrawing the permitted development rights for small HMOs. Such Directions could drive demand to develop small HMOs within LBL. A displacement could occur in LBL as HMO developers may seek to avoid the additional costs and uncertainty associated with the requirement for a planning application (through an Article 4 Direction) by investing in properties in Lewisham where the demand and profitability for HMOs are high whilst being outside an area subject to an Article 4 Direction.

Table 2: Neighbouring boroughs which have borough-wide Article 4 Directions

Borough	Borough-wide Article Direction in effect	Year Article Direction came into effect
Tower Hamlets	Yes	2021
Southwark	No	-
Greenwich	Yes	2018
Lambeth	No	-
Bexley	Yes	2017
Bromley	Yes	2022
Croydon	Yes	2020

7. Evidence: quantity and spatial distribution of HMOs

- 7.1. To understand the quantity and spatial distribution of HMOs the following sources of data have been used to provide an indication of the changes that have occurred since the 2018 review:
- Council tax records
 - HMO licensing records
 - Planning records
 - Enforcement records
 - Predictive modelling

HMO licensing records

- 7.2. At the time of the 2018 review, there were 351 properties licensed as an HMO as of December 2017. As of April 2022, there were 1120 properties with a license or expired license, representing a significant increase of 211%. It is important to note that this data set does not capture all HMOs; small HMOs between 3 and 5 persons not above commercial premises are excluded and many HMOs requiring licenses remain unlicensed.
- 7.3. Table 3 below shows the year in which those HMO licenses were issued. The number of licenses issued has increased significantly from 2017 onwards. However, this may reflect the introduction of the additional license scheme by Lewisham in 2017 and the extension of the mandatory license scheme in 2018 rather than a genuine substantial increase.

Table 3: Number of HMO licenses issued according to year

Year	No. of HMO Licensed Issued ¹⁹	Total
2007	9	9
2008	25	34
2009	9	43
2010	7	50
2011	5	55
2012	2	57
2013	21	78
2014	30	108
2015	41	149
2016	46	195
2017	156	351
2018	231	582
2019	158	740
2020	214	954
2021	138	1092
2022 ²⁰	37	1129

7.4. The wards which had the highest number of licensed HMOs as of 2017 were (see table 4):

- Evelyn (47);
- Lewisham Central (44); and
- Brockley (41).

7.5. As of 2022, this has changed to:

- Evelyn (127);
- Rushey Green (110); and
- Brockley (106).

7.6. Whilst an increase in licensed HMOs can be seen in all wards, the wards which saw the highest were:

¹⁹ This data set includes HMO licenses which have not been renewed, and excludes renewed HMO licenses to avoid double counting.

²⁰ Till April 2021

- Evelyn (80);
- Rushey Green (79); and
- Catford South (69).

7.7. 133 streets had a licensed HMO present as of 2017. This has increased significantly to 404 streets in 2022.

7.8. 26 streets had three or more licensed HMOs present as of 2017. This has increased significantly to 113 streets in 2022.

7.9. 9 streets had five or more licensed HMOs present as of 2017. This has increased significantly to 54 streets in 2022.

7.10. The streets which had the highest number of licensed HMOs as of 2017 were:

- New Cross Road (16);
- Pepys Road (12); and
- Lee High Road (9).

7.11. As of 2022, this changed to:

- New Cross Road (52);
- Brockley Road (26); and
- Deptford High Street (26).

Table 4: Distribution of licensed HMOs by ward²¹

Ward	As of 2017	As of 2022 ²²	Increase
Evelyn	47	127	80
Rushey Green	31	110	79
Catford South	13	82	69
Brockley	41	106	65
Bellingham	3	67	64
Whitefoot	5	67	62
New Cross	27	83	56
Lewisham Central	44	99	55
Crofton Park	23	61	38
Telegraph Hill	32	68	36
Ladywell	10	45	35

²¹ This data set includes HMO licenses which have not been renewed, and excludes renewed HMO licenses to avoid double counting.

²² Till April 2022

Ward	As of 2017	As of 2022 ²²	Increase
Perry Vale	16	47	31
Lee Green	18	45	27
Sydenham	11	32	21
Grove Park	8	26	18
Downham	5	21	16
Blackheath	7	21	14
Forest Hill	10	22	12
Total	351	1129	778

Council tax records

7.12. In a HMO where tenants are paying rent for individual rooms on individual tenancy agreements, it is the landlord who is liable to pay Council Tax. Council tax records identified that in March 2018 there were 1,067 HMO properties HMO according to the definition set out in paragraph 3.5. As of March 2022, this increased by 83% to 1,950. However, it is important note that this does not capture all HMOs; HMOs where occupants have a shared tenancy agreement or HMOs occupied by students are excluded.

Private rented HMOs

7.13. Council tax records however included care homes and properties managed by organisations such as housing associations, homelessness charities, universities and housing cooperatives. As such it was considered appropriate to focus on private-rented HMOs where a private landlord manages the property.

7.14. The number of private rented HMOs increased significantly by 122% from 822 properties in 2018 to 1746 in 2022 (see table 5)

7.15. The wards which highest number of private rented HMOs in March 2018 were:

- Lewisham Central (96);
- New Cross (68); and
- Crofton Park (64).

7.16. In March 2022, this changed to:

- Brockley (159);
- Lewisham Central (146); and
- New Cross (135).

7.17. Whilst an increase in private rented HMOs can be seen in most wards, the wards which saw the highest increase were:

- Brockley (96);

- Perry Vale (76); and
- Blackheath (70).

- 7.18. 404 streets had a private rented HMO present in March 2018. This has increased significantly to 707 streets in 2022.
- 7.19. 81 streets had three or more private rented HMOs present in March 2018. This has increased significantly to 200 streets in 2022.
- 7.20. 27 streets had five or more private rented HMOs present in March 2018. This has increased significantly to 80 streets in 2022.
- 7.21. The streets which had the highest number of private rented HMOs in March 2018 were:
- New Cross Road (17);
 - Lee High Road (14); and
 - Bromley Road (12).
- 7.22. As of 2022, this changed to:
- Bromley Road (33);
 - Brownhill Road (32); and
 - New Cross Road (32).

Table 5: Distribution of private rented HMOs by ward

Ward	2015	2018	2022	Change from 2015 to 2018	Change from 2018 to 2022
Brockley	88	63	159	-25	+96
Perry Vale	44	26	102	-18	+76
Blackheath	24	18	88	-6	+70
New Cross	82	68	135	-14	+67
Catford South	60	39	104	-21	+65
Grove Park	25	28	83	3	+55
Forest Hill	38	30	84	-8	+54
Rushey Green	78	63	117	-15	+54
Lewisham Central	96	96	146	0	+50
Lee Green	42	19	66	-23	+47
Evelyn	43	45	89	+2	+44
Sydenham	46	48	92	+2	+44
Downham	31	33	75	+2	+42
Whitefoot	32	38	75	+6	+37

Ward	2015	2018	2022	Change from 2015 to 2018	Change from 2018 to 2022
Bellingham	36	29	62	-7	+33
Crofton Park	70	64	96	-6	+32
Telegraph Hill	84	61	93	-23	+32
Ladywell	69	54	80	-15	+26
Total	988	822	1746	-166	+924

Non Private rented HMOs

- 7.23. Housing associations, housing cooperatives, hostels, supported housing and nursing homes have all been classified as non-private rented HMOs where a private landlord does not manage the property.
- 7.24. The number of non-private rented HMOs has decreased from 245 in 2018 to 204 in 2022. This represents a shift in the proportion of HMOs managed outside of the private-rented sector from 23% in 2018 to 10% in 2022.
- 7.25. Although council tax records indicate these properties as HMOs, this does not necessarily mean that they classify as a HMOs in planning terms. Therefore, the class use of these specified as non-private rented HMOs and whether planning permission is required to change the use from C3 dwelling house are outlined below:
- Hostels would require planning permission as it falls under Sui Generis.
 - HMOs managed by housing cooperatives classify as C4 HMOs in planning terms so whether planning permission is required depends on whether 6 or more unrelated individuals occupy the property.
 - There is ambiguity over of the class use HMOs managed by housing associations; some will be in C3, others will be in other use classes or fall to be treated as sui generis.
 - Supported housing would not require planning permission as it falls within the same class a dwelling house but of a different variation – C3 (b).
 - Nursing homes would require planning permission as it has a different class use of C2 (Residential Institutions).

Planning records

- 7.26. Data obtained from planning records for the period 2018 to 2022 highlighted 56 approvals for Lawful Development Certificates relating to small HMO's. This is an increase from the 2018 HMO Evidence Paper which highlighted there were 8 approvals relating to small HMOs for the period of 2009 to 2017. Whilst this is a fraction of the true number of small HMO conversions taking place, it does indicate an increase in such conversion activity has taken place in the borough over recent years

Planning enforcement records

- 7.27. The planning enforcement team holds data on the number of HMO-related cases, covering all complaints from neighbours, councillors and other internal and external

stakeholders. These may include cases where the change is to a small HMO and, as this is permitted development no further action is necessary; physical changes to a property to accommodate an HMO; and unauthorised conversions to a large HMO.

7.28. Planning enforcement records for the period of 2009 to 2022 show there were 173 HMO cases and a trend in the number of HMO cases increasing cannot be observed (see table 6). However, it should be acknowledged that these figures only capture a fraction of all HMOs as not all conversions will be reported or subject to complaints.

Table 6: Planning enforcement HMO cases by year

Year	Planning Enforcement HMO Cases
2008	1
2009	1
2010	1
2011	2
2012	12
2013	3
2014	18
2015	15
2016	36
2017	14
2018	11
2019	12
2020	26
2021	24
2022	3

7.29. At the time of previous HMO Review undertaken in 2018, the wards which had highest number of planning enforcement HMO cases between 2008 and 2017 (see table 7) were:

- Bellingham (22);
- Whitefoot (22); and
- Telegraph Hill (15).

7.30. This has changed between 2018 and 2022 to:

- Catford South (14);

- Whitefoot (11); and
- Rushey Green (9).

Table 7: Distribution of planning enforcement HMO cases

Ward	2008 to 2017	2018 to 2022
Bellingham	22	5
Blackheath	1	1
Brockley	5	7
Catford South	8	14
Crofton Park	0	2
Downham	2	3
Evelyn	7	0
Forest Hill	2	1
Grove Park	9	2
Ladywell	4	3
Lee Green	1	1
Lewisham Central	11	5
New Cross	2	1
Perry Vale	1	5
Rushey Green	10	9
Sydenham	0	3
Telegraph Hill	15	2
Whitefoot	22	11
Total	100	76

Comparison to neighbouring boroughs

7.31. Table 8 below shows the estimated number of HMOs in LBL compared its neighbouring boroughs in 2017/18 and 2020/21. It demonstrates that since 2017/18, Lewisham has experienced the second-largest increase (+4,100) in the number of estimated HMOs out of its seven neighbouring boroughs. Lewisham has gone from having the second-lowest number of HMOs in 2017/18 (1,900) out of its neighbouring boroughs to having the third-highest (6,000) in 2020/21.

- 7.32. It is worth highlighting that several neighbouring boroughs with a lower estimate for HMOs in 2020/21 than Lewisham have a borough-wide Article 4 Direction in place concerning small HMOs. This relates to the following boroughs: Greenwich, Bromley, Bexley and Croydon.

Table 8: Estimated HMOs within Lewisham and neighbouring boroughs

Borough	Estimated HMOs 2017/18	Estimated HMOs 2020/21	Change
Tower Hamlets	1,896	9,900	+8,004
Lewisham	1,900	6,000	+4,100
Bexley	1,400	1,930	+530
Lambeth	4,800	5,207	+407
Croydon	2,600	3,000	+400
Bromley	2,000	2,215	+215
Southwark	13,000	11,550	-1,450
Greenwich	6,500	4,196	-2,304

Source: Local authority housing statistics data returns for 2017/18 and 2020/21

Predictive modelling

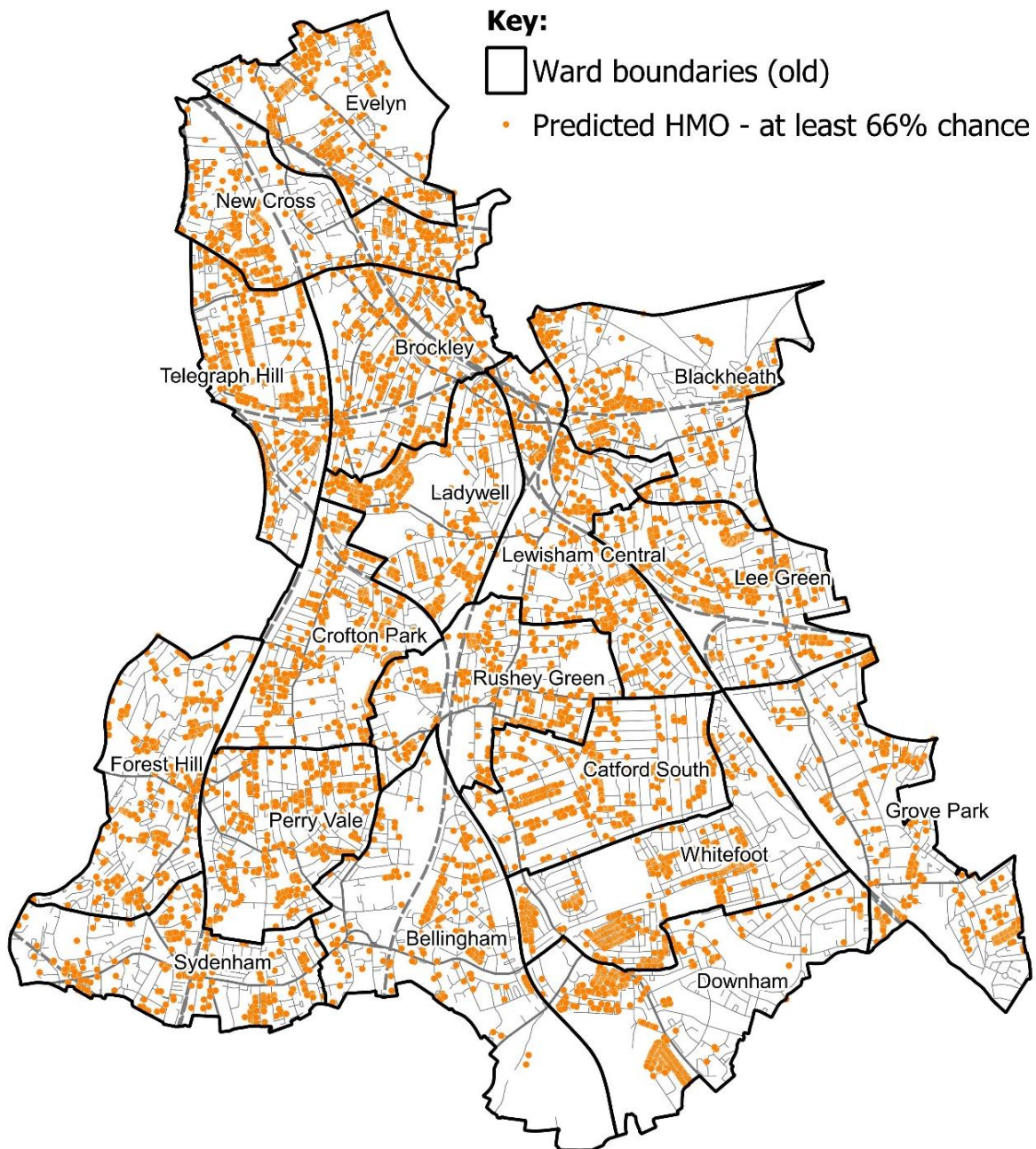
- 7.33. The Council's housing data scientist undertook predictive modelling using a range of data sets such as electoral records to estimate the total number of HMOs in the borough currently. The predictive modelling process applied the London-wide recognised random forest model - an advanced statistical analysis and algorithm tool. The model was developed by the Greater London Authority and Nesta within the piloted London Office of Data Analytics in 2016/17²³.
- 7.34. The modelling process to predict HMOs and estimate their total number in the borough is explained briefly below:
- Step 1: linking the known HMOs and known non-HMOs to the total list of properties in Lewisham, represented as unique property reference numbers in the Local Land and Property Gazetteer.
 - Step 2: adding location-specific data from both historical Census records and more recent data, including: youth population, crime rates, household composition, and deprivation and student numbers.
 - Step 3: adding property-specific data from the Electoral Roll, Council Tax records, previous Housing Benefit information and complaints and enforcement data for properties.
 - Step 4: added data was used to predict the probability of any given property being an HMO. This was achieved by generating decision trees, each of which divides up the data in its own way, by splitting apart different categories and thresholds, until it has effectively divided the data into HMO and non-HMO.
 - The random forest methodology ensures that this prediction can be generalised to all properties and not only those that were in the sample. This is done by generating a large number of decision trees and finding a compromise between

²³ [Piloting the London Office of Data Analytics 2018, Mayor of London and Nesta](#)

- them. This finds the optimal balance between correctly identifying known HMOs, and still working effectively to identify unknown HMOs.
- The performance of this is evaluated by testing what proportion of already known HMOs were identified (90%) as well as whether it gives a plausible estimate of total HMOs across the borough.

7.35. The results of predictive modelling show there are 10,700 properties in the borough with at least a 66% chance of being an HMO, leading to a total estimate of 7,100 HMOs. Figure 2 below has mapped these predicted HMOs; it illustrates that clusters of HMOs are likely to exist in all wards of the borough.

Figure 2: Map of predicted HMOs



7.36. A map of predicted HMOs in relation to new ward boundaries is shown in Appendix 2.

7.37. Table 9 below shows the wards with the highest number of predicted HMOs currently are:

- Evelyn (1268);
- Lewisham Central (959); and
- Brockley (955).

Table 9: Distribution of predicted HMOs by ward

Ward	Number
Evelyn	1268
Lewisham Central	959
Brockley	955
New Cross	778
Telegraph Hill	687
Whitefoot	613
Ladywell	589
Blackheath	562
Perry Vale	513
Lee Green	512
Crofton Park	504
Rushey Green	495
Catford South	449
Forest Hill	441
Grove Park	395
Downham	382
Sydenham	344
Bellingham	320

8. Evidence: harm to local amenity and well-being of an area

8.1 The following section reviews evidence available on whether harm to the local amenity or wellbeing of an area are arising from HMOs by looking at:

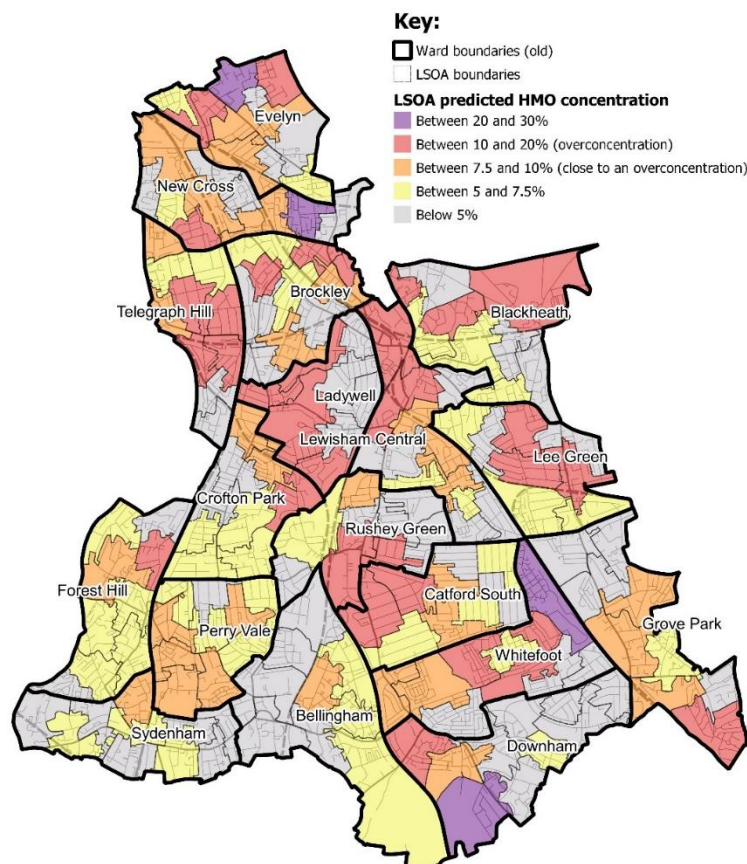
- The overconcentration of HMOs
- Links between ASB, HMOs and the PRS
- Links between poor housing conditions, HMOs and the PRS
- Community concerns
- Need for family housing

Overconcentration of HMOs

8.2 Nationally, it is generally accepted that an overconcentration of HMOs occurs when 10% of properties in a neighbourhood are HMOs. Research argues 10% concentration is the tipping at which HMOs may give rise to harmful effects and where neighbourhoods goes from balanced to unbalanced communities²⁴.

8.3 Using Lower Super Output Areas (LSOA) as the boundary for the neighbourhoods, a mapping exercise (see figure 3) has been undertaken to identify areas in the borough where there is likely to be an overconcentration (10% of properties or more) or close to an overconcentration (between 7.5 and 10% of properties) of HMOs using predicted HMOs outlined in figure 2 previously. For the purposes of this exercise, dwelling houses and HMOs that are located within blocks of flats or subdivided properties were counted as one property. Residential institutions, care homes, hostels, PBSA and other specialist housing were also counted as one property per block. This ensured that calculations of HMO concentration were not skewed.

Figure 3: Map of predicted HMO over concentrations



²⁴ [National HMO Lobby \(2008\)](#)

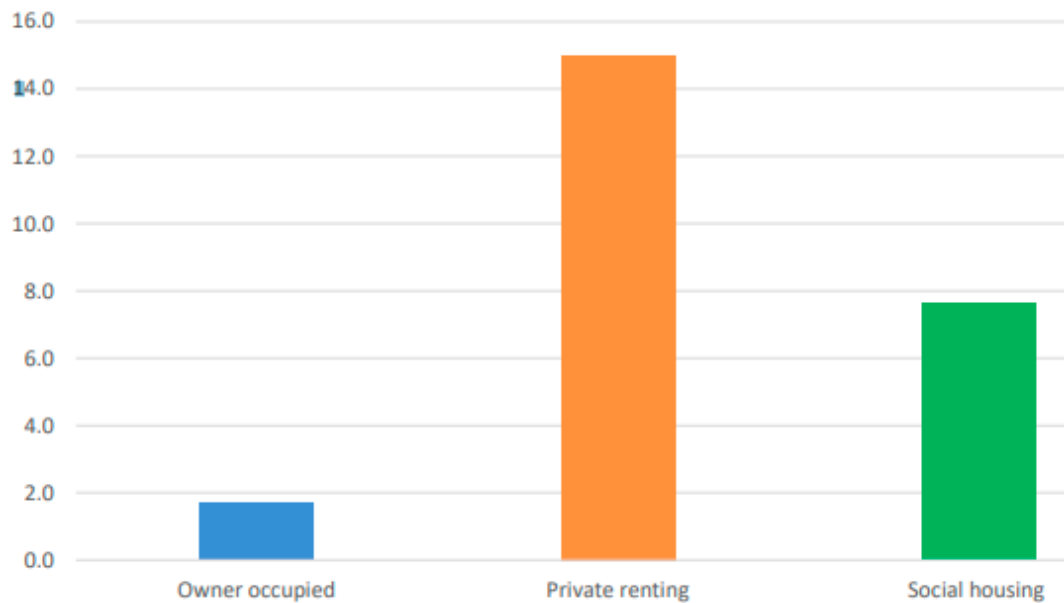
- 8.4 Figure 3 above illustrates that all wards within the borough contain at least one LSOA with either an overconcentration or close to an overconcentration of HMOs. Of the 169 LSOAs in the borough:
- 4 are likely have a very high HMO overconcentration - where between 20 to 30% of properties are an HMO - and these are located within the wards of Evelyn, Downham, New Cross and Whitefoot.
 - 21 are likely to have an HMO overconcentration and are these dispersed across all wards except for Perry Vale, Bellingham and Sydenham.
 - 31 are likely have a close to an HMO overconcentration and these are dispersed across all wards except for Lee Green and Ladywell.
- 8.5 A map of predicated HMO concentrations in relation to new ward boundaries is shown in Appendix 4.

Links between ASB, HMOs and the PRS

- 8.6 The Council commissioned Meta Street to a prepare study - Private Rented Sector: Housing Stock Condition and Stressors Report (2021) - to support an application for selective licensing in the borough. The study looks at the link between the PRS in Lewisham and ASB and poor housing standards. The data collated as part of the study, which is explored in further detail in this section, demonstrated that:
- High levels of ASB and poor housing conditions are linked to the PRS; and
 - ASB and poor housing conditions is more prevalent private rented properties than in either owner occupied or social rented properties.
- 8.7 While the data is not specific to HMOs and relates to the PRS more broadly, it is reasonable to assume that higher levels of ASB and poor housing conditions also relate to HMOs, given that HMOs make up 20% of the PRS.
- 8.8 Over a 5-year period 5 (2016 to 2021), 948 ASB incidents and statutory nuisances have been recorded associated with residential premises in the PRS²⁵. This is made up of, but not limited to, noise (various), verbal abuse, harassment, prostitution, nuisance animals, nuisance vehicles, substance misuse, rubbish and fly tipping.
- 8.9 Figure 5 below illustrates that rates of these recorded ASB and statutory nuisance incidents in the PRS are higher that other tenure types.

²⁵ ASB and statutory nuisances investigated on a street corner that cannot be linked to a residential property are excluded.

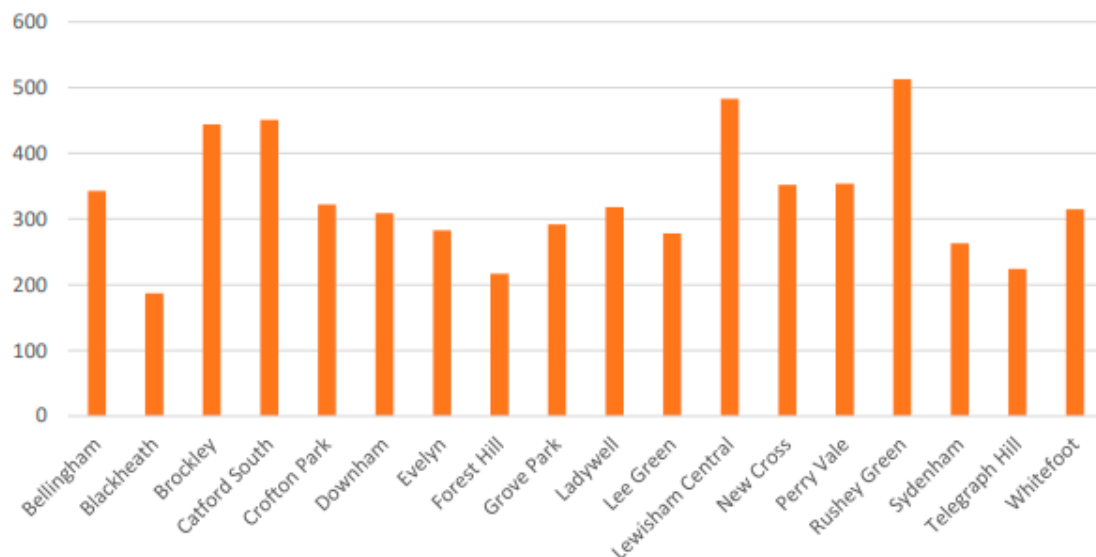
Figure 5: ASB rates per 100 properties by tenure



Source: LBL Private Rented Sector: Housing Stock Condition and Stressors Report (2021)

8.10 Figure 4 below shows that ASB and statutory nuisances directly linked to PRS properties occur across all wards in the borough. However, Rushey Green (513) and Lewisham Central (483) have the highest level of ASB incidents which also coincides with these wards also having a relatively higher number of HMOs. Forest Hill (around 200) and Blackheath (around 190) have the lowest level of ASB incidents which also coincides with these wards having a relatively lower number of HMOs.

Figure 4: No of ASB incidents and statutory nuisances by ward



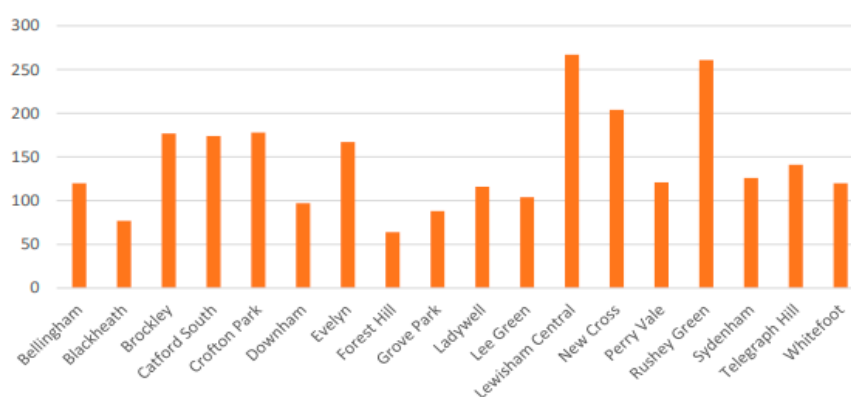
Source: LBL Private Rented Sector: Housing Stock Condition and Stressors Report (2021)

- 8.11 As part of the 2019 evidence²⁶ which supported the new Additional Licencing Scheme analysis showed that:
- The proportion of known HMOs with an ASB incident recorded close by was 70%, which is higher than the PRS overall. This was based on a sample of 569 licensed HMOs.
 - 46% of HMOs have experienced multiple incidents of environmental ASB in close proximity to the property.
- 8.12 It is also worth highlighting that as a whole Lewisham receives an average of 19.6 noise complaints per 1,000 population which is more than double the national average of 7.6²⁷.

Links between poor Housing Standards, HMOs and the PRS

- 8.13 Increases in rent over the 20 past years across London have resulted in problems with residents being able to afford and access decent, affordable housing. This trend has resulted in many households being forced to put up with sub-standard properties with a range of housing hazards. Housing hazards are rated by severity. A category 1 hazard is a serious or immediate risk to a person's health and safety²⁸. There are 8,995 private rented properties in Lewisham that are likely to have at least 1 serious housing hazard (Category 1, HHSRS). This represents 22.7% of the PRS stock, higher than the national average (13%).
- 8.14 Lewisham recorded 2,602 complaints from private tenants over a 5-year period between 2016 and 2021 regarding and poor property conditions and inadequate property management. Figure 6 below illustrates that these complaints were distributed across all wards. However, Lewisham Central (267) and Rushey Green (261) received the most complaints, which also coincides with wards that have a relatively higher number of HMOs. Whereas Forest Hill (around 60) and Blackheath (around 70) received the lowest complaints, which also coincides with wards with a relatively lower number of HMOs.

Figure 6: PRS complaints by ward



Source: *LBL Private Rented Sector: Housing Stock Condition and Stressors Report (2021)*

²⁶ Private rented selective and additional property licensing in Lewisham Evidence base for public consultation Spring 2019

²⁷ Source: Office for Health Improvement and Disparities (OHID)

²⁸ This is defined in the Housing Health and Safety Rating System (HHSRS)

Community concerns

Deptford Park Petition

- 8.15 In September 2021, the Council received a petition with 99 signatures from residents concerning the increasing conversion of small Victorian terraced houses into small HMOs on residential streets around Deptford Park, particularly Alloa Road, and the harmful impact this is having on local amenities. The issues highlighted were:
- loss of family housing
 - fly-tipping on street corners
 - overflowing bins
 - bins obstructing pavements
 - anti-social behaviour

Corbett Estate Public Meeting

- 8.16 In October 2021, Janet Daby - the MP for Lewisham East - hosted public meeting at St Andrews Church Hall concerning the impact of HMOs on the Corbett Estate - consisting largely of small Victorian terraced houses - within Catford South ward. The meeting was attended by at least 150 local residents. Some the key issues raised by local residents included:
- HMOs being created in the Corbett Estate are often of poor quality, overcrowded and poorly maintained.
 - Some HMOs created in the Corbett Estate are housing vulnerable adults including those with substance dependence.
 - Increasing HMOs has led to excessive rubbish on streets, increased antisocial behaviour and noise nuisances.
 - The overconcentration of HMOs is the changing family orientated character of the area.

Council HMO evidence collection inbox

- 8.17 In October 2021, the Council set up HMO evidence collection inbox to allow the recording of further HMO-related issues. A number complaints were received from residents concerning noise nuisances and negative impacts streetscape due to overflowing bins and bins repeatedly left out on pavements associated with HMOs on the following streets:
- Alloa Road (Evelyn ward)
 - Scawen Road (Evelyn ward)
 - Trundleys Road (Evelyn ward)
 - Torrindon Road (Catford South Ward)
 - Hazelbank Road (Catford South Ward)
 - Fordel Road (Catford South Ward)

8.18 Some of these complaints also included photos on the negative impact some HMOs are having on the streetscape:



8.19 HMO Licensing records confirmed the streets highlighted in paragraph 8.17 had a high number of HMOs:

- Alloa Road (22)
- Scawen Road (10)
- Trundleys Road (22)
- Torrindon Road (7)
- Hazelbank Road (5)
- Fordel Road (5)
- However, there may be many more unlicensed HMOs.

8.20 Petitions and complaints to the HMO evidence collection inbox show increasing community concern regarding the negative impact of HMOs on the streetscape due to excessive waste. However, this was not reflected in more formal complaint channels to the Council. For example, 99 complaints regarding the overfilling of bins and 554 complaints regarding uncontrolled waste made to the Environmental Crime (enforcement) Team for the year 2021 showed no correlation to HMOs indicated by licensing records or council tax records. This may suggest low public awareness on how the Council addresses immediate issues around HMOs impacting street quality.

8.21 The Council's Environmental Crime Enforcement team and Street Environmental Services respond to fly-tipping and waste issues (such as uncontained builders waste) and complaints. Action can be taken via section 59 of the Environmental Protection Act which allows the Council to serve notices to occupier/owner to remove controlled building waste on private property that is uncontained and not secured within a receptacle. Over-spilling bins are dealt with via a Community Protection Notice (CPN) to owner, occupier, managing agent or landlord. Both can be dealt with by the courts for failure to comply.

Need for family housing

8.22 Lewisham's SHMA Update (2021/22) identifies the overall dwelling mix needed in the borough for the period 2019/2020 to 2028/2029 according to size based on demographic analysis. The findings of the analysis are set out in table 10 below.

Table 10: Overall dwelling need mix based on demographic analysis

Dwelling need		
Dwelling size	% Dwelling stock	No. of dwellings
1-bedroom	12.1	2,020
2-bedroom	26.2	4,370
3-bedroom	42.3	7,050
4 or more	19.4	3,230
Total	100.0	16,670

Source: Lewisham SHMA Update (2021/22)

- 8.23 The table shows there is a significant need for three-bedroom dwellings (7,050), equating to 42.3% of the overall dwelling need. In addition, there is also a need for four or bedroom dwellings (3,320), equating to 19.4% of the overall dwelling need.
- 8.24 The need for family housing is also supported by qualitative data. As part of the Lewisham SHMA (2019) stakeholders were invited to participate in a questionnaire survey aimed at identifying a range of information, including establishing the key perceived housing market issues in Lewisham. A total of 20 separate responses to the stakeholder consultation were obtained and represents a small sample of opinions. Building affordable homes to rent and family housing were ranked as the highest priorities by stakeholders, with 94% and 88% of respondents (respectively) considering these as high priority.
- 8.25 For these reasons the new Local Plan proposes policies that seek to protect existing larger homes suitable for families and maximise the future provision family housing units (3+bedrooms) in major developments of 10 or more dwellings.

9. Evidence summary

- 9.1 The evidence in Section 6 has demonstrated a high and increasing demand for HMOs in the borough due to several factors, including: a large and growing PRS; the housing affordability challenge across London and within Lewisham; a large and growing student population; welfare reforms adding to the proportion of residents who can only afford a room in a shared house; the growth in non-commissioned exempt accommodation nationally adding to the proportion of vulnerable groups living in shared housing; borough-wide Article 4 Directions in neighbouring local authorities and higher rental yields for HMOs than that of single family dwellings.
- 9.2 The evidence in Section 7 has shown that this has resulted in a significant increase in HMOs within the borough since the previous 2018 HMO review. HMO licensing records showed HMOs have increased by 211% since 2017, and council tax records show private rented HMOs have increased by 112% since 2018. However, it is important to note that these data sets do not capture all HMOs for reasons set in paragraphs 7.2 and 7.12, and the exact number of HMOs is estimated to be significantly higher. Predictive modelling estimated there are currently 7,100 HMOs in the borough; this still represents a significant increase of 274% since the 2017/18 estimate (1,900).
- 9.3 A comparative exercise against neighbouring boroughs was undertaken (Table 8) to contextualise this increase. It showed that Lewisham experienced the second-highest increase in estimated HMOs (+4,100) of its seven neighbouring boroughs since 2017/18.

- 9.4 The evidence in Section 7 has indicated that whilst HMOs have increased across all wards since 2018, some wards have seen a greater increase than others. HMO licensing records show Evelyn, Rushey Green and Catford South had the highest increases, whereas council tax records show Brockley, Perry Vale and Blackheath had the highest increases. Overall, these increases have led to significant changes in HMOs' spatial distribution between wards in that there are now more wards with a high presence of HMOs compared to historically. Rushey Green, Perry Vale, Blackheath and Catford South now have a high presence of HMOs, as indicated by council tax or licensing records, in addition to those wards such as Brockley, New Cross and Lewisham Central, which had a high presence of HMOs traditionally.
- 9.5 The evidence in Section 7 has also showed significant changes in the spatial distribution of HMOs at a street level since the 2018 review, with a greater degree of clustering. HMO licensing records indicated the number streets with five or more HMOs has increased from 9 in 2017 to 57 in 2022 and from council tax records the increase has been from 37 in 2018 to 81 in 2022. This increased level of clustering is also corroborated by predictive modelling, which approximated that 25 LSOAs across most wards are likely to have an overconcentration of HMOs (10% of properties).
- 9.6 Lastly, regarding harm arising from HMOs the evidence in Section 8 has demonstrated that over concentrations of HMOs exist throughout the borough, which is harmful in itself by creating unbalanced communities and reducing the supply of housing available for families. Secondly, the evidence suggested that links exist between anti-social behaviour (ASB) and HMOs. Extensive research which supported the Council's new additional licencing scheme found that the proportion of ASB incidents recorded close by to a HMO is higher than the PRS overall. Thirdly, concerns of the community also offered first-hand evidence through the submission of petitions and complaints to the Council's HMO inbox that poorly managed and increased concentrations of HMOs can cause issues in terms of street quality, waste and management problems.

10. Need for Article 4 Direction

- 10.1 Considering the evidence, an assessment of the need to introduce further Article 4 Directions is presented below.

Infrastructure Planning

- 10.2 Population growth puts pressure on existing infrastructure and creates increased demand for infrastructure such as healthcare facilities, leisure facilities and open spaces, but also less visible infrastructure such as utilities and telecommunications.
- 10.3 The change of use from dwellinghouses to small HMOs results in a greater number of different types of households that might otherwise have not been planned for. Consequently, HMOs could put greater pressure on the services and social infrastructure in the area, such as health and community facilities. The adopted and emerging Infrastructure Delivery Plan does not plan for this additional population growth, which appears to be 'invisible' as it is subject to permitted development rights.

- 10.4 Introducing a further Article 4 Direction would help the Council to ensure that communities' needs are being considered and reviewed through planning applications seeking to create new HMOs.

Improving standards

- 10.5 As the analysed evidence suggests, the private rented sector, of which HMOs make a significant proportion, often provide a poor standard of living accommodations. Combined with the new additional licensing scheme covering most HMOs, introducing further Article 4 Directions would allow the Council to promote and secure high quality and safe HMOs, providing appropriate internal and external spaces. Furthermore, an impact on the living conditions of the surrounding properties could be assessed and managed as part of the planning application process.

Minimising impact on local amenity

- 10.6 As the analysed evidence suggests, links between HMO concentrations and anti-social behaviour, noise and excessive waste exist. Introducing a further Article 4 Direction would allow the Council to review proposals for small HMO proposals to ensure that the cumulative impact of such properties does not give rise to additional adverse impacts in terms of social and environmental issues.

Need for family housing

- 10.7 There is a significant need for family housing units in the borough with around 10,000 families on the Council's waiting list for social rented housing. The need for family housing units, particularly 3 bedroom units, is high in both the affordable and market sector. It is therefore important to ensure that there are various tenures and units sizes that can cater for diverse population in the borough such as families, but also for people who can only afford and/or want to live in HMOs.
- 10.8 The increasing conversion of family dwellings into small HMOs creates an even higher demand for family houses as the existing family housing stock gets reduced through permitted development rights. The conversion of family units to HMOs is also hindering the Council's ability to buy back suitable properties for affordable family housing.
- 10.9 The adopted and emerging Local Plan's policies seek to protect existing family homes and maximise their future provision. Introducing a further Article 4 Direction would help the Council to manage the existing housing stock and monitor the extent of family housing units that gets converted into small HMOs through the permitted development rights.

11. Options

- 11.1 The following options have been considered with respect to introducing a further Article 4 direction:
- Option 1: do nothing
 - Option 2: introduce in certain wards
 - Option 3: introduce in the remainder of the borough

Option 1: do nothing

- 11.2 This option would not introduce any further Article 4 directions. As a result, the conversion of dwellinghouses to small HMOs would continue under permitted development rights outside the existing Article 4 Direction boundary (see Appendix 1). This could potentially lead to more over concentrations of HMOs in the borough, creating unbalanced communities, and giving rise to harmful impacts to the local amenity and well-being of an area. This could also impede Council's objective to ensure there is a sufficient supply of family homes.
- 11.3 The recently introduced additional licensing scheme for HMOs would help achieve a higher quality of HMO accommodation in the borough as well as minimise anti-social behaviour associated with some HMOs. However, some of the issues assessed by a planning are not dealt with by licensing as outlined paragraph 5.6.
- 11.4 As such, it is considered that the option of not introducing further Article 4 Direction would be an inappropriate response to better manage the impact of HMOs and the supply of family homes.

Option 2: introduce in certain wards

- 11.5 The second option would introduce further Article 4 Directions in certain wards that are seen as more problematic than others. However, the evidence shows that HMOs have increased and over concentrations occur across borough.
- 11.6 Furthermore, this option could potentially result, over time, in further harmful over concentrations of HMOs in areas which are not covered by an Article 4 Direction if the market reacts to localised planning controls, especially when borough-wide Article 4 Directions in neighbouring local authorities are factored.

Option 3: introduce in the remainder of the borough

- 11.7 This option would introduce an Article 4 direction covering the remainder of the borough so all HMOs in the borough would require planning permission.
- 11.8 It is considered this option could ensure a more consistent and effective management of HMOs alongside the new additional licensing scheme. It would help prevent further over concentrations of HMOs (once the new Local Plan is adopted) and associated negative impacts from being displaced to other areas as well as help to ensure the supply of family housing is managed across the borough.

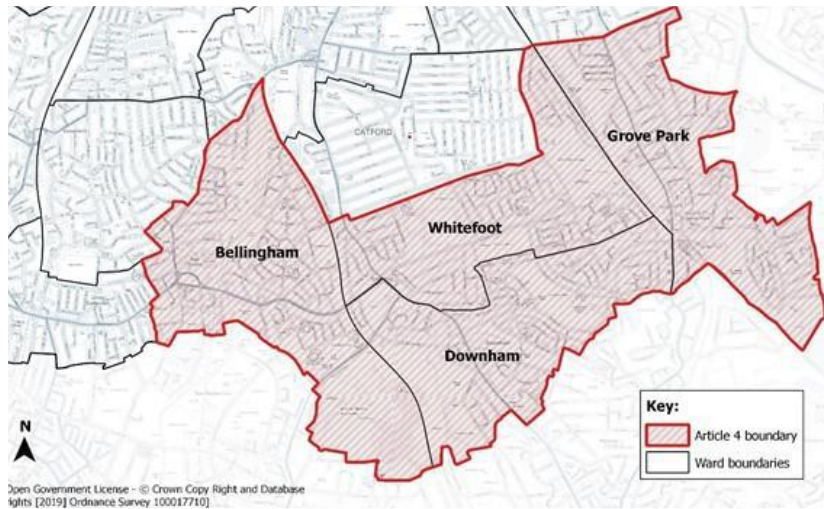
12. Conclusion

- 12.1 This report has evidenced that the situation has changed significantly since the last HMO Review was undertaken in 2018. Firstly, there has been a significant increase in HMOs, with over concentrations occurring across the borough in many wards with either a low, medium or high presence of HMOs traditionally. Secondly, the evidence suggests a link between HMOs and anti-social behaviour, including rubbish and fly-tipping worsening the street quality. However, this should not be attributed to all HMOs; many occupants of HMOs form part of and make a valuable contribution to the communities of Lewisham. Nonetheless, this does not take away from the need to better manage the cumulative impact of an increasing number of HMOs.

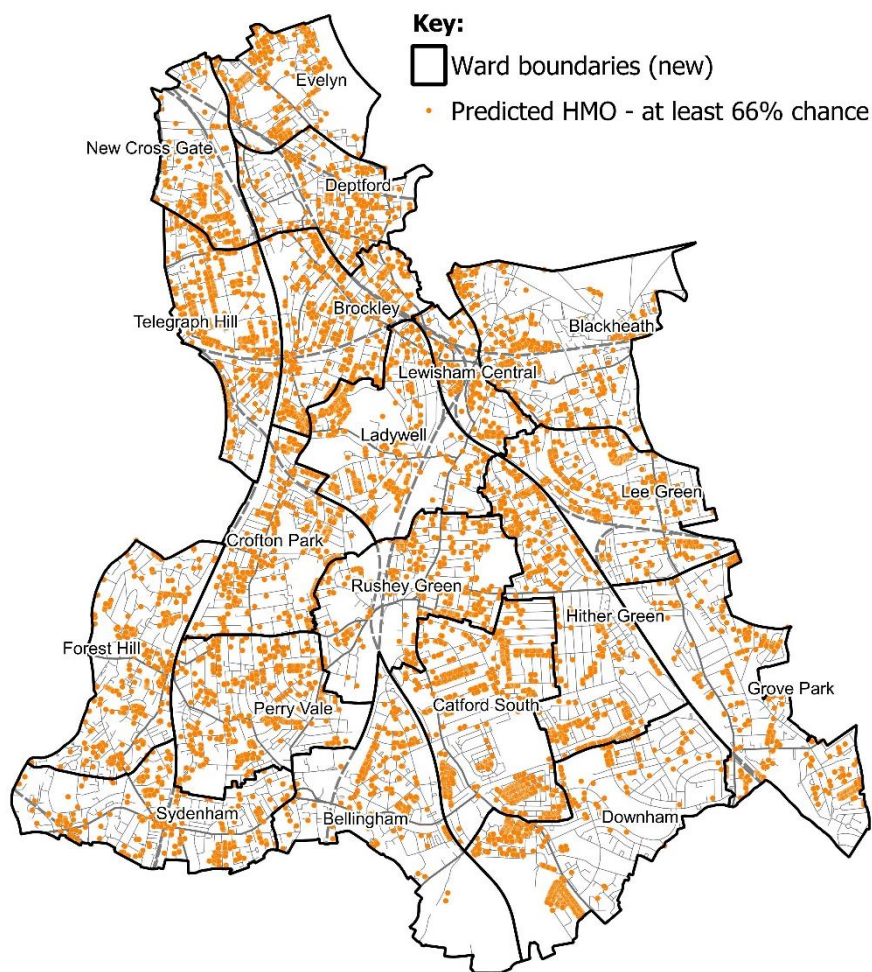
- 12.2 On the strength of the data that has been discussed in this paper, the implementation of a of an Article 4 Direction covering the remainder of the borough can be justified as an increase in HMOs at a borough-wide level in a clustered manner to the point where it is giving rise to harm on local amenity and wellbeing and exacerbating the acute need for family housing can be observed.
- 12.3 After considering the options in Section 11, it is considered an Article 4 Direction applying to the remainder of the borough is the smallest geographical area possible in order to ensure that the local amenity and well-being of areas is protected and the supply family housing is appropriately managed.
- 12.4 An Article 4 Direction covering the remainder of the borough, if implemented, will not be introduced in isolation. It will assist the new Additional HMO Licensing Scheme – covering most HMOs - recently introduced in a complementary and coordinated approach between the Housing and Planning functions of the Council. This approach will help the Council ensure HMOs are of good quality and provide a suitable standard of accommodation in appropriate locations balanced with the need for family housing whilst preventing low-quality accommodation in inappropriate locations.

13. Appendices

Appendix 1: Existing Article 4 Direction boundary



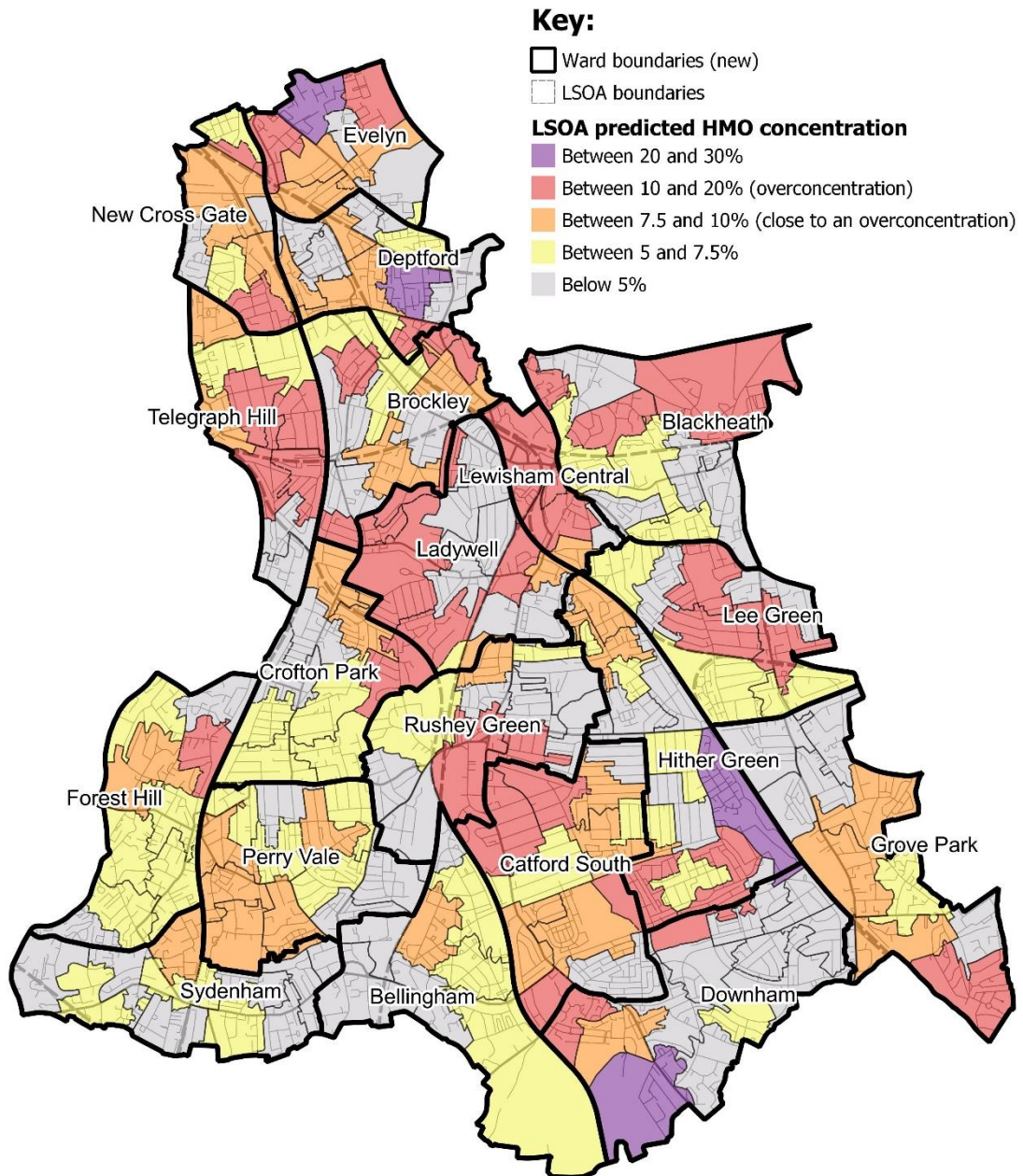
Appendix 2: Predicted HMOs in relation to new ward boundaries



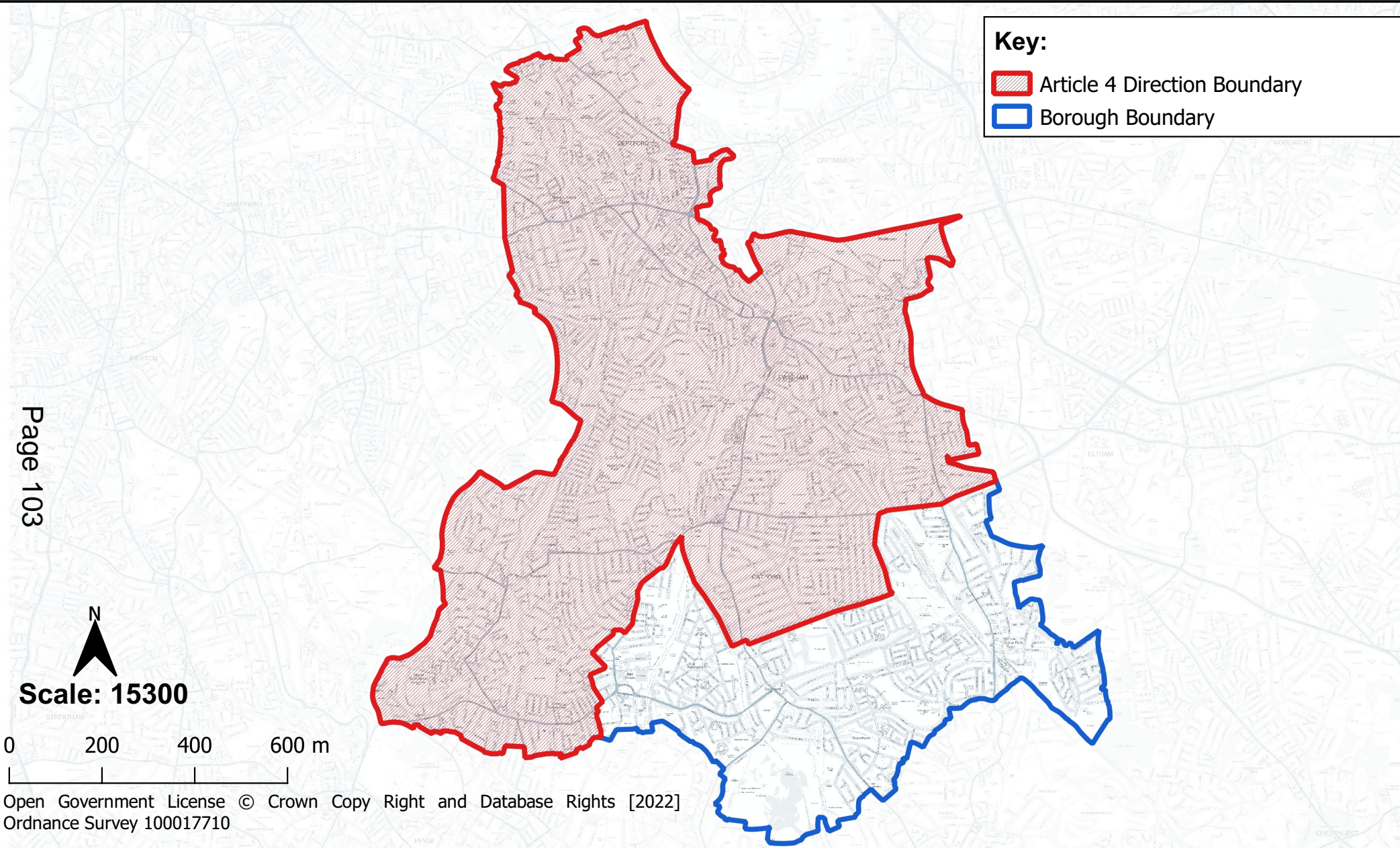
Appendix 3: Distribution of predicted HMOs by new wards

Ward	Number
Evelyn	1125
Brockley	1046
Catford South	736
Telegraph Hill	687
Hither Green	620
Blackheath	614
Deptford	605
Perry Vale	553
Rushey Green	518
Lee Green	512
Crofton Park	508
Lewisham Central	506
Ladywell	499
Forest Hill	442
Grove Park	410
Downham	406
New Cross Gate	363
Sydenham	352
Bellingham	264

Appendix 4: Predicted HMO over concentrations in relation to new ward boundaries



Area covered by Article 4 Direction



Date: April 2023

Author: Strategic Planning

London Borough of Lewisham



Final
Strategic Environmental Assessment (SEA) Screening Assessment

Article 4 Direction for the remainder of the borough to withdraw permitted development rights for the change of use from dwellinghouse (Use Class C3) to Small HMO (Use Class C4)

Prepared by:
London Borough of Lewisham

For consultation with statutory consultees

24 April 2023

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1 Introduction

- 1.1 This Screening Assessment report has been prepared to determine whether a Strategic Environmental Assessment (SEA) is required for the use of an Article 4 Direction for the remainder for the borough to withdraw permitted development rights for the change of use from dwelling house (Use Class C3) to small HMO's (Use Class C4), in line with the Strategic Environmental Assessment Directive (Directive 2001/42/EC), transposed into law by the Environmental Assessment of Plans and Programmes Regulations (the 'SEA Regulations') 2004.
- 1.2 Recognising that the Article 4 Direction will withdraw permitted development rights and require planning permission to be sought in accordance with our development plan unless material considerations indicate otherwise, the council is required to consider whether the Article 4 Direction has the potential to result in significant environmental effects, particularly where such effects may not have already been assessed during the preparation of the council's statutory Development Plan.
- 1.3 This Screening Report has been prepared in accordance with Regulation 9 of the SEA Regulations 2004.

2 Scope of the Article 4 Direction

- 2.1 The proposed Article 4 Direction Article 4 Direction for the remainder of the borough to withdraw permitted development rights for the change of use from dwellinghouse (Use Class C3) to small HMO's (Use Class C4).
- 2.2 The making of an Article 4 Direction is considered to be in compliance with the NPPF and would enable the Council to better manage the impact of small HMOs across the borough and balance their demand with the need for family housing.

3 SEA Screening Procedure

3.1 The SEA screening procedure generally comprises of 6 stages, as detailed below:

1. Preliminary Assessment: to determine whether screening is necessary;
2. Assessment of likely Environmental Effects: if screening is required the an assessment of the likely environmental effects, including any significant effects, will be undertaken in accordance with the SEA Regulations 2004;
3. Draft Screening Report: a draft screening report will be prepared summarising the results of Stage 2 and including a draft determination as to whether the SPD is likely to have significant environmental effects;
4. Consultation with statutory bodies.
5. Final Screening Report: consideration to be given to the responses from the three statutory bodies and then a final version of the screening report prepared confirming:
 - a. The result of the screening;
 - b. Responses from the consultation bodies;
 - c. The final determination, and
 - d. The statement of reasons if no SEA is required
6. Final Screening Report made publically available: the Council will issue the Final Screening Report to each of the three statutory consultees and make it publicly available for inspection.

3.2 This is the Final Screening Report and we will proceed with stage 6 of the SEA screening procedure subject to M&C approval.

4 Assessment of Environmental Effects

4.1 The council, as the “responsible authority”, must determine whether the plan or programme (in this case, the use of an Article 4 Direction) is likely to have significant environmental effects. The criteria for determining the significance of effects are set out in Schedule 1 of the SEA Regulations 2004, which are set out in the Table 4.1 below. The proposal has been assessed against each of these criteria and the results are also detailed in Table 4.1.

Table 4.1 - SEA Screening Assessment

SEA Directive Criteria	Assessment	Likely Significant Effects?
1. Characteristics of the plan or programme		
(a)	<p>the degree to which the plan or programme sets a framework for projects and other activities, either with regard to the location, nature, size and operating conditions or by allocating resources;</p> <p>It is not considered that this programme will significantly influence or set the framework for other projects or activities. The Article 4 Direction is not a statutory development plan document or a strategic plan, and does not set a framework for allocating resources.</p> <p>The proposed Article 4 Direction is a targeted intervention, which will help give effect to the adopted spatial development strategy for the borough.</p>	No
(b)	<p>the degree to which the plan or programme influences other plans and programmes including those in a hierarchy;</p> <p>The National Planning Policy Framework (NPPF) 2021 paragraph 53 states that.</p> <p><i>the use of Article 4 directions to remove national permitted development rights should be... limited to situations where this is necessary to protect local amenity or the well-being of the area [and]...be based on robust evidence, and apply to the smallest geographical area possible).</i></p> <p>The HMO Review May 2022 has evidenced that the situation has changed significantly since the last HMO Review was undertaken in 2018. Firstly, there has been a significant increase in HMOs, with over concentrations occurring across</p>	No

		<p>the borough in many wards with either a low, medium or high presence of HMOs traditionally. Secondly, the evidence suggests a link between HMOs and anti-social behaviour, including rubbish and fly-tipping worsening the street quality</p> <p>The making of an Article 4 Direction is considered to be in compliance with the NPPF and would enable the Council to better manage the impact of small HMO's within the borough and balance their demand with the need for family housing.</p> <p>It is important to note that an Article 4 Direction merely removes the permitted development right, it does not remove the right of a person to make an application for planning permission to carry out the development.</p> <p>In Lewisham's case, the development plan includes the London Plan, the Core Strategy, the Development Management Plan, the Site Allocations Plan and the Lewisham town centre Local Plan.</p>	
(c)	<p>the relevance of the plan or programme for the integration of environmental considerations in particular with a view to promoting sustainable development;</p>	<p>The use of an Article 4 Direction will help ensure that the impact of small HMO's within the borough are better managed and their demand is balanced with the need for family housing.</p> <p>And that HMOs are in appropriate, sustainable locations in line with DM Policy 6 Houses in multiple occupation (HMO) as part of a balanced mix of housing.</p> <p>The relevant policies relating to Homes in Multiple Occupation (HMOs) in the Lewisham Development Management Plan are policy DM Policy 6 Houses in multiple occupation (HMO)</p> <p><i>1. The Council will only consider the provision of new Houses in Multiple Occupation where they:</i></p>	No

		<p>a. are located in an area with a public transport accessibility level (PTAL) of 3 or higher</p> <p>b. do not give rise to any significant amenity impact(s) on the surrounding neighbourhood</p> <p>c. do not result in the loss of existing larger housing suitable for family occupation, and</p> <p>d. satisfy the housing space standards outlined in DM Policy 32.</p> <p>2. The Council will resist the loss of good quality Houses in Multiple Occupation.</p> <p>The self containment of Houses in Multiple Occupation, considered to provide a satisfactory standard of accommodation for those who need shorter term relatively low cost accommodation will not be permitted, unless the existing floorspace is satisfactorily re-provided to an equivalent or better standard.</p>	
(d)	environmental problems relevant to the plan or programme;	It is not anticipated that any environmental problems will be introduced or intensified as a result of the proposed Article 4 Direction.	No
(e)	the relevance of the plan or programme for the implementation of Community legislation on the environment (e.g. plans and programmes linked to waste-management or water protection).	<p>The concentration of HMOs in inappropriate locations can often lead to negative impacts.</p> <p>A report produced by then Department for Communities and Local Government (DCLG), Housing in Multiple Occupation and possible planning response (2008) noted the following negative impacts that can be experienced in such circumstances:</p> <ul style="list-style-type: none"> • anti-social behaviour, noise and nuisance; • poor refuse management; • imbalanced and unsustainable communities; • negative impacts on the physical environment and streetscape; 	No

		<ul style="list-style-type: none"> • pressures upon parking provision; • increased crime; • growth in private rented sector at the expense of owner-occupation; and • pressure upon local community facilities and restructuring of retail, commercial services and recreational facilities to suit the lifestyles of the predominant population. <p>The making of an Article 4 Direction would enable the Council to better manage the impact of small HMOs within the borough.</p>	
2. Characteristics of the effects and of the area likely to be affected			
(a)	the probability, duration, frequency and reversibility of the effects,	The impact of the Article 4 is likely to be overwhelmingly positive, with the document having the potential to have positive impacts in the short, medium and longer term.	No
(b)	the cumulative nature of the effects	<p>Once in place the Article 4 Direction will be relevant to all properties that fall within the proposed area, and only where an application for a change of use to a small HMO is made.</p> <p>The Article 4 Direction will enable the council to better manage the impact of small HMO's within the borough and is expected to have a positive cumulative impact, however these are not considered to result in likely significant environmental effects.</p>	No
(c)	the trans-boundary nature of the effects of the SPD	There are no trans-boundary effects anticipated from the proposed Article 4 Direction.	No
(d)	the risks to human health or the environment (for example, due to accidents)	HMOs are most frequently occupied by low income, transient people. The proposal for an Article 4 Direction will assist in delivering better quality HMOs and regulate their concentration improving the living	No

		<p>conditions for occupants and those nearby.</p> <p>There are no anticipated risks to human health or the environment.</p>	
(e)	<p>the magnitude and spatial extent of the effects</p> <p>(geographical area and size of the population likely to be affected),</p>	<p>The proposed Article 4 Direction will cover 16 wards (2520ha in size) and an estimated population of 242,295.</p> <p>The extent of the Article 4 Direction covers a significant proportion of the borough but a small proportion of the sub-region; the proposal is not considered to result in likely significant environmental effects.</p>	No
(f)	<p>the value and vulnerability of the area likely to be affected due to:</p> <p>i) special natural characteristics or cultural heritage</p> <p>ii) exceeded environmental quality standards or limit</p>	<p>The area does contain many statutory designated heritage assets. The Article 4 Direction is not expected to have any significant impact on these assets.</p> <p>There are a number of Sites of Importance Nature Conservation (SINC) and also Metropolitan Open Land (MOL). The Article 4 Direction is not expected to have any significant impact on these assets.</p>	No
(g)	<p>the effects on areas or landscapes which have a recognised national, Community or international protection status</p>	<p>There are a number of Sites of Importance Nature Conservation (SINC) and also Metropolitan Open Land (MOL). The Article 4 Direction is not expected to have any significant impact on these assets.</p>	No

5 Final Determination

- 5.1 The screening assessment detailed in table 4.1 indicates that the use of an Article 4 Direction for the remainder of the borough to withdraw permitted development rights for the change of use from dwelling house (Use Class C3) to small HMO's (Use Class C4), will not result in any significant environmental impacts. It is noted that the SEA Regulations 2004 do not specify the nature of effects (i.e. positive or negative) that would give rise to a full SEA. However, this assessment has identified that the Article 4 Direction is unlikely to generate significant environmental effects by itself, and there are no negative effects on the environment anticipated. The spatial extent of the Article 4 covers the remainder of the borough and will enable the council to better manage the impact of small HMO's across the borough and balance their demand with the need for family housing.
- 5.2 Any effects resulting from higher tier planning documents including the 'parent policies' relevant to HMOs have already been considered and assessed by a separate full SEA through the Development Plan process.
- 5.3 The Article 4 Direction does not propose any new policies, or the amendment of existing policies, and will not allocate resources or direct other higher level plans and programmes.
- 5.4 The draft screening assessment was issued for consultation to the prescribed statutory consultation bodies. We received no representations from those bodies raising any concerns relating to the draft screening assessment.
- 5.5 In conclusion, the final determination is that a SEA will not be required.

London Borough of Lewisham – Period of Representation for Article 4 Direction on Small HMOs

Appendix 4 – Schedule of Representations

Consultation date 18/01/2023 – 01/03/2023

Consultation date 30/09/2022 – 05/12/2022 (Consultation null and void due to error in making the Article 4 Direction)

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**Table of Representations for consultation held
between 18/01/2023 and 01/03/2023**

Submission ref	Are you a resident of the London Borough of Lewisham? - Resident?	If you answered yes, which ward do you live in?	Are you a Landlord/ Occupier/Tenant?	What do you think about the proposed Article 4 Direction on Small HMOs for the remainder of the borough?	Any comments you would like to add?	Officer comment	Action
CS2301	Yes	Deptford	Tenant	Very Positive	N/A	Support noted	No action taken
CS2102	Yes	Perry Vale	Owner/Occupier	Very Positive	Restrictions should also apply on change of use from commercial GL residential, which is harming the character of the area and preventing public-facing commercial initiatives from proceeding.	Support noted	No action taken
CS2303	Yes	Lee Green	Owner/Occupier	Very Positive	N/A	Support noted	No action taken
CS2304	Yes	Ladywell	Owner/Occupier	Very Positive	Conversion of houses from C3 to C4 should definitely	Support noted	No action taken

					be subject to planning permission.		
CS2305	Yes	Evelyn	Tenant	Very Positive	<p>With the construction of multiple sites close to us - on Evelyn Street next to Deptford Green Primary School and on Grinstead Road & Trundleys Road - we in [REDACTED] are concerned for the extra pressure on infrastructure. Grove Medical has already increased staff and hours to improve its service but it can't expand further. Likewise, buses have recently been reduced in frequency and unless these new dwellings provide workspace for hybrid workers, I can almost foretell logistical chaos. As it is we sample</p>	<p>Support Noted</p> <p>The purpose of the Article 4 Direction is not to exclude HMOs from the housing market but to better manage and monitor the impact of small HMOs throughout the Borough.</p>	No action taken

					<p>this on a small scale in [REDACTED] where HMOs have popped up, mostly unapproved by Lewisham Council and often when these dwellings have been completed, there's little anyone seems to be able to do to get 'renovations' reversed. Many HMOs are rented to young professionals or students who most often don't own a vehicle but the impact of waste management, both refuse and drainage, is already having a serious impact on the stability of this small 56 house community. It's not that we don't want to embrace newcomers. On the contrary, we want them to have as</p>	
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					good a lifestyle as is possible and I don't see that this is possible if the percentage of living space per capita is consistently reduced by turning one-bedroom houses into HMOs.		
CS2306	Yes	Catford South	Owner/Occupier	Very Positive	N/A	Support noted	No action taken
CS2307	Yes	Catford South	Tenant	Very Positive	HMOs have always been a huge issue, from disturbances of peaceful environment to dumping rubbish everywhere around surrounding streets. Keeping the area and historical characteristics protected for peaceful families is a step in the right direction.	Support Noted The purpose of the Article 4 Direction is not to exclude HMOs from the housing market but to better manage and monitor the impact of small HMOs throughout the Borough.	No action taken
CS2308	Yes	Catford South	Owner/Occupier	Very Positive	All HMO applications should be rejected for the	Support noted	No action taken

					<p>following reasons :-</p> <ol style="list-style-type: none"> 1. Multiple occupancy engenders conflict between tenants because individuals within a household have personal and conflicting intentions and responsibility. 2. The landlord, because he does not live within the same dwelling, is only really interested in the income it generates for himself. 3. The landlord is unlikely to be living in the same HMO premises so that he will not be bothered about the environmental state or noise pollution caused by the HMO residents. Such activity will only drive down the general condition of the area, as well as 	<p>The purpose of the Article 4 Direction is not to exclude HMOs from the housing market but to better manage and monitor the impact of small HMOs throughout the Borough.</p> <p>The negative characterisation of residents who live in HMOs has not been considered.</p>	
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					<p>drive away conscientious residents, which will have a further downward affect on the upkeep of the area by future residents.</p> <p>4. Such tenants are only likely to be living in the area for a short period of time as they will move on to other areas for better housing or work reasons and thus will not be bothered on the presentation of the property.</p> <p>Furthermore, on moving out, the HMO residents are likely to further deteriorate the area by depositing unwanted furniture and bedding on street corners. Frequently there are beds and mattresses</p>		
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					discarded at the top of Daneby Road, SE6. If you wish to see the deteriorated state of a three bedroom HMO, please come and visit [REDACTED] and compare it with the general upkeep of other houses in the same road.		
CS2309	Yes	Evelyn	Occupier	Very Positive	The sooner the better.	Support noted	No action taken
CS2310	Yes	Evelyn	Owner/Occupier	Very Positive	This is a good step to stop more family homes being lost to bedsits.	Support noted The purpose of the Article 4 Direction is not to exclude HMOs from the housing market but to better manage and monitor the impact of small HMOs throughout the Borough.	No action taken
CS2311	Yes	Forest Hill	Tenant	Negative	This policy will restrict the housing availability in the	Objection noted	No action taken

					<p>market for young people who often share with unrelated people in properties which are often completely suitable.</p> <p>3 unrelated people sharing a 3 bedroom house/apartment should be able to choose any property on the market.</p> <p>This policy will inevitably push sharers out of the borough making housing even more costly. It may also prove ineffective if renter's circumvent the rules.</p> <p>I don't feel this policy recognises the needs of young, single people on modest/average incomes who need</p>	<p>The purpose of the Article 4 Direction is not to exclude HMOs from the housing market but to better manage and monitor the impact of small HMOs throughout the Borough.</p>	
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					to share to live in the borough. Licensing and minimum standards for Small HMOs should be all that is required, rather than letting local people oppose non-nuclear households living on their streets.		
CS2312	Yes	Evelyn	Tenant	Positive	N/A	Support noted	No action taken
CS2313	Yes	Catford South	Occupier	Very Positive	Total over concentration of them in our area. Every second house that is sold seems to be converted to one. As soon as completed there is anti social behaviour, domestic disputes, fighting, loud music. One was recently burned out near us after a fight between residents.	Support Noted Officers will not comment on individual cases. Some text has been redacted due to what is deemed personal/sensitive information. The purpose of the Article 4 Direction is not to exclude HMOs from the housing market but	No action taken

					Impossible to contact landlords, always saying it's someone else's responsibility	to better manage and monitor the impact of small HMOs throughout the Borough.	
CS2314	Yes	Rushey Green	Owner/Occupier	Very Positive	Article 4 should be in place everywhere. Why are cash hungry landlords able to destroy family homes to create low quality rooms and charge a premium for them.	Support noted The purpose of the Article 4 Direction is not to exclude HMOs from the housing market but to better manage and monitor the impact of small HMOs throughout the Borough The Article 4 Direction will assist the new Additional HMO licensing Scheme, covering most HMOs that has been recently introduced by the Council.	No action taken
CS2315	Yes	Crofton Park	Tenant	Negative	Since the introduction of the small HMO rule I have struggled hugely to find	Objection noted. Officers will not comment on specific cases	No action taken

					<p>adequate housing in Lewisham.</p> <p>It's been difficult to find any small HMO properties for me and my two flatmates. This was, in part, due to many landlords choosing not to accept 3 friends living in a property and reserving the housing for couples and families because they did not want to apply for a HMO license.</p> <p>I think it's unfair that the council is able to stop young people like me from getting adequate housing when this is already so difficult in London.</p> <p>Additionally, many three bed properties were advertised as being</p>	<p>The purpose of the Article 4 Direction is not to exclude HMOs from the housing market but to better manage and monitor the impact of small HMOs throughout the Borough</p> <p>The Article 4 Direction will assist the new Additional HMO licensing Scheme, covering most HMOs that has been recently introduced by the Council.</p>	
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					<p>for only two friends or couples. In the former case, we are simply reducing the number of rooms available for rent in lewisham. This restricts supply and further increases the price of rent.</p> <p>It would be interesting if the council looked into the impact on rent prices and the actual availability of small HMOs since lewisham council introduced the HMO policy.</p> <p>This new policy simply increases the amount of paperwork required and as such landlords choose to rent to richer, more affluent people who can afford the rent on just two salaries instead of three.</p>		
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CS2316	Yes	Hither Green	Owner/Occupier	Very Positive	N/A	Support noted No comment submitted by the respondent	No action taken
CS2317	Yes	Catford South	Owner/Occupier	Very Positive	This area needs no more HMOs	Support noted The purpose of the Article 4 Direction is not to exclude HMOs from the housing market but to better manage and monitor the impact of small HMOs throughout the Borough	No action taken
CS2318	Yes	Lewisham Central	Tenant	Very Positive	Given the arrival of the new student specific facilities there is now enough provision for them. Throughout the borough there appears to not be sufficient available accommodation for family units especially for larger or growing families.	Support noted The purpose of the Article 4 Direction is not to exclude HMOs from the housing market but to better manage and monitor the impact of small HMOs throughout the Borough.	No action taken

						The London plan acknowledges that HMOs are an important source of low cost housing within the private rented sector for a number of groups including students	
CS2319	Yes	Lewisham Central	Landlord	Very Negative	Having high quality HMOs is key to gentrification. Young professionals from the City and Canary Wharf come to live in Lewisham. They bring energy and spending power to the area. We need more young professionals living in the Borough. They are healthy, use the NHS less and are net contributor to the borough.	Objection noted The purpose of the Article 4 Direction is not to exclude HMOs from the housing market but to better manage and monitor the impact of small HMOs throughout the Borough.	No action taken
CS2320	Yes	Catford South	Owner/Occupier	Very Positive	Although I support providing housing for people in all situations, the	Support noted The purpose of the Article 4 Direction is	

					degradation of family homes through their conversion into unsafe, unregulated HMOs must be addressed.	not to exclude HMOs from the housing market but to better manage and monitor the impact of small HMOs throughout the Borough The Article 4 Direction will assist the new Additional HMO licensing Scheme, covering most HMOs that has been recently introduced by the Council	
CS2321	Yes	Grove Park	Owner/Occupier	Very Positive	N/A	Support noted	No action taken
CS2322	Yes	Lee Green	Owner/Occupier	Very Positive	Any chance you can stop new small HMOs this year in 2023? Potentially you are fuelling a last minute surge in conversions by having the change go through in 2024. Plus we should have the right to object.	Support noted The decision to make a non-immediate Article 4 direction was to reduce the likelihood of compensation claims against the Council.	No action taken

CS2323	Yes	Rushey Green	Owner/Occupier	Very Positive	<p>I support it because I am experiencing the effects of illegal HMO conversion by Stef and Phips and subsequent negligence of landlord in [REDACTED]</p> <p>Really poorly worded question - do you support or object and not a yes or no answer!</p>	<p>Support noted</p> <p>The purpose of the Article 4 Direction is not to exclude HMOs from the housing market but to better manage and monitor the impact of small HMOs throughout the Borough</p> <p>The Article 4 Direction will assist the new Additional HMO licensing Scheme, covering most HMOs that has been recently introduced by the Council</p>	No action taken
CS2324	No	Hither Green	Landlord	Very Negative	<p>This will remove housing availability for young people and students who can't afford to rent exclusive property. This prices them out of the borough it also prevents their independence and leaving home.</p>	<p>Objection noted</p> <p>The purpose of the Article 4 Direction is not to exclude HMOs from the housing market but to better manage and monitor the impact of small</p>	No action taken

						HMOs throughout the Borough	
CS2325	Yes	Deptford	Owner/Occupier	Positive	Generally supportive with additional safeguards to protect small vulnerable families of fewer than 3 (e.g. single carer + 1)	Support noted The purpose of the Article 4 Direction is not to exclude HMOs from the housing market but to better manage and monitor the impact of small HMOs throughout the Borough	No action taken
CS2326	Yes	Rushey Green	Owner/Occupier	Very Positive	We live 2 doors away from a HMO on a close which is very badly maintained. With the rest of the close occupied by a large proportion of young families and elderly residents, the amount of rubbish and poorly maintained garden and property is evident and	Support noted Officers will not comment on specific cases The purpose of the Article 4 Direction is not to exclude HMOs from the housing market but to better manage and monitor the impact of small	No action taken

					negatively impacts on the close itself. For example, there was a recent fire in the property, and a broken window has been boarded and not fixed.	HMOs throughout the Borough	
CS2327	Yes	Brockley	Owner/Occupier	Positive	It is wrong that these conversions happen with no scrutiny possible by the Local authority. However, the sort of landlord who exploits the vulnerable is more likely to be able to find his way through the Planning Maze than people who are clubbing together to get through the Cost of Living Crisis and end up on the wrong side of the system, because they do not know to call themselves a single household and have a few	Support noted The purpose of the Article 4 Direction is not to exclude HMOs from the housing market but to better manage and monitor the impact of small HMOs throughout the Borough The Article 4 Direction will assist the new Additional HMO licensing Scheme, covering most HMOs that has been recently introduced by the Council	No action taken

					locks for privacy. The application process for becoming an HMO needs to be responsive to the circumstances of the people involved.		
CS2328	Yes	Rushey Green	Owner/Occupier	Very Positive	<p>I made early presentations in response to the previous representation period in 2022, and would like my comments to be taken into account by the Council when considering whether to confirm the new direction, please confirm this in writing.</p> <p>*comments submitted in previous consultation are available to view in the schedule of comments</p>	Support noted	No action taken

CS23329	Yes	Brockley	Owner/Occupier	Very Negative	<p>Our borough has a high concentration of students whom need accommodation and hence this proposal will greatly decrease the amount of properties available for them as owners would likely be put off by having to go through the full planning process due to the time, cost & uncertainty of outcomes.</p> <p>As a result, rents will increase as more people fight for lesser availability and only add to the cost of living issue.</p>	<p>Objection noted</p> <p>There is no evidence to show that rents will increase due to the implementation of an Article 4 direction on small HMOs in the Borough.</p> <p>The purpose of the Article 4 Direction is not to exclude HMOs from the housing market but to better manage and monitor the impact of small HMOs throughout the Borough</p>	No action taken
CS2330	Yes	Deptford	Owner/Occupier	Very Positive	we have non approved HMO's in our neighbourhood placing additional	Support noted	No action taken

					burden on the services & infrastructure to the cost of all residents and not to the landlords who just pass on any costs to the tenants forced to live in sub standard accommodation	Officers will not comment on specific cases The purpose of the Article 4 Direction is not to exclude HMOs from the housing market but to better manage and monitor the impact of small HMOs throughout the Borough	
CS2331	Yes	Lee Green	Owner/Occupier	Very Positive	N/A	Support noted	No action taken

**Table of Representations for consultation held
between 30/09/2022 and 05/12/2022**

Submission ref	Are you a resident of the London Borough of Lewisham? - Resident?	If you answered yes, which ward do you live in?	Are you a Landlord/ Occupier/Tenant?	What do you think about the proposed Article 4 Direction on Small HMOs for the remainder of the borough?	Any comments you would like to add?	Officer comment	Action
CS01	Yes	Lee Green	Owner/Occupier	Very Positive	N/A	Support noted No comment submitted by the respondent	None
CS02	Yes	Deptford	Owner/Occupier	Positive	N/A	Support noted No comment submitted by the respondent	None
CS03	Yes	Forest Hill	Owner/Occupier	Very Positive	N/A	Support noted No comment submitted by the respondent	None
CS04	Yes	Telegraph Hill	Occupier	Very Positive	At present, you can convert a family house into an HMO without planning permission. The Council has policies on converting family houses into flats. So this same scrutiny should	Support noted If made the Article 4 direction on small HMOs will require any conversion of a family home into a small HMO to	None

					apply in relation to HMOs as well, which can drastically alter the 'feel' of a neighbourhood and the experience of neighbours living nearby, without any consideration currently. I support the move by Lewisham.	be granted planning permission.	
CS05	Yes	Lee Green	Owner/Occupier	Very Positive	I'd be happy if you brought it in sooner. We need to ensure rogue landlords don't have more time to buy up properties in the borough.	Support noted The decision to make a non-immediate Article 4 direction was to reduce the likelihood of compensation claims against the Council.	None
CS06	Yes	Ladywell	Owner/Occupier	Positive	N/A	Support noted No comment submitted by the respondent	None
CS07	Yes	Rushey Green	Owner/Occupier	Very Positive	N/A	Support noted No comment submitted by the respondent	None
CS08	Yes	Evelyn	Owner/Occupier	Very Positive	This should have been introduced cross-borough when it was brought in for southern wards. The delay and now the necessity to wait another year mean	Support noted Since the Lewisham HMO Review and Evidence paper 2018 the evidence has become much stronger in support of	None

					countless homes are lost to greedy HMO landlords.	introducing an Article 4 direction across the whole borough as outlined in the Lewisham HMO Review and Evidence paper 2022.	
CS09	Yes	Bellingham	Owner/Occupier	Positive	I broadly support the aims of the direction. If anything, I would have liked it to have come in force earlier. My ward (Bellingham) consists mainly of family housing, a large part of which is also social housing. Across the Borough, there is a demand for this type of housing that outstrips supply. We already have a large number of small HMOs which I consider inappropriate for this type of housing.	Support noted On the 18 th September 2019 Mayor and Cabinet approved the confirmation of a non-immediate Article 4 Direction on Small HMOs in the South of the Borough including the Bellingham ward. This Article 4 Direction came into force on the 7 th March 2020.	None
CS10	Yes	Catford South	Owner/Occupier	Very Positive	N/A	Support noted No comment submitted by the respondent	None
CS11	Yes	Hither Green	Owner/Occupier	Very Positive	A 3 bed house on my road [REDACTED] was purchased in 2021 and quickly turned into a HMO of 6 units by [REDACTED]. The building process required no permission and	Support Noted. Officers will not comment on individual cases. Some text has been redacted due to what is deemed	None

					has caused structural issues to the adjacent homes at huge emotional and financial stress to the owners. I was aghast this could happen without permission or consultation. Tenants, clearly with vulnerabilities, were moved into the house around 4 months ago and recently caused a fire in the house which has caused huge concern to all local residents. No developer should be able to act in this way and leave home owners and local residents helpless against this type of activity.	personal/sensitive information.	
CS12	Yes	Evelyn	Owner/Occupier	Very Positive	Our Deptford Park petition of 2021 strongly supported better control of HMOs in the area, in the face of developers buying up 3 bed Victorian family houses and converting them. There is significant demand for short term accommodation for transient individuals willing to pay £800-1000 a month so this is not necessarily	Support noted If implemented the Article 4 Direction will assist the new Additional HMO licensing Scheme, covering most HMOs that has been recently introduced by the Council.	None

					providing accommodation for those with limited income. Where there is no control with respect to concentrations of HMOs in a given road or area and where is no effective process to inspect and licence unlicensed properties then the only alternative is to control the expansion at planning level.		
CS13	Yes	Deptford	Owner/Occupier	Very Positive	<p>I and my husband live on [REDACTED]. It has historically been a wonderful neighbourhood with families and a community. More latterly houses that are purchased and turned into HMOs can result in noise, poor house maintenance and high turnover of people who have no interest in the community or the area. This is not always the case however, and we understand some rentals and affordable residential is needed. It's a balance though, and certainly there</p>	<p>Support Noted</p> <p>Some text has been redacted due to what is deemed personal/sensitive information.</p> <p>The purpose of the Article 4 Direction is not to exclude HMOs from the housing market but to better manage and monitor the impact of small HMOs throughout the Borough.</p>	None

					<p>are already enough in the road.</p> <p>The general outcome of HMOs include: Rubbish & bins left blocking the pavement Flytipping Noise Parking problems Properties in poor repair Anti-social behaviour</p> <p>Myself and my neighbours who are involved in the local community love living in this area, and we look after our houses and contribute to the overall improvement of the area. We are all concerned with a potential downward trend of care for the area. We want to limit this by restricting the possibility/numbers of people who buy houses, rent them out as 6 individuals, don't maintain the houses, or live in the area and therefore have no interest in the impact on the local community.</p>	
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					The houses are over 100 years old, and are wonderful if looked after. They do need a lot of care and it's sad to see some that are crumbling. Generally owner-occupiers do the necessary care of these buildings so they will last for another 100 years.		
CS14	Yes	Evelyn	Owner/Occupier	Very Positive	The proliferation of HMOs in the area does nothing to improve the life of residents. The amount of waste generated from these properties puts a strain on the utilities. Some of the houses have more than two bins. The residents generally do not fit in with local residents who take a pride in their properties.	Support Noted The purpose of the Article 4 Direction is not to exclude HMOs from the housing market but to better manage and monitor the impact of small HMOs throughout the Borough.	None
CS15	Yes	Deptford	Owner/Occupier	Very Positive	Local roads now have more HMOs than residents. It's been a free for all causing parking issues & overflowing bins as no individual renters are taking responsibility for bins	Support Noted The purpose of the Article 4 Direction is not to exclude HMOs from the housing market but to better manage and monitor the impact of	None

						small HMOs throughout the Borough.	
CS16	Yes	Evelyn	Owner/Occupier	Very Positive	<p>As stated the statistics documented are unlikely to reflect the true numbers of HMOs in the borough eg evidence from residents, numbers of bins, over occupancy suggests the true number is probably at least 25% higher.</p> <p>Licensing was suspended during lockdown and there is clearly a backlog, this in addition to those properties that appear not to have been licensed in the first place.</p> <p>While there is a acknowledged need for some low cost accommodation a significant amount of HMOs in the borough seems to be just serving the needs of a transient population, some of which have homes elsewhere. The demographics of many areas have been slewed away from families and</p>	<p>Support noted</p> <p>Section 7 of the Lewisham HMO Review and Evidence paper, May 2022 highlights the data sets available to officers in informing the recommendation to implement the Article 4 direction.</p>	None

					<p>balanced communities to what could now be described as dormitory areas. The demographics of Lewisham and London generally have changed dramatically evidenced by falling primary school rolls in many areas. HMOs have contributed to this.</p> <p>The ASB issues related to HMOs are well documented and there is a financial cost of this to the council, as well as a social cost to communities.</p> <p>In the evidence paper HMOs per ward are documented in absolute numbers, this can be misleading as true concentration depends on the % of HMOs in relation to the number of family homes available for such a conversion. eg para 7.22 table 5 has no such % calculations and therefore does not give a true picture.</p>		
CS17	Yes	Deptford	Owner/Occupier	Very Positive	N/A	Support noted	None

						No comment submitted by the respondent	
CS18	Yes	Deptford	Owner/Occupier	Very Positive	N/A	Support noted No comment submitted by the respondent	None
CS19	Yes	Evelyn	Owner/Occupier	Very Positive	<p>I own my house, family house on a victorian terrace street. My house is in the middle of two HMO properties either side of me. There is a huge amount of overflowing rubbish from their bins, the street is overflowing with smelly rubbish since the black bins are only collected every 2 weeks.</p> <p>Noise of parties is ok once in a while, I'm not a prude but when I'm trying to put my primary school children to bed their house continues noise late into early hours during the weekdays.</p> <p>There is overcrowding in these hmos and these people smoke marijuana in their tented rooms, which</p>	Support noted Officers will not comment of specific cases during this consultation. The purpose of the Article 4 Direction is not to exclude HMOs from the housing market but to better manage and monitor the impact of small HMOs throughout the Borough.	None

					<p>means the smell goes into my house if I open my house windows. My childrens bedroom smells which is not any patent wants.</p> <p>I bought my house here 10 years ago for a quieter family residential property, but since then most of the street is now hmo.</p>		
CS20	Yes	Evelyn	Occupier	Very Positive	<p>The houses here are great family Victorian homes adjacent to the wonderful deptford park which is a great space for all and all with a deep history attached. Family's and the elderly residents are often being hoodwinked into selling to new family's only to find out the purchasers are developers who then rip out and destroy the traditional character and features of the buildings . These HMO's become short term high turn around lettings which destroy the neighbourly values and also leads to constant fly tipping,</p>	<p>Support noted</p> <p>The purpose of the Article 4 Direction is not to exclude HMOs from the housing market but to better manage and monitor the impact of small HMOs throughout the Borough.</p>	None

					The sheer scale and number of new developments in the immediate surrounding area should warrant a great reduction in the need for HMO's and the ability to secure a traditional family home		
CS21	Yes	Forest Hill	Tenant	Very Negative	<p>I feel that this policy will in the medium/long-term reduce the availability of housing options for young people and disproportionately impact people that do not have the means to rent individually or rent with one other person.</p> <p>It will inevitably and disproportionately lead to rise in rents for students in the borough and younger people. With rents as high as they are, this will make the borough unaffordable for these people to live in.</p> <p>There isn't enough housing as it is and it is unclear to me what this policy achieves - it certainly</p>	<p>Objection noted</p> <p>The purpose of the Article 4 Direction is not to exclude HMOs from the housing market but to better manage and monitor the impact of small HMOs throughout the Borough.</p>	None

					doesn't improve the availability of housing or the cost of it which should be a priority for the council over homeowner concerns over parking.		
CS22	Yes	Evelyn	Occupier	Very Positive	We have a HMO next to us. We have had problems with noise late at night. It takes away a feeling of having neighbours you can develop a relationship with.	Support Noted	None
CS23	Yes	Evelyn	Tenant	Very Positive	family housing in social housing blocks should be taken back if a leaseholder has turned into a HMO	Support Noted	None
CS24	Yes	Evelyn	Owner/Occupier	Very Positive	This is important for retaining a balance of homes in the area - flats, high quality HMOs/house shares, family houses etc.	Support Noted	None
CS25	Yes	Ladywell	Landlord	Negative	There will be no real way of telling. People won't apply for status. Friends will have to pretend to be a family to get a better houses etc. Need to make clear if applies to lodgers. You will lose lots of high quality	Objection noted The purpose of the Article 4 Direction is not to exclude HMOs from the housing market but to better manage and monitor the impact of	None

					accommodation if you put people off having lodgers.	small HMOs throughout the Borough. The introduction of the HMO Article 4 direction will be assisted by the introduction of a additional HMO Licensing Scheme. Together these initiatives will improve the quality of HMOs in the Borough.	
CS26	Yes	Evelyn	Owner/Occupier	Very Positive	<p>The development of multiple HMOs in our area (Deptford Park) is adversely affecting the area:</p> <p>Some of the current issues include increases in littering, general untidiness, fly tipping and noise.</p> <p>It also raises longer term concerns about homogenisation, unbalancing and weakening of a sense the community, with a loss of families and children. This trend has already been exacerbated by the planning of, building and future occupation of multiple small flats and</p>	<p>Support noted</p> <p>The focus of the consultation is to determine the support for the implementation of an Article 4 direction on Small HMOs across the Borough.</p> <p>The purpose of the Article 4 Direction is not to exclude HMOs from the housing market but to better manage and monitor the impact of small HMOs throughout the Borough.</p> <p>Officers will not comment on other development</p>	None

					student accommodation in North Deptford. Current amenities are already under strain as the local population balloons without any significant increase in local amenities or publicly owned open space.	that is being undertaken throughout the Borough.	
CS27	Yes	Evelyn	Owner/Occupier	Very Positive	Loss of family homes to landlords is a blight on the area.	Support Noted	None
CS28	Yes	Evelyn	Owner/Occupier	Neutral	<p>This should have been done a long time ago in the meantime many homes have been poorly converted and too many people occupying the space.</p> <p>Even with planning needed I would hope there must be a special reason it's granted.</p> <p>There are way too many legal and illegal HMO's in the area. Destroying the character of the family homes.</p> <p>With the new EPC rules coming in I doubt any of these Victorian homes</p>	<p>Support noted</p> <p>The purpose of the Article 4 Direction is not to exclude HMOs from the housing market but to better manage and monitor the impact of small HMOs throughout the Borough.</p> <p>The introduction of the HMO Article 4 direction will be assisted by the introduction of an additional HMO Licensing Scheme. Together these initiatives will improve the quality of HMOs in the Borough.</p>	None

					would classify as band C even after the necessary updating. With all the new development in Evelyn where us the infrastructure to hold so many people.		
CS29	Yes	Catford South	Landlord	Very Positive	This feels like a very necessary step towards ensuring controlled development of HMOs across the borough. Many residential streets near where I live on the Corbett estate have seen single family houses converted into HMOs with very small spaces and few facilities for residents. Most have no allowance for outside space and interior spaces hardly have room to accommodate more than a single bed. Furthermore companies such as Stef & Philips Ltd have been negligent in their handling of proper construction and civil law processes, ignoring the need for party wall agreements and any	Support noted The purpose of the Article 4 Direction is not to exclude HMOs from the housing market but to better manage and monitor the impact of small HMOs throughout the Borough. The introduction of the HMO Article 4 direction will be assisted by the introduction of an additional HMO Licensing Scheme. Together these initiatives will improve the quality of HMOs in the Borough If there is a continued example of inappropriate development or issues	None

					<p>correspondence with neighbours during the conversion process. Their contractors have been hostile to adjacent neighbours and caused damage to neighbouring properties due to a lack of care and quality management on site. When occupied, HMOs managed by these companies often have inadequate refuse collection facilities leading to fly tipping and unsightly streets due to residents littering and bins overflowing. We are seeing drainage problems due to Victorian sewage infrastructure being unable to handle the uplift in capacity when a 2 bedroom house is converted into a 5 person HMO. These rooms are meant to be single occupancy, but in the absence of proper monitoring of properties from the likes of Stef & Philips, there are often multiple people staying and visiting in each room,</p>	<p>around anti-social behaviour please inform the Councils Planning Enforcement team, the Councils Private Sector Housing Enforcement team or for anti-social behaviour contact the Met police via their non-emergency helpline.</p>	
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					<p>adding to the load on services within and outside the property. Tenants themselves are often vulnerable or not well vetted by these companies and we have faced confrontations with neighbouring tenants at Stef & Philips property who have been using illegal drugs in the front of the property, seen a tenant get arrested with a big police presence on the street which caused alarm, had noise issues and witnessed abusive behaviour from tenants to neighbours. These properties need to be located close to services, whether these are health or social care related and residential areas such as the Corbett estate which offer very little other than schools and housing are not appropriate for such residents in comparison to urban areas close to town/neighbourhood centres. Proper planning permission requirement will</p>		
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					give the council the leverage to better determine what areas are and aren't appropriate for this type of housing. As well as to hold developers to higher standards in designing and building these HMOs. It also allows due process for neighbours to firstly be aware of such developments being planned and then to object to a proposal if they feel it will negatively impact on a street. This can then be considered in the decision making process, rather than the ad hoc free for all we are currently experiencing.		
CS30	Yes	Deptford	Owner/Occupier	Very Positive	N/A	Support noted No comment submitted by the respondent	None
CS31	Yes	Evelyn	Owner/Occupier	Very Positive	In the Evelyn Ward the use of HMOs is out of control and, in recent years, there have been numerous family homes that have been gutted and repurposed to house 7 rooms or more. Each room being a tiny bed	Support noted	None

					<p>sit with en-suite and no shared space for people to live. Not only this provides subpar accommodation (small and cramped) for the occupiers at a massive profit for the landlords, but it also destroys (often permanently) family homes. There is a real lack of 3+bedrooms properties in Evelyn. This forces people to live out of the area and children are forced to change schools. Schools are under subscribed here as a result. There is a real lack of 'community' in recent years due to the transitional nature of HMOS and the huge rents people are forced to pay. There's are issues with rubbish removal, parking spaces, lack of bike hangers as these houses/flats are now occupied by double (if not triple) the amount of people they were designed to do. Whilst having some HMOs is important to provide a mixture of options for those renting, in</p>		
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					this area the situation is unsustainable. Prices have been pushed up to such a point that neither people buying or renting can sustain it.		
CS32	Yes	Rushey Green	Owner/Occupier	Very Positive	N/A	Support noted No comment submitted by the respondent	None
CS33	Yes	Lee Green	Owner/Occupier	Very Positive	N/A	Support noted No comment submitted by the respondent	None
CS34	Yes	Lewisham Central	Occupier	Very Positive	Enforcement is key, whilst my road, a conservation area with Article 4 designation going back to 1976, enforcement is non-existent. Education and enforcement is key. There only remain a handful of owner occupied premises in Lewisham Town Centre and the council needs to enforce what regulations already exist.	Support noted	None
CS35	Yes	New Cross Gate	Owner/Occupier	Very Positive	we have seen a good deal of properties not fit for purpose rented out on new X rd. Being a landlord is	Support noted The purpose of the Article 4 Direction is to better	None

					equivalent to a pyramid scheme-resting on the hardship or need of others. Everyone deserves affordable, fit housing. A neighbour lives in a shed in the garden- that no legal body monitors. Planning permission would put some people off from doing the illicit-our neighbour did not apply.	manage and monitor the impact of small HMOs throughout the Borough. The introduction of the HMO Article 4 direction will be assisted by the introduction of an additional HMO Licensing Scheme. Together these initiatives will improve the quality of HMOs in the Borough The officer would also like to note that the generalisation made on landlords within this comment is incorrect and the Council supports Landlords who provide a high standard of housing product.	
CS36	Yes	Catford South	Tenant	Very Negative	N/A	Objection noted No comment submitted by the respondent	None
CS37	Yes	Perry Vale	Owner/Occupier	Very Positive	I think this kind of control is essential to protect the welfare of Lewisham residents, and to ensure proper amenities/services	Support noted	None

					are in place to service any HMO.		
CS38	Yes	Brockley	Owner/Occupier	Very Negative	<p>Removing these PD rights will exasperate the already shortage of rental properties especially for areas where there are large student populations.</p> <p>This will not help owners in particularly small landlords or owners whom may become “accidental landlords” as they will now have more expense submitting planning applications and as a result rentals becoming more and more unaffordable.</p> <p>In addition, would this not put more unnecessary pressure on the Local Council planning department whom are already likely to be overstretched.</p>	<p>Objection noted</p> <p>The purpose of the Article 4 Direction is not to exclude HMOs from the housing market but to better manage and monitor the impact of small HMOs throughout the Borough.</p> <p>The introduction of the HMO Article 4 direction will be assisted by the introduction of an additional HMO Licensing Scheme. Together these initiatives will improve the quality of HMOs in the Borough</p>	None
CS39	Yes	Grove Park	Owner/Occupier	Very Positive	Important to have these measures in place.	Support noted	None
CS40	Yes	Lee Green	Owner/Occupier	Very Positive	N/A	Support noted	None

						No comment submitted by the respondent	
CS41	Yes	Rushey Green	Owner/Occupier	Very Positive	Rushey Green has a high concentration of HMOs and this article 4 will help reduce the amount of poor quality HMOs coming to Catford.	Support noted	None
CS42	Yes	Catford South	Owner/Occupier	Very Negative	<p>All HMO applications should be rejected for the following reasons :-</p> <ol style="list-style-type: none"> 1. Multiple occupancy engenders conflict between tenants as individuals have personal and conflicting intentions and responsibility. 2. The landlord is only really interested in the income it generates for himself. 3. The landlord is unlikely to be living in the same HMO premises so that he will not be bothered about the environmental state or noise pollution caused by the residents. Such activity will only drive down the 	<p>Objection noted</p> <p>The purpose of the Article 4 Direction is better manage and monitor the impact of small HMOs throughout the Borough.</p> <p>The introduction of the HMO Article 4 direction will be assisted by the introduction of an additional HMO Licensing Scheme. Together these initiatives will improve the quality of HMOs in the Borough.</p> <p>The Council recognises the value that HMOs have in serving distinct needs on a national, regional and local level. The intention</p>	None

					<p>general condition of the area, which will have a further downward affect on the upkeep of the area by future residents.</p> <p>4. Such tenants are only likely to be living in the area for a short period of time as they will move on to other area for better housing or work reasons and thus will not be bothered on the presentation of the property. Furthermore, on moving out are likely to further deteriorate the area by finding were to deposit unwanted furniture and bedding on street corners.</p> <p>Currently there are two beds discarded at the top of Daneby Road, SE6. If you wish to see the deteriorated state of a three bedroom HMO, please come and visit No 106 Daneby Road, Catford SE6 and compare it with the general upkeep of other houses in the same road.</p>	<p>of the Article 4 direction is not to exclude HMOs from the housing market.</p>	
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CS43	Yes	Catford South	Occupier	Very Positive	I live in a ward that has recently been very adversely affected by the rise in HMO development. This is causing an imbalance in the type of housing in the area. It is very important that residents have a say in the type of development that happens in their area. Yes there is a place for HMOs but not this rate to convert as many houses as a developer can purchase (and they have the spending power) An Article 4 will force all developers to go through planning allowing residents to have their say.	Support noted	None
CS44	Yes	Lee Green	Owner/Occupier	Very Negative	N/A	Objection noted No comment submitted by the respondent	None
CS45	Yes	Lee Green	Tenant	Negative	It is a lot of information and I have concerns, if it in fact means that landlords cannot create badly converted small spaces for shared occupation then this is a good idea. Is this an issue in the area or is this another source of	Objection supported The purpose of the Article 4 Direction is not to exclude HMOs from the housing market but to better manage and monitor the impact of	None

					<p>controlling what people do. Bearing in mind people due to housing crisis, and it is a crisis when people do not move around as much the prices are sky high and they cannot find larger accommodation for their families so they stay and improve where they are, that stops the once natural movement of people. The people who can afford move into the area and then complain about its character i.e. the messy market then move out as they can afford to, the ones who live and were born and bred and cannot afford to move out for various financial reasons are left with the changes that are made, it seems to appease the more affluent. I have seen this in various areas over the years, Surrey Docks still has the same vibe with an addition of the affluent, both moving along side by side as it should be - but frequenting different</p>	<p>small HMOs throughout the Borough.</p> <p>The introduction of the HMO Article 4 direction will be assisted by the introduction of an additional HMO Licensing Scheme. Together these initiatives will improve the quality of HMOs in the Borough</p> <p>The evidence that supports the making of this Article 4 direction is presented in the Lewisham HMO review and evidence paper (2022). Lewisham is committed to providing a range of different housing products that will benefit both current and future residents.</p>	
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					drinking holes/restaurants being the only difference.		
CS46	Yes	Sydenham	Owner/Occupier	Positive	N/A	Support noted No comment submitted by the respondent	None
CS47	Yes	Forest Hill	Owner/Occupier	Very Negative	High Density living increased even more; increased vehicles per household; increased health risk with increase refuse; impact on neighbouring properties due to increase residency under one roof.	The respondent has noted that they are very negative regarding the making of the article 4 direction, however their comment would suggest that they are in fact supportive of this initiative. The intention of the Article 4 direction is to better manage and monitor the impact of small HMOs and is not intended to trigger an increase of small HMO properties across the borough that are miss managed	None
CS48	Yes	Perry Vale	Landlord	Very Positive	I think it's a good idea not to have too many HMOs, also that they shouldn't be concentrated in one area.	Support noted The purpose of the Article 4 Direction is not to exclude HMOs from the	None

					And also that they should be of good quality.	housing market but to better manage and monitor the impact of small HMOs throughout the Borough. The introduction of the HMO Article 4 direction will be assisted by the introduction of an additional HMO Licensing Scheme. Together these initiatives will improve the quality of HMOs in the Borough	
CS49	Yes	Perry Vale	Owner/Occupier	Positive	N/A	Support noted No comment submitted by the respondent	None
CS50	Yes	Forest Hill	Owner/Occupier	Very Positive	N/A	Support noted	None
CS51	Yes	Sydenham	Owner/Occupier	Very Positive	I think that the housing stock should be made available to buy, rather than be used to house multiple people in tiny cramped often poorly renovated 3 bedroom houses, converted to accommodate 6 people. The rents on these places can be up to £1000/room	The purpose of the Article 4 Direction is to better manage and monitor the impact of small HMOs throughout the Borough. The introduction of the HMO Article 4 direction will be assisted by the introduction of an	None

					<p>which means a lot of profit for companies with poor quality of life for resident and communities</p>	<p>additional HMO Licensing Scheme. Together these initiatives will improve the quality of HMOs in the Borough</p> <p>The Council recognises the value that HMOs have in serving distinct needs on a national, regional and local level. The intention of the Article 4 direction is not to exclude HMOs from the housing market</p>	
CS52	Yes	Catford South	Owner/Occupier	Very Positive	<p>Far too many HMO's in the area, this law is needed to stop our borough becoming a money tree for greedy landlords.</p>	<p>The purpose of the Article 4 Direction is not to better manage and monitor the impact of small HMOs throughout the Borough.</p> <p>The introduction of the HMO Article 4 direction will be assisted by the introduction of an additional HMO Licensing Scheme. Together these initiatives will improve the quality of HMOs in the Borough</p>	None

CS53	Yes	Telegraph Hill	N/A	Very Positive	<p>Note that this consultation is being completed on behalf of the Telegraph Hill Society, a residents' association covering the Telegraph Hill Conservation Area.</p> <p>We have been concerned for a number of years over the loss of large family houses in the north of borough. Should the proposals in the draft Local Plan go through, which advocates subdivision of smaller properties than was previously allowed, we believe this will get worse.</p> <p>We have no objection to HMOs - indeed we find them preferable from a conservation viewpoint to conversion of properties into flats - as HMOs can be much more readily re-converted into single dwellings than flats can be and therefore they do not reduce the potential stock of larger family houses in the way flat conversion</p>	<p>Support noted</p> <p>Draft Local Plan Policy H02.E has been amended to make clear that the gross conversion of a single family dwelling, or self-contained unit with 3+ bedrooms, into smaller self-contained residential units (including flats) will only be supported where the gross internal floor space of the existing original dwelling is 130 sq. metres or greater. Specifying 'the original' dwelling mitigates the issue raised regarding the conversion of HMOs into flats</p>	None
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					<p>does.</p> <p>However the Council interprets its policies (in a way which we believe is wrong) to allow conversion of HMOs into flats arguing that an HMO is not family accommodation. The lack of control over smaller HMOs therefore means, as we have seen, a "loophole" whereby a developer can convert a family house into an HMO without planning permission and then get the Council to agree to the conversion to flats as no family home is lost. This is clearly wrong.</p> <p>Since the Council does not seem willing to change its views on HMO to flat conversion, we strongly support bringing smaller homes into the planning framework by way of an Article 4 direction. It will not close the loophole, but will, at least, allow the level of the problem to be monitored and give an</p>		
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					<p>opportunity for the case to be argued that the property should remain a family home or revert to a family home if it ceases to be an HMO.</p> <p>(We have not answered the remaining questions as they are either not applicable to the Society or cannot be answered in the format they are presented.)</p>		
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Comment Ref	Submitted Comment	Officer comment	Action
Resident	<p>Most London boroughs are now confirming Article 4 Direction for change to HMO's which means they have removed permitted development for changes to HMO.</p> <p>I'm sure your aware of the reasoning behind this which I have outlined below:</p> <ul style="list-style-type: none"> • Poor standards of accommodation • Loss of local character • Reduction in environmental quality • Increased noise complaints • Loss of single family dwelling • Increase pressure on car parking • Increased levels of crime <p>The local area is experiencing unprecedented development with 13500 flat being built so retaining family houses with a garden should be a priority.</p> <p>We don't need any further HMO, just better management of the exist HMO's.</p>	<p>Noted</p> <p>The purpose of the Article 4 Direction is to better manage and monitor the impact of small HMOs throughout the Borough.</p> <p>The introduction of the HMO Article 4 direction will be assisted by the introduction of an additional HMO Licensing Scheme. Together these initiatives will improve the quality of HMOs in the Borough</p> <p>The Council recognises the value that HMOs have in serving distinct needs on a national, regional and local level. The intention of the Article 4 direction is not to exclude HMOs from the housing market</p>	None
TFL	Thank you for consulting Transport for London (TfL). I can confirm that we do not wish to make any representations	Noted	None

National Highways	<p>Dear Lewisham Strategic Policy Team,</p> <p>Thank you for your e-mail of 2nd October 2022 inviting National Highways to comment on the above consultation.</p> <p>National Highways was appointed by the Secretary of State for Transport as strategic highway company under the provisions of the Infrastructure Act 2015 and is the highway authority, traffic authority and street authority for the strategic road network (SRN). The SRN is a critical national asset and as such National Highways works to ensure that it operates and is managed in the public interest, both in respect of current activities and needs as well as in providing effective stewardship of its long-term operation and integrity.</p> <p>We have reviewed the Article 4 Direction on small HMOs and are satisfied that the consultation will not materially affect the safety, reliability and / or operation of the SRN (the tests set out in DfT Circular 02/2013, particularly paragraphs 9 & 10, and MHCLG NPPF2019, particularly paragraphs 108 and 109).</p> <p>Thank you again for consulting with us and please continue to advise us of other relevant consultations via our inbox planningse@nationalhighways.co.uk.</p>		
Culverly Green Residents	<p>This is something that the Culverly Green Residents Association very much welcome as we know that not only in our immediate area this has been a cause of concern but in our adjoining roads such as Thornsbeach, Callendar and Daneby. It is our view that each such applications must be scrutinised as to the cumulative effect it is having on</p>	Support noted	None

	<p>surrounding properties. This can only be done through developers having to apply for Planning permission. We are very aware of the effect the present proliferation of HMO's has had on the Corbett estate and very much welcome this move by the council and look forward to it being implemented at the end of next September as do many residents of the borough.</p>		
Resident	<p>I am writing to express my opposition to London Borough of Lewisham's proposal to withdraw permitted development rights from HMOs across the borough.</p> <p>I have grown up in Lewisham and I love living here. However, I can only afford to stay in my home town because of the supply of HMOs. I would be completely unable to afford a one-bedroom flat for myself.</p> <p>For single persons and couples, renting in Lewisham is getting harder and harder. Supply is not keeping up with demand. The rental market is shrinking, as landlords are selling up their homes. This is pushing up rents, deposits and creating bidding wars among would-be tenants.</p> <p>I fear that this proposal would provide additional steep hurdles for landlords who are willing to provide accommodation for people on low to medium incomes like me. Landlords would need to go through a lengthy planning process in a stretched planning department and perhaps, contend with fierce local opposition and planning committee decisions.</p> <p>I fear that councillors are pushing this Article 4 directions because of feedback from residents which amounts to class-</p>	<p>Objection noted</p> <p>The purpose of the Article 4 Direction is to better manage and monitor the impact of small HMOs throughout the Borough.</p> <p>The introduction of the HMO Article 4 direction will be assisted by the introduction of an additional HMO Licensing Scheme. Together these initiatives will improve the quality of HMOs in the Borough</p> <p>The Council recognises the value that HMOs have in serving distinct needs on a national, regional and local level. The intention of the Article 4 direction is not to exclude HMOs from the housing market</p> <p>The evidence supporting the proposal of the Article 4 direction is robust and can be reviewed in the Lewisham HMO Review and Evidence paper (2022)</p>	None

	<p>based prejudices regarding HMOs for providing accommodation to low-income individuals. HMOs bring the wrong sort of neighbour to an area, thus harming its 'character'...</p> <p>I think a balance does needs to be struck, and I support Lewisham Council's landlord licensing scheme to maintain standards in the private rented sector.</p> <p>If Lewisham Council wants to help families get onto the local housing ladder, they need to building a lot more one bedroom flats to bring down the prices - so me and my flatmates can rent our own places and the 'family home' we occupy can be rented or sold to a family. We need to end the seller's market that forces tenants to accept bad landlords.</p> <p>I hope my feedback will be taken on board and offers some food for thought for your planning policy colleagues.</p>		
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THE LONDON BOROUGH OF LEWISHAM

TOWN AND COUNTRY PLANNING (GENERAL PERMITTED DEVELOPMENT)

(ENGLAND) ORDER 2015 (as amended)

THE HOUSES IN MULTIPLE OCCUPATION ARTICLE 4 (1) DIRECTION 2023

DIRECTION MADE UNDER ARTICLE 4(1)

WHEREAS THE LONDON BOROUGH OF LEWISHAM being the appropriate local planning authority within the meaning of article 4(5) of the Town and Country Planning (General Permitted Development) (England) Order 2015 as amended ("the Order") is satisfied that it is expedient that development of the description set out in the First Schedule below should not be carried out on the Land shown edged red on the Plan in the Second Schedule and described in the Second Schedule unless planning permission is granted on an application made under Part III of the Town and Country Planning Act 1990 (as amended)

NOW THEREFORE the said Council in pursuance of the power conferred on it by article 4(1) of the Order hereby directs that the permission granted by Article 3 of the said Order shall not apply to development on the said land of the description set out in the First Schedule below.

This Direction is made under Article 4 (1) of the said Order and shall come into force, if confirmed, on 19th January 2024

FIRST SCHEDULE



Development consisting of the change of use of a building from a use falling within Class C3 (dwellinghouses) of Schedule 1 to the Town & Country Planning (Use Classes) Order 1987(as amended) , to a use falling within Class C4 (houses in multiple occupation) of that Schedule being development within Class L(b) of Part 3 of Schedule 2 to the Order and not being development comprised within any other class

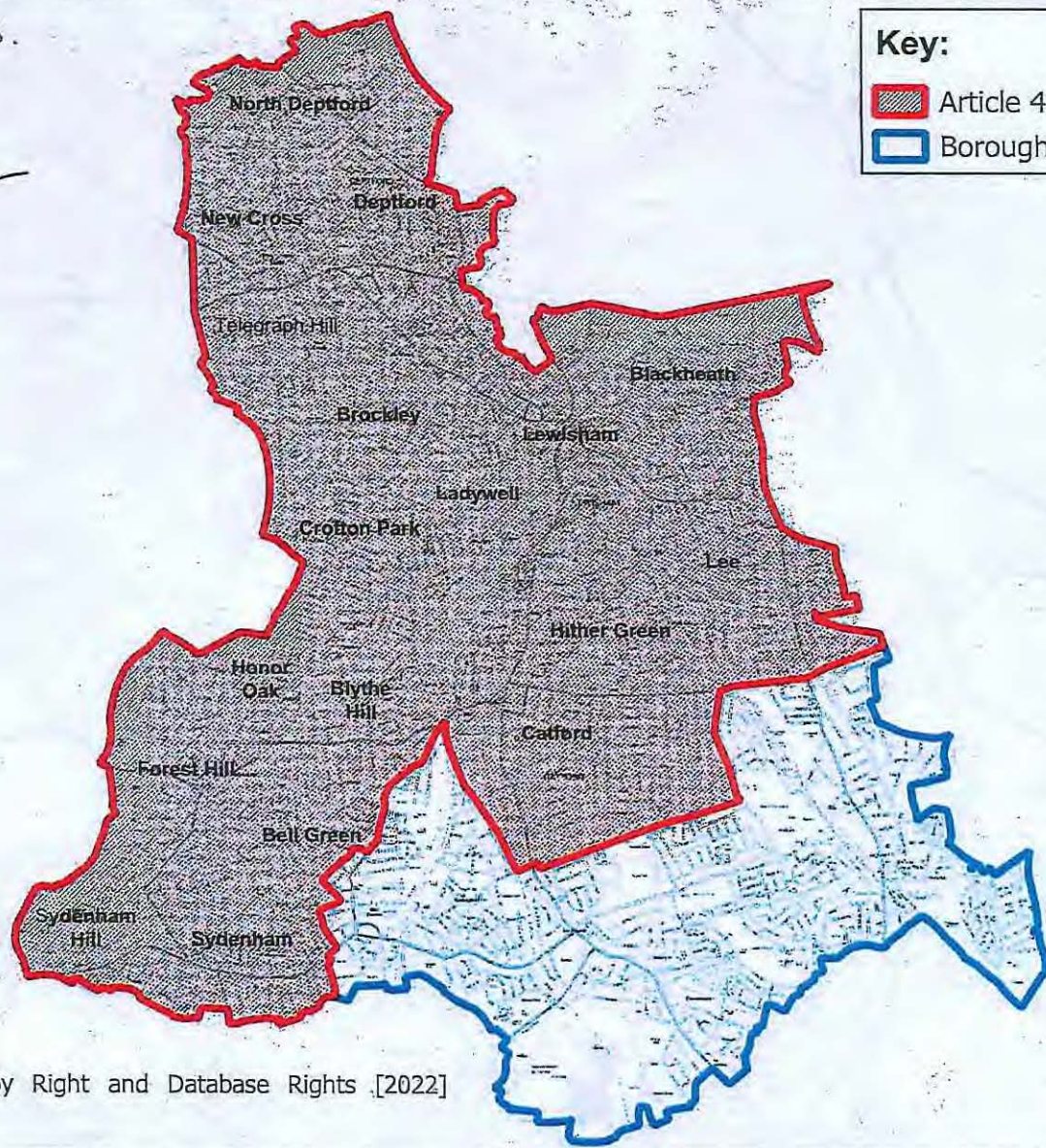
Area covered by Article 4 Direction

4822776.



Key:

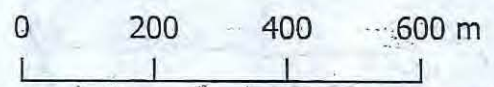
-  Article 4 Direction Boundary
-  Borough Boundary



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Scale: 15300



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Ordnance Survey 100017710

Date: May 2022

Author: Strategic Planning

The Land shown edged red includes the following postcodes within the borough SE3, SE4, SE8, SE10, SE13, SE14, SE15, SE16, SE23 and to the areas of the postcodes BR1, SE6, SE12 and SE26 as shown on the Plan

London Borough of Lewisham



Made under the COMMON SEAL OF)

THE LONDON BOROUGH OF LEWISHAM)

On this 11th day of January)
2023



PRINCIPAL LAWYER FOR
THE DIRECTOR OF
LAW, GOVERNANCE + ELECTIONS



The Common seal of the Council was affixed to this Direction
in the presence of:-

Principal Lawyer for
Director of Law Governance & Elections

Confirmed under THE COMMON SEAL OF)

THE LONDON BOROUGH OF LEWISHAM)

On this day of)

The Common Seal of the Council was affixed to this Direction
In the presence of:-

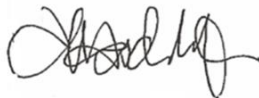
Principal Lawyer
For Director of Law Governance & Elections

Report for: Mayor and Cabinet	
Part 1	<input checked="" type="checkbox"/>
Part 2	<input type="checkbox"/>
Key Decision	<input checked="" type="checkbox"/>

Date of Meeting	10 May 2023	
Title of Report	Approval to Procure and award the Council's Insurances	
Author	Karen Eaton, Group Manager, Insurance & Risk	Ext. 46849

At the time of submission for the Agenda, I confirm that the report has:

Category	Yes	No
Financial Comments	x	
Legal Comments	x	
Cabinet Briefing consideration		
EMT consideration	x	



Signed:
Cabinet Member for Finance and Strategy
Date: 26/04/23



Signed:
Executive Director of Corporate Resources
Date: 25/04/23

Control Record by Committee Services

Action	Date
Listed on Key Decision Plan	
Date submitted to Legal & Finance	
Date submitted to Cabinet Members for sign off	
Date submitted to Executive Director for sign off	



Mayor & Cabinet

Report title: Approval to Procure and award the Council's Insurances

Date: May 2023

Key decision: Yes

Class: Part 1.

Ward(s) affected: All

Contributors: Karen Eaton, Group Manager, Insurance & Risk

Outline and recommendations

Mayor & Cabinet are recommended to authorise officers to run a procurement for all of the Council's insurances that are due to expire on 30 November 2023.

The new insurance policies will be for a period of three years, with an option to extend for a further two years. The expected total value of the contracts will be £2.5m annually plus Insurance Premium Tax (currently 12%) but with individual values for each of the 8 Lots as detailed in the body of this report.

Mayor & Cabinet are recommended to:

Authorise officers to run a procurement for all of the Council's insurances that are due to expire on 30 November 2023, in accordance with the timeline set out above. The new insurance policies will be for a period of three years, with an option to extend for a further two years at a total estimated cost of £14.2m including IPT over the full 5 year period.

Approve the award of contracts to the preferred providers, provided the contract values are within authorised limits.

Delegate authority to Executive Director for Corporate Services (in consultation with the Director of Law, Governance and Elections and the Group Manager, Insurance and Risk) to select the preferred providers in accordance with the selection criteria published in the tender documentation and agree final form of contract.

Timeline of engagement and decision-making

February to April 2023	Project Team established and date gathering exercise undertaken to inform tender specification
April 2023	Tender Specification completed
May 2023	FTS notice and contract finder. Invitation to Tender and Standard Selection Questionnaire issued.
June 2023	Final Bid deadline
June – August 2023	Evaluation exercise
September 2023	Award report presented to Executive Director of Corporate Resources and Scrutiny
October 2023	Award decision letters issued
November 2023	Contract awarded. Protocol meetings held with new insurers
November 2023	Contract award notice published
1 December 2023	Cover incept/contract starts

1. Summary

1.1 This report seeks authority from Mayor & Cabinet to authorise officers to run a procurement for all of the Council's insurances that are due to expire on 30 November 2023 and to award the contracts.

1.2 The new insurance policies will be for a period of three years, with an option to extend for a further two years. The expected total value of the contracts will be £2.8m (including insurance premium tax - IPT) annually but with individual values for each of the 8 Lots as detailed in the body of this report.

2. Recommendations

2.1 Mayor & Cabinet are recommended to:

authorise officers to run a procurement for all of the Council's insurances that are due to expire on 30 November 2023, in accordance with the timeline set out above. The new insurance policies will be for a period of three years, with an option to extend for a further two years at a total estimated cost of £14.2m including IPT over the full 5 year period.

Approve the award of contracts to the preferred providers, provided the contract values are within authorised limits.

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Delegate authority to Executive Director for Corporate Services (in consultation with the Director of Law, Governance and Elections and the Group Manager, Insurance and Risk) to select the preferred providers in accordance with the selection criteria published in the tender documentation and agree final form of contract.

3. Policy Context

3.1 This report aligns with Lewisham's Corporate Priorities, as set out in the Council's Corporate Strategy (2022-2026):

- *Cleaner and Greener*
- *A Strong Local Economy*
- *Quality Housing*
- *Children and Young People*
- *Safer Communities*
- *Open Lewisham*
- *Health and Wellbeing*

3.2 These recommendations in this report support all of the Council's priorities generally through effective risk management and efficient placement of adequate insurance arrangements for all of its activities and duties.

4. Background

4.1 All of the Council's insurances were tendered during 2018 and new Long-Term Agreements (LTAs) for three years with an option to extend for a further two years were entered into.

4.2 The liability insurance LTAs were varied at the renewal in December 2020 and increased levels of excess were agreed to contain premium increases that would otherwise have applied.

4.3 The Property insurances were similarly varied at the renewal in December 2021.

4.4 All other policies were renewed within the terms of the LTAs.

4.5 The LTAs for all of the policies will expire in November 2023 so a procurement exercise is now required.

5. The Procurement Approach

5.1 The Tender process must be completed by 31 October 2023 with the contract being awarded in November 2023 so that arrangements can be put into place to enable the new contracts to start on 1 December 2023. A draft timetable showing the various stages is at Appendix A.

5.2 Routes considered were Open, Negotiated, Consortia and Framework Frameworks are not considered to represent the optimum route to market at this time. This is because use of a Framework could further limit the number of bidders in an already restricted market (for example, some of our existing providers are not included in any framework arrangements). Participants in the Frameworks are obliged to pay a levy that would likely be passed on in their pricing and this is estimated to be in the region of £14k annually). The Council would have to change its broking arrangements to the same framework and the same fee would apply. This may negatively impact on the broking arrangements for some covers arranged for Partners (e.g. CRPL) and would introduce delay to the process.

There are no consortia partner arrangements with similar timescales or that would enable the Council to specify its particular requirements.

The negotiated procedure has been utilised previously and was not considered to add value, though it extends the procurement process considerably.

The proposed procurement route recommended is an open tender following public advertisement via Contract Finder as this is expected to produce the optimum number of bids and encourage competitive bidding from the widest range of participants.

5.3 As with previous tenders, and reflecting the existing arrangements which have resulted in a spread of policies across various insurers, the insurances will be separated into 8 Lots and tenderers can bid for any or all of the Lots.

5.4 The Lots and evaluation criteria to be utilised are shown in the table below.

Lot	Price	Cover	Claims/ Service Delivery	Added Value & Innovation	Social Value
1. Property	50%	30%	10%	5%	5%
2. Commercial Properties	50%	30%	10%	5%	5%
3. Fidelity Guarantee	35%	45%	10%	5%	5%
4. Liability Insurance Cover	35%	40%	15%	5%	5%
5. Motor Fleet	55%	20%	15%	5%	5%
6. Engineering Services & Cover	50%	40%	N/A	5%	5%
7. Group Personal Accident/Travel	40%	30%	20%	5%	5%
8. Terrorism	50%	30%	10%	5%	5%

5.5 The Council's brokers, Marsh, will assist with the tender process. We will

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use industry standard evaluation methodology, which the insurance industry is familiar with. This methodology will detail the points to be awarded for each essential element and demonstrate the points reductions that will be made for restrictive terms, conditions, exclusions or endorsements imposed.

5.6 The reason for applying different evaluation criteria to each of the Lots is that certain aspects of each of the policies is of different importance to each. – e.g. the breadth of cover and claims handling arrangements are of greater importance than price for those policies where significant claims could arise and where policy wordings are less standardised and could result in indemnity being refused. The criteria are broadly the same as utilised in the last tender, but with Social Value now added as a criteria.

5.7 The evaluation panel for Lots 1 to 7 will comprise the Group Manager, Insurance & Risk, the Insurance and Risk Section Manager plus a representative from Marsh. Each will independently undertake technical evaluation and then come together to reach an agreed final evaluation. This will ensure that quality is assessed from an expert perspective. A representative from Procurement will participate in the Panel in an advisory capacity.

5.8 Marsh will not participate in the receipt of tender submissions or evaluation process for Lot 8 – Terrorism because a division of Marsh (albeit Bowring Marsh and not the Public Sector Practice) are the current providers and may wish to submit quotes for this Lot. This will avoid any conflict, or perception of conflict, arising. As this is a very specific cover and there are very limited variations in policy wordings, the evaluation process is relatively straightforward.

5.9 It is anticipated that the tender will be awarded for a period of 3 years, with an option to extend for a further two years.

5.10 We will be inviting variant bids (with varying levels of excess etc). These will be evaluated to identify which represents the best value for money when the level of risk to be carried by the Council as self insurance is taken into account. This means we may receive and need to evaluate separately multiple bids from individual suppliers.

5.11 Only insurers who are authorised by the Financial Conduct Authority (FCA) and who have a financial rating of A- or higher by Standard & Poor or equivalent or are similarly rated by Marsh's Market Security Team will be accepted.

5.12 The total annual value of the contracts is anticipated to be in the region of £2.8m annually, including insurance premium tax) and the breakdown across Lots is shown at Appendix 2.

6. Overview of Insurance Markets

6.1 There remain a limited range of potential bidders in the Public Sector

market, comprising a mix of insurers and Managing General Agents (MGA).

6.2 Although the markets are limited, it is anticipated that this project will be of interest to sufficient numbers to make it competitive, particularly by using the Open procedure which will be accessible to the entire insurance markets. The business is currently spread across a number of markets so it is reasonable to expect those would at least wish to retain their position, plus the scale of the Authority means that the risks they offer are quite significant in terms of premium income for winning bidders.

6.3 However, the insurance market as a whole remains difficult, and whilst competition is expected, it is not anticipated that this will drive down the pricing to any significant extent.

6.4 In Marsh's experience, recent tenders for other Authorities are showing higher pricing than similar exercises in previous years. Insurers are looking to address the impact of inflation on claims values, as well as their operating expenses, and the impact of modest investment earnings. Additionally, reinsurance costs have continued to rise with the costs being ultimately passed on to policy holders.

6.5 The above is before other factors, such as increased reinstatement costs, repair/replacement values and raised Wageroll/global commodity shortages etc are built in. Clearly, the effect of index linking at current levels has the potential to increase property premiums in the region of 20% even if rate rises are not applied and there is evidence of certain insurers requiring uplifts of sums insured at these levels as a condition of providing cover.

6.6 Generally, insurers are requiring detailed information to consider risks such as property (including valuations information) and there are occasional issues where a bidder submits terms but is unable to provide full cover/limits that are requested or are having limitations imposed by their reinsurers.

7. Financial implications

7.1 This report recommends the re-procurement of the Councils insurance policies that are due to expire on 30 November 2023.

7.2 The premium for these policies, together with sums set aside for contribution to specific insurance provisions and reserves, are contained within the insurance budget that forms part of the overall Corporate Resources Directorate budget.

7.3 The insurance premiums cover a range of core Council risks as well as those in relation to Lewisham Homes, the HRA and a majority of Lewisham Schools, all of which are recharged accordingly. The recharging arrangements for Lewisham Homes will change once they return to Council control however the timing for this is not currently known, though likely before the new Policies begin.

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7.4 As with any new procurement there is a risk that costs will increase and cause a budget pressure. Should this arise then options to re-structure the programme to minimise the impact of any premium increases will be investigated and actuarially assessed following the receipt of bids.

7.3 Any increases in premiums could impact on the funding available within the budget to fully fund insurance reserves and this in turn could impact on the headroom available in these reserves to fund the insurance savings taken in previous years as follows –

- £3.00m over a ten-year period from 2013/14
- £3.00m was agreed in 2016/17
- £2.25m over a ten-year period, was agreed in 2017/18.

n.b. the saving taken for 2013/14 onwards is due to end and is subject to the outcome of the 2023/24 budget process.

8. Legal implications

Approval to Procure

8.1 The report seeks approval to procure external providers to provide Council insurance. The different insurance required has been separated into “lots”. Under the Public Contracts Regulations 2015 (“Regulations”) where a proposed provision of services may result in contracts being awarded in the form of separate lots, the total contract value shall be the total value of all such lots. Given the potential spend on the contracts (at a length of 3 years with the option to extend for up to a further 2 years) the contracts would be categorised by Contract Procedure Rules as a “Category A” contract. The report sets out the other options considered and explains why this is the recommended option.

8.2 Assuming that Mayor and Cabinet accepts the recommendation to procure providers, the Contract Procedure Rules (“CPR”) place requirements on how that should happen. The CPR require that when letting contracts steps must be taken to secure value for money through a combination of cost, quality and competition, and that competitive tenders or quotations must be sought depending on the size and nature of the contract (Rule 5). Given the potential spend on this contract the Public Contracts Regulations 2015 as amended by the Public Procurement (Amendment etc) (EU Exit) Regulations (“the Regulations”) will apply. The requirements of both the CPR and the Regulations would be satisfied by use of an open tender procedure. As a Category A contract, it would be for Mayor and Cabinet to take a decision on the award of any contract.

Approval to Award

8.3 This report proposes that Mayor and Cabinet approve the award of contracts for Council Insurance. This report further proposes that Mayor and Cabinet instruct the Executive Director for Corporate Resources in consultation with the Director of Law, Governance and Elections and Group Manager,

Insurance and Risk to give effect to this decision by applying the selection and award criteria to determine and enter into contracts with the preferred providers.

8.4 The decision to award the contracts contained in this report means that it is a Key Decision. It is therefore required to be contained in the current Key Decision Plan and the Council's Key Decision procedure must be followed.

8.5 Provided that the final contract values are within authorised limits set out in the recommendation and the preferred providers are selected in accordance with the selection and award criteria published in the tender documentation, then the selection by Executive Director for Corporate Services of the preferred providers in accordance with Mayor and Cabinet's direction will not be a Key Decision. For audit purposes a written record should be kept setting out how the selection process has been applied and the preferred provider selected, and officers from Legal Services should be consulted as necessary throughout the selection and award process.

9. Equalities implications

9.1 There are none arising directly from this report.

10. Climate change and environmental implications

10.1 There are none arising directly from this report.

11. Crime and disorder implications

11.1 There are none arising directly from this report.

12. Health and wellbeing implications

12.1 There are none arising directly from this report.

13.1 Social Value implications

13.1 Social Value is included in the evaluation criteria and bidders will be awarded points if they are able to demonstrate added social value.

Report author(s) and contact

Karen Eaton, Group Manager, Insurance & Risk karen.eaton@lewisham.gov.uk

Tel: 020 8314 6849

Comments for and on behalf of the Executive Director for Corporate Resources

Provide the name of the author of the financial implications.

Peter Allery

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Comments for and on behalf of the Director of Law and Corporate Governance

Provide the name of the author of the legal implications.

Mia Agnew

Appendices

- *Appendix 1- Tender timetable*
- *Appendix 2 – breakdown of Lots and Premiums*

Open Process

	Date	Who	Status
Initial Pre-Tender Meeting	5 th January 2023	KE/LD/CW	Done
Marsh Issue Tender Factfind to LB Lewisham	6 th January 2023	CW	Done
Request Claims experiences/CCE's from insurers where via Marsh (data cut off-date to be 31/03/2023)	30 th March 2023	CW	Done
Request Claims experiences/CCE's from ZM where applicable (data cut off-date to be 31/03/2023)	30 th March 2023	KE	Done
Meeting with Procurement	13 th April 2023 (if required)	ALL	
Submit suggested CPD codes to (LBL)	14 th April 2023	CW	
Factfind Completed and returned to Marsh	10 th April 2023	LBL Insurance	
Submit Tender to Council for review meeting with project team for approval	9 th May 2023	CW	
Meeting with Exec Directors	12 th May 2023 (if required)	ALL	
Meeting to agree/finalise Tender specification	17 th May 2023	ALL	
Publish FTS notice & contracts finder	24 th May 2023	LBL Procurement	
Publish ITT and Standard Selection Questionnaire	25 th May 2023	LBL Procurement	
Final Bid deadline	5 th July 2023, 09:00	ALL	
Marsh to prepare tender evaluation report	6 th – 21 st July 2023	CW	
Evaluation report presented to LBL	28 th July 2023	CW	
Contract award decision received from (LBL)	13 th October 2023	LBL Insurance	
Award decision letters issued (Alcatel letters)	19 th October 2023	LBL Procurement	
Award Contract	31 st October 2023	LBL Procurement	
Protocol meeting with new insurers (week commencing)	9 th November 2023	ALL	
Issue contract award notice by	17 th November 2023	LBL	
Cover incepted / contract start	1 st December 2023	Insurers	

Appendix 2

Insurance premium breakdown

	22/23 Premium	IPT/VAT	total		
Motor	725,903.91	87,108.47	813,012.38	ZM	Lot 5
Leased Residential	27,184.87	3,262.18	30,447.05	ZM	Lot 1
LH Buy Backs	14,006.88	1,680.83	15,687.71	ZM	Lot 1
Saleshops	68,238.58	8,188.63	76,427.21	ZM	Lot 2
Leased Industrial	10,530.64	1,263.68	11,794.32	ZM	Lot 2
BPP Mansions	9,142.74	1,097.13	10,239.87	ZM	Lot 1
BPP Homesteads	12,688.70	1,522.64	14,211.34	ZM	Lot 1
New Cross Road	2,268.39	272.21	2,540.60	ZM	Lot 1
FG	22,651.00	2,718.12	25,369.12	ZM	Lot 3
					999,729.60
Liability	343,499.00	41,219.88	384,718.88	RMP	Lot 4
PI	19,671.00	2,360.52	22,031.52	RMP	Lot 4
OI	48,499.00	5,819.88	54,318.88	RMP	Lot 4
Med Mal	13,646.00	1,637.52	15,283.52	RMP	Lot 4
Travel	5,200.00	624.00	5,824.00	RMP	Lot 7
					482,176.80
Terrorism	99,824.06	11,978.89	111,802.95		Lot 8
Property	882,899.57	105,947.95	988,847.52		Lot 1
Housing		-	-		inc in property
General		-	-		inc in property
Schools		-	-		inc in property
VA buy backs		-	-		inc in property
Deptford Lounge		-	-		inc in property
Leisure Centres		-	-		inc in property
Contract Works		-	-		inc in property
BI		-	-		inc in property
Computer		-	-		inc in property
Money	350.00	42.00	392.00		
All Risk	6,752.19	810.26	7,562.45		996,801.97 Travelers
Eng Inspection	128,349.19	25,669.84	154,019.03	Lot 6	BV
Eng Insurance	12,276.50	1,473.18	13,749.68	Lot 6	AVIVA
	2,453,582.22		2,732,610.18		

23/24 estimated premium following outcome of Tender	estimated IPT/VA
798,494.30	95,819.32
32,621.84	3,914.62
16,808.26	2,016.99
81,886.30	9,826.36
12,636.77	1,516.41
10,971.29	1,316.55
15,226.44	1,827.17
2,722.07	326.65
24,916.10	2,989.93
377,848.90	45,341.87
21,638.10	2,596.57
53,348.90	6,401.87
15,010.60	1,801.27
5,720.00	686.40
1,059,479.48	127,137.54
385.00	46.20
7,427.41	891.29
	-
	-
2,537,141.75	304,457.01

estimated total

894,313.62 10%AEW applied as est
36,536.47 20% index linking applied as est
18,825.25 20% index linking applied as est
91,712.65 20% index linking applied as est
14,153.18 20% index linking applied as est
12,287.84 20% index linking applied as est
17,053.61 20% index linking applied as est
3,048.72 20% index linking applied as est
27,906.03 10% applied general inflation

423,190.77 10% applied general inflation
24,234.67 10% applied general inflation
59,750.77 10% applied general inflation
16,811.87 10% applied general inflation
6,406.40 10% applied general inflation

1,186,617.02 20% index linking applied as est

431.20 10% applied general inflation
8,318.70 10% applied general inflation

-
-

2,841,598.76

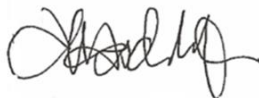
Agenda Item 7

Report for: Mayor and Cabinet	
Part 1	<input checked="" type="checkbox"/>
Part 2	<input checked="" type="checkbox"/>
Key Decision	<input checked="" type="checkbox"/>

Date of Meeting	10 May 2023	
Title of Report	Procurement of Network Links – Procurement being led by Brent Council	
Author	Philippa Brewin/Mark Froud	Ext.

At the time of submission for the Agenda, I confirm that the report has:

Category	Yes	No
Financial Comments	X	
Legal Comments	X	
Cabinet Briefing consideration		
EMT consideration	X	



Signed:
Cabinet Member for Finance and Strategy
Date: 25.04.23



Signed:
Executive Director of Corporate Resources
Date: 26/04/23

Control Record by Committee Services

Action	Date
Listed on Key Decision Plan	
Date submitted to Legal & Finance	
Date submitted to Cabinet Members for sign off	
Date submitted to Executive Director for sign off	



Mayor and Cabinet

Report title: Approval of Expenditure under a Contract for Network Links to be awarded by Shared Technology Services

Date: 10 May 2023

Key decision: Yes

Class: Part 1

Ward(s) affected: All

Contributors: Executive Director of Corporate Resources.

Outline and recommendations

This report presents Mayor and Cabinet with information on the procurement of the Council's contract for Network Links, and requests approval of the expenditure and for Brent to enter into the contract on the Council's behalf.

Mayor and Cabinet is recommended to:

approve Brent entering into the contract with London Grid for Learning Trust for a period of five years, commencing 1 April 2023, on behalf of the Council.

- approve the expenditure of up to a maximum value of £600,000 for the Lewisham element of the contract.

Timeline of engagement and decision-making

Shared Technology Services have discussed the procurement with key stakeholders in Lewisham.

1. Summary

Shared Technology Services (STS) is a shared ICT service comprising the three London Boroughs of Brent, Lewisham and Southwark. The governance of the service is set out in an Inter Authority Agreement (IAA). Lewisham Council joined with Brent Council to form the shared service in April 2016, and Southwark Council joined later, in November 2017. STS provides IT infrastructure management and support to the three partner councils. Additional supported services include networks, messaging and collaboration services, support for end-user devices such as laptops, tablets and mobile phones, as well as providing the service desk to resolve IT-related incidents and requests. Brent is the lead council in the respect that it is the employer for all officers within STS and also carries out procurements and is the contracting authority on behalf of STS. The services provided by STS include the procurement and management of network links for each of the three councils and between the STS datacentres. The procurement is undertaken in accordance with the Procurement Protocols in the IAA.

All three STS partners, including Lewisham use network links to connect their multiple sites to the network and for internet access. The services also include some broadband lines to deliver internet connectivity to remote sites.

These services are currently provided through two contracts – one with Vodafone Ltd and one with the London Grid for Learning Trust.

These contracts expire on 31 March 2023, and a new contract is to be put in place to replace them. The proposed contract term is five years. This gives the optimum saving on annual costs, by spreading implementation costs over the five year term.

This report summarises the procurement process, request approval of expenditure and for Brent to award and enter into the contract on the Council's behalf.

Under the terms of the Inter Authority Agreement, the London Borough of Brent will award the contract, but it is also necessary for Lewisham Mayor and Cabinet to agree the award recommendation.

Clarification was sought as to whether any of these requirements covered Lewisham Homes links. To confirm, the current scope does not include any specific Lewisham Homes links. Lewisham's costs are for links to Lewisham Council sites only. We are aware that there are 3 additional Lewisham Homes sites with small broadband links. But, these have not been covered within this report and a decision has not been made as to whether these are moved into this contract in future at present.

2. Recommendations

It is recommended that Mayor and Cabinet:

- (a) approves Brent awarding and entering into a single contract on behalf of the Council with London Grid for Learning Trust for a period of 5 years commencing on 1 April 2023.

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- (b) approves the expenditure of up to a maximum value of £600,000 for the Lewisham element of the contract.

3. Background

Shared Technology Services currently has two contracts for the provision of network links. These are with Vodafone Ltd and London Grid for Learning Trust. Both contracts expire on 31 March 2023 and it therefore necessary to put a new contracting arrangements in place.

4. The Procurement Process

The procurement was conducted by Brent as Host Council in accordance with the procurement protocol in the Inter Authority Agreement. The contract will be entered into by Brent on behalf of itself, Lewisham and Southwark Councils. The Inter Authority Agreement entitles Brent to recover its costs in relation to the procurement and the costs of the resulting contract.

It is proposed to replace the two contracts with a single contract in order to achieve economies of scale and management efficiencies. The options available to STS for the procurement of the contract are either to make a direct award to London Grid for Learning Trust using their single supplier framework with Virgin Media, or to carry out a tender.

In order to determine the most advantageous route, a soft market testing exercise was conducted [by Brent] in which four suppliers participated. The information gathered from this exercise is primarily set out in Part 2 of this report.

Further discussion and negotiation will take place with London Grid for Learning Trust (LGfL) on what they can provide from a social value perspective in respect of delivering this contract”.

Following this exercise, the recommendation for the desired solution is that provided by London Grid for Learning Trust (LGfL). There are a number of reasons for this:

- LGfL provided a comprehensive response to the soft-market test.
- LGfL already has a good understanding of the STS network - being the existing provider for Southwark’s network circuits.
- LGfL uses Virgin Media (VM) as its circuit provider. VM circuits are already in place for Southwark and were previously used for many of the Brent and Lewisham sites before Vodafone became the supplier there. This means the connectivity to the bulk of sites across the partners is already in place and so will cause least disruption. It will also minimise the risk of paying for dual running over an extended period, which would happen if these circuits were to be moved to an alternative provider.
- LGfL’s cost estimate is very competitive over the 5 year period. It provides for professional services, all hardware aspects and is a fully managed service.
- STS has a strong working relationship with LGfL, and options for streamlining services to achieve savings whilst still delivering the required quality have already been proposed by them, providing the opportunity to reduce costs further. Continuing the relationship with LGfL will enable STS to benefit from their existing understanding of the network and this collaborative approach.
- LGfL provided a very explicit response to the request for details of social value to be included in the contract. The social value proposed includes free of charge broadband and dedicated internet access circuits for a number of community premises and a digital inclusion fund, and demonstrates an excellent understanding of how social value might be delivered to all three councils.

- LGfL has a comprehensive Social Value offering, including Business broadband circuits and internet access for some community premises for each borough; a digital inclusion fund to support local communities; use of Virgin Media staff volunteering hours; and access to discount schemes for council staff.

The award will be made using LGfL's single supplier framework with Virgin Media Business.

LGfL is a company limited by guarantee that was founded in 2001 by a consortium of 33 London councils which are the sole members of and have direct supervisory management of LGfL. It is therefore considered that LGfL is a public body subject to public law. It is a contracting authority that acts as a Central Purchasing Body on behalf of itself and other contracting authorities.

LGfL established an agreement with Virgin Media Business on 29th November 2013 for the provision of broadband, telecommunications and related ICT services for the benefit of schools and other educational establishments, Councils, libraries, public service organisations (specifically including public health service providers) and charities in accordance with the Public Contracts Regulations 2006. A Contract Award Notice was published in the OJEU on 18 December 2013 (2013/S 245-427165). The agreement runs from 1 January 2014 to 31 December 2026 (108 months). The Contract Notice identified that LGfL was procuring the services on behalf of other contracting authorities, including Councils. There is no charge to contracting authorities for using the agreement.

Other means of procuring the contract were considered by officers in Shared Technology Services but it was determined that use of the Framework, rather than procuring a contract by formal open tender is best in terms of the reduction in time-scales, costs and resources involved.

5. Financial implications

This report recommends the approval to award a contract to London Grid for Learning Trust for a period of five years, commencing 1 April 2023, up to a maximum value of £600,000 for the Lewisham element of the contract.

The cost of the network links included in the contract over the five year period, that are used for Lewisham sites is as follows:

Year 1 FY2023/24	Year 2 FY2024/25	Year 3 FY2025/26	Year 4 FY2026/27	Year 5 FY2027/28	Overall Total Cost
£119,481	£119,481	£119,481	£119,481	£119,481	£597,405

The cost of the new contract can be contained within the overall IT & Digital shared service budget which stands at £4m and represents an approx £50,000 saving per annum on current costs.

This represents a £50,000 saving per annum on current costs, which are £169,000, being £164,000 through the Vodafone contract, and a £5,000 for connection to Microsoft's Azure Cloud service through the LGfL contract.

6. Legal implications

The Council has delegated the delivery of its ICT functions to the London Borough of Brent in exercise of its powers under section 101(1)(b) and 101(5) Local Government Act 1972 and Local Authorities (Arrangements for the Discharge of Functions) (England) Regulations 2012. A Shared Technology Services Inter Authority Agreement regulates the provision of the shared

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service (including in relation to procurements conducted by Brent on the councils' behalf) and the relationship between the participating councils.

Brent have conducted a procurement exercise to select the supplier of services in accordance with the Inter Authority Agreement and the Procurement Protocol contained within it. The estimated value of the proposed contract is above the threshold for Supplies/Services under the Public Procurement Regulations 2015 (the "Regulations") and Brent are therefore required to comply the Regulations, which permit Brent (as a contracting authority) to acquire supplies or services from another contracting authority (i.e. LGfL) that is acting as a Central Purchasing Body which is providing centralised purchasing activities.

It is proposed that Brent enters into the resulting contract on behalf of itself, Lewisham and Southwark. This report seeks approval for Brent to do so on behalf of Lewisham. This report also seeks approval to fund the shared technology services costs resulting from the procurement and resulting contract up to a maximum value of £600,000. The decision is therefore a key decision which is reserved to Mayor and Cabinet.

7. Equalities implications

The proposals in this report have been subject to screening and officers believe that there are no adverse equality implications.

8. Climate change and environmental implications

There are no direct climate change or environmental implications arising from this procurement.

9. Crime and disorder implications

There are no direct crime and disorder implications arising from this procurement.

10. Health and wellbeing implications

There are no direct health and wellbeing implications arising from this procurement.

11. Background papers

None

12. Report author(s) and contact

Philippa Brewin (STS): 020 8937 1733, philippa.brewin@sharedtechnology.services

Mark Froud (LBL), mark.froud@lewisham.gov.uk

Comments for and on behalf of the Executive Director for Corporate Resources

[Type here, Arial size 11]

Provide the name of the author of the financial implications.

Comments for financial implications provided by Peter Allary.

Comments for and on behalf of the Director of Law, Governance and HR

Melanie Dawson (Principal Lawyer): melanie.dawson@lewisham.gov.uk

Agenda Item 8



Mayor and Cabinet

Exclusion of the Press and Public

Date: 10 May 2023

Key decision: No.

Ward(s) affected: N/A

Contributors: Head of Governance and Committee Services

Recommendation

It is recommended that in accordance with Regulation 4(2)(b) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information)(England) Regulations 2012 and under Section 100(A)(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12(A) of the Act, and the public interest in maintaining the exemption outweighs the public interest in disclosing the information

10. Netowrk Links – Part 2

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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