

COUNCIL BUSINESS COMMITTEE

Introduction of a use class for short term lets and associated permitted development rights

1 June 2023

Report of Chief Officer – Planning and Climate Change

PURPOSE OF REPORT

To allow the Committee to consider the proposed consultation response to changes to the national planning system regarding the issue of short term letting accommodation.

This report is public.

RECOMMENDATIONS

- (1) That the statutory consultation response be agreed and formally submitted.

1.0 Introduction and Statutory Process

- 1.1 The Department for Levelling Up, Housing and Communities (DLUHC) are consulting on changes to the national planning system for the use of buildings for short term lettings.
- 1.2 The reason for the consultation is to address concerns about the increase in the numbers of short term lets and the impact that this can have on local communities. This national consultation closes on 7 June 2023.

2.0 Proposal Details

- 2.1 The consultation seeks views on changes to the Town and Country Planning (Use Classes) Order. This is an Order which categorises different types of land and building uses and determines whether planning permission is required to change from one use to another (e.g. from retail use to residential use).
- 2.2 The consultation seeks views on the introduction of a new Use Class for short term lets, to be known as Use Class C5. In addition it seeks views regarding the introduction of new permitted development rights which would allow movement between the Use Classes without requiring planning permission. The consultation is available via: <https://www.gov.uk/government/consultations/introduction-of-a-use-class-for-short-term-lets-and-associated-permitted-development-rights>

3.0 Assessment of the Consultation Proposals

- 3.1 The attached document summaries the main consultation proposals and sets out each of the consultation questions, alongside the City Council's draft responses.
- 3.2 In summary, the Council considers that the introduction of a new use class for short term lets is a good idea. Short term lets play an important role in contributing to the tourism, leisure and business economy. However the uncontrolled proliferation of short term lets can have a damaging effect on the characteristics of the local area, particularly in terms of residential housing supply availability. The draft consultation response provides some thoughts about how the proposals could be amended to be more transparent.
- 3.3 The City Council is less enthusiastic about the introduction of new permitted development rights which would allow, for example, properties that are used as dwellings to be used as short term lets without requiring planning permission, unless the local authority sought 'Article 4 Direction' powers to control the change of use. Article 4 Direction powers enable a local planning authority, or the Secretary of State to withdraw certain specific permitted development rights across a defined geographical area. Compelling area-specific evidence regarding an existing problem is required to justify an Article 4 Direction, and national advice is that it must apply to the smallest geographical area possible. This type of approach to controlling changes between uses is not preferred for the reasons stated in the attached draft response.
- 3.4 Instead of introducing permitted development rights, the City Council's response advocates that the Use Classes Order should simply be amended to create the new C5 Use Class. This would create no ambiguity, nor any differences in approach across England. There would be certainty for property owners and neighbouring residents alike.

4.0 Details of Consultation

- 4.1 This is a voluntary consultation that Lancaster City Council has chosen to respond to because of the impact that short term lets can have within the district, particularly in the areas of Morecambe and Heysham.
- 4.2 In preparing this consultation the views of the Chair of the Planning Regulatory Committee have been obtained and these have informed the content of the response.

5.0 Options and Options Analysis (including risk assessment)

- 5.1 The options that are available are:

	Option 1: To respond to the consultation with the draft response	Option 2: To respond to the consultation with other comments	Option 3: To not submit a response to this consultation
Advantages	The views of the Council will be considered by Government and could contribute to legislative change.	The views of the Council will be considered by Government and could contribute to legislative change.	None
Disadvantages	None.	None.	The formal opinion of Lancaster City

			Council would not be provided, and an opportunity to contribute to the proposals would be lost.
Risks	None.	None.	None

7.0 Officer Preferred Option (and comments)

7.1 The preferred option is Option 1, to respond to the consultation as per the attached draft.

8.0 Conclusion

8.1 This consultation provides a useful basis for the amendment of national planning powers to help control the spread of short term lets and the City Council is supportive of the proposed measures, subject to the suggested changes described in the draft response.

8.2 The City Council also considers that creating a new Use Class for short term lets, but then conveying permitted development rights on changes to such a use (unless each local authority introduces Article 4 Direction areas), is an overly-complex and time-consuming way of addressing the issue. The City Council's suggested approach would avoid these consequences arising.

CONCLUSION OF IMPACT ASSESSMENT

(including Health & Safety, Equality & Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing):

The proposal has the potential to require change of use planning permission for some/all short term lets, subject to the final wording of the proposals. Such a requirement would apply to all potential applicants, including individuals and businesses who wanted to change the use of their property in this way.

LEGAL IMPLICATIONS

There are no legal implications stemming from this report.

FINANCIAL IMPLICATIONS

There are no financial implications arising from this report.

OTHER RESOURCE IMPLICATIONS, such as Human Resources, Information Services, Property, Open Spaces

None.

SECTION 151 OFFICER'S COMMENTS

The Section 151 Officer has been consulted and has no comments to add.

MONITORING OFFICER'S COMMENTS

The Monitoring Officer has been consulted and has no comments to add.

BACKGROUND PAPERS

Draft Consultation Response from Lancaster City Council (appended to this report)

Contact Officer: Mark Cassidy
Telephone: 01524 582390
Email: mcassidy@lancaster.gov.uk
Ref: N/A