

*Negative Implications for Tenants*

- Rents will rise due to a lack of competition and a reduced supply of 'shared housing'
- Lower housing standards as landlords will have reduced competition and hence less incentive to improve standards
- Less freedom of choice of where to live and who to live with increased travel time and costs
- Increased traffic congestion
- Some tenants will have to move out of the city
- Increase homelessness - currently York has 177 people who claim LHA Single Room Allowance. The age limit for Single Room Allowance is soon to be raised from age 25 to 35. So the number of people claiming Single Room Allowance is set to increase by 156% to 454. Where are the additional 277 people going to find rooms in shared houses?
- More students will be forced to live 'on-campus'
- Students will be forced into smaller sized accommodation (i.e. 1 and 2 bed flats) reducing availability of this type of accommodation for families, single parents and young professionals and forcing them to pay higher rents
- It is a discriminatory policy, particularly on students and those on low or no income who need 'shared accommodation' near their place of study or work. Within the current Equality Legislation it will particularly discriminate indirectly on the grounds of age, race and ethnicity

**8** *Negative Implications for Landlords*

- Landlords will have to find other towns and cities to invest in
- Difficulty buying previously 'un-let' property
- Higher purchase prices for houses that have C4 permission or those that have 'established use'
- Reduced returns in the long run and hence making it less attractive to 'become' a landlord
- Portfolio expansion in York will be curtailed
- Choice will be significantly restricted in terms of area and property type
- Extra admin, time and cost in securing the ability to let
- The need to get 'established use' before selling, necessitating applying to CYC for a 'Certificate of Lawful Use' in order to satisfy purchasers/mortgagees.

- Getting gazumped on house purchase when/if permission is granted
- Mortgage applications will be refused due to lack of C4 planning
- More 'households' to manage as 'sharers' get pushed into smaller houses/apartments
- Greater pressure to split properties into 1 and 2 bed roomed flats
- Widespread non-compliance due to the inevitable and genuine ignorance of Article 4 (the vast majority of landlords do not understand it)
- An Article 4 Direction will stop landlords ever letting a shared house to families in the future because they will risk losing their existing established rights of a shared house/HMO

#### 9 *Negative Implications for Local Residents (Owner Occupiers)*

- House values in some areas that were previously popular with HMOs will drop by 15 to 30%
- Houses in some areas will be more difficult to sell
- More sales will 'fail' due to Buy to Let purchasers finding out 'too late' that Planning Permission is needed and/or getting permission declined
- An Article 4 Direction will do absolutely nothing to address any problem HMOs that do currently exist, it will merely stop any more HMO's being created (City of York Council already have extensive powers under the housing Act 2004 to deal with badly managed/maintained HMO properties)

#### 10 *Negative Implications for City of York Council*

- It is a discriminatory policy, particularly on students and those on low income or benefits, who need shared accommodation near their place of study or work. It will leave the council open to claims of indirect discrimination on the grounds of age, race and ethnicity
- There will be increased pressure on social housing due to the age limit for payment of LHA Single Room Allowance being increased from age 25 to 35. Currently York has 177 people who claim LHA Single Room Allowance. When the age limit is raised, the number of people claiming Single Room Allowance in York is set to increase by 156% to 454. Since there will be no additional HMO properties CYC will

have to accommodate an additional 277 people who can no longer afford a one bedroomed self-contained property.

- It will inevitably give rise to increased homelessness
- If tenants are to be dispersed more widely around the city, there will be increased travel which has a detrimental impact on the environment and will increase traffic congestion
- Increased costs will be passed on to Council Tax payers because, by law, Planning Applications made as a result of an Article 4 Directive must be free to the applicant
- Increased workload for an already overloaded Planning Department
- The Planning system will get further back-logged resulting in delays to other more important development projects
- Increased operating costs at a time when Local Authorities must cut costs
- If students 'push out' professionals from one and two bedroomed apartments, less Council Tax will be generated.
- Widespread non-compliance by landlords (due purely to genuine ignorance of Article 4), will require extensive resources to 'police' the directive at the cost of Council Tax payers
- An Article 4 Directive will not tackle any of the existing perceived issues caused by a small minority of bad landlords and/or HMOs

#### 11 *Negative Implications for Universities and Colleges*

- The universities will have to build more 'on-campus' accommodation
- Universities and colleges in York will become less attractive due to an increasing shortage of Private Rented Sector accommodation close to campus for students and staff
- Expansion will be limited by the lack of accommodation

#### 12 *Negative Implications for the Economy of York*

- It will be more difficult for employers to recruit staff on lower incomes due to lack of affordable accommodation
- Young professionals will be pushed out of the city due to the lack of available 'shared housing' and increased rents
- The retention in York of Universities' degree qualified young people will be made more difficult due to lack of affordable Private Rented Sector housing
- Lower university intake and expansion will be restricted

- The Planning system will be used for the 'Social Engineering' of communities (that the planning system is not intended to do)
- Universities will be forced to build Halls of Residence that they do not wish to build and cannot afford
- Subdued housing market affecting many businesses, including: Estate agents, Letting Agents, Mortgage brokers, Solicitors, Surveyors, Architects, Tradesmen, Trades suppliers.
- The values of owner occupied houses in some areas of the city will fall by up to 30%
- Ultimately there will be less 'living units' as needed for the economy to expand