

# 'BEDS IN SHEDS' IN HILLINGDON: PROGRESS REPORT

<b>Cabinet Member(s)</b>	Councillor Keith Burrows
<b>Cabinet Portfolio(s)</b>	Planning, Transportation and Recycling
<b>Officer Contact(s)</b>	Jales Tippell, Residents Services
<b>Papers with report</b>	None.

## 1. HEADLINE INFORMATION

<b>Purpose of report</b>	The report explains what progress has been made by officers to date in dealing with what has become known as 'bed in sheds', or the use of outbuildings as residential accommodation. The report seeks Cabinet approval for the approach set out for dealing with 'beds in sheds'.
<b>Contribution to our plans and strategies</b>	The recommendations will assist the planning process to realise the objectives of the Sustainable Community Strategy.
<b>Financial Cost</b>	The Council has employed an experienced prosecutions lawyer on a temporary contract to join our legal team and provide a fast track approach to deal with problem bed in sheds cases. This position is funded from existing money received from DCLG to combat the 'beds in sheds' issue. There is an opportunity to extend the duration and scale of the resources available to tackle this issue through a further funding bid to DCLG.
<b>Relevant Policy Overview Committee</b>	Residents' and Environmental Services.
<b>Ward(s) affected</b>	All Wards

## 2. RECOMMENDATIONS

That the Cabinet:

1. Notes the content of the report, and progress made.
2. Endorses the approach taken, including the inter departmental forum involving Planning, Enforcement, Private Sector Housing, Legal Services and Corporate Communications to exchange views, intelligence and to work corporately & closely in dealing with unauthorised outbuildings.
3. Notes the submission of a bid application to the Department for Communities and Local Government to respond to the 'beds in sheds' issue.

## **Reasons for recommendation**

This report updates Cabinet on the approach being taken to combat the problems in relation to 'beds and sheds' and seeks approval for officers to continue with this hard hitting, fast track approach to deal with problem cases.

## **Alternative options considered**

The Cabinet could decide to discontinue the focussed work on 'beds in sheds' and deal with these cases in the same way as other breaches of planning control. Given the scale of the issue and harm caused, this would not be in the best interests of the local communities or the Council.

## **Comments of Policy Overview Committee(s)**

The Residents' and Environmental Services Policy Overview Committee (RESPOC) undertook a review in 2009/10 on planning enforcement and "homes" in back gardens.

## **3. INFORMATION**

### **Supporting Information**

#### Background

1. The phenomenon of landlords renting out accommodation in properties not designed for human habitation has recently received wide coverage in the media. However this has long been a concern within the London Borough of Hillingdon and indeed there was a Motion from full Council in 2009 (5 November 2009) which noted:

- Strong public concern about the beds in sheds issue.
- Problem is not helped with Permitted Development rules.
- Council was pleased that officers for Planning Enforcement, Private Sector Housing and the Councils Tax collection teams are working together on this issue.
- The Issue were to be given full scrutiny through Overview and Scrutiny.
- The Cabinet Member for Planning & Transportation would look at this issue in depth and then take appropriate action.

2. The issue was subsequently examined by RESPOC in February 2010, which:

- Identified difficulties with enforcement legislation.
- Highlighted the importance of networking and information sharing of best practice.
- Noted the potential to use technology for cross checking and monitoring.

3. The unauthorised conversion of outbuildings into separate units of residential accommodation, known as 'beds in sheds', show a total disregard to planning law. They tend to be built in the back gardens of residential properties and rented to tenants. They normally provide inadequate accommodation for people, due their size and quality, because they offer small spaces and overcrowded and cramped living conditions. There is often little or no garden area or privacy for occupiers. They can pose a danger to peoples' health because the physical structures are also often problematic in terms of structural instability, illegal wiring and lack of insulation, natural light and water supply. London Fire Brigade statistics released in October

2012 show that since 2009 there have been 16 fires, 3 fire deaths and 7 serious fire injuries at incidents specifically involving 'beds in sheds' properties.

4. The over intensification of the use of housing land has adverse environmental impacts on local communities and can harm community relations by creating numerous tensions between neighbours. This can be due to increased noise and disturbance; loss of privacy; poor visual impacts; pressure on parking; increased traffic; refuse storage; and increased pressures on local facilities such as health, schools etc, which is detrimental to the overall amenity and character of the area. The unauthorised nature of the accommodation creates a shadow housing market which can be used by illegal workers and in some cases there are associated issues involved relating to benefit and mortgage fraud. Rogue landlords end up targeting vulnerable tenants and placing them in overcrowded or poor quality accommodation. Vulnerable tenants can be afraid to raise issues with the local authority or be unaware of their rights.

5. This issue of 'beds in sheds' affects many areas in the country, although London is especially affected because the problem is being driven by high rents, high demand for rented accommodation and an acute and worsening lack of affordable housing supply in the Capital. Based on observations during the HMO survey and counts in a number of streets in Hayes, estimates suggest between 2,000 and 3,000 such structures may exist in the Borough. The structures do not however tend to show up in Census figures.

6. The Government has recognised that action needs to be taken particularly in relation to 'rogue landlords'. In May 2012, the former Housing Minister, Grant Shapps, convened a group of officials (called a 'National Taskforce') from his department, the UK Border Agency, and some of the most seriously affected local authorities to discuss good practice and what further actions might be needed to tackle the problem. Following the convening of this group in mid 2012, the Department for Communities and Local Government (DCLG) announced that it would be allocating £1.8 million of funding (re-allocated from the Homelessness Grant) to be shared between nine local authorities to help them with their enforcement work, namely Brent; Ealing; Hillingdon; Hounslow; Newham; Peterborough; Redbridge; Slough; and Southwark.

#### The approach taken by London Borough of Hillingdon

7. The DCLG guidance, 'Dealing with Rogue Landlords - A Guide for Local Authorities' which was published in August 2012, clearly shows Government dissatisfaction with the problem and aims to assist local authorities in dealing with the issue. The guidance suggests tackling the worst offenders, i.e. rogue landlords with multiple properties and focussing on cases where there are multiple breaches of legislation across a number of departments and agencies.

8. By June 2012, Hillingdon Council had put together a dedicated and cross-cutting team of officers, including officers in planning enforcement, private sector housing, legal services and corporate communications, to develop a clear strategy to tackle the 'beds in sheds' issue in a comprehensive way and in order to ensure it does not develop into a larger problem in the future. The Team is tasked with co-ordinating robust, fast track enforcement processes, which pursue individual cases from investigation all the way through to prosecution, and to publicise such actions to prevent new cases arising.

9. In Hillingdon, the focus has been on dealing with all the reported and known cases of 'beds in sheds' and taking robust enforcement action to conclusion, through prosecution and direct action as appropriate. The key strategy has been to reduce the number of unauthorised 'beds in sheds' through achieving a change in public behaviour by taking a hard

hitting enforcement approach and publicising prosecution successes, which would be sustainable in the long term (and not simply cease when funding is exhausted).

10. To facilitate this work, a new dedicated Prosecution Solicitor (experienced in both planning and housing prosecutions) has been appointed on a temporary basis to join our legal team and provide a fast track approach to deal with problem cases. The role is funded from money received from DCLG to combat the 'beds in sheds' issues. DCLG funds have also been used in developing the associated communications strategy and to fund specialist legal advice for court hearings when appropriate.

11. As a result of this work, individuals may find that they stand to lose housing benefits if it is found that they are not eligible and others may find that they owe Council Tax. The Council will also work with partner agencies, including Her Majesty's Revenue and Customs and the UK Border and Immigration Authority, to tackle the problem of tax avoidance and illegal immigrants.

12. Because of the concentration of 'beds in sheds' in the capital, different boroughs have used various innovative and effective methods to deal with them. Newham has used the Proceeds of Crime Act to confiscate sums from landlords with previous criminal records and this approach is also being actively pursued by the London Borough of Hillingdon.

13. The approach taken by Hillingdon is consistent with the guidance produced by DCLG advocating wide ranging use of legal powers to deal with 'beds in sheds' cases.

#### Progress to date

14. Over the last 6 months the Council's dedicated team of officers have investigated well over 100 complaints relating to 'beds and sheds' cases. Following initial investigations, cases are prioritised. There are currently 61 priority cases which are being dealt with rigorously. These cases are accorded high priority because they include one or more of the following types of cases:

- those involving rogue landlords (i.e. where individuals are known to have multiple properties accommodating unauthorised occupied outbuildings);
- those where there are multiple breaches of legislation across a number of departments and agencies);
- those where there are geographical concentrations of 'beds in sheds' which are giving rise to significant local problems.

15. In the last 6 months the Council has issued 17 Enforcement Notices, initiated 7 prosecutions, and defended enforcement action at appeal on 5 occasions. In 8 separate cases, the owners have taken appropriate action themselves to remedy the situation as a result of this enforcement action.

16. Enforcement action is often thwarted by the unscrupulous behaviour of landlords who ensure that all signs of residential use are removed at the unauthorised premises prior to any scheduled visits by council officers. Council officers in Housing, Planning Enforcement, Corporate Fraud and Council Tax departments have therefore been proactively working together with the Metropolitan Police and the UK Border Agency to carry out raids in different parts of Hillingdon, where appropriate. In the last few months the following raids have been successfully carried out:

- *On 20 August 2012, there was a raid on an illegal and unlicensed HMO with an outbuilding in Hayes for the second time. Officers found 6 males in the outbuilding and 9 males in the main house that were connected to a local landlord living a few streets away and an estate agent based in Southall. Officers are taking enforcement actions against both the owner and estate agent for failing to comply with the HMO requirement and obtain a licence. Planning enforcement officers had previously served enforcement notices on the owner regarding both the authorised use of the house as a HMO and the outbuilding.*
- *On 23 November 2012, there was a raid on an illegal HMO towards the boundary of West Drayton and Uxbridge. Officers found 7 people consisting of 4 families including a new born baby in the main house which was split into 2 self-contained units. Officers also found a family of 3 in the outbuilding, which was also on Housing Benefit. The property and outbuilding did not have any fire protection for the tenants and were both in very poor condition. Officers are in the process of taking action to prosecute the owner of this property.*
- *On 18 February 2013, there was a raid on an illegal HMO in Hayes and officers found 15 people in the main house and 3 in the outbuilding. The tenants comprised separate families and were of different nationalities. Some families even had very young children and a couple of the tenants were on Housing Benefit. The house has no fire safety measure and did not meet the current HMO standards. This will involve the prosecution of the landlord for failing to obtain an HMO licence and breaches of the Management of HMO (England) Regulations 2006. A Committee report has been submitted recommending that a planning enforcement notice be served concerning the unauthorised use of the property.*
- *On 28 February, there was a raid on an illegal HMO in Hayes and officers found 15 people in the main house and 6 in the annex, all as individual tenants. Both buildings were found to be in very poor condition without any fire safety measures and seriously lacking basic amenities. Planning enforcement notices and housing prohibition order will be served on the owner to prohibit the use of this address as an HMO in long term until the all requirements are complied with. Private Sector Housing is seeking legal advice regarding prosecution of the landlord for failing to obtain an HMO licence and breaches of the Management of HMO (England) Regulations 2006.*

17. Officers are working closely with the DCLG and the other eight local authorities who were allocated funding to help them with their enforcement work, with a view to sharing best practice. Slough are looking to pilot an innovative approach which entails repeatedly fining a landlord for not having a valid Energy Performance Certificate, which is required by law for places where people live. The fine is £200 a day, which would make it very expensive for people to continue using the outbuilding. The process also appears to be a faster way of penalising the unauthorised use than using planning or HMO legislation. At this stage, it has been agreed that the other eight boroughs await the outcome of Slough's pilot scheme before deciding whether to consider emulating this approach and if so, how best to implement it.

18. The work of the 'beds in sheds' team has been publicised through a number of press releases highlighting court success stories, which have been widely covered in local and trade publications including the Uxbridge and Ealing Gazette, Hillingdon Times, Inside Housing and 24Housing. The work has also been showcased through the Council's residents' magazine

Hillingdon People, with a full page spread in the September/October edition 2012 and a news item in the January/February 2013 edition.

19. The press releases and coverage about court successes relating to 'beds in sheds' include the following:

- **20 July 2012 – Council sets up task force to tackle 'beds in sheds'**

*Jamal Uddin of Gloucester Road, London, was ordered to pay £15,377 for using an outbuilding as accommodation following a Hillingdon Council investigation. Uddin was told by the council that he must stop renting the shed in the garden of Turnpike Lane, Uxbridge, after the local authority received a tip-off by a resident who was also a local council Street Champion.*

*Rupa Sodha, was fined £3,500 and costs of £2,079 for illegally re-developing a house in Princes Park Parade, Hayes, into seven self-contained flats.*

- **31 July 2012 - Five-figure fine for flouting planning laws**

*Harnek Singh Brar, of Brookside Road, Hayes, was ordered to pay a total of £14,325 for unlawfully using his garage as two separate 'beds in sheds'.*

- **31 August 2012 - Hefty fine for planning breach**

*Rajesh Kalra, of Ickenham Road, Ruislip, was found guilty of unlawfully extending his property at Uxbridge Magistrates' Court on 13 August 2012. He was fined £3,000 and ordered to pay costs of £5,900.*

- **24 September 2012 - Hefty fine for planning breach**

*Mr Surendra Sah, Hermon Grove, Hayes, was fined £3,500 for having an unlawful outbuilding at court on Wednesday 19 September. He was also ordered to demolish the building and pay costs of £1,124.*

- **12 November 2012 - Council wins planning battle**

*Mr Surendra Sah, of Hermon Grove, Hayes has demolished the outbuilding at the rear of his property following a court prosecution at Uxbridge Magistrates' Court in September and subsequent intention of direct action by the Council.*

- **10 December 2012 - Hillingdon Council continues its crackdown on Beds in Sheds**

*Mr Xuhua Chen, of Hunters Grove, Hayes was fined £3,000 and ordered to pay the Council's legal costs of £1885.95 for failing to demolish an illegal outbuilding in his back garden.*

20. Since the 'beds in sheds' team was launched in summer 2012, there have been interview requests from various national and regional media such as BBC's Inside Out, The One Show, Inside Housing magazine and Evening Standard.

21. Based on the work to date, officers consider that the approach that they have taken over the last six months is cost effective and is yielding positive outcomes. It is likely to deter people from providing 'beds in sheds' in the future and therefore is considered to be a sustainable way of dealing with the issue.

## Potential additional funding from the DCLG

22. On 28<sup>th</sup> February 2013, the Council received an invitation from the DCLG to submit an application for a share of £790k of additional funding to tackle 'beds in sheds' in 2013/14. The invitation was sent only to the nine authorities already receiving grant support from the DCLG. The DCLG stated that the applications would be judged on the following criteria:

- The area's need – scale of the problem;
- How areas will use the additional funding – a clear plan over and beyond the mainstream services and;
- The outcome likely to be secured by areas provided with additional funding.

23. Officers have submitted a bid application for funding to meet the DCLG's deadline of 13<sup>th</sup> March 2013. The bid is to enable funding for:

- retention of the dedicated Prosecution Solicitor for a further year to deal with 'beds in sheds' cases;
- other associated legal costs involved in taking enforcement action, including prosecution and proceeds of crime cases
- the appointment of temporary officer resources to investigate and take appropriate enforcement action on individual cases; and
- to develop the associated communications strategy.

## **Financial Implications**

The cost of the prosecutions lawyer (employed on a temporary contract through an agency) is currently being met through £150k of unringfenced Preventing Homelessness Grant received from DCLG to combat the 'beds in sheds' issue. Cabinet in July 2012 approved the use of this funding and delegated authority to authorise any expenditure for the purposes set out in the report to the then Deputy Chief Executive and Corporate Director of Planning, Environment, Education and Community Services, in consultation with the Leader of the Council and the Cabinet Member for Finance Property and Business Services.

There is an opportunity to extend the duration and scale of the resources available to tackle this issue through a further funding bid to DCLG.

## **4. EFFECT ON RESIDENTS, SERVICE USERS & COMMUNITIES**

### **What will be the effect of the recommendation?**

The effect of the recommendation will be to ensure there is dedicated resource to prosecuting problems 'beds in sheds' cases, ensuring there is a focus on actually taking the enforcement action to conclusion, through prosecution. By means of the adoption of a well publicised and hard hitting enforcement approach, the number of 'beds in sheds' cases should, over time, reduce, as the public are discouraged from erecting and occupying unauthorised outbuildings.

The approach taken by Hillingdon is consistent with the guidance produced by DCLG advocating wide ranging use of legal powers to deal with beds in sheds cases and is in the best interests of achieving the Councils objectives, as set out in the Sustainable Community Strategy.

## **Consultation Carried Out or Required**

None at this stage.

## **5. CORPORATE IMPLICATIONS**

### **Corporate Finance**

Corporate Finance has reviewed this report and concurs with the financial implications set out above, noting the progress to date in tackling 'beds in sheds' within the Borough. If successful, the bid submitted to DCLG for additional funding will provide resources to extend both the duration and scale of action on this issue.

### **Legal**

The Council, as local planning authority, has powers under Part VII of the Town and Country Planning Act 1990 to enforce planning control within its area and this includes the power to take enforcement action against unlawful self contained dwellings (so called 'beds in sheds').

### **Corporate Property and Construction**

There are no local authority property implications resulting from the recommendations set out in this report.

### **Relevant Service Groups**

This is a cross-Council and cross-agency initiative involving many different service areas.

## **6. BACKGROUND PAPERS**

NIL.