



Cabinet

Tuesday, 10 February 2026

Article 4 Direction – Houses of Multiple Occupancy (HMOs)

Report of the Director – Development and Economic Growth

Cabinet Portfolio Holder for Planning and Housing, Councillor R Upton

1. Purpose of report

- 1.1. At the Rushcliffe Borough Council (RBC) Full Council meeting of 18 September 2025, a motion was debated about a perception that the authority is experiencing an increase in small Houses of Multiple Occupation (HMO) falling within Planning Use Class C4.
- 1.2. Councillors directed officers to investigate and collate an evidence base to look at whether there is a case for introducing an Article 4 Direction across the Borough, which would remove permitted development rights for HMOs of three to six unrelated people sharing facilities, like kitchens and bathrooms.
- 1.3. The purpose of this report is to inform Cabinet of the evidence collected in support of implementation of an Article 4 Direction to remove permitted development rights, which would introduce a new requirement for submission of a planning application to the Local Planning Authority (LPA) for planning permission to change from a Use Class C3 Dwellinghouse to a Use Class C4 HMO across the Borough.

2. Recommendation

It is RECOMMENDED that Cabinet:

- a) confirms that there is insufficient evidence to meet the legal threshold to justify an Article 4 Direction to remove or restrict permitted development rights for Houses of Multiple Occupation (HMO) in the Borough; and
- b) requests that the number of HMOs and complaints received continues to be monitored

3. Reasons for Recommendation

- 3.1. Following investigative work, there is insufficient evidence to support the implementation of an Article 4 Direction covering the entire Borough, given the known numbers and distribution of HMOs.

- 3.2. The evidence shows a greater concentration of HMO properties in West Bridgford; however, even here, the evidence is insufficient to justify the implementation of an Article 4 Direction for this area. In 2025, the Council received four complaints regarding two HMO properties. Of the four complainants, one complainant made 271 complaints regarding one property, which were investigated and informal action taken. In 2024, no complaints were received in relation to HMOs.
- 3.3. It is recommended that Cabinet agrees to the continued monitoring of the overall number of HMOs and any complaints received.

4. Supporting Information

Houses of Multiple Occupation

- 4.1. A HMO is a rental property, which houses at least three people from different households who share facilities like kitchens and bathrooms. The legal threshold for licensing a HMO is at an occupancy of five or more people from different households. Licenses cannot be sought for HMOs of three or four person occupancy.
- 4.2. Planning permission for HMOs is required in the following circumstances:
- to create a large HMO (7+ occupants); or
 - if a property falls within an Article 4 area, planning permission is required for three to six person occupancy.

Article 4 Direction

- 4.3. An Article 4 Direction is a legislative tool used to remove or restrict certain permitted development rights, including change of use, from an area or specific property in certain limited situations where it is necessary to protect local amenity or the well-being of an area.
- 4.4. In removing specific permitted development rights, an Article 4 Direction does not prevent the type of development specified but instead requires an application for planning permission to be made prior to any development within that use class taking place. In making an Article 4 Direction, an LPA can be liable to pay compensation to those whose development rights have been withdrawn or restricted by the Direction.
- 4.5. The National Planning Policy Framework (NPPF), paragraph 54 states that Article 4 implementation should:

“be limited to situations where an Article 4 Direction is necessary to protect local amenity or the well-being of the area (this could include the use of Article 4 Directions to require planning permission for the demolition of local facilities)” and “in all cases, be based on robust evidence, and apply to the smallest geographical area possible.”

4.6. Implementing an Article 4 Direction without sufficiently robust evidence could leave the Council open to significant legal challenges and compensation claims.

4.7. This advice is confirmed in the Planning Practice Guidance (PPG) at Paragraph 038, Revision date 20 08 2021, which includes the following:

“..article 4 directions should be limited to situations where it is necessary to protect local amenity or the well-being of the area.

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 (eg those covering a large proportion of or the entire area of a local planning authority, National Park or Area of Outstanding National Beauty)....*
- cases where prior approval powers are available to control permitted development....”*

4.8. An LPA should only make an Article 4 Direction where it can justify both its purpose and extent. Use of Article 4 Directions should be limited to situations where it is necessary to protect the local amenity or wellbeing of the area and the LPA has clearly identified the potential harm the Direction is intended to address.

Number of HMOs within Rushcliffe Borough

4.9. HMOs provide an important role in the housing of those on a lower income, young professionals, and students.

4.10. There are currently 186 licensed HMOs in Rushcliffe, with 184 located within West Bridgford (NG2). All 186 properties are 5+ person occupancy, in line with the Council's licensing threshold. Data gathered from an external source indicates that there are a further 175 properties that are ranked as *likely to be* HMOs of three or four person occupancy; with 91 of these falling within NG2 (Rushcliffe Borough). However, these properties are unlicensed as they do not meet the 5+ person occupancy threshold required for licensing.

4.11. The dispersal of licensed HMOs in West Bridgford can be seen in Appendix E. Most HMOs in NG2 (Rushcliffe Borough) can be found on the main roads in and around the 'centre' of West Bridgford, with one outlier in Compton Acres.

Complaints regarding HMOs

4.12. In 2025 the Council received complaints from four residents relating to HMOs (Appendix A), three of which appertain to the same property in Compton Acres, and one in West Bridgford. In 2024, the Council received no complaints relating to HMOs.

- 4.13. All four complainants requested the implementation of an Article 4 and a review of the property in question, citing noise nuisance and anti-social behaviour. Complaints also highlighted that residents consider that RBC has not consulted appropriately with residents before licensing the particular HMO in 2023 and that RBC has failed to effectively manage and regulate HMOs.
- 4.14. One of the four complainants made 271 complaints regarding one property, which were investigated and resulted in informal action being taken by the Council.
- 4.15. In response to the concerns raised by residents, as discussed in this report, the implementation of an Article 4 requires robust evidence for the need and must be put in place for the smallest relevant geographical area. Therefore, the option for an Article 4 Direction is not currently viable. However, the Council currently regulates HMOs through licensing and reviews properties on a regular basis to ensure that complaints and disturbance to the local community is kept to a minimum. This is in line with the role of local authorities across the country.

Case Studies

- 4.16. Officers have looked at examples of other Councils that have considered the implementation of an Article 4 Direction and considered the context, evidence and process of implementation.

Gedling Borough Council

- 4.17. Gedling Borough Council (GBC) has recently taken the decision not to implement an Article 4 within the Netherfield ward (Appendix B), due to insufficient robust evidence that HMOs were causing significant detriment to available housing stock (12 HMOs total) and parking availability. Anti-social behaviour levels were proved to be very low or non-existent. At the Cabinet meeting, MP Tom Randall brought 111 responses to an independently delivered survey, which highlighted resident concern. GBC considered that this did not form a sufficiently robust evidence base to implement an Article 4.

Bolton City Council

- 4.18. In June 2025, Bolton City Council Cabinet (Appendix C) took the decision to implement a Borough wide Article 4 Direction based on significant HMO growth and links to crime, anti-social behaviour and complaints to housing standards.
- 4.19. Upon implementation, Bolton had 720 HMOs with 221 complaints being made to Housing Standards in the previous year citing nuisance neighbours, overcrowding and safety concerns. It was also found that there were 35 more crimes per 100 households within 100m of HMOs than per 100 households more than 100m from HMOs.

Salford City Council

- 4.20. The implementation of an Article 4 Direction has also been considered by Salford City Council (Appendix D) in October 2017. The evidence provided for justification in this area is broadly in line with that of Bolton. However, Salford City Council chose to implement an Article 4 upon a smaller, more specific area and then monitor the rest of Borough for signs of HMO displacement. This was largely due to a greater concentration of HMOs within specific areas of the Borough. Salford also had less total HMOs – 553 at the time of the report.
- 4.21. Salford City experienced a sharp rise in the number of properties undergoing HMO conversions through the landlord licensing teams, and a high number of complaints regarding parking, bin issues, anti-social behaviour and noise nuisance.

Article 4 Implementation Timescales

- 4.22. The legal requirement for a non-immediate direction is that the LPA considers it expedient that a defined class of use or development should not be carried out unless permission is granted following submission of an application. The circumstances in which an immediate direction can restrict development are limited and the LPA must demonstrate that the development to which the direction relates presents an immediate threat to local amenity or the proper planning of an area. The immediacy of the threat and compensation liability may be considerations in determining which type of direction to use.
- 4.23. A direction with immediate effect would have the clear advantage of controlling development straight away by requiring an express grant of planning permission. However, it would also expose the LPA to a potentially high level of compensation liability, where applications submitted within the first 12 months of the removal of the permitted development rights were either refused or granted subject to conditions, such compensation being limited to abortive expenditure or other loss or damage directly attributable to the withdrawal of permitted development rights.
- 4.24. A non-immediate direction with a prior notice period of 12 months would avoid compensation liability and allow the results of local consultation to be taken into account before the LPA decides whether or not to confirm the direction removing permitted development rights.
- 4.25. As detailed above, whether immediate or non-immediate, an Article 4 Direction must be supported by robust evidence and applied in a measured and targeted way in order to comply with the requirements of the NPPF and the PPG.
- 4.26. Both Bolton and Salford examples do give an indication of timescales for Article 4 implementation. The process for Bolton took approximately two years to complete and Salford took approximately three years. The main reason for this disparity in timescale is Bolton opted against giving landlords 12 months' notice of the Article 4 direction. However, this approach could result in significant levels of legal action and compensation claims from landlords.

4.27. Legal risks include:

- The making of an Article 4 Direction without clear justification and robust evidence as specified in the NPPF could result in the order being challenged in the courts.
- There is also a risk that the Secretary of State intervenes to withdraw or modify the Direction.
- The withdrawal of permitted development rights by an Article 4 Direction may give rise to liability to compensate where permission is sought and refused or granted subject to more restrictive conditions.

4.28 Unintended Consequences of introducing an Article 4 Direction include:

- Houses of Multiple Occupation perform a purpose of housing those on a lower income, including young professionals and those on a lower income. Restricting HMOs can reduce the supply of affordable accommodation. In areas of high demand this can drive up rental prices for those on lower incomes.
- Area specific Article 4 Directions may result in HMOs being displaced to other areas within the Borough, including areas which are less sustainably located.

5. Alternative options considered and reasons for rejection

- 5.1. One of the main considerations when implementing an Article 4 Direction is deciding the geographical area in which it should apply. Given that there must be robust evidence of the need for an Article 4 to cover the given geographical area (NPPF), an Article 4 covering the entire Borough was rejected. This is on the basis that the low number of HMOs across the Borough and very low number of complainants does not support the use of such powers.
- 5.2. The alternative option of implementing an Article 4 Direction, either Borough-wide or area specific, has been rejected. There are insufficient numbers of HMOs across the Borough to warrant a borough-wide Article 4 Direction. There are 184 known HMOs within the West Bridgford area, however, given the low numbers of complainants and lack of evidence to demonstrate adverse impact on amenity and well-being, the implementation of an area specific Article 4 Direction has also been rejected.
- 5.3. It is recommended that the Council monitors the number of HMOs within the Borough and any complaints received. The alternative of not monitoring has been rejected as the evidence collected and presented in this report is as at January 2026. It is prudent to continue to monitor the numbers of HMOs and any complaints received to evidence if there is justification in implementing an Article 4 in the future.

6. Risks and Uncertainties

The proposed action not to implement an Article 4 may lead to resident concern about the Council's approach to the increasing number of HMOs across the Borough. However, as discussed above, there is insufficient evidence base to robustly justify such action across any geographical area. Taking Article 4 action without a solid case would not be in accordance with the NPPF and associated PPG and could open the Council up to legal challenge and compensation claims from a range of sources, including landlords and developers.

7. Implications

7.1. Financial Implications

Cabinet agreeing to the recommended action would result in little to no financial implications for the Council. Ongoing monitoring would account for some staff resource; however, at current complaint levels this would be minimal.

7.2. Legal Implications

7.2.1 Approval of the recommendation may lead to some legal challenge from residents, as indicated in some complaints; however, the legal implications involved are minimal when considered in the context of the implications that could occur should an Article 4 be implemented without sufficient grounds, notice or consultation.

7.2.2 The withdrawal of development rights by an Article 4 Direction may give rise to liability to compensate where permission is sought and refused or granted subject to more restrictive conditions.

7.3. Equalities Implications

Equality Impact Assessment (EIA) are required for new policies. The recommendations do not result in the implementation of new policies and consequently, an EIA is not required. Should the decision be taken to implement an Article 4 in the future, an EIA would be required.

7.4. Section 17 of the Crime and Disorder Act 1998 Implications

7.4.1. From the complaints, there is some anecdotal evidence of anti-social behaviour and noise nuisance relating to two HMOs in West Bridgford. The Council actively responds to complaints and has successfully addressed the issues raised, however, where they are ongoing, the Council will continue to monitor and respond, particularly in relation to licensed properties.

7.4.2. It should be noted that the vast majority of HMOs in Rushcliffe do not give rise to any complaints and there is insufficient evidence to suggest

a link between HMOs and increased anti-social behaviour, noise nuisance or safety concerns at this time.

7.5. Biodiversity Net Gain Implications

There are no known Biodiversity Net Gain Implications.

8. Link to Corporate Priorities

The Environment	There are no identified links to the 'Environment' Corporate Priority.
Quality of Life	Article 4 Directions must be robustly reasoned, including to 'protect local amenity or the well-being of the area'. The low volume of complaints indicate that the local amenity and well-being of the area is not being significantly impacted by HMOs within the Borough, as such this report concludes that there is insufficient evidence to meet the legal threshold to justify an HMO, and that complaints are continually monitored.
Efficient Services	The preparation and implementation of an Article 4 Direction is often resource heavy and could result in legal challenge and an increase in planning applications. Due to insufficient evidence, the recommendation of this report concludes that an Article 4 cannot at this time be justified.
Sustainable Growth	Article 4 Directions remove permitted development rights which, if not justified, can stifle sustainable growth. Introducing an HMO Article 4 Direction would restrict the delivery of HMOs which serve a useful purpose of housing those with a lower income, students and young professionals.

9. Recommendation

It is RECOMMENDED that Cabinet

- a) confirms that there is insufficient evidence to meet the legal threshold to justify an Article 4 Direction to remove or restrict permitted development rights for Houses of Multiple Occupation (HMO) in the Borough; and
- b) requests that the number of HMOs and complaints received continues to be monitored

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Background papers available for Inspection:	
List of appendices:	Appendix A – HMO Complaints Appendix B – Gedling Cabinet Report Appendix C - Bolton Council Report Appendix D – Salford City Council Report Appendix E – West Bridgford HMO Licensed HMOs mapping