

EXTRAORDINARY POLICY AND RESOURCES COMMITTEE

NOTICE AND AGENDA

For a meeting to be held in the Penn Chamber, Three Rivers House, Northway, Rickmansworth on Monday, 1 June 2026 at 7.30 pm

Members of the Policy and Resources Committee:-

Councillors:

Stephen Giles-Medhurst OBE (Chair)
Christopher Alley
Aidan Bentley
Oliver Cooper
Stephen Cox
Steve Drury
Vicky Edwards

Louise Price (Vice-Chair)
Andrea Fraser
Chris Lloyd
Paul Rainbow
Narinder Sian
Kavan Trivedi

*Joanne Wagstaffe, Chief Executive
Thursday, 21 May 2026*

The Council welcomes contributions from members of the public on agenda items at the Policy and Resources Committee meetings. Details of the procedure are provided below:

For those wishing to speak:

Members of the public are entitled to register and identify which item(s) they wish to speak on from the published agenda for the meeting. Those who wish to register to speak are asked to register on the night of the meeting from 7pm. Please note that contributions will be limited to one person speaking for and one against each item for not more than three minutes.

In the event of registering your interest to speak on an agenda item but not taking up that right because the item is deferred, you will be given the right to speak on that item at the next meeting of the Committee.

Those wishing to observe the meeting are requested to arrive from 7pm.

In accordance with The Openness of Local Government Bodies Regulations 2014 any matters considered under Part I business only of the meeting may be filmed, recorded, photographed, broadcast or reported via social media by any person.

Recording and reporting the Council's meetings is subject to the law and it is the responsibility of

those doing the recording and reporting to ensure compliance. This will include the Human Rights Act, the Data Protection Legislation and the laws of libel and defamation.

1. APOLOGIES FOR ABSENCE

To receive any apologies for absence.

2. DECLARATIONS OF INTEREST

To receive any declarations of interest.

3. CORPORATE PEER REVIEW REPORT

(Pages 5
- 34)

That:

Policy and Resources Committee agree to the Corporate Peer Challenge Report.

That public access to the report be immediate.
That public access to the decision be immediate.

4. HMO ARTICLE 4 DIRECTION

(Pages
35 - 64)

That:

The Policy & Resources Committee note the contents of this report and agree the following:

Recommendation 1

Agree one of the following 3 options, to confirm how the council should proceed with a HMO Article 4 Direction:

- a) Do not progress with making a HMO Article 4 Direction, with officers keeping the situation under review; or
- b) Progress with making an immediate HMO Article 4 Direction and grant delegated authority to the Head of Planning Policy & Conservation and the Director of Finance to finalise the Direction Notice and other procedural matters (noting the financial risks set out in paragraph 7.2 and the financial implications report [part ii document]); or
- c) Progress with making a non-immediate HMO Article 4 Direction and grant delegated authority to the Head of Planning Policy & Conservation and the Director of Finance to finalise the Direction Notice and other procedural matters.

Then if choosing option b or c:

Recommendation 2

To agree the geographical area to which the Direction would apply (i.e district-wide or a specific area(s) within the district).

5. EXCLUSION OF PRESS AND PUBLIC

If the Committee wishes to consider the remaining item in private, it will be appropriate for a resolution to be passed in the following terms:-

“that under Section 100A of the Local Government Act 1972 the press and public be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined under paragraph 3 of Part I of Schedule 12A to the Act. It has been decided by the Council that in all the circumstances, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.”

(Note: If other confidential business is approved under item 3, it will also be necessary to specify the class of exempt or confidential information in the additional items.)

6. HMO ARTICLE 4 DIRECTION - FINANCIAL IMPLICATIONS

(To
Follow)

Report to follow.

General Enquiries: Please contact the Committee Team at committeeteam@threerivers.gov.uk

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Corporate Peer Challenge Report 01/06/2026

POLICY AND RESOURCES COMMITTEE
01/06/2026

PART I
CORPORATE PEER CHALLENGE REPORT
(ADCCC)

1 Summary

- 1.1 The Local Government Association Corporate Peer Challenge (CPC) is a valued improvement and assurance tool the LGA offers to councils which is built on the principles of sector-led improvement.
- 1.2 A team of local government peers, led by the Local Government Association (LGA) delivered a Corporate Peer Challenge (CPC) of Three Rivers District Council (TRDC) from 10-13 February 2026. This was the council's second peer challenge, the first was in March 2019.
- 1.3 The CPC report attached at Appendix A provides TRDC with feedback on the peer team's findings. It provides the council with a set of high-level recommendations alongside further recommendations under each of the CPC's core areas. There is an expectation the council will publish this report and a clear action plan to respond to all the recommendations highlighted.

2 Recommendation

- 2.1 That:

Policy and Resources Committee agree to the Corporate Peer Challenge Report.

That public access to the report be immediate.

That public access to the decision be immediate.

Report prepared by: Rebecca Young, Head of Strategy and Partnerships and Katie Stacey, Corporate Services Manager

3 Details

- 3.1 Local authorities are responsible for their own performance and improvement and are primarily accountable locally for this, through their local democratic mandates. Under the statutory Best Value duty, Government expects all local authorities to have a Local Government Association Corporate Peer Challenge (CPC) at least every five years.
- 3.2 CPC is a tried and trusted method of improvement; it provides councils with a robust and effective improvement tool which is owned and delivered by the sector, for the sector.
- 3.3 The CPC covered the following five core areas:

- **Local priorities and outcomes**

- **Organisational and place leadership**
- **Governance and culture**
- **Financial planning and management**
- **Capacity for improvement**

3.4 The LGA peer team spent four days in February doing on-site meetings with members, staff, partners, voluntary and community representatives. At the end of the challenge a presentation was given to all staff and councillors on the findings. Following this the CPC Report was produced (Appendix A).

3.5 Following the CPC report being agreed and published the Council must develop and publish an action plan by the end of July 2026.

3.6 There will then be a progress review with the LGA and peer team – this is an opportunity to discuss progress within ten months of the CPC (end of December 2026). The progress review report should then be published within twelve months of the original CPC at the end of February 2027.

3.7 The action plan to implement the recommendations within the report will be developed and presented at a future Policy and Resources Committee for approval.

4 Options and Reasons for Recommendations

4.1 Having undertaken the CPC in February 2027, Policy and Resources are asked to agree the report produced by the Peer Challenge Team. There are no other optional reports.

4.2 Committee are able to comment on the report which can be feedback to the LGA.

5 Policy/Budget Reference and Implications

5.1 The recommendations in this report are within the Council’s agreed policy and budgets. The relevant policy is entitled Council Plan and was agreed on 24 February 2026

Financial, Legal, Staffing, Environmental, Community Safety, Public Health, Customer Services Centre, Communications & Website.

5.2 None arising. Any financial implications arising from the action plan will be dealt with in a separate report on the delivery of the recommendations.

6 Equal Opportunities Implications

6.1 Relevance Test

| | |
|--|----|
| Has a relevance test been completed for Equality Impact? An EQIA will be completed for the delivery of the recommendations and actions. | No |
| Did the relevance test conclude a full impact assessment was required? | No |

| | |
|--|--|
| | |
|--|--|

7 Risk and Health & Safety Implications

7.1 The Council has agreed its risk management strategy which can be found on the website at <http://www.threerivers.gov.uk>. In addition, the risks of the proposals in the report have also been assessed against the Council's duties under Health and Safety legislation relating to employees, visitors and persons affected by our operations. The risk management implications of this report are detailed below.

7.2 The subject of this report is covered by all Council service plans. Any risks resulting from this report will be included in the risk register and, if necessary, managed within these plans.

| Nature of Risk | Consequence | Suggested Control Measures | Response (tolerate, treat, terminate, transfer) | Risk Rating (combination of likelihood and impact) |
|---|---|---------------------------------|--|---|
| The CPC Report is not agreed and published within the timescales outlined by the LGA. | TRDC fail to implement the recommendations and improve performance. | P and R to agree the CPC Report | Tolerate | 4 |

7.3 The above risks are scored using the matrix below. The Council has determined its aversion to risk and is prepared to tolerate risks where the combination of impact and likelihood scores 6 or less.

| | | | | |
|---|-----------------|--------------------|--|------------------------|
| Very Likely Likelihood ▼ Remote | Low 4 | High 8 | Very High 12 | Very High 16 |
| | Low 3 | Medium 6 | High 9 | Very High 12 |
| | Low 2 | Low 4 | Medium 6 | High 8 |
| | Low 1 | Low 2 | Low 3 | Low 4 |
| | Impact | | Low ▶ Unacceptable | |

Impact Score

- 4 (Catastrophic)
- 3 (Critical)
- 2 (Significant)
- 1 (Marginal)

Likelihood Score

- 4 (Very Likely (≥80%))
- 3 (Likely (21-79%))
- 2 (Unlikely (6-20%))
- 1 (Remote (≤5%))

7.4 In the officers' opinion none of the new risks above, were they to come about, would seriously prejudice the achievement of the Strategic Plan and are therefore operational risks. The effectiveness of the management of operational risks is reviewed by the Audit Committee annually.

Data Quality

Data sources:

LGA Corporate Peer Challenge Information

Data checked by:

Katie Stacey

Data rating:

| | | |
|----------|-------------------|----------|
| 1 | Poor | |
| 2 | Sufficient | / |
| 3 | High | |

Background Papers

APPENDIX A

Corporate Peer Challenge Report

LGA Corporate Peer Challenge

Three Rivers District Council

10-13 February 2026

Feedback report



Contents

- 1. Introduction 3
- 2. Executive summary..... 3
- 3. Recommendations 6
- 4. Peer team 7
- 5. Detailed feedback and recommended actions 8
- 6. Action plan and progress review 22
- 7. Contact details 22

1. Introduction

A team of local government peers, led by the Local Government Association (LGA) delivered a Corporate Peer Challenge (CPC) of Three Rivers District Council (TRDC) from 10-13 February 2026. This was the council's second peer challenge, their first was in March 2019, [TRDC Corporate Peer Challenge 2019 Report](#).

CPC is a well-established and respected improvement and assurance tool that provides robust, strategic and credible challenge and support to councils. Further details about the CPC process can be found in Appendix A.

Our peer team consisted of highly experienced and knowledgeable senior local government councillor and officer peers (see section four). We considered the five core areas for all CPCs: local priorities and outcomes; organisational and place leadership; governance and culture; financial planning and management; and capacity for improvement, in addition to local government reorganisation (LGR).

This report provides TRDC with feedback on the peer team's findings. It provides the council with a set of high-level recommendations alongside further recommendations under each of the CPC's core areas. There is an expectation the council will publish this report and a clear action plan to respond to all the recommendations highlighted.

2. Executive summary

Three Rivers District Council enters this CPC from a position of strength. The council is widely regarded – by officers, councillors, partners and residents alike – as a well-run and financially stable organisation. Staff consistently describe feeling proud to work for the council, pointing to close working relationships and a loyal, long serving workforce that delivers successfully. Councillors across all political groups are passionate, resident focused and understand their locality and communities. There is a strong and stable relationship between the political and officer leadership in the council, which supports consistency of decision-making and a collective and calm sense of leadership to partners and officers. Partners repeatedly referenced their positive, collaborative relationship with the council. Communications with residents and partners stand out as particularly effective. These strong internal and external

3

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communications have been a result of focused improvement since the 2019 CPC.

The district benefits from a wide range of opportunities, including strong leisure and creative industries, and Northwood Ministry of Defence Base, combined with its demographic characteristics, this offers a unique advantage for future economic growth. The council's commitment to sustainability is evident and well resourced, with place-based environmental initiatives and organisational actions reinforcing a focus on a greener future, as set out in the [Council Plan](#), and the [Climate Emergency and Sustainability Strategy](#).

TRDC is fortunate to have experienced councillors and the peer team noted some opportunities to further strengthen officer-councillor relationships, thereby making the most of the skills on both sides of the chamber. This will support the TRDC's ambition and effectiveness in continuing to deliver its business as usual and as it transitions during LGR.

The vision of Three Rivers as "a great place to live, work and visit" is widely understood, however the narrative that sits beneath it – particularly regarding people, residents and inclusive communities – is less well defined. The "visit" aspect of the vision appears less prioritised than the "live" and "work" components and could be strengthened, particularly with the strong visitor economy in the area. The peer team noted the overarching story of place for Three Rivers is not immediately apparent. Given the upcoming LGR, there is a risk that Three Rivers' place identity, voice and achievements could become diluted without a clearer articulation of what makes the place unique. Peers reflected on the need to define, articulate and project a strong narrative of the local place as an essential element to preserving legacy and influence.

The council has demonstrated creative, effective approaches to housing delivery, including significant investment through the Local Authority Housing Fund (LAHF) and successful collaboration with Watford Community Housing. The redevelopment of garage sites into brownfield homes shows a thoughtful and resource sensitive approach to managing local constraints, particularly the protection of the Green Belt. These examples demonstrate the council's capacity to deliver successfully on its priorities when the strategic framework, resources, and relationships are aligned.

4

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Partnership working is undoubtedly a strong feature in TRDC. The Healthy Hubs programme stands out as an example of preventative, place-based collaboration, reducing demand on statutory services and supporting residents' wellbeing. Community safety was also an example demonstrating active investment. There is further scope for the council to ensure that relationships with partners are best used to align delivery to achieve joint outcomes in all areas. Strengthening the strategic oversight of partnership delivery so that impact can be measured more widely may be one means to maximise partnerships.

The Local Plan remains a known significant challenge for the council. Recent decisions by government have added complexity, and the council is aware of this and its implications. With a requirement to successfully submit the Local Plan to the Secretary of State (SoS) by December 2026, the council may benefit from further scenario planning in relation to the possible outcomes and consider whether the plan can reflect local and national need alongside local preference.

As the council looks ahead to LGR, internal capacity could become a challenge to the organisation. Specific pressures currently exist in legal, human resources (HR) and planning services, with risks to resilience if not addressed promptly. With approximately 25 months until vesting day for the new council organisations, the peer team also observed that TRDC would benefit from further strengthening its LGR preparedness programme. Workforce development, succession planning and scenario-based resource allocation were identified as important areas for early focus.

More broadly, while the council has service level plans and a project board in place, there is no single, integrated delivery plan that connects the Council Plan to outcomes, resources, milestones and performance. This would be an area to develop to ensure the continued successful delivery of business as usual, strengthening the 'golden thread', whilst also transitioning through the LGR process.

The peer team found TRDC to be an effective, committed and community driven organisation with substantial strengths to build upon. By sharpening its strategic narrative, strengthening delivery architecture, addressing capacity gaps and preparing thoroughly for LGR, the council can protect its legacy, maximise its influence, and position its communities to benefit from future opportunities.

5

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3. Recommendations

The following are the peer team's key recommendations which have been prioritised on the grounds of urgency and importance.

3.1 Create space to continue to support officer-councillor relationships

Supporting all councillors to take up co-designed training and pre-committee meeting briefings. This will further enhance the community leadership role and passion for place exhibited by all members.

3.2 Strengthen the place narrative of Three Rivers

Building a vision for inclusive growth across the district. Consider how TRDC intend to maximise opportunities to deliver for all communities, both now and after LGR.

3.3 Establish a clear LGR preparedness programme

Create a clear LGR preparedness programme for Three Rivers to ensure the best possible outcomes for the residents of the district and a smooth organisational transition. This should include bringing the preferred unitary proposal to life prior to any decision and planned spending in Three Rivers for lasting legacy impact.

3.4 Ensure organisational capacity and resilience in key areas

Enhance organisational capacity and resilience to enable you to deal with current business as usual AND transition into the new unitary authority, with a particular focus on key areas such as legal, planning, HR and governance.

3.5 Produce a single annual delivery plan and secure critical deliverables

Produce a clear delivery plan from your current strategic frameworks in order to accurately define key resource requirements, actions, deliverables and timescales, which will support the successful delivery of outcomes for Three Rivers and its partners as LGR approaches.

3.6 Further consider how you are able to successfully submit your Local Plan to the Secretary of State by December 2026

This will require scenario planning in relation to the possible outcomes.

3.7 Sustain motivation and momentum throughout LGR

Sustain the motivation and momentum that has led TRDC to become a financially stable, well regarded, and effective district council. Don't take your foot off the gas!

In addition to the key recommendations section five of this report captures our detailed feedback and additional recommendations within each of the CPC's core areas of focus.

4. Peer team

Peer challenges are conducted by experienced LGA peers, including elected councillors and senior officers. The composition of the peer team was shaped by the specific focus of the challenge, with the LGA selecting peers based on their relevant expertise. The peers for this CPC were:

- **Rob Huntington**, Chief Executive, Rossendale Borough Council
- **Cllr Peter Dunphy MBE**, Chair of Environmental Services, City of London Corporation
- **Cllr Craig Browne**, Member Peer, Cheshire East Council, and Chief Executive Citizen's Advice North Staffordshire
- **George Candler**, Executive Director: Place and Economy and Deputy Chief Executive, North Northamptonshire Council
- **Deborah Johnson**, Director Customer Services and Organisational Development, Newark and Sherwood District Council
- **Jasper Chance-Larsen**, LGA Shadow Peer, Nuneaton and Bedworth Borough Council
- **Hannah Gill**, Peer Challenge Manager, LGA
- **Onyekachi Abajingin**, Programme Support Officer, LGA

7

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5. Detailed feedback and recommended actions

This section of the report provides detailed feedback along with additional recommendations related to the five core areas of focus and local government reorganisation.

When developing the action plan (in response to the CPC's findings), the council should consider both the key recommendations presented in section three and the additional recommendations set out below.

5.1 Local priorities and outcomes

Three Rivers District Council's vision is widely understood across the council and residents receive a value for money service. There is strong and effective partnership working reported by partners. Partnership governance through 'Connecting Three Rivers' partnership board is active and well attended. Healthy Hubs was a specific example illustrating the effective partnership working in practise with Hertfordshire County Council alongside other health and wellbeing partners. There is a high proportion of the local area which is green belt, however the council has still been able to demonstrate successes in housing delivery, examples of this include: maximising the use of the Local Authority Housing Fund (LAHF) programme; a joint venture with Watford Community Housing; and creative use of underused assets such as garage site redevelopment delivering 16 new homes on brownfield land. There is a clear and well-resourced green and sustainable agenda, which continues to shape the organisation's direction and priorities, as set out in their [Corporate Framework 2023-26](#), [2026-29 Council Plan](#), and the [Climate Emergency and Sustainability Strategy](#). This can be seen through the council's ecological capability, and its work on the Aquadrome and council asset retrofits.

At the same time, several areas would benefit from further clarity and development. The narrative around people and residents could be further articulated, and the 'visit' element of the council's vision appears less prioritised than the 'live' and 'work' components. Ensuring there is an articulated narrative about how the council maximises its unique opportunities so that inclusive growth across the district supports all communities would address this.

8

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While partnership relationships are strong, the strategic oversight of partnership impact could be strengthened. Opportunities also exist to formalise joint asset approaches with Hertfordshire County Council and Watford Council as all proposed LGR options under consideration involve these councils. Starting now on how the assets across the wider geography could be best utilised and for what service areas will give all parties a head start on this key part of LGR. The voluntary and community sector would also benefit from clearer and more regular access to senior leadership; the relationship with key officers was frequently commented on as 'excellent'. These gaps are compounded by the absence of a single overarching delivery plan to bring together service plans and strategic commitments into one coherent framework.

Work on the Local Plan continues to pose significant challenges to get it successfully submitted and accepted by the SoS whilst balancing the local priorities and outcomes that communities want. The LGA undertook a Planning Committee Review in April-June 2025 as part of the support from the Planning Advisory Service (PAS). This CPC therefore has not focused on planning within TRDC as specific recommendations have been set out in the 2025 review.

In addition to the key recommendations *3.2 Strengthen the place narrative of Three Rivers*; and *3.6 Further consider how you are able to successfully submit your Local Plan to the Secretary of State by December 2026* the council should also progress the following actions:

- Consider a joint asset approach with Hertfordshire County Council and Watford Council (e.g. libraries/high streets) as a blueprint prior to LGR.

Are the council's priorities clear and informed by the local context?

Priorities are widely understood and articulated through the [Council Plan](#) with a clear vision through the 'great place to live, work and visit'. Furthermore, TRDC understands their local demographic profile and communities as set out in their current Council Plan, and how this influences key services such as waste management and recycling. The regeneration project in South Oxhey has been

designed and delivered based on local community need and demographic profile. Both internal staff and external partners report understanding the vision and priorities of the council. As discussed in *5.4 Financial planning and management* the council is in a strong financial position, with it able to resource delivery against its priorities. Although the vision and priorities are clearly set out, there is an opportunity to strengthen the narrative around the whole of Three Rivers as a place, with reference to all its various communities, being explicit about how inclusive growth can benefit all communities across the district.

In preparation for LGR there is an opportunity to consider joint priorities with neighbouring councils such as Hertfordshire County Council and Watford Council, not just for assets but also in the wider community space.

The Local Plan remains a known challenge to TRDC. Agreed by Full Council on 27 January 2026, the council received a holding direction by the SoS on 5 February 2026 as it only met 56 per cent of the Government's targets for local housing needs. The council is aware of the ramifications, and the peer team recognises that the council must have sovereignty over any decision regarding the Local Plan. Scenario planning all possible outcomes for submission to the SoS by December 2026 will support TRDC to be prepared for any eventual outcome.

Delivery against priorities and comparative performance and the council's approach to continuous improvement

Peers considered LG Inform benchmarking data which shows how the council compares with the average of their statistical nearest neighbours: [LG Inform CPC headline report](#). Highlights from the report include:

- Consistently high rates of recycling and residual household waste in comparison to nearest CIPFA (Chartered Institute of Public Finance and Accountancy) neighbours.
- High performance against all non-major development planning applications decided within eight weeks or agreed time in comparison to nearest CIPFA neighbours.

10

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- Third highest percentage of major planning applications overturned on appeal in TRDC in comparison to nearest CIPFA neighbours.

Significant steps have been taken to improve the performance reporting both as a management tool and as a method of scrutiny. For example, visually digestible charts demonstrating comparable levels of performance over time across selected metrics which now provides an informative tool for decision makers. It is acknowledged that there is still some way to go on this journey to bring the performance metrics to life and ensure they are seen and understood wider than CMT. The development of an annual delivery plan would help tighten the link between strategic intent, resources and measurable outcomes, see *5.5 Capacity for improvement* for further information.

There is a positive culture and approach to continuous improvement within the council. Communications have also been significantly strengthened since the last CPC where it was highlighted as a weakness. This has included bringing in increased communication expertise to the council team. Staff are regularly invested in with leadership courses being provided and a real commitment to 'grow your own' workforce with a number of apprenticeships in place.

5.2 Organisational and place leadership

Across the organisation, councillors from all political groups demonstrate a strong sense of dedication to their communities, complemented by officers who describe a values driven, supportive and inclusive culture. There is a stable and longstanding relationship between senior officers and the political leadership and this stability has supported consistency of decision making and a collective and calm sense of leadership to partners and officers. There is a non-hierarchical environment within the council and this is seen positively by staff. The council is enabling and positively responsive to local opportunities for economic growth such as Warner Bros expansion and TRDC have successfully leveraged additional investment into local community amenities from businesses. For instance, investment in the restoration of Leavesden Country Park from Warner Bros Studio alongside National Lottery Funding.

The wider context of county wide LGR brings new pressures and expectations. The council may wish to take proactive steps to protect and strengthen its place identity, ensuring that the distinctiveness of Three Rivers and the achievements of recent years are not lost within a future unitary arrangement. A strong narrative of the Three Rivers place will support the place identity and could also be used to highlight the council's achievements to ensure a legacy for the council. Preparing effectively for transition will also require dedicated internal capacity so that the organisation can focus on organisational development, workforce planning, training pathways and broader change readiness. At the same time, there is a need for clearer articulation of partnership boundaries – especially with voluntary and community sector partners – to ensure roles, expectations and responsibilities are well understood during a period of structural change.

Against this backdrop, the council faces the challenge of maintaining continuity while preparing its people, governance arrangements, and partnerships for the next phase. Addressing this requires a coordinated and intentional approach and a clear LGR preparedness programme alongside a strong place narrative.

In addition to the key recommendations *3.2 Strengthen the place narrative of Three Rivers*; and *3.3 Establish a clear LGR preparedness programme* the council should also progress the following action:

- Consider strengthening strategic oversight of partnership delivery so that impact can be measured. Alongside this, continue to support strategic and practical buy in with regards to partnerships, especially within the voluntary and community partnership space.

Does the council provide effective local leadership and is it ready for LGR?

Political and managerial leadership is stable and collaborative. There is a golden triangle in place, with all statutory officers on the senior leadership team (SLT), this ensures regular and strong communication. SLT have been able to ensure there is continuity with the monitoring officer function despite the known capacity pressures in legal. There are plans to address these known capacity issues.

12

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The council is involved in county wide preparations for LGR and staff report feeling informed and calm about LGR. To support a smooth transition, the council may benefit from launching a timebound LGR readiness programme that provides structure and clarity on key tasks, responsibilities, internal capacity and timelines. Alongside this, developing a comprehensive workforce and organisational change plan would help ensure that staff are confident and equipped for the shifts ahead. Clarifying governance arrangements and partnership boundaries, including those with the voluntary and community sector, will help maintain alignment and stability as the council moves through the transition period, this would also ensure that partnerships continue to be positive and well-connected post LGR.

Strengthening the place narrative around Three Rivers will support a local identity past transition. This includes a need to carve out internal capacity to prepare for transition ahead of any final Government decisions and LGR shadow arrangements.

Are there good relationships with partners and local communities?

Partnership working is a strength in Three Rivers, and this was highlighted in the examples such as Healthy Hubs, community safety, use of LAHF, and work with Watford Community Housing. Partnership governance is currently through the *Connecting Three Rivers Board* which replaced the Local Strategic Partnership and Community Safety Board. To maximise the benefit of partnership working the council could consider enhancing strategic oversight of its partnership delivery. This may include agreeing shared outcomes measures that partners are working towards which aligns with the strategic framework for partnership working (Community Strategy). This can assist in understanding performance and outcomes with partners to drive continuous improvement. Any strategic framework, outcomes measures or performance reporting for partnerships will need to align with the council's internal mechanisms, such as the annual delivery plan.

Alongside this, continue to support strategic and practical buy in with regards to partnerships, especially the voluntary and community partnership space. This may also be assisted by enabling access to senior leadership for external partners to

13

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enhance the existing great work of officers.

There is good communication with residents (50 per cent signed up to the council newsletter), and councillors are knowledgeable about their localities. A strong place narrative is also a further opportunity to engage with the local community and to ensure that local priorities and stories have legacy.

5.3 Governance and culture

All councillors are engaged and demonstrate strong knowledge of their localities, reflecting a continued commitment to effective representation and community involvement. The council's committee system supports cross party councillor participation in both scrutiny and decision making. Parish councils reported feeling valued and well supported, contributing to local identity and providing an additional route for place-based engagement. Across the organisation, the "grow your own" approach to officer development is visible and effective, with staff development opportunities and organisational values consistently lived and reinforced in day-to-day practice.

Alongside these strengths, several aspects of governance could benefit from focused attention to ensure they remain resilient through the period leading up to LGR. Councillor induction or development programmes and pre-meeting briefings are in place but are not taken up consistently, reviewing this and co-designing them may help to increase uptake. The committee system offers an effective mechanism for embedding scrutiny within the council's decision-making processes, as demonstrated through committee meetings. Lead councillors should remain open to robust scrutiny, with senior officers supporting this process by addressing questions where appropriate. Greater consistency in senior officer attendance and oversight across all committees would further strengthen the effectiveness of scrutiny.

Placing strong emphasis on upholding the Code of Conduct will further support a culture of respect and accountability. TRDC may also wish to consider how its constitution and delegation arrangements can best ensure that governance structures remain fit for purpose over the next two years, particularly during the transition period.

In addition, capacity pressures – particularly within legal, HR and planning services – may pose risks that will need to be addressed as the organisation prepares for increased demand. At the time of writing this report, a proposed plan is in place to address legal capacity. The SLT has also taken steps to ensure continuity in the role of Monitoring Officer, with the position remaining within the SLT.

In addition to the key recommendations to *3.1 Create space to continue to support officer-councillor relationships*; and *3.4 Enhance organisational capacity and resilience in key areas*, the council should also progress the following actions:

- Induction and councillor development training should continue to be offered to and taken up by all members, this could be co-designed with councillors to increase uptake.
- Evidence-based pre-meeting briefings, with the appropriate level of information, should be taken up by all councillors, this could be co-designed with councillors to increase uptake.
- Across the chamber everyone should understand the roles and responsibilities of officers and councillors, with support and training provided to both officers and councillors when required. A continued emphasis on upholding the Code of Conduct will support a healthy culture of respect and accountability.
- Continue to support parish councils as one of the routes to local place legacy and identity in conjunction with any planned local area arrangements through LGR.

Are there clear and robust governance arrangements?

Governance arrangements are well-established in the council and there is a golden triangle in place, which also forms part of SLT, enabling them to work effectively together with clear and regular communication to review key issues or risks. There are positive reports from both internal and [external audit](#) for TRDC. The Audit Committee meets five times a year and receives planned training at each meeting ensuring councillors are supported to undertake their governance responsibilities. As part of the [2025/26 planned work programme](#) the committee reviews progress on the audit plans, treasury management, and risk management.

15

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Councillor inductions, training sessions and pre-meeting briefings are already available; however, they are not always taken up consistently. Understanding the reasons for this and co-designing training and pre-meeting briefings with councillors may help encourage more consistent participation. The peer team found councillors to be engaged and passionate, so involving them in this co-design process could further strengthen consistency in training and briefings and continue to support robust governance. This will also be important as the council moves towards LGR to ensure that all councillors receive appropriate development and information to ensure that they can continue to represent their constituents and to provide support for those who may go on to be elected within a new council.

There is a positive “grow your own” culture supporting officer development, which has helped build a capable and confident cohort of officers. This is underpinned by a wide range of training opportunities, including manager away days, Myers-Briggs, SUMO (shut up and move on) training, all-staff away days, and participation in the Local Government and Tri-Sector Challenge. It will be important to continue ensuring that all officers are supported and have a clear understanding of the respective roles and responsibilities of officers and councillors in order to further strengthen positive and effective scrutiny.

Across the district, parish councils are well supported and their value is recognised. Maintaining this support could help preserve local place identity and legacy, alongside any planned local area arrangements through LGR.

Is there a culture of challenge and scrutiny?

The council demonstrates challenge and scrutiny with engaged and knowledgeable councillors. The committee system enables scrutiny by creating opportunities for all councillors – not only those in leadership positions – to participate actively in both challenge and decision making. This inclusive structure supports a broad base of involvement and helps cultivate shared ownership of governance.

Maintaining a culture of respectful, evidence informed challenge will continue to be important. As already discussed, ensuring a consistent senior officer presence at

16

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committees, alongside the co-designed training and pre-meeting briefs for councillors will further support all councillors to engage confidently and constructively.

Supporting all councillors to adhere to the Code of Conduct and values of the council will further support positive scrutiny behaviours, and ensure any breaches are responded to appropriately and in a timely manner.

The council may find it helpful to do a rapid review of its constitution and schemes of delegation to ensure these remain current and proportionate, and continue to enable timely and effective decision making, particularly with the LGR transition ahead.

Taken together, these steps will help councillors continue to undertake scrutiny in a way that reflects the organisation's values and upholds the standards expected throughout the decision-making process.

5.4 Financial planning and management

Three Rivers District Council is in a strong financial position and general fund balances was forecast to be at £3.8 million by end of March 2026, well above the recommended £2 million minimum. The council has also now reserved £1 million from the collection fund to specifically place towards LGR. In 2024/25, the total reserves as a proportion of 'net revenue expenditure' for TRDC was 38.1 per cent, which was above the CIPFA nearest neighbours median proportion of 23.6 per cent. The Council's Property Investment Board was allocated up to a total of £20 million in 2017 to invest in acquiring property with a specific remit of achieving a 10 per cent return (yield) on the investment. The total rent due on properties interests acquired is forecast to be £871,000 which will achieve an average yield of 5.72 per cent, above the 5 per cent target. TRDC has an income strip agreement for a property in Wimbledon, London. The Council receives an annual income of £1.9 million annual passing rent from occupational tenants, with the rental income received index-linked to RPI, subject to a 1- 4 percentage cap and collar, compounded every five years. As based on the [2025 auditors report](#) this has not been identified as a significant risk to the council at this current time. The [medium-term financial strategy](#) illustrates how grants and income is higher than originally planned, and with a planned deficit of

17

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£92,357 in 2026/27 and £110,434 in 2027/28, both are well within the existing council reserves.

TRDC benefits from strong financial leadership supported by robust budget monitoring, comprehensive financial reporting and effective risk management arrangements, providing confidence in the council's financial control environment. The council's medium term financial planning is well embedded, and its disciplined financial culture has positioned it effectively for the demands and opportunities associated with a future unitary arrangement. This shared understanding of the council's financial position – anchored by clear oversight from the Section 151 Officer and the Audit Committee – creates a firm foundation on which to guide decisions during a period of sector uncertainty.

Continuing on with the culture of strong fiscal responsibility, the council should consider how its planned spending during LGR transition can best contribute to long term impacts across the district based on community and residents' needs and priorities as well as providing the right skills and organisational resilience for its workforce.

As substantial change approaches through LGR, the council faces a twin track challenge: continuing to deliver high quality business as usual services while also preparing for LGR transition. Existing capacity gaps, particularly in areas such as legal, HR and planning, risk constraining the council's ability to move at pace and maintain resilience. The current financial position of the council should allow the council to ensure it is adequately resourced to maintain the pace during the transition period ahead.

In addition to the key recommendation *3.3 Establish a clear LGR preparedness programme*, the council should also progress the following actions:

- Consideration on how planned spending during transition can best contribute to long term impacts across the district based on community and residents' needs and priorities.
- Consider whether known capacity gaps have been adequately resourced to deal with the twin track of business as usual and LGR.

18

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There is an opportunity for the fiscal discipline and strong financial management culture within TRDC to provide a positive blueprint for future organisations as part of LGR, providing a lasting fiscal legacy.

5.5 Capacity for improvement

The council benefits from a clear commitment to organisational improvement from its political and senior leadership, demonstrated through a range of service reviews and initiatives that have already led to tangible service enhancements. This commitment is reinforced by an experienced, motivated and loyal workforce that consistently shows a willingness to go the extra mile. Staff are not only capable but also display a strong sense of dedication to the organisation, the annual staff wellbeing survey shows that 86.2 per cent agree that they find work fulfilling or rewarding and the council recently had an employee mark their 50 year work anniversary. Annual staff turnover was 11.26 per cent which is lower than the average for its CIPFA neighbours at 12 per cent. This dedicated workforce positions TRDC well to deliver improvement between now and Vesting Day in April 2028.

There is an officer project board with a clear vision and programme for major capital schemes, including significant work on the Aquadrome and South Oxhey Phase Four. There are good financial foundations, with an adequate budget allocated, to ensure that Three Rivers can be well prepared for LGR within the same timeframe.

Alongside these strengths, the council has made notable progress in improving the quality, frequency and visibility of performance reporting. To further strengthen strategic organisational performance insight and maximise the capability to deliver there is an opportunity to align existing service plans and performance reporting into a single delivery plan.

Sustaining the level of ambition required to successfully transition through LGR and beyond will need a continued focus on workforce development, succession planning, and scenario-based resource planning. Ensuring teams have the skills, leadership continuity and capacity to deliver during a period of transition will be critical.

In addition to the key recommendations on *3.3 Establish a clear LGR preparedness programme*; *3.4 Ensure organisational capacity and resilience in key areas*; and *3.5 Produce a single annual delivery plan and secure critical deliverables*, the council should also progress the following actions:

- Consider workforce development, succession planning, delivery plan, scenario and resource planning as part of the LGR preparedness programme.
- Further strengthen and collate council performance reporting with effective use of data by aligning the corporate plan and overarching strategic framework to a clearer annual delivery plan.

Is the organisation able to bring about the improvements it needs, including delivering on locally identified priorities?

The organisation has demonstrated it can deliver improvements and is positively delivering on locally identified priorities. This can be demonstrated through its continuous improvement work on communications since the 2019 CPC, this included bringing in dedicated communication expertise into the council and a clear plan of activity, which has seen positive internal and external communications. This has been positively reported on from staff, the peer team spoke to, who feel informed about the organisation and LGR, externally this is demonstrated through approximately 50 per cent of residents being signed up to the council e-newsletter. This was achieved through actively marketing the e-newsletter through their customer service colleagues.

Capacity across the organisation remains broadly positive, but pressure points in key areas, such as legal, HR and planning, mean it will be important for the council to address critical gaps if it is to maintain service quality while simultaneously delivering change. These pressure points in capacity are known and there are plans being put in place to mitigate and address these.

Does the council have the capacity to improve?

Three Rivers District Council has illustrated its ability to improve and deliver against key priorities, such as the work delivered within the green and sustainable agenda which includes the Aquadrome and asset retrofits.

Council performance reporting has significantly improved, using visual data and there are further plans to strengthen this. Peers suggest formalising the golden thread that connects strategic priorities to operational activity and introducing an annual delivery plan would be a practical and effective way to achieve this. An annual delivery plan can offer staff, managers and councillors a shared view of the actions, milestones and measures required to deliver the council's ambitions up until April 2028, further supporting accountability and transparency. By aligning a clear strategic place narrative, annual delivery plan, and performance reporting, this would support a more consistent understanding of progress, resource requirements, risks and outcomes across teams, departments and partners.

6. Action plan and progress review

The senior political and managerial leadership of the council should review and reflect on the findings and recommendations from this CPC.

To promote the principle of transparency, it is a requirement of the CPC process that the final report of the peer team is published in-full within three months of the review being completed. In this instance, this requires the report to be published no later than 13 May 2026.

There is a requirement for TRDC to develop and publish an action plan within five-months of the peer team being onsite, no later than 13 July 2026. This action plan should provide clarity on the activity, milestones, and timelines that the council will work to in responding to the team's findings.

The action plan will also be central to the peer team's re-engagement with TRDC through a progress review which is due to be completed and published by February 2027.

7. Contact details

In the meantime, Rachel Litherland, Principal Adviser for the East of England, is the main contact between your council and the Local Government Association. As outlined above, Rachel Litherland is available to discuss any further support you require and can be contacted on

Rachel Litherland, LGA Principal Adviser for the East of England

Email – rachel.litherland@local.gov.uk

Further information, support, and resources on LGR/Devolution, can be found on the [LGA's devolution and LGR Hub website](#).

Appendix A – What is CPC?

CPC is a valued improvement and assurance tool that is delivered by the sector for the sector. It involves a team of senior local government councillors and officer peers undertaking a comprehensive review of key information and spending three days at the council to provide robust, strategic, and credible challenge and support.

CPC forms a key part of the [improvement and assurance framework](#) for local government. It is underpinned by the principles of [Sector-led Improvement](#) (SLI) put in place by councils and the LGA to support continuous improvement and assurance across the sector. These principles state that councils are responsible for their own performance; accountable locally, not nationally; share a collective responsibility for the performance of the sector; and rely on the LGA to provide the tools to support them. CPC is also key to councils in meeting their [Best Value duty](#). UK Government expect all councils to have a CPC at least every five years.

Scope and focus

The peer team considered the following five areas which form the core components of all CPCs. These are critical to councils' performance and improvement.

1. **Local priorities and outcomes** - are the council's priorities clear and informed by the local context? Is the council delivering effectively on its priorities? Is there an organisational-wide approach to continuous improvement, with frequent monitoring, reporting on and updating of performance and improvement plans?
2. **Organisational and place leadership** - does the council provide effective local leadership? Are there good relationships with partner organisations and local communities?
3. **Governance and culture** - Are there clear and robust governance arrangements? Is there a culture of challenge and scrutiny?
4. **Financial planning and management** - Does the council have a grip on its current financial position? Does the council have a strategy and a plan to address its financial challenges? What is the relative financial resilience of the council?

5. **Capacity for improvement** - Is the organisation able to bring about the improvements it needs, including delivering on locally identified priorities? Does the council have the capacity to improve?

As part of the five core areas outlined above, every CPC has a strong focus on financial sustainability, performance, governance, and assurance

This peer challenge also included a focus on local government reorganisation.

The peer challenge process

Peer challenges are designed to support improvement, not inspection. They are not intended to provide a detailed or technical assessment of plans and proposals. Instead, the peer team uses its experience and knowledge of local government to reflect on the information shared with them, the things they observe, and the material they review.

To prepare, the peer team looks at a range of documents and information to understand the council and the challenges it is facing. This includes a position statement prepared by the council before the visit, which sets out the local context and highlights areas for the team to focus on. The preparation also involves reviewing an LGA Finance briefing (based on public reports from the council's website) and an LGA performance report that shows benchmarking data across a range of measures. The performance report is produced using the LGA's local area benchmarking tool, LG Inform.

The peer team then spends three or four days at the council. During this time, they gather evidence, information, and views by meeting with council staff, councillors, and external stakeholders. This helps them build a rounded picture of the council's strengths and areas for improvement.

Policy and Resources Committee Report 1 June 2026

POLICY AND RESOURCES COMMITTEE
1 June 2026

PART I

HMO Article 4 Direction

(DoF)

1 Summary

1.1 Following an update from officers regarding the increasing levels of potential HMOs coming forward (including pending licenses and informal discussions with the council), Members have requested a report to consider the implementation of an Article 4 Direction to control Houses in Multiple Occupation (HMO) in the Three Rivers District Council area.

2 Recommendation

2.1 That:

The Policy & Resources Committee note the contents of this report and agree the following:

Recommendation 1

Agree one of the following 3 options, to confirm how the council should proceed with a HMO Article 4 Direction:

- a) Do not progress with making a HMO Article 4 Direction, with officers keeping the situation under review; or
- b) Progress with making an immediate HMO Article 4 Direction and grant delegated authority to the Head of Planning Policy & Conservation and the Director of Finance to finalise the Direction Notice and other procedural matters (noting the financial risks set out in paragraph 7.2 and the financial implications report [part ii document]); or
- c) Progress with making a non-immediate HMO Article 4 Direction and grant delegated authority to the Head of Planning Policy & Conservation and the Director of Finance to finalise the Direction Notice and other procedural matters.

Then if choosing option b or c:

Recommendation 2

To agree the geographical area to which the Direction would apply (i.e district-wide or a specific area(s) within the district).

Report prepared by: Marko Kalik, Head of Planning Policy & Conservation and Aaron Roberts, Senior Planning Officer

3 Details

3.1 Members will be aware that on 26 January 2026 Policy and Resources Committee considered pursuing an Article 4 Direction. At the time it was

resolved that based on evidence at this time, that an Article 4 Direction is not progressed. However, officers agreed to keep this under review and if circumstances change, officers will consider the position.

- 3.2 In accordance with Rule 22 of the Council Procedure Rules, at least ten Members of the council must confirm that they wish the Committee to again consider this item, for reasons as detailed within the report. The Members are as follows:

Councillor Stephen Giles-Medhurst

Councillor Louise Price

Councillor Keith Martin

Councillor Chris Lloyd

Councillor Paul Rainbow

Councillor Steve Drury

Councillor Raj Khiroya

Councillor Kevin Raeburn

Councillor Elinor Gazzard

Councillor Jon Tankard

Councillor Andrew Scarth

Councillor Tom Smith

- 3.3 In simple terms, a House in Multiple Occupation (HMO) is a property with at least three tenants, forming two or more households and sharing certain facilities (such as a kitchen and bathrooms).
- 3.4 The change of use of a building from its use as a dwellinghouse ("C3" of the Use Class Order) to its use as an HMO that is to be occupied by six or less residents, is currently automatically granted planning permission by virtue of Class L of Part 3, Schedule 2 of the Town and Country Planning (General Permitted Development Order) (England) Order 2015 (as amended) ("the GDPO").
- 3.5 An Article 4 Direction is a planning tool used by local planning authorities to remove permitted development rights for certain forms of development across a specific area or across the whole council area. Following the removal of permitted development rights, the granting of planning permission is required for the restricted form of development.
- 3.6 There are two types of Article 4 Directions, immediate and non-immediate.
- 3.7 Immediate Article 4 Directions take effect immediately upon being made (including prior to the consultation) and are primarily implemented when there is an immediate threat to local amenity. An immediate Article 4 Direction cannot be made unless (as set out in Schedule 3 of the General Permitted Development Order 2015) the council consider that 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 must be confirmed by the

council within 6 months following a consultation (responses from this consultation must be considered before confirming the Article 4 Direction). It must be noted that compensation claims (relating to planning fees, loss of land value etc) as a result of immediate Article 4 Directions are payable by the council if planning permission for development (previously permitted under the GPDO) is refused or granted conditionally within 12 months of the direction taking effect. A further explanation of the financial (and other) implications can be found in section 6 (and onwards) of this report.

3.8 A non-immediate Article 4 Direction takes effect after a notice period (at least 12 months) and is confirmed following consultation and before the specified effective date. Non-immediate Article 4 Directions are not subject to compensation claims but take a longer period to take effect.

3.9 The procedure for making and confirming Article 4 Directions is set out in Schedule 3 of the Town and County Planning (General Permitted Development) Order 2015 (as amended). The process is slightly different for the two types of Directions respectively, a summary of which is shown below:

Immediate Article 4 Direction

1. Evidence gathering
2. Committee decision on whether to proceed
3. Drafting of the Article 4 Direction
4. Making the Article 4 Direction and it coming into effect
5. As soon as possible after making the Direction, the LPA must:
 - Notify the Secretary of State
 - Publicise the Direction locally (site notices, local press, council website)
 - Notify affected owners/occupiers where practicable (in this case, it is not likely to be practicable)
 - Set out that the Article 4 Direction is effective
6. A minimum 21-day consultation period is required (the council must consider all responses)
7. Within 6 months of being made, the Article 4 Direction must be confirmed by the council or it will lapse

Non-Immediate Article 4 Direction

1. Evidence gathering
2. Committee decision on whether to proceed
3. Drafting of the Article 4 Direction
4. Making the Article 4 Direction (but it is not yet in effect)
5. Publicise the Article 4 Direction, including:
 - Notifying the Secretary of State
 - Publicise the Direction locally (site notices, local press, council website)
 - Notify affected owners/occupiers where practicable (in this case, it is not likely to be practicable)
 - Setting out the date which the Article 4 Direction will become effective (at least 12 months after the notice is published)

6. A minimum 21-day consultation period is required (the council must consider all responses)
 7. Confirmation of the Article 4 Direction before its specified date of effect
- 3.10 The Secretary of State has the power in paragraph 1(13) of Schedule 3 of the GPDO to at any time (even after an Article 4 Direction has been confirmed by a local planning authority), to either modify a direction or cancel the Direction.
- 3.11 As set out within the National Planning Policy Framework (NPPF), any Article 4 Direction must be based on robust evidence and apply to the smallest geographical area possible. Additionally, Planning Practice Guidance (PPG) sets out that *“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 (such as the entire area of a local planning authority)”*. Members should take into account the geographical scope of permitted development rights being exercised across the district and any other evidence put forward to them to robustly justify pursuing an Article 4 Direction on a district-wide basis.
- 3.12 It is important to note that the Article 4 Direction:
- would not apply retrospectively, so existing HMOs would not require planning permission, and
 - all types of 3-6 person HMOs would be covered by the Article 4 Direction, including those used by working age professionals, three friends house sharing and government accommodation schemes.
- 3.13 At the January 2026 Policy and Resources Committee, Members agreed the following:
- Based on evidence at this time, additional licensing for HMOs is not progressed, however, this will be reviewed in 12 months’ time.
 - Based on evidence at this time, that an Article 4 Direction is not progressed. However, Officers agree to keep this under review and if circumstances change, Officers will consider the position.
 - Other licensing matters
- 3.14 However, in early April 2026, following an update from officers regarding the increasing levels of HMO interest (including pending licenses and informal discussions with the council), the Leader of the Council formally requested that officers proceed with preparing an evidence document in preparation for the making of an Article 4 Direction.
- 3.15 The evidence document can be seen at **Appendix 1**. A summary of the main findings of this evidence document can be found in section 4 of this report.
- 3.16 The evidence document does not set out the financial, legal, staffing etc implications of the different recommendation options, please see section 6 onwards of this report for the implications of the different options and the Part ii financial implications report.
- 3.17 Three Rivers District has approximately 39,000 dwellings. The council is aware of 19 HMOs (either licensed, under consideration for a license or exempt from

licensing), equating to approximately 0.05% of the properties across the district. Whilst the numbers of identified HMOs in the district is not particularly large numerically, it is suggested that the recent increases (including rising interest in HMOs) and signs of concentrations forming have reached a level where it is reasonable for the council to consider whether action should be taken.

- 3.18 It should be acknowledged HMOs play an important role in the housing mix within the district, especially for younger residents or those on lower income.
- 3.19 It must also be noted that if Members agree to proceed with an Article 4 Direction (immediate or not) it will take officers some time, potentially a few weeks, to draft the Direction and get it sealed by the legal department before it is formally made.

4 Main findings of the HMO Article 4 Evidence Document

- 4.1 The evidence document can be seen at **Appendix 1**.
- 4.2 This document outlines the policy context, evidence base and justification for implementing an Article 4 Direction under the Town and Country Planning (General Permitted Development) Order 2015 (as amended) to restrict permitted development rights for the conversion of properties from Use Class C3 (dwellinghouses) to Use Class C4 (Houses in Multiple Occupation) across the entire Three Rivers District.
- 4.3 Local circumstances dictate that a district-wide Article 4 Direction may be appropriate, including the unsustainable areas of the district being unsuitable for HMOs and the more sustainable areas being particularly vulnerable to HMO conversions. This is already being demonstrated within the district as there is a concentration of HMOs emerging within the sustainable areas (in terms of access to services and public transport) of South Oxhey and Carpenders Park, closely followed by Rickmansworth.
- 4.4 At the time of the paper that was presented to Policy and Resources Committee in January 2026, the council had 13 licensed HMOs on its HMO Register and it was confirmed to Members that officers were also considering 1 new application. During the period following this paper being presented to Members, the council has now received 3 further new HMO licence applications that are currently being considered (resulting in 4 pending HMO license applications). In addition to this, via proactive and reactive investigation, officers within Residential Environmental Health are aware of works being undertaken via permitted development to a number of properties across the district and expect to receive a further 6 new HMO licence applications in the near future. Should these licences be received as expected, and subsequently granted, this would represent a significant increase in the licensed HMOs within the district, over a very short period of time. In comparison, the council only received 1 new HMO license application in 2025. This application was subsequently withdrawn. Additionally, there will likely be numerous small HMOs across the district converted under permitted development which do not require a license and are therefore unknown to the council.
- 4.5 There has also been a proliferation of HMO related complaints in 2026, where the first 4 months of the year has already seen 32% more HMO related queries than the entirety of 2025, further demonstrating the potential negative consequences of HMOs in action, such as impacts on parking, impact on character and local amenity and impacts on local services and that interest in establishing more HMOs across the district is increasing.

- 4.6 The introduction of a district-wide Article 4 Direction could assist the council's housing team in identifying unlicensed HMOs given that landlords will not be able to covert 'under the radar' using permitted development rights, helping to safeguard the standard of housing across the district.
- 4.7 The implementation of a district-wide Article 4 Direction could ensure that future HMO proposals are assessed against clear, plan-led criteria, rather than being unrestricted and piece-meal. It is important to note that any future Article 4 Direction would help the council to manage the growth of HMOs rather than preventing them outright.

5 Options and Reasons for Recommendations

- 5.1 The officer recommendation is that:

The Policy & Resources Committee note the contents of this report and agree the following:

Recommendation 1

Agree one of the following 3 options, to confirm how the council should proceed with a HMO Article 4 Direction:

- a) Do not progress with making a HMO Article 4 Direction, with officers keeping the situation under review; or
- b) Progress with making an immediate HMO Article 4 Direction and grant delegated authority to the Head of Planning Policy & Conservation and the Director of Finance to finalise the Direction Notice and other procedural matters (noting the financial risks set out in paragraph 7.2 and the financial implications report [part ii document]); or
- c) Progress with making a non-immediate HMO Article 4 Direction and grant delegated authority to the Head of Planning Policy & Conservation and the Director of Finance to finalise the Direction Notice and other procedural matters

Then if choosing option b or c:

Recommendation 2

To agree the geographical area to which the Direction would apply (i.e district-wide or a specific area(s) within the district).

6 Policy/Budget Reference and Implications

- 6.1 If the council chose to implement an immediate Article 4 Direction this would not be within the council's agreed budget.

7 Financial Implications

- 7.1 There would be minimal costs involved with progressing with a non-immediate Article 4 Direction as this type of Direction is not subject to compensation, although there would be some costs associated with the consultation process, for example publishing the notice in the Watford Observer. There may be additional costs of processing planning applications that are not covered by planning fee income, dependent upon the level of applications.

7.2 The option which has the highest potential for financial implications is progressing with an immediate Article 4 Direction, primarily due to potential compensation claims. Within the first 12 months that the Direction takes effect, the council would be liable to pay compensation for any planning applications that were refused or subject to more stringent conditions as a result of the Article 4 Direction. The Part ii financial implications report provides an assessment of the potential costs to the council and advice from the Council's section 151 officer on affordability and the significant risk to the Council's financial sustainability.

7.3 If a combination of an immediate and district-wide Article 4 Direction were to be progressed, it would likely significantly increase the number of compensation claims compared to if a smaller geographic area was subject to the Direction, because the Direction would cover every property in the district (approximately 39,000 properties), all of which (where relevant) would be able to claim compensation.

8 Legal Implications

8.1 For both immediate and non-immediate Article 4 Directions, the process for making and confirming the Direction is set out in Schedule 3 of the Town and County Planning (General Permitted Development) Order 2015 (as amended). The statutory process will need to be followed, regardless the type of Article 4 Direction chosen.

9 Staffing Implications

9.1 The planning policy and housing teams have undertaken the necessary work for the Article 4 Direction (including reports, evidence document, consultation preparation etc) as part of business as usual. The legal team will be involved with the drafting of the Direction, also as part of business as usual.

9.2 Following the implementation of an Article 4 Direction (whether immediate or non-immediate), there will likely be an increase in planning applications relating to HMOs and likely an increase in planning enforcement cases relating to HMOs. These increases may require additional staffing resource dependent upon the level of applications received.

10 Customer Services Centre Implications

10.1 The Customer Service Centre would be briefed about any potential Article 4 Direction and consultation.

11 Communications and Website Implications

11.1 All the documents relating to any future Article 4 Direction, consultation or any other procedural matter would be uploaded to the relevant webpage(s) of the council's website.

12 Equal Opportunities

12.1 See attached Equality Impact Assessment (EQIA).

12.2 The potential future reduction of HMO accommodation as a result of the Article 4 Direction could potentially reduce options of relatively affordable housing for more vulnerable groups.

13 Public Health, Environmental and Community Safety Implications

13.1 None specific.

14 Risk and Health & Safety Implications

14.1 The council has agreed its risk management strategy which can be found on the website at <http://www.threerivers.gov.uk>. In addition, the risks of the proposals in the report have also been assessed against the council's duties under Health and Safety legislation relating to employees, visitors and persons affected by our operations. The risk management implications of this report are detailed below.

14.2 The subject of this report is covered by the Planning Policy and Conservation service plan. Any risks resulting from this report will be included in the risk register and, if necessary, managed within this plan.

| Nature of Risk | Consequence | Suggested Control Measures | Response (tolerate, treat, terminate, transfer) | Risk Rating (combination of likelihood and impact) |
|---|---|---|--|---|
| Compensation Claims (relates to immediate Article 4 Directions) | Possible significant financial implications because of compensation claims | Make a non-immediate Article 4 Direction | Treat/Terminate | 12 |
| Level of Compensation Claims is unaffordable (immediate Article 4 Direction) | The level of compensation Claims is such that the financial sustainability of the council is put at significant risk. | Make a non-immediate Article 4 direction. | Treat/Terminate | 12 |
| Planning permission is granted to HMOs on appeal. | The Article 4 does not limit the increase in HMOs. | n/a | Tolerate | 9 |
| Removal by Secretary of State (relates to immediate and non-immediate Article 4 Directions) | Three Rivers wouldn't have an Article 4 Direction in place | n/a | Tolerate | 3 |
| | It could be | n/a | Tolerate | 3 |

| | | | | |
|---|---|-----|----------|---|
| Reputational Damage (relates to immediate and non-immediate Article 4 Directions) | negatively perceived if the council implements an Article 4 Direction restricting permitted development rights for a more affordable housing option (which may disadvantage vulnerable people more) | | | |
| Judicial review of Article 4 Direction | Financial and resource implications of defending Judicial Review | n/a | Tolerate | 3 |

14.3 The above risks are scored using the matrix below. The council has determined its aversion to risk and is prepared to tolerate risks where the combination of impact and likelihood scores 6 or less.

| | | | | |
|--|-----------------------------------|-------------|-----------------|-----------------|
| Likelihood Very Likely ----- Remote | Low 4 | High 8 | Very High 12 | Very High 16 |
| | Low 3 | Medium 6 | High 9 | Very High 12 |
| | Low 2 | Low 4 | Medium 6 | High 8 |
| | Low 1 | Low 2 | Low 3 | Low 4 |
| | Impact Low -----> Unacceptable | | | |

Impact Score
4 (Catastrophic)

Likelihood Score
4 (Very Likely (≥80%))

| | |
|-----------------|----------------------|
| 3 (Critical) | 3 (Likely (21-79%)) |
| 2 (Significant) | 2 (Unlikely (6-20%)) |
| 1 (Marginal) | 1 (Remote (≤5%)) |

- 14.4 In the officers' opinion the financial impact of the new risks above, were they to come about, would seriously prejudice the achievement of the Strategic Plan and are therefore Corporate risks.

Background Papers

Housing Act 2004

Town and Country Planning Act 1990 (as amended)

Planning and Compulsory Purchase Act 2004 (as amended by the Localism Act 2011)

National Planning Policy Framework (December 2024)

Planning Practice Guidance

APPENDICES

Appendix 1 - Article 4 Direction Evidence Document



Article 4 Direction Evidence Document

**Removal of Permitted Development Rights for the
Change of Use from Use Class C3 (Dwellinghouses) to
Use Class C4 (Houses in Multiple Occupation)**

May 2026



Contents

| | |
|--|----|
| Introduction | 2 |
| What is a House in Multiple Occupation? | 2 |
| Policy and Local Context | 2 |
| General Permitted Development Order (GPDO) | 2 |
| Article 4 Directions | 3 |
| National Planning Policy Framework (NPPF) | 3 |
| Planning Practice Guidance (PPG) | 3 |
| Hertfordshire Authorities with HMO Article 4 Directions | 4 |
| Other Semi-Rural Authorities with HMO Article 4 Directions | 5 |
| Three Rivers | 5 |
| Local Evidence and Justification | 5 |
| Number and Distribution of HMOs within the District | 5 |
| Nature of the District | 8 |
| Character, Amenity and Local Services | 8 |
| HMO Queries | 9 |
| Summary | 10 |

1 Introduction

This document outlines the policy context, evidence base and justification for implementing an Article 4 Direction under the Town and Country Planning (General Permitted Development) Order 2015 (as amended) (GPDO) to restrict permitted development rights for the conversion of properties from Use Class C3 (dwellinghouses) to Use Class C4 (Houses in Multiple Occupation) across the entire Three Rivers District.

What is a House in Multiple Occupation (HMO)?

- 1.1 Section 254 of the Housing Act 2004 defines a House in Multiple Occupation as follows:

For the purposes of this Act a building or a part of a building is a “house in multiple occupation” if —

- (a) it meets the conditions in subsection (2) (“the standard test”);*
- (b) it meets the conditions in subsection (3) (“the self-contained flat test”);*
- (c) it meets the conditions in subsection (4) (“the converted building test”);*
- (d) a HMO declaration is in force in respect of it under section 255; or*
- (e) it is a converted block of flats to which section 257 applies.*

- 1.2 According to the Town and Country Planning (Use Classes) Order 1987 (as amended), Use Class C4 (Houses in Multiple Occupation) is defined as “small, shared houses occupied by between three and six unrelated individuals, as their only or main residence, who share basic amenities such as a kitchen or bathroom”. HMOs with 7 or more occupants fall under the ‘Sui Generis’ use class. Both houses and flats can be HMOs.

- 1.3 Under Part 2 of the Housing Act 2004, a HMO must be licensed if it is occupied by five or more people forming two or more separate households. This is known as mandatory HMO licensing.

- 1.4 HMOs generally do not require a license if they have less than five occupants from two or more households. However, some councils operate additional licensing schemes requiring small HMOs to be licensed. Three Rivers District Council does not operate an additional licensing scheme.

- 1.5 All HMOs in Three Rivers, whether licensed or not, must meet minimum safety, management, and amenity standards as set out on Three Rivers’ HMO webpage (<https://www.threerivers.gov.uk/services/environmental-health/houses-multiple-occupation>).

2 Policy and Local Context

General Permitted Development Order (GPDO)

- 2.1 The GPDO grants permitted development rights for the conversion of properties from Use Class C3 (dwellinghouses) to Use Class C4 (Houses in Multiple Occupation). However, this only applies to HMOs occupied by no more than six residents. Proposals for HMOs with 7 or more residents require a planning

application as permitted development rights do not exist for HMOs with more than 6 occupants.

Article 4 Directions

- 2.2 An Article 4 Direction is a planning tool used by Local Planning Authorities to remove permitted development rights for certain forms of development across a specific area or across the whole council area. Following the removal of permitted development rights, the grant of planning permission is required for the restricted form of development.
- 2.3 Immediate Article 4 Directions take effect immediately upon being made and are primarily implemented when there is an immediate threat to local amenity. The Direction must be confirmed by the council within 6 months of being made and following a consultation. Compensation claims (relating to planning fees, loss of land value etc) as a result of immediate Article 4 Directions are payable by councils if planning permission for development (previously permitted under the GPDO) is refused or granted conditionally within 12 months of the Direction taking effect.
- 2.4 A non-immediate Article 4 Direction takes effect after a notice period (usually 12 months) and is confirmed following consultation and before the specified effective date. Non-immediate Article 4 Directions are not subject to compensation claims but take a longer period to take effect.

National Planning Policy Framework (NPPF)

- 2.5 The NPPF defines an Article 4 Direction as “*a Direction made under Article 4 of the Town and Country Planning (General Permitted Development) (England) Order 2015 which withdraws permitted development rights granted by that Order*”.
- 2.6 Paragraph 54 of the NPPF sets out that the use of Article 4 Directions to remove national permitted development rights should:

a) where they relate to change from non-residential use to residential use, be limited to situations where an Article 4 Direction is necessary to avoid wholly unacceptable adverse impacts (this could include the loss of the essential core of a primary shopping area which would seriously undermine its vitality and viability, but would be very unlikely to extend to the whole of a town centre)

b) in other cases, 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)

c) in all cases, be based on robust evidence, and apply to the smallest geographical area possible.

Planning Practice Guidance (PPG)

- 2.7 The PPG defines an Article 4 Direction as “*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. An Article 4 Direction cannot be used to restrict changes between uses in the same use class of the Use Classes Order*” (Paragraph: 036 Reference ID: 13-036-20140306).

2.8 In terms of what an Article 4 Direction can do, the PPG sets out that “*provided that there is justification for both its purpose and extent, an Article 4 Direction can:*

- *remove specified permitted development rights related to operational development or change of use*
- *remove permitted development rights with temporary or permanent effect”*

(Paragraph: 037 Reference ID: 13-037-20210820)

2.9 In terms of when it is appropriate to use Article 4 Directions, the PPG states that “*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)*
- *an area extending beyond the essential core of a primary shopping area*
- *agriculture and forestry development. Article 4 Directions related to agriculture and forestry will need to demonstrate that permitted development rights pose a serious threat to areas or landscapes of exceptional beauty*
- *cases where prior approval powers are available to control permitted development*
- *the installation of microgeneration equipment”*

(Paragraph: 038 Reference ID: 13-038-20210820)

2.10 The PPG also makes it clear that “*an Article 4 Direction only means that a particular development cannot be carried out under permitted development and therefore needs a planning application. This gives a local planning authority the opportunity to consider a proposal in more detail”* (Paragraph: 040 Reference ID: 13-040-20140306), rather than restricting that type of development outright.

Hertfordshire Authorities with HMO Article 4 Directions

2.11 In 2011 **Welwyn Hatfield Borough Council** made a non-immediate Article 4 Direction which removes permitted development rights for changes of use from C3 (residential) to C4 (HMO) in Hatfield (not the entire borough). The Direction came into effect on 12 January 2012. Hatfield is home to the University of Hertfordshire, where there was a proliferation of student housing which was impacting the local community.

2.12 In 2016 **Stevenage Borough Council** made a non-immediate Article 4 Direction, which removes permitted development rights for changes of use from C3 (residential) to C4 (HMO) across the entire borough. The Direction came into force on 20 September 2017. According to supporting documents, the Article 4 Direction was introduced primarily due to parking pressures increasing due to an rise in HMO numbers.

- 2.13 In April 2026 **Hertsmere Borough Council** agreed to introduce a non-immediate HMO Article 4 Direction across four wards in Potters Bar (Bentley Heath & The Royds Ward, Furze Field Ward, Oakmere Ward and Parkfield Ward). The council is consulting on the non-immediate Article 4 Direction between 6 May 2026 and 17 June 2026. If confirmed, the Article 4 Direction will come into force on 6 May 2027. According to the Evidence Report, all 4 wards of Potters Bar are in the densest 8 wards in the borough and there is clustering apparent in this settlement (25-42 HMOs per ward). The settlement of Potters Bar was considered most vulnerable to HMO growth due to the lower amount of urban space available when compared to other settlements such as Borehamwood.

Other Semi-Rural Authorities with HMO Article 4 Directions

- 2.14 On 4 March 2026, **Chorley Council** confirmed an immediate Article 4 Direction which was made and came into force on 24 September 2025.
- 2.15 On 18 March 2026, **Rossendale Borough Council** confirmed an immediate Article 4 Direction which was made and came into force on 19 September 2025.
- 2.16 **North Warwickshire Borough Council** confirmed an immediate Article 4 Direction which was made and came into force on 2 March 2026.
- 2.17 In March 2026, **South Tyneside Council** confirmed an immediate Article 4 Direction which was made and came into force in November 2025.

Three Rivers

- 2.18 The extant Local Plan only refers to HMOs within the parking standards.
- 2.19 Similarly, the draft emerging Local Plan references HMOs within the parking standards but also includes a section on HMOs within the housing mix and type policy (HOU1). The HMO element of the policy sets out:

“Proposals for Houses in Multiple Occupation (HMOs) that require planning permission will only be supported where the balance of housing types, amenity and character of the immediate locality would not be adversely affected; where suitable living conditions would be created; and where there would be sufficient provision of amenity space and parking”.

3 Local Evidence and Justification

Number and Distribution of HMOs within the District

- 3.1 As of May 2026, council records identify 13 licensed HMOs within the district (see Figure 1 for a summary of these arranged by area and status), 4 HMO licenses are being considered and 2 HMOs are exempt from licensing. Further to this, the council is aware of at least a further 6 properties (likely more) which are intended to be used as HMO’s as well as 18 suspected HMOs which are pending investigation.

| Address | Area | Status |
|---------------------|----------------|----------|
| 1 Hemsley Road | Kings Langley | Licensed |
| 14 Little Graylings | Abbots Langley | Licensed |
| 9 Oakfield | Mill End | Licensed |

| | | |
|----------------------------|-----------------|-----------------------------|
| Springett House, Bury Lane | Rickmansworth | Licensed |
| Henderson House, Northway | Rickmansworth | Licensed |
| 3 The Mead | South Oxhey | Licensed |
| 40 Lytham Avenue | South Oxhey | Licensed |
| 32 The Mead | Carpenders Park | Licensed |
| 74 Margeholes | Carpenders Park | Licensed |
| 14 Swanston Path | South Oxhey | Licensed |
| 148 Penrose Avenue | Carpenders Park | Licensed |
| 26 Chapel Close | Leavesden | Licensed |
| 50 Long Elms | Abbots Langley | Licensed |
| - | Leavesden | Exempt from licensing |
| | South Oxhey | Exempt from licensing |
| - | South Oxhey | License under consideration |
| - | South Oxhey | License under consideration |
| - | Carpenders Park | License under consideration |
| - | Rickmansworth | License under consideration |

Figure 1. Council identified HMOs

- 3.2 As set out in Figure 2, of the HMOs that the council is aware of (either licensed, under consideration for a license or exempt from licensing) there is a concentration emerging within South Oxhey and Carpenders Park, closely followed by Rickmansworth. Combined, the adjoining areas of South Oxhey and Carpenders Park contain over 50% of the district's HMOs.

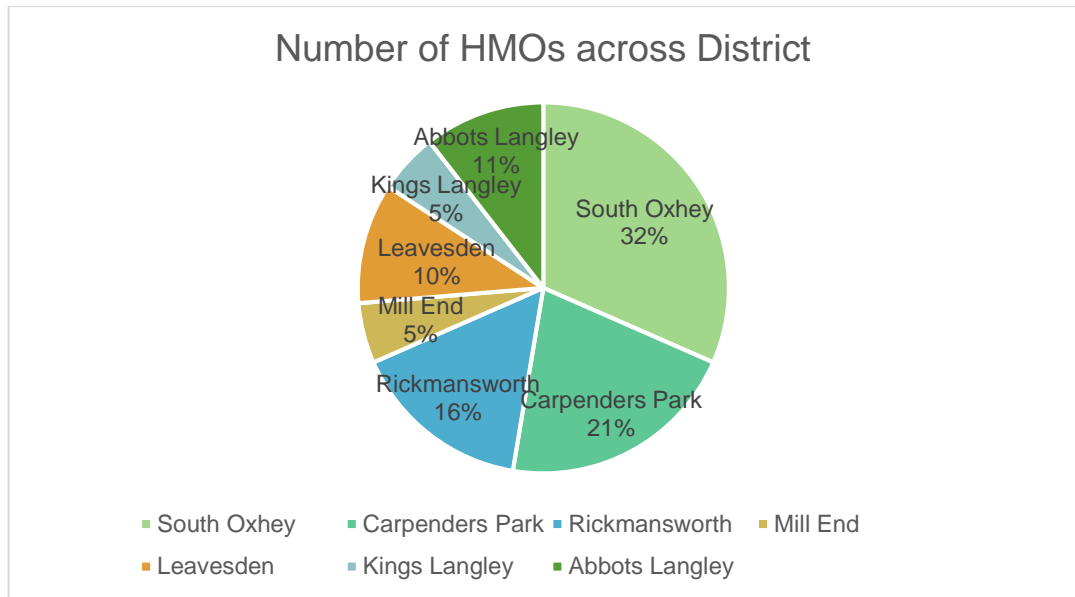


Figure 2. Distribution of HMOs across the district.

3.3 Figure 3 shows the number of HMO licenses granted from 2018 to April 2026. So far within 2026, 4 licenses are already pending consideration. Additionally, the council is aware of at least 6 more properties (likely more) that are intended to be used as HMOs and therefore will likely be submitting an application for a HMO license in the near future. Therefore at least 10 license applications could feasibly be assessed and granted by the council in 2026, a sharp increase compared to recent years.

| Year | Number of HMO Licenses Granted |
|-------------------------|--------------------------------------|
| 2018 | 3 |
| 2019 | 2 |
| 2020 | 0 |
| 2021 | 6 |
| 2022 | 1 |
| 2023 | 1 |
| 2024 | 0 (5 licenses renewed) |
| 2025 | 0 |
| 2026 (as of April 2026) | 0 (4 licenses pending consideration) |

Figure 3. Number of HMO licenses granted by year

Nature of the District

- 3.4 Three Rivers is a semi-rural district and as such many areas across the district are considered to be unsustainable in terms of access to services and public transport (see Three Rivers Settlement Appraisal, December 2025), illustrating why a district-wide Article 4 Direction is appropriate. Unsustainable areas are considered inappropriate for HMOs because they lack the infrastructure and accessibility needed to support higher-density living. HMOs accommodate several unrelated individuals, which increases demand on local services such as public transport, healthcare, and retail. In unsustainable locations which are poorly connected, these services are limited or harder to access, making it difficult for occupants to meet everyday needs without heavy reliance on private cars. Additionally, given that HMO occupants are unrelated it is less likely that they would “car share”, which can result in a higher amount of cars per dwelling than traditional C3 use classes. The prevalence of private cars as a result of HMOs in unsustainable areas can result in highway safety and parking issues. The location of HMOs in unsustainable locations conflicts with broader planning principles, such as those promoted in the NPPF, which encourage development in sustainable locations, for example where public transport options and services are readily available.
- 3.5 Whilst much of the district is unsustainably located, the most sustainable areas of the district, such as Rickmansworth, Croxley Green, South Oxhey, Carpenders Park and Chorleywood have good links to London due to their train stations, making them particularly vulnerable to HMO conversions (as highlighted in Figure 2), as they combine strong transport links, established infrastructure and services and high housing demand (particularly from commuters to London). The district is served by major rail lines (including the Metropolitan Line, London Overground and Chiltern Line) as well as key road networks like the M25 and M1, making commuting into London relatively quick and convenient. This accessibility significantly increases demand for housing from London workers who seek more affordable or spacious living outside the city. The location of the district, just outside of London, offers slightly more affordable rent (compared with London) and the benefits of a semi-rural location such as access to green space, whilst still being within easy reach of London. This demand because of the desirability of Three Rivers can create a financial incentive for landlords to convert traditional C3 homes into HMOs to maximise rental income, particularly as renting individual rooms to multiple tenants often generates higher returns than letting to a single household.
- 3.6 Whilst the nature of some areas of the district are different than others, particularly relating to sustainability, the potential for and negative consequences of HMOs are felt across the district as a whole. As such, the consideration of a district-wide Article 4 Direction is considered appropriate in the case of Three Rivers District.

Character, Amenity and Local Services

- 3.7 HMOs that are not subject to planning applications can have an adverse impact on the streetscene, character and amenity of an area given they are not bound by criteria-based planning policies which are in place to protect the character and amenity of local areas.
- 3.8 In terms of character, HMOs often require a higher number of waste bins per property, contributing to cluttered front drives and footpaths, not only detracting from the overall character of a street but may also create accessibility challenges by reducing the available width of footpaths. Similarly, HMOs often result in an

increased demand for on-street parking, further contributing to the sense of a street or local area becoming overcrowded.

- 3.9 Three Rivers is primarily characterised by family housing with a relatively high proportion of detached and semi-detached houses, and a low proportion of flats compared to the rest of Hertfordshire and the national average, with 71% of residents owning their property (either outright or via a mortgage). Not only does the increasing level of HMOs detract from the family orientated character of the district and reduce family housing stock, but HMOs can detrimentally impact upon community cohesion. Given that HMOs accommodate multiple unrelated occupants, often on short-term leases, they can reduce the sense of continuity and prevent the formation of relationships and community ties that are important in creating local communities. Longstanding residents may feel less connected to their community when neighbours change frequently, weakening social networks and local character and identity.
- 3.10 HMOs can significantly affect the residential amenity of nearby neighbours, particularly when they alter the character and intensity of use within a local area. Some of the most common impacts are increased noise and activity. Because HMOs typically accommodate several unrelated occupants, often with different schedules, there can be more frequent comings and goings, late-night noise, and general disturbance compared to a single-family dwelling. This can reduce neighbours' enjoyment of their homes, especially in otherwise quiet residential areas. There have already been multiple instances across Three Rivers of individual HMOs severely impacting upon the residential amenity of nearby neighbours, which would intensify if clusters began to form.
- 3.11 Additionally, a proliferation of HMOs can further strain under pressure local services and infrastructure due to increased occupancy levels.

HMO Queries

- 3.12 Figure 4 below sets out the number of HMO related queries that the council received during different time periods. These queries included complaints about existing HMOs, reporting potentially unlawful HMOs and queries regarding setting up a HMO. It is evident that from 2024-2026 there has been a year-on-year increase in the number of HMO related queries submitted to the council, with the greatest increase being in 2026. In fact, by April of 2026, there had already been 32% more HMO queries than the entirety of 2025, highlighting how not only is interest in establishing more HMOs across the district is increasing, but the number of complaints regarding existing HMOs are also increasing.

| Time Period | Number of HMO related complaints |
|-------------------------|----------------------------------|
| 01/01/2024- 31/12/2024 | 14 |
| 01/01/2025 – 31/12/2025 | 19 |
| 01/01/2026 – 16/04/2026 | 25 |

Figure 4. Number of HMO queries by time period.

Summary

- 3.13 It is clear that local circumstances dictate that consideration of a district-wide Article 4 Direction is appropriate, including the unsustainable areas of the district being unsuitable for HMOs and the more sustainable areas being particularly vulnerable to HMO conversions. This is already being demonstrated within the district as there is a concentration of HMOs emerging within the sustainable areas of South Oxhey and Carpenders Park, closely followed by Rickmansworth.
- 3.14 Given that 3 license applications are pending consideration already in 2026 and the council is aware of a number of properties which will likely be converted to HMOs in the near future, there has been a significant increase in HMOs in 2026 compared to recent years, with this trend likely to increase. There has also been a proliferation of HMO related complaints in 2026, where the first 4 months of the year has already seen 32% more HMO related queries than the entirety of 2025, further demonstrating the potential negative consequences of HMOs in action, such as impacts on parking, impact on character and local amenity and impacts on local services and that interest in establishing more HMOs across the district is increasing.
- 3.15 The introduction of a district-wide Article 4 Direction would also assist the council's housing team in identifying unlicensed HMOs given that landlords will not be able to covert "under the radar" using permitted development rights, helping to safeguard the standard of housing across the district.
- 3.16 The implementation of a district-wide Article 4 Direction would ensure that future HMO proposals are assessed against clear, plan-led criteria, rather than being unrestricted and piece-meal. It is important to note that the Article 4 Direction helps the council to manage the growth of HMOs rather than preventing them outright.

Equality impact Assessment

| Project Information | |
|-------------------------|--|
| Project Name | Implementation of an Article 4 Direction to restrict permitted development rights for Houses in Multiple Occupation (HMOs) |
| Service Area | Planning Policy |
| EIA Author | Aaron Roberts, Senior Planning Policy Officer |
| Date EIA drafted | 23 rd April 2026 |
| ID number | PPC001 |

| Executive summary | |
|--|--|
| <p>The committee report that this EIA is attached to considers the implementation of an Article 4 Direction to control Houses in Multiple Occupation (HMO) in Three Rivers.</p> <p>A House in Multiple Occupation (HMO) is a property with at least three tenants, forming two or more households and sharing certain facilities (such as a kitchen and bathrooms).</p> <p>The change of use of a building from its use as a dwellinghouse (“C3” of the Use Class Order) to its use as an HMO that is to be occupied by six or less residents, is currently automatically granted planning permission by virtue of Class L of Part 3, Schedule 2 of the Town and Country Planning (General Permitted Development Order) (England) Order 2015 (as amended) (“the GDPO”).</p> <p>An Article 4 Direction is a planning tool used by Local Planning Authorities to remove permitted development rights for certain forms of development across a specific area or across the whole council area. Following the removal of permitted development rights, the grant of planning permission is required for the restricted form of development.</p> <p>The potential future reduction of HMO accommodation as a result of the Article 4 Direction might reduce options of relatively affordable housing for those with a protected characteristic and more vulnerable groups.</p> | |

| Mitigations | | |
|--------------------------|---|---|
| Protected Characteristic | Potential Issue | Mitigating Actions |
| Age | HMOs can be an important source of housing for many residents, particularly younger residents and young professionals who may otherwise not find alternative affordable accommodation in district. Increased control may impact the supply of further HMOs. | Once adopted the emerging Local Plan will enable the provision of a larger quantum of affordable accommodation. |
| Disability | The potential future reduction of HMO accommodation being created as a result of the proposal might reduce specialist housing options for co-living adults with physical, learning or mental disabilities. | Once adopted the emerging Local Plan will enable the provision of a larger quantum of affordable accommodation. |

| | | |
|---|--|---|
| Gender reassignment (or affirmation) | No specific impact identified | |
| Pregnancy or maternity | No specific impact identified | |
| Race | The potential future reduction of HMO accommodation being created as a result of the proposal might reduce options of relatively affordable housing for households which can disproportionately include people from ethnic minorities. | Once adopted the emerging Local Plan will enable the provision of a larger quantum of affordable accommodation. |
| Religion or belief | No specific impact identified | |
| Sex | The potential future reduction of HMO accommodation being created as a result of the proposal might reduce options for specialist housing such as for women fleeing domestic abuse. | Once adopted the emerging Local Plan will enable the provision of a larger quantum of affordable accommodation, including specialist housing. |
| Sexual Orientation | No specific impact identified | |
| Marriage and Civil Partnership | No specific impact identified | |
| The council recognises other communities may be vulnerable to disadvantage, this includes carers, people experiencing domestic abuse, substance misusers, homeless people, looked after children and care leavers, (ex) armed forces personnel. | The potential future reduction of HMO accommodation being created as a result of the proposal might reduce options of relatively affordable housing for households which can disproportionately include other communities that may be vulnerable to disadvantage and their access to the affordable accommodation provided by HMOs | Once adopted the emerging Local Plan will enable the provision of a larger quantum of affordable accommodation. |

Actions Planned

The proposal won't necessarily prevent future HMOs from occurring, rather, it will mean that planning permission is required to convert a dwelling into a HMO. While this might restrict/reduce the supply of future HMOs (which can act as a more affordable housing option) that would otherwise not have required planning permission, there are a number of measures through the emerging Local Plan that seek to address the provision of affordable housing and other housing options across the district. Additionally, the council's Housing Strategy and duty to homelessness prevention seek to ensure the provision of a range of housing options including for low-income people and people with specialist needs.

The potential negative impacts identified need to be balanced against the potential positive impacts that

the proposal would have in terms of ensuing greater planning control over new HMOs, for example ensuring that concentrations of HMOs do not occur and limiting the adverse impacts on the character and amenity of the area and local residents. Additionally, reducing the risks of unsuitable HMO accommodation (due to greater planning scrutiny) could also benefit occupants of HMOs.

The council has a statutory duty to provide advice, prevent homelessness, and secure emergency accommodation for eligible residents who are homeless or threatened with homelessness. As such the council would be able to monitor and recognise if the proposal causes problems for tenants who are identified as being potentially impacted, and has a number of services in place to respond.

| Additional Information |
|------------------------|
| |

Sign off:

| Equalities Lead Officer | Date |
|-------------------------|------------|
| Shivani Davé | 19/05/2026 |



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