Appeal Decision

Site visit made on 8 July 2025

by L Fern BA(Hons) DipTP MRTPI

an Inspector appointed by the Secretary of State

Decision date: 01 SEPTEMBER 2025

Appeal Ref: APP/M2515/W/25/3364507
5 Exley Square, Lincoln, Lincolnshire LN2 4WP

- The appeal is made under section 78 of the Town and Country Planning Act 1990 (as amended) against a refusal to grant planning permission.
- The appeal is made by Mr Sath Vaddaram of Spericle Limited against the decision of City of Lincoln Council.
- The application Ref is 2024/0354/FUL.
- The development proposed is change of use from dwelling (Use Class C3) to HMO (Use Class C4).

Decision

1. The appeal is dismissed.

Applications for Costs

2. An application for costs was made by Mr Sath Vaddaram of Spericle Limited against City of Lincoln Council, which is the subject of a separate decision.

Preliminary Matters

3. The description of development in the banner heading above has been taken from the Council's decision notice. It accurately reflects what is proposed and I am content that it has been accepted by the appellant by replication on their appeal form. The word retrospective has been removed as it is not a form of development.

4. The proposed change of use has been undertaken. I have proceeded to consider the appeal on this basis.

5. The reason for refusal on the Council's decision notice refers to Policy LP25 of the Central Lincolnshire Local Plan (2023) (the LP). However, all other documentation refers to Policy S25 of the LP, and that is the policy which is before me. I am therefore content that reference to Policy LP25 was made in error, and I have considered the appeal in the context of Policy S25 accordingly.

Main Issue

6. The main issue is whether or not there is an established lack of demand for the appeal dwelling as a single-family home.

Reasons

7. No 5 Exley Square is a detached three storey dwelling set within a residential housing estate on the outskirts of Lincoln. The property is now in use as a house in multiple occupation (HMO) with six self-contained bedrooms and shared living space.

8. Policy S25 of the LP states that the change of use of existing dwellings to shared accommodation, including HMOs, will only be supported where, amongst other things, it can be demonstrated there is an established lack of demand for the single-family use of the property concerned.

9. The appellant has provided evidence that suggests demand and market testing has been undertaken recently, with the property being placed on online property rental websites advertised as a family home for a period of 4 months. This marketing commenced after planning permission had been refused. A limited number of enquiries were received, which were mainly from businesses seeking shared accommodation for employees in the area.

10. Four months is a short period of time for a marketing exercise and not long enough to ensure all possible interested tenants have been afforded the opportunity to express interest in the property. To ensure a robust exercise is undertaken, the property should be marketed for a longer period. For example, the Council's Houses in Multiple Occupation Supplementary Planning Document (2019) (the SPD) sets a period of at least six months.

11. Furthermore, neither the full marketing details nor a brochure are before me to demonstrate that either the rental price was representative of similar properties in the area or whether the property was marketed in an appropriate manner. For example, there is no evidence to demonstrate the property was marketed with the correct number of bedrooms, affording enough accommodation commensurate with family living, such as a kitchen, living room and dining room.

12. Over inflating the price or marketing the property in a way that would be incompatible with family living could have deterred interest from single occupancy families. It is therefore important to ensure such details are robust to obtain a representative response to such a marketing exercise.

13. The above stance is supported by the SPD, which confirms that a property should be openly marketed at a reasonable purchase or rental price, and that it should be verified by a suitable person in a relevant profession, such as an estate agent.

14. In the absence of any substantive evidence to demonstrate that a thorough marketing exercise has been undertaken, I am not convinced that there is an established lack of demand for the appeal property as a single-family home, contrary to Policy S25 of the LP.

Other Matters

15. HMO licences are issued under alternative regulations. The fact that the property has benefitted from such a licence for some years, and the absence of any associated complaints, bear little relevance and I have determined the appeal on its own planning merits.

16. The appellant has expressed concern that an unsuccessful appeal may lead to the current tenants becoming homeless and that an associated reduction in the number of HMOs may lead to an overall increase in rental price across the market. There is no substantial evidence before me to demonstrate that either displaced tenants would be unable to find alternative accommodation or that rental prices would increase as a direct result of a reduction in a single HMO from the market. For these reasons, I place only limited weight to these considerations.

17. Whilst the National Planning Policy Framework (the Framework) seeks to support housing delivery in-line with identified need, the evidence of need for shared accommodation provided by the appellant is rudimentary. Despite proximity to a hospital and further education establishments, no reference is made to any official sources of information. No development plan policies or any background studies prepared by the Council in support of such a need in this location are before me. Thus, I am not convinced that need for an HMO in this location has been robustly demonstrated.

Conclusion

18. For the reasons set out above, I conclude the appeal should be dismissed.

L Fern

INSPECTOR