

# APPENDIX C

**TELFORD & WREKIN COUNCIL**

**CABINET – 15<sup>th</sup> February 2018**

**APPENDIX C – REVISED LANDLORD ACCREDITATION SCHEME**

## **1. SUMMARY OF MAIN PROPOSALS**

1.1 The purpose of this report is to set out proposals for a revised landlord accreditation scheme.

1.2 The proposal is for the revised scheme to include four main elements:

- Code of Conduct - landlords would sign up to and comply with a revised code of conduct;
- Training and Development - new landlords joining the scheme would undertake an initial face to face training course with an option to undertake additional continuing professional development (CPD) training;
- Advice - landlords would get access to a range of information and advice;
- Other benefits, including promotion of the scheme.

1.3 To ensure we promote and encourage take up of the scheme, we will appoint a fixed-term Landlord Liaison Officer to develop the scheme and to take forward other initiatives that will benefit landlords and tenants in the private rented sector. It is proposed that the revised accreditation scheme will be reviewed after 12 months to assess the uptake and outcomes of the scheme.

## **2. RECOMMENDATIONS**

2.1 Cabinet members are asked to:

- Approve the development of a revised landlord accreditation scheme to include the elements set out in Section 4.2.3;
- Delegate authority to the Assistant Director: Commercial Services in consultation with the Lead Member for Housing and Enforcement to appoint the preferred partner(s) identified through the procurement exercise for an external accreditation partner(s);
- Delegate authority to the Assistant Director: Commercial Services in consultation with the Lead Member for Housing and Enforcement to implement the revised landlord accreditation scheme, as set out in Section 4.2.6.

### 3. SUMMARY IMPACT ASSESSMENT

<b>COMMUNITY IMPACT</b>	Do these proposals contribute to specific Council priorities?	
	Yes	Regenerate those neighbourhoods in need and work to ensure that local people have access to suitable housing.
	Will the proposals impact on specific groups of people?	
	Yes	Landlords and tenants in the private rented sector.
<b>TARGET COMPLETION/ DELIVERY DATE</b>	April 2018	
<b>FINANCIAL/ VALUE FOR MONEY IMPACT</b>	Yes	<p>One off funding is available to fund the Landlord Liaison Officer post for 12 months at a cost of £32k.</p> <p>It is anticipated, after the trial period that additional income generated from the scheme would cover the costs of this post going forward. This will be assessed as the scheme is implemented.</p> <p>A procurement envelope to deliver some elements of the scheme will need to be costed and it is planned that those elements procured will be funded by Landlords or Agents by a fee. If we were unsuccessful in appointing a Partner and we operated the scheme in-house, the service would need to ensure they achieved full cost recovery.</p> <p>AEM 29/11/2017.</p>
<b>LEGAL ISSUES</b>	Yes	<p>The revision of the landlord accreditation scheme itself does not give rise to any legal implications.</p> <p>Any procurement undertaken to procure services and goods related to implementing this initiative will comply with relevant EU requirements as well as provisions contained within the Council's Contract Procedure Rules. In addition, service contracts must comply with the provisions contained in the Public Services (Social Value) Act 2012.</p> <p>Any procurement will need to follow due process in accordance with the Council's constitutional internal and legislative requirements, with advice from Strategic Procurement Team and Legal Services, if appropriate.</p> <p>The Council will construe its behaviour and any decision making against Constitutional standards of financial probity and stringent financial planning and financial risk management as well as general risk and equality impact assessments and business priorities, which may impact service delivery.</p> <p>PM &amp; MG Legal Services.</p>

<b>OTHER IMPACTS, RISKS &amp; OPPORTUNITIES</b>	Yes	<p>The revised scheme presents an opportunity to build stronger partnerships with local landlords. Our aim is to develop a scheme that better meets landlords' needs and therefore encourages more landlords to become accredited, improving standards for more tenants in the private rented sector. As we propose to continue our policy of using accredited landlords to house homeless clients wherever possible, increasing take-up of accreditation would also potentially increase the availability of temporary accommodation, which we expect to become increasingly under pressure as a result of the Homelessness Reduction Act.</p> <p>There are two main risks associated with the revised scheme:</p> <ul style="list-style-type: none"> <li>• Unable to appoint an appropriate partner(s) or partnership model would require current accreditation fees to increase – in this scenario, we would revisit alternative models, such as continuing with an in-house scheme;</li> <li>• Take-up of the scheme lower than expected – we would mitigate this risk by promoting the scheme widely and also trialling the scheme for a 12-month period to assess take-up and amend the scheme as needed.</li> </ul>
<b>IMPACT ON SPECIFIC WARDS</b>	No	Borough wide impact.

## **PART B – ADDITIONAL INFORMATION**

### **4. INFORMATION**

#### **4.1 Background**

4.1.1 The Council introduced a local voluntary landlord accreditation scheme in July 2014 with the aim of improving standards in the private rented sector. Currently, there are approximately 140 landlords who are accredited through this scheme.

4.1.2 Although the scheme was updated relatively recently (February 2017), landlords have made various additional suggestions and comments about accreditation as part of the recent selective licensing (SL) consultation. We have considered this feedback and researched a number of other existing regional and national accreditation schemes. We are now proposing further changes to how accreditation works in Telford & Wrekin.

#### **4.2 Proposals**

4.2.1 Our proposal is to develop and trial a revised accreditation scheme for a 12-month period and then review. The trial scheme would be developed by a new fixed-term Landlord Liaison Officer post (LLO). As well as developing the accreditation scheme, the LLO would also engage with landlords, tenants and other stakeholders to identify

and take forward other initiatives that would benefit landlords and/or tenants in the private rented sector, for example tenant training and passports (see Section 4.2.7).

4.2.2 For the landlord accreditation scheme, our preferred approach is to develop the revised scheme in partnership with one or more external organisations. This would combine the benefits of specialist, external support for landlords with the assurance of the Council's involvement for residents and tenants. We have recently invited tenders for an external accreditation partner and have received three tender submissions, which are currently being evaluated.

4.2.3 The proposed scheme would include four main elements:

- **Code of Conduct** – landlords would sign up to and comply with a revised code of conduct. In developing the new code of conduct, we would take account of the selective licensing feedback and seek to include elements that were widely supported by both landlords and tenants in this consultation. The code of conduct would be widely promoted to tenants, who would be encouraged to report both non-compliant and outstanding landlords via an online reporting tool. Reports of non-compliance with the code of conduct would be followed up and if no improvement made within agreed timescales, landlords could be suspended or permanently excluded from the scheme. This would also apply if enforcement action was taken against an accredited landlord and accreditation would be one of a range of factors that would be taken into account in determining how enforcement resources are prioritised. There would also be an option for tenants to submit reports of landlords who go over and above the code of conduct. These landlords could be recognised with an 'outstanding landlord' award (subject to verification).
- **Training and Development** – new landlords joining the scheme would undertake an initial face to face training course (training previously undertaken with the Council or through other agreed accreditation schemes would be recognised). All landlords would have the option to undertake and evidence that they had completed a minimum amount of additional continuing professional development (CPD) every year. Landlords would be able to choose from a menu of options to give flexibility in how they achieve the CPD requirement. Landlords who completed additional CPD would be awarded 'accreditation+' status, which would they would be able to promote to prospective tenants.
- **Advice** – landlords would get access to a range of information and advice, to include a document portal e.g. with standard tenancy documents/tenant information pack, e-newsletters and an online advice service.
- **Other benefits** – landlords would receive other benefits and offers from both external partners and TWC e.g. free waste passes.

4.2.4 In addition to the advice and other benefits set out above, landlords would be also be able to market themselves to prospective tenants as being accredited. We would assist with this by proactively promoting the scheme and the landlords signed up to it, particularly those recognised as being an outstanding landlord. We would also want

to continue to work with accredited landlords to source temporary accommodation wherever possible.

4.2.5 A fee for the revised scheme cannot be finalised until we have completed the procurement exercise for an accreditation partner(s). However, a key principle would be that the fee for the revised scheme would be set at or below the current landlord accreditation fee. We are also identifying options for letting agents which will be based on a similar model, and although the scheme is predominantly aimed at private sector landlords, we would also consider a category of membership for Registered Social Landlords. If we are unable to procure a suitable partner(s) or if the costs of the partnership model would result in an increase in the accreditation fee, we would then look at alternative models for delivery of the revised scheme, such as continuing with an in-house scheme.

4.2.6 Next steps to progress the proposals are:

- Complete the procurement exercise to appoint preferred external partner(s) that could work with the Council to deliver the revised scheme – end February 2018;
- Appoint Landlord Liaison Officer (LLO) – end February 2018;
- Develop and implement a marketing plan for the revised scheme – end March 2018;
- Set up key elements of the scheme, such as an online reporting tool – end May 2018;
- Launch scheme – June 2018.

4.2.7 The revised landlord accreditation scheme seeks to recognise and promote good and proactive landlords, which emerged as a priority in the recent selective licensing consultation. Another key message from the consultation was that as well as looking at how well landlords are managing properties, we also need to focus more on the responsibilities of tenants. In particular, we want to pilot options to enable those in temporary accommodation to become more tenant ready. Options include training for tenants and tenant passport schemes. There are range of existing tenant passport schemes that we are currently investigating. The core principle of tenant passports is to support people who have demonstrated their ability to be a good tenant, but who may not pass normal credit referencing checks in order to access social or privately rented housing.

Report prepared by Toni Guest (Service Delivery Manager, Housing, Nuplace and Commercial Projects), Telephone: (01952) 381860, [toni.guest@telford.gov.uk](mailto:toni.guest@telford.gov.uk).