

REPORT TO: CABINET MEMBER FOR HOUSING 14th JULY 2009

REPORT BY: ALAN CUFLEY HEAD OF COMMUNITY HOUSING

WRITTEN BY: BRUCE LOMAX HOUSING STANDARDS MANAGER

SUBJECT: ACCREDITATION FOR PRIVATE LANDLORDS AND LETTING AGENTS.

1. PURPOSE OF REPORT.

To provide further details on the new Accreditation Scheme aimed at private landlords and letting agents in Portsmouth, including the proposed administration charge.

2. RECOMMENDATIONS.

It is recommended that the Cabinet Member for Housing:

- 2.1 Agrees to the administration charge for the Accreditation scheme.
- 2.2 Gives delegated authority to the Head of Community Housing to review these costs on an annual basis and make changes accordingly.

3. BACKGROUND:

- 3.1 The initial report brought to the Cabinet Member on 13th November 2007 agreed that an accreditation scheme was required in Portsmouth and that one should be developed and implemented.

- 3.2 The Private Rented Market

Portsmouth has a very diverse private rented market made up of 25,000 properties, representing 27% of the total housing market within the city. These properties provide much need accommodation to families, single persons and couples, who are not eligible for social housing or can not afford to buy their own homes.

The Housing Standards Team have a mandatory responsibility to “manage” these properties in terms of compliance with relevant statutory legislation and whilst Portsmouth has a large number of landlords who comply with the relevant legislation, the Housing Standards Team had to deal with over 2,500 service requests concerning housing conditions or landlord and tenant problems in 2008.

The majority of landlords within the private rented sector provide good quality rented accommodation for all needs. The use of an accreditation scheme acknowledges and encourages this type of landlord, and because the scheme has been tailored to the local private rented sector market, local landlords and properties, it will improve and strengthen the private rented sector within Portsmouth.

The development of landlord accreditation schemes by Local Authorities is endorsed by Department of Communities and Local Government (CLG), National

Landlord Associations, Shelter, the National Union of Students and the Chartered Institute of Environmental Health.

The introduction of such a scheme is supported in the Government response to the Rugg review of private sector housing as a way of helping, improving and combating antisocial behaviour in areas of high private letting.

4. PORTSMOUTH LANDLORD ACCREDITATION.

- 4.1 The scheme has been developed with the view that landlords will work proactively to improve their properties and their management understanding and responsibility over the period of their accreditation. They will not need to be fully compliant with all areas associated with property conditions and management before they achieve accreditation status.

This approach will encourage landlords to join and improve with the concept that they will not be alienated and realise that a high monetary outlay will not be required just to become an accredited landlord. It is also hoped that this approach will be attractive to landlords who would like to comply, but are lacking knowledge or funds to bring properties up to the required standards before they are accredited.

4.2 Scheme Overview - Private Landlords

To become accredited, the landlord and their property(ies) must meet certain specific requirements. These include a

- Declaration that the property is in a reasonable state of repair and that you will work with the council to improve the condition of the property
- Declaration that they will work with the council to proactively improve the standard of accommodation over the period of your accreditation status
- Declaration that they will work with the council and take proactive steps to reduce anti-social behaviour if caused by tenants within the boundary of an accredited property

Full details can be found in Appendix 1, pages 4 and 5.

- 4.3 To ensure that landlords who apply can be classed as “Fit and proper”, the same level of self-declaration used for mandatory licensing has been used for the scheme.

4.4 The questions that all landlords must answer “No” to are:

- Do you have any unspent convictions involving fraud dishonesty, violence, drugs or sexual offences listed in schedule three of the Sexual Offences Act 2003?
- Have you been convicted of unlawful discrimination on the grounds of sex, colour, race, ethnic or national origins or disability?
- Have you been convicted of non-compliance with housing law such as formal notice that required specified works carried out by Portsmouth City Council within the last three years?
- Have you been convicted of non-compliance with landlord and tenant law such as illegal eviction or harassment of a tenant?

4.5 Working with Landlords

To enhance the condition of properties within the private rented sector the scheme has targeted the main areas which can affect tenant's health and well-being. Each accredited landlord signs a declaration that they will improve their properties in line with specific requirements over a 3 year period.

The targeted areas are fire safety, property conditions, security, energy efficiency and heating. Further information can be found in Appendix 02.

5. **LETTING AGENTS.**

Letting agents provide a valuable service for landlords who are unable to provide effective property management or do not live in or close to Portsmouth. The accreditation scheme will allow companies to become accredited within Portsmouth.

5.1 The main areas concerning fit and proper for companies include:

The company as a whole must be classed as fit and proper with all employees being accountable for the actions of the company.

The Directors must declare that the company runs ethically and does not discriminate and that they will work with the city council in actively promoting better management standards and property conditions with properties on their portfolio.

Further specific information can be found in Appendix 1, pages 8 and 9.

6. **SPECIFIC BENEFITS.**

The Portsmouth Scheme will be voluntary for landlords to join and they must see benefits for them to join or the scheme will fail. Through consultation with the main key partners, we have devised a select number of incentives that are not available to landlords unless they are part of the scheme.

The full list of the benefits can be found in Appendix 1, page 3, however the notable ones are:

- Training programs delivered by the city council to enhance landlords understanding of the Housing, Health and Safety Rating system, Landlord and Tenant law and how to run a small business.
- We are also offering free EPC's (Energy Performance Certificates) for landlords and letting agents.

7. **FUTURE SCHEMES.**

As part of the comprehensive Accreditation Scheme for the city, two new areas are planned for the next twelve months, these being a Tenant Accreditation Scheme and a Family Friendly one.

8. SCHEME CHARGES.

There is no charge to join the scheme, which follows with the DETR's guidance on accreditation schemes. However, in line with a large number of scheme's currently running in the country we do intend to change an administration fee, which will cover the running of the scheme only and not the mandatory work that will be a large part of the scheme, such as property inspections. This is already funded as core business within the city council private housing team.

	Private Landlords	
Property Numbers	Initial	Per Year
Single	50.00	30.00
2 – 10	70.00	40.00
11 – 20	100.00	50.00
21 – 50	140.00	60.00
51 – 100	160.00	70.00
100 +	200.00	90.00

	Letting Agents	
Property Numbers	Initial	Per Year
11- 50	100.00	50.00
51 – 100	160.00	70.00
101 – 200	200.00	120.00
201 – 300	250.00	160.00
301 - 400	300.00	200.00
400 +	330.00	240.00

To launch the scheme it is our intention to waiver the initial cost for landlords and letting agents, who submit a complete application within the first 4 months of the scheme.

9. CONSULTATION.

The accreditation scheme has been in development for the last 12 months and throughout that time all key partners have been consulted at all stages. The scheme has been fully endorsed by the Portsmouth and District Landlords Association and Hampshire Fire and Rescue Service, with the other partners looking to do so.

10. CONCLUSION.

The scheme is now considered to be fit for purpose to enhance the buoyant private sector market in Portsmouth but will be under constant review throughout the life time of the scheme to ensure that it is always in the best position to assist landlords, tenants and key partners within the Portsmouth area.

11. CITY SOLICITORS COMMENTS / EQUALITY IMPACT ASSESSMENT.

The City Solicitor is satisfied that it is within the Cabinet Member's powers to approve the recommendations as set out.

A Equalities Impact Assessment has been undertaken.

12. SIGNING OFF THE REPORT.

Signed.....
Alan Cufley - Head of Community Housing

Dated.....

13. APPROVAL TO THE RECOMMENDATIONS.

The recommendations set out above was approved / approved as amended / deferred / rejected by the Cabinet Member for Housing, on.....

Signed

Councillor Steven Wylie
Cabinet Member – Housing