

**TONBRIDGE & MALLING BOROUGH COUNCIL**

**STRATEGIC HOUSING ADVISORY BOARD**

**08 November 2010**

**Joint Report of the Director of Health and Housing and Cabinet Member for  
Housing**

**Part 1- Public**

**Matters for Recommendation to Cabinet - Non-Key Decision (Decision may be taken  
by the Cabinet Member)**

**1 PRIVATE SECTOR LANDLORD ACCREDITATION SCHEMES**

**Summary**

**This report updates Members on the findings of the pilot National Landlord Association (NLA) landlord accreditation scheme and how it compares with other accreditation schemes operating in Kent. The report seeks Member endorsement of promoting and supporting the NLA landlord accreditation scheme to landlords with housing in the Tonbridge and Malling area.**

**1.1 Introduction**

1.1.1 Accreditation schemes have been successfully run by many local authorities for a number of years. These voluntary accreditation schemes typically require private landlords who have properties in the local authority area to sign up to a non statutory code of standards covering both property condition and management practice. The schemes are usually run by the local authority, an arm's length management organisation (ALMO), a housing association or another non government organisation such as a landlord's association.

1.1.2 Accreditation is recognised by the Audit Commission through the Housing Inspectorate Key Lines of Enquiry as an example of good practice, and as a means of improving standards in the private sector. The evaluation of existing accreditation schemes, along with an appropriate recommended course of action for the future is an objective within the Housing Strategy Action Plan 2009-12.

1.1.3 Accreditation schemes are usually one of two types:

- Property accreditation; and
- Landlord accreditation

1.1.4 For property accreditation, a property is inspected by the Council's Private Sector Housing team to ensure it is free from Housing Health and Safety Rating System (HHSRS) category 1 hazards and meets the Decent Homes Standard. The

landlord is also required to provide some key documentation and information such as:

- ownership details;
- any managing agent details; and
- a current gas safety and electrical certificate.

1.1.5 For landlord accreditation, the landlord generally attends a development training course, agrees to follow a code of conduct, and is a “fit and proper” person. A fit and proper person is a person who has not committed any offences, or had actions taken against them under the Housing Act. Convictions for harassment, discrimination and legal orders may disqualify a landlord. Landlords are often also required to undertake Continual Professional Development (CPD) through attendance at training events, forums or completion of on-line training.

## **1.2 National Landlords Association (NLA) Accreditation Pilot Scheme**

1.2.1 As agreed at the 17 May 2010 meeting of this board, the Council would await the outcome of the National Landlord Association pilot landlord accreditation scheme to further inform its decision on which scheme, if any, to support.

1.2.2 The NLA accreditation scheme was successfully piloted with five local authorities (Bournemouth Borough Council, Hastings Borough Council, Middlesbrough Council, Rother District Council and Tameside Metropolitan Borough) between November 2009 and May 2010.

1.2.3 The landlord accreditation scheme is based on three core elements, namely:

- signing up to a scheme code of practice (CoP) and self certification that the landlord is a “fit and proper” person;
- agreeing to an Independent Dispute Resolution system; and
- successful completion of a landlord development course and a set level of CPD each year.

1.2.4 The accreditation scheme was promoted to landlords known to the respective council and those existing NLA landlord members with properties in the council area. Maximum take up of the accreditation scheme amongst the pilot areas was approximately 20 per cent. For those landlords that did engage with the scheme it was felt beneficial in terms of increasing knowledge and gaining an edge in the market.

1.2.5 Following the pilot, the NLA have rolled out the scheme nationally and a further eight councils in England have signed up to support it.

- 1.2.6 The cost to landlords would be the NLA membership. Landlords would also need to undertake a foundation course, which would be £85 or free of charge if completed on-line. Landlords do not have to become NLA members to become accredited under the NLA scheme, but they would have to pay for training as they do not have the free on-line access to the foundation course and other development material.
- 1.2.7 If a landlord is already an existing member of another recognised landlord accreditation scheme, such as the Kent Landlord Accreditation Scheme (KLAS) or the London Landlord Accreditation Scheme (LLAS), they may passport into the NLA accreditation scheme if requested.

### **1.3 Benefits to landlords of becoming accredited**

- 1.3.1 The benefits of becoming an accredited landlord are:
- being able to develop and improve property management skills;
  - access to the latest information on key issues and legislation affecting landlords;
  - use of a recognised landlord accredited logo; and
  - recognition of being a responsible and professional landlord.
- 1.3.2 Once accredited, the Council may choose to provide landlords access to:
- grants/loans to improve properties;
  - reduced fees for HMO licensing; and
  - a dedicated housing benefit advisor.

### **1.4 Consideration of the options for Tonbridge and Malling**

- 1.4.1 The accreditation schemes operating in Kent are shown in **[Annex 1]**.
- 1.4.2 The Canterbury and Dartford accreditation schemes in **[Annex 1]** are specific to their areas and are only included for information.
- 1.4.3 The direct cost to the Council of supporting the KLAS and PAL schemes is significantly higher than that for the NLA scheme.
- 1.4.4 Accreditation is not going to be attractive to the worst landlords. Therefore there is an argument that limited resources spent inspecting properties under the PAL scheme could be better spent in targeting the worst of the private rented sector instead, by taking enforcement action to raise standards and increase the supply of decent homes.

- 1.4.5 A sector lead accreditation scheme such as the NLA scheme, which has been developed by landlords, is more likely to be accepted by landlords.

## **1.5 Supporting the NLA scheme in Tonbridge and Malling**

- 1.5.1 There would be no charge to the Council for signing up to support the scheme as we are already a NLA local authority member.
- 1.5.2 The Council would work with the NLA to promote the scheme to landlords and liaise with the local NLA representative to talk about the scheme at a local event. The Council already successfully works with the local NLA representative, Marion Money, through the landlord forums. The forum would be an ideal opportunity to talk about the scheme.
- 1.5.3 The NLA would share information with the Council on matters of landlord development and dispute resolution. Similarly the Council would share information on any formal enforcement action taken on a landlord where it may affect their suitability for accreditation.
- 1.5.4 The Council would work towards only utilising accredited landlords in the rent deposit bond scheme and providing financial assistance for accredited landlords only for improvement works to their property. The works would be to improve the property from meeting the minimum legal standard to the Decent Homes Standard.
- 1.5.5 The Council would facilitate the venue for any courses but the local NLA representative would provide the training, training material and refreshments. The use of the local NLA representative would be beneficial as they will already be familiar with working with local landlords and the Council.
- 1.5.6 The NLA scheme would be able to be “bolted on” to the property accreditation letting scheme, PAL, operating in the Sevenoaks and Tunbridge Wells areas. This would then allow the NLA scheme to be promoted to all West Kent landlords, particularly at the landlord forum, which operates across the three local authority areas.

## **1.6 Legal Implications**

- 1.6.1 None arising from this report.

## **1.7 Financial and Value for Money Considerations**

- 1.7.1 The financial cost to the Council, should it support the NLA accreditation scheme, would be the membership fee of the NLA; provision of a venue for the landlord training; and the attendance by an officer to meet landlords, obtain feedback at the end of the training and answer any Council related queries. These implications can be met within existing resources.

## 1.8 Risk Assessment

- 1.8.1 Failure to take account of recognised good practice may compromise the Council's ability to raise standards in the private rented sector and maximise the use of existing private rented housing.

## 1.9 Equality Impact Assessment

- 1.9.1 See 'Screening for equality impacts' table at end of report.

## 1.10 Policy Considerations

- 1.10.1 A landlord accreditation scheme will make a positive contribution to improving the lives and living conditions of those most in need living in the private rented sector, thereby impacting the policy agenda in relation to housing, healthy lifestyles, safeguarding children and sustainability.

## 1.11 Recommendations

- 1.11.1 **CABINET** is **RECOMMENDED** to **ENDORSE** the promotion and support for the NLA landlord accreditation scheme to landlords with properties within the Tonbridge and Malling area.

The Director of Health and Housing confirms that the proposals contained in the recommendation(s), if approved, will fall within the Council's Budget and Policy Framework.

Background papers:

contact: Hazel Skinner

Nil

John Batty  
Director of health and Housing

Councillor Jill Anderson  
Cabinet Member for Housing

Screening for equality impacts:		
Question	Answer	Explanation
a. Has an equality impact assessment on the policy (to which the activity relates) already been carried out?	No	
b. Is the decision in line with the policy?	Yes	
<b>Note:</b> If the answer is 'no' to either of the above questions, then the activity must be 'screened' for equality impacts using the questions below.		
c. Does the activity have potential to cause adverse impact or discriminate against different groups in the community?	No	Membership of an accreditation scheme is not a mandatory requirement therefore should a landlord choose not to be accredited

Screening for equality impacts:		
Question	Answer	Explanation
		<p>it will not affect his/her ability to let their property.</p> <p>If in the future rent deposit bonds are only provided to accredited landlords this may result in the number of properties available to let to those most in need being reduced. This issue would be looked at when equality impact assessing the Housing Need homelessness functions later this year.</p>
d. Does the activity make a positive contribution to promoting equality?	No	An accreditation scheme is not going to improve access to housing for different groups. It should improve the lives and living conditions once they are living in the housing but this information will not be available until the scheme has bedded in and will be considered in more detail when the Private Sector Housing service is equality impact assessed in 2011-12.
<p><b>Note:</b> If the answer is 'yes' to any of the above questions, then a full equality impact assessment is required.</p>		