

Committee:	Executive	Agenda Item No.:	10
Date:	27 th October 2008	Category	1 st report
Subject:	East Midlands Landlord Accreditation Scheme	Status	Open
Report by:	Head of Environmental Health and Street Services		
Other Officers involved:	Principal EHO (Residential) Senior EHO (Residential) District EHO (Residential)		
Director	Chief Executive Officer		
Relevant Portfolio Holder	Environment Housing Management Customer Focused Services		

RELEVANT CORPORATE AIMS

ENVIRONMENT – Promoting and enhancing a clean and sustainable environment. By properties being kept in good repair by self regulation and promoting good property management

REGENERATION – Developing healthy, prosperous and sustainable communities. By reducing the number of Category 1 hazards present in private rented properties through self regulation, without the need for enforcement action thereby driving improvements within the private rented sector

CUSTOMER FOCUSED SERVICES – Providing excellent customer focused services by listening to and working closely with residents and other partners.

TARGETS

The project contributes to the following Corporate priorities :-

Environment – To Protect, enhance and improve the natural and built environment in a sustainable way by effectively raising housing standards in additional ways to enforcement.

Regeneration - Contribute to local, regional and national housing strategies

Customer Focused Services – To strengthen community consultation and involvement with private landlords and private sector tenants.

Derbyshire Local Area Agreement 2008-11 Priority Indicators

The scheme also impacts on the following indicator:-

Safer Communities

NI 49 Number of primary fires and related fatalities and non-fatal casualties.

Healthier Communities

NI120 All age all cause mortality rate.

NI142 Number of vulnerable people who are supported to maintain independent living.

VALUE FOR MONEY

The Council will be supporting a self regulatory strategy which will work within a rigorous regulatory framework. It will recognise and encourage the best landlords to maintain and improve their standards; this will provide a market force which will raise the standard of the majority of the remainder of the landlords. It will also allow the Council to easily identify and focus its resources on enforcement on the landlords who do not wish to be self regulating thereby contributing to efficiencies.

INTRODUCTION

The private rented sector within Bolsover District Council accounts for approximately 11% of the housing stock and there have been a number of initiatives to ensure that the housing provided within this tenure is of a good quality and meets the legal requirements.

The provision of housing within the private rented sector is supplied by a large number of landlords each with very diverse reasons for being in the market. Over the years it has been our policy to work with as many private rented housing providers as possible to give them a stake in making decisions that impact on them. This has been achieved via the landlords forum and events organised by DASH (Decent and Safe Homes). Accreditation schemes have been discussed in the past with landlords with no great interest from them. However, over the past few years these schemes have become more popular with more schemes being developed across the country.

Some local authorities have developed and implemented local schemes, however, landlords have experienced inconsistencies where they own properties across Council boundaries and are subject to two different schemes administered by different local authorities.

A regional accreditation scheme has now been developed by Decent And Safe Homes (DASH) East Midlands and there would appear to be many advantages in the scheme that has been developed.

DASH is a project funded by the Government Office for the East Midlands and was created as a regional facility to support the implementation of the Housing Act 2004. The project aims to raise housing standards in the East Midlands region, which will create a fairer and better housing market for all those who own, rent or let residential property whilst protecting those most

vulnerable. DASH is an East Midlands Regional Partnership Project sponsored by the three cities of Derby, Leicester and Nottingham to encourage all local authorities and landlords in the East Midlands to become partners. DASH is currently working with 40 Local Authorities in the East Midlands providing training and best practice guidance. Landlords can take advantage of the events and accreditation scheme to enable them to understand fully property management and how to deal with tenancies.

Landlord accreditation is a set of standards (or code) relating to the management or physical condition of privately rented accommodation. Landlords who join a scheme and abide by the standards are “accredited”. Accreditation schemes are normally voluntary. There is no compulsion for landlords to join, but there may be many advantages.

The East Midlands Accreditation Scheme

The aim of the East Midlands Landlords Accreditation Scheme (EMLAS) is to encourage, acknowledge, raise awareness and actively promote good standards and management practice in the private rented sector. It will also support landlords and tenants in undertaking their responsibilities. It is intended to be a significant factor in a strategy of self regulation for the Private Rented Sector which will contribute to the raising of housing standards. EMLAS is for responsible landlords who wish to demonstrate their commitment to providing good quality accommodation services. The following points highlight some of the key issues of the scheme.

The scheme accredits landlords, not properties, and guidance on compliance is available from the Regional Scheme Operator (RSO). The Scheme is a voluntary scheme.

EMLAS is primarily aimed at good management practices and supporting landlords through the provision of development courses; it is not intended to cover detailed property standards. An indication of the property standards to be expected in a property that has a reasonable standard of management is given in Appendix One.

Accreditation is open to all landlords and managing agents who own or manage property in the region. References to ‘landlord’ in the scheme documentation includes managing agent. The scheme is not open to registered social landlords or for local authority owned properties. The scheme aims to provide as much support as possible to landlords to enable them to provide the essential private rented letting services that the communities of the East Midlands region need. DASH will look to develop and provide incentives for accredited landlords.

The Scheme will provide the following benefits:

Benefits to Landlords

Market advantage - the properties are let sooner, at a possible premium and from a choice of tenants

Financial - including discounts for goods and services. Developed by DASH

Local - such as telephone hotlines. Developed by the Local Authority partners

Until such a time that the scheme can provide a market advantage the scheme will rely on other benefits to attract landlords.

Other benefits include:

- To be a consultee of the Local Authority on matters of business interest to the PRS and to have a defined role within a Council's Housing Strategy.
- To provide a good working partnership with the Local Authority
- To receive increased support from Council Services.
- Enhancement of the image and reputation of the PRS.
- To acknowledge and encourage responsible landlords
- To contribute to confidence and stability of the private residential letting market.
- To support landlords in encouraging tenants to be good tenants and neighbours.

Benefits to Tenants

Tenants will be able to choose with a high degree of confidence a responsible landlord who has demonstrated an understanding of the standards of management required for the PRS and has effective management in place to a recognised acceptable standard.

- Helps prospective tenants to identify landlords who are committed to providing quality accommodation services.
- Helps to provide satisfactory accommodation that meets reasonable minimum standards of health and safety, management and tenant welfare.
- Enables tenants to require the residential letting services being provided to them by their landlord, to be in accordance with the requirements of the scheme.
- Assists tenants to gain access to the PRS
- Acknowledges good tenants.

Benefits of the scheme for communities

- To encourage landlords to properly maintain and invest in their properties so as to keep them in good order and not detrimental to local amenity.
- Improve community safety.
- Reduction of anti social behaviour by tenants
- Contributes towards improved community relations
- Contributes towards improved community cohesion
- Assist in area regeneration providing sustainable and mixed communities

There are some basic criteria that a landlord will need to satisfy in order to become accredited. These are:

- certify that they satisfy the Housing Act 2004 definition of fit and proper person
- attend approved training course(s) covering tenancy management, health & safety and hazard awareness, in order to demonstrate a sufficient level of ability to manage property to the standard required by this accreditation scheme;
- comply with the Code Management
- have a basic awareness of the most common Category 1 hazards as defined by the Housing Health and Safety Rating System (HHSRS) and to the best of their abilities ensure that their premises have no known Category 1 Hazards;
- ensure that the physical condition of dwellings, the level of provision of basic amenities, and management practices are fair and reasonable and are not prejudicial to the health, safety and welfare of tenants or the surrounding neighbourhood.

Landlords' Development

All landlords are required to attend professional development courses as a condition of becoming accredited. Accreditation will only be awarded after the applicant has attended the approved introductory landlord professional development courses and successfully completed an EMLAS compliance ability test. This test is not intended to satisfy the RSO that landlords have an existing level of property management competency, but rather that they have the potential ability to achieve this and have a reasonable ability to comply with the requirements of EMLAS.

After three years landlords are required to undertake a professional development update course that covers new developments in tenancy management and health and safety requirements. Membership of EMLAS will be automatically discontinued unless an accredited landlord supplies a certificate of attendance at an update course within three months of the anniversary of the three-year membership. The scheme operator monitors the attendance at update courses and sends out reminders to landlords.

There are fees associated with the cost of becoming accredited. The full scale of fees is set out in Appendix Two. The basic cost for a landlord with between 5 and 10 properties will be £50 plus the cost of the courses which will be an additional £100. Currently to encourage landlords to participate there is free membership for the first three years if applications to join are submitted before the 1st April 2009.

A full copy of the Scheme is attached as Appendix Three.

ISSUES FOR CONSIDERATION

Joining the scheme

Any accreditation scheme needs to be a robust and consistent scheme that offers benefits to landlords as well as seeking to minimise administration costs. The East Midlands Accreditation Scheme meets these criteria. Therefore it is proposed that Bolsover District Council should become a partner in the Scheme and seek to encourage landlords to become accredited.

As there is no fee payable for the current year there is an option of committing to the scheme in principle on the condition that future membership will be dependent on there being sufficient interest from local landlords. This option has been discussed with DASH and they are happy to proceed on this basis so long as a final decision is made in January 2009.

Benefits to Bolsover District Council Joining the Scheme

- Contribute to local, regional and national housing strategies
- More effective at raising housing standards than enforcement
- Provides access to an accreditation scheme for all their PRS landlords
- Provides an accreditation scheme for good value for money. The average cost of implementing and running an independent district scheme is £90,000 per annum (Developing a Landlord Accreditation Scheme DASH/Accent Regeneration)
- Contributes towards increased efficiency due to the economy of scale and avoidance of duplication of efforts within the East Midlands.
- Provides consistency in housing standards and regulation throughout the East Midlands and to sub regional housing markets.
- Enables development of tenancy support services with trusted partners in the PRS.
- Contributes towards the reduction of homelessness by enabling the development of various schemes including
 - nomination rights and
 - tenancy support and sustainability services
 - Accredited tenant scheme
 - Bond guarantee schemes
- Contributes towards better regulation providing for a risk based assessment of landlords and their properties (National Better Regulation agenda; Hampton Report)
- Enables effective targeting of enforcement resources contributing to efficiency
- Contributes towards attaining a higher level of decent homes
- Contributes towards Regional and Local Affordable Warmth and Carbon Emission Reduction Strategies
- It can be an alternative or complimentary solution to selective licensing for low demand or areas with high levels of ASB which will be considerably cheaper and require fewer resources to regulate the better landlords

Staying out of the scheme

- The Council would be missing out on a valuable opportunity to recognise the “good” landlords who chose to join the scheme.
- Miss the opportunity to promote the effect that local market forces play on increasing housing standards.
- Miss the opportunity to eliminate Category 1 hazards at privately rented properties as these would only be eliminated following a complaint by the tenant and subsequent enforcement action had been taken by Environmental Health.
- There is also potential to damage the Council’s reputation within the East Midlands and with other national funding bodies such as the Regional Housing Group and GOEM.

Financial Implications

Participating local authorities are required to provide financial assistance towards the running of EMLAS. This takes the form of an annual payment set by the Regional Steering Group. The size of the contribution is in relation to the estimated number of privately rented properties within the District of Bolsover compared with the total number within the region. The Council would sign a partnership agreement with EMLAS that commits the Authority to providing the agreed funds and the resources needed to contribute towards the successful operation of the scheme.

Based on the calculation set out above the annual fee payable by Bolsover District Council would be £2250 per annum. Although we would gain access to the scheme immediately there is no fee payable for the current year and therefore this fee would be payable from the 1st April 2009. DASH are also seeking funding for 2009 and 2010 from Regional Housing Group and if successful will be able to offer a further year of free membership for participating councils, meaning that a membership fee would not be payable until April 2010. Currently there is no budgetary provision for this expenditure. However, the Principal Environmental Health Officer (Residential) has indicated that the fee could be paid from The Private Sector Housing Budget, to support this initiative. This additional expenditure needs to be incorporated into the budget from 2009/10.

The Council can leave the scheme at the end of a financial year but must give at least six months notice in writing to the Regional Steering Group.

IMPLICATIONS

Financial : Annual Partnership fee to commence 2009 or 2010.

Legal : Service level agreement.

Human Resources : None.

RECOMMENDATION(S) that:

1. The report be received;
2. The Council becomes a partner in the East Midland Landlord Accreditation Scheme;
3. The Head of Environmental Health and Street Services, with the prior approval of the Data Protection Officer, be given delegated authority to sign the required service level agreement and information sharing protocol;
4. The take up of the scheme is reviewed in September 2009 and the Head of Environmental Health and Street Services in consultation with the Principal Environmental Health Officer (Residential), Chief Executive Officer, Solicitor to the Council and the Leader of the Council to decide whether to remain as a partner in the scheme;
5. The cost of the annual partnership fee is met from the Environmental Health, Private Sector Housing Budget.

REASON FOR DECISION TO BE GIVEN IN ACCORDANCE WITH THE COUNCIL'S CONSTITUTION

To improve the quality of private sector housing and its management within the District.

Property Standards

Landlords are required to satisfy the RSO that they are able to identify and eliminate the most common unacceptable hazards in their properties. This appendix is a guide to the hazards and serves only as an introduction. It also provides an indication as to what standards are expected for fire safety, security, and hygiene and waste disposal in a property that is managed well.

Housing Health and Safety Rating System (HHSRS)

The HHSRS is a method of risk assessing hazards that may be found in residential accommodation. Landlords should ensure that their properties and boundaries are maintained, as reasonably practicable, free of any avoidable or unnecessary hazards as listed in the table below.

There should be no known Category 1 hazards. These are serious hazards for which local authorities must require appropriate remedial action.

1. Damp & Mould Growth
2. Excess Cold
3. Excess Heat
4. Asbestos & Manufactured Mineral Fibres
5. Biocides
6. Carbon Monoxide & Fuel Combustion Products
7. Lead
8. Radiation
9. Uncombusted Fuel Gas
10. Volatile Organic Compounds
11. Crowding and Space
12. Entry by Intruders
13. Lighting
14. Noise
15. Domestic Hygiene, Pests & Refuse
16. Food Safety
17. Personal Hygiene Sanitation & Drainage
18. Water Supply
19. Falls Associated with Baths etc
20. Falls on the Level
21. Falls Associated with Steps and Stairs
22. Falls Between Levels
23. Electrical Hazards
24. Fire
25. Flames, Hot Surfaces etc
26. Collision and Entrapment
27. Explosions
28. Position and Operability of Amenities
29. Structural Collapse and Falling Elements

Appendix 2

Scale of Fees

Administration Fee

An administration fee of **£25** will be charged to all member landlords.

Landlord Development

Half Day Training Course **£35**

Full Day Training Course **£65**

The above fees include materials

Membership Fee

In addition a fee is charged on the following scale for the properties owned or managed by a landlord or agent.

Landlord Fee:

Properties owned in the region Fee

1 – 5 Nil

6 –10 £25

11 – 20 £50

21 – 30 £75

30+ £100

Managing Agents Fee:

Number of properties managed Supplementary fee

1 - 5 NIL

6 – 10 £25

11 – 20 £50

21 – 30 £75

31 - 50 £100

51 – 100 £150

101 – 200 £200

201 – 300 £250

301 – 400 £300

Each additional 100 properties add £50

Membership and administration fees are payable every three years.