
Decision Session - Executive Member for Housing and Safer Neighbourhoods

Report of the Assistant Director – Housing & Community Safety

Update on the YorProperty Voluntary Accreditation Scheme

Summary

1. To consider the need to continue the Council's support of the YorProperty Accreditation scheme for the Private Rented Sector following the introduction of new laws.

Recommendations:

2. The Executive Member for Housing and Safer Neighbourhoods is asked to:
 - a) Consider whether the Council should continue to support the YorProperty Accreditation in light of new national laws relating to mandatory HMO licensing which has resulted in dwindling membership.
 - b) Approve Option 2; To close the YorProperty Voluntary Accreditation scheme.

Reason: to ensure that the work of the Council is focussed on tackling the worst conditions in the private rented sector and in particular on those Landlords who flout by not complying with the law in line with government policy¹.

Background Information

3. The YorProperty Accreditation was launched in the 9th December 2013 and as on the 28th July 2014 some 97 Landlords, managers and letting agents had signed up to the scheme who let some 386 properties. Critically some of the larger newly built student schemes had joined the scheme as well as landlords with smaller portfolios.

¹ House of Commons, Marcus Jones MP (Parliamentary Under Secretary of State at the Department for Communities and Local Government)

4. The aim of the scheme was to build on the success of the University student accommodation code of practise which had closed as the Scheme had been launched. However there were some significant differences in particular:
- a) To include all private rented properties not just shared student properties.
 - b) The use of bespoke website to manage and administer the scheme. The website also provides a platform for accredited landlords to advertise their properties. The licence for the website costs the council approximately £5k per annum. To fund the cost of this licence and the Landlord Liaison post there was a membership fee of £50 per year plus an administration based on the number of properties that the landlord owns

Number of properties	Fee
1 to 5 properties	£35
6 to 10 properties	£75
11 to 30 properties	£105
31 to 100 properties	£210
100+ properties	£310
Additional fee per 50 properties over 100	£300

- c) The inspection of 10% of the properties accredited to ensure that standards were being adhered to. One of the difficulties with the code of practise was that it relied on self- certification.
 - d) The mandatory training of accredited landlords to raise their knowledge
 - e) The provision of twice yearly events to update landlords plus the ability to keep landlords updated via electronic newsletter
 - f) YorProperty being one of the main sponsors of the Good Landlord Awards²
5. Since this initial launch the membership of the scheme plateau across the next two years with some increases in the number of properties being advertised through scheme with a couple of the larger newly built student schemes joining the scheme but the beginning of this year saw

² Good Landlord Awards- organised by a partnership of Student Unions at University of York and York St John University to recognise and celebrate student "landlordship" across the city.

the decline of membership. Currently we have 26 active members of YorProperty. Factors which have contributed to decline include:

- a) The extension of the mandatory licensing scheme to properties by 5 or more occupants who form more than one household irrespective of the number of storeys. Despite efforts to include landlords who let to tenants other than students the scheme predominately attracted landlords who let to this sector. The implementation of the extension has led to many of the landlords who previously let through the scheme not renewing as many of the features such as needing to meet certain physical /management standards including training of landlords are now a mandatory part of the licensing scheme. The properties although not advertised in the same way as those on YorProperty can be found on the Council's website as being licensed and meeting recognised standards.

It should be noted that active members of the YorProperty scheme did receive a discount to the licensing scheme as recognition that the property and the landlord had ensured that the property had exceeded voluntarily met standards in advance of the changes to the law.

- b) The buoyancy of the private rented market means that landlords are able to let their properties quickly and easily without the need to advertise through YorProperty
- c) A number of landlords have left the sector
- d) The extension of licensing means that we have focussed resources to ensure that the legal scheme has been implemented smoothly leaving very little time for the necessary marketing and promotion of the voluntary scheme.

Consultation

- 6. Officers have explored with officers from the different Further Education Establishments whether it is feasible for one or more of the establishments to take on the promotion and administration of the scheme. Both main universities (University Of York And York St John) have advised that whilst supportive of the principles of the scheme that they don't have the capacity to administer the scheme.

Options

- 7. **Option 1** - The Council continues to operate the YorProperty Scheme
- 8. **Option 2** - To bring to a close the YorProperty Scheme

Analysis

9. **Option 1** – The scheme has supported and helped landlords who wanted to reach physical standards that exceeded the legal requirements and which are well managed. The scheme has enhanced the reputation of the council as it had demonstrated that we want to both work with and recognise such landlords. However the reducing number of members means that amount of fee income does not cover the cost of the website licence or the necessary resources in officer time to promote and administer the scheme. The scheme although aimed at all properties in the private rented sector has not attracted those renting to single families. This continues to be difficult as the buoyant market in York means that landlords can rent their properties without the need to accredit their property.

10. **Option 2.** As the scheme has attracted landlords who predominately let to students, we have been exploring with the Universities whether it is viable for these organisations to take on the scheme. However we have been unable to find an alternative independent organisation. We will continue to support the sector outside of licensing through:
 - a) Advice and Information on our website
 - b) Events run independently or jointly with others such as the Universities and landlord associations.
 - c) Offering training to Landlords and Letting Agents to meet standards
 - d) Promotion of good practise e.g. Good Landlord Awards which is supported by the Student Union
 - e) Any other initiative which fits in with the council priorities.

Council Objectives

11. This approach will enable the council to focus its limited resources on tackling the worst conditions in the worst performing tenure. By prioritising the national mandatory licensing scheme and taking the necessary enforcement action against those who are deliberately flouting the law we will be contributing towards the three objectives
 - A prosperous city for all
 - A focus on frontline services
 - A council that listens to residents

Implications

12. The implications arising directly from this report are:

- **Financial** –the current fee income for the YorProperty Voluntary Accreditation Scheme doesn't cover the cost of the website or the necessary other resources e.g. officer time/publicity etc. However we would need to return all fees which have been paid this year this amounts £2245.00
- **Procurement** – None
- **Human Resources** – The post which previously supported the voluntary accreditation scheme now supports the licensing regime .
- **Equalities Implications** – Attached is the Attached is the One Planet York Assessment
- **Legal Implications.** This is a voluntary scheme which the council can bring to an end

Risk Management

13. This approach enables the council to focus on the using the full range of powers available to tackle the worst element of the Private Rented Sector.

Contact Details

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	Report Approved	✓	Date	07/02/2019
Wards Affected: <i>All</i>				
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Annex 1 – Better Decision Making Tool