

Landlord accreditation

Good practice guide



Shelter

Introduction

A startling feature of the past decade has been the rapid growth in private renting. The rise has largely been fuelled by the shortage of social housing and mounting obstacles in the way of first-time homebuyers. But, for many tenants, private renting suits their circumstances and means they can get a good home in an area where they want to live.

Private renting covers a wide variety of tenants – and an equally wide variety of landlords. The sector can be proud that most dealings between them are harmonious. When problems do occur, it may be because landlords do not fully appreciate the complex legal framework in which they operate. Where rogue landlords do prey on unsuspecting

tenants, it can be because tenants find it hard to distinguish between a responsible landlord and a rogue operator.

Shelter believes landlord accreditation can reduce such difficulties. Accreditation can give tenants confidence that landlords will act professionally and offer good standards.

A majority of local authorities now operate landlord accreditation schemes. The benefits include increasing the number of sustained tenancies, better housing standards, and early resolution of problems – with lower costs to the authority, the landlord and the tenant.

This good practice guide is aimed at showcasing the innovative work of local authorities and other accreditation providers, and is designed to encourage others to develop similar approaches.

The case studies highlight the positive effect of landlord accreditation schemes, such as providing objective benchmarks for landlords and allowing tenants to make more informed choices.

What is landlord accreditation?

Landlord accreditation is a practical way to improve the quality of private rented accommodation.

Schemes are commonly aimed at ensuring that landlords provide a good service and higher quality housing. Local authorities may approach accreditation in a number of ways.

By setting out minimum standards for accreditation, tenants know what to expect from their landlords and, via the scheme, have a clear route for resolving issues and complaints quickly, leading to better standards and more empowered tenants.

Most schemes fit into one of three general models of landlord accreditation:

1. **property based** – private rented property is inspected against criteria established by the scheme manager to ensure homes are of a good standard
2. **management standards** – landlords undertake professional development to ensure they understand their responsibilities and follow best practice in managing their portfolio
3. **hybrid schemes** – a combination of property inspection and landlord management standards. This usually involves random inspection of a proportion of properties and a requirement for professional development.

The following sets out practical tips for local authorities on how to use these models to improve private rented sector standards.



With accreditation, tenants know what to expect from landlords and have a clear route for resolving issues and complaints quickly

Tips for local authorities running accreditation schemes



Local authorities can save money by commissioning accreditation services from third parties and free up resources to target rogue landlords

Setting up and working in partnership

Many local authorities have set up cost-saving partnerships with neighbouring authorities or landlord associations to run accreditation schemes. This is a good way of sharing administrative costs, negotiating better incentives for landlords and developing a regional brand that is consistent and resonant for tenants and landlords throughout the area.

Some schemes have grown as successful operations opened up membership to neighbouring authorities. Other schemes have been set up from scratch by authorities working with neighbours to decide on minimum standards, how they pool resources and work in partnership.

Commissioning components of the scheme

Local authorities can save money by commissioning services from third parties. For example, the National Landlords Association (NLA) offers landlord development, information and advice to accredited landlords at no cost to local authorities. Local authorities can add inspection requirements to this model. The economies of scale that such organisations offer on education and advice can free up local authority resources to more effectively target rogue landlords locally.

Promoting accreditation to tenants

Tenant demand plays a key role in recruiting a critical mass of landlords who will be spurred on by increased public understanding and awareness of the value tenants place on having an accredited landlord.

Working with letting agents and websites, housing advice services, housing options teams and community groups can be effective in promoting accreditation, as well as using more traditional communication channels, such as local newspapers.¹

Consumer demand relies on widening the perception that accreditation schemes consistently and reliably offer what tenants are looking for. The speed of carrying out repairs and dealing with tenancy problems are common concerns, and tenants want a clear indication of their rights. Tenants will actively seek out accredited landlords once they are aware of the greater responsiveness on repairs, fair written tenancy agreements and that landlords are accountable to the scheme's code of practice or minimum standards.

Increased awareness of accreditation's role in raising standards and encouraging landlords to respond promptly to repairs can allay tenants' most common fears and encourage demand

1. For details about how consumer groups in your area access information, please visit the Housing Insights section of Shelter's website www.shelter.org.uk/housinginsights





Landlords can gain a market advantage by signing up for accreditation, and other benefits include advice and training to improve management standards

Good benefits for landlords

Joining a scheme is voluntary and landlords need to see the benefits they can gain from it. Incentives are often instrumental in making the scheme a success. Such benefits may include:

- opportunities for landlords to gain a market advantage by using the scheme's branding when advertising properties. This also helps raise awareness of accreditation and integrate it into the local lettings market
- easier access to local authority services, such as rent guarantees, deposit bonds, grants for repairs, reduced HMO licensing fees and tenant accreditation schemes²
- discounts with local businesses, afforded by the number of landlords being referred, particularly if the scheme covers multiple local authority areas
- advice and support for landlords to provide a better service, and annual training for accredited landlords to improve management standards
- consistent minimum standards for schemes which help landlords operating in several areas who wish to be accredited.

2. Tenant accreditation is an alternative to credit checks for tenants who might not have the financial history to pass referencing tests. Tenants agree to a code of conduct and have their accredited status verified by a previous landlord or letting agent.

Local authority accreditation scheme examples

Gloucestershire

Six district councils in Gloucestershire are working together to provide a successful accreditation scheme which recognises and rewards landlords providing good standards and has an engaging and recognisable brand with Fit to Rent.



Six Gloucestershire councils operate a joint accreditation scheme which benefits landlords and has proved its worth by raising standards

How the scheme works

The scheme is a free service for landlords with well-managed private lettings. The scheme is designed for landlords to obtain better access to information and services from a range of council departments. Landlords are expected to meet the Fit to Rent property standard and a management code of practice. To apply, landlords must complete an application form and be prepared to have one property inspected as part of their Fit to Rent landlord approval. Landlords then have the option to have all their properties accredited.

What are the benefits for landlords?

- Use of the Fit to Rent brand for all documentation and tenancy agreements.
- Recognised and listed on the county website.
- Access to councils' bond and rent deposit schemes.
- A free newsletter, as well as advice and information.
- Access to a range of offers and discounts.

'It is gratifying that we have an increasing database of landlords and properties that we can direct tenants towards in the knowledge that they will be provided with safe homes. This also enables a more targeted approach of inspection and enforcement towards the private rented properties that are not providing accommodation to this standard'

Julie Wight, Gloucester Council.

Leeds

The scheme promotes good private rented accommodation standards and gets landlords and tenants to appreciate their responsibilities, the latter through an accredited tenant scheme.

How the scheme works

Leeds City Council checks landlord competence against level of responsibility, also checking properties are in good condition and legally compliant. Landlords meeting the standards are awarded accreditation status. If properties are not fully compliant, a property improvement plan can be agreed with landlords who will also participate in and promote the accredited tenant scheme.

In cases where properties do not meet the standard, landlords are required to sign up to an improvement plan before accreditation can be confirmed

What are the benefits for landlords?

- Discounts with local businesses and access to a range of council services.
- Disputes reduced, and problems promptly resolved through contact with council officers.
- Specialist professional advice from council environmental health and homelessness advice and prevention teams.
- Training sessions on the law and good practice in housing management.
- Chance to influence council policies via a landlords' forum.



'Leeds City Council has operated an accreditation scheme since 1997 and it has grown in line with targets set by working with landlords to improve the private rented sector for the benefit of tenants. The council continues to work co-operatively with landlords and recognises the value of accreditation as an alternative to enforcement'

Linda Sherwood, Leeds City Council.

Tenant perspective

'We have excellent landlords, but some offer poor properties and questionable management. This is where accreditation plays a valuable role in raising standards and offering protection for students. Clear standards and a transparent complaints system help... We find that accredited landlords are far more likely to resolve complaints at an early stage than landlords who choose not to be accredited. At Leeds University Union we strongly advise students to only rent from accredited landlords'

Andrea Kerslake, Housing Manager, Leeds University Union.



A checking procedure looks at landlords' competence and responsibility, and ensures that properties are in good condition

London landlord accreditation scheme

The London landlord accreditation scheme (LLAS) is a London-wide scheme providing information and professional development for landlords, aimed at reducing the need for local authority intervention.

How the scheme works

To gain accreditation, landlords must declare themselves fit and proper persons, attend a development course to obtain key knowledge and skills, and agree to a code of conduct, which includes timescales for repairs.

London authorities that recognise LLAS accreditation can link accredited status to other initiatives, such as property inspections, to target particular problems in their area.

What are the benefits for landlords?

- Accredited status applies across London, so acts as a ‘passport’ for landlords with properties in multiple local authorities.
- Access to grants and loans for landlords to improve accommodation.
- Reduced HMO licensing fees.
- A regularly updated reference manual.

Accreditation can be linked to other initiatives, such as property inspections, to target particular local problems

‘The LLAS has helped local authorities build positive relationships with landlords, better understand their needs, encourage partnership working, break down barriers between landlords and local authorities and improve the quality of housing stock within the private rental sector’

Jessica Alomankeh, LLAS project co-ordinator.



Local authority perspective

Haringey Council supports LLAS and encourages landlords to become accredited and attend development courses. This helps Haringey ensure that vulnerable families at risk of homelessness are provided with good quality rented accommodation from reputable landlords.

Haringey supplements LLAS accreditation with minimum property standards and inspections. If a landlord fails to keep accommodation to the required standard, the council will terminate the lease and re-house the tenants, or serve a notice requiring the landlord to carry out repairs. Haringey reports landlords, accredited or not, who break the law, to the LLAS and information is shared among member authorities. This helps to prevent rogue landlords from burning their bridges with one authority and simply moving to the next.



In Haringey, if a landlord fails to keep a property up to the required standard, the council will terminate the lease and re-house the tenants

Middlesbrough

Middlesbrough Council uses a landlord development based accreditation scheme provided free by the NLA as an alternative to running its own scheme.

How the scheme works

- Middlesbrough refers interested landlords to the NLA accreditation scheme.
- Landlords then sign up to the NLA's code of practice and rules and carry out professional development by attending or completing an online foundation course.
- Landlords agree to abide by the NLA complaints procedure.
- Accredited landlords then have free access to Middlesbrough's choice based lettings scheme and 'tenant accreditation'.



Ease of access to courses and online training encourages professional development

What are the benefits for landlords?

- The scheme is used by local authorities in several parts of the country and can act as a ‘passport’ for accredited landlords who have or acquire properties outside the area accreditation was originally issued.
- Easy access to professional development by attending courses and online training.
- Courses and qualifications from most other accreditation schemes are recognised, making qualification flexible and straightforward.

Landlord perspective

Juliet Ashton-Taylor bought her first property in 2003 and now lets out eight properties in the North East. She attended an accreditation course provided by the NLA at Middlesbrough town hall in April 2010. Having had personal experience of unprofessional landlords when her children were poorly treated in rental properties, Juliet saw the value in continued development and insistence on good management practice.

She was confident, even after years of letting properties, that there was more to learn and wanted to be sure that she knew everything that was required of the landlord role.

‘Becoming an accredited landlord has given me a way to demonstrate that I am serious about what I do and that I am a professional landlord. It has improved my knowledge of the private renting sector and helped me improve the way I manage my tenancies’

Juliet Ashton-Taylor, landlord.

Further information

Accreditation Network UK publicises, promotes and shares good practice in accreditation and offers opportunities for local practitioners to network.

www.anuk.org.uk

The following schemes offer development-based landlord accreditation, which local authorities can use to supplement their engagement with local landlords.

National Landlords Association

www.landlords.org.uk/accreditation

RLA accreditation scheme

www.rlaas.co.uk

UK landlord accreditation partnership

www.londonlandlords.org.uk

Shelter provides free housing advice via our website **england.shelter.org.uk/get_advice** and free housing advice helpline, 0808 800 4444, which is open from 8am to 8pm on weekdays and 8am to 5pm on Saturday and Sunday.

Visit our policy library to browse through reports, factsheets, briefings and policy consultation responses that we produce

www.shelter.org.uk/policylibrary

Until there's home for everyone

RH 3763

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