

## Accreditation for Property Licensing Schemes

There is no legal requirement for a landlord to undertake training before offering a property for rent. Landlords and agents who voluntarily obtain accreditation do so because they wish to be recognised as a professional landlord.

The English Private Landlord Survey 2018 established that

- 52% landlords do not use a letting agent at all and only 9% landlords use a letting and management service from a letting agent<sup>1</sup>.
- 75% landlords did not belong to any landlord association<sup>2</sup>.

Conditions can be added to licences for landlords to attend training or development. However rather than require all landlords to attend training, Oxford City Council has taken the approach in the previous HMO licensing scheme that accreditation with Oxford City Landlord Accreditation Scheme (OCLAS) is used as an incentive to help improve standards.

There are 2 main purposes for encouraging landlords to become accredited

- Accreditation schemes are aligned with ensuring a good standard of accommodation for rent, which goes above the minimum legal standard.
- Professional operation and management of accredited properties should lead to a reduction in service demand.

This has resulted in 20% of Oxford City Council HMO licensed properties being managed by an accredited landlord or agent with a five year licence. There are a further 12% properties managed by an accredited agent however not holding a five year licence.

A review by Oxford City Council of other property licensing schemes has found that 63% councils' offer discounts associated with HMO licensing and this rises to 70% councils with selective licensing. Evidence suggests that using accreditation schemes as an incentive for licensing schemes does encourage membership of schemes – for example, 35% of licensed HMOs in the city are managed by an agent compared to the 9% found in the English Private Landlord Survey 2018.

The consultation exercise has demonstrated that “accreditation” is a popular incentive and supported by landlords and agents and landlord / agent organisations. Furthermore, it was proposed that “accreditation” should be expanded to include other national schemes. It is proposed to accept “accreditation” schemes that meet the “key requirements” listed below and that the Head of Service Regulatory Services and Community Safety has approval to revise this list in future (e.g. accept new schemes or remove schemes).

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<sup>1</sup> Ministry of Housing, Communities and Local Government January 2019 – English Private Landlords Survey 2018 Main report Point 1.23 page 20  
[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/775002/EPLS\\_main\\_report.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/775002/EPLS_main_report.pdf) accessed 21/12/2020

<sup>2</sup> Ministry of Housing, Communities and Local Government January 2019 – English Private Landlords Survey 2018 Main report Point 1.26 page 20  
[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/775002/EPLS\\_main\\_report.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/775002/EPLS_main_report.pdf) accessed 21/12/2020

# Appendix 4

## Key Requirements for acceptable Accreditation schemes

As the purpose of this incentive is to ensure landlords and agents meet their legal requirements and “professionalise” the sector then the key requirements for accepted accreditation schemes are:

1. Initial training requirements set out below
2. Adherence to the scheme’s code of conduct covering the elements set out below

The proposed accepted accreditation schemes are listed below. This is divided in to “landlord” accreditation schemes and “agent – full management” accreditation in recognition of the differences between a landlord managing their own properties and agents who are employed by a landlord to manage their properties on someone’s behalf. During the licensing schemes other accreditation schemes can be included if they meet the criteria set.

It should be noted that the current OCLAS scheme requires properties to reach a Band D on the EPC (or for agents to state they will work towards Band D), this is a local agreement to align with the Council’s work on energy efficiency In order to accept other accreditation schemes, the council would need to accept that properties will only be at the current minimum statutory level (Band E).

## Proposed Accreditation schemes

Landlord schemes	Full management service agent schemes*
(OCLAS) Oxford City Council Landlord Accreditation Scheme – existing members	ARLA (Association of Residential Letting Agents) Propertymark Protected Agency with one member Level 3 qualified (English law) (who has passed Disrepair and HMO element)
NRLA (National Residential Landlord Association) accredited member	Safeagent Protected Agency with one member Level 3 qualified (English law) (who has passed Disrepair and HMO element)
DASH (Decent and Safe Homes Scheme) (Midlands based scheme)	UK Association of Letting Agents (UKALA) with one member Level 3 qualified (English law) (who has passed Disrepair and HMO element)
Accreditation & Training for Landlords and Agents Service (ATLAS) (includes London Landlord Accreditation Scheme and other local authority schemes in the south east)	National Code of Standards for Larger Developments for University Accommodation NOT managed or controlled by University Establishments
Midlands Accreditation Scheme / Homestamp	
<p>*Agents act on behalf of landlords and so we believe they should reach a higher standard of accreditation than a landlord who manages their own properties. This reflects the recommendations of the Regulation of Property Agents Working Group.</p> <p>*To be eligible for the incentive on a specific property, agents must hold a full management agreement with the landlord</p> <p><b>Other schemes will be considered providing the scheme requires a code of conduct and training covers the elements outlined. Where a landlord is a member of a different scheme, the landlord will be asked to provide details of the scheme and a contact at the scheme so we can check scheme requirements. Schemes will be approved by the Head of Service (Regulatory Services and Community Safety)</b></p> <p><b>Rent Smart Wales is not included because it covers Welsh housing law and the same applies to Scottish / Irish based schemes.</b></p>	

# Appendix 4

## Training requirements

To be accepted as an accreditation scheme, training required must cover the following elements:

Subject area	Elements to cover
<b>Landlord and Tenant Law &amp; related requirements</b>	<ul style="list-style-type: none"> <li>• Type of tenancies (common law, fixed term, periodic, lodgers, single / joint or separate)</li> <li>• Setting up a tenancy (references, guarantors, deposits, inventory)</li> <li>• Right to rent checks</li> <li>• Equalities Act / discrimination</li> <li>• Tenancy agreements –oral and written, unfair terms</li> <li>• Rent collection &amp; how to deal with rent arrears</li> <li>• How to end a tenancy legally – section 8 &amp; grounds for possession and section 21 process (correct notice, court order, bailiff) &amp; illegal eviction. Return of deposits</li> <li>• Harassment</li> <li>• Permissions to let – insurance, mortgage, planning permissions</li> <li>• Council tax &amp; utility payment</li> </ul>
<b>Repairs and maintenance</b>	<ul style="list-style-type: none"> <li>• Routine inspection &amp; notice requirements for a landlord to enter and inspect</li> <li>• Common law repair obligations</li> <li>• Emergency repair provisions</li> <li>• Housing Health and Safety Rating System (what the system is, how to identify hazards, local authority enforcement provisions)</li> <li>• Fitness for Homes (what this is, legal obligations on landlords, tenants' enforcement provisions)</li> </ul>
<b>HMOs</b>	<ul style="list-style-type: none"> <li>• Definition of HMO under Housing Act s254 &amp; s257</li> <li>• HMO Management regulations</li> </ul>
<b>Property Licensing schemes</b>	<ul style="list-style-type: none"> <li>• Mandatory HMO Licensing</li> <li>• Additional HMO Licensing</li> <li>• Selective Licensing</li> <li>• Fit and proper person criteria</li> </ul>
<b>Safety required for letting</b>	<ul style="list-style-type: none"> <li>• Gas Safety certificates</li> <li>• Electrical safety certificate</li> <li>• Energy Performance Certificate &amp; Minimum Energy Efficiency Standard</li> <li>• Smoke alarm &amp; Carbon monoxide regulations</li> </ul>

Agent accreditation schemes are also expected to cover: Health and Safety at Work, Contract Law, Employment Law, Data Protection, Client money protection, Customer Service and complaints procedures.

## Codes of Conduct

To be accepted as a LANDLORD accreditation scheme, the code of conduct must be based on the Private Rented Sector Code<sup>3</sup>. This code was developed by letting agency industry to ensure:

- good-quality homes for rent
- consistent and high standards of management
- choice for the consumer.

Codes of conduct should reflect the following elements (it is accepted elements may not be stated exactly as below):

1 To comply with all laws relating to the letting and management of residential private rented sector property

2 To meet all other legal requirements and relevant codes of practice.

3 To let and manage properties in an honest, fair, transparent and professional manner.

4 To manage properties with due skill, care and diligence, and ensure that, where staff are employed, they have the skills and training needed to carry out their tasks.

5 To do their best to avoid conflicts of interest and, where they do arise, to deal with them openly, fairly and promptly.

6 To not discriminate on the basis of age, gender, race, language, sexuality or any other factor that might place an individual at a disadvantage.

7 To ensure that all communications and dealings with clients and tenants are fair, clear, timely and transparent.

8 To ensure that all relevant information is provided to clients and tenants, including publicising fees, prior to them committing to a transactional decision.

9 To ensure that all advertising and marketing material is accurate and not misleading.

10 To take steps to look after client money and to hold this separately from other funds

11 To behave ethically and responsibly at all times

The Code contains some principles aimed specifically at letting and management agents, as follows.

• To ensure that landlords and tenants are given details of complaints-handling procedures and the redress scheme to which the agent belongs

• To ensure client money is covered by client money protection.

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<sup>3</sup> Private Rented Sector Code, 1<sup>st</sup> Edition <https://www.rics.org/uk/upholding-professional-standards/sector-standards/real-estate/private-rented-sector-code-1st-edition/>