# GREATER LONDON AUTHORITY

### **REQUEST FOR MAYORAL DECISION - MD2547**

Title: 'Better Renting' - a programme of training for councils

#### **Executive Summary:**

The Mayor has committed to improving life for London's 2.4 million renters, including supporting councils to act against rogue landlords. A shortage of appropriately-skilled staff is a significant barrier to them doing this. This Mayoral Decision (MD) seeks approval for expenditure of £322,500 of funding secured from the Government, to develop and implement a new 'Better Renting' programme of training and capacity-building for London boroughs in 2019/20 and 2020/21. This would comprise a new qualification focussed on training new officers to improve standards and practices in the private rented sector (PRS), funding to train existing, qualified officers to develop their skills, including in relation to tenancy mediation and sustainment, a new PRS forum for practitioners, and the promotion of careers in PRS housing standards and conditions.

#### **Decision:**

That the Mayor approves:

- 1. the receipt of £322,500 secured from the Ministry of Housing, Communities and Local Government to improve standards in the private rented sector and help vulnerable renters; and
- 2. expenditure of £322,500 of the above funding to develop and implement a Better Renting programme, comprising:
  - £150,500 to develop a new qualification focussed on improving standards and practices in the PRS;
  - £49,500 to procure a series of topic-specific training workshops and events for boroughs, including to support tenancy mediation and sustainment;
  - £35,000 to procure a consultant to establish and operate a new operational Private Rented Sector Forum, which will enable borough officers involved in tackling rogue landlords to network, gain skills and share best practice;
  - £7,500 to contribute towards publicity to promote housing environmental health and trading standards careers to school leavers, with a specific focus on increasing diversity in the sector; and
  - £80,000 to appoint a Project Officer to support delivery of the programme. Creation of this post has also been approved through a Head of Paid Service Decision CO100.

#### Mayor of London

I confirm that I do not have any disclosable pecuniary interests in the proposed decision and take the decision in compliance with the Code of Conduct for elected Members of the Authority.

The above request has my approval.

fadro

Signature:

Date:

2571167

## PART I - NON-CONFIDENTIAL FACTS AND ADVICE TO THE MAYOR

#### Decision required - supporting report

### 1. Introduction and background

- 1.1. Around 2.4 million Londoners live in the private rented sector (PRS). While most private landlords in the capital offer a good service, far too many tenants are exploited by rogue operators who rent out properties in poor and dangerous conditions. A fifth of privately rented homes fail the Government's Decent Homes standard<sup>1</sup>.
- 1.2. Private renters in London are disproportionately likely to be defined as 'vulnerable'. Recent research' found that, nationally, 38 per cent of private renting households are in the bottom third of incomes. It also found that, in London, 97 per cent of those low-income renters are experiencing one or more of the following types of 'harm' as a result of renting privately: poverty, overcrowding, or poor property conditions. Vulnerable people, with access to fewer funds and information about rogue landlords, are more likely to end up in poor quality accommodation. This has significant implications for their health and wellbeing. In addition, one in three Londoners were born outside the UK, and 86 per cent of those newly arriving to the capital from outside the UK are accommodated in the PRS.
- 1.3. In his London Housing Strategy, the Mayor sets out his aim that all private renters should benefit from decent property standards and management practices, regardless of their background or income. In 2017, he established his PRS Partnership, bringing together all 33 London boroughs to help support this aim. The first project delivered via the Partnership was the Mayor's Rogue Landlord and Agent Checker, which publicly 'names and shames' unscrupulous landlords and agents, assists boroughs in sharing data about rogue operators and enables Londoners to report rogues. All London boroughs have signed up to the Checker, which has been viewed over 120,000 times. Its success demonstrates that the GLA's strategic oversight and coordination can deliver concrete benefits for boroughs and renters alike.
- 1.4. With the prevalence of poor conditions in London's PRS, London boroughs need ample resources to carry out activity to tackle malpractice, improve conditions and standards and support vulnerable private renters. This need has increased recently, with the extension of mandatory licensing in October 2018. However, many boroughs lack these resources, primarily because of years of cuts to their budgets. In 2016/17, the average number of environmental health officers (EHOs) in London was 2.46 for every 10,000 PRS properties, a staffing level at which experts in the field believe it would "be difficult ... to cope with complaints alone, never mind take the initiative and seek out criminal landlords". Budget cuts have also caused a reduction in borough tenancy sustainment services that would have previously helped resolve issues between tenants and landlords. This means that tenants who are affected by PRS enforcement activity may not be provided with the support they need.
- 1.5. This is compounded by the fact that boroughs find it increasingly difficult to hire and retain appropriately qualified or experienced staff to the teams for which they do have funding. Indeed, the PRS Partnership has identified the shortage of appropriately-skilled staff as one of the most significant barriers facing boroughs in acting against criminal landlords. One issue contributing to this is that environmental health degree courses (the generally recognised route into PRS work) have a limited housing focus, with many environmental health graduates going on to work in food standards rather than housing. Another is the limited number of places on such courses. Through the Partnership, boroughs have made clear the need for more qualified practitioners who are able to carry out the full range of duties required of an environmental health officer. However, there is currently a lack of qualified practitioners able to take up these roles.

<sup>&</sup>lt;sup>1</sup> GLA analysis of English Housing Survey data, 2017

<sup>&</sup>lt;sup>2</sup> Rugg, J and Rhodes, D (2018) The Evolving Private Rented Sector: It's contribution and potential. Available at http://www.nationwidefoundation.org.uk/wp-content/uploads/2018/09/Private-Rented-Sector-report.pdf [Accessed on 4 November 2019]

<sup>&</sup>lt;sup>3</sup> Battersby, S (2018) Private Rented Sector Inspections and Local Housing Authority Staffing. Available at: http://www.sabattersby.co.uk/documents/Final\_Staffing\_Report\_Master.pdf

- 1.6. In addition, the pressure on local authority budgets has limited the opportunities for existing, qualified environmental health and trading standards officers to enrol on training courses to improve their technical knowledge and skills. That has made it difficult for councils to keep abreast of new areas of legislation or good practice approaches in tackling rogue landlords and letting agents.
- 1.7. The GLA has received funding from Ministry of Housing, Communities and Local Government's Controlling Migration Fund totalling £322,500. It is proposed that the GLA develops and implements a 'Better Renting' programme of learning and training opportunities to build the capacity of London boroughs' PRS enforcement teams. This would comprise:
  - a new qualification focussed on improving standards and practices in PRS (£150,500);
  - funding for existing, qualified officers to enrol on selected training courses to expand their skills, including in tenancy mediation and sustainment (£49,500);
  - a new operational PRS forum to enable networking between officers and other stakeholders and promote best practice (£35,000);
  - funding towards publicity to promote housing environmental health and trading standards careers to school leavers, with a specific focus on increasing diversity in the sector (£7,500); and
  - appoint a project support officer to support delivery of the above (£80,000).
- 1.8. The proposed programme will include a specific focus on helping London's vulnerable communities, who could suffer unintended consequences from local authority work to tackle malpractice in the sector. This includes people with insecure immigration status, who may be vulnerable to rogue landlords due to the Government's 'right to rent' policies and factors connected to their immigration status such as poverty or exploitation. The Mayor has called the Government's 'hostile environment' policies a 'national scandal' and seeks to ensure that these policies do not unfairly target those with insecure immigration status. The Mayor is opposed to any use of immigration checks as part of work to tackle poor standards and conditions in the PRS. A central theme of the 'Better Renting' programme will therefore be to encourage councils to use best practice in relation to supporting vulnerable communities, to ensure that they can maintain their tenancies and access support from related services.

PRS standards qualification (£150,000)

- 1.9. It is proposed that the GLA works with a training provider and a borough steering group of PRS Partnership members to design and commission an accredited course focussed on PRS housing regulation. This will be aimed at delivering a level 4 or 5 qualification (equivalent to a higher national diploma) accredited by the Chartered Institute of Environmental Health.
- 1.10. The course would be for those with little or no experience in housing, who would be enabled to become environmental health practitioners, capable of carrying out the full range of activity to improve standards and conditions in the PRS. Those completing the course would be equipped to inspect properties, investigate criminal landlords, issue civil penalties and prepare criminal prosecutions.
- 1.11. The course will include tenancy sustainment for vulnerable renters, with the aim of building good practice into local authority processes. This would include awareness-raising about the needs of vulnerable renters and how they end up in inappropriate housing (such as through 'hostile environment' policies), as well as developing pathways to relevant council and third sector support services to which those who lose their homes are usually referred. This will help to ensure that work to tackle rogue landlords does not have negative unintended consequences on vulnerable communities, such as migrants and those with insecure immigration status.
- 1.12. The funding for this element of the programme will cover the cost of a training provider to develop the syllabus, course content and delivery method and a consultant project manager to oversee the

<sup>&</sup>lt;sup>4</sup> GLA (2019) Questions to the Mayor: Immigration in London. [online]. Available at: https://www.london.gov.uk/questions/2018/1163 [Accessed 5 Nov 2019].

development and implementation of the course, and a contribution to the course fees of one officer in each borough for one year. It is proposed that boroughs would hire new staff to take up a place on the course, combining academic study with on-the-job training. Boroughs will be expected to bear the full cost of further places on the course and to cover the salary of new officers they hire. The GLA will work closely with the training provider to minimise the cost of undertaking the course.

Upskilling existing private rented sector housing officers (£49,500)

- 1.13. Several training providers in London offer courses for existing environmental health and trading standards practitioners. These vary in length and complexity and tend not to result in a qualification. The areas covered include investigative skills, recent legislative changes, such as the introduction of licensing, and the Housing Health and Safety Rating System, which is used by councils as the basis for inspections to identify hazards in the PRS.
- 1.14. Such courses play a valuable role in filling skills gaps on an ad-hoc basis. It is proposed that the GLA measure demand for specific training courses through the PRS Partnership and use its bargaining power to bulk-buy places on them at preferential rates, where possible.
- 1.15. It is proposed that the first set of workshops focuses on tenancy sustainment and mediation. This type of approach helps to improve joined up working between council PRS and housing options teams, resulting in better advice and support for tenants. Providing training in this area to all boroughs would help build a more consistent approach to tenant support across the capital, particularly to those on insecure tenancies who are more likely to be the victims of rogue landlords.

Private Rented Sector Forum (£35,000)

- 1.16. The Mayor's PRS Partnership has been meeting bi-monthly since April 2017. The Partnership is facilitated by the GLA's PRS team and the topics and projects are agreed by the members. The success of the PRS Partnership has led to appetite from boroughs to further build their networks, knowledge and skills through a series of less formal and more operationally-focused events. Facilitating this would also help promote a culture of collaboration, continuous improvement and professional development across the sector.
- 1.17. It is proposed that the GLA commissions a forum to complement the PRS Partnership (which would continue to have a primarily strategic focus), to enable officers to network, learn from invited speakers and improve the consistency of knowledge and application of high-quality PRS enforcement across London. The forum would be open to all borough officers tackling standards and conditions in the PRS, including those working in training standards. Again, there will be a strong focus on supporting vulnerable communities.
- 1.18. It is proposed that an external organisation will be procured to set up and manage the forum and deliver six sessions over a year.

Promoting careers in the private rented sector to school leavers (£7,500)

1.19. There is also a need to promote environmental health and trading standards to school leavers to increase the long-term pipeline of qualified officers. This work will have a specific focus on improving diversity in the sector. The funding will be used for promotional material and attendance at jobs and careers events. £1,728 of this spending has been used to buy a stand at SkillsLondon, the UK's largest skills event for young people, to promote careers in this field to this group.

Creation of a Project Officer role to support programme delivery (£80,000)

1.20. The current private rented sector team does not have sufficient capacity to deliver the above ambitions whilst maintaining high quality outputs across existing work streams within the contracted hours. £80,000 of funding from this programme will be used to fund the creation of a Project Officer (grade 7) for a fixed period of 21 months. Creation of this post has also been approved through a Head of Paid Service Decision CO100.

## 2. Objectives and expected outcomes

- 2.1. The objectives of this proposed programme are to:
  - increase capacity and skills to enable London boroughs to take more action against rogue landlords;
  - improve knowledge of tenancy sustainment and mediation services and techniques across boroughs; and
  - increase sector-wide learning and networking to continually improve services.
- 2.2. This programme will provide an enhanced and holistic package of training opportunities to all London boroughs. The breadth of opportunities will allow councils to choose a mix of training courses that meets their needs and resourcing requirements. The programme should result in an increase of a minimum of 33 qualified housing environmental health officers across London and more widespread adoption of best practice approaches, as officers' benefit from training opportunities and learn from others. This will ultimately improve standards and conditions in London's PRS.
- 2.3. This programme should also increase boroughs awareness of vulnerable and insecure private tenants and give them tools and additional capacity to support them better.

#### 3. Equality comments

- 3.1. Any decisions made with regard to these initiatives will comply with the Equality Act 2010 and, in particular the requirements of the Public Sector Equality Duty as set out in section 149 of the Act.
- 3.2. This provides that in the exercise of their functions, public authorities must have due regard to the need to:
  - eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
  - advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
  - foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 3.3. The obligation in section 149 is placed upon the Mayor, as decision maker. Due regard must be had at the time a decision is being considered. The duty is non-delegable and must be exercised with an open mind.
- 3.4. This project has been developed with consideration for the Mayor's 'Inclusive London' strategy, support from the Mayor's social integration team and using evidence from the GLA's Housing in London 2019 report and the Equality, Diversity and Inclusion Evidence Base.
- 3.5. In improving standards and conditions in the private rented sector this policy will be of benefit to people with several of the protected characteristics provided for in the Equalities Act 2010 such as:
  - age (70 per cent of private renters are under 45 years old);
  - race and ethnicity (63 per cent of London's private renters were born overseas and BAME groups are over represented in low income households proportionate to population size); and
  - pregnancy and maternity (30 per cent of households living in the private rented sector now have dependent children).
- 3.6. As set out in the London Housing Strategy Impact Assessment, the Mayor's proposals to improve property standards and management practices in the PRS (Policy 6.1) target the worst parts of the

sector, where low income households, among which those with several protected characteristics are over-represented, are most likely to live. As noted above, a specific focus of the programme will be on migrant communities who are more likely to be concentrated in substandard PRS housing and whom this programme will provide increased benefits.

#### 4. Other considerations

Key risks and issues

4.1. The table below outlines the risks posed by this initiative, the level of risk and the action GLA officers will be undertaking to mitigate these risks.

Risk	Rating	Mitigating action
Programme is not delivered to time by external partners	Low	Officers will procure partners in line with the GLA's Contracts and Funding code and put in place robust monitoring and liaison arrangements to ensure that the project is on track. There will be increased capacity within the PRS team for this.
Lack of interest and capacity to carry out projects from delivery partners	Low	Soft market testing by the GLA has demonstrated interest from potential delivery partners.
The training qualification may prove more costly than expected to design and deliver	Medium	Officers have undertaken soft market testing to derive the estimated cost given in this paper. Given the priority of this element of the programme, should costs rise beyond expected levels, officers could reduce the budget earmarked for ad hoc upskilling courses. If necessary, during the design stage and in consultation with boroughs, the course could be tailored to reduce its cost.
Lack of participation by boroughs whose PRS activity is currently limited	Low	The need for the programme has been identified by, and its focus shaped by, the PRS Partnership, and it will continue to be developed in consultation with boroughs. As a result, all boroughs should be bought into the programme. Any resulting underspend by one or more boroughs not taking up training opportunities will be redistributed to fund additional training for other boroughs.
Boroughs may be unable or unwilling to fund additional places on the course beyond the initial (GLA-subsidised) cohort	Medium	The GLA will seek to minimise the cost of the course to boroughs, during its design and as part of the procurement of the course provider.
The GLA may be unable to spend the funding before the planned end of delivery of the qualification is delayed)	Low	Partners procured to deliver the qualification will have clear contractual milestones and delivery deadlines and these will be robustly monitored by GLA officers. If necessary, an extension to MHCLG's funding period could be sought.

Local authorities use officers trained Medium The GLA will make clear to boroughs through the 'Better Renting' benefitting from the programme that the programme to carry out joint work Mayor is strongly opposed to the 'hostile with immigration enforcement teams environment' and that the training provided under the guise of the Government's should not be used to support any activity 'hostile environment' policies related to immigration control. Officers will seek to ensure that, as a condition of taking up opportunities through the programme, boroughs confirm that officers receiving training will not carry out immigration-related activities. The 'Better Renting' programme will include a strong focus on improving support for groups that might be impacted by 'hostile environment' policies.

4.2. No one involved in the drafting of this report has any relevant conflicts of interest to declare.

Links to Mayoral strategies and priorities

- 4.3. The proposed programme contributes to the aims of the Mayor's London Housing Strategy, specifically Policy 6.1 (Improving Standards for Private Renters). This policy states the Mayor will work with councils and the Government to target enforcement resources against the minority of poor quality and criminal landlords.
- 4.4. Every Londoner deserves a safe, warm home in which to live. Improving standards and conditions in private rented housing will have a knock-on effect in a number of related policy areas. These include:
  - health, by reducing symptoms related to poor quality accommodation such as depression and asthma exacerbated by damp;
  - education, by ensuring that young Londoners have safe, appropriate spaces to complete school work; and
  - environment, for example by removing excess rubbish from poorly maintained properties.

Impact assessments and consultations

- 4.5. These proposals were developed in consultation with the Mayor's London Borough PRS Partnership.
- 4.6. These proposals do not present any implications in relation to data protection, as no personal data will be collected during the course of the proposed projects.

#### 5. Financial comments

- 5.1. This decision requests approval for the receipt of funding of £322,500 from the Ministry of Housing, Communities and Local Government (MHCLG) from the Controlling Migration fund. £258,000 is to be received in 2019/20 and the balance of £64,500 was carried forward from 2018/19.
- 5.2. This decision also requests approval to incur expenditure of £322,500 of the above funding to develop and implement a Better Renting programme as detailed in section 1.7.
- 5.3. This expenditure is expected to be incurred over 2019/2020 (£100k) and 2021/2022 (£222.5k).

#### 6. Legal comments

- 6.1. The foregoing sections of this report indicate that the decisions requested of the Mayor fall within the statutory powers of the Authority under section 30 of the Greater London Authority Act 1999 to undertake such activity as may be considered to promote economic development and wealth creation, social development and the improvement of the environment in Greater London and in formulating the proposals in respect of which a decision is sought officers have complied with the Authority's related statutory duties to:
  - (i) pay due regard to the principle that there should be equality of opportunity for all people;
  - (ii) consider how the proposals will promote the improvement of health of persons, health inequalities between persons and to contribute towards the achievement of sustainable development in the United Kingdom; and
  - (iii) consult with appropriate bodies.
- In taking the decisions requested, the Mayor must have due regard to the Public Sector Equality Duty; namely the need to eliminate discrimination, harassment, victimisation and any other conduct prohibited by the Equality Act 2010, and to advance equality of opportunity between persons who share a relevant protected characteristic (race, disability, gender, age, sexual orientation, religion or belief, pregnancy and maternity and gender reassignment) and persons who do not share it and foster good relations between persons who share a relevant protected characteristic and persons who do not share it (section 149 of the Equality Act 2010). To this end, the Mayor should have particular regard to section 3 (above) of this report.
- 6.3 Officers must ensure that any external services required for the 'Better Renting' programme be procured in accordance with the Authority's Contracts and Funding Code and with the assistance of Transport for London's procurement team. Furthermore, officers must ensure that appropriate contractual documentation be executed by both the Authority and the relevant contractor prior to the commencement of the required services.

## 7. Planned delivery approach and next steps

- 7.1. The project will be led by the GLA's private rented sector team, including a new dedicated project support officer, approved through a Head of Paid Service decision (CO100). The team will be supported by the GLA's Social Integration and Skills teams, TfL Legal and the PRS Partnership.
- 7.2. External organisations or individuals will be procured to deliver key project outcomes, as outlined above. All procurement will be in line with the Contracts and Funding Code and other relevant GLA policies.
- 7.3. A borough steering group, formed of PRS Partnership members, will be established to inform the creation of the PRS qualification and PRS forum.

Activity	Timeline	
Procurement for delivery partner – qualification design	End December 2019	
Procurement for delivery partner – PRS forum	End December 2019	
Procurement for delivery partner – delivery of qualification	End February 2020	
Delivery of PRS forum	April 2020 onwards	
Delivery of training programmes	January 2020 onwards	
Delivery of qualification	September 2020	
Delivery end date (unless extension agreed with MHCLG)	September 2020	
Project evaluation for MHCLG	October 2020	
Longer term project evaluation	Ongoing	

#### Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FoIA) and will be made available on the GLA website within one working day of approval.

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary. **Note**: This form (Part 1) will either be published within one working day after it has been approved or on the defer date.

#### Part 1 - Deferral

## Is the publication of Part 1 of this approval to be deferred? YES

If YES, for what reason: To enable the GLA to carry out the procurement exercises referenced above. Disclosure of the budget available to deliver these contracts could unfairly prejudice the GLA's ability to obtain best value. Publication of this Decision will therefore be deferred until the relevant contracts have been awarded.

Until what date: (a date is required if deferring): Until after contracts have been awarded, likely to be March 2020.

#### Part 2 - Sensitive information

Only the facts or advice that would be exempt from disclosure under FoIA should be included in the separate Part 2 form, together with the legal rationale for non-publication.

is there a part 2 form - NO

ORIGINATING OFFICER DECLARATION:	Drafting officer to confirm the
	following (✓)
Drafting officer:	
Tom Gill has drafted this report in accordance with GLA procedures and confirms the following:	✓
Sponsoring Director:	
Rickardo Hyatt has reviewed the request and is satisfied it is correct and consistent	✓
with the Mayor's plans and priorities.	2
Mayoral Adviser:	
Jules Pipe CBE has been consulted about the proposal and agrees the recommendations.	✓
Advice:	
The Finance and Legal teams have commented on this proposal.	✓
Corporate Investment Board	
This decision was agreed by the Corporate Investment Board on 25 November 2019.	

#### **EXECUTIVE DIRECTOR, RESOURCES:**

I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

Signature

M. D. Alla

Date 25. 11. 19

### **CHIEF OF STAFF:**

I am satisfied that this is an appropriate request to be submitted to the Mayor

Signature

D. Belleny

Date 25/11/2019

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