

# GREATER LONDON AUTHORITY

## REQUEST FOR ASSISTANT DIRECTOR DECISION – ADD317

### Title: London Rental Standard Marketing Campaign

#### Executive Summary:

The GLA is undertaking a series of projects to improve London's private rented sector, the centrepiece of which is the London Rental Standard initiative. To help publicise the London Rental Standard and to accredit as many landlords and agents by 2016, the initiative requires a major marketing campaign. The campaign is designed to raise tenant awareness of the scheme and to promote accreditation to landlords, letting agents and managing agents.

The marketing campaign started in Spring 2014 and is scheduled to take place through to March 2016. The total cost of the campaign to the GLA is £250,000 as agreed in MD1246.

#### Decision:

That the Assistant Director approves the GLA's entry into a sponsorship arrangement with EasyRoommate of the London Rental Standard programme and the receipt of £30,000 from EasyRoommate for additional marketing spend on the programme.

#### AUTHORISING ASSISTANT DIRECTOR/HEAD OF UNIT:

I have reviewed the request and am satisfied it is correct and consistent with the Mayor's plans and priorities.

It has my approval.

**Name:** Emma Strain

**Position:** Assistant Director – External Relations

**Signature:**



**Date:** 29.6.2015

## **PART I - NON-CONFIDENTIAL FACTS AND ADVICE**

### **Decision required – supporting report**

#### **1. Introduction and background**

##### Contextual background

- 1.1 In 2012, the Mayor of London launched his Housing Covenant for London. The third part of that covenant, *"Making the private rented sector work for Londoners"* (published in December 2012), set out the compelling reasons for empowering consumers in the private rented sector and introduced a standard – the London Rental Standard ("LRS") – that sets a benchmark, to be implemented by accrediting bodies, for the services that tenants should expect from their landlords and letting agents.
- 1.2 The LRS is also an integral part of the proposals for improving the private rented sector contained in the Mayor of London's statutory London housing strategy, published in November 2014.

##### Background information on the LRS

- 1.3 The Mayor's strategy for improving London's private rented sector is focused on expanding voluntary landlord and letting agent accreditation. The Mayor's manifesto included three relevant commitments:
- Launching the London Rental Standard
  - Implement the 'single badge' of accreditation so that the LRS is recognised and used by as many tenants, landlord and letting agents as possible by 2016
  - A campaign to increase accreditation of landlords and letting agents
- 1.4 The London Rental Standard underwent public consultation between December 2012 and February 2013 and was launched in July 2013.
- 1.5 The marketing campaign to promote LRS, encouraging landlords and agents to sign up, was agreed by the GLA (through MD1246), with an agreed expenditure of:
- up to £150,000 from the 2013/14 Housing and Land budget to deliver the initial year of the LRS public awareness campaign
  - A further £100,000 to March 2016 (subject to resources being identified in the Housing and Land budget.)
- 1.6 To date:
- 14,350 landlords are signed up to the scheme
  - 331 letting and managing agent firms are signed up
  - At least 121,200 homes are now managed by a London Rental Standard agent

##### Commercial Partners for the LRS

- 1.7 As part of the marketing campaign, the GLA has partnered with commercial partners to promote the LRS and encourage landlords through providing incentives to sign up to become accredited. A tender process was carried out and Endsleigh Insurance and Mydeposits were contracted in May 2014. The partners featured in the first phase of the LRS marketing campaign in exchange for promoting the LRS through their marketing channels and providing incentives to new clients.
- 1.8 Following the success of the first phase of the LRS marketing campaign and consultation with the LRS steering group, it was decided that to increase the reach of the campaign, the GLA would invite other commercial partners who were able to offer in-kind marketing value. The GLA approached

companies in different sectors and advertised the opportunity on the London.gov.uk website. Easyroommate proposed to a partnership which included a contribution of £30,000 to augment the marketing campaign, particularly for content to increase digital marketing activity. In order to ensure that the GLA was receiving best value, the GLA presented this opportunity to a competitor of Easyroommate and after evaluating the proposals from both companies; it was decided to proceed with Easyroommate.

- 1.9 This ADD seeks approval to enter into contract with EasyRoommate, a flat-sharing website with 90,000 London landlords on their database to provide a contribution of £30,000 towards the GLA's LRS marketing budget, as well as promoting the scheme on the EasyRoommate website.

## **2. Objectives and expected outcomes**

- 2.1 Promoting the London Rental Standard is crucial to achieve the Mayor's target to increase accreditation landlords and agents. Raising awareness of the London Rental Standard will:
- Drive landlords and letting agents to sign up with an accreditation scheme so that they can benefit from the recognition it brings.
  - Encourage tenants and prospective tenants to take the accreditation of their landlord or letting agent into account.
- 2.2 The key business objective is to achieve the target set out in the Mayor's manifesto and increase the number of accredited landlords and letting agents in London.
- 2.3 Specific marketing objectives include:
- A London Rental Standard stakeholder awareness campaign aimed at encouraging landlords, letting agents and managing agents to join the campaign.
  - A London Rental Standard consumer awareness campaign aimed at creating demand amongst the rental community i.e. private tenants and potential tenants.

## **3. Equality comments**

- 3.1 The London Rental Standard is a policy contained in the Mayor's London housing strategy.
- 3.2 In January 2014 the GLA published an integrated impact assessment ("IIA"), including an equalities impact assessment, of that strategy. This considered the Mayor's policies to improve access to, and the condition of, the private rented sector; concluding that these should have a number of positive impacts and should improve the quality of private rented accommodation, in particular through wider accreditation of landlords. It also concluded that the increasing numbers of children living in the private rented sector are likely to be an important beneficiary group of the proposals.
- 3.3 The IIA also concluded that the actions related to the London Rental Standard should have an indirect positive effect on security and equality of access. It concluded that the policies should promote health and well-being, security, empowerment and potentially access to work for vulnerable and homeless households, by providing access to appropriate private sector rented accommodation when low cost rented housing is in short supply. It should also empower and increase the financial security of private sector tenants on lower incomes by improving information on rent levels and by protecting rental deposits.

#### 4. Other considerations

##### a) Key risks:

Risk description/ potential impact	Rating	Mitigating actions
Failing to target marketing and promotional activities at receptive letting agents and landlords	Low	The lack of ownership records presents difficulties in targeting activities specifically at landlords and letting agents. However, this is not a significant problem on account of the sheer number of landlords in London (over 300,000). A general public awareness may therefore be the most cost effective means of capturing both landlords/agents and tenants.
The accreditation schemes will be unable or unwilling to take on new members generated as a result of this campaign	Low	The GLA has invested in the largest landlord scheme, the London Landlord Accreditation Scheme (LLAS) as a means of preparation for the increase in numbers. Similarly, all accreditation schemes have been supportive of the campaign and have joined a steering group to oversee the progress. All accreditation schemes have also agreed to pay a license fee to the GLA to fund the monitoring of the schemes, showing their commitment to the LRS.
The marketing campaign will not generate enough interest from landlords, letting agents or tenants to meet the Mayor's target for 2016.	Medium	The GLA is working on a new strategy to boost engagement and sign ups from landlords, set to launch in August 2015.

##### b) Links to Mayoral strategies and priorities:

The Mayor's revised London Housing Strategy includes the following policies:

- 2.3J: The Mayor will introduce a single badge of accreditation for London's landlords and letting agents and management agents to help create consistency across the sector
- 2.3K: The number of accredited landlords in the capital will increase to 100,00 by 2016 and the Mayor will explore the introduction of incentives for landlords to become accredited, such as access to funding to improve environmental standards

##### c) Impact assessments and consultations:

- The Mayor's plans for improving the private rented sector have been subject to a full public consultation, during which 80 individual responses were received and over 5,000 tenants responded to a parallel consultation conducted by Shelter.
- The London Housing Strategy has gone through a fully integrated impact assessment and has been subject to two periods of statutory consultation; one with the London Assembly and functional bodies, one with the public

#### 5. Financial comments

- 5.1 Approval is being sought for the receipt of £30,000 of sponsorship income from EasyRoommate and associated expenditure of up to £30,000 of this income for additional marketing spend on the London Rental Standard programme. Expenditure should not be committed until a contract for the sponsorship arrangement is in place.

## 6. Planned delivery approach and next steps

Activity	Timeline
Delivery Start Date	August 2015
Final evaluation start and finish (self)	Nov 2015 – Jan 2016
Delivery End Date	Oct 2015
Project Closure:	Jan 2016

**Public access to information**

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FOI Act) 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 approval or on the defer date.

**Part 1 Deferral:**

**Is the publication of Part 1 of this approval to be deferred? NO**

If YES, for what reason:

Until what date: (a date is required if deferring)

**Part 2 Confidentiality:** Only the facts or advice considered to be exempt from disclosure under the FOI Act should be 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:**

Caroline Khoo has drafted this report in accordance with GLA procedures and confirms that the Finance and Legal teams have commented on this proposal as required, and this decision reflects their comments.

✓

**HEAD OF GOVERNANCE AND RESILIENCE:**

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

**Signature:**



**Date:**

29.06.15