

PROMOTING SAFETY AND STANDARDS ACROSS THE SECTOR

Sian Berry AM City Hall The Queen's Walk LONDON SE1 2AA

483 Green Lanes, London, N13 4BS 23 March 2020

Dear Sian

Thank you for your letter dated 20th March entitled 'Protection for property guardians during the covid-19 crisis'.

Could we start our response by quoting the recent words of your finance spokesperson, Professor Scott Cato, that "To address the challenge of this highly contagious virus we must all work together, and everybody must be protected." In that light, may we highlight a few important facts:

- Many of the PGPA member companies and their staff are also your constituents, and the protection of their business, their employment and their health and safety is paramount also in this crisis.
- Approximately a third of the PGPA members guardians are key workers: nurses, paramedics and ambulance staff, teachers, police officers and firefighters we estimate over 2,000 and that most of those live in London. They have chosen property guardianship so that they can afford to live nearer their place of work, and it is therefore *vital* that **the sector is supported** to enable their continued base within the capital. This is one of *many* examples where the property guardian sector, done well, should be regarded as a force for good and should be encouraged as an option for the provision of affordable accommodation.

- Property guardian companies are *not* landlords, and do not operate in the private rental sector, so the government's recent economic package which aims to assist both tenants, with rents, and landlords, with mortgage payments, will not help our members square the circle between reduced income from license fees and continued expenditure in running their businesses.
- Property guardian companies have built up considerable goodwill amongst the vast majority of their guardians, which is why many of them stay with the members for years, and it is in the companies' interests to maintain and develop their relationships with their guardians for the long-term benefit of both their business and the sector.
- With the significant spend on converting properties to ensure they comply with health, safety and HMO licence requirements before the sites are ready for guardians, plus the operational costs of staff, maintenance, office, the independent health and safety audits and PGPA membership fees, the margins in the sector are very slim; consequently, as with many industries, the current virus crisis may place business continuity for the sector in some jeopardy.

In advance of your letter of 20th March, the members of the PGPA had already discussed measures that would support and protect guardians who run into difficulties through the coronavirus. They have agreed the following:

i) It is of paramount importance that PGPA members work with their guardians to support them during the next three months of this crisis in both financial terms and with regards to their health and safety.

ii) It is important to remember too, that guardian companies employ hundreds of staff and that their protection, both with regards to employment and health, is paramount also.

iii) Any guardian who, from the week beginning 16th March, has lost part or all of their income through the coronavirus crisis, and is not able to pay their monthly licence fee, will not be served notice to leave. This excludes circumstances where guardians seriously breach other areas of their license agreement such as violent behaviour or criminal acts, or when the building is no longer available for use as a guardian property (see xi) below).

iv) All PGPA members planned license fee increases for 1st April have been suspended for three months.

v) For guardians who demonstrate they have lost part or all of their income through the virus crisis:

- people on benefits would not usually be accepted as guardians, **but those who are already in guardianship agreements** with member companies, and then subsequently lose their income because of the coronavirus crisis, **will be allowed to remain as guardians**, if and when they begin claiming benefits.
- housing benefits they receive would be expected to be used to cover their license fees.
- they will be asked to demonstrate they have sought government assistance for funding under the schemes announced by the Chancellor of the Exchequer.
- for those who are unable to access this additional support, the PGPA member will review with the guardian their fee arrangements on an individual basis. For example, members are seeking legal advice as to whether they can ask licensees' consent for the use of deposits to temporarily cover the difference in their ability to pay the fees. This and other potential options are being actively investigated to find ways that both support the guardians and maintain an income so that the guardian providers' businesses can continue to operate.

vi) All PGPA members are currently communicating with their guardians at least weekly, keeping them up to date on the latest Government advice on the prevention of the spread of the virus. We are actively urging guardians to follow and heed that advice. Most of the properties have posters prominently displayed, reinforcing that advice. The members are ensuring this week that all remaining properties will have that information displayed.

vii) Company staff regularly inspect the guardian properties but will be asked to keep a socially safe distance from guardians, and will not be expected to enter guardians' rooms. They will continue to check fire escapes and all safety measures taken within the properties, including the clearways of the escape routes. As staff are increasingly required to self-isolate, these inspections will become more difficult to maintain on as regular a basis as before.

viii) This year the PGPA introduced a coordinated partnership with a Primary Authority, who has conducted a series of fire and safety audits on members properties. We confirmed on 18th March with the Authority directly, that these audits will continue during the coronavirus crisis unless government guidelines restrict their attendance. Only members of the PGPA are subject to these independent audits, which can be requested at short notice.

ix) All members' properties have hot water available in bathrooms and kitchens. This is an absolute requirement, and **no** PGPA member foregoes this.

x) Where guardians have already been given their notice to leave prior to the coronavirus pandemic, through having enacted serious breaches of their licence agreements, from long-term non-payment of fees through to unacceptable (eg violent) behaviour, these notices will not be suspended or halted.

xi) Property guardian companies will always strive to find alternative accommodation for guardians, should their property be required for use to provide services pertaining to the crisis. But they cannot make any guarantees because only available and appropriate accommodation can provide alternatives, and if these are not available then there are no options to do so. In one instance, for example, a local authority has required a property back from a guardianship scheme to provide a drop-in centre for covid-19 purposes. The London Assembly could significantly help to encourage temporarily vacated buildings to be used for guardian properties; the PGPA would be willing to work with the LA to achieve this.

Yours sincerely

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