

Response from The Home Safe Scheme Ltd to the Proposal by Sefton Council to introduce Selective and Additional Licensing

This submission is a response to Sefton Council's consultation proposal to implement a Selective Licensing scheme within the area of Bootle and an Additional Licensing scheme in parts of Southport, Waterloo, Brighton-le-Sands and Seaforth. It follows a detailed conversation with MEL consulting who are undertaking the consultation on behalf of the Council. We would ask that it is included in the formal consultation response report and circulated amongst the elected members who will be making the decision and those directly affected by the proposals, i.e., Cabinet and Ward Members.

Introduction

My name is Carl Agar, a landlord, property developer, estate & letting agent and representative of the National Landlords Association (NLA), based in Doncaster, with over ten years' experience of the private rented sector. For clarification purposes this response is in no way associated to the NLA and is purely in the capacity of my position within The Home Safe Scheme Ltd.

Through the summer of 2014, following a consultation by Doncaster Council on a selective licensing proposal for the area of Hexthorpe, we developed an alternative to the pure legislative approach to licensing. I did this in the belief that changing landlord behaviour through legislation alone would only have negligible success and would only result in a reluctantly compliant and, therefore, resentful sector. To see real and lasting change in landlord behaviour would be better achieved through support and development alongside the legislative approach.

This support and development however does not represent self-regulation, as it is provided by the under-pinning of regulation, thus, the term "co-regulation" best defined our approach. Working with the Local Authority we have provided support in setting licence conditions specifically tailored to address local issues. Furthermore, our scheme membership requirements extend beyond the licence conditions, by working with the Local Authority to find better solutions, hence in a co-regulated way.

It would be wrong for the approach I developed with Doncaster Council to be confused with what, for example, Liverpool City Council appear to have done with their selective licensing scheme delivered in conjunction with a selection of outsourced providers who in my opinion are just delivering reactive support.

It is my belief that what is happening in Liverpool does not represent co-regulation but is more a relationship between the City Council and their outsourced providers based simply on the belief that the more landlords that are members of such organisations means they will, automatically, be more compliant. A 50% reduction in license fee is the incentive for taking this approach further suggesting this is simply about getting landlords to join the outsourced providers. This raises the question that if the legislation requires a Local

Authority to recover the costs of running the scheme through licence fees how such a reduction can be applied simply for being a member of an outsourced organisation when all property compliance checks and monitoring should be the same irrespective of which, if any, organisation a landlord is a member of.

This is why I would contend that the Liverpool scheme is not actually an example of “co-regulation” but of a Local Authority having a ‘partner’ organisation helping them deliver a licensing/ via an accreditation scheme. To many this subtle difference will be of no consequence but I have worked hard to develop a model that sits between pure regulation and self-regulation and so to me the term “co-regulation” needs to be understood for what it really is.

Summary

The Home Safe Scheme Ltd (www.thehomesafescheme.org.uk) is a private sector organisation that was set up to provide a ‘co-regulated licencing support service’ as a result of the implementation of a Selective Licensing scheme in the Hexthorpe area of Doncaster. Following the responses to the public consultation on that scheme, DMBC agreed to modify their original Selective Licensing scheme proposal to enable a ‘co-regulation’ approach to operate in Hexthorpe as opposed to the usual version of Selective Licensing more familiar in other areas nationally. The Home Safe Scheme Ltd (Home Safe) is the co-regulation partner with which DMBC has been working in the Hexthorpe area since the designation was made in April 2015.

Home Safe is now also the co-regulation partner of West Lindsey District Council in the operation of the Selective Licensing scheme in the South West Ward of Gainsborough which was granted its licensing designation in April 2016. Doncaster Council is currently consulting on a second scheme and is looking to use the Home Safe approach again. Blackpool Council have consulted on their scheme area, have approved using Home Safe and are now awaiting DCLG approval of their proposals as it takes them over 20% of their private rented stock.

Clearly, from the information provided by Sefton Council in the consultation document, there is a problem within the private rented sector in the area. We would like, in the context of the licensing schemes proposed, should a licensing scheme be the outcome, to propose that the innovative solution of co-regulation already deployed in Doncaster, Gainsborough and shortly Blackpool, is also made available to landlords and residents in any Sefton designation.

We understand that all Councils have limited tools to try and deal with the problems evident in the private rented sector and which are evident in these areas. Our belief however, is that Selective Licensing, in its raw form, is not as effective as it should be but that it can be quantifiably so if deployed via the mechanism of co-regulation as seen by The Home Safe Scheme partnerships currently in operation.

We are the founders, along with DMBC, of this alternative and innovative approach and can offer Local Authorities the ability to deliver all the objectives of Selective Licensing but, crucially, with the active co-operation of the sector. In this way, the sector sees itself as a participant rather than a disparate collection of passively regulated individuals. Landlords in these areas can thus have a stake in their own development, in improving the sector and most importantly, in the community at large.

Since the inception of the Home Safe Scheme in Doncaster there has been a phenomenal increase in the levels of engagement from the area's private sector landlords and Managing Agents, which can be evidenced both by Home Safe and DMBC. For example, we can show that every landlord who is a member of Home Safe has a property or properties that have all the relevant up to date valid certifications with many having had works carried out in order to provide these. All Managing Agents nominated by Home Safe landlords to manage properties in the scheme area have provided evidence of their Fit & Proper Person status and are members of an approved Redress Scheme. This has freed DMBC to focus on pursuing those landlords who had shown no interest in engaging or complying with the Scheme and enabled them to commence ultimately successful prosecution cases against those landlords within 9 months of the scheme going live.

With regard to property inspections we create a compliance baseline, from the very beginning, of all stock within a scheme area by deploying our team of HHSRS inspectors to inspect all scheme properties. Following that, members are offered training in order for them to facilitate their own inspection regime (with strict controls by the Council and Home Safe built in). It's worth noting that in the Doncaster designation all accessible properties were inspected within 6 weeks of the inspection phase beginning and we saw landlords actively engaging with the scheme.

Thus, we believe that a similar scheme to those in place in Doncaster and Gainsborough would be of great benefit to the residents (generally) and landlords (both private and public sector) in the Sefton areas as well as to the Council. Home Safe's alternative scheme will enable Sefton Council to use their existing powers and resources more effectively and in a more targeted manner allowing them to focus those resources directly against the willingly bad, un-cooperative and non-complying landlords.

We would, therefore, welcome the opportunity to discuss working with Sefton Council in developing a co-regulation scheme for their chosen areas on the same lines as we did in Doncaster, Gainsborough and Blackpool but incorporating improvements based on experience learned from those areas.

Finally, I have included below some testimonials we have received, without prompting, showing the positive impact we are having within the private rented sector and the effective partnership working we are experiencing with DMBC and WLDC:

I would like to express my gratitude towards you and your very professional team in helping me resolve a number of issues as a landlord that I have experienced.

I believe The Home Safe Scheme is an asset to all landlords and would recommend that landlords sign up to your service. Your expertise, advice and support is very valuable and very much appreciated.”

Gainsborough Landlord

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I would like to say the Home Safe Scheme is fantastic. I found it very easy to send all my certificates through.

Every time I ring up the phone is picked up by staff quickly. Staff have got the knowledge on housing and Landlords.

Emails have come through with different opportunities for boilers and discounts for landlords.

The Customer Service is excellent 10 out of 10. The website is easy to understand and follow. The scheme is much better than the local authority one because they are aware of the issues.

It is affordable too.

Kind Regards

**Doncaster Landlord**

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I attended the Home Safe compliance training course on the 1st November 2016, I found the course to be nicely relaxed but with a professional feel, I have limited knowledge of the Landlord regulations, but being a part of the Home Safe Scheme, my knowledge & confidence is growing. The course helped answer all the questions I had, in an impartial and helpful way. I especially found it helpful that a member of Doncaster Council was present & supported Carl in giving his presentation.

The venue was good, the timings were very informal, which all added to a relaxed atmosphere. The course content was good & my advice for any future attendee, would be to make your own notes as there are always more helpful tips to learn throughout the discussion. Once again, Carl presented very professionally & fielded questions along the way in a confident & qualified manner.

You provided an excellent course that was well structured and nicely taught. I would happily recommend any Landlord to attend.

The interaction with the Home Safe Scheme team was professional but light hearted, but full of information & sound advice. The course ran through the Compliance checks efficiently to enable correct & timely completion.

I thoroughly enjoyed being part of the course & continuing to expand my knowledge to help me become a better Landlord.

On the whole, an excellent course, very focussed on the topic and a very good spokesman in Carl."

Doncaster Landlord

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I would be very grateful for the opportunity to meet, if possible, and discuss our approach in more detail as I am always keen to test my theories against informed practitioners such as yourselves. Many thanks for your time in reading this and I hope we can meet up soon.

Kind Regards,

Carl Agar  
Managing Director