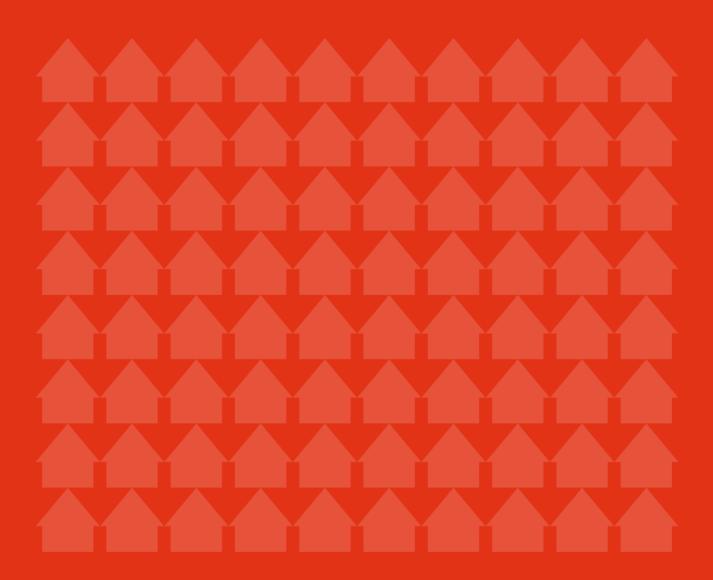


# **Good Landlord Charter**

## **Consultation Document**

January 2024



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## The consultation

#### Why are we consulting?

Research for the Greater Manchester Combined Authority (GMCA) shows the scale of the challenges Greater Manchester's (GM)'s renters are currently facing. Although many landlords across the city region pride themselves on providing good housing, more can be done to give them recognition and help tenants identify them. We would like to understand how a Good Landlord Charter could help to do this.

#### What are we consulting on?

The Good Landlord Charter would be a voluntary scheme for landlords of all types. To become a member a landlord would need to show that they are currently meeting the legal minimum standards of renting and, with support, commit to higher standards than they are currently required to by law. We want to understand from both tenants and landlords what their priorities are for a safe and decent home.

#### Who are we consulting?

Everyone in Greater Manchester can take part in the consultation, as an extremely wide range of people have a stake in improving renting across the city region.

We are particularly keen to hear what renters and landlords think about our proposals for the Good Landlord Charter, and from groups representing or working with them.

We also know from research that specific communities across Greater Manchester are disproportionately negatively impacted by poor quality housing. Our Equality Impact Assessment outlines this in more detail.<sup>1</sup> We want to hear from these communities, and people who work with them about their experiences.

<sup>&</sup>lt;sup>1</sup> Equalities Impact Assessment can be accessed (along with other background documents) at <u>Good</u> <u>Landlord Charter - Greater Manchester Combined Authority (greatermanchester-ca.gov.uk)</u>

#### How are we consulting?

Responses to the written consultation must be received by 12pm on 26<sup>th</sup> February 2024. They can be completed:

- online at <u>www.gmconsult.org</u>
- by emailing goodlandlordcharter@greatermanchester-ca.gov.uk
- by sending postal responses to Planning and Housing Team, GMCA, Tootal Buildings, 56 Oxford Street, Manchester M1 6EU

To respond, please let us know some information about yourself:

Q1: In what capacity are you responding to the consultation? Tenant of a private landlord / tenant of a housing association or council / private landlord / social landlord / public sector / letting agent / organisation working with tenants, landlords or agents / interested resident / other

Q2: If you are responding on behalf of an organisation, what is your organisation's name? Free text

**Q3: If you are a tenant, where in Greater Manchester do you live?** Bolton / Bury / Manchester / Oldham / Rochdale / Salford / Stockport / Tameside / Trafford / Wigan

Q4: If you are a landlord or organisation, where in Greater Manchester do you operate? (Select all applicable) Bolton / Bury / Manchester / Oldham / Rochdale / Salford / Stockport / Tameside / Trafford / Wigan

Alongside this public consultation we will be conducting focus groups on our proposals, including with people and communities who are less likely to complete online surveys. We will also be targeting communities who we know are more likely to be negatively impacted by poor quality housing.

Once the consultation has closed the results will be compiled and the GMCA will make a response with the final design for the Good Landlord Charter in 2024.

## **Executive Summary**

## **1.1 Introduction**

The Good Landlord Charter is intended to be the first of its kind: an ambitious new voluntary standard for landlord excellence, no matter what kind of housing they let. It would support landlords to improve practice regardless of whether they are in the private or social rented sector, mainstream or specialist housing.

As a voluntary scheme, the Good Landlord Charter will not be able to tackle all the issues being faced by everyone who is renting. However, just as the Good Employment Charter has engaged with more than a thousand employers across the city region, helping them go above the bare legal minimum employment offer, the Good Landlord Charter would support and work with landlords to achieve higher standards.

It would also provide a valuable resource for renters to identify a new landlord, and with 78% of tenants saying that landlord accreditation would make at least some difference to their likelihood to rent from a landlord, the charter could support landlords to find and retain tenants.<sup>2</sup>

## 1.2 Open to all

The Good Landlord would be open to every landlord in GM to volunteer to work towards membership, including private and social landlords and providers of specialist housing<sup>3</sup>.

Letting and managing agents would play a key role in supporting landlords who have committed to the charter in meeting their commitments, and in championing the charter to their clients.

<sup>&</sup>lt;sup>2</sup> Research for GMCA by DJS, 'How much of a difference would it make to your likelihood to rent from a landlord if they were accredited (i.e., they have undertaken appropriate training and signed up to a code of conduct)?', sample: 1200, all GM tenants, weighted, fieldwork February-June 2023, by online, telephone and face-to-face.

<sup>&</sup>lt;sup>3</sup> Definitions of private and social rented and specialist housing are included in section 2.4 below.

There would be two levels of participation for landlords -

- **Supporter** before landlords could join the charter as a full member, they would first need to become a supporter. Supporters would be able to demonstrate that they met the existing legal minimum requirements and commit to working towards the member criteria.
- Full members would be able to demonstrate they are compliant with existing legal minimum standards and the charter's member criteria (see Figure 1).

Affordable	Inclusive	Private & secure	Responsive	Safe & decent	Supportive	Well managed
Clear and fair rent review or setting process	Make reasonable adaptations to properties,	Tenants able to make reasonable	Published, timely target response times	Fit and proper person check	Commitment to refer tenants at risk of	Landlord must be able to demonstrate accreditation
Giving a fair	where needed by tenant	changes to their home		Any work/repairs done by a	homelessness to council	or training
amount of time to			Clear	qualified	Transparent,	
tenants who struggle to	Demonstrable		complaints policy, with an	tradesperson	easy to understand	Clear start and end-of-
pay their rent	commitment to accepting	Access to a tenant's home	independent stage	Adopt	contracts	tenancy process (e.g.
Properties meet EPC C as a minimum	tenants from any background	by agreement, except in an emergency		standards on what should happen at the start of a	Providing / signposting tenants to	around deposits)
				tenancy (e.g. approach to	useful information	
Not using mandatory				any agreed		
rent arrears ground (social landlords only)				improvements , floor coverings)	Adopting advertising / viewing standards	
,,				Space standards and amenities		

#### Figure 1: Good Landlord Charter member criteria

These member criteria seek to strike a balance between high standards and achievability for landlords. While they would be common across all forms of rented housing, some would only apply to specific kinds of landlords, or apply differently in detail. It is likely that further amendments to the member criteria for specialist housing would be needed after the charter began operation. However, the differences would be kept to a minimum as much as possible.

To ensure that the balance was being effectively maintained and the charter was pushing standards as high as they can practically go, the member criteria would be subject to development over time. Ideally, as standards in rented housing and practice improve, the criteria would also rise.

## 1.3 The charter in operation

GMCA is seeking views on how to implement the charter in practice and make it a success. GMCA wants to understand how landlords – particularly private landlords and providers of specialist housing who pride themselves on providing good housing – could be persuaded to join the charter.

GMCA is confident that a large proportion of GM social landlords will take part in the charter due to the participation of the Greater Manchester Housing Providers in its development. This means that the overwhelming majority of social housing in Greater Manchester would be covered by the charter. At the same time, the potential of using charter membership as part of process of commissioning specialist housing offers a possible lever to improve standards. GMCA is keen to understand the opportunities and challenges of this approach.

GMCA is also seeking views on who should operate the charter and how its future delivery and development should be overseen. The Good Employment Charter is operated day-to-day by an independent implementation unit, hosted by the Growth Company. We are keen to understand if this model would work equally well for rented housing.

## 1.4 Impact

Alongside this consultation we are publishing a full equality impact assessment (EIA) which describes how groups of people with characteristics protected by the Equality Act 2010 and social class are differently experiencing renting, and the prospective impact of the charter on them.

To access supporting documents including the background to the Good Landlord Charter, the EIA and supporting research, please visit <u>Good Landlord Charter -</u> <u>Greater Manchester Combined Authority (greatermanchester-ca.gov.uk)</u>.

## **The Good Landlord Charter**

This part sets out the proposal for the Good Landlord Charter, which was developed for consultation with the Good Landlord Charter Coordinating Group.<sup>4</sup> Questions are included after each proposal to help structure feedback on the charter.

The charter will be a voluntary scheme, with an ambition to cover all forms of rented housing, open to all types of landlord. Neither GMCA nor the Mayor of Greater Manchester can force landlords to sign up to the charter, but by signing up to the charter, landlords would be demonstrating their willingness to meet higher standards to their existing and prospective tenants.

The proposal seeks to balance the desire to set high standards with the need to attract landlords to volunteer.

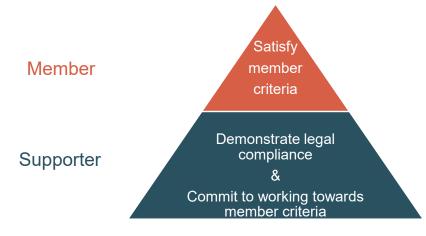
## 2.1 Above legal minimum standards

The focus of this voluntary scheme would be on working with landlords to go beyond their existing legal responsibilities. They would do this by voluntarily meeting specific member criteria that are set above legal minimums. This reflects the view of the coordinating group that it takes more than minimal compliance to be a 'good landlord.' (More information about the initial proposed member criteria is set out below.)

<sup>&</sup>lt;sup>4</sup> The following organisations were included in the coordinating group: The Bond Board, The British Property Federation, Bury Council, DASH, Fair Housing Futures, Generation Rent, Grainger PLC, Greater Manchester Fire and Rescue Service, Greater Manchester Good Employment Charter implementation unit, Greater Manchester Housing Providers, Greater Manchester Student Assembly, Greater Manchester Tenants' Union, Manchester City Council, Manchester Student Homes, National Residential Landlords Association, Safe agents, Shelter, University of Manchester and Wigan Council

However, the coordinating group also recognised that a landlord that breaks the law cannot be a good landlord, even if they are meeting the charter's member criteria, which will need to focus on specific priority areas.

Therefore, even though the focus of the charter would be on exceeding legal minimum requirements, becoming a charter member would also involve demonstrating minimum legal compliance.



#### Figure 1: the two steps to charter membership.

Landlords would first become charter supporters. This would require a commitment to work towards the member criteria and demonstrating minimum legal compliance by, for example,

- Demonstrating membership of an existing accreditation scheme
- Submitting certification
- Potentially agreeing to a proportion of properties being checked, etc.

Landlords who then demonstrated that they satisfied all member criteria would be able to become charter members.

Another advantage of this two-step approach is that it would mean landlords' involvement in the charter could be a genuine journey of improvement, instead of only rewarding landlords who already meet the criteria. Every landlord would join as a supporter without expectation that they met criteria and could then be supported to progress towards meeting all of them.

# Q5: To what extent do you agree that complying with existing legal minimum regulatory requirements should be a prerequisite of participation in the

**charter?** Strongly agree / somewhat agree / neither agree nor disagree / somewhat disagree/ strongly disagree.

Q6: To what extent do you agree that the Good Landlord Charter should encourage landlords to go beyond their legal requirements? Strongly agree / somewhat agree / neither agree nor disagree / somewhat disagree /strongly disagree.

Q7: How do you think that compliance with existing legal minimums should be assured (e.g., property checks, submitting certificates)? Free text

### 2.2 The characteristics of good renting

At the centre of the charter would be seven Good Landlord Charter characteristics. These describe the qualities of a good renting experience and were developed through the coordinating group.

A good renting experience is:

- Affordable a tenant should understand how their rent and other charges are set and should not be ripped-off.
- Inclusive a tenant should not have a worse renting experience because of who they are.
- Private and secure a tenant should be reasonably free to enjoy their home and make it their own.
- Responsive a landlord should respond satisfactorily to requests for repairs, correspondence and complaints.
- Safe and decent a tenant should be able to live free from physical or psychological discomfort in their home.
- Supportive a tenant should have essential information about renting their home and be helped to access extra support if they need it.
- Well managed a landlord should be competent or use a competent managing agent.

The characteristics are intended to be the central pillars of the charter, directing the design of the specific member criteria, now and in the future. They are intended to be

comprehensive and apply across all types of rented housing, so they should be relatable to renters no matter what kind of landlord they have. So, while the member criteria might be updated in the future, and there might be differences between member criteria for different types of landlords, the characteristics would be generally applicable and not expected to change once set.

**Q8:** To what extent do you think that the charter characteristics capture the essential qualities of a good renting experience? Strongly agree / somewhat agree / neither agree nor disagree / somewhat disagree /strongly disagree.

### 2.3 Member criteria

From the seven characteristics of good renting, there are 20 specific commitments that supporters would need to work towards, and members would need to demonstrate.

They are the tangible benefits for tenants of having a charter member as a landlord and help to deliver on the charter characteristics of a good renting experience.

GMCA is proposing to launch the Good Landlord Charter with 20 member criteria, organised across the seven charter characteristics. These member criteria may be amended following the launch of the charter and further member criteria are likely to be added over time. The proposed member criteria are listed over the next pages, alongside some background on each.

#### Affordable

	Member criteria	Background
1.	A clear and fair	Value for money is the biggest driver of private tenant satisfaction and affordability a major concern for
	rent review or	tenants in general. Neither GMCA nor local councils have the power to mandate private rent levels or
	setting process	rent increases, while social rents and increases are determined by national government policy.
		Research for GMCA suggests that including a prescriptive limit on rents or increases in a voluntary
		charter would seriously restrict private landlord participation.
		This proposed member criterion would seek to ensure more transparency in how a landlord determines
		rent increases and when they could occur. GMCA anticipates this would include developing certain
		standards for private and social landlords, e.g., a clear opportunity for any affected tenants to make
		representations, transparency on what would constitute a fair rent increase
2.	Giving a fair	The law allows landlords to pursue the eviction of a tenant for any level of rent arrears, or even if there
	amount of time to	are no current rent arrears if the tenant is a persistent late payer, although there is no guarantee it
	tenants who	would be granted. There is good practice for social landlords set out in the Pre Action Protocol for
	struggle to pay	Possession Claims for Social Landlords, although they are not required to follow this guidance and no
	their rent	equivalent exists for private landlords. This proposal will require members to exercise some
		forbearance if their tenant gets into difficulty and make use of good practice such as payment plans
3.	Properties meet	The current Minimum Energy Efficiency Standards regulations require all rented properties to be a
	EPC C as a	minimum EPC E rating, helping to keep bills lower. Until October 2023, the government had committed
	minimum	to increase this to EPC C by 2028 for private rented homes and 2030 for social housing. This proposal
		is to continue to seek that increase on a voluntary basis, with reasonable notice for members to

		comply. GMCA anticipates there would be reasonable exemptions to this criterion, such as for
		properties that are particularly hard to bring up to standard like listed buildings, homes where
		improvements to this standard are prohibitively expensive or where consent for improvements cannot
		be gained from a relevant interested party (such as a freeholder or tenant).
4.	Not using the	Landlords can seek evictions for rent arrears on either mandatory or discretionary grounds. If a
	mandatory rent	landlord uses a mandatory ground, the judge is not able to take the broader circumstances into
	arrears ground	account when they make their decision (e.g., extenuating circumstances or risk of homelessness). The
	(only applicable to	Greater Manchester Housing Providers have committed to not use the mandatory ground. GMCA
	social landlord	anticipates that this criterion would only apply to social landlords, as private landlords will already be
	members)	making the transition away from being able to evict without ground (through Section 21)

#### Q9: To what extent do you think that the member criteria for 'Affordable' describe the characteristic of good renting?

Strongly agree / somewhat agree / neither agree nor disagree / somewhat disagree /strongly disagree.

#### Q10: Do you have any comments about the characteristic 'Affordable' and the associated member criteria? Free text

Inclusive

	Member criteria	Background
5.	Make or facilitate	The equalities impact assessment accompanying this consultation shows that disabled people are
	reasonable	having a particularly poor housing experience in the private rented sector, partly as a result of the

	adaptationa ta	charters of prepartice edented to their people. Dischlad Fasilities Orant eviate to find edentetions to
	adaptations to	shortage of properties adapted to their needs. Disabled Facilities Grant exists to fund adaptations to
	properties, where	properties up to a cost of £30,000, but unfortunately some landlords refuse adaptations even where
	needed by the	they would be fully funded. There is also an uneven situation in the social rented sector where some
	tenant, and where	landlords fund adaptations themselves while others use finite Disabled Facilities Grant resources.
	applicable join an	Furthermore, there is currently insufficient information about where existing adapted properties are
	adaptations register	and when they become available. This proposal is for a package of measures to tackle these
		problems.
6.	Make a	Landlords and property managers are legally required by the Equality Act 2010 not to directly or
	demonstrable	indirectly discriminate against people in their letting practice on any of seven of the nine protected
	commitment to	characteristics. However, this legal requirement places the onus on tenants to demonstrate and bring
	accepting tenants	a claim if they have been discriminated against rather than putting any onus on landlords to
	from any	demonstrate that they are being non-discriminatory. This proposal would seek to require members to
	background	demonstrate their commitment to non-discrimination. GMCA anticipates that this would require
		significant development and that the requirements on landlords with large numbers of tenants would
		need to be different from those with a small number. This might include an offer to landlords to work
		with public sector agencies to support them to offer tenancies to people who may otherwise be
		excluded from housing.

Q11: To what extent do you think that the member criteria for 'Inclusive' describe the characteristic of good renting?

Strongly agree / somewhat agree / neither agree nor disagree / somewhat disagree /strongly disagree.

#### Q12: Do you have any comments about the characteristic 'Inclusive' and the associated member criteria? Free text

#### Private and secure

	Member	Background
	criteria	
7.	Tenants are	Concerns about not being able to decorate properties are a particular concern in the private sector, e.g.,
	able to make	contracts that prohibit the use of Blu Tack or hanging pictures. GMCA anticipates that work would need
	reasonable	to be done to determine what counts as 'reasonable changes' to a property and that this could include
	changes to their	consideration of returning a property to a particular state at the end of the tenancy, or the duration of the
	home.	tenant's stay
8.	Access to a	Landlords are legally required to give written notice at least 24 hours before a regular inspection or
	tenant's home	contractor visit; and if a tenant refuses access, they may be at risk of breaking their tenancy agreement.
	should be by	However, good landlords will ensure that they have agreed a mutually convenient time with the tenant
	agreement,	well in advance.
	except in an	
	emergency	

Q13: To what extent do you think that the member criteria for 'Private and Secure' describe the characteristic of good renting? Strongly agree / somewhat agree / neither agree nor disagree / somewhat disagree /strongly disagree.

Q14: Do you have any comments about the characteristic 'Private and Secure' and the associated member criteria? Free text

#### Responsive

	Member	Background
	criteria	
9.	Published,	Most social landlords have service standards that describe the maximum length of time it will take them
	timely, target	to respond to an issue, including repairs, depending on its seriousness, and these are also a typical
	response times.	requirement of private landlord accreditation schemes. To make sure that these are timely, GMCA
		anticipates that a minimum standard of responsiveness would be determined, although charter
		members would be able to set their own target response times that were above these
10.	Clear	Social landlords are required to have a complaints policy, with the Housing Ombudsman acting as an
	complaints	independent stage. Letting and managing agents are also required to be members of a government
	policy, with an	approved redress scheme. It is currently unclear what will be required of private landlords with the
	independent	introduction of an ombudsman to the PRS. However, in any case, GMCA anticipates that complaints
	stage	policies would need to be updated to account for new commitments under the Good Landlord Charter,
		and that there would also need to be an independent stage in managing complaints about non-
		compliance with the charter itself.

Q15: To what extent do you think that the member criteria for 'Responsive' describe the characteristic of good renting? Strongly agree / somewhat agree / neither agree nor disagree / somewhat disagree /strongly disagree.

Q16: Do you have any comments about the characteristic 'Responsive' and the associated member criteria? Free text Safe and decent

	Member	Background
	criteria	
11.	Fit and proper	Property licensing schemes operating in the PRS require landlords to be a 'fit and proper person'. The
	person check	test for this is set out in the Housing Act 2004 and focusses on the landlord not having committed any
		relevant offences, practised unlawful discrimination, etc. GMCA anticipates that further development
		would be needed to apply this to a large corporate landlord (rather than a named individual) and to
		ensure that concerns expressed during the development process about discrimination against ex-
		offenders are adequately addressed
12.	Any	Construction and trades work being completed by an unqualified person or someone without the skills
	work/repairs	required for the job (e.g., an odd-job person, or a friend or relative of the landlord) is a common
	done by a	complaint amongst private rented sector tenants. However, the quality of repairs is a concern that has
	qualified or	in the past cut across all rented tenures. This proposal is designed to improve the quality of repairs
	competent	
	tradesperson.	

13.	Adopt	Issues have been highlighted in both the private and social sectors with the quality of homes at the
	standards on	beginning of a tenancy. For example, some private renters are reassured at viewing stage that
	what should	improvements will be made, while some social tenants move into homes without floor coverings or
	happen at the	curtains which they are unable to afford to install. This proposal is to set standards on ensuring that the
	start of a	condition of a property at the beginning of a tenancy is as a tenant expects
	tenancy	
14.	Space	There are locally prescribed minimum space standards for licensable HMOs. These may go beyond the
	standards and	statutory overcrowding standards or requirements under the housing health and safety rating system,
	amenities	but are not generally applicable to rented homes. The nationally described space standards are also
		not a requirement of rented housing. Although access to fast and reliable broadband is now considered
		an essential for many aspects of life, some tenants have also struggled with digital exclusion. It is
		anticipated that the Decent Homes Standard will become a legal requirement for private rented housing
		as well as social rented housing through the Renters (Reform) Bill. This would mean meeting the
		Decent Homes Standard would be a precondition for becoming a supporter of the charter. This
		proposal is to include a limited number of standards for priority areas related to the home that go
		beyond the Decent Homes Standard.

Q17: To what extent do you think that the member criteria for 'Safe and Decent' describe the characteristic of good renting? Strongly agree / somewhat agree / neither agree nor disagree / somewhat disagree /strongly disagree.

# Q18: Do you have any comments about the characteristic 'Safe and Decent' and the associated member criteria? Free text

#### Supportive

	Member	Background
	criteria	
15.	'Commitment to	The Commitment to Refer is a voluntary commitment for social landlords to refer people to a local
	Refer' tenants	housing authority if they are homeless or threatened with homelessness. For example, this may be if a
	at risk of	landlord is seeking to evict a tenant or becomes aware of another reason that a person is at risk of
	homelessness	homelessness (e.g., children being asked to leave). Although the Commitment to Refer is a social
	to council.	landlord initiative, the proposal is to also require this of private landlord members and GMCA
		anticipates there would be some development to adapt it for the PRS
16.	Transparent,	Most tenants will not employ a lawyer to read their contract before signing it and are reliant on their own
	easy to	ability to understand its terms. This can be particularly challenging / pressurised in the stress of trying
	understand	to secure a home. The government developed a model tenancy for use in the PRS, and while GMCA
	contracts	does not anticipate that members would be required to use a specific tenancy, providing model terms
		could be part of the added value of the charter
17.	Adopting	Various problems have been suggested with some elements of advertising and viewing standards in
	advertising /	both the private and social renting sectors. Some of these concerns reflect a difficulty in balancing the
		privacy of the existing tenant with the viewing needs of prospective tenants. For example, although

	viewing	open house style viewings can create unhelpful pressure on prospective private tenants, a string of
	standards	multiple viewings can be highly disruptive to existing tenants. However, in other cases there is an
		unequivocal case for more transparency or an end to bad practice. For example, historical problems
		with use of 'No DSS' in adverts and related references to 'professionals only. Furthermore, prospective
		tenants are not currently typically made aware that a certain home is at flood risk in the advertising /
		viewing process or their need for specific flood insurance. GMCA anticipates that advertising and
		viewing guidance would be developed to help prospective tenants get the relevant information about a
		property before they move in and balance their needs with sitting tenants
18.	Providing /	Landlords are required by law to provide their tenant with certain information, such as the government's
	signposting	How to Rent guide. However, some information that landlords are not required to give is nevertheless
	tenants to	important for a tenant to have, e.g., information about how to operate the property's heating system, an
	useful	emergency repairs number, or who to contact if a tenant needs help (such as advice and support
	information	services or tenants' groups). Some private landlord accreditation schemes include a list of prescribed
		information that landlords are required to give to their tenants at the start of a tenancy / periodically and
		GMCA anticipates that an equivalent checklist would be developed for the charter
1		

Q19: To what extent do you think that the member criteria for 'Supportive' describe the characteristic of good renting?

Strongly agree / somewhat agree / neither agree nor disagree / somewhat disagree /strongly disagree.

Q20: Do you have any comments about the characteristic 'Supportive' and the associated member criteria? Free text

#### Well managed

	Member criteria	Background
19.	Landlord must be	As a result of changes in the Social Housing Regulation Act, housing managers will be required to
	able to demonstrate	have certain qualifications. Most private landlord accreditation schemes, and equivalent
	accreditation or	accreditation scheme for managing agents, include an element of training and some knowledge of
	training, or use an	letting regulation and good practice is considered a prerequisite of being a good landlord.
	accredited managing	
	agent	
20.	Clear start and end-	The start / end a tenancy is a key point in the development of the relationship between the
	of-tenancy process	landlord and tenant and to set a tenancy off on the right foot and is also a moment when things
		can go wrong. For example, disputes around how or whether a property inventory will take place,
		the need for a guarantor, use of zero deposit schemes and about returning deposits (pace of
		return or deductions). GMCA anticipates that this member criterion would require the development
		of guidance around key elements

Q21: To what extent do you think that the member criteria for 'Well managed' describe the characteristic of good renting? Strongly agree / somewhat agree / neither agree nor disagree / somewhat disagree /strongly disagree.

Q22: Do you have any comments about the characteristic 'Well Managed' and the associated member criteria? Free text

These member criteria intend to strike the balance between ambitious standards for tenants and acceptability to those landlords who want to do the right thing. This is because there would be no benefit of setting member criteria for a voluntary scheme that cannot attract voluntary participation.

The hardest area to get this balance right is around the 'affordable' charter characteristic in the private rented sector. The level of rent is among private tenants' top concerns, and more than seven in ten GM private tenants said they supported a legal requirement for rents to be controlled.<sup>5</sup> The Mayor of Greater Manchester's support for greater controls on private rents is also on the public record.

Neither GMCA nor local authorities currently have the power to legally limit rents and has only limited influence on other factors such as the benefit system, while the legal process of private rent increases is also due to change as a result of the Renters (Reform) Bill.

Research tells us that including a member criterion to limit rents would significantly limit voluntary participation. Although many landlords do not regularly increase rent during tenancies, or keep rent increases to below inflation in practice, only 18% of landlords in the research said that they would be willing to commit to 'offering a below market rent or setting a limit on future rent increases (e.g., inflation').<sup>6</sup>

Experience from the Good Employment Charter is that getting the balance right between high standards and participation is an ongoing process. Member criteria for the employment charter are reviewed through continuous engagement with employers and employees. through a programme board that was formed after launch.

If an equivalent programme board were formed to oversee the Good Landlord Charter, they may also determine the fine detail of how each of the criteria could be satisfied.

<sup>&</sup>lt;sup>5</sup> Research for GMCA by DJS, 'And what do you think the top three priorities should be for National Government and local councils to make or encourage landlords do?', sample: 1195, all GM tenants, weighted, fieldwork February-June 2023, by online, telephone and face-to-face.

<sup>&</sup>lt;sup>6</sup> Research for GMCA by DJS, 'Which of the following examples of best practice would you be willing to commit to doing voluntarily as a landlord or as part of your lettings business?', sample: 355, all GM landlords, unweighted, fieldwork February-June 2023, by online, telephone and face-to-face.

Ideally, as standards rise through the charter and engagement with landlords increases, the programme board would also be in a position to raise the member criteria.

#### Q23: Do you have any other comments on the member criteria? Free text

## 2.4 Application to all types of rented housing

Previous voluntary schemes have covered only one type of landlord or another, such as student landlord accreditation schemes like Manchester Student Homes. The Good Landlord Charter would be open to all social landlords, private landlords and providers of specialist housing from its first day of operation.

GMCA is seeking to take this approach because difference in tenure does not determine a renter's need for a better home, and while evidence shows that conditions tend to be worse in some sectors than others, improvements are needed in all sectors.

#### Definitions

**Private renting:** renting a residential property or room, usually as a main home. Private rented homes are normally rented from an individual landlord, or a company, either directly or through a letting / managing agent.

**Social renting:** renting a residential property from a housing association, local council, or other registered provider of social housing (e.g., a charitable trust) which is subject to the Regulator of Social Housing.

**Specialist housing:** rented housing that is provided for a specific section of the population, or housing that is provided alongside support, care or supervision. Examples include purpose-built student accommodation, temporary accommodation, emergency accommodation for homeless households to asylum dispersal accommodation, supported and exempt accommodation, and care homes.

**Managing agents:** an individual or company that is employed by a landlord to manage a rented property on their behalf, including dealing with tenancy issues, organising repairs, and managing tenancy agreements.

There are big practical differences between the regulations that apply to different types of rented housing and their business models. Social landlords are already more stringently regulated than private landlords, and their tenants typically have greater protections from rent increases, eviction, etc.

The risk of trying to create a single set of exactly the same voluntary standards is that it would sets the bar too high for some or too low for others.

Our proposed approach to this risk is for there to be small differences in which member criteria apply to different landlords, where there is a clear case, while trying to keep these differences limited.

Some member criteria might be generally applicable to all landlords, but the programme board would accept differences in their specific implementation as a result of the type of landlord, type of home or needs of the tenant. For example, we are proposing a member criterion that all tenants receive or are signposted to useful information. It is likely that the list of information set by the programme board would be different for private landlords, who typically take deposits and may need to be licensed, than for social landlords, who typically do not.

Q24: To what extent do you agree that we should we recognise the differences between different types of landlord (when considering the member criteria)? Strongly agree / somewhat agree / neither agree nor disagree / somewhat disagree /strongly disagree.

Q25: To what extent do you agree that we need to apply the criteria differently for different types of landlord? Strongly agree / somewhat agree / neither agree nor disagree / somewhat disagree /strongly disagree.

Q26: Do you have any further comments on the way that the criteria are applied to different types of landlords? Free text

### 2.5 Specialist housing

While specialist housing provided by any other private or social landlord would be able to participate in the charter, additional specific work will be needed to consider individual forms of specialist housing. This is because specialist housing is a catch-all phrase that covers everything from purpose-built student accommodation, temporary accommodation, and emergency accommodation for homeless households to asylum dispersal accommodation, supported and exempt accommodation, and care homes.

There is significant variation in the regulation of this broad category of accommodation, including the Social Housing Regulator, the Care Quality Commission (for care services), Ofsted (children and young peoples' supported housing) and some unregulated accommodation types.

Regulation typically includes accommodation standards and sets minimum expectations for landlords and providers, including tenure type, safety and security measures, the quality of care and support and the management of the service.

Legislation and regulation across this category continue to evolve, with the Supported Housing (Regulatory Oversight) Act expected to set new standards for accommodation and support in the supported housing sector. As the Good Landlord Charter is a scheme to improve renting, only the tenancy and housing management provision (i.e., functions performed by a landlord) are in scope of the charter, and so care and support services are out of scope.

Acknowledging that a combination of rising demand pressures, exploitative practices and underfunding have led to the emergence of some particularly bad standards in specialist housing; and occupiers – often society's most vulnerable - typically receive lower legal protections.

Equally, there are many examples of good quality providers of specialist housing providing some of the highest standards of support, customer service and housing quality. Many providers adopt a psychologically informed approach to their services, which centres the importance of a safe, supportive and well-maintained physical environment, whilst also supporting customers in a positive, strengths-based and trauma-informed way.

The proposal for the inclusion of specialist housing in the Good Landlord Charter at launch is for specialist housing landlords to be treated like any other private or social

landlords. This is because all specialist housing tenancy management and housing services are ultimately provided by someone acting as a private or social landlord.

## Figure 3: specialist housing tenancy management is ultimately provided by a private or social landlord.



The implication of this for social and private landlords who rent out both general needs social housing and / or mainstream PRS as well as specialist housing is that they would need to commit to the member criteria across all their housing stock to become charter supporters.

This will potentially be a complex assurance process, as corporate relationships and ownership structures can be intricate. We're proposing that a technical review panel will be responsible for determining the housing that any participant in the charter is acting as landlord for.

There is a persuasive argument for bespoke additional criteria covering individual forms of specialist housing. GMCA anticipates that it will be difficult to attract take-up to the charter from exclusive providers of some forms of specialist housing where supply shortages are particularly acute.

We recognise that the some of the proposed criteria will not be applicable to some forms of specialist housing and welcome feedback on that.

GMCA's proposed approach, therefore, is to work before the charter's launch to identify priority forms of specialist housing and develop tailored approaches, likely starting with providers of specialist housing where GMCA is the commissioner.

GMCA would seek to understand the opportunities and pitfalls of using its commissioning role to encourage specialist housing providers to join the charter.

Q27: To what extent do you agree with the proposed approach to specialist housing? Strongly agree / somewhat agree / neither agree nor disagree / somewhat disagree /strongly disagree.

Q28: Do you have any further comments on the proposed approach to specialist housing? Free text

## 2.6 Persuading landlords to join the charter

GMCA anticipates that take-up of charter membership by landlords is likely to follow the experience of other voluntary schemes, where more social landlords will volunteer for the charter than private landlords initially.

GM social landlords have been heavily involved in the development of this consultation through the involvement of Greater Manchester Housing Providers (GMHP) in the coordinating group and making a commitment to the charter. The 24 members of GMHP in turn manage the overwhelming majority of social housing in GM.

By comparison, the make-up of private landlords is much more fragmented and voluntary schemes have had less impact.

Research shows that membership of private landlord accreditation schemes covers only 7.6% of private landlords nationally currently.<sup>7</sup> However, participation in recognised industry bodies and accreditation schemes is much higher for managing and letting agents.

Some private landlords may choose to take part in the charter because they believe it is the right thing to do. Others may need to see the benefit to them and their business of going beyond the legal requirements.

The findings of our GM surveys suggest that there could be for clear benefits for landlords both in finding and retaining tenants without direct incentives. Almost eight

<sup>&</sup>lt;sup>7</sup> English Private Landlord Survey 2021, Annex Table 1.23, Department for Levelling Up, Housing and Communities, May 2022

out of ten tenants (78%) say that they would be more likely to rent from a landlord if they were accredited.<sup>8</sup>

The surveys also suggest the charter could play a role in helping landlords retain tenants by helping them understand what drives tenant satisfaction and resolving disputes. The research found a discrepancy between what tenants and landlords think being a good landlord means. Analysis in the research shows that the main drivers of tenant satisfaction are rating their property as 'good value for money' and having a 'good relationship with their landlord'.<sup>9</sup> The Good Landlord Charter could support landlords to understand the main drivers of tenant satisfaction, and help them take appropriate steps, reducing the likelihood of tenant turnover.

The charter could help landlords to settle individual disputes between themselves and their tenants in the future. Consideration would need to be given to how this would interact with government plans for a new ombudsman / redress scheme. While the new ombudsman may seek to arbitrate on tenant and landlord disputes (i.e., make a decision over wrongdoing), there may still be a useful mediation role that the charter could play in helping landlords and tenants resolve disputes amicably.

Despite the possible benefits to landlords of being in the charter in the general market, feedback during development suggests that private landlord schemes have typically had most success in specific markets such as the student's market, through selective licensing or where accredited lettings and managing agents are involved in promoting the scheme.

GMCA is keen to understand how business benefits could be maximised in both the wider market and specific markets, and how tenants could find it easiest to identify a charter member.

<sup>&</sup>lt;sup>8</sup> Research for GMCA by DJS, 'How much of a difference would it make to your likelihood to rent from a landlord if they were accredited (i.e., they have undertaken appropriate training and signed up to a code of conduct)?', sample: 1200, all GM tenants, weighted, fieldwork February-June 2023, by online, telephone and face-to-face.

<sup>&</sup>lt;sup>9</sup> Research for GMCA by DJS, regression analysis by DJS using survey results.

One approach could be by offering landlords and their agents a clear identity that they could use when advertising properties on different platforms. Another could be offering landlords and their agents a new website platform to advertise property. GMCA has discussed the potential for membership of the charter to be included on the government's planned new private rented property portal and is keen to pursue this as an option.

Effective wider marketing will clearly be essential to attract charter supporters and to inform tenants about the scheme. GMCA is keen to understand what has and has not worked when marketing other similar schemes.

GMCA is also keen to hear views about what other incentives could encourage landlords to take part in the charter. The areas of GMCA's responsibility and influence would constrain our ability to offer incentives. For example, licensing schemes are run by individual councils and they would need to decide to offer a discount, if appropriate.

The cost of potential incentives would also need to be considered in putting together the final charter design, as there are clear trade-offs between funding available for incentives and the operation of the scheme. Previous accreditation schemes tend to charge a fee for membership (although this is normally lower than any savings from licensing fees).

GMCA is keen to hear views on how a fee for becoming a supporter or member would affect landlord and agent participation, particularly if membership of another accreditation scheme was a precursor of membership.

Q29: Do you think that supporters and members of the Good Landlord Charter should pay a fee? Yes / no / don't know.

Q30: Please explain your response. Free text

Q31: To what extent do you agree that the business benefit of attracting more tenants would be an incentive for private landlords to participate in the Good Landlord Charter? Strongly agree / somewhat agree / neither agree nor disagree / somewhat disagree /strongly disagree. Q32: What do you think would be the best way for landlords to advertise Good Landlord Charter participation? Free text

Q33: In addition to advertising, how could the Good Landlord Charter be effectively marketed and incentivised? Free text

# Q34: To what extent do you agree that the Good Landlord Charter could play a useful role in helping landlords sustain tenancies and reduce tenant turnover?

Strongly agree / somewhat agree / neither agree nor disagree / somewhat disagree /strongly disagree.

Q35: How could the Good Landlord Charter sustain tenancies and reduce tenant turnover? Free text

Q36: What other incentives would persuade landlords to participate in the Good Landlord Charter? Free text

## 2.7 Letting and managing agents

Agents play a critical role in letting and managing properties in the GM private rented sector. 40% of tenants in the research completed for GMCA had a letting agent at least partially involved in the management of their home. As such, agents will play a key role in making the Good Landlord Charter a success.

It is landlords who would be committing to the requirements of the scheme. Where a member or supporter uses an agent to manage their property, the agent would play a key role in delivering on the landlord's commitments under the charter, including using agents' policies where applicable.

This relationship would need to be clearly defined, as would the status of the agent under the scheme. There is the potential for agents to be designated in a "Charter Champion" role.<sup>10</sup>

<sup>&</sup>lt;sup>10</sup> In this scenario, there would need to be clearly defined standards regarding agents' ability to assume the Charter Champion designation - e.g., membership or affiliation to a recognised industry body.

As the primary source of advice on letting and management for a large number of landlords, there is plenty of scope for agents to promote the Good Landlord Charter. The proposal is for letting agents to play a vital role in delivering the charter. This would mean that any charter member using an agent would make them aware, with the agent potentially assisting landlords to receive their accreditation.

GMCA anticipates that whoever manages the Good Landlord Charter longer term. would need to do significant work with the letting agent community (and organisations promoting good practice in the industry, such as Safeagent) in order to familiarise agents with the charter and pursue opportunities for promotion of the charter through agents.

Q37: To what extent do you agree with the proposed approach to letting and managing agents in the charter? Strongly agree / somewhat agree / neither agree nor disagree / somewhat disagree /strongly disagree.

Q38: Do you have any comments on the proposed approach to letting and managing agents in the charter? Free text

### 2.8 Operation and governance

Final decisions about how the charter is run and governed could only be made after the final structure and content of the charter is agreed – the outcomes of this consultation will feed into that decision making process. As part of this consultation, GMCA would also like feedback at this stage on practical implementation.

Early thinking is that implementation would follow the model used by the Good Employment Charter. This would consist of two main elements.

First, once the initial structure and content of the charter were complete, it would be delivered by an independent implementation unit through a multi-year contract with an organisation with the necessary skills and expertise. We are proposing that the implementation unit would be responsible for all the day-to-day running of the charter, including assessing new supporters and members, promoting the charter, handling complaints about non-compliance with the charter and referring them to the technical review panel etc.

As part of this, the implementation unit would also need to maintain close communication and relationships with relevant regulatory bodies, such as the Regulator of Social Housing, Housing Ombudsman and local authorities, to ensure it is aware of any relevant concerns and maintain effective links with enforcement where needed.

Second, the charter would be overseen and directed by a programme board including representation from private and social renters and landlords, with a technical review panel making the final decision on charter supporters and members, and – as appropriate – making decisions on breaches of the criteria. We propose that part of the technical review panel's responsibility would also be determining the extent of the housing that any charter participant is acting as landlord for. This will include working through potentially complex corporate and ownership structures.

In addition to working with the delivery unit on day-to-day development of the charter (recruiting landlord supporters and members etc), the programme board would continue to develop the member criteria.

Membership of the programme board would be focussed to ensure effective decision making, there may be the opportunity for additional members to be co-opted onto specific pieces of work when their expertise and skills is required.

Q39: To what extent do you agree with the proposed approach to the charter's operation and governance? Strongly agree / somewhat agree / neither agree nor disagree / somewhat disagree /strongly disagree.

Q40: Do you have any comments on the proposed approach to the charter's operation and governance for the Good Landlord Charter? Free text

Q41: Do you have any further comments on the proposals for the Good Landlord Charter or any of the supporting documents? Free text

Q42: If you would like to be kept informed about the future development of the Good Landlord Charter, please provide your name and email or postal address? Free text