

Privated Rented Sector Innovation and Enforcement Grant Fund 2019/20

Prospectus



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Foreword

Dear colleagues,

The Private Rented Sector (PRS) is an important part of our housing market, accounting for 4.5 million households in England¹, the second largest tenure.

The Government wants to support the majority of landlords who provide decent, well-maintained homes enabling good landlords, and the sector as a whole, to thrive.

However, there remains a small number of criminal landlords who rent out unsafe and substandard accommodation. I am determined to crack down on these landlords to get them to improve or to leave the market completely.

The Ministry of Housing, Communities and Local Government (MHCLG) has made funding available to local authorities to support new, innovative, or targeted short-term initiatives to address this. These projects will take effective and targeted action against criminal landlords, support good landlords in fulfilling their responsibilities, and empower tenants to make good use of their rights.

Last year this fund provided £2.4 million for 56 targeted projects which helped over 100 local authorities boost their enforcement work. Successful projects included:

- Intelligence gathering to target high-risk properties and enable strong enforcement against known rogue landlords
- Technical solutions to share data in new ways, identifying possible criminal activity with greater precision and expediency
- Creating 'rent with confidence' schemes which professionalise landlords through training and accreditation.

However, I recognise there is still more to do.

That is why we have made a further £3.8 million of grant funding available to local authorities this year. This funding will continue to stimulate new thinking and further encourage innovative and targeted approaches in the Private Rented Sector, driving out criminal landlords and enabling the majority of landlords to continue to provide safe and decent homes for their tenants.

I encourage you to apply.

Robert Jennick.

Rt Hon Robert Jenrick MP Secretary of State for Housing, Communities and Local Government

¹ English Housing Survey 2017 to 2018: headline report

The aim of the Innovation and Enforcement Grant Fund

To raise the standard of properties in the Private Rented Sector (PRS) by supporting projects that will help local authorities to carry out their duties and use their existing budgets more effectively; and to develop or enhance existing PRS enforcement activities.

Local Enforcement

Whilst most landlords provide decent, well-maintained homes, a small number of criminal landlords knowingly rent out unsafe and substandard accommodation.

Significant progress has already been made to crack down on these landlords and disrupt their business model. Local authorities have been afforded strong powers to require landlords to make necessary improvements to a property.

If a property contains potentially serious risks to the health and safety of the occupants, the local authority must act to require the landlord to take immediate action (under the Housing Act 2004).

Licensing is an important tool in achieving this. There are currently three types of licensing: mandatory and additional licensing for Houses in Multiple Occupation (HMO) and selective licensing of all types of private rented housing. The Government has made reforms to these schemes since their introduction, for example by adding additional criteria to selective licensing and, last year, extending the scope of mandatory licensing.

The Government recently published an independent review of the effectiveness of selective licensing to ensure that we are providing local authorities with the right tools and will respond to the recommendations made later this year.

The Housing & Planning Act 2016 introduced a range of further measures to help local authorities tackle rogue landlords and drive up standards:

- In April 2017: Civil penalties of up to £30k as an alternative to prosecution came into force;
- Rent Repayment Orders extended to cover: illegal eviction, breach of a banning order or failure to comply with a statutory notice;
- In April 2018: Banning orders for the most serious and prolific offenders came into force;
- A database of rogue landlords/letting agents convicted of certain offences was introduced.

The Homes Act 2018 also enables tenants to take action against their landlords where the landlord has neglected to maintain their property to a safe standard.

Purpose of the grants

The Government wants to help local authorities to effectively target criminal landlords who exploit vulnerable tenants. We want to protect all tenants and empower them to make full use of their rights, while supporting responsible landlords who provide good quality rental accommodation.

The grants are being awarded to stimulate new thinking, help with building new partnerships and allow for innovative and proactive approaches to enforcement which can be scaled up and shared among other local authorities.

The most impactful and cost-effective projects may be taken forward as larger scale pilots which will improve the renting experience for even more tenants in the PRS.

Through our ongoing engagement with local authorities, we hear some consistent themes regarding areas where they would welcome further support. The projects we funded last year have also been valuable in identifying ways to address these issues. We encourage further bids this year which offer innovative solutions to these challenges, addressing areas such as:

- 1. <u>Data sharing</u> between different authorities and agencies to carry out effective, intelligence-led enforcement to identify criminal landlords and protect vulnerable tenants.
- 2. <u>Intelligence gathering</u> on housing stock and on landlords and agents to enable effective and targeted enforcement for those homes which fall below expected standards
- 3. <u>Knowledge sharing</u> between local authorities with well-resourced and experienced enforcement teams and those with smaller teams which lack capacity.
- 4. <u>Sharing best practice</u> and examples of cross-agency working where it has been effectively employed.
- 5. <u>Empowering tenants</u> to make good use of their rights.
- 6. <u>Supporting good landlords</u> through engagement, training and knowledge sharing to support them in providing decent, well-maintained homes for tenants. We are especially keen to receive bids that will impact vulnerable tenants, such as care leavers.

What we are looking for

MHCLG is looking for local authorities to propose focused, targeted projects which will deliver measurable and sustainable benefits to their enforcement operations. The proposals should be robust and effectively tackle the persistent problems presented by criminal landlords who break the law and provide poor quality housing, and support landlords in fulfilling their responsibilities.

We welcome applications from all local authorities, especially those who did not apply for funding last year. We also welcome joint applications from multiple local authorities.

We want to support projects that meet the following criteria:

- Achieve positive enforcement outcomes against criminal landlords and have clear supporting evidence.
- Make use of scalable approaches, which could be taken forward in wider-reaching pilot schemes in the future
- Contain a mechanism for the local authority to share their experiences and learning.
- Encourage positive landlord/tenant/local authority relationships, particularly with vulnerable groups such as care leavers.
- Have measurable outcomes and planned evaluation.
- Demonstrate that the project is cost effective, clearly deliverable and financially sustainable.
- Are innovative in the way they tackle enforcement challenges.
- Enable the local authority to self-finance future enforcement activity.

We are looking to support targeted projects and will only fund projects that provide reasonable assurance that funding spend will complete by the end of this financial year, by 31st March 2020. Due to this, we will not fund permanent staffing costs.

However, the grant can be used to fund temporary staff on a time-limited basis within the funding period. These staff could be employed to meet a specific project need, or or to back-fill existing enforcement officer roles and free up those experienced staff to deliver the project.

Whilst we will support innovative approaches, we are not necessarily looking for something that has not been thought of before. It is more important that the grant will deliver real improvements to local enforcement.

Scalability of projects will be considered during assessment. The approaches should therefore be able to be passed on to and used by other local authorities as examples of best practice. The local authority will be able to illustrate the benefits of successful enforcement to the organisation, to tenants and landlords, and to residents of the area.

We would like to see a diverse range of approaches, covering different scales of funding. Innovative approaches could involve smaller scale funding to draft enforcement document templates, build on an already successful project, or develop a relationship with other partner organisations such as the police, fire and rescue service, legal services or local housing advocates. We will be looking for evidence that projects will deliver cost effective

benefits, for example those that complement and multiply the outcomes of existing enforcement action.

We are also interested in approaches to join up across local authority departments such as Council Tax, Housing Benefit, & Trading Standards. This year we would particularly encourage projects which enable joined up approaches with Social Services and Early Help Teams to ensure vulnerable tenants, such as care leavers, are in decent homes and that their landlords are able to access the support they need.

Alternatively, approaches may require larger scale funding, for example to provide a digital solution or software enabling officers to share information or make robust and timely decisions supported by evidence. Applications might also cover dedicated private rental stock assessments, as a means of establishing the number and condition of properties within the PRS to provide better intelligence for enforcement action.



How to apply

Applications for grants from the PRS Innovation and Enforcement Grant Fund should outline details of your organisation and the geographical area that is covered. You should make clear any other grant funding linked to the issues surrounding poor quality housing such as the 2018/19 Rogue Landlord Enforcement Fund or the Controlling Migration Fund previously received.

The application should also provide a detailed overview of current enforcement activities and any challenges encountered when taking enforcement action that could be addressed through your bid. The application should clearly set out the benefits that the project will deliver and how these will be measured.

Please complete the proposal form providing a detailed plan (no longer than 8 sides of A4) of how the funding would be used to improve enforcement activity, and how this could be shared and adopted by other local authorities across England.

Strong proposals will include a clear and structured plan; detailing the issues the proposal will address around local enforcement action against poor standards and rogue landlords, how the proposal directly addresses these issues and how the approach can be scaled up and shared with other local authorities. Your proposal will include key performance indicators to measure progress on the specific aims if the project.

Applications must provide reasonable assurance that funding spend will completed by the end of this financial year, 31st March 2020. Any applications for grants that fund permanent staff roles will not be successful. However, the grant can be used to fund temporary staff on a time-limited basis within the funding period.

Bids should be submitted by email to RLEgrantfund@communities.gov.uk.

Amount of funding available

There is no minimum or maximum bid accepted as part of the competition, and each bid will be judged on its merits in accordance with the assessment criteria. However, bids should be proportionate to the size of the fund and scale of the project and linked to the target outcomes. Bids for large amounts will be considered in light of the all other bids received and the potential for overall greatest impact and benefit from the fund.

Application Deadline

The competition will run from 4 November 2019. The deadline for applications is: 1 December 2019.

Assessment and next steps

Officials within MHCLG will assess all bids received against the criteria established in this prospectus and will recommend to Ministers which bids to support. Ministers will take final decisions. All bidders will be notified of the outcome.

Bid assessment will be carried out following the end of the competition, and we expect to let applicants know the outcome of their bids by the end of the year.

The £3.8 million fund has been made available for the financial year 2019/2020. Schemes will therefore need to be able to mobilise rapidly and spend the money provided by 31st March 2020.

Payment under the PRS Innovation and Enforcement Grant Fund will be on a per scheme basis under Section 31 of the Local Government Act 2003. Funding will be paid out in accordance with the timescales specified for the scheme.