ACORN

The Bristol Ethical Lettings Charter: From the houses we have to the homes we need.

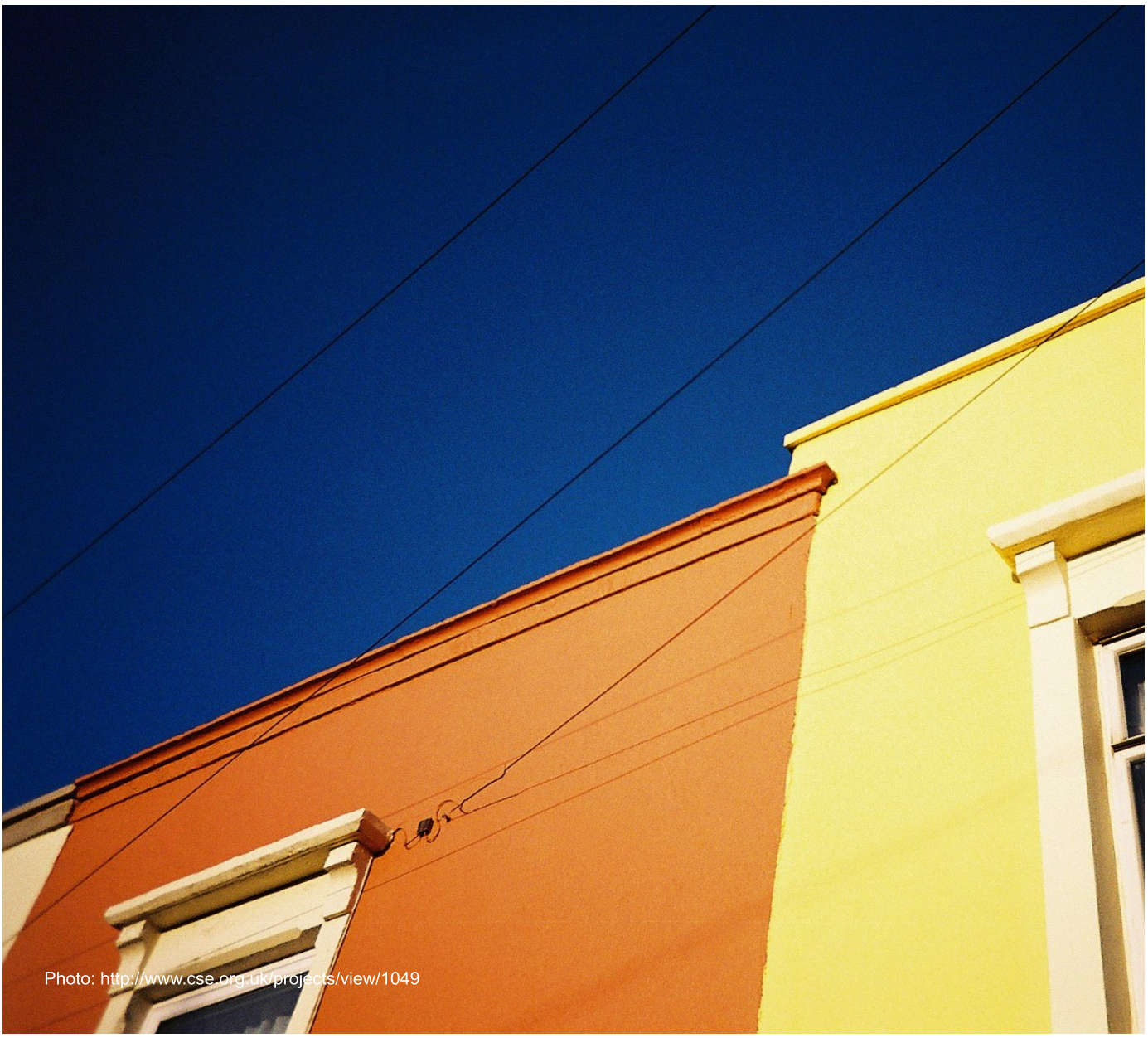
Photo: http://www.cse.org.uk/projects/view/1049

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Introduction.

Reports produced by organisations as diverse as the Government, the United Nations, and Shelter, have drawn attention to the acute crisis facing the housing market in this country.

Extreme shortages of affordable housing, driven largely by lack of supply in the social rented sector and uncontrolled price rises in privately-owned housing have resulted in the rapid expansion of the Private Rental Sector (PRS) to the point that it now represents the second-largest tenure in England.

Bristol of course, is not unaffected by these trends. Indeed, some of the problems presenting nationally are felt more strongly here than elsewhere with the cost of fees charged to tenants by letting agents and the rise in homelessness both higher than the national average.

While barely a day goes by without the appearance of a news story or report on the state of the housing market and the serious consequences the current situation has on the millions of people renting privately there nevertheless remains a marked absence of the voices of those most affected: private tenants themselves.

ACORN the community union, is campaigning for the voluntary reform of the PRS in Bristol in order to highlight the often appalling and exploitative conditions to which private tenants are subjected and to identify key areas for improvement.

Between June and October 2014, ACORN gathered 1634 supportive responses to our call to letting agents to drop fees charged to tenants, ensure the use of recurring 12 month tenancy agreements in place of rolling periodic contracts and the promotion of 3-5 year tenancy agreements where possible. Taken from a small proportion of the overall number of private tenants in Bristol, our sample is testament to the widespread anger and desperation provoked by lax standards in this sector and the need for urgent remedial action.

Whilst ACORN's campaign is unashamedly motivated by the interests of renters, from which demographic we overwhelmingly draw our membership, we are convinced of the advantages of a partnership model between tenants, landlords,

letting agents and local authorities with a view to maximising the benefits to all. We see this as an opportunity to develop the basis for an innovative approach to letting and to sow the seeds of a progressive rental market in the city.

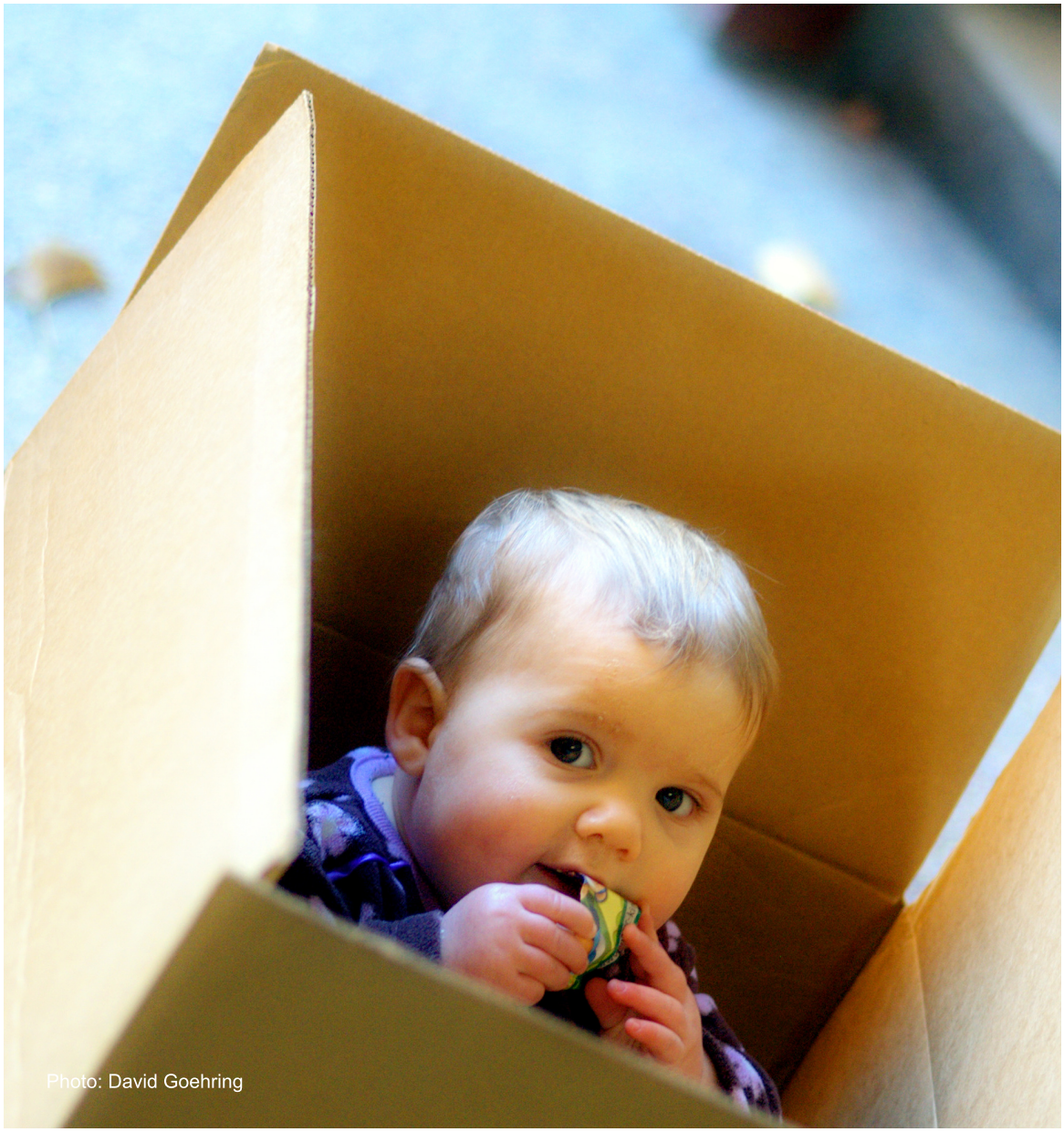
Photo: David Goehring

Tenant Voices.

“Just because we are not in positions to buy houses it doesn't mean we don't deserve homes.”

Since February 2014, ACORN has been listening to Bristolians' stories of renting, poor housing, tenancy fees and insecurity.

Between February and May, ACORN community organisers listened to approximately 2000 residents of Easton. As a result of this, 100 members of the Easton branch of ACORN unanimously voted in May to launch our campaign to improve the private rental sector.

Following that, our members have gained the support of 1634 people and surveyed tenants on street stalls and doorsteps, at meetings, demonstrations and surgeries and online using social media.

The statistics on these subjects are allready well documented (not least of all by leading housing charity Shelter who are supporting our call for a Bristol Ethical Lettings Charter for that reason).

Yet it's the personal voices of Bristol's tenant families that are often missing. This is a sample of what they want to tell you.

Insecurity, lack of stability & community cohesion.

Instability in the overall housing market is particularly acute in the PRS and lies at the heart of many other problems in the sector.

Tenants are typically subject to a 6 or - at best - 12 month Assured Shorthold Tenancy agreement. After this time, they are often evicted or left on periodic "rolling" contracts under which they can be evicted with just 2 months notice.

Insecurity - especially coupled with the high cost of moving house - prevents tenants from complaining or campaigning to raise standards.

Amongst England's 9 million renters are 2 million children. Constant family upheaval and anxiety has detrimental effects on children's health, education and development.

This same lack of security also puts huge pressure on anyone wanting to start a family, or even commit to a job and/or a community.

This has clear knock on effects on community cohesion and democracy. ACORN is not technically a tenants'

"What most estate agents and landlords don't seem to realise – is that…your tenants…are people who are looking for a home, somewhere to feel safe, somewhere to grow with their families – somewhere to be the base for their lives"

"We have a decent landlord now, but still there is a sense of total insecurity. Inability to call a place home. Constantly at the whim of someone else…"

“Our little family was evicted from a mouldy house with a 7 month-old baby so the landlord could rent the rooms out separately”

“I would like to put down more permanent roots in my community as opposed to feeling like it is possible that I will be kicked out as soon as my contract is up.”

“I would feel more comfortable in my own home, I'd take better care of the property and I'd feel more confident in putting down roots in the community.”

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union, rather we are a community organisation, aiding residents to participate in democracy and improve their neighbourhoods.

We - along with tenants, home owners and landlords alike - are finding that constant transience is making this impossible. Tenants are 2/3 less likely to vote than home owners and as one respondant to our survey has stated, "you work hard to care about things less".

While it's clear that the unfortunate increase of temporary work and "zero-hours" contracts means some tenants are unable to commit to longer or recurring tenancies, many more would benefit from greater security and as with any industry and the ability to make that choice themselves.

70% of landlords are amateurs, often inexperienced and anxious. Reduced supply as house prices rise is exacerbating the problem. Letting agents and the Residential Landlords Association have enormous potential influence. For ethical standards to be possible, professional standards must be improved.

“I would feel a lot more secure and be able to think about perhaps having a family, as well as becoming more involved in long-term community initiatives.”

“We would feel much more settled and be able to put down roots. Don't think we'll ever be able to get a mortgage!”

“Over the last six years, my wife and I have lived in four different properties, sharing to keep costs down despite being a newly-married couple.”

"Every time I had to relocate it cost me more (taxis, moving van eg) and in friends time and energy. It’s draining. It costs similarly in storage. It’s like renting twice. More expensive. And your possessions get easily damaged. You have to change your whole mindset. You work hard to care about things less. Not just material things either. It holds you back in a lot of ways"

Tenancy fees & costs.

60% of lettings nationwide involve a letting agent and the industry has exploded in recent years.

Letting agents advertise properties to let and conduct reference and credit checks on tenants on behalf of landlords. Some also manage the properties on a daily basis.

For this, they charge the landlords a fee. Yet, in a move that is illegal in every other sector, they also charge the tenants.

Shelter research shows that 54% of tenants feel they have been charged unfair tenancy fees.

Bristol's £251 average fees are the highest in the country, approaching the cost of 3 months of food shopping for the average person.

Bristol has sizeable pockets of deprivation and high levels of inequality with child poverty at 27%. Yet that figure drops to 17% when housing costs are excluded.

Letting agents often justify these fees on the basis that they pay for legitimate costs like credit checks. Yet these

"Rental prices are at an all time high. The gap between the amount we earn and the cost of living in Bristol is second only to London. I feel stupid putting £750 in the Agency's bank every 4 weeks – we are paying nearly £30 a night to stay in this house! It is crazy."

"When you have to pay a deposit and a month's rent in advance already, the agency fees can just make it totally unaffordable"

"I have remained in a house which has many problems just because I can't afford to pay the tenancy fees etc to move again "

"...unreasonable, was simply unnecessary, and the agency did nothing for the fee…and shrugged when confronted. They cared not a jot"

"I've been stuck, unable to move house because I couldn't afford the agency fees on top of the deposit and rent. I was forced to stay with friends for 3 months until I could save up enough to pay the fees"

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costs are for services to landlords, not tenants, and for services which cost tens of pounds, not hundreds.

Letting agents also claim that an end to this practice would lead to increased rents as they pass the costs on to landlords. Even if this was realistic, spreading the cost across several months is better for most tenants than an unaffordable upfront fee. This possibility however remains speculative as evidence from Scotland where tenancy are illegal demonstrates no link between this and rising rents.

“It makes the move, which is already difficult nearly impossible!”

“They made it very difficult to buy things like furniture when we moved in. It's a lot of money and for the first few months we couldn't afford anything to sit on.”

“It makes me feel ripped off and scared to move house”

“A combination of rising living costs and stagnating wages forced us into significant debt. If we had had savings, we may have been able to move and house share again but as it is at the age of 35, my wife and I were left with no other choice but to move back in with my parents.”

Quality, maintenance, health & safety.

Cold, damp and mould from ill-maintained properties lead to a host of health hazards, some severe. Of concern to all and always unacceptable, they are particularly detrimental to the young, infirm and elderly. Knock-on effects are not only poor health, but include decreased academic performance, work absence and associated treatment costs. Landlords duty of care toward their tenants tmust be taken seriously

Unfortunately, the reverse is common: hundreds of thousands suffer eviction for complaints. For the 61% of renters that Shelter found with unacceptable disrepair a more worrying statistic is the 1 in 12 enduring poor conditions for fear of retaliatory eviction.

Despite the factors militating against them, complaints continue to rise. With much-reduced budgets, Local Authority expenditure on enforcement is considerable. Landlords that flout the law not only cause harm, hardship and distress to tenants but drain already-stretched resources. In the spirit of the Localism Act and where community organisations such as ACORN exist, Local Authorities may be interested to

“We have just had to leave our current property due to an extreme mould problem that caused respiratory problems for both myself and my partner, a 20 month long problem which both the landlord and agency were fully aware of and made little effort to fix despite us involving environmental health.”

“I'm due to give birth this month and I'm stuck in a damp and mouldy top floor flat, my landlord is blaming me for the damp, he says that I'm causing condensation and has suggested that I constantly leave the windows open this winter. I can’t afford to move house on SMP, I'm 500th on the waiting list for social housing and I feel hopeless - I'll never have £2000 to move to a new rental property…I despair. Rental agencies are getting away with daylight robbery.”

“I've lived here three years and told them the first year about damp and mould and in autumn 2013 i told them the bathroom roof was leaking... it is still a waterfall when it rains. My partner has moved in as he can no longer live on his own

consider the benefits of a collaborative approach on enforcement issues.

Poor property upkeep affects not only the individual inhabitants, but also has a major impact on energy-efficiency. Failure to upkeep the exterior of properties, ensure adequate insulation or update appliances all have a significant environmental impact. Cold, draughty and damp houses require levels of heating far in excess of adequately-maintained ones. Given Bristol's status as European Green Capital 2015 it seems appropriate that it take a lead and set standards for energy efficiency nationwide.

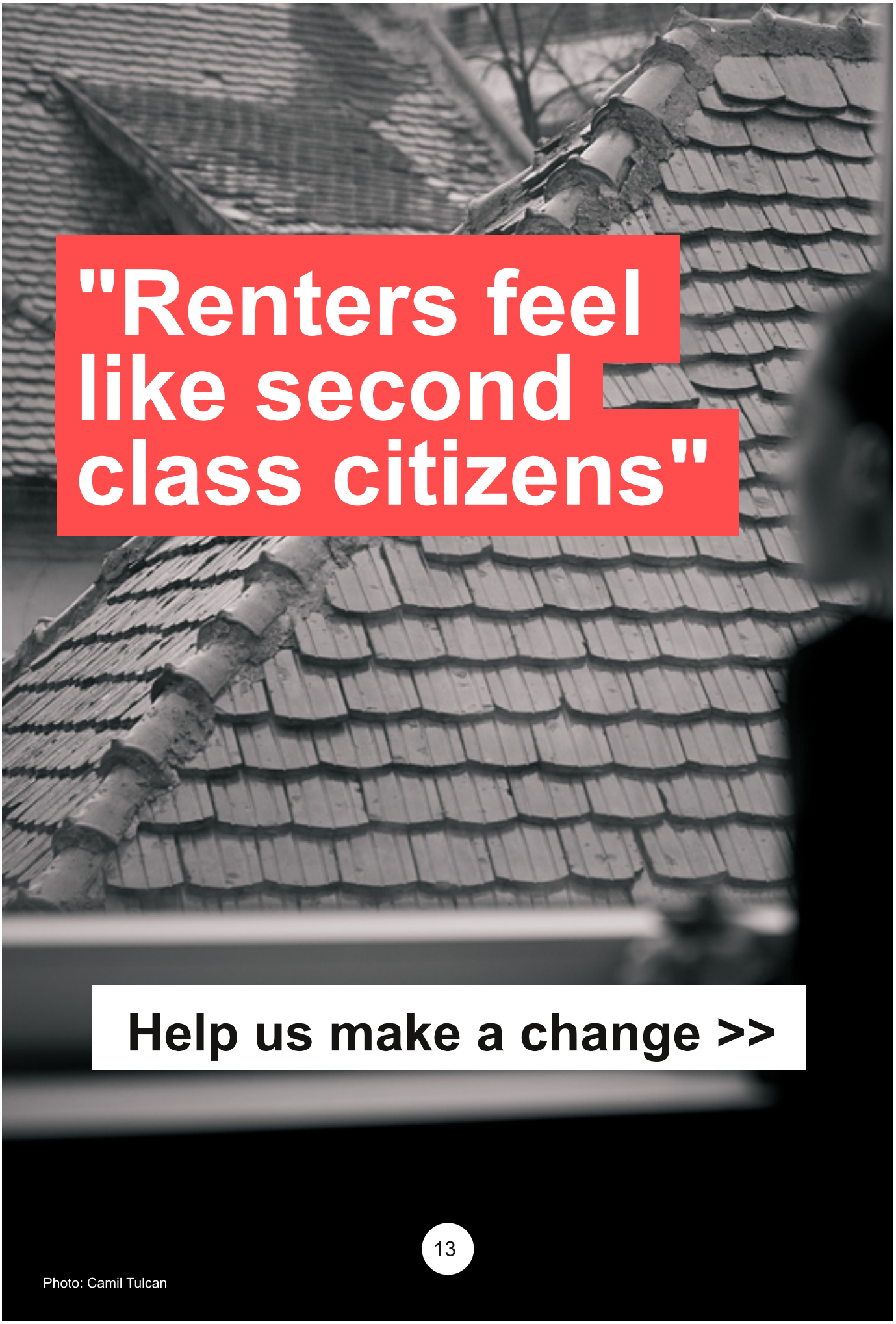
Ultimately, tenants are entitled to certain standards. The law provides for a certain minimum, but ACORN and millions of private tenants contend that this is inadequate and that tenants deserve better. Disrepair and neglect unacceptable in any other industry are commonplace. Tenants should be afforded a similar level of professional service that paying customers receive from other service providers.

Private renters are not second-rate, second-class citizens and should not be treated as such by poor landlords and letting agents. We deserve to live with dignity.

due to his terminal brain tumour, but the mould is making his illness worse. I have M.E/CFS which is why we haven't moved before as I don't have the energy to deal with it and when I do have energy it is spent cleaning mould or caring for my partner. I know this is similar for other people in the area."

"I'm not vengeful and the last thing I want is to put anyone into trouble. I waited patiently for 2.5 years for the necessary repairs to be done but it will never be done, unless someone reminds my landlord what responsibility means. Can someone help? It's just not right not to have any rights!"

"Not having to worry about not having hot water or heating throughout the winter. That 'white goods' would be replaced quickly if broken and regular gas and electrical check ups were done so wouldn't fear a possible avoidable gas leak of electrical fault."



"Renters feel like second class citizens"

Help us make a change >>

Photo: Camil Tulcan

The Charter.

The Bristol Ethical Lettings Charter is a declaration of decency and a statement of intent, to help create a fair, professional and ethical private rental sector in our city.

This declaration will be brought to life by the forward-thinking Landlords and Letting Agents who endorse it, pledging to implement staged improvements in our approach to lettings.

The commitments that follow have been arrived at in consultation with Tenants, Landlords and Letting Agents.

Endorsing Landlords and Letting Agents will be awarded a Gold, Silver or Bronze accreditation, reflecting the commitments they make (the meaning of these levels is contained within the charter).

As the voice of private renters in Bristol, ACORN commits to publicising and supporting accredited Landlords and Letting Agents to our members and beyond.

To endorse the Ethical Lettings Charter and become an accredited property professional please contact ACORN today. See www.acorncommunities.org.uk for details.

The points contained herein constitute minimum and not maximum standards. This Charter should not be used to prevent landlords and letting agents from exceeding these standards.

Make a household smile >>

Photo: Wayan Vota

I'm your Ethical Landlord...

BRONZE

SECURITY

I will use recurring Assured Shorthold Tenancies as default, in place of periodic tenancies (except where the tenant requests a periodic tenancy).

I will ensure that repairs are carried out in accordance with legal obligations and commit to not serve notice as a result of my tenants requesting repairs.[1]

I will publicise ACORN and other tenant advocates to my tenants.

COST

I won't ask for a deposit of more than 6 week's rent, I will place the deposit in one of the three accredited tenancy deposit protection schemes and I will provide my tenants with the relevant documentation as defined in statute.

QUALITY

I will carry out statutory gas and electric safety checks at the start of each new tenancy and make the documentation available to my tenants.[2]

I will provide (and maintain) smoke detectors and carbon monoxide alarms where required and make the documentation available to tenants.[3]

I will carry out any improvements recommended (not merely those required) by any Council Improvement Order and I will ensure that all repairs are carried out within a reasonable time frame and to a proper professional standard.[4]

OTHER

I will apply for any Landlord License required for my property by any local authority.[5]

And I will commit not to discriminate against any potential tenants due to their belonging to any protected group and/or being welfare recipients and/or being parents/carers with dependents.

SILVER

SECURITY

I will commit to increasing notice periods for repossessions by one month for each year the tenant has lived in the property up to a maximum of 6 months

COST

I will commit to not using a letting agent that charges unfair fees to tenants and will not charge tenants any fees myself.[6]

To prevent unwarranted deductions from deposits, I will undertake a professional inventory at the commencement of each tenancy and will supply the tenant with a copy of this free of charge.

QUALITY

I will carry out all improvements recommended by (not merely those required by) any Council Improvement Orders.

I will commit to ensuring a minimum EPC rating of E in all my properties.[7]

OTHER

Taking account of restrictions set by mortgage lenders, I will commit to working with ACORN and the Local Authority to eliminate discrimination against potential tenants due to their belonging to any protected group and/or being welfare recipients and/or parents/carers with dependents. I will promote equal access to lettings.

Where I engage a Letting Agent to manage any property, I will commit to making the nature of the contract available to my tenants and I will commit to using a Letting Agent that is a signatory to the Ethical Lettings Charter where possible.[8]

GOLD

SECURITY

I will commit to using Assured Shorthold Tenancies of 12 months or longer as default, using break clauses to protect an initial 6-month probationary periods.[9]

To ensure the security of each tenant in the event that a property is shared by people unknown to each other, I will provide each household with an individual Assured Shorthold Tenancy to avoid responsibility for an entire property falling on the shoulders of a single person.

COST

In order to aid housing market stability and avoid unwarranted or unfair rent increases, I will seek to educate myself about property investment from the perspective of gaining ethical and sustainable returns.

...and we're your Ethical Letting Agents :)

BRONZE

SECURITY

We will promote the advantages of recurring Assured Shorthold Tenancies to our clients and encourage their use as much as possible.[11]

We will promote ACORN and other tenant advocates to tenants.

COST

We will commit to providing recurring Assured Shorthold Tenancies at no extra cost to landlords or tenants.

We will commit to full transparency of our fees, including the costs used to justify them.[12]

We will promote reasonable deposits of not more than 6 week's rent, place these in one of the three accredited tenancy deposit protection schemes and provide tenants with all relevant documentation as defined in statute.

QUALITY

We will advise client landlords of their statutory obligations regarding gas and electrical safety checks at the start of each new tenancy and will make every effort to see that the law is upheld.[13]

We will actively promote the provision (and maintenance) of smoke detectors and carbon monoxide alarms where required and encourage that documentation is made available to tenants.[14]

We will encourage landlords to carry out all improvements recommended (not merely those required) by any Council Improvement Order and will ensure that repairs in all managed properties can be carried out within a reasonable time frame and to a proper professional standard.[15]

OTHER

We will commit to maintaining up to date information on any Landlord Licensing schemes in our area of operation and promoting compliance from landlord clients

SILVER

SECURITY

We will commit to promoting the benefits of longer Assured Shorthold Tenancies of 12 months or longer to landlord clients, using break clauses to protect initial 6-month probationary periods.[16]

We will encourage landlord clients to increase notice periods by one month for each year the tenant has lived in the property, up to a maximum of 6 months.

We will ensure that repairs are carried out in accordance with a landlord's legal obligations and commit to not serve notice as a result of tenants requesting repairs.[17]

COST

We will commit to a 6 month trial period during which tenancy fees will not be charged

To prevent unwarranted deductions from deposits, we will undertake a professional inventory at the commencement of each tenancy and will supply the tenant with a copy of this without charge.

QUALITY

We will commit to supporting the improvements detailed in any Council Improvement Order (whether recommended or required) and shall refuse to work with landlords who fail to meet a reasonable standard.

We will encourage landlord clients to ensure a minimum EPC rating of E in all their properties [18]

OTHER

Restrictions set by mortgage lenders aside, we will commit to working with ACORN and the Local Authority to reduce landlord discrimination against potential tenants due to their belonging to any protected group and/or being welfare recipients and/or parents/carers with dependents. We will work with ACORN and the Local Authority to promote equal access to lettings.

GOLD

SECURITY

To ensure the security of each tenant in the event that a property is shared by people unknown to each other, we will encourage landlord clients to provide each household with an individual Assured Shorthold Tenancy to avoid responsibility for an entire property falling on the shoulders of a single person.

COST

We will not charge tenants any agency fees.

In order to aid housing market stability and avoid unwarranted or unfair rent increases, we will educate potential landlord clients about property investment from the perspective of gaining ethical and sustainable returns.

QUALITY

We will not let or manage properties without a minimum Energy Performance Certificate rating of E.[18]

Notes.

Landlords.

1. Landlords commit not to serve any Section 21 notice within 6 months, if (a) before the section 21 notice was given, the tenant made a relevant complaint about the property to the landlord or the relevant local authority, and (b) if a section 21 notice was given, the relevant local authority has served a relevant improvement notice in relation to the property. Landlords may serve notice if they can demonstrate that they intend to put the house on the market, occupy it themselves or otherwise dispose of their interest in the property. Utilisation of section 8 notices will remain unaffected, as will proceedings relating to notice served for rent arrears.
2. Should a letting agent contracted by a landlord to manage their property refuse or otherwise fail to comply with these legal obligations, landlords shall terminate the relationship without unreasonable delay. ACORN will maintain a list of signatory letting agents on its website to allow landlords to make an informed decision when seeking an agent.
3. Where a boiler or gas appliance is in the same room as a bedroom, provision will be a requirement. Where this is not the case landlords are nevertheless advised that it is best practice to fit carbon monoxide alarms in all rental properties with gas installations and/or appliances.
4. Inclusive of but not limited to: faulty entrances/exits/windows, white goods, gas or electrical failure, structural damage and or environmental health hazards. If this is not possible and/or the nature of the problem necessitates the tenant vacating the premises on either a temporary or permanent basis, the landlord shall assist them to find alternative accommodation and/or pay any reasonable and unavoidable associated costs incurred by the tenant through no fault of their own
5.http://www.bristol.gov.uk/page/housing/property-licences
6. ACORN will maintain a list of all such agents on its website to allow landlords to make an informed decision.
7. https://warmupbristol.co.uk/ http://www.bristol.gov.uk/page/housing/get-energy-performance-certificate
8. ACORN will maintain a list of signatory letting agents on its website to allow landlords to make an informed decision when seeking an agent.
9. Government Model Tenancy Agreement: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/353166/Model_Agreement_for_an_Assured_Shorthold_Tenancy_and_Accompanying_Guidance_-_Print.pdf

Letting Agents

11. Where letting agents have a default recommendation of periodic tenancies, this should be replaced in favour of recurring AST's. This seeks to address insecurity as a default condition of renting. Where one or more parties require flexibility this should be available as an option on a case by case basis.
12. ACORN will publish details of costs, charges and reasoning on its website to allows potential tenants to make an informed choice.
13. Should a landlord refuse to comply with or otherwise avoid meeting their legal obligations, letting agents shall cease to represent them.
14. Where a boiler or gas appliance is in the same room as a bedroom, provision of a carbon monoxide alarm will be a requirement for an agent to represent a landlord. Where this is not the case agents will nevertheless advise landlords that it is best practice to fit carbon monoxide alarms in all rental properties with gas installations and/or appliances.
15. Inclusive of but not limited to: faulty entrances/exits/windows, white goods, gas or electrical failure, structural damage and or environmental health hazards. If a landlord refuses to engage a contractor found for them by their agent, to contract one of their own or otherwise refuses to make necessary repairs, then agents should cease to represent them and assist the tenants to find alternative accommodation.
16. Model Tenancy Agreement: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/353166/Model_Agreement_for_an_Assured_Shorthold_Tenancy_and_Accompanying_Guidance_-_Print.pdf
17. Letting agents managing a property will refuse to serve any Section 21 notice within 6 months, if (a) before the section 21 notice was given, the tenant made a relevant complaint about the property to the landlord or the relevant local authority, and (b) if a section 21 notice was given, the relevant local authority has served a relevant improvement notice in relation to the property. A landlord may serve notice if they can demonstrate that they intend to put the house on the market, occupy it themselves or otherwise dispose of their interest in the property. Utilisation of section 8 notices will remain unaffected, as will proceedings relating to notice served for rent arrears.
18. https://warmupbristol.co.uk/ http://www.bristol.gov.uk/page/housing/get-energy-performance-certificate

Support for the Charter.

"When we, our friends and families need the services of a letting agent, we will work with ACORN to actively seek out and promote those letting agents who support (an end to fees and insecurity)"

- 1700+ Bristol renters

"Our private rental sector is a vital asset, providing a home to 9 million people across the country. In the Bristol West constituency, over 40% of people live in the private rental sector (the 2nd highest in the UK), so I'm determined to root out the minority of rogue landlords that give it a bad name. ACORN's charter has my full support – it is an innovative step that provides security for tenants by highlighting the best letting agencies and landlords. It also builds on what we have been able to achieve in government. We are working to end revenge evictions and to ensure transparency in letting agency fees, having already legislated for minimum energy efficiency standards and the same right of access to a housing ombudsman as social tenants."

- Stephen Williams MP, Liberal Democrat, Bristol West

"I'm delighted to support this excellent accreditation system for landlords and letting agencies in Bristol, which balances the needs, rights and responsibilities of tenants, landlords and agencies in an ethical and effective way. For landlords and letting agents, this is a way of showing your tenants and the competition that you practice to high standards and it's a good start to building a relationship of trust with your tenants. For tenants, this is a means for you to identify who is a landlord or agent you can depend on. I'm proud that Bristol has an organisation like ACORN standing up for people's rights to decent, affordable housing and look forward to working with them well into the future as we as a city increase the amount and quality of affordable, secure, energy-efficient housing"

- Thangam Debbonaire, Parliamentary Prospective Candidate, Labour Party, Bristoll West

"Housing is one of the basics, but more and more people are struggling to find somewhere they can call home. The ACORN charter is a brilliant step in the right direction, offering more security to tenants at the same time as helping landlords improve the quality of the tenure. By working together, everyone can benefit. Landlords that decide not to sign up are doing so for a reason, and should be challenged"

- Darren Hall, Parliamentary Prospective Candidate, Green Party, Bristol West

United communities
more than just a roof

citizens advice bureau

1625 Independent People

Also: University of the West of England Student Union Council,

Landlord?
Letting Agent?

Step forward.

www.acorncommunities.org.uk/contact_us

ACORN is a community based social justice union, representing more than 80,000 low and moderate income families world-wide.

For more information on this and our other local, regional and global campaigns please see our website or contact us for details.

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