CIH Scotland: Invitation to tender
Review of letting agent qualification
January 2022

Overview
The Chartered Institute of Housing wants to review the existing qualification and training requirement for letting agencies. Three years after a new system was introduced, we want to determine:

- if this has enhanced and professionalised practice by letting agencies;
- how it can be further improved for letting agents and tenants; and
- what lessons there are for other parts of the rented sector.

The findings of this review would then inform the Scottish Government's whole rented sector strategy, which is expected to be published in 2022/2023. This will consider how standards in the rented sector can be aligned and improved. The approach to the evaluation will review relevant data sets from the CIH, local authorities and the housing and property chamber. It will also survey letting agents, interview stakeholders and consult with the sector before determining any conclusions. We hope the project will take no more than nine months from appointment. This work is being funded by the Safe Deposit Scotland Charitable Trust.

Background
The *Housing (Scotland) Act 2014* made provisions for the regulation of Letting Agents in Scotland. This was established to improve the standards of service for those letting properties from letting agents and requires appropriate people in each letting agency to hold a relevant qualification and where necessary undertake additional training on letting agency work.

Letting agents are required to re-apply for registration every 3 years and keep their relevant training and qualifications up to date. Therefore, as we go through the first re-registration period, we want to review the impact of the requirement on letting agencies, in terms of both the qualification and the 20 hours of CPD and consider whether the policy can be improved.

Please note this review would take place while the UK government is considering introducing new qualification and training requirements for housing practitioners in the social sector in England.

Existing Evidence/ Research
We have carried out interviews with letting agents in Scotland to understand their views on the effectiveness of regulation on letting agencies in professionalising practice and their rationale for the project- this is noted underneath. We also note that given the requirement on letting agencies is only three years old, there has been no other formal or informal analysis of the policy conducted by the Scottish Government, the housing sector or any other academics or researchers. This would be the first evaluation of how the housing qualification and training impact upon housing management and customer service and the potential of this to inform discussion on professional practice across the UK.

The feedback from letting agents across Scotland is summarised as follows:
- It is considered that the current system of regulation may not work effectively as there is no meaningful enforcement and monitoring of new letting agencies that are neither registered, nor have proportionately qualified staff.

- Specifically, there is concern that new letting agents are regularly entering the market without having qualifications and training.
- As such, there is concern that this may undermine the drive to professionalise the sector and the investment made by those letting agencies that do encourage staff to study qualifications and undertake CPD.
- There is concern that letting agents face higher regulatory burdens than private landlords, which creates an imbalance in customer service across the private housing sector.

In addition, we note the Scottish Government's intention to develop a strategy and new legislation to support alignment across the rented sector and the recognition of professional practice from housing staff as a means to improve tenant experience. The findings from this study have the potential to ensure greater consistency in customer service standards from all landlords and letting agencies.

What the review will consider

A review will consider what impact the introduction of the qualification has had on professionalising letting agencies, how the system can be improved for letting agents and what lessons there are for other parts of the housing sector.

It is considered that the current system may not necessarily work effectively as there is no meaningful enforcement and monitoring of new letting agencies that are neither registered, nor have proportionately qualified staff. There is concern this may undermine the drive to professionalise the sector and the investment made by those letting agencies that do encourage staff to study qualifications and undertake CPD.

Given this anecdotal feedback from letting agents in Scotland this review answers the following questions:
- How widespread is the uptake of the qualification in the letting agency sector at large?
- How effective has the implementation of a letting agent qualification and CPD been in improving practice among those who have undertaken them? Is a focus on qualifications and CPD effective in improving standards?
- Is there a material difference between CPD approaches to practitioner professionalism for example between CIH face to face and ARLA online offerings.
- What else could help professionalise the sector and increase uptake of qualifications and the use of CPD?
- To what extent are all letting agents following the law and what could a proportionate/effective model of monitoring and enforcement look like?
- What lessons are there for the rest of the rented sector in how it can improve its practice? This will be mindful of the Scottish Government approach to alignment across the whole rented sector.

To conduct this review, we suggest the researchers consider the following:
- Impact on staff retention/ recruitment for letting agents
- Letting agent staff team appraisals
- CPD training requirement and staff compliance
- Re-registration success and reasons for failure
- Letting agency qualification pass/fail and cohort evaluation-Letwell data from CIH

Review process
- Review of any existing literature on the issue, including grey literature.
- Review of relevant data sets and information including LETWELL cohort evaluations, LA re-registration data, HPC case data on complaints and comparative approaches across the UK to improve professionalisation e.g. Rent Smart Wales
- An in-depth online survey of letting agents (via CLA database), tenants and landlords (via SAL)
- A series of qualitative interviews (15+) with representatives of the housing sector including letting agents, HPC members, qualification providers, PRS landlords and social sector representatives.
- After an initial report has been drafted there will be a further round of consultation via a series of roundtables with representative stakeholders from the sector, including tenants, landlords and letting agents.
- After this point and throughout the process the Review Group will agree the final recommendations and government will agree to respond to its findings.

Outputs

The final report should evidence
- If CPD requirements have improved professional practice among letting agents and any links to better housing outcomes for tenants.
- If any approach to CPD has more favourable outcomes for practitioner practice and tenant outcomes.
- How practice can be improved further through (i) better processes for CPD (ii) different requirements or (iii) new content.
- Recommendations for the rest of the rented sector about the benefits and applicability of CPD requirements to improve professional practice.

A PowerPoint slide detailing the findings of the evaluation should also be provided on completion of the project and we would expect the consultant to make themselves available to present the findings at a series of CIH events and forums over the succeeding six months.

Timeline

Following appointment, it is expected that the entire project may take up to 9 months to complete, with a final report and presentation due at the end of this period. Any extension can be discussed and agreed with CIH Scotland. The successful candidate will undertake the following outputs
- Work with CIH to establish a review group to support the project. This will be comprised of academics, letting agents, PRS landlords, social landlords and other housing professionals.
- Evidence review, including existing literature and existing data sets. This includes grey data and practice from across the UK.
- Online survey of letting agents, tenants and landlords including survey design, dissemination and follow up. This will involve the use of trusted intermediaries such as CLA, SAL, LAS etc.
- Setting up and conducting a series of interviews with sector representatives (15-25).
- Draft of initial report and recommendations.
- Roundtables with tenants, landlords, letting agents and other stakeholders and follow up consultation.
- Final draft report and supporting materials.
- Ongoing account management and client liaison.

MONTH	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
ACTIVITY										
Monitoring and Reporting										
• Tender for consultant to undertake evaluation and research. Interview and appointment to take place in February 2022.	�	▨								
• Establish sounding board of 4-6 members to provide oversight of project.		▨		▨		▨		▨		
• Evidence review of existing literature and data sets.			▨	▨						
• Online survey of letting agents, tenants and landlords including survey design, dissemination and follow up.				▨	▨					
• Interview with sector representatives.						▨	▨			
• Draft report finalised.							▨	▨		

• Individual roundtables with
  - tenants;
  - landlords/letting agents;
  - other housing stakeholders.
									▨	

• Final report published										▨

Proposal

Depending on the scale of work we estimate the research could cost around between £20k and £30k (inclusive of VAT). We would welcome proposals from any interested individuals, organisations or consultants who believe that they can meet the terms of brief alongside an overview of how you would approach the project, expected timelines and total cost. As part of the account management process, we would expect the appointed consultant to:

- Prepare monthly activity reports of no more than 1 side of A4.
- Take part in monthly meetings with CIH Scotland.
- Attend sounding board meetings every 2 months.

As part of your proposal, we would welcome a detailed breakdown of expected costs to meet the brief in each tender submission. All those submitting a tender will be assessed on cost and value for money as well as approach and understanding of the brief. The brief may be refined depending on the budget and proposal.

Proposals should be submitted no later than 5pm on Thursday 10th February and interviews will take place on Tuesday 22nd February.