

KAMMA

Property Licensing Update

Q1 2023

The latest licensing and property news from Q1 2023

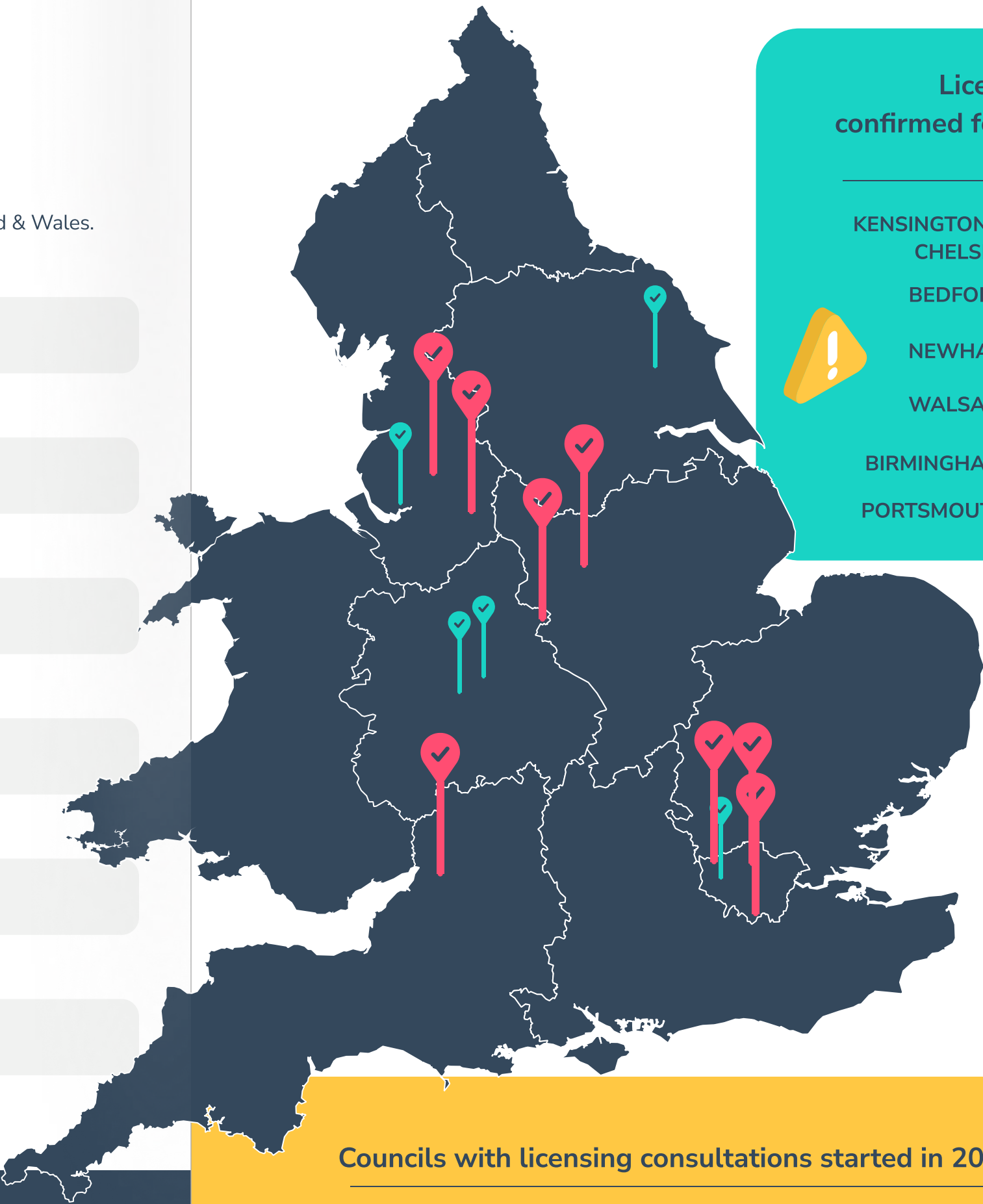


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The State of Property Licensing in Q1 2023

As of the 1st of April, 8 **new schemes** had been launched by councils all over England & Wales. Below is an overview of the newest & largest schemes you need to be aware of...

York	What type of licensing? Additional	When will the scheme run? 1st April 2023 - 31st March 2028
Charnwood	What type of licensing? Selective & Additional	When will the scheme run? 1st April 2023 - 31st March 2028
Sefton	What type of licensing? Selective & Additional	When will the scheme run? 1st March 2023 - 28th Feb 2028
Cardiff	What type of licensing? Additional	When will the scheme run? 1st Feb 2023 - 31st Jan 2028
Ealing	What type of licensing? Selective	When will the scheme run? 3rd Jan 2023 - 2nd Jan 2028
Newham	What type of licensing? Additional	When will the scheme run? 1st Jan 2023 - 31st Dec 2027



Licensing schemes confirmed for the next few months

- KENSINGTON & CHELSEA** | Additional
- BEDFORD** | Additional
- NEWHAM** | Selective
- WALSALL** | Additional
- BIRMINGHAM** | Additional & Selective
- PORTSMOUTH** | Additional

Councils with licensing consultations started in 2023

- NOTTINGHAM
- GREENWICH
- WARWICK
- WORCESTER

Has property licensing been introduced in your area?

[FIND OUT HOW WE CAN HELP](#)

Property Licensing & Rogue Landlord Tracker

Record quarter for property licensing fines in London

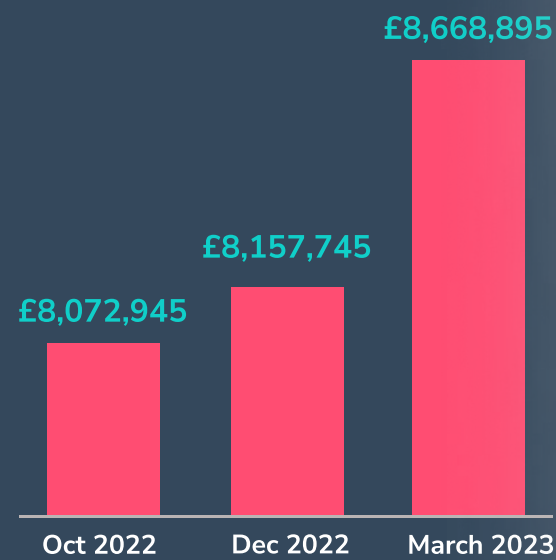
Kamma has recently reported that total fines for rogue landlords and letting agents has crossed the £8.6 million mark for the first time. This represents a total increase of over £500,000 in the first three months of 2023.

Kamma is the only company to track the Mayor of London's Rogue Landlord and Agent Checker in order to deliver analysis of enforcement trends across the capital. In just the last three months, the total value of fines for letting agents and landlords has increased by almost half a million - from £8,157,745 in December (2022) to **£8,668,895** in April 2023.

Since the start of the year, Kamma has reported an average monthly increase of around £136,000 in fines. In March, Camden council topped the council enforcement list in terms of number of cases brought forward, followed closely by Newham and Waltham Forest. Yet, the London Borough of Hammersmith and Fulham now has the highest average of fines per case at £19,800, followed by Hillingdon with an average of £13,500, and Hackney with £11,250.

Letting agents and landlords stand to face fines of up to £30,000 if they fail to comply with safety and licensing regulations. They may also face additional fines of up to £5,000 per property for non-compliance with Minimum Energy Efficiency Standards (MEES).

Total fines issued by participating London boroughs



SOURCE: Kamma, Mayor of London

£8,668,895

Total fines imposed across all London boroughs

£6,850,000

Total fines relating to property licensing and regulations

£167k

Largest single fine against an agent for failing to comply with regulations

£4,670

Average fine imposed on agents for all types of offences

Top 10 London local authorities - highest level of enforcement (by total fines issued)

- 1st Camden
- 2nd Newham
- 3rd Waltham Forest
- 4th Southwark
- 5th Brent
- 6th Greenwich
- 7th Westminster
- 8th Tower Hamlets
- 9th Havering
- 10th Lewisham

The Biggest Fines stories of Q1 2023

Unlicensed HMO owner and operator gets £175,000 fine for 'squalid' home

The owner and operator of a former Westcliff-on-Sea hotel with no working kitchen, unusable toilets, blocked drains, and rats, has been ordered to pay more than £175,000 by the courts. Three companies and a landlord, who was identified as both owner and operator, were all connected with a former hotel in Westcliff-on-Sea, as part of the council's investigation, and guilty pleas were entered for offences under the Housing Act 2004. Neighbours reported anti-social behaviour, drug use, poor living conditions and rats to both Southend-on-Sea City Council and Essex Police, in April 2021.



[Click here for the full story](#)

Other Top Stories

Feb, 2023

NEWS

Estate agency in North London fined £35,000 for leasing a property without a licence

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NEWS

Rogue landlord ordered to pay £52k for illegal extension and tiny rooms

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Feb, 2023

NEWS

Landlord fined almost £14,000 for failing to maintain proper safety standards

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March, 2023

NEWS

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Is property licensing really that effective?

Almost 20% of all local authorities in the UK have some sort of discretionary licensing scheme in place, and in London, 21 councils (almost 66%) operate selective or additional licensing schemes. The purpose of property licensing is to ensure that rental properties meet certain standards and are safe and habitable for tenants.

Yet, there is opposition towards licensing from some landlords and letting agents who see it simply as a burden and an additional cost. In fact, the costs of property licensing schemes vary greatly depending on the type of scheme and the local authority that implements it, but the fees normally range from a few hundred pounds to over a thousand pounds per property. For example, in the London Borough of Newham, landlords must pay a fee of £1,100 for a five-year HMO licence and £1,050 for a five-year selective licence. In contrast, the fees for additional and selective licences in Manchester are £590 and £650 respectively.

There is also a growing frustration among agents and landlords towards property licensing schemes that lack effective enforcement, which they argue unfairly targets responsible landlords. According to a special report by the National Residential Landlords Association (NRLA), there is a post code lottery of local authority enforcement, with some authorities running extremely aggressive regimes, whilst others are lax. If licensing schemes are poorly enforced they do little to tackle underlying issues and are simply a tax on good landlords. These landlords comply with safety and legal requirements and are therefore burdened by additional costs and bureaucratic processes. Rogue landlords, in contrast, don't worry about meeting rules and are left alone, free to prosper. It's for this reason that the NRLA argues that licensing schemes need to be accompanied by effective enforcement measures, to both target rogue landlords and incentivise good ones, rather than imposing blanket fees on all landlords regardless of their track record. Such a situation also carries reputational impact as a proliferation of rogue actors gives the wider sector a bad name, leading to pressure on both local and central government to write yet more legislation impacting the sector.

So what does the data say? Whilst operating schemes without enforcing regulations is undoubtedly a challenge, those schemes that are effectively run have been proved to dramatically improve standards of accommodation, and remove rogue actors from the sector. At a time when tragedy has thrown a harsh light on the impact of substandard accommodation, these insights suggest a stronger need for licensing than ever before.

Inspections and Hazards Found

The number of inspections and hazards found varies across local authorities and property types. However, data from some local authorities provides an insight into the scale of the problem. For example, in Liverpool, over 11,000 properties have been inspected under the city's selective licensing scheme, and over 95% of those properties have been found to have at least one hazard. The most common hazards identified were excess cold and dampness.

[Read more](#)

Kamma's Recent Publications

A summary of Kamma's key insights, guides, and sector commentary published in the last quarter

Why letting agents need to be aware of new climate-related financial disclosures

In the UK, premium listed companies and financial institutions are now required to disclose on how they identify, assess, and manage climate-related risks and opportunities. This currently includes some bigger letting agents.

Kamma recently published an [ultimate guide](#) covering everything eligible organisations need to know about climate-related financial disclosures and how to overcome property data challenges. In this article, Kamma had addressed the challenges posed to letting agents.

[Read more](#)



Discretionary licensing: Will the upward trend continue?

Kamma's latest analysis found that almost 20% of England's local authorities now have one or more discretionary licensing schemes in place. In fact, at the end of 2022 Kamma reported that a total of 52 new schemes and consultations were launched in the previous 12 months, which is five more than in 2021 and almost 10 more than in 2020. At the current rate that schemes and consultation are being announced, it is expected that this trend will continue in 2023.

Based on the number of active schemes, those planned to start or in consultation, and those finishing, Kamma predicts that by July this year a total of 525 mandatory and discretionary schemes will be live, an all time high with around 20 more active schemes compared to today.

[Read more](#)



Property regulations are diverse, complex, and ever changing. We leverage data and tech to quickly provide lenders with clear and reliable answers. [Click here](#) to learn more.



Protect. Pitch. Grow.

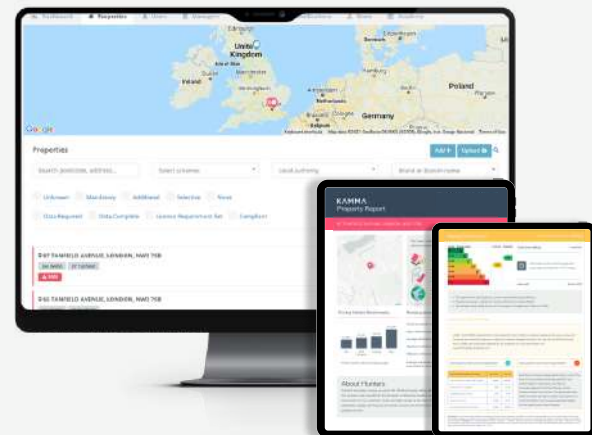
No matter the size of your portfolio, Kamma's unique tools are designed to help your agency turn risk into revenue

- Automatically stay updated on any new licensing schemes affecting your portfolio
- Protect yourself from damaging council fines and Rent Repayment Orders
- Use data to win portfolio tenders and achieve step growth in your agency
- Produce beautiful property reports and impress landlords
- Introduce a hassle-free application service and generate revenue



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Kamma's products deliver everything you need to grow your business...



Kamma Manager - 24/7 compliance guardian

Automate your compliance to stay actively informed of any changes and licence application or tender opportunities

Kamma Reporter - Deal winning reports

Run instant licensing checks and produce compliance reports to boost your conversion rates and win instructions

Kamma Applications - Zero-hassle revenue

Kamma makes it easy to generate regular revenue through a licence application service for your landlords

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We are proud to support the growth of some of the best names in the industry...



Visit the site at kammadata.com

Speak to the team: hello@kammadata.com

BOOK A DEMO NOW

New partnerships in Q1 2023

- Tech partnership between leading geospatial technology company Kamma and the UK's leading independent real estate consultancy Knight Frank supports compliance efforts in the Private Rented Sector (PRS).
- Market leaders are partnering to find new innovative solutions to market challenges around licensing compliance.
- Kamma to support Knight Frank with compliance analysis services, analysing its entire portfolio, with full integration between the partners planned to go live in 2023.



Kamma is proud to announce another partnership, this time with the UK's leading independent real estate consultancy Knight Frank. Kamma will be working closely with Knight Frank to helping the firm stay on top of its compliance amidst changing regulations.

The growth of discretionary licensing schemes across the 408 local authorities in the UK has created a complex web of rules and regulations that landlords and agents have to follow. Earlier this year, Kamma reported that as a result of the increased enforcement, the total fines for letting agents and landlords in the Greater London area had increased by more than £1 million by the end of last year.

In 2023, Knights Frank's agents will benefit from access to Kamma's services, including instant property licensing checks. In addition to receiving email alerts on new and ever-changing legislation related to residential lettings, residential sales, and insurance, users in England and Wales will also be able to receive live updates on changes to licensing regulations affecting their property portfolio. Before the integration goes live, Kamma will support Knight Frank with more high-level overviews and compliance sweeps.

Beverley Kennard, Head of Lettings Operations at Knight Frank said: "We are delighted to have formed a partnership with Kamma who we believe has the leading licensing compliance platform. We look forward to working with Kamma to help our clients navigate the complex licensing schemes currently in place, alongside exploring further efficiencies and time savings for our teams."



Using Kamma has meant that we were able to get our property portfolio protected from the risk of property licensing thanks to the daily monitoring of the licensing landscape across London. Kamma has helped to transform this complicated area of risk into a simple process where all properties are continuously monitored for any licensing requirements, letting us know how and when we need to take action.

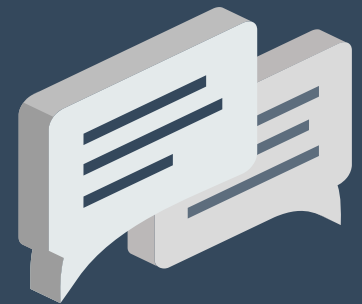
Reagan Bradley, Operations Director



Partnerships and integrations



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to turn risk into
revenue



About Kamma

Kamma puts companies back in control of their compliance through data-driven technology solutions. They mine unstructured legislative information and harness AI to de-risk markets, deliver operational efficiencies, protect reputations and open up new revenue opportunities

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Speak to the team:
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