

**Meeting**            General Purposes Committee  
**Portfolio Area**    Housing and Housing Development  
**Date**                14<sup>th</sup> April 2026

**CIVIL PENALTIES UNDER THE RENTERS’ RIGHTS ACT 2025 & OTHER HOUSING LEGISLATION – REVISED ENFORCEMENT POLICY**

**NON-KEY DECISION**

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**1        PURPOSE**

1.1        To consider the Council’s revised Civil Penalty Policy which sets out the Council’s methodology and mechanism for assessing and setting the level of a civil penalty at all stages where a civil penalty is under consideration for regulatory breaches and offences established under the Renters’ Rights Act 2025 and for existing offences under other legislation relating to private rented sector housing standards.

**2        RECOMMENDATIONS**

2.1        That the General Purposes Committee agrees the proposed Stevenage Borough Council Civil Penalty Policy (attached at **Appendix A**).

2.2        That the General Purposes Committee recommend the Stevenage Borough Council Civil Penalty Policy to Cabinet.

### **3 BACKGROUND**

- 3.1 The Housing Act 2004 (as amended by the Housing and Planning Act 2016) makes provision for local housing authorities to impose financial penalties (civil penalties) on landlords of private rented housing, as an alternative to prosecution, where specified offences have occurred. The Renters Rights Act 2025 makes further provision for civil penalties to be issued for regulatory breaches and criminal offences set out in the Act. Civil penalties may also be issued under other housing legislation as summarised in the policy.
- 3.2 The applicable legislation sets out the maximum fine amounts imposed under a civil penalty. From 1<sup>st</sup> May 2026, local housing authorities must also have regard to the statutory guidance, *Civil penalties under the Renters' Rights Act 2025 and other housing legislation*. The guidance sets out the factors which local housing authorities should take into account and the applicable starting points when deciding on the level of a civil penalty.
- 3.3 However, it is for local housing authorities to determine the civil penalty amount in each case and the statutory guidance makes clear that they are required to have their own policy in place to set out how civil penalties will be levied in a consistent and transparent manner.
- 3.4 The Civil Penalty Policy updates the Council's "Civil penalties under the Housing and Planning Act 2016 – policy and procedure" which was introduced on 20th September 2017 and revised in 2022. The changes in the Civil Penalty Policy reflect the substantial changes affecting the range of matters for which civil penalties can now be issued as a result of the Renters' Rights Act 2025. The policy has also been updated having regard to the updated statutory enforcement guidance.

### **4 CONSULTATION**

- 4.1 In developing this policy, consultation was limited to internal consultation within the Environmental Health and Licensing service which is responsible for enforcing the relevant legislation and issuing civil penalties. No comments were received that necessitated consideration of any changes to the policy.
- 4.2 It was not considered necessary to conduct a public consultation exercise. The policy is a revised form of the previous policy relating to civil penalties. Much of what the policy covers relates to matters prescribed by the legislation and statutory guidance. The statutory guidance sets out the starting levels, i.e. the fine amounts, for most civil penalties depending on the specific breach or contravention that has occurred. The factors to consider in determining a civil

penalty and the methodology for doing so are also established, to a large extent, by the statutory guidance.

## **5 REASONS FOR RECOMMENDED COURSE OF ACTION**

- 5.1 As stated above, the Council is required to have a policy in place setting out how it will determine civil penalty fine levels, where a decision has been made (under separate enforcement policy) to issue a civil penalty. The existing policy requires substantial amendments commensurate with the changes brought in by the Renters' Rights Act 2025.
- 5.2 While the statutory guidance that applies from 1<sup>st</sup> May 2026 prescribes many of the starting points at which fines for particular regulatory breaches and offences should be set, Local housing authorities still have considerable discretion to set minimum fine levels and to determine the range of fines within the limits set by the statutory guidance.
- 5.3 The Association of Chief Environmental Health Officers (ACEHO) has published policy recommendations which have been made available to local authorities nationally, which set out a recommended approach to applying this discretion. The aim is to achieve consistency of approach between local housing authorities in terms of the level at which fines for specific contraventions are set.
- 5.4 A significant number of landlords operate across local authority boundaries. The intention of the ACEHO policy recommendations is to avoid the type of scenario where, for instance, one local authority has a policy which results in significantly lower fines being issued than a neighbouring authority – and therefore has a significantly lower deterrent in place to discourage criminal landlords from operating in its area. Having a consistent approach between local authorities has the potential to reduce disparities in the robustness of the enforcement response depending on which local authority area a tenant happens to live within.
- 5.5 The Civil Penalty Policy has therefore been developed with adherence to the recommended fine levels and means of determining the appropriate fine level set out by the ACEHO, to the extent that this is not already prescribed by the statutory enforcement guidance.
- 5.6 The starting points for fine levels and the further methodology for determining the amount of a civil penalty as set out in the policy can be seen as a robust enforcement approach. This should be seen in the context of the statutory enforcement guidance which states the following: *An important part of deterrence is the realisation that the local housing authority is proactive in*

*levying civil penalties where the need to do so exists and the civil penalty will be set at a high enough level such that operating lawfully will be the sensible financial choice.*

- 5.7 Application of the methodology as set out in the policy will lead to civil penalties that will be substantially higher than if the method in the 2017 version of the policy – as set out in Section 8 of that policy – was applied. For example, under that policy the maximum level of fine that would be issued for offences involving low or medium culpability range from £350 to £4,500. Whereas under the Civil Penalty Policy the offence with the lowest starting point would start with a fine level of £3,000, which may then be adjusted upwards or downwards depending on mitigating or aggravating factors present. The most serious offences under the Civil Penalty Policy, such as offences under the Protection from Eviction Act 1977 or breaching a banning order, set the starting fine level at £35,000, compared to £25,000 until the 2017 policy.
- 5.8 As previously noted though, the higher starting points for fine levels under the policy are mostly prescribed by the revised statutory guidance. In addition, they reflect the fact that the maximum fine levels under statute for existing offences (such as under the Housing Act 2004) have been increased by legislative amendments made under the Renters' Rights Act 2025.
- 5.9 For further reference, the 2017 version of the policy that is to be replaced with the revised version is included under Background Documents.

## **6 FINANCIAL IMPLICATIONS**

- 6.1 Where the Council issues a civil penalty it has powers to recover the sum owed through debt recovery proceedings. The legislation also enables the Council to retain the income from the payment of civil penalties. The legislation prescribes that this income must be used to meet the Council's costs and expenses incurred in or associated with its private rented sector enforcement functions.
- 6.2 Provided the Council has efficient procedures in place for the recovery of debts arising from unpaid civil penalties, the robust enforcement of the new and existing legislation relating to private rented housing has the potential to bring in a significant amount of income over time, particularly given the higher potential fine levels under the revised policy. Civil penalty payments, whether or not these are paid after debt recovery proceedings are initiated, are expected to be received on a sporadic basis rather than as a continuing income stream, so should not be viewed as a reliable source of income. Any income recovered will however contribute to the funding of the Council's ongoing enforcement activities in this area.

- 6.3 Financial considerations relating to the need to ensure sufficient enforcement capacity within the Environmental Health and Licensing Service are addressed in the separate report (dated 14<sup>th</sup> April 2026) for General Purpose Committee on the Renters Rights Act 2025 – New Enforcement Policy. These considerations have not been duplicated here.

## **7 LEGAL IMPLICATIONS**

- 7.1 The Council has a statutory duty under Section 107 of the Renters’ Rights Act 2025 to enforce the ‘landlord legislation’ as defined under that Act. The use of civil penalties as an enforcement sanction and the policy setting out the approach to their use will underpin the Council’s regulatory activities in meeting its statutory enforcement duty.

- 7.2 Where a civil penalty is issued by a local housing authority, the recipient has a legal right of appeal to the First-tier Tribunal (FTT) and potentially a further right of appeal to the Upper Tier Tribunal, whose decisions set a legal precedent which is binding on the FTT. It should be noted that, as a result of such appeals, there have been a number of developments in case law since the introduction of the 2017 policy. As a result, the approach set out in that policy (incorporating the 2022 amendments) is not compliant with the caselaw as it stands. The policy under consideration adheres to both the revised statutory guidance and the aforementioned ACEHO policy recommendations which was developed in consultation with housing law professionals. As such, the approach set out in the policy is compliant with the caselaw as it stands at the time of producing this report.

- 7.3 A further point in relation to appeals is that, given the higher potential fine levels under the policy and given that the Renters’ Rights Act 2025 has substantially increased the number of regulatory breaches and offences for which local authorities will now be able to issue a civil penalty, it is likely that the Council will be required to respond to an increased number of appeals to the FTT in future. Having a robust policy in place which is compliant with the statutory guidance and case law will decrease the risk of appeals succeeding.

## **8 EQUALITIES AND DIVERSITY IMPLICATIONS**

- 8.1 An Equalities Impact Assessment was carried out in March 2026. This concluded that adherence to the policy will ensure that civil penalties are issued in a fair, transparent and consistent manner that does not unfairly discriminate against any disadvantaged group or against those with protected characteristics.

- 8.2 The assessment further concluded that the policy allows for certain relevant factors that may affect such groups to be considered in the Council's decision making, including disability and socio-economic factors. As stated above, those affected have recourse to appeal to an independent tribunal where they consider that the Council has acted unfairly in issuing a civil penalty.
- 8.3 A copy of the Equalities Impact Assessment can be found at **Appendix B** of the policy document.

## **9 BACKGROUND DOCUMENTS**

- BD1 *Civil and Financial Penalty Policy – as an alternative to prosecution under the Housing Act 2004 and calculation of financial penalties as prescribed in associated housing legislation (2017, incorporating 2022 amendments)*
- BD2 [Civil penalties under the Renters' Rights Act 2025 and other housing legislation - GOV.UK](#)
- BD3 [Renters' Rights Act 2025](#)

## **10 APPENDICES**

- A Civil Penalty Policy – Renters Rights Act 2025 & Other Housing Legislation
- B Equalities Impact Assessment