

Bristol City Council's policy on deciding on a financial penalty amount

Introduction

The Renters' Rights Act 2025 introduced significant changes to housing enforcement by granting local housing authorities enhanced powers to impose civil penalties as an alternative to prosecution for housing related breaches and offences. These changes include:

- New breaches subject to financial penalties under the Renters' Rights Act 2025.
- Extended powers to apply penalties for offences under existing housing legislation.
- Revised penalty limits to up to £40,000 for offences and up to £7,000 for breaches.

This policy sets out Bristol City Council's framework for determining the appropriate level of financial penalty once a decision to impose a penalty has been made.

Consultation

Feedback was sought from landlords, agents, and tenants and considered in finalising this policy. See Appendix 4 for a list of consultees.

Legal Reference

The Renters' Rights Act 2025 amends the Protection from Eviction Act 1977, Housing Act 1988, Housing Act 2004, and Housing and Planning Act 2016. These changes extend local housing authorities' powers to impose financial penalties as an alternative to prosecution for specified offences and new breaches introduced by the Act (see Appendix 1 for full list of breaches and offences).

Government Guidance

The Ministry of Housing, Communities and Local Government (MHCLG) has issued statutory guidance titled "[Civil Penalties under the Renters' Rights Act 2025 and Other Housing Legislation](#)". Local authorities must have regard to this guidance, which outlines factors to consider when setting penalty levels and recommends that authorities publish their own policy for determining penalty amounts.

MHCLG have also revised the guidance in relation to Electrical Safety regulations¹ for Private and Social Rented sector properties. The [guidance on the Electrical Safety regulations](#) directs Local authorities to the same statutory guidance this policy considers when determining the level of a penalty. The breaches for Electrical Safety regulations are also set out in Appendix 1.

Purpose and basis of this Policy

This policy reflects legislative changes introduced by the Renters' Rights Act 2025 and the statutory guidance, providing a clear framework for determining financial penalties.

Implementation

This policy applies to penalties imposed for housing related breaches or offences and breaches under Electrical Safety Regulations, committed on or after 1st May 2026.

Penalties for housing related breaches or offences committed before this date will be governed by the previous policies in force at the time, "Civil Penalty as an Alternative to Prosecution under the Housing Act 2004" and "Electrical Safety Standards - Civil Penalty Policy Addendum". See [link to our policies](#).

¹ [The Electrical Safety Standards in the Private Rented Sector and Social Rented Sector \(England\) Regulations 2020](#)

Bristol City Council's process for determining the level of penalty

The maximum civil penalty is £7,000 for breaches (except breaches of Electrical Safety Regulations where the maximum is £40,000) and £40,000 for offences.

Deciding on the penalty amount

The civil penalty will be determined by considering the following factors outlined in the following steps.

➤ **Step 1: Determine the seriousness of the breach or offence**

Each breach or offence is assigned a starting penalty amount based on its seriousness, as detailed in Appendix 1. Seriousness is determined by the inherent level of potential or actual harm associated with the breach or offence, as well as the intrinsic culpability involved. Case-specific circumstances will not form part of the assessment of seriousness at Step 1 but will be considered separately as aggravating or mitigating factors at Step 2.

Continuing or repeat breaches

Certain continuing breaches or repeat breaches of landlord's duties under assured tenancies (under sections 16J(3) and (4)² of the Renters' Right Act 2025) will become an offence and the maximum penalty will increase from £7,000 to £40,000. These breaches and offences are set out in Appendix 1.

Continuous or repeat breaches in relation to rental discrimination and rental bidding do not become offences, but where an offender commits a continuous or repeat breach of the same legislative provision additional civil penalties can be issued.

➤ **Step 2: Apply aggravating and mitigating factors**

The starting penalty amount, calculated at Step 1, will be adjusted to take into account any relevant case-specific aggravating or mitigating factors, including the following:

- **Culpability and track record of the offender**

Includes the offender's behaviour in relation to the breach or offence, previous compliance history, and the size and nature of their property portfolio. Additional factors include whether and when remedial action was taken, and whether the offender admitted guilt, how quickly this admission occurred, and whether it contributed to resolving the case.

- **The harm caused**

Considers the level of risk to the tenant's safety and wellbeing, whether that risk materialised, and the presence of any vulnerable tenants, as listed in Appendix 3.

- **Other aggravating and mitigating factors**

Includes the offender's relevant health at the time of the breach or offence and the offender's overall cooperation during the investigation.

The presence of any of the above factors may lead to an increase, a decrease, or no change in the penalty amount, as outlined in Appendix 2.

➤ **Step 3: Financial Considerations**

The penalty amount determined at Step 2 will be reviewed to ensure it achieves deterrence, punishment, and removes any financial benefit.

² [Section 15 Renters' Rights Act 2025 inserts Section 16 J in Housing Act 1988](#)

Civil penalties under the Renters' Rights Act 2025 and other housing legislation

Adjustment for local rent levels

The starting amount for civil penalties set out in the national guidance apply across England and that Councils may at their own discretion wish to apply a general adjustment to penalty amounts as a proportionate deterrent. Any adjustment for this reason must not exceed the percentage by which the rent is higher in the area than the national average.

Data published by the [Office for National Statistics \(ONS\)](#) shows that average monthly rents in Bristol are higher than the national average. In October 2025, the average rents in Bristol were 29% higher than the national average for England.

Rents levels in Bristol also vary greatly, data from the Valuation Office Agency (VOA) shows that highest rents charged can be between over three to six times higher than the lowest rent levels.³ In 2024, 54% (1228) of 1 bed rents in Bristol were below the average rent⁴.

Some landlords also charge rents at the Local Housing Allowance level, which is also set by the VOA. The [Local Housing Allowance \(LHA\)](#) is set at the 30th percentile, which is lower than the average rental level. The LHA rate is also used to work out the amount paid for most Housing Benefit or Universal Credit purposes.

As a deterrent to reflect above average rents in Bristol, the penalty amount will be uplifted by 10%, this being no more than difference between the national average rent and Bristol's average rent levels.⁵

Where reliable evidence is provided demonstrating that the actual rent charged for the property at the time of the breach or offence is at or below the LHA level for that type of property in Bristol, the uplift for local rent levels will not be applied. The LHA levels are freely available to find [here](#).

This approach ensures penalties remain fair and proportionate while maintaining their intended deterrent and punitive objectives.

Removal of financial benefit

Where there is sufficiently reliable evidence of any profit arising from the offending behaviour in relation to the property subject to the civil penalty during the period of the offence, this will be taken into account in arriving at the final civil penalty amount. Any profit identified from the offending behaviour will be regarded as establishing a minimum level for the penalty. Taking other factors into account, the final penalty will usually be significantly higher.

Information regarding offender's financial circumstances

When considering an offender's financial circumstances, the Council expect offenders to make their best endeavours to co-operate with the Council to provide sufficient and appropriate information which allows the Council to be satisfied that any decision based on that information will be reliable.

Where there is sufficiently reliable evidence of rental income from and/or asset value of the offender's housing business, the Council may decide to increase the amount of the penalty to ensure the penalty is an effective deterrent to future non-compliance.

When setting the final civil penalty amount, any information provided by the offender regarding their overall financial circumstances will be considered. If no information is available, or if the information available is deemed insufficient or unreliable, it will be assumed that the offender has the means to pay the penalty.

Where reliable information is available, the Council will decide whether the final penalty amount meets in a fair way the objectives of punishment, deterrence and removal of financial benefit.

In exceptional circumstances, where information provided or available demonstrates the offender is unable to pay the penalty, the Council may reduce the penalty to a level which meet the same

³ Valuation Office Agency figures 22-23 & 24, for Bristol area - Shared room weekly rent range £65-£195 (LHA £118), One Bed rent range - £103-£578 (LHA £207).

⁴ Average weekly rent for 1 bed in Bristol £252 (ONS 2024), VOA 2024 figures show 1228 or 54% of lets below average.

⁵ Based on latest figures from the ONS.

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objectives of punishment, deterrence and removal of financial benefit. For some breaches or offences this may mean proportionate action will be that assets are sold or businesses liquidated to pay the penalty imposed.

➤ **Step 4: Totality**

As a final step before issuing final notices, the Council will consider other civil penalties being issued against the same offender at the same time to reach an aggregate amount that is just and proportionate.

When multiple civil penalties are issued against the same offender at the same time, the total amount will be assessed to ensure it is fair and proportionate. If the aggregate amount is not considered fair and proportionate, all penalties will be reduced proportionately by 25% to achieve a just and reasonable outcome.

Discounts

A 33% reduction will be applied to penalties where payment is made within 28 days of the date on the Final Notice.

Civil penalties under the Renters' Rights Act 2025 and other housing legislation

Appendix 1 – Starting Penalties for Offences and Breaches

Table 1. Nationally set starting penalty for offences set from the [statutory guidance](#).

Offence	Starting Penalty
Protection from Eviction Act 1977	
Unlawful eviction and harassment (s1(2) and (3))	£35,000
Housing Act 1988	
Relying on a ground knowing the landlord would not be able to obtain possession or being reckless as to whether they would (s16J(1))	£30,000
Reletting or remarketing a property within the 12-month no-let period after using the moving or selling grounds (s16J(2))	£25,000
Continuing breach or repeat breach within 5 years (s16J(3) and (4))	Follow the current statutory guidance*
Housing Act 2004	
Failure to comply with an improvement notice (s.30(1))	£25,000
Mandatory HMO unlicensed (s.72(1))	£17,000
Additional HMO unlicensed (s.72(1))	£17,000
Knowingly permitting over-occupation of an HMO (s.72(2))	£20,000
Property subject to selective licensing unlicensed (s.95(1))	£12,000
Failure to comply with an overcrowding notice (s.139(7))	£20,000
HMO Management Regulations ⁶	
Failure to provide information to the occupier	£3,000
Failure to take safety measures	£20,000
Failure to maintain water supply and drainage	£10,000
Failure to supply and maintain gas/electricity or supply gas safety certificate	£12,000
Failure to maintain common parts	£7,000
Failure to maintain living accommodation	£7,000
Failure to provide adequate waste disposal facilities	£7,000
Housing and Planning Act 2016	
Breach of a banning order (s.21(1))	£35,000

*Statutory Guidance (Nov. 2025) states, “Double the starting level for the two constituent breaches added together”.

Table 2. Locally set starting penalty for offences

Property Licence Conditions	
Failure to comply with HMO Fire Standards relating to fire alarms and fire doors.	£20,000

⁶ [The Management of Houses in Multiple Occupation \(England\) Regulations 2006](#) and [The Licensing and Management of Houses in Multiple Occupation \(Additional Provisions\) \(England\) Regulations 2007](#)

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Failure to comply with HMO Amenity Standards resulting in over-occupation of the HMO or insufficient amenities for the actual number of persons or households	£20,000
Failure to provide safety certificates or safety declarations on demand	£12,000
Failure to provide information or documentation on demand (not including safety certificates or safety declarations)	£4,000
Failure to provide information or documentation to tenants	£3,000
Any other licence condition not covered above (e.g. conditions relating to antisocial behaviour, waste and recycling, other HMO Fire and Amenity Standards etc.)	£7,000

Table 3. National set starting penalty for breaches set from the [statutory guidance](#)

Breach	Starting Penalty
Housing Act 1988	
Attempting to let the property for a fixed term (s16E(1)(a)) ^{#7}	£4,000
Attempting to end the tenancy by service of a notice to quit (s16E(1)(b)) [#]	£6,000
Attempting to end the tenancy orally, or require that it is ended orally (s16E(1)(c)) [#]	£6,000
Serving a possession notice that attempts to end the tenancy outside of the prescribed section 8 process (s16E(1)(d)) [#]	£6,000
Relying on a ground where the person does not reasonably believe that the landlord is/will be able to obtain possession (s16E(1)(e)) [#]	£6,000
Failing to provide a tenant with prior notice that a ground which requires it may be used (s16E(1)(f)) [#]	£3,000
Failing to issue a written statement of terms within 28 days of an assured tenancy coming into existence (s16D) [#]	£4,000
Failing to provide an existing tenant with prescribed information about changes made by the Renters' Rights Act (paragraph 7 of schedule 6 to the Renters' Rights Act 2025)	£4,000
Renters' Rights Act 2025	
Discrimination against those on benefits or with children in the lettings process (s.33 and s.34)	£6,000
Failure to specify proposed rent within a written advertisement or offer (s.56(2))	£3,000
Inviting, encouraging or accepting any offer of rent greater than the advertised rate (s.56(3))	£4,000

Table 4. Locally set starting penalty for breaches

Electrical Safety Standards in the Private Rented Sector and Social Rented Sector (England) Regulations 2020	
Failure to ensure electrical safety standards are met under Regulation 3(1)	£20,000
Failure to undertake urgent remedial action as required under Regulation 3(4)	£20,000
Failure to provide electrical report upon request under Regulation 3(3)	£12,000
Any other breach of duties under Regulation 3	£7,000

⁷ # Where these breaches are continuous or repeated, these become offences, see table 1 for details of calculating the starting penalty.

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Appendix 2 – Framework for determining the penalty amount

Step 1: Determine seriousness and set the starting penalty amount	Amount
Identify breach or offence from Appendix 1 to set starting penalty amount	£_starting penalty
Adjust starting penalty amount for certain continuing / repeat breaches	£_starting penalty

Step 2: Apply case specific aggravating and mitigating factors	Adjustment to the starting penalty (%)
Culpability and track record of the offender	
Offender's behaviour:	
a) Person exercising reasonable care would not have committed breach/offence	No change 0%
b) Knew or ought to have known actions could result in breach or offence	Increase by 10%
c) Actions were deliberate	Increase by 20%
Offender's previous history of non-compliance:	
a) No previous history	Decrease by 20%
b) Evidence of offending behaviour in 3 years prior to the breach or offence	Increase by 10%
c) Civil penalty, prosecution or simple caution in 12 months prior to breach or offence	Increase by 20%
Offender's property portfolio:	
For landlords where the subject property is a singly rented:	
a) One property	Decrease by 20%
b) Two or three properties	Decrease by 10%
c) Four or five properties	No change
d) Six to nine properties	Increase by 5%
e) Ten or more properties	Increase by 10%
For landlords where the subject property is a house in multiple occupation:	
a) One property	Decrease by 15%
b) Two or three properties	No change
c) Four or five properties	Increase by 5%
d) Six to nine properties	Increase by 10%
e) Ten or more properties	Increase by 15%
For letting / managing agents regardless of subject property type:	
a) One to nine properties	No change
b) Ten to forty-nine properties	Increase by 5%
c) Fifty to ninety-nine properties	Increase by 10%
d) One hundred or more properties	Increase by 15%
Reliable evidence demonstrating remedial action taken to address breach / offence:	

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a) Remedied within seven calendar days of when the breach or offence was committed	Decrease by 33%
b) Remedied within twenty-eight calendar days of when the breach or offence was committed	Decrease by 10%
c) Remedied after twenty-eight calendar days of when the breach or offence was committed	Increase by 10%
d) Not remedied	Increase by 20%
Admission of guilt / responsibility:	
a) Prior to the Notice of Intent	Decrease by 33%
b) At representations stage	Decrease by 20%
c) None or after Final Notice served	No change
The harm caused	
Level of risk to safety and wellbeing of tenants:	
a) Higher level of risk	Increase by 10%
b) Typical risk associated with breach or offence type	No change
Risk to safety and wellbeing of tenants materialised:	
a) Yes, risk to safety and wellbeing of tenants materialise	Increase by 20%
b) No, risk to safety and wellbeing to tenants did not materialise	No change
Presence of vulnerable tenants:	
a) The tenants were in a vulnerable group	Increase by 20%
b) The tenants were not in a vulnerable	No change
Other aggravating and mitigating factors	
Health of offender at time of breach or offence:	
a) No reliable evidence of significant health problem	No change
b) Reliable evidence of significant health problem	Decrease by 10%
Offender's level of co-operation:	
a) Co-operated with the investigation	Decrease by 15%
b) Did not co-operate with the investigation or information not provided in a timely way.	No change
c) Obstructed, misled or provided inaccurate or false information.	Increase by 25%

Step 3: Financial considerations	Adjustment
Local rent level adjustment:	
a) Uplift applied to penalty reached at end of Step 2 to reflect higher than average rents in Bristol rents compared to England average (data obtained from ONS)	Increase by 10%
b) Evidence provided the actual rent is at or below the Bristol LHA rate for that type of accommodation (using data obtained from VOA)	Remove the 10% uplift
Removal of financial benefit:	

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a) Where there is no evidence, or where there is sufficiently reliable evidence of profit arising from the offending behaviour and the penalty exceeds any profit	No change
b) Where there is sufficiently reliable evidence of profit arising from the offending behaviour and that profit exceeds the penalty amount	Increase by £_ to remove any gain
Rental income and/or asset value of the offender's housing business	
a) Where the financial penalty is assessed to be a sufficient deterrent to future non-compliance, taking into account the rental income and/or asset value of the offender's housing business	No change
b) Where the financial penalty is assessed not to be a sufficient deterrent to prevent future non-compliance, taking into account the rental income and/or asset value of the offender's housing business	Increase by £_ to ensure effective deterrent
Offender's financial circumstances	
a) Where no information has been provided about the offender's financial circumstances, or the information provided is not sufficient and reliable	No change
b) Where sufficient and reliable information is available that demonstrates the offender is unable to pay the penalty (taking into account any assets that could be sold or any businesses that could be liquidated)	Assess penalty amount and reduce penalty where required

Step 4: Totality	Adjustment
Where multiple penalties are being issued against the same offender at the same time and the aggregate amount is just and proportionate	No change 0%
Where multiple penalties are being issued against the same offender at the same time and the aggregate amount is not just and proportionate	Decrease all penalties by 25%

Appendix 3 – Non-Exhaustive List of Vulnerable People

- Young adults and children
- Disabled persons
- People on a low income
- Persons with a drug or alcohol addiction
- Victims of domestic abuse
- Looked after children
- People with complex health conditions
- People exploited where English is not their first language
- Victims of trafficking or sexual exploitation
- Refugees
- Asylum seekers
- People at risk of harassment or eviction
- People at risk of homelessness
- People in the vulnerable group for the type of hazard identified in Part 1 of the Housing Act 2004

Appendix 4 List of consultees – details to be inserted post consultation

Generic examples

Private Housing have a number of contacts established through the Tenant and Landlord Liaison services;

Tenant interest groups and advocates

Landlords and Agents on Landlord Newsletter contact list

Landlord and Agent Associations

West of England Landlord and Agent panel

West of England Local Authorities – Bath and North East Somerset, North Somerset and South Gloucestershire.