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**The Enforcement Lottery:  
Local authority enforcement  
2021-2023**

## Working Paper Series

The NRLA's Working Papers is an occasional series highlighting policy development, and research in the Private Rented Sector (PRS).

The NRLA welcome contributions from policy makers, academics, and representatives of agencies with an interest in the PRS.

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## Executive Summary

- Use of all types of enforcement powers remains heavily concentrated in a small number of local authorities. Half of all Housing Health and Safety Rating System (HHSRS) inspections are performed by just 20 local authorities. Similarly, over half of all improvement notices and 60% of civil penalties are issued by just 20 local authorities.
- Between 2021/2022 & 2022/2023, a total of 2,984 civil penalties were issued by local authorities in England for an array of offences to do with the private rented sector. Only 9% of these civil penalties were related to enforcing the Housing Health and Safety Rating System. In comparison, 60% of civil penalties related to licensing offences.
- Councils collected around half the amounts charged in civil penalties. A total of just under £13 million was levied in penalties compared to just over £6 million collected by local authorities.
- The frequency of HHSRS inspections is not linked to the number of complaints raised by tenants. Many of the local authorities who received the most complaints perform relatively few HHSRS inspections.
- Poor data keeping remains an issue with 16% of local authorities unable to provide inspection figures and 37% of local authorities unable to provide tenure specific data around complaints.

# 1. Introduction

The private rented sector (PRS) forms a significant part of the housing market, accounting for 4.6 million (19%) of households in England. The sector is heavily regulated, governed by around 170 separate pieces of legislation setting out hundreds of obligations<sup>1</sup>; much of which is enforced by local authorities.

Most renters live in safe, good, quality housing and standards have improved significantly in recent years:

- 79% of private rented properties met the Decent Homes Standard in 2020 compared to 63% in 2010<sup>2</sup>.
- 86% of homes in the PRS are free of category 1 hazards compared to 69% in 2008<sup>3</sup>.
- 81% of private renters are satisfied with their accommodation, compared to 77% of social renters saying the same<sup>4</sup>.

Despite these improvements, a small proportion of homes are potentially hazardous to the occupant and need to be improved. For cases like these, local authorities have a wide range of powers that they can use to tackle unsafe and sub-standard private rented housing.

The most notable is the *Housing Health and Safety Rating System* (HHSRS). This system allows local authorities to conduct inspections for the identification of category 1 or category 2 hazards, and to compel the landlord to take action where hazards are detected. A failure to comply can result in either criminal prosecution or a civil penalty being issued.

However, previous research by the NRLA found that local authorities did not fully utilise the HHSRS system to issue civil penalties or improvement notices. In the period between April 2018 and March 2021, local authorities performed an average of 135 HHSRS

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<sup>1</sup> NRLA, [Not under-regulated but under-enforced: the legislation affecting landlords in England](#)

<sup>2</sup> Gov.uk, [A Decent Homes Standard in the private rented sector: consultation](#)

<sup>3</sup> NRLA, [Data Observatory: Housing Standards](#)

<sup>4</sup> Gov.uk, [English Housing Survey](#)

inspections per year. The lion's share of inspections were performed by just a few local authorities. Half of all inspections were performed by 9% of local authorities. Similarly, 50% of all improvement notices were issued by just 7% of local authorities<sup>5</sup>.

When it came to issuing civil penalties, a small group of 'super users' were responsible for most civil penalties. Less than half (47%) of local authorities had issued one or more civil penalties between 2018 and 2021, with just 20 (7%) accounting for 71% of all civil penalties issued to private landlords in the same period<sup>6</sup>.

This suggested that many local authorities were not proactively using the full range of their enforcement powers. With the upcoming Renters (Reform) Bill placing new duties on local authorities in England to enforce additional legislation, those not fully utilising their existing enforcement powers may have similar difficulties enforcing these new requirements<sup>7</sup>.

Unfortunately, the question of why some local authorities effectively utilise their enforcement powers is challenging to answer. Local authorities are not required to report on the outcomes of enforcement strategies and the data held by local authorities does not distinguish important information such as the nature of the complaint, the type of inspection performed, or the reason for issuing civil penalties. Consequently, it becomes difficult to determine which local authority enforcement strategies prove effective.

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<sup>5</sup> NRLA, [The enforcement lottery: local authority inspections and notices](#)

<sup>6</sup> NRLA, [The Enforcement Lottery: civil penalty usage by local authorities](#)

<sup>7</sup> <https://researchbriefings.files.parliament.uk/documents/CBP-8756/CBP-8756.pdf>

## 2. Aims & objectives of this paper

The purpose of this paper is to revisit this previous research, measuring what progress local authorities have made in utilising their existing enforcement powers. In particular, the paper looks at whether civil penalty usage has increased since 2021 or whether use of this enforcement mechanism remains confined to a small number of local authorities.

More broadly, this paper seeks to provide accurate information on local authority enforcement. Lack of comprehensive data on the private rented sector can hamper enforcement strategies<sup>8</sup> but equally, a lack of data on enforcement work can make it difficult to identify good practice and successful work.

Unfortunately, there is very limited publicly available data on local authority enforcement making it difficult to develop evidence-led policy or assess the success of current enforcement strategies. The lack of consistent data on complaints also raises concerns round how to share best practice. It also acts as a barrier to accurately reporting on the private rented sector.

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<sup>8</sup> Gov.uk, [Local authority enforcement in the private rented sector: headline report](#)

### 3. About the evidence

The evidence in this paper is based largely on a series of freedom of information requests made to 295 local authorities in England.

Two separate FOIs were submitted in the second half of 2023 and early 2024. The FOIs requested:

1. The total number of PRS complaints received by the local authority per year.
2. The total number of social housing complaints received by the local authority per year.
3. The number of Housing Health and Safety Rating System (HHSRS) inspections carried out by the local authority per year.
4. How many improvement notices had been served in relation to PRS properties.
5. How many Overcrowding Notices had been served on PRS properties.
6. Information on the total number of civil penalties issued in 2021/2022 and 2022/2023.
7. Information on the total number of civil penalties issued for the various potential offences that could lead to such a penalty.
8. The total amount of income levied in civil penalty fines and the total amount of this income received.
9. The total number of civil penalties issued for Smoke and Carbon Monoxide Regulations 2015 and Electrical Safety Standards (England) Regulations 2020.

The majority of local authorities responded to the freedom of information requests with 93% of local authorities providing information on civil penalty usage and 89% of local authorities providing information on the volume of inspections and complaints.

## 4. Complaints to local authorities

As part of our research, we were keen to understand how local authorities respond to tenant complaints about private and social rented housing in their area.

The volume of complaints are a key indication of potentially poor standards or management practices which would logically mean that housing enforcement is considered a higher priority by that local authority. Given this, we would expect to see two things in local authorities with high complaint volumes from PRS tenants:

1. A significantly higher number of HHSRS inspections and greater use of other enforcement tools to respond to complaints; and
2. A higher probability of operating selective licensing as it should increase the visibility of the local authority housing team.

Among local authorities which operate selective licensing schemes, the number of complaints attributed to the private rented sector holds particular significance. Selective licensing applies to PRS properties exclusively, and the implementation is often justified by the aim of improving poor property conditions or managing properties in an area requiring a licence<sup>9</sup>. As a result, where a high proportion of complaints are coming from social housing then it would not be an appropriate tool for enforcement.

### 4.1 Average number of complaints

Local authorities receive a number of complaints relating to both social and private rented housing each year. Where local authorities recorded social and private rented complaints separately, we found that:

- Local authorities receive a mean average of 322 complaints per year related to the private rented sector (60% of total complaints).
- Local authorities receive a mean average number of 215 complaints per year regarding social housing (40% of total complaints).

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<sup>9</sup> For example: <https://www.leicester.gov.uk/your-community/housing/landlords/selective-licensing/>

This is fairly consistent with our previous research which estimated that 35% of complaints were related to social housing<sup>10</sup>.

This average is heavily influenced by a small number of local authorities who receive a significantly higher volume of complaints. More than half of all complaints (51%) about the private rented sector are received by just 21 local authorities. Similarly, 66% of complaints related to the social housing are received by just 21 local authorities.

## 4.2 Record keeping issues

A large minority of local authorities could not provide accurate information on the volume of complaints about the private rented sector.

- 91 out of 262 respondents (35%) could not provide an accurate breakdown for each sector. The majority of respondents submitted a consolidated total for both the social and private rented sectors.
- A further 6 respondents did not record the volume of complaints for either tenure.

This is an improvement from previous NRLA research where 56% of local authorities could not provide an accurate breakdown<sup>11</sup>. However, it is still concerning that so many local authorities cannot currently distinguish complaints by tenure.

This is particularly important where the local authority has introduced a selective licensing scheme using evidence that combines data on the social and private housing sector. Selective licensing schemes cannot apply to social housing, and so any justification for introducing a scheme that is based on social housing complaints data would be misleading. Unfortunately, 38% of local authorities with a selective licensing scheme in place did not hold accurate information on PRS complaints.

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<sup>10</sup> NRLA, [The Enforcement Lottery: inspections and notices](#), 2021

<sup>11</sup> NRLA, [The Enforcement Lottery: inspections and notices](#), 2021

### 4.3 Complaints leading to licensing or inspections

As expected, the local authorities with the highest volume of complaints do tend to make greater use of selective licensing than typical local authorities. Eight of the 10 local authorities with the highest number of complaints have selective licensing schemes in place.

However there does not appear to be a similarly strong link between the volume of complaints and the likelihood of enforcement action by a local authority.

**Table 1: 10 local authorities with the highest number of PRS complaints**

Local Authority	Region	Number of PRS complaints 2021-23	HHSRS inspections as a proportion of complaints	Has selective licensing
Royal Borough of Greenwich	London	9,945	5%	Yes
Bristol City Council	South West	4,412	129%	Yes
London Borough of Barking and Dagenham	London	4,193	127%	Yes
Nottingham City Council	East Midlands	3,995	20%	Yes
London Borough of Newham	London	2,637	19%	Yes
Kirklees Council	Yorkshire and The Humber	2,351	Do not collect inspection data	No
Bradford City Council	Yorkshire and The Humber	2,198	68%	No
Salford City Council	North West	2,143	38%	Yes
Birmingham City Council	West Midlands	1,982	34%	Yes
London Borough of Waltham Forest	London	1,981	167%	Yes

As the table above indicates, high volumes of complaints do not typically lead to more HHSRS inspections. Similarly, the presence of selective licensing does not automatically lead to a greater number of inspections. Many local authorities are inspecting only a small proportion of homes compared with the number of complaints they receive. In others, local authorities perform significantly more HHSRS inspections than they receive complaints.

The reasons for this disparity are unclear but there are a number of potential explanations that were volunteered as part of the response to our FOIs. For example, the local authority may be:

- Too resource constrained to inspect properties.
- Only performing an HHSRS inspection after informal work does not resolve the problem.
- Use of other powers available to the local authority.
- Conflating their licensing inspection data with HHSRS inspections.
- Receiving a high volume of complaints related to management practices rather than property standards.
- Operating a triage system to filter out complaints that do not relate to hazardous properties.

Unfortunately, the lack of available data makes it difficult to answer, making it challenging for local authorities to develop effective enforcement strategies based on best practice.

## 4.4 Recommendations

The proposed Renters (Reform) Bill may help address data issues by requiring local authorities to report enforcement activity data to the Department for Levelling Up, Housing and Communities (DLUHC). However, this reporting must include standardising the data recording if best practice is to be identified and shared. In particular, it must require local authorities to separately record data on the nature of the complaint and how it was resolved.

It must also include a requirement to distinguish complaints between tenures to help develop an appropriate strategy for enforcement that allocates resources appropriately. While the average local authority receives more complaints about the PRS than social housing this is not consistent across the country. A number of local authorities, such as Newham and Sheffield, actually receive significantly more complaints related to social housing than private renting. In others, social housing complaints make up a large minority of total complaints.

This points to a need to identify where the problems are arising and allocating resources appropriately. This can only be done if the data being captured is consistent and the evidence base for policy decisions is sound. Particularly where resources are being allocated toward selective licensing schemes in areas where the evidence suggests the problem is largely in social housing.

Consideration should also be given to how the forthcoming property portal could support local authorities in resolving complaints by tenants, standardising data capture, and reduce costs for landlords.

## 5. Housing Health and Safety Rating System (HHSRS) Inspections

HHSRS inspections are an essential component of any strategy to improve property conditions in the PRS. The performance of a HHSRS inspection identifies not only the presence of a hazard, but also opens several enforcement options for a local authority that could lead to fines or a criminal prosecution. Consequently, such inspections are the foundations upon which local authority enforcement is constructed.

### 5.1 Inconsistencies with the data

Poor data collection remains an issue for some local authorities with nearly one in five (16%) of local authorities unable to answer how many HHSRS inspections were performed over the time period.

Others provided us with inspection data but also stated that this included inspections relating to their selective licensing schemes. Leicester City Council, for example, stated that they do not separate HHSRS inspections from those related to their recently introduced licensing scheme. This is likely to mean that some local authorities have overreported the number of HHSRS inspections performed.

### 5.2 Number of inspections

According to the results of the FOI request, local authorities performed a total of 85,326 HHSRS inspections between 2021 and 2023. This translates to approximately one inspection for every 54 households in the private rented sector<sup>12</sup> or 194 inspections per year by each local authority.

As with complaints, this average is heavily inflated by a small number of super users. All local authorities who recorded the data had performed at least one HHSRS inspection, but 20 local authorities were responsible for performing 50% of all HHSRS inspections.

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<sup>12</sup> <https://commonslibrary.parliament.uk/research-briefings/cbp-7328/>

**Table 2: Top 10 local authorities who performed the most inspections in two years**

<b>Local Authority</b>	<b>Region</b>	<b>Inspections</b>
Bristol City Council	South West	5,713
London Borough of Barking and Dagenham	London	5,331
London Borough of Waltham Forest	London	3,299
London Borough of Brent	London	3,093
Gateshead Council	North East	2,701
Sheffield City Council	Yorkshire and the Humber	2,201
London Borough of Barnet	London	2,096
Oxford City Council	South East	1,998
Plymouth City Council	South East	1,881
Blackpool Council	North West	1,875
<b>Total</b>		<b>30,188</b>

The limited use of the formal HHSRS inspection may be due to concerns about the complexity of performing this particular type of inspection. This leads some local authorities to prefer informal inspections as an initial first step. Others may be raising issues through licence inspections.

A number of local authorities suggested this in their FOI responses, describing the HHSRS system as ‘cumbersome and highly subjective’ with ‘no clear guidance on the circumstances when an officer should take action and what requirements should be made to help support them should action taken be challenged.’

The opaque nature of the HHSRS has been raised by landlords and local authorities for a number of years, and the Government consulted on updating the HHSRS in 2019. The

outcome of this consultation was a promise to make it easier to understand the system as a landlord and easier to enforce as a local authority<sup>13</sup>. However, despite closing the consultation in 2019, the updated HHSRS has not been published yet.

### 5.3 Recommendations

The Housing Health and Safety Rating System should be a crucial part of local authority enforcement strategies and HHSRS inspections the foundation for further enforcement. However, the data suggests that it is not the case in most local authorities. This is likely to be due to landlords complying before formal enforcement is necessary as well as reticence to use the HHSRS tools.

Responses to the Government's request for information on damp and mould in homes highlight that many local authorities prefer to rely on licensing conditions rather than HHSRS inspections to raise standards. Many highlighted the difficulties in using the current HHSRS and its opaque nature. We share these concerns and believe that making the HHSRS easier to both understand and apply to properties would be beneficial for landlords and tenants alike.

With that in mind, we recommend that the Government complete the promised update of the Housing Health and Safety Rating System as soon as possible<sup>14</sup>. This should incorporate the promised updated enforcement guidance, worked examples and clearer indications of hazards. This would mean landlords would understand the requirements of the HHSRS, making it easier to comply, as well as making it easier to raise issues as a tenant and assist enforcement by local authority where it is required.

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<sup>13</sup> Gov.uk, [Housing Health and Safety Rating System review: outcomes and next steps](#)

<sup>14</sup> Gov.uk, [Housing Health and Safety Rating System review: outcomes and next steps](#)

## 6. Improvement Notices

Following a formal HHSRS inspection, if a local authority identifies a category 1 hazard within a property, they are required to serve one of several different notices on landlords. The type of notice served will generally depend on the severity or the nature of the hazard identified.

Improvement notices should play a key role in a local authority's enforcement strategy. They compel landlords to improve property conditions while also potentially generating funds for further enforcement action. Serving an improvement notice also prohibits landlords from serving a valid Section 21 possession for six months so we would expect to see this notice used extensively to protect tenants from potential retaliatory evictions.

### 6.1 Number of improvement notices

Despite their importance, improvement notices are infrequently used by most local authorities and aggressive enforcement of standards remains concentrated in a small number of councils.

Only 7% of HHSRS inspections lead to an improvement notice with local authorities issuing an average of 16 improvement notices each year. This is surprising as most of these inspections would normally be triggered by a complaint so it would be reasonable to expect that these properties would be more likely to contain at least one category 1 hazard compared to the PRS average of 14%.

As with other forms of enforcement, the average is heavily skewed by a small number of local authorities making greater use of enforcement powers. Over 50% of improvement notices were served by 20 local authorities, while 23 local authorities had served no improvement notices at all. This is consistent with our previous research, suggesting that local authorities are still largely reluctant to use improvement notices.

**Table 3: Top 10 local authorities for issuing improvement notices**

Local Authority	Selective licensing scheme	Total improvement notices
Doncaster Council	Yes	1,011
Liverpool City Council	Yes	428
London Borough of Brent*	No	395
Adur and Worthing Council	No	245
Hull City Council	No	226
London Borough of Croydon	No	209
Breckland Council	No	207
North Lincolnshire Council	No	204
London Borough of Southwark	Yes	200
Buckinghamshire Council	No	155
<b>Total</b>		<b>3,280</b>

As with HHSRS inspection rates, there does not appear to be a clear link between the presence of a selective licensing scheme and greater use of improvement notices to improve property standards. Seven of the most frequent users of improvement notices did not have a selective licensing scheme in place during the period in question. Brent has since introduced a selective licensing scheme that covers the entire borough.

## 6.2 Overcoming the barriers to enforcement

There were a variety of explanations given as to why improvement notices continue to be rarely used. Some local authorities cited a lack of qualified staff and resources, indicating that additional funding would ease such constraints. Others stated a preference for an ‘informal first’ approach, resorting to formal action only when absolutely necessary. Another common reason was a reluctance due to the complexity of the process and

prolonged waiting times to access the property tribunal if improvement notices were appealed.

Whatever the reasons, it is clear that there are barriers to using existing powers and DLUHC needs to support local authorities in enforcing where a property is hazardous.

While DLUHC has investigated the use of enforcement powers related to damp and mould<sup>15</sup>, a full investigation of the barriers to using existing powers should be undertaken to improve outcomes for tenants.

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<sup>15</sup> Gov.uk, [Damp and mould in the private rented sector](#)

## 7. Civil Penalties

Civil penalties were introduced in the Housing and Planning Act 2016, giving local authorities the power to issue fines to landlords or agents as an alternative to criminal prosecution. These powers can be used where someone has committed an offence relating to:

- Not complying with an improvement notice issued under the powers granted by Part 1 of the Housing Act 2004.
- The licensing of properties under parts 2 or 3 of the Housing Act 2004.
- Contravening an overcrowding notice issued under section 139 of the Housing Act 2004.
- Failure to comply with management regulations in respect of Houses in Multiple Occupation under section 234 of the Housing Act 2004.
- A breach of a banning order under the Housing and Planning Act 2016.
- Offences in relation to Minimum Energy Efficiency Standards (MEES).

An individual civil penalty carries a maximum fine of £30,000 and local authorities are required to have a civil penalty policy in place to guide them in determining the appropriate level of fines. Funds generated from civil penalties are ring-fenced for reinvestment in housing enforcement activities.

The majority of the offences that can lead to a civil penalty are in some way related to potentially hazardous property conditions that can harm a tenant's health. The aim of the civil penalty regime was to improve property conditions and disrupt the business model of the small criminal element in the private rented sector, without unduly affecting the vast majority of law-abiding responsible landlords<sup>16</sup>.

The one exception to this is selective licensing. Following the ruling in *Brown v Hyndburn*, selective licensing schemes may not impose conditions relating to property conditions. This means that any civil penalties related to a selective licensing offence must be related to the management of the property or a failure to hold a selective license.

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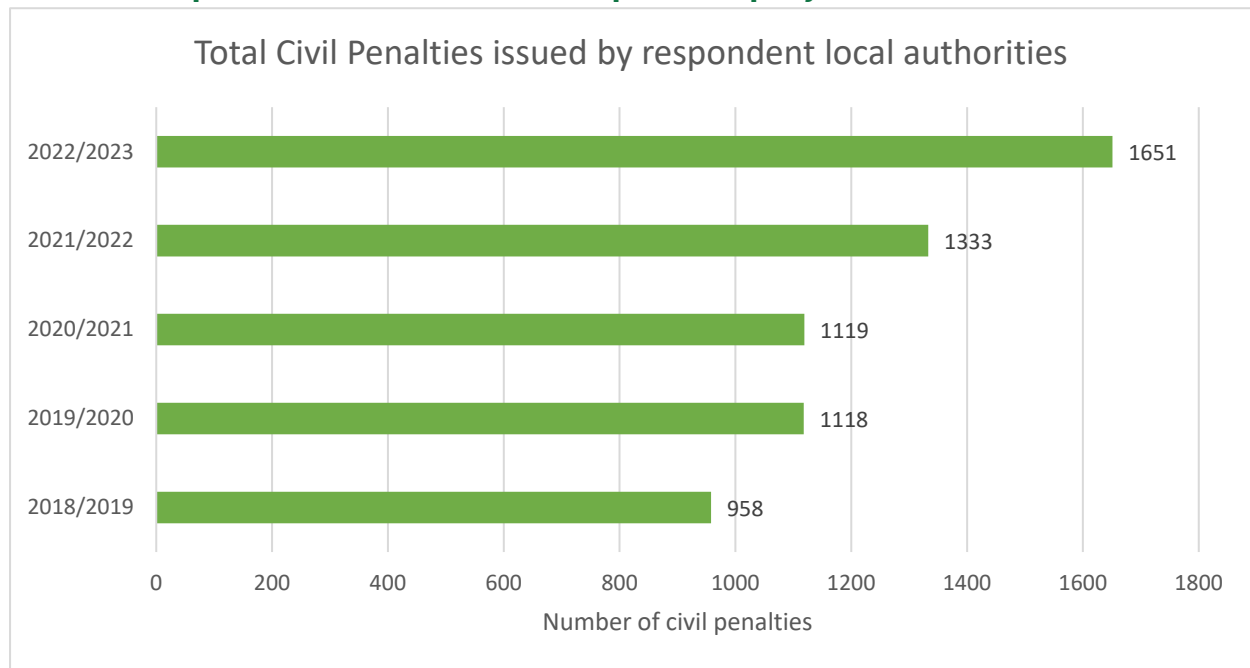
<sup>16</sup> Gov.uk, [Civil Penalties under the Housing and Planning Act 2016](#)

## 7.1 The enforcement lottery of civil penalties

The total number of civil penalties served each year has continued to steadily increase.

The number of civil penalties issued in 2022/23 increased by 72% compared with 2018/19:

**Chart 1: Comparison of the number of civil penalties per year**



However, usage remains heavily concentrated within a small number of local authorities.

Over 60% of all civil penalties in 2021-2023 were issued by just 20 local authorities.

This is surprising given that local authorities may use the funds raised by civil penalties to fund their enforcement activities. The expectation when they were introduced in 2016 was that they would be used to raise funding for enforcement, expanding local authority enforcement capacity and helping to tackle properties with poor housing conditions.

While this may have been the aim, the potential of civil penalties does not appear to have been realised by the vast majority of local authorities who are still making very limited or no use of civil penalties:

- 189 local authorities had issued five or less civil penalties in the last two years (69%).
- Nearly half of local authorities (49%) had issued no civil penalties at all.

### 7.1.1 Civil penalty super users

Our previous research found that a small number of super users were making the greatest use of civil penalties. This remains the case and even within this group there are significant differences in how often local authorities will make use of civil penalties. For example, Leeds City Council has issued 10% of all civil penalties and just three local authorities are responsible for issuing 24% of all civil penalties over the time period.

**Table 4: Top 10 local authorities for issuing a civil penalty**

<b>Local Authority</b>	<b>Region</b>	<b>Total civil penalties issued</b>
Leeds City Council	Yorkshire and the Humber	302
Newcastle City Council	North East	220
Coventry City Council	West Midlands	207
London Borough of Hackney	London	113
Hull City Council	Yorkshire and the Humber	105
London Borough of Newham	London	96
Leicester City Council	East Midlands	73
London Borough of Lewisham	London	73
London Borough of Brent	London	66
London Borough of Enfield	London	63
<b>Total</b>		<b>1,317</b>

## 7.2 Local authorities and civil penalties

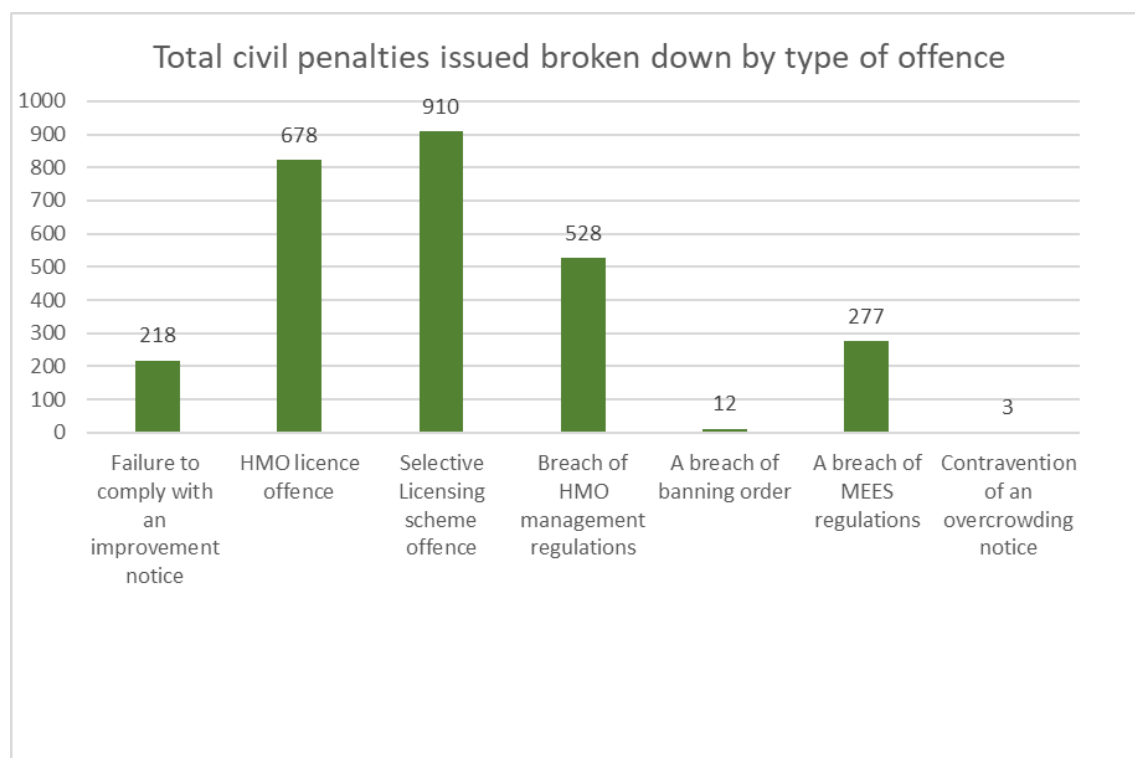
While the above local authorities have made extensive use of civil penalties in the last two years, there is a great deal of variation as to why they issued them. Some local authorities have focused their civil penalties almost exclusively on selective licence offences, while others focused primarily on offences relating to Minimum Energy Efficiency Standards (MEES) or house in multiple occupation (HMO) licensing offences.

In most cases, local authorities prefer to use civil penalties for one particular offence. For example, 95% of civil penalties in Leeds were issued for the same offence.

## 7.3 Why civil penalties were issued

Where the data was captured, civil penalties were predominately issued for breaches of either HMO or selective licensing conditions. Of these, selective licensing makes up the largest single proportion of civil penalties with over 910 (35%) issued in the last two years. This was also the case between 2018-2021, where 39% of civil penalties were issued for not having a selective licence. This was followed by HMO licensing offences which made up 25% of all penalties.

**Chart 2: Civil penalties issued by offence**



In comparison, civil penalties for HHSRS breaches were very rare, making up just 9% of the reasons for issuing a civil penalty.

This suggests that for non-HMO dwellings, civil penalties are unlikely to be related to raising property standards and instead are focused on penalising administrative failures such as failing to have a selective licence.

### **7.3.1 Civil penalties and houses in multiple occupation (HMOs)**

Where the property is an HMO a licensing offence can relate to property standards as local authorities are free to include conditions relating to property standards.

In addition to this, local authorities may issue civil penalties related to their management. The HMO management regulations do cover certain property standards, including ensuring the property is safe and the risk of fire is minimised.

As HMOs often house people who do not know each other, there is a higher risk of harm from hazards such as fire. Given this, there is a reasonable expectation that local authorities would focus more of their efforts on enforcing against breaches within HMOs.

The data suggests this is happening in some local authorities. Office for National Statistics (ONS) data estimates that around 4% of properties in the private rented sector are houses in multiple occupation<sup>17</sup> but breaches of HMO licensing or management requirements account for 46% of all civil penalties.

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<sup>17</sup> There are an estimated 175,611 households living in houses in multiple occupation out of 4.6 million private rented sector homes, [ONS dataset](#)

**Table 5: Top 10 local authorities for HMO related civil penalties**

<b>Local Authority</b>	<b>Licensing</b>	<b>Management</b>	<b>Total</b>
Coventry City Council	50	143	193
Leicester City Council	72	1	73
London Borough of Brent	65	0	65
Royal Borough of Greenwich	47	4	51
London Borough of Lewisham	0	46	46
London Borough of Enfield	7	37	44
City of Lincoln Council	7	28	35
London Borough of Haringey	32	3	35
Norwich City Council	5	28	33
London Borough of Hounslow	23	10	33

As with other forms of enforcement however, use of this option is limited to a small number of local authorities making more extensive use than others.

- Twenty local authorities are responsible for issuing 67% of all civil penalties related to HMO offences.
- In contrast, 64% of local authorities had not issued a single civil penalty because of an HMO offence.

This variation is not explained by the proportion of HMOs in the area either. Many of the local authorities who have issued no HMO related civil penalties are areas that are known to have a higher than average proportion of HMOs. Many London boroughs for example appear to have issued no civil penalties related to HMO offences.

## 7.4 Funds raised by civil penalties

Given that funds raised by civil penalties are retained by the local authority and fund further enforcement, we would expect local authorities to be incentivised to use civil penalties wherever possible.

However, the small number of local authorities taking advantage of civil penalties suggests that there are significant deterrents pushing local authorities away from their use.

Delays in recovering the civil penalty funds are likely to be playing a part in this. Between 2021 and 2023, local authorities levied a total of £12,913,494 in civil penalties towards private landlords. In comparison, they collected less than half of that amount (£6,109,834).

Local authorities put forward a number of reasons why the amount collected in civil penalties is so much lower. These include:

- Delays in hearing appeals;
- The tribunal reducing the original penalty imposed on appeal;
- Non-payment of civil penalties, resulting in the debt being passed on to different departments;
- Agreeing repayment plans that mean civil penalties are repaid over time rather than immediately.

Of these, perhaps the most interesting is the willingness of the tribunal to reduce civil penalties on appeal. Local authority civil penalty policies are expected to take into account a number of factors such as the seriousness of the offence, the size of the portfolio and any mitigating circumstances before setting a reasonable penalty.

Successful appeals suggest that some of the civil penalty policies developed by local authorities are potentially defective, leading to penalties set at a level the tribunal considers to be unreasonably high. This suggests that some local authorities may need support designing a fair civil penalty policy.

One option to support this would be a generic civil penalty toolkit providing guidance on how better to engage with civil penalty powers and use them effectively. Justice for Tenants, has, with the support of central government, created a model financial penalty policy for local authorities that could fulfil this role<sup>18</sup>.

Supporting local authorities in creating fair civil penalty policies could incentivise greater use of HHSRS as failure to comply with an improvement notice could then generate reliable revenue for enforcement teams.

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<sup>18</sup> [Justice for Tenants](#)

## 8. Property Portal and Inspections

Given the limited role selective licensing plays in utilising the HHSRS, it would appear that much of the rationale for introducing these schemes is either:

- Gathering information on the local private rented sector; or
- Addressing poor management of PRS properties.

This raises the question of whether there could be a more cost-effective means of achieving these goals? Particularly given the Renters (Reform) Bill is set to introduce nationwide registration (capturing data on the PRS) and an ombudsman (to deal with management complaints).

The potential overlap between selective licensing and these new reforms has been recognised by the Government and they plan to review selective licensing. The review will focus on reducing burdens on landlords by ensuring that licensing and the new property portal do not lead to a duplication of existing licensing requirements.

While the Government has explicitly stated that they do not want to end selective licensing, it is notable that since nationwide registration in Wales, no new selective licensing schemes have been introduced by Welsh local authorities. This suggests that national registration, when combined with mandatory training for landlords, could remove the need for selective licensing schemes and standardise the expectations placed upon landlords.

Rent Smart Wales fees also suggest that a national scheme would be less costly for landlords. A typical landlord with one property pays a total of £262 for five years. This covers £187 for the licence, £30 for mandatory training and £45 to register a property. In contrast, selective licensing schemes cost significantly more. For example, selective licensing applications in Manchester costs up to £936<sup>19</sup> and fees of around £800 are common in London.

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<sup>19</sup> Manchester City Council, [Selective licensing fees](#)

## 9. Conclusions

Despite some small improvements, the vast majority of local authorities still use their existing enforcement powers infrequently. In every area that we investigated a small number of local authorities were responsible for the majority of enforcement work and 20 local authorities were responsible for:

- Half of all Housing Health and Safety Rating System inspections;
- Over half (51%) of all improvement notices; and
- Over 60% of all civil penalties.

This suggests that there are still substantial difficulties with utilising existing enforcement powers, leading many local authorities to prefer informal enforcement options, rather than navigating the complicated Housing Health and Safety Rating System.

Where local authorities did use formal enforcement powers there is also evidence that they heavily focus on particular powers, rather than using their entire suite of powers. This is reflected most clearly in the civil penalty data where most users were heavily concentrated on one particular offence.

Poor data collection remains an issue for a number of local authorities, with more than a third unable to provide tenure specific information on complaints and a number of others unable to provide information on the rate of inspections and the reasons for serving civil penalties. This hinders the development of evidence-based enforcement strategies and identifying successful enforcement strategies.

# 10. Recommendations

## Housing Health and Safety Rating System (HHSRS)

For future mandatory reporting under the Renters (Reform) Bill, local authorities should include in their report:

- The number of physical property inspections performed and the nature of that inspection.
- Whether formal or informal action was required because of this inspection.
- The type of action taken.
- The outcome of this action.

There is also clear need to remove the barriers to enforcing around property standards. The Government must publish the promised review of the HHSRS to make it easier to enforce against poor standards and allow responsible landlords to pro-actively address hazards.

## Complaints

Data on complaints by tenure is lacking and inconsistent across local authorities. Whilst this should improve as mandatory reporting is implemented, it is important that the recording of complaints is standardised and publish annually to help gauge the success of the local authority enforcement strategy.

This report should include:

- whether a complaint relates to property conditions.
- if it led to a physical inspection of a property.
- the resolution to the complaint.

## Best practice sharing

DLUHC should identify local authorities that are raising property standards and ask them to share best practice with other local authorities to improve outcomes across England.

In addition, DLUHC should work with local authorities to identify the factors surrounding the cost of enforcement, the complexity of the legislation, and the value of informal enforcement action. They should then use this information to develop a holistic strategy

to share with all local authorities.

### **Additional funding for enforcement officers**

The Government should help tackle the shortage of council enforcement officers by developing a recruitment and training fund. This should include prioritise targeted training on underutilised enforcement tools such as civil penalties.

By allocating resources to hire additional qualified staff, local authorities can effectively address poor property conditions and issue civil penalties for these offenses, shifting the focus away from low-level infractions such as the absence of a selective license.

### **Establishment of Chief Environmental Health Officer**

The Government should establish a brand-new role in England for a Chief Environmental Health Officer to work alongside other agencies to spearhead a recruitment drive and provide guidance to existing EHOs nationally. This Chief Environmental Health Officer should work with local authorities and central government to develop policies to assist in such a recruitment drive.