Civil Penalty Notices: what they are and how Brent uses them

A snapshot for Cabinet on the civil penalty regime under the Renters' Rights Act 2025

What a Civil Penalty Notice is

A CPN is a financial penalty the Council can impose on a landlord or letting agent **as an alternative to prosecution** when a housing offence or breach is proven to the required standard. The **Renters' Rights Act 2025 (RRA)** extended the civil penalty regime: it created new breaches for private landlords, covering how tenancies are let and ended, rental discrimination and rental bidding, and raised the maximum penalty for housing offences from **£30,000 to £40,000** for offences committed from 1 May 2026. The previous maximum still applies to offences committed before that date. Breaches carry a maximum of **£7,000** each.

Offences, breaches and the maximum penalties

Type	What it covers	Starting point	Maximum
Tenancy and letting breaches (RRA 2025)	Letting on a fixed term; ending a tenancy by notice to quit, orally or outside the section 8 process; relying on a ground without reasonable belief; no written statement of terms; refusing tenants with children or on benefits; not stating the rent in an advert; accepting offers above the advertised rent	£3,000 to £6,000	£7,000
Serious tenancy offences	Unlawful eviction and harassment (Protection from Eviction Act 1977); relying on a possession ground knowing it cannot succeed (s16J(1)); re-letting or re-marketing within the 12-month no-let period (s16J(2))	£25,000 to £35,000	£40,000
Property conditions and licensing (Housing Act 2004)	Not complying with an improvement or overcrowding notice; unlicensed HMO or selectively licensed property; HMO over-occupation; HMO management failures; breaching licence conditions (starting points set locally)	£3,000 to £25,000	£40,000
Banning orders (Housing and Planning Act 2016)	Breaching a banning order	£35,000	£40,000

Starting points come from the national guidance and are built into the CPN Matrix. A continuing or repeat breach uses a higher starting level and is referred to the Enforcement Manager and Legal Services before calculation.

How a penalty is scored

Officers use the **CPN Matrix**, a controlled tool that applies the same rules to every case so that the same facts always produce the same penalty:

1. **Offence and starting point.** The officer selects the offence or breach; the legislation, starting point and statutory maximum load automatically.
2. **Four statutory factors.** Each is scored for mitigation and aggravation: deterrence and future compliance; financial benefit, landlord profile and scale; offence history, conduct and tenant impact; harm, risk and vulnerability.
3. **Adjustment.** For each factor and each side: no evidenced factors **0%**, one or two **5%**, three or more **10%**. Mitigation reduces and aggravation increases the starting point.
4. **Final penalty.** The lower of the adjusted figure and the statutory maximum. The Matrix calculates it; officers never adjust by hand. Prompt payment may attract a discount of up to a third.
5. **Assurance and approval.** Checks on financial benefit, deterrence and totality, then review by the Enforcement Manager and approval by the Head of PHS before any Notice of Intent is issued.

Mitigating and aggravating factors

For each offence the Matrix offers a controlled list of factors drawn from the guidance. An officer may only select a factor that is **supported by evidence** and must record an evidence note for it. The notes are printed in the Notice of Intent, so the landlord sees why the penalty was adjusted and can respond.

Statutory factor	Mitigating examples (reduce)	Aggravating examples (increase)
Deterrence and future compliance	Prompt remedy; early acceptance of responsibility; credible steps to prevent recurrence	Failure to cooperate; conduct continued after a warning; obstruction or misleading information
Financial benefit, landlord profile and scale	No significant financial gain; small-scale landlord with an isolated issue	Rent received while non-compliant; licence or repair costs avoided; professional or portfolio landlord
Offence history, conduct and tenant impact	No previous enforcement; good compliance record; minor isolated incident	Previous formal action; repeat or prolonged non-compliance; tenant pressured or misled
Harm, risk, vulnerability and adverse impact	Low risk to safety; risk did not materialise; hazards removed promptly	Category 1 hazards; vulnerable tenants; loss of home, threats or harassment

Worked example. Unlawful eviction, starting point £35,000. Three evidenced mitigating factors under deterrence (−10%) and one aggravating factor (+5%) give a net −5%: proposed penalty **£33,250**, within the £40,000 maximum (about £22,168 if paid promptly).

Safeguards and assurance

Every assessment is recorded and versioned, so any change can be traced and compared. No Notice of Intent is issued until the Head of PHS has approved the penalty. Landlords have 28 days to make representations before a Final Notice and may appeal a Final Notice to the First-tier Tribunal. The process is audited quarterly and aligned with ISO 9001:2015. **Page 2** shows the explanation of the assessment that landlords receive with every Notice of Intent.

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Civil Penalty Notice Matrix

How the proposed financial penalty has been assessed

The Council has assessed the proposed penalty in accordance with the Government's statutory guidance on civil penalties, taking into account the nature and seriousness of the offence, the circumstances of the case, any mitigating or aggravating factors, the impact of the offence and the need to ensure the penalty is proportionate and acts as a deterrent.

The proposed penalty is based on the evidence gathered during our investigation. You may make written representations within the period specified in this Notice of Intent.

Assessment method

Assessment stage	What this means
1. Breach or offence and starting point	The government has imposed a starting point for each offence and breaches.
2. Mitigating and aggravating factors	These are factors that the Council will consider, that may reduce or increase the penalty, based on the evidence available.
3. Financial considerations	The Council considers whether the proposed penalty is sufficient to remove any financial benefit from non-compliance and to deter future non-compliance.
4. Final review	This is a quality assurance check to ensure that the penalty is fair, proportionate, is supported by evidence. The review takes into account, the circumstances of the case as a whole.

Matrix calculation adjustment

The table below explains how the Matrix applies mitigating and aggravating factors to adjust. The adjustment will be made to the offence starting point based on relevant mitigating or aggravating factors. Reasons for adjustment will be supported by evidence.

Assessment area / factor	What is the Council will consider	Mitigating factor adjustment	Aggravating factor adjustment
Deterrence and future compliance	Whether the proposed penalty is sufficient to deter the person from committing the offence again and encourage future compliance	No relevant mitigating factors identified or evidenced: **0%** 1–2 relevant mitigating factors identified and evidenced: -5% 3 or more relevant mitigating factors identified and evidenced: -**10%**	No aggravating factors identified or evidenced: **0%.** If 1 or 2 aggravating factors are identified and evidenced: +5%. If 3 or more are identified and evidenced: +10%.
Financial benefit / compliance gain	Whether the person has benefited financially, avoided costs or gained an advantage as a result of the breach/offence.	No mitigating factors identified or evidenced: **0%.** 1 or 2 mitigating factors are identified and evidenced: -5%. 3 or more are identified and evidenced: -10%.	No aggravating factors identified or evidenced: 0%. If 1 or 2 aggravating factors are identified and evidenced: +5%. If 3 or more are identified and evidenced: +10%.
Conduct, history and pattern of compliance	The person's conduct and engagement, previous compliance history and any pattern of non-compliance.	No mitigating factors identified or evidenced: 0%. If 1 or 2 mitigating factors are identified and evidenced: -5%. If 3 or more are identified and evidenced: -10%.	No aggravating factors identified or evidenced: 0%. If 1 or 2 aggravating factors are identified and evidenced: +5%. If 3 or more are identified and evidenced: +10%.
Harm, risk, vulnerability or adverse impact	Any actual or potential harm, risk to safety or wellbeing, vulnerability of tenants, or wider adverse impact arising from the breach or offence.	No mitigating factors identified or evidenced: 0%. If 1 or 2 mitigating factors are identified and evidenced: -5%. If 3 or more are identified and evidenced: -10%.	No aggravating factors identified or evidenced: 0%. If 1 or 2 aggravating factors are identified and evidenced: +5%. If 3 or more are identified and evidenced: +10%.