

Local Authority Enforcement and the Renters' Rights Bill

The problem

Local authorities are severely underfunded and under-resourced, limiting their ability to monitor and enforce rules and regulations in the private rented sector. Instead, they are forced to cut corners, struggling to meet their legal obligations to existing and prospective tenants.

For tenants in the private rented sector, the lack of enforcement means they are often left unsupported when asserting their rights. Without proper resources to challenge unfair treatment, housing stock continues to deteriorate, rents continue to rise sharply, and poor landlord behaviour goes unchecked. Instead of focussing on securing positive outcomes for tenants, local authorities are forced to commit the entirety of their budgets to fulfilling the bare minimum requirements, and in some cases not even that.

The inclusion of a landlord register as part of the Renters' Rights Bill is a huge step in the right direction; if done right, it will bring transparency and accountability to the private rented sector. However, this must come alongside commitments to increase local authority funding to a level that enables proactive and robust enforcement of existing and new obligations introduced by the Bill. In the short term, the government should also consider increasing fines for more complex types of enforcement activity – namely complaints of discrimination – so that local authorities are not deterred from pursuing these types of cases.

Funding cuts

Local authority funding has been ruthlessly cut in the years following the Coalition government's austerity measures. Local authority 'spending power' fell by [17.5%](#) between 2009/10 and 2019/20, largely due to a real-terms reduction of 40% in central government grants, which is their main source of income.¹

Local authority departments have not been affected uniformly by these cuts. For Housing, cuts have meant a [48%](#) reduction in spending overall, with a third of councils

¹ Atkins, G. and Hoddinott, S. (2020). *Local government funding in England*. [online] Institute for Government. Available at: <https://www.instituteforgovernment.org.uk/explainer/local-government-funding-england>.

SHELTER

dropping their housing spend by more than 50% (although many have needed to spend more on temporary accommodation as homelessness has increased).²

Staffing shortages

As well as having a detrimental impact on the kind of service local authorities can provide, lack of funding has a knock-on effect on staff training, recruitment and retention. As councils vie for an ever-shrinking pool of trained candidates, they are [forced to employ untrained professionals or appoint agency staff to plug the gaps](#).³

Difficulties in enforcing complex cases

Local authorities have been found to be more proactive in cases where breaches are easily identifiable and decisions are largely binary, such as breaches of HMO license conditions.⁴ More complex cases, especially those which necessitate prosecution, are known to involve “a phenomenal amount of back work”⁵ which is a serious disincentive for local authorities who are trying to balance issues with funding and capacity with their legal responsibilities.

While the income generated from Civil Penalty Notices (CPNs) has increased by 350% between 2017/18 and 2019/20,⁶ there remain barriers to the use of fines and penalties in the PRS. Landlords have numerous opportunities to appeal, which can frustrate the process and often results in a reduction in the fine in the interest of expedience. At the end of the process, fines and penalties are not always paid.

The Renters’ Rights Bill will introduce additional powers for local authorities to investigate and enforce against breaches of the new discrimination rules. While we welcome efforts to stamp out discrimination within the PRS, there is a risk that these

² Calver, T. (2018). *How cuts changed council spending, in seven charts*. [online] BBC News. Available at: <https://www.bbc.co.uk/news/uk-england-46443700#:~:text=Since%202010-11%2C%2079%25%20of%20councils%20have%20reduced%20their> [Accessed 20 Sep. 2024].

³ Chartered Institute of Environmental Health (2021) Environmental health workforce survey report: local authorities in England. [online] CIEH. Available at: [cieh-workforce-survey-report-for-england.pdf](https://www.cieh.org.uk/wp-content/uploads/2021/07/cieh-workforce-survey-report-for-england.pdf)

⁴ Department for Levelling Up, Housing & Communities (2022) Local authority enforcement in the private rented sector: headline report. [online] DLUHC. Available at: <https://www.gov.uk/government/publications/local-authority-enforcement-in-the-private-rented-sector-headline-report/local-authority-enforcement-in-the-private-rented-sector-headline-report#broad-approaches-to-private-rented-sector-enforcement-reactive-vs-proactive-formal-vs-informal-approaches>

⁵ Ibid.

⁶ Ibid.

SHELTER

new powers will go unused if local authorities are not adequately incentivised and remunerated for doing so.

Reliance on tenant involvement

Local authorities are often somewhat dependent on tenants to provide evidence to support their enforcement activities. There is little incentive for tenants to assist with these requests, as they can expect no financial reward or promise of decent housing as a result, and may also be fearful of poor treatment by their landlord in retaliation.

Recommendations

The government must commit to equipping local authorities with the powers and resources they need to deliver ambitious enforcement of a better system of regulation, both in terms of their existing obligations and the new powers bestowed by the Renters' Rights Bill.

This means enabling local authorities to train effective teams of enforcement officers, deliver support for tenants through tenancy sustainment and other programs, and dedicate adequate funding to carrying out proactive enforcement.

In the shorter term, the government must use the opportunity provided by the Renters' Rights Bill to increase the maximum fine available to local authorities to £15,000 for breaches of the new discrimination rules, and include a new requirement for local authorities to share a proportion of the fine with tenants who assist them with their investigations. The benefits of this would be two-fold:

- local authorities would be more likely to undertake enforcement activity where rewards are adequate to cover the costs of investigation, and
- tenants would be incentivised to assist local authorities in their efforts to bring non-compliant landlords to justice

Contact

If you would like to speak to Shelter directly about the Renters' Rights Bill and how it can deliver better security for private renters, please contact public_affairs@shelter.org.uk