# Private Housing & Environmental Health Standards Team – Civil Penalties Collection, Recovery and Instalments Policy

## 1. Purpose of Policy

This policy sets out the Royal Borough of Greenwich's arrangements for the collection, recovery, enforcement and, where appropriate, instalment arrangements for civil penalties imposed under relevant housing legislation, including the Housing Act 2004, Housing Act 1988, Protection from Eviction Act 1977, Housing and Planning Act 2016 and the Renters' Rights Act 2025, together with any associated schedules, regulations and statutory guidance.

The policy also establishes:

- The early payment discount terms;
- The standards and requirements for payment by instalments;
- The consequences of non-payment or failed instalments;
- Best-practice principles drawn from other local authorities' enforcement policies

## 2. Legislative Framework

Civil penalties covered by this policy fall into two broad categories:

a) penalties imposed as an alternative to prosecution for relevant offences (generally up to £40,000); and
b) breach-based penalties where prosecution is not the route and the maximum penalty is generally £7,000.

### 2.1. Breaches normally capped at £7,000

Examples include:

- failure to provide a written statement of terms / prescribed information under the Housing Act 1988 tenancy system;
- attempting to let on a fixed term;
- attempting to end a tenancy orally or by notice to quit / purported notice outside the section 8 process;
- anti-discrimination breaches relating to children / benefits status;
- rental bidding / failure to state proposed rent

### 2.2. Offence-based penalties normally capped at £40,000

Examples include:

- Offences for which a civil penalty may be imposed under section 249A of the Housing Act 2004 including:
    - - failure to comply with an improvement notice;
    - - licensing offences in relation to HMOs;
    - - licensing offences under Part 3;
    - - failure to comply with an overcrowding notice;
    - - failure to comply with HMO management regulations.
- Unlawful eviction / harassment under Protection from Eviction Act 1977 section 1A;
- Other offence-based tenancy-system penalties under the Housing Act 1988 where the statutory route provides for alternative civil penalty treatment

Different statutory provisions, evidential thresholds and appeals procedures apply depending on the legislation relied upon

The Council will apply the correct statutory standard of proof for the relevant penalty regime.

- Where legislation requires the authority to be satisfied **beyond reasonable doubt**, the Council will apply the criminal standard of proof.
- Where legislation permits a penalty where the authority is satisfied on the **balance of probabilities**, the Council will apply the civil standard of proof

## 3. Principles of Enforcement and Recovery

This policy adopts best-practice principles identified in other local authority enforcement frameworks, including proportionality, transparency, consistency, and public protection

The Royal Borough will ensure:

- Offenders are held accountable promptly;
- Debtors are treated fairly but firmly;
- Public funds are protected;
- Repeated or deliberate non-compliance is met with escalating enforcement action.

Where legislation permits, the Council may impose a civil penalty jointly on two or more persons. In those circumstances, those persons may be jointly and severally liable for the penalty, and the Council may pursue recovery from any one or more of them.

For the purposes of this policy, a person liable to a civil penalty may include a landlord, licensor, letting agent, managing agent, or a person acting on behalf of a landlord, where the relevant legislation so provides.

Nothing in this policy restricts the Council's discretion to depart from the policy where it is reasonable and proportionate to do so, having regard to the facts of an individual case and any applicable legal requirements.

# 4. Payment of Financial Penalties

## 4.1. Standard Payment Period

Unless the relevant legislation or Tribunal determination specifies otherwise, the financial penalty must be paid within the statutory payment period stated in the Final Notice, usually 28 days beginning with the day after the notice is given

The Council will follow the notice, representation, Final Notice, appeal and recovery procedure prescribed by the specific legislation under which the penalty is imposed. Where the penalty is imposed under the Housing Act 1988 sections 16I or 16K, the procedure in Schedule 2ZA applies. Where imposed under the Protection from Eviction Act 1977 section 1A, Schedule A1 applies. Where imposed under Renters' Rights Act 2025 sections 40 or 57, Schedule 5 applies. Housing Act 2004 penalties remain subject to Schedule 13A.

## 4.2. Early Payment Discount

The Royal Borough of Greenwich offers an early payment discount of 25% if the penalty is paid in full within 28 days of the date of the Final Notice.

- This discount is not available if an appeal has been lodged.
- If full discounted payment is received within the 28-day period, the case is closed.

# 5. Payment by Instalments

Any agreement to pay by instalments is entirely discretionary and does not vary or replace the statutory effect of a notice, appeal or suspension under the relevant legislation. Where a Final Notice is suspended by operation of law pending appeal, recovery and instalment enforcement will also be suspended to the extent required by law.

## 5.1. Eligibility

Applications for payment by instalments will be considered on their individual merits, having regard to all relevant circumstances.

In deciding whether to grant an instalment arrangement, the Council may take into account:

- the debtor's financial circumstances;
- evidence of income, expenditure, liabilities and assets;
- the debtor's engagement with the Council;

- the amount of the penalty outstanding; and
- any other relevant factors.

The Council retains discretion to approve, refuse or vary an instalment arrangement based on the circumstances of each case.

## 5.2. Instalment Plan Terms and Conditions

All instalment arrangements must be:

- Agreed in writing,
- Time limited, normally not exceeding 12 months except in exceptional circumstances,
- Paid by Direct Debit Mandate Form (Provided by Finance Team)
- Based on an affordability assessment of financial evidence supplied.

**Minimum Requirements**

A minimum initial payment of 20% must be paid within 28 days of the Final Notice;

- Remaining instalments are due monthly on specified dates;
- The early payment discount does not apply to instalment arrangements unless the full discounted amount is paid within the 28-day window.

## 5.3. Sample Instalment Plan

## 5.4. Example Scenario

- Total penalty: £10,000
- Early payment discount declined or ineligible
- Initial payment required (20%) £2,000 due within 28 days
- Remaining balance: £8,000

## 5.5. Instalment Schedule

| Month | Amount Due | Due Date | Notes |
|---|---|---|---|
| Initial | £2000 | Within 28 days | Required to activate instalment plan |
| 1 | £667 | 1st of following month | Paid by Direct Debit |
| 2 | £667 | 1st | — |
| 3 | £667 | 1st | — |
| 4 | £667 | 1st | — |
| 5 | £667 | 1st | — |
| 6 | £667 | 1st | — |
| 7 | £667 | 1st | — |
| 8 | £667 | 1st | — |
| 9 | £667 | 1st | — |

| | | | |
|---|---|---|---|
| 10 | £667 | 1st | — |
| 11 | £667 | 1st | — |
| 12 | £663 | 1st | Final payment; balance cleared |

**Key conditions:**

- Direct Debit required;
- Missing one payment triggers “first missed payment process”;
- Missing two payments terminates the plan and triggers enforcement.

## 6. Consequences of Missed or Late Payments

To ensure clear expectations and deterrence, the following applies:

### 6.1. First Missed Payment

- Written notice issued within 7 days;
- Debtor must make payment within 5 working days to reinstate the agreement.

### 6.2. Second Missed Payment or Failure to Remedy

- Instalment arrangement is cancelled automatically;
- The full outstanding balance becomes immediately due;
- Case is referred for formal recovery action without further notice.

### 6.3. Persistent Default

Where payment remains outstanding and any applicable appeal rights have been exhausted or expired, the Council may commence appropriate debt recovery proceedings.

Subject to obtaining any court order, judgment or other legal authority required in the particular case, enforcement action may include:

- recovery of the debt through the County Court;
- applications for Orders to Obtain Information;
- applications for Attachment of Earnings Orders;
- applications for Charging Orders;
- Third Party Debt Orders; and
- the use of enforcement agents where lawfully authorised.

The Council will select the most appropriate recovery mechanism having regard to the circumstances of the case and the applicable legal framework.

## 7. Appeals and Suspension of Enforcement

A person receiving a Final Notice may appeal to the First-tier Tribunal where the relevant statute provides for such an appeal. Appeals must be made within the statutory time limit for the relevant penalty regime. Where legislation provides that the Final Notice is suspended pending appeal, the Council will suspend recovery and enforcement accordingly until the appeal is finally determined, withdrawn or abandoned.

The early payment discount (25%) remains unavailable once an appeal has been submitted, as the discount applies only to undisputed penalties paid within 28 days.

### 7.1. Tribunal Outcomes

The First-tier Tribunal may:

- Confirm the penalty;
- Vary the penalty (including reducing the amount);
- Cancel the penalty entirely;
- Substitute a different penalty (within statutory limits).

### 7.2. Post-Appeal Payment Requirements

Once the Tribunal decision is issued:

- If the penalty is confirmed or varied, the debtor must pay the confirmed amount within 28 days of the Tribunal's written decision.
- Instalment arrangements may be reconsidered if:
    - Hardship is demonstrated; or
    - The Tribunal imposes conditions requiring a revised payment structure.
- Failure to pay after the post-appeal deadline may result in the Council commencing debt recovery proceedings and, where appropriate, seeking such court orders or enforcement remedies as are available in law.

### 7.3. Further Appeals

The debtor may only escalate to the Upper Tribunal on a point of law.

Permission to appeal must be granted either by the First-tier Tribunal or the Upper Tribunal.

## 8. Monitoring, Review and Governance

- Cases will be reviewed monthly by the Private Housing Enforcement Team.
- Recovery rates and compliance levels will be monitored to ensure continuous improvement.
- This policy will be reviewed biennially or following legislative changes or ombudsman/tribunal findings.

## 9. Equality and Vulnerability Considerations

The Borough will consider vulnerabilities such as disability, mental health, literacy and language barriers, or economic hardship.

However, vulnerability does not remove the obligation to pay, and recovery action will resume once support measures have been exhausted.

## 10. Communication and Transparency

- All notices will clearly state amounts, deadlines, payment options, and consequences.
- Information will be published on the Council website reflecting best practice seen in other councils.

## 11. Hardship Agreements

### 11.1. Purpose of Hardship Agreements

While the Council is committed to firm recovery of financial penalties, it recognises that exceptional financial hardship may justify temporary reduction, deferral, or restructuring of payment obligations. This aligns with best practice from other local authority enforcement policies which emphasise proportionality and fairness while maintaining statutory enforcement expectations.

Hardship agreements do not extinguish the debt but may temporarily modify its recovery.

### 11.2. Eligibility Criteria

An applicant may request a hardship agreement if they can demonstrate:

- Sudden loss of income due to redundancy, illness, or bereavement;
- Severe long-term financial instability, including benefits reliance;
- Domestic circumstances causing acute financial strain (e.g., fleeing domestic abuse, homelessness risk);
- Any other exceptional circumstance deemed reasonable by the Council.

Evidence required may include:

- Bank statements (3 months minimum);
- Benefits statements.
- Debt management plans.
- Medical or support service evidence if relevant.

Where a debtor chooses not to provide relevant financial information, the Council may be unable to verify any claimed hardship and may therefore place limited weight on unsupported assertions when assessing affordability or repayment arrangements.

## 11.3. Types of Hardship Assistance Available

Depending on circumstances, the Council may:

- Extend the payment period, usually no longer than 12 months;
- temporarily vary instalment amounts;
- defer payment for an agreed period;
- temporarily suspend recovery action pending review.

Any hardship arrangement affects only the method and timing of repayment. It does not reduce or extinguish the underlying financial penalty.

Note:

The early payment discount (25% within 28 days) cannot be retrospectively applied during a hardship agreement period.

## 11.4. Review and Decision Process

- Applications must be made in writing within 14 days of the Final Notice or upon a material change in circumstances.
- Decisions are made by the Head of Private Housing & Environmental Health Standards or above.
- Reviews occur every 8 weeks until resolved.
- If hardship is not substantiated or circumstances improve, normal payment expectations resume.

# Payment by Instalments Agreement

(Financial Penalties issued by the Private Housing Team)

This Payment by Instalments Agreement ("the Agreement") is made between:

1. The Royal Borough of Greenwich ("the Council")

and

2. **[Full Name of Debtor]** ("the Debtor")

concerning the payment of a civil penalty imposed under [insert legislation].

## 1. Background

1.1. The Council has issued a Final Notice imposing a civil penalty under [insert legislation].

1.2. The Debtor has requested to pay the outstanding amount by instalments, and the Council has agreed to enter into this Agreement subject to these terms.

1.3. This Agreement does not constitute a waiver of the debt, and all statutory recovery powers remain in force

## 2. Total Amount Payable

2.1. The total financial penalty owed is:

**£[insert].**

2.2. Any early-payment discount applies only if full payment was made within 28 days of the Final Notice. If this did not occur or is not applicable, the full penalty amount stands.

2.3. No discount will be reinstated once an instalment plan is requested or approved.

## 3. Instalment Plan Terms

3.1. The Debtor agrees to make payments in accordance with the following schedule:

- Initial Payment: **£[insert]**, due by **[date]**
- Subsequent Monthly Instalments: **£[insert]** per month
- Instalment Due Date: The **[1st/15th/etc.]** of each month
- Final Payment Due: **[Date]**

3.2. Instalments must be paid by Direct Debit, unless otherwise agreed in writing.

3.3. Payments received after 5pm on the due date will be classed as **late.**

## 4. Obligations of the Debtor

The Debtor agrees to:

4.1. Pay all instalments in full and on time.

4.2. Maintain a valid and active bank account for Direct Debit payments.

4.3. Inform the Council immediately if experiencing financial difficulties.

4.4. Provide any evidence requested by the Council relating to financial circumstances, hardship, or ability to pay (bank statements, benefits evidence, income documentation).

4.5. Notify the Council of any change of address or contact details within 7 days.

## 5. Council's Commitments

The Council agrees to:

5.1. Apply payments promptly and accurately to the Debtor's account.

5.2. Notify the Debtor in writing if any payment is missed or rejected.

5.3. Consider reasonable requests for hardship review, consistent with best-practice approaches adopted by other councils.

5.4. Suspend recovery only in circumstances required by law (e.g., a Tribunal appeal).

## 6. Missed or Late Payments

6.1. First Missed Payment

- The Council will issue a written warning.
- The Debtor must make the missed payment within 5 working days.

6.2. Second Missed Payment or Failure to Remedy

- This Agreement will be terminated automatically.
- The full outstanding balance becomes immediately due and payable.
- The case will proceed directly to formal recovery enforcement.

6.3. The Council may refuse future requests for instalment plans if the Debtor defaults under this Agreement.

## 7. Enforcement on Termination

If this Agreement is terminated due to missed payments or breach, the Council may initiate enforcement using the powers available under the relevant statutory scheme and applicable civil recovery mechanisms including recovery through the County Court.

Where the Council obtains a judgment or other authority required by law, enforcement action may include:

- issuing a claim through the County Court;
- obtaining a County Court Judgment;
- applying for an Order to Obtain Information;
- applying for an Attachment of Earnings Order;
- applying for a Charging Order;
- applying for a Third Party Debt Order; and
- instructing enforcement agents where permitted by law.

Any enforcement action will be taken in accordance with the applicable court procedures and statutory requirements.

## 8. Hardship Review

8.1. The Debtor may request a hardship review where genuine financial difficulty can be evidenced.

8.2. The Council may grant:

- Temporary reduction in instalments;
- Short deferral period;
- Extended repayment period (in exceptional cases).

8.3. Hardship review does not suspend ongoing payments unless confirmed in writing.

## 9. No Variation Without Written Agreement

No change to this Agreement will be effective unless made in writing and confirmed by an authorised officer of the Council.

## 10. Appeal Rights

10.1. Entering into this Agreement does not remove the Debtor's right to appeal the Final Notice to the First-tier Tribunal.

10.2. If an appeal is lodged, recovery is suspended by law until determination.

10.3. Instalments under this Agreement will pause only if the Council receives formal confirmation of the appeal.

## 11. Data Protection

The Council will process personal data in accordance with UK GDPR and the Data Protection Act 2018. Information may be shared where necessary for debt enforcement purposes.

## 12. Governing Law

This Agreement is governed by the laws of England and Wales.

## 13. Signatures

**Signed for and on behalf of the Royal Borough of Greenwich:**

**Name:** _____

**Position:** _____

**Signature:** _____

**Date:** _____

**Signed by the Debtor:**

**Name:** _____

**Address:** _____

**Signature:** _____

**Date:** _____