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FIRST - TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)

Case Reference	**:**	**BIR/OOFK/HMK/2019/0073** **BIR/OOFK/HMK/2019/0074** **BIR/OOFK/HMK/2019/0075** **BIR/OOFK/HMK/2019/0076** **BIR/OOFK/HMK/2019/0077**
Subject Property	**:**	**36 Lyttleton Street** **Derby** **DE22 3FE**
Applicants	**:**	**(1) Blaise Ntare Umugabo** **(2) Derek Okelo** **(3) Dhananjoy Chanda** **(4) Jonathan Mayombu** **(5) Rabbi Mambonzo**
Representative	**:**	**Justice for Tenants**
Respondent	**:**	**Mr Jason Hammond**
Representative	**:**	**None**
Type of Application	**:**	**Application under section 41(1) of the Housing and Planning Act 2016 for rent repayment orders**
Date and Place of Hearing	**:**	**30th January 2020. The matter was dealt with by a Paper Determination**
Tribunal Members	**:**	**Graham Freckelton FRICS (Chairman)** **Robert Chumley-Roberts MCIEH, J.P**
Date Decision Issued	**:**	**25th February 2020**

DECISION

INTRODUCTION

1. This is a decision on an application for rent repayment orders under section 41 of the Housing and Planning Act 2016 ('the 2016 Act').

2. The Housing Act 2004 ('the 2004 Act') introduced licensing for houses in multiple occupation (HMOs). Originally, licensing was mandatory for all HMOs which have three or more storeys and are occupied by five or more persons forming two or more households. Since 1st October 2018 all HMOs which are occupied by five or more persons forming two or more households, are subject to mandatory licensing. Under additional licensing, a local housing authority can require licensing for other categories of HMO in its area which are not subject to mandatory licensing. The local housing authority can do this if it considers that a significant proportion of these HMOs are being managed sufficiently ineffectively so as to give rise to one or more particular problems, either for the occupants of the HMOs or for members of the public.

3. Under section 72 of the 2004 Act a person who controls or manages an HMO that is required to be licensed (pursuant to mandatory or additional licensing) but is not so licensed commits an offence and is liable on summary conviction to a fine.

4. The criminal sanction for failing to obtain a licence is supplemented by the scheme of civil penalties known as rent repayment orders. Under section 73 of the 2004 Act, where a person who controls or manages an unlicensed HMO has been convicted, the (former) occupiers of the unlicensed HMO may apply to the First-tier Tribunal for rent repayment orders.

5. However, from 6th April 2017, subject to transitional provisions, the 2016 Act has amended the provisions relating to rent repayment orders in England. Under section 43 of the 2016 Act the First-tier Tribunal may make a rent repayment order in favour of the (former) occupiers if it is satisfied beyond reasonable doubt that the landlord has committed an offence under section 72 of the 2004 Act, *whether or not the landlord has been convicted*.

BACKGROUND

6. The Applicants are five former tenants of 36 Lyttleton Street, Derby, DE22 3FE ('the subject property').

7. By applications dated 20th July 2019 (16th July 2019 in the case of Mr Mayombu) and received by the Tribunal on 8th October 2019, the occupiers referred to above applied for rent repayment orders under section 41 of the 2016 Act. They alleged that the Respondent was controlling or managing the subject property, which, as a property occupied by five or more people forming two or more households, was a House in Multiple Occupation and required to be licensed.

8. Directions were issued on 18th October 2019 following which submissions were made and copied to the other parties.

9. It is apparent from the documentation received from the Applicants that the property was occupied by them on Assured Shorthold Tenancies commencing at various dates in September 2018 for a term of ten months at the following monthly rentals:

I.	Mr Umugabo	£390.00
II.	Mr Okelo	£411.66
III.	Mr Chanda	£411.66
IV.	Mr Mayombu	£390.00
V.	Mr Mambonzo	£411.66

10. The Applications all confirm that the Applicants are requesting rent repayments for the period commencing 1st October 2018. The end date for each Applicant varies (being the end of the tenancy periods) but these, together with the amounts claimed are:

I.	Mr Umugabo -	£3,510.00 for the period ending 21st July 2019
II.	Mr Okelo -	£3,371.53 for the period ending 1st July 2019
III.	Mr Chanda –	£3,445.55 for the period ending 17th July 2019
IV.	Mr Mayombu -	£2,125.00 for the period ending 1st August 2019
V.	Mr Mambonzo -	£3,248.96 for the period ending 7th July 2019

THE APPLICANTS SUBMISSIONS

11. The Applicants submit, through their representative that the property comprises of a two-storey five-bedroom house with cooking, washing and bathroom facilities shared between the occupants. As such, the property requires to be licensed under section 55 of the 2004 Act.

12. The Applicants further submit that there were at all times during the period in question five tenants living in the property and that a completed licence application was made on 9th August 2019 after the Applicants had left the property. As such there was a breach relevant for each Applicant commencing on 1st October 2018 as detailed in paragraph 10 above.

13. It was submitted that according to the Land Registry the property is owned by Nigel John Seymour Walker and that Mr Hammond (the Respondent), instructed the letting agents to make payments to 'Rushmere Homes Ltd', a company of which Mr Hammond and Mr Walker are both directors.

14. The Applicants were unaware of this situation when making the Application to the Tribunal and relied on the tenancy agreements received from Mr Hammond's agents. As such Mr Hammond was the person in control of the property. This is accepted by the Tribunal.

15. The Applicants submitted that they were unhappy with the condition of the property from the outset as works were not completed and it felt unsafe. There were a number of issues including smells from drains and problems with the fridge together with issues regarding fire safety.

16. The Applicants further submitted that upon moving in only two of the eight hobs in the kitchen worked with the other six cutting out leaving gas escaping. This was only

repaired in March 2019 and the applicants withheld rent from January until the end of March and then paid the outstanding rent once the work was completed.

17. It was further submitted that it therefore seemed likely that there were no gas safety certificates as defects of this kind would prevent a valid gas safety certificate being provided. There were occasions when the Applicants returned to the property and found a strong smell of gas.

18. At the same time the Applicants confirmed that there were old mattresses which the Respondent left in the corridor between the kitchen and front door for a number of months making it difficult to get in and out of the kitchen and seriously impeding the fire escape route. There were two smoke alarms installed in the property, one in the corridor outside the kitchen and one on the upstairs landing. Both were battery-operated and the one on the first-floor landing never worked. There were no fire extinguishers in the property and this, in the opinion of the Applicants confirmed that the property would not meet the licensing requirements of Derby City Council for HMOs.

19. With regard to the conduct of the parties the Applicants confirmed that they had been polite and reasonable. They had paid rent as due and had followed the correct channels to deal with a landlord who lacked the appropriate licence and would not carry out repairs. After they were forced to withhold rent to compel the Respondent to carry out necessary works, they then paid the withheld rent once the works were completed.

20. However, in the opinion of the Applicants, the Respondent has knowingly let a property as an HMO without the appropriate licence. The Respondent did not provide the Applicants with a copy of the Gas Safety Certificate and there was also a question over whether the required Appliance and PAT testing, Electrical Safety Certification and Gas Certification was carried out. They also felt that it was unlikely that the appropriate fire safe doors were provided which would, if fitted, allow the tenants 30 minutes to escape a fire.

21. The Applicants understood that the Respondent was a property investor with multiple student rental properties in Derby and as such would have been aware of the need for licensing but he did not obtain such a licence or ensure the property was appropriately safe. On the contrary, the Respondent had chosen to exploit vulnerable tenants and expose them to dangerous conditions to maximise income.

22. At the same time the Applicants also requested reimbursement of the cost of the application fee (£100.00) and the hearing fee (£200.00).

THE RESPONDENT'S SUBMISSIONS

23. The Respondent submitted that the property had been let to students since it was purchased in 2012. It was accepted that there were usually five tenants in the property which, under Derby City Council regulations did not require the property to be licensed until recently. The Respondent had misunderstood the timing of the new regulations which he accepted commenced on 1st October 2018 and as an administrative oversight he believed that as the tenancy started in September 2018 a licence would not be required until the following year (2019).

24. The Respondent further submitted that when he was alerted by Derby City Council that the property required a licence an application was made immediately. The property was in the same condition when the HMO officer visited as it had been all year and it was found to be up to the standards required for an HMO, and with just a few comments the licence was granted.

25. The Respondent submitted that he was a good landlord with student properties in Swansea which have always had an HMO licence. It was not the Respondent's intention to benefit in any way by not licensing the property as it was always up to a satisfactory standard and during the summer that the Applicants were moving in he carried out upgrading work including decorating throughout, providing new beds and mattresses, fitting new blinds to all rooms, fitting some new carpets and replacement light fittings. During the tenancy this amounted to £13,472.05 and in the previous year ending September 2018 he had spent £11,846.73 which was in fact more than the income received from the tenants. In addition to this annual mortgage payments of £4829.76 were made.

26. The Respondent further submitted that for the late application for the HMO Licence he had already been fined by Derby City Council which at present he did not have the funds to pay. The Respondent was of the opinion that it was unnecessary to be punished twice for the same offence particularly as it did not involve providing substandard accommodation.

27. The Tribunal requested confirmation of the 'Fine' imposed by Derby City Council and were subsequently informed that this was a Financial Penalty in the sum of £6000.00. The Tribunal received a copy of the Final Notice, and a confirmatory email from Derby City Council to confirm the position.

28. The Tribunal also requested confirmation of the date the Licence Application was submitted to Derby City Council and was informed that this was on 23rd May 2019. However, the Applicants submission contains a copy of a letter to Mr D Chanda from Derby City Council dated 16th August 2019 confirming that although payment of the Licence Fee was made on 21st May 2019 the completed application form was not received until 25th June 2019 and the supporting documents were not submitted until 9th August 2019.

29. The Respondent further submitted that with the exception of one of the Applicants, rent was not paid on time and that rents still remain in arrears. During the period of the tenancy rent of £16,220.00 was due to be paid plus £20.00 per person per week for all-inclusive bills. At the present time there was still £2,513.99 owing in rent from the tenants for the year.

30. The Respondent disputed that the property was in any way unsafe or uncomfortable. The problem with the fridge was a broken bulb and the shower was replaced in October 2018. The Respondent submitted that the Applicants did not withhold rent due to works required but instead asked for additional time to pay because their grant monies had not yet arrived and/or wages had not been paid.

31. With regard to the smoke alarms the Respondent submitted that these worked perfectly when the tenants moved in and at no point was he asked to either replace the batteries and was not informed that the tenants had themselves replaced the batteries.

There was no requirement to have fire extinguishers in the property but only the fire blanket which had always been installed in the kitchen.

32. With regard to conduct, the Applicants had not always been polite and reasonable and the way they kept the property had generated complaints from neighbours. At no time was any request for repairs turned down or failed to be completed by the Respondent. In the opinion of the Respondent the Applicants were untidy and as a gesture of goodwill a cleaner was supplied on a monthly basis to help keep on top of the situation. The Respondent had additionally paid for private contractors to clear the rubbish on two occasions as the Applicants had not left it out in a correct manner and it was therefore not collected by Derby City Council.

33. The Respondent further submitted that in his opinion the Applicants had tried to unfairly misrepresent him as landlord, when the real motivation of their claim was to avoid them having to meet their responsibilities in paying the rent and to gain commission for their Representative.

34. During the tenancy the central heating boiler started to show signs of wear and tear and despite it being repaired on two occasions the Respondent decided to install a new one. It was noted by the Respondent that the Applicants had not purchased any heaters during the period that the boiler was not working. However, the Respondent did agree a final rent reduction for the Applicants to reflect the inconvenience of time when they had no heating.

THE LAW

35. The relevant provisions of the 2016 Act, so far as relevant, are as follows –

40 Introduction and key definitions

(1) This Chapter confers power on the First-tier Tribunal to make a rent repayment order where a landlord has committed an offence to which this Chapter applies.

(2) A rent repayment order is an order requiring the landlord under a tenancy of housing in England to—

(a) repay an amount of rent paid by a tenant, or …

(3) A reference to 'an offence to which this Chapter applies' is to an offence, of a description specified in the table, that is committed by a landlord in relation to housing in England let by that landlord.

	Act	Section	General description of offence
5	Housing Act 2004	Section 72(1)	Control or management of unlicensed HMO

41 Application for rent repayment order

(1) A tenant or a local housing authority may apply to the First-tier Tribunal for a rent repayment order against a person who has committed an offence to which this Chapter applies.

(2) A tenant may apply for a rent repayment order only if —

(a) the offence relates to housing that, at the time of the offence, was let to the tenant, and
(b) the offence was committed in the period of 12 months ending with the day on which the application is made.

...

43 Making of rent repayment order

(1) The First-tier Tribunal may make a rent repayment order if satisfied, beyond reasonable doubt, that a landlord has committed an offence to which this Chapter applies (whether or not the landlord has been convicted).

(2) A rent repayment order under this section may be made only on an application under section 41.

(3) The amount of a rent repayment order under this section is to be determined in accordance with—

(a) section 44 (where the application is made by a tenant);

...

44 Amount of order: tenants

(1) Where the First-tier Tribunal decides to make a rent repayment order under section 43 in favour of a tenant, the amount is to be determined in accordance with this section.

(2) The amount must relate to rent paid during the period mentioned in the table.

If the order is made on the ground that the landlord has committed an offence mentioned in row 3, 4, 5, 6 or 7 of the table in section 40(3)	*the amount must relate to rent paid by the tenant in respect of a period, not exceeding 12 months, during which the landlord was committing the offence*

(3) The amount that the landlord may be required to repay in respect of a period must not exceed—

(a) the rent paid in respect of that period, less
(b) any relevant award of universal credit paid (to any person) in respect of rent under the tenancy during that period.

(4) In determining the amount, the tribunal must, in particular, take into account—
(a) the conduct of the landlord and the tenant,
(b) the financial circumstances of the landlord, and
(c) whether the landlord has at any time been convicted of an offence to which this Chapter applies.

THE PROPERTY INSPECTION

36. The Tribunal inspected the subject property on 30th January 2020. Unfortunately, although the Respondent had been informed of the Tribunal's intention to inspect, he did not attend and the Tribunal was therefore only able to carry out an external inspection. The Tribunal considers this to be disrespectful.

37. The property comprises a semi-detached house originally built by the Local Authority. It is of traditional brick construction with part rendered elevations surmounted by a pitched tiled roof. There is a substantial extension to the rear.

38. To the front of the property is an asphalt driveway/parking area and to the rear a reasonable size garden with lawn, patio and timber sheds.

39. The Tribunal noted that the property is double glazed and assumes that it has a comprehensive gas fired heating system.

40. The Tribunal found the property to be in generally fair condition externally.

DETERMINATION OF THE TRIBUNAL

41. The Tribunal considered the application in four stages –

    (i) Whether the Tribunal was satisfied beyond reasonable doubt that the Respondent had committed an offence under section 72(1) of the 2004 Act in that at the relevant time he was a person who controlled or managed an HMO that was required to be licensed under Part 2 of the 2004 Act but was not so licensed.

    (ii) Whether the Applicants were entitled to apply to the Tribunal for rent repayment orders.

    (iii) Whether the Tribunal should exercise its discretion to make rent repayment orders.

    (iv) Determination of the amounts of any orders.

Offence under section 72(1) of the 2004 Act

42. In accordance with sections 43(1) of the 2016 Act, the Tribunal was satisfied beyond reasonable doubt that the Respondent, as landlord of the subject property, had committed an offence listed in section 40 of the 2016 Act, namely an offence under section 72(1) of the 2004 Act. In his submission the Respondent readily accepted that he had committed the offence.

    (i) Throughout the period from 8th October 2018 to 25th June 2019 the subject property was a house in multiple occupation subject to mandatory licensing.

    (ii) The subject property was not licensed.

    (iii) The Respondent was the person having control and/or managing the subject property.

Entitlement of the Applicants to apply for rent repayment orders

43. The Tribunal determined that the Applicants were entitled to apply for rent repayment orders pursuant to section 41(1) of the 2016 Act. In accordance with section 41(2), the Respondent was committing the relevant offence throughout the period when the subject property was let to the Applicants; and the offence was committed in the period commencing 12 months from the date the Application was received by the Tribunal (1st October 2018 being the date mandatory licensing became law) ending with the day on which the application was made for a Licence (25th June 2019).

Discretion to make rent repayment orders

44. The Tribunal was satisfied that there was no ground on which it could be argued that it was not appropriate to make rent repayment orders in the circumstances of the present case.

Amounts of Rent Repayment Orders

45. In accordance with section 44 of the 2016 Act, first, the amount of an order must relate to rent paid in a period, not exceeding 12 months during which the landlord was committing an offence under section 72(1) of the 2004 Act. The Applicants' claims satisfy that condition.

    Second, the amount that the landlord is required to pay in respect of a period must not exceed the rent paid in respect of that period. All the Applicants claim rent repayment of varying amounts depending on the length of their tenancies as detailed in paragraph 10. However, the Tribunal determines that the actual period of any claim is limited to the period 1st October 2018 (being the date mandatory licensing became law) and 25th June 2019 (being the date the Respondent applied to Derby City Council for an HMO Licence)

    Third, in determining the amount of any rent repayment order, the Tribunal must, in particular, take into account the conduct of the parties, the financial circumstances of the landlord and (not applicable in the present case) whether the landlord has been convicted of any of the offences listed in section 40 of the 2016 Act.

46. The discretion afforded to the Tribunal at the final stage of the determination of the amount of any rent repayment order was considered by the Upper Tribunal (Lands Chamber) in *Parker v Waller [2012] UKUT 301 (LC)*; and the observations of the President in that case have received express approval in subsequent decisions of the Upper Tribunal. Although those observations were made in the context of the rent repayment order regime contained in the 2004 Act, in the view of the Tribunal many of them remain relevant in the context of the 2016 Act regime.

47. The following observations, contained in paragraph 26 of the decision in *Parker v Waller*, would appear to be relevant in the present case –

    (iii) There is no presumption that the Rent Repayment Order (RRO) should be for the total amount received by the landlord during the relevant period unless there are good reasons why it should be. The Residential Property Tribunal (RPT) [now the First-tier Tribunal (Property Chamber)] must take an overall view of the circumstances in determining what amount would be reasonable.

    (iv) [The 2004 Act] requires the RPT to take into account the total amount of rent received during any period during which it appears to it that the offence was being committed. It needs to do that because the RRO can only be made in respect of rent received during that period. It is limited to the period of 12 months ending with the date of the occupier's application. But the RPT ought also to have regard to the total length of time during which the offence was being committed, because this bears upon the seriousness of the offence.

(v) The fact that the tenant will have had the benefit of occupying the premises during the relevant period is not, in my judgment a material consideration or, if it is material, one to which any significant weight should be attached. This is because it is of the essence of an occupier's RRO that the rent should be repaid in respect of a period of his occupation. While the tenant might be viewed as the fortunate beneficiary of the sanction that is imposed on the landlord, it is only misconduct on his part that would in my view justify the reduction of a repayment amount that was otherwise reasonable.

(vi) Payments made as part of the rent for utility services count as part of the periodical payments in respect of which an RRO may be made. But since the landlord will not himself have benefited from these, it would only be in the most serious case that they should be included in the RRO.

(vii) [The Act] requires the RPT to take account of the conduct and financial circumstances of the landlord. The circumstances in which the offence was committed are always likely to be material. A deliberate flouting of the requirement to register will obviously merit a larger RRO than instances of inadvertence – although all HMO landlords ought to know the law. A landlord who is engaged professionally in letting is likely to be more harshly dealt with than the non-professional.

48. Distilling the substance of those observations and applying them to the facts of the present case, the Tribunal determines that various deductions should be made from the maximum amounts. The Tribunal determines that the amounts claimed from the various Applicants as set out in paragraph 10 are incorrect as they refer to the period commencing 1st October 2018 and expiring at the various dates the Applicants vacated the property. The date the offence was committed by the Respondent ceased on 25th June 2019, being the date, the Application for a Licence was accepted by Derby City Council. The Tribunal calculates this period as being 268 days.

49. The rent paid by the Applicants did not include any service charges as these were charged separately at £20.00 per week each.

50. The Tribunal calculates the maximum amount of repayment in respect of each Applicant for the period commencing 1st October 2018 to 25th June 2019 as follows:

Blaise Ntare Umugabo

£390.00 pcm x 12 = £4680.00 pa ÷ 365 = £12.82 per day.

Maximum entitlement – 268 days x £12.82 per day = £3,435.76

Derek Okelo

£411.66 pcm x 12 = £4939.92 ÷ 365 = £13.53 per day.

Maximum entitlement – 268 days x £13.53 per day = £3,626.04

Dhananjoy Chanda

£411.66 pcm x 12 = £4939.92 ÷ 365 = £13.53 per day.

Maximum entitlement – 268 days x £13.53per day = £3,626.04

Jonathan Mayombu

£390.00 pcm x 12 = £4680.00 pa ÷ 365 = £12.82 per day.

Maximum entitlement – 268 days x £12.82 per day = £3,435.76

Rabbi Mambonzo

£411.66 pcm x 12 = £4939.92 ÷ 365 = £13.53 per day.

Maximum entitlement – 268 days x £13.53 per day = £3,626.04

51. On the same principle, as applied by the Upper Tribunal in *Fallon v Wilson [2014] UKUT 0300 (LC)*, the Tribunal determines that there should be deductions to reflect both the arrears of rental for each tenant, the mortgage payment and the Financial Penalty levied on the Respondent by Derby City Council.

52. In calculating the deductions, the Tribunal noted the submission of the Respondent regarding the arrears due by each Applicant. These have not been challenged and are accepted by the Tribunal. The amount of the arrears of rent owed is therefore deducted from the Rent Repayment Orders claimed.

53. With regard to the mortgage payment the Tribunal finds that this is a legitimate expense. The annual payment of £4,829.76 equates to £13.23 per day which equates to £2.65 (rounded up) per tenant (Applicant) per day as detailed below:

Mortgage payment: £4,829.76 ÷ 365 = £13.23 per day ÷ 5 = £2.65 per day.

54. The Respondent submits that it is unfair for him to be expected to refund rental by way of a Rent Repayment Order when he has already been levied with a Financial Penalty. This is incorrect and not accepted by the Tribunal. However, the Tribunal does accept that the amount of any Financial Penalty should be reflected in any Rent Repayment Order made.

55. In this case the amount of the Financial Penalty is £6000.00. This equates to £26.32 per day for the period commencing on 1st October 2018 and expiring on 25th June 2019 (being the date the HMO Licence was submitted to Derby City Council) totalling 268 days. This therefore equates to £4.48 per tenant per day as detailed below:

Financial Penalty: £6,000.00 ÷ 268 = £22.39 ÷ 5 = £4.48 per day.

56. The Tribunal allows one third of this against the Rent Repayment Orders equating to £1.49 per day.

57. Based on the above the Tribunal Determines that the amount of the Claims and relevant deductions for each Applicant are as follows:

Blaise Ntare Umugabo

Maximum entitlement		3435.75
Less: Arrears	795.00	
Mortgage – 268 days @£2.65 per day	710.20	
Financial Penalty – 268 days @ £1.49 per day	399.32	
Total Deduction		1904.52
Maximum Amount of Rent Repayment Order		£1,531.24

Derek Okelo

Maximum entitlement		3626.04
Less: Arrears	216.41	
Mortgage – 268 days @£2.65 per day	710.20	
Financial Penalty – 268 days @ £1.49 per day	399.32	
Total Deduction		1325.93
Maximum Amount of Rent Repayment Order		£2,300.11

Dhananjoy Chanda

Maximum entitlement		3626.04
Less: Arrears	795.00	
Mortgage – 268 days @£2.65 per day	710.20	
Financial Penalty – 268 days @ £1.49 per day	600.30	
Total Deduction		1904.52
Maximum Amount of Rent Repayment Order		£1,721.52

Jonathan Mayombu

Maximum entitlement		3346.02
Less: Arrears	1189.62	
Mortgage – 268 days @£2.65 per day	710.20	
Financial Penalty – 268 days @ £1.49 per day	600.30	
Total Deduction		2299.14
Maximum Amount of Rent Repayment Order		£1,136.62

Rabbi Mambonzo

Maximum entitlement		3626.04
Less: Arrears	77.32	
Mortgage – 268 days @£2.65 per day	710.20	
Financial Penalty – 268 days @ £1.49 per day	399.32	
Total Deduction		1186.84
Maximum Amount of Rent Repayment Order		£2,439.20

58. In accordance with section 44(4)(a) of the 2016 Act, the Tribunal considered the conduct of the landlord and tenant. Both parties complain about the other but the Tribunal finds that there is no evidence of conduct on either side which would affect its decision.

59. Therefore, the Tribunal is satisfied that there is nothing in the conduct of the parties to justify any adjustment to the amount of the rent repayment orders.

60. In accordance with section 44(4)(b) of the 2016 Act, the Tribunal considered the financial circumstances of the landlord. Mr Hammond did not provide details of his income and expenditure but the Tribunal was informed that he owns other residential letting properties in Swansea. However, the Tribunal accepts that at present he is in some difficulty in respect of paying the Financial Penalty imposed by Derby City Council. In addition to this, having regard to the expenditure of the Respondent on the property during the period of the tenancy the Tribunal considers that a further allowance is appropriate. The Tribunal determines that it is just and equitable that this be assessed at 20%.

61. The Tribunal therefore determines that the Rent Repayment due to each of the Applicants is as follows:

1) Blaise Ntare Umugabo	£1,531.24 less 20% = £1,224.99
2) Derek Okelo	£2,300.11 less 20% = £1,840.08
3) Dhananjoy Chanda	£1,721.52 less 20% = £1,377.21
4) Jonathan Mayombu	£1,136.62 less 20% = £909.29
5) Rabbi Mambonzo	£2,439.20 less 20% = £1,951.36

Payment should be made in full within 28 days of the date of this decision.

62. The Tribunal therefore confirms the total amount of the Rent Repayment Order in the sum of £7,302.93 (Seven Thousand Three Hundred and Two Pounds, Ninety Three Pence).

APPLICATION UNDER RULE 13(2)

63. In their written submissions the Applicants submitted to the Tribunal an Application under Rule 13(2) of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013 requesting reimbursement of £300.00, being the Application and Hearing Fee paid.

64. However, the Tribunal notes that although an Application Fee of £100.00 was paid a Hearing Fee was not paid in this case.

65. After careful consideration the Tribunal determined that it would be just and equitable that the Application Fee of £100.00 should be reimbursed to each of the Applicants in this case.

Payment should be made in full within 28 days of the date of this decision.

APPEAL

66. Any appeal against this decision must be made to the Upper Tribunal (Lands Chamber). Prior to making such an appeal an aggrieved party must apply in writing to the First-tier Tribunal for permission to appeal within 28 days of the date specified below stating the grounds on which that party intends to rely in the appeal.

Date: 25th February 2020

Graham Freckelton FRICS
Chairman
First-tier Tribunal (Property Chamber)