FIRST-TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)

Case Reference	**:**	**MAN/00CG/HNA/2023/0032**
Property	**:**	**200A London Road, Sheffield, S2 4LW**
Applicants	**:**	**Mr Nasir Hussain Sherazi**
Respondent	**:**	**Sheffield City Council**
Type of Application	**:**	**Appeal against a financial penalty - Section 249A & Schedule 13A to the Housing Act 2004**
Tribunal Members	**:**	**Judge, Katherine Southby** **Valuer Member, Jenny Jacobs**
Date of Decision	**:**	**8 November 2023**
Date of Determination	**:**	**6 December 2023**

DECISION

The Tribunal upholds the appeal and varies the financial penalty to £10,875.

REASONS

THE FACTS

1. The property at 200A London Road ('the Property') is owned by Sherazi Property Management, a company which has one shareholder, Mr Nasir Hussain Sherazi who owns 100% of the company.

2. The Property is situated within an area in which the requirement to obtain a Selective Licence applies. Mr Sherazi submitted an application for a Selective Licence for the Property on 30 October 2018 in his own name, and nominating Mr Qasim Shaffique as the Selective Licence holder and therefore the person exercising control over the premises.

3. On 18 October 2022 a visit was carried out by the Respondent in connection with a nearby property 204A London Road which is also owned by Sherazi Property Management which led to the Respondent investigating the number of people living at 200A London Road.

4. Mr Sherazi applied for a Student Exemption form Council tax for 200A London Road on 3 October 2022.

5. No request for a temporary exemption for the requirement to obtain a mandatory HMO licence for the Property had been applied for.

6. No request had been received to revoke the Selective Licence or add a Selective Licence manager for the Property.

7. The Respondent visited the Property on 27 October 2022 and found five persons living there comprising four unrelated households.

8. The Respondent revisited the Property on 1 November 2022 and found 6 people including 2 married couples, comprising four separate households who occupy the Property as their main residence.

9. The hearing took place by way of FVH Video conference on 8 November 2023 at which the Applicant appeared in person supported by Mr Mahmood as his lay representative and Ms Ferguson represented the Respondent. Mr Sanders appeared as witness for the Respondent. All parties confirmed that they could see and hear and participate fully in proceedings.

10. Three bundles of documents of 191 pages, 25 pages and 18 pages together with a skeleton argument and authorities from the Respondent of 82 pages had been placed before the Tribunal for their consideration and these had been read by the Tribunal before the commencement of the hearing and were referred to during the hearing. The Applicant confirmed that he had received the documents in advance and had had the opportunity to consider the contents in order to make any representations he wished to.

11. We carefully considered all the written evidence submitted to the Tribunal in advance and the oral evidence given to us at the hearing even if we do not mention it. We used the hearing to amplify and update parts of the written evidence and only record such of the oral evidence as is necessary to explain our decision

The Law

Housing Act 2004

12. Section 249A (1) of the Act provides that a local authority may impose a financial penalty where there has been "a relevant housing offence".

13. Section 249 (2) sets out what amounts to a housing offence and includes at, section 249(a) an offence under section 95 of the Act, namely a failure to comply with the requirements for licensing of houses. Section 249 (3)-(4) further provides that only one financial penalty can be imposed for each offence and that cannot exceed £30,000. The imposition of a financial penalty is an alternative to criminal proceedings.

14. **Section 251 deals with Offences by bodies corporate and states:**
(1)Where an offence under this Act committed by a body corporate is proved to have been committed with the consent or connivance of, or to be attributable to any neglect on the part of—

(a)a director, manager, secretary or other similar officer of the body corporate, or

(b)a person purporting to act in such a capacity,

he as well as the body corporate commits the offence and is liable to be proceeded against and punished accordingly.

15. **Section 55- Licensing of HMOs to which this Part applies**

(1) This Part provides for HMOs to be licensed by local housing authorities where–

(a) they are HMOs to which this Part applies (see subsection (2)), and

(b) they are required to be licensed under this Part (see section 61(1)).

(2) This Part applies to the following HMOs in the case of each local housing authority–

(a) any HMO in the authority's district which falls within any prescribed description of HMO, and

(b) if an area is for the time being designated by the authority under section 56 as subject to additional licensing, any HMO in that area which falls within any description of HMO specified in the designation.

(3) The appropriate national authority may by order prescribe descriptions of HMOs for the purposes of subsection (2)(a).

16. **Licensing of Houses in Multiple Occupation (Prescribed Description) (England) Order 2018/221 *Article 4. Description of HMOs prescribed by the Secretary of State***

An HMO is of a prescribed description for the purpose of section 55(2)(a) of the Act if it—

(a) is occupied by five or more persons;

(b) is occupied by persons living in two or more separate households; and

(c) meets—

(i) the standard test under section 254(2) of the Act;

(ii) the self-contained flat test under section 254(3) of the Act but is not a purpose-built flat situated in a block comprising three or more self-contained flats; or

(iii) the converted building test under section 254(4) of the Act.

17. **254 Meaning of "house in multiple occupation"**

(1) For the purposes of this Act a building or a part of a building is a "house in multiple occupation"

if–

(a) it meets the conditions in subsection (2) ("the standard test");

(b) it meets the conditions in subsection (3) ("the self-contained flat test");

(c) it meets the conditions in subsection (4) ("the converted building test");

(d) an HMO declaration is in force in respect of it under section 255; or

(e) it is a converted block of flats to which section 257 applies.

(2) A building or a part of a building meets the standard test if–

(a) it consists of one or more units of living accommodation not consisting of a self-contained flat or flats;

(b) the living accommodation is occupied by persons who do not form a single household (see section 258);

(c) the living accommodation is occupied by those persons as their only or main residence or they are to be treated as so occupying it (see section 259);

(d) their occupation of the living accommodation constitutes the only use of that accommodation;

(e) rents are payable or other consideration is to be provided in respect of at least one of those persons' occupation of the living accommodation; and

(f) two or more of the households who occupy the living accommodation share one or more basic amenities or the living accommodation is lacking in one or more basic amenities.

(3) A part of a building meets the self-contained flat test if–

(a) it consists of a self-contained flat; and

(b) paragraphs (b) to (f) of subsection (2) apply (reading references to the living accommodation concerned as references to the flat).

18. **Section 61 Housing Act 2004**

Requirement for HMOs to be licensed

(1) Every HMO to which this Part applies must be licensed under this Part unless–

(a) a temporary exemption notice is in force in relation to it under section 62, or

(b) an interim or final management order is in force in relation to it under Chapter 1 of Part 4.

(2) A licence under this Part is a licence authorising occupation of the house concerned by not more than a maximum number of households or persons specified in the licence.

Procedural requirements

19. Schedule 13A of the Act sets out the procedural requirements a local authority must follow when seeking to impose a financial penalty. Before imposing such a penalty, the local authority must give a person notice of their intention to do so, by means of a Notice of Intent.

20. A Notice of Intent must be given be given within 6 months of the local authority becoming aware of the offence to which the penalty relates, unless the conduct of the offence is continuing, when other time limits are then relevant.

21. The Notice of Intent must set out:
    - the amount of the proposed financial penalty
    - the reasons for imposing the penalty
    - Information about the right to make representations regarding the penalty

22. If representations are to be made, they must be made within 28 days from the date the Notice of Intent was given. At the end of this period the local authority must then decide whether to impose a financial penalty and, if so, the amount.

23. The Final Notice must set out:
    - the amount of the financial penalty
    - the reasons for imposing the penalty
    - information about how to pay the penalty
    - the period for the payment of the penalty
    - information about rights of appeal
    - the consequences of failure to comply with the notice.

Guidance

24. A local authority must have regard to any guidance issued by the Secretary of State relating to the imposition of financial penalties:2004 Act Schedule 3, para 12. The Ministry of Housing Communities and Local Government issues such guidance (" the MHCLG Guidance") in April 2018: *Civil Penalties under the Housing and Planning Act 12016 – Guidance for Local Authorities*. This requires a local authority to develop its own policy regarding when or if to prosecute or issue a financial penalty. The MHCLG Guidance also sets out the following list of factors which local housing authorities should consider to help ensure that financial penalties are set at an appropriate level:
    a) Severity of the offence.
    b) Culpability and track record of the offender.
    c) The harm caused to the tenant.
    d) Punishment of the offender.
    e) Deterrence of the offender from repeating the offence.
    f) Deterrence of others from committing similar offences.
    g) Removal of any financial benefit the offender may have obtained as a result of committing the offence.

25. In recognition of the expectation that local housing authorities will develop and document their own policies on financial penalties, in June 2018 the Council approved a policy for the use of Civil Penalties as an alternate to prosecution in the Housing and Planning Act 2016 ('the Policy'). We make further reference to this Policy later in these reasons.

Appeals

26. A final notice given under Schedule 13A to the 2004 Act must require the penalty to be paid within the period of 28 days beginning with the day after that on which the notice was given. However, this is subject to the right of the person to whom a final notice is given to appeal to the Tribunal (under paragraph 10 of Schedule 13A).

27. Such an appeal may be made against the decision to impose the penalty, or the amount of the penalty. It must be made within 28 days after the date on which the final notice was sent to the appellant. The final notice is then suspended until the appeal is finally determined or withdrawn.

28. The appeal is by way of a re-hearing of the local housing authority's decision and may be determined by the Tribunal having regard to matters of which the authority was unaware. The Tribunal may confirm, vary or cancel the final notice. However, the Tribunal may not vary a final notice so as to make it impose a financial penalty of more than the local housing authority could have imposed.

29. When deciding whether to confirm, vary or cancel the final notice imposing the financial penalty, the issues for the Tribunal to consider will or may include:

    a. Whether the Tribunal is satisfied beyond reasonable doubt that the applicant's conduct amounts to a relevant housing offence in respect of premises in England (see sections 249A(1) and (2) of the Housing Act 2004);
    b. Whether the local housing authority has complied with all of the necessary requirements and procedures relating to the imposition of the financial penalty (see section 249A and paragraphs 1 to 8 of Schedule 13A of the 2004 Act);
    c. If the appeal relates to more than one financial penalty imposed on the applicant whether or not they are in respect of the same conduct; and/or
    d. Whether the financial penalty is set at an appropriate level having regard to any relevant factors, which may include, for example:
        i. The offender's means
        ii. The severity of the offence
        iii. The culpability and track record of the offender
        iv. The harm (if any) caused to a tenant of the premises
        v. The need to punish the offender, to deter repetition of the offence or the need to deter others from committing similar offences; and/or
        vi. The need to remove any financial benefit the offender may have obtained as a result of committing the offence

30. A number of decisions of the Upper Tribunal have established the questions that should be addressed when considering an appeal against a financial penalty. Those are *London Borough of Waltham Forest v Younis* [2019] UKUT 0362 (LC), *London Borough of Waltham Forest v Marshall & Another* [2020] UKUT 0035 (LC), *IR Management Services Ltd v Salford City Council* [2020] UKUT 0081 (LC), *Sutton & Another v Norwich City Council* [2020] UKUT 0090 (LC) and *Thurrock Council v Daoudi* [2020] UKUT 209 (LC).

31. The Tribunal's task is not simply matter of reviewing whether the penalty imposed by the Final Notice was reasonable: the Tribunal must make its own determination as to the appropriate amount of the financial penalty having regard to all the available evidence. In doing so, the Tribunal should have regard to the seven factors specified in the MHCLG Guidance as being relevant to the level at which a financial penalty should be set (see paragraph 14, above).

32. The Tribunal should also have particular regard to the council's Policy (see paragraph 15, above). As the Upper Tribunal (Lands Chamber) observed in *Sutton & Another v Norwich City Council* [2020] UKUT 0090 (LC):

33. "It is an important feature of the system of civil penalties that they are imposed in the first instance by local housing authorities, and not by courts or tribunals. The local housing authority will be aware of housing conditions in its locality and will know if particular practices or behaviours are prevalent and ought to be deterred."

34. The Upper Tribunal went on to say that the local authority is well placed to formulate its policy and endorsed the view that a tribunal's starting point in any particular case should normally be to apply that policy as though it were standing in the local authority's shoes. It offered the following guidance in this regard:

35. "If a local authority has adopted a policy, a tribunal should consider for itself what penalty is merited by the offence under the terms of the policy. If the authority has applied its own policy, the Tribunal should give weight to the assessment it has made of the seriousness of the offence and the culpability of the appellant in reaching its own decision."

36. Upper Tribunal guidance on the weight which tribunals should attach to a local housing authority's policy (and to decisions taken by the authority hereunder) was also given in another recent decision of the Lands Chamber: *London Borough of Waltham Forest v Marshall & Another* [2020] UKUT 0035 (LC). Whilst a tribunal must afford great respect (and thus special weight) to the decision reached by the local housing authority in reliance upon its own policy, it must be mindful of the fact that it is conducting a rehearing, not a review: the tribunal must use its own judgment and it can vary such a decision where it disagrees with it, despite having given it that special weight.

37. The decision of the Upper Tribunal in *Sutton & Another v Norwich City Council* was appealed to the Court of Appeal. The Court concluded that the penalties imposed could not be impugned: *Sutton & Another v Norwich City Council* [2021] EWCA Civ 20. The Court (at para. 14) having considered the Upper Tribunal's view on the weight to attach to a policy of the authority in *London Borough of Waltham Forest v Marshall & Another* took the view there were no reasons to dissent from those observations.

Evidence

38. It is not disputed by Mr Sherazi that the freehold owner of the Property is Sherazi Property Management, of which he is the sole owner.

39. Mr Sherazi stated that he lets out 6 or 7 residential properties, the rest are commercial properties. He has been letting properties out for over 20 years.

40. Mr Sherazi gave oral evidence that he had on occasions visited the Property to collect the rent in cash, but that when he went to the Property he did not look to see how many people were there. He stated that only 4 people had signed the rental agreements.

41. Mr Sherazi also stated in oral evidence that he did not collect the rent himself throughout the period in question but sent a worker from his company to do so.

42. Mr Sherazi gave oral evidence that as far as he was aware there were 4 students living in the Property in September 2022, all from India. He stated that for health reasons he left the country in the first week of November 2022 to go to Dubai and Pakistan and returned on 15th January 2023, and when he came back he found that they had brought their partners with them.

43. Mr Sherazi stated that when he found out he had rung them up and told them that they had to move out. He said he was unaware whether they had moved out or not as he had been ill.

44. Mr Sherazi gave oral evidence that Mr Shaffique, who was named as the manager, was only managing this property, and was a friend rather than an employee, although he was paid money by Mr Sherazi to be the manager.

45. Mr Sherazi stated that Mr Shaffique had a problem with his wife and so had to go abroad and could not manage the Property. He confirmed there was no contractual relationship.

46. Mr Sherazi was asked about the period after 19 December 2022 when the Notice of Intent had been served by the Respondent. He stated an employee – Mr Azimi – went in at that time as he was very unwell. He stated that he went back to the Property from March 2023 onwards, but that he hasn't been there since June. He stated he did not know whether the additional people had moved out although he thought that he now only gets rent from 3 people.

47. Mr Sherazi gave oral evidence that he has an employee attend the Property once a month to carry out repairs but that he did not have any knowledge of licensing requirement. He accepted that no application for an HMO licence had been submitted. Mr Sherazi stated that this was because the property at 204A London Road was nearly ready, and he had been told he could move the extra tenants into there.

48. Mr Sherazi was directed to page 89 of the Main Bundle which was an Emergency Prohibition Notice for 204 London Road issued by South Yorkshire Fire and Rescue, dated 25 November 2022. Mr Sherazi was initially unable to locate this document so the Tribunal adjourned briefly to ensure he was able to consider its contents.

49. Mr Sherazi accepted that he could only move tenants into 204 London Road once the works had been completed there. He stated that he was told that there was no longer a Prohibition Notice in force in approximately April or May 2023.

50. Mr Sanders gave evidence to the Tribunal on behalf of the Respondent that the Fire Service had lifted the Prohibition Notice on 204 London Road in late June/early July 2023.

51. It was put to Mr Sherazi that therefore he had had more than 4 people in the Property for several months even after having been explicitly told by the Respondent that this was in breach of the Housing Act. Mr Sherazi stated 'Yes, I was concerned about that' but went on the say that the problem was that when a tenant had moved somebody in it was very difficult to move them out.

Decision

52. It is not in dispute that the Property was not licensed as an HMO at the time of the Respondent's inspections on 27 October 2022 and 1 November 2022.

53. We accept the written evidence of Mr Sanders, confirmed by him in oral evidence, that there were six individuals living at the Property as four separate households on 1 November 2022, and we find that this was also the case on 27 October 2022, although one member of one of the two married couples was not at the Property at the time of the inspection.

54. We are therefore persuaded that at the time of the alleged offence the Property fell within the prescribed description of an HMO in accordance with s55(1) and (2) and Article 4 of the Licensing of Houses in Multiple Occupation (Prescribed Description) (England) Order 2018/221 in that:
    a. The flat was occupied by 5 or more persons. We find that it was occupied by at least 6 persons.
    b. It was occupied by persons living in 2 or more separate households. It is not disputed by Mr Sherazi that it was occupied by 4 different households.
    c. It met the self-contained flat test – It is not disputed by Mr Sherazi that it was occupied by persons who did not form a single household as their main or only residence, the occupation of that living accommodation constituted the only use, and rent was paid to the Applicant.

55. We considered whether Mr Sherazi was a person having control of or managing an HMO which is required to be licensed. And we found that Mr Sherazi was such a person as he confirmed that rents were paid to him in cash, either directly face to face, or through an employee of his on his behalf.

56. It is not disputed by Mr Sherazi and we are satisfied on the basis of the written evidence provided by the Respondent and the oral confirmation by Mr Sanders that no Temporary Exemption Notice had been applied for and no interim management order was in place

57. We accept that Mr Sherazi as the sole director of Sherazi Property Management Limited is liable to be proceeded against in accordance with s251 of the Act, and the acts of the company with a sole director are inevitably attributable to that director.

58. We considered whether the difficulties which Mr Sherazi had with his health requiring him to be out of the country for a protracted period of time and/or the difficulties which he referred to in getting additional people to leave could amount to 'reasonable excuse' for the non-licensing of the Property.

59. We find that they do not. It is incumbent upon any property owner who takes on the responsibilities of becoming a landlord to satisfy themselves that they are aware of the necessary legal obligations which attach to their role and to the Property. Mr Sherazi did not do so, or if he did do so did not act upon that information. We find that his health difficulties are more appropriately taken account of as mitigation. We are not persuaded that Mr Sherazi delegated his responsibilities as a landlord in any meaningful way to an agent. We find that the period of non-compliance went on for a considerable period of time beyond the period when Mr Sherazi returned back to the UK, and yet we also find that he does not appear to have any confident knowledge whether those individuals have now left the Property or how many people are currently living there.

60. We do not find that Mr Sherazi's conduct can amount to a reasonable excuse and we find that we are satisfied beyond reasonable doubt that the Applicant's conduct amounts to a relevant housing offence in respect of premises in England.

61. We next considered the procedural compliance of the Respondent. We find that the Notice of Intent was given within 6 months of the local authority becoming aware of the offence to which the penalty relates and set out the amount of the proposed financial penalty the reasons for imposing the penalty and information about the right to make representations regarding the penalty. We find the Respondent's approach of treating Mr Sherazi's email correspondence as his representations was appropriate and note that these representations reduced the amount of penalty which they imposed. We find that the Final Notice correctly set out:
    - the amount of the financial penalty
    - the reasons for imposing the penalty
    - information about how to pay the penalty
    - the period for the payment of the penalty
    - information about rights of appeal
    - the consequences of failure to comply with the notice.

62. In our view the Respondent has complied with its procedural obligations in respect of the issuing of the financial penalty

Penalty

63. We next considered the penalty imposed by the Respondent. The Respondent assessed the culpability of the Applicant as "high", and the harm as "low". According to the Respondent's published penalty chart, this gave rise to a penalty of £7,500 which was increased to £11,625 taking into account aggravating factors.

64. After considering the Applicant's solicitors' written submissions, the Respondent concluded that a lower figure of £9375 was appropriate taking account of the mitigation put forward on his behalf .

65. We remind ourselves that our task is not simply a matter of reviewing whether the penalty imposed by the Council by the Final Notice was reasonable: we must make our own determination as to the appropriate amount of the financial penalty having regard to all the available evidence before us.

Culpability

66. We considered the Guidance on Civil Penalties and the Respondent's own Guidance and note that this states that a landlord will be deemed to be highly culpable where they are an experienced professional landlord.

67. The Government statutory guidance states that '*a higher penalty will be appropriate where the offender …knew, or ought to have known, that they were in breach of their legal responsibilities. Landlords are running a business and should be expected to be aware of their legal obligations*'.

68. We note that Mr Sherazi has multiple properties, and whilst the bulk of his business appears to have been commercial letting, we nevertheless find him to be a professional Landlord with several residential properties and a prolonged period of experience in residential lettings. We note that he has had previous enforcement activity concerning his residential properties including previous activity in respect of HMO licensing, which leads us to feel confident that Mr Sherazi could and indeed should have been fully aware of his obligations in this respect.
69. For the reasons above we agree with the Respondent that culpability in this case is high.

Harm

70. The Council categorised the level of harm in this matter as low. We agree with this assessment as there is no evidence before us of actual overcrowding or that the Property was otherwise in an unfit state or that the tenants were otherwise at risk.

Punishment and Deterrence/ Removal of financial benefit

71. We are mindful of Central Government statutory guidance which indicates that a civil penalty should not be regarded as a lesser option compared with prosecution. The penalty should be set at a high enough level to ensure that it has a real economic impact on the offender and demonstrates the consequences of not complying with their legal responsibilities. The penalty should also have a deterrent effect to ensure the landlord fully complies with their legal responsibilities in future, and to deter other landlords from committing similar offences.

72. Likewise, we are directed to Central Government statutory guidance which sets out the principle that the offender should not benefit from committing an offence so the level of a civil penalty should be such as to remove any financial benefit obtained from the offence.

73. Accordingly, we therefore take into account the fact that, as a result of operating the property without a licence, the Applicant has obtained the following financial benefit of higher rental income than would have been possible had the Property been let in accordance with licensing rules. However, as the figure generated by applying High Culpability and Low harm is in excess of the estimated financial gain, we have not pursued this calculation any further.

Means

74. Mr Sherazi argues that the rental market is very difficult at the moment, and he is finding it hard to feed his family on the income from his business. He states that he has had to take out loans and is of limited means but has provided the Tribunal with no information to substantiate this claim. We make no further finding here as to means, save as to note that the Tribunal is in any event entitled to take into account the value of properties held in determining means, and therefore we do not make any adjustment to the sum determined on the basis of means and ability to pay as the information before us is that Mr Sherazi has a substantial property portfolio.

Aggravating and Mitigating Factors

75. In setting the level of penalty the Respondent applied a 40% uplift to the initial penalty to reflect the aggravating features including Mr Sherazi's neglect to establish if anyone who entered into a tenancy agreement might comprise a household of more than one person, Mr Sherazi's engagement with the process of applying for student exemption with Council, tax in contrast to his failure to apply for an HMO licence; Mr Shaffique's involvement with the property as the Fit and Proper person for the purposes of holding a Selective Licence appearing, in the view of the Respondent to be a device through which Mr Sherazi continued to exercise full control despite knowing he is not a Fit and Proper person to do so; collection of rents in cash meaning Mr Sherazi could or should have known how many people were living at the Property; significant rental income from letting the Property in this manner, and a record of previous enforcement action against Mr Sherazi.

76. The Respondent also applied a 15% deduction for mitigating features including Mr Sherazi's ill health and a desire to regularize matters. This gave a total overall figure of a 25% uplift from £7500 to £9375.

77. Again, we are not bound by the decision of the Respondent but make our decision afresh on the basis of the information before us at the hearing. We find that whilst he asked the additional individuals to leave he took no active steps to ensure that they did, or to require them to do so We also find that having decided to take very limited if any action to compel a reduction in numbers of people living at his Property, nor did Mr Sherazi apply for a licence to regularise the position even once he returned to the country and received the correspondence from the Respondent.

78. We find his track record as a professional landlord is poor with previous convictions including a previous HMO offence. We find he was collecting the rent in person for at least part of the time that the offence was being committed and could have and should have shown more curiosity as to who was living in his Property. We find the use of Mr Shaffique is an aggravating feature as the Respondent sets out, as he seems to have simply been a name which appeared on the licence but not someone who collected rents or carried out repairs – these tasks being done by or supervised by Mr Sherazi.

79. In our view there was no active management of this Property, simply a desire to collect rent from it. We agree with the original analysis of the Respondent [page 115] of a 55% uplift for aggravating features to £11,625.

80. We next considered the mitigating features applied by the Respondent and in our view they have been overly generous to Mr Sherazi, in particular we disagree with giving him credit for a desire to regularise matters. We did not see any such desire in the oral evidence of Mr Sherazi to the Tribunal. He appeared to have very little interest in whether or not the position at the Property was now compliant.

81. Therefore we have not applied the 5% deduction for Mr Sherazi's intention to regularise matters, as he did not regularise them. Neither do we apply the 15% reduction given for the tenants' decision to move partners in. As a responsible landlord, Mr Sherazi should have made sure to be aware of the number of people living at his property. However, we do find it reasonable to take into account Mr Sherazi's health circumstances, for which we have deducted the same 10% which the Respondent applied. When put alongside the 55% uplift for aggravating factors, the 10% deduction for mitigating factors gives an overall final figure of £10,875.

82. A person wishing to appeal this decision to the Upper Tribunal (Lands Chamber) must seek permission to do so by making written application to the First-tier Tribunal at the Regional Office, which has been dealing with the case.

83. The application must arrive at the Tribunal within 28 days after the Tribunal sends to the person making the application written reasons for the decision.

84. If the person wishing to appeal does not comply with the 28-day time limit, that person shall include with the application for permission to appeal a request for an extension of time and the reason for not complying with the 28-day time limit; the Tribunal will then decide whether to extend time or not to allow the application for permission to appeal to proceed.

85. The application for permission to appeal must identify the decision of the Tribunal to which it relates, state the grounds of appeal, and state the result the party making the application is seeking.

Tribunal Judge Katherine Southby

20 November 2023