

FIRST - TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference : LON/00BG/HMF/2023/0154

HMCTS code : V:VHSREMOTE

Property: 5 Element Court, 11 Chance Street, London,

E2 7**JB**

Applicant : Anna Ssemuyaba

Representative: Cameron Neilson - Justice for Tenants,

(Ref: 19303). Mr McGowan (observing)

Respondents : Robin Fellgett (1)

Rebecca Collings (2) Barbara Thompson (3)

Representative : In person

Type of Application : Rent Repayment Order under provisions of

the Housing and Planning Act 2016

Tribunal Members : Tribunal Judge B MacQueen

Tribunal Member S Mason, FRICS

Date and venue of

Hearing

: Virtual Hearing on 11 January 2024

(Video Hearing Service)

Date of Decision : 12 January 2024

DECISION

DECISION

- 1. The Tribunal finds that the Respondents have committed the offence of having control of, or managing an unlicenced house under the provisions of section 95(1) of the Housing Act 2004, which is an offence under section 40(3) of the Housing and Planning Act 2016. Accordingly, a rent repayment order in favour of the Applicant can be made. The amount of the rent repayment order is £4 153.26 and must be paid within 28 days of the date of this decision.
- 2. The Tribunal also orders the reimbursement of the Tribunal fees in the total sum of £300 to Justice for Tenants within 28 days.

Hearing on 11 January 2024

3. This was a remote video hearing, which was consented to by the parties, using the Video Hearing Service (VHS). A face-to-face hearing was not held because a tube strike had been announced which could have resulted in difficulties with travel to the Tribunal.

The Application

- 4. This application was made by Anna Ssemuyaba (the Applicant) on 10 June 2023 to recover rent of £21 605.00 for the period of 7 November 2021 to 6 November 2022 in relation to 5 Element Court, 11 Chance Street, London, E2 7JB, a one bedroom self-contained flat (the Property). The applicant was not in receipt of Housing Benefit or Universal Credit rent contributions for the property.
- 5. The Respondents, Robin Fellgett, Rebecca Collings and Barbara Thompson are partners of Redchurch Property LLP, the freehold owner of the Property registered under Title Number LN179426 (page 102- 105 of the Applicant's bundle).
- 6. Directions were made on 4 August 2023 and within these directions a timetable was set for evidence to be provided.
- 7. The Applicant produced a bundle (144 pages), and the Respondent produced a bundle (98 pages). Additionally, the Applicant produced a response to the Respondent's evidence bundle and the Respondent produced a skeleton argument. We have noted the contents of all these documents and documents filed in reaching our decision.
- 8. Additionally, as part of the hearing, we heard oral evidence from Anna Ssemuyaba, Robin Fellgett, Rebecca Collings, and Barbara Thompson. Each person confirmed their witness statements and were cross examined.

Having Control of, or Managing a House that is required to be licensed

9. The Tribunal must be satisfied to the criminal standard (beyond reasonable doubt) that the offence of having control of or managing an unlicenced house (part 3

section 95 (1) Housing act 2004) has occurred (section 40(3) Housing and Planning Act 2016). It is agreed by all parties that the London Borough of Tower Hamlets, which is the local authority for the area where the property is situated, made a selective licensing scheme for the period of 1 October 2021 to 1 October 2026. The effect of this scheme is to require rented properties situated within the selective licensing area that meet the criteria to be licensed by the local authority. It is also agreed by all parties that the Property (5 Element Court), is within the selective licensing area and meets the criteria requiring a licence under the scheme and that it is not subject to any exemption.

- 10. The Respondents acknowledge that the selective licensing scheme came into force on 1 October 2021 and whilst the Respondents note that the Property is only just inside the boundary of the scheme by approximately 50 metres, accept that the licensing scheme does apply to the Property and that a licence should have been obtained.
- 11. The Tribunal has considered the London Borough of Tower Hamlets' selective licensing scheme as set out in Exhibits H and J of the Applicant's bundle and accepts the Respondents' admission that the Property should have been licensed. The Tribunal is therefore satisfied beyond reasonable doubt that the appropriate licence was not held during the relevant period (7 November 2021 to 6 November 2022).
- 12. The Respondents accept that they are the immediate landlord in the tenancy and the beneficial owners (Exhibit F land registry document Applicant's bundle) and are therefore the "person having control" of the premises (as defined in section 263 Housing Act 2004) and the Respondents also accept that they are managing the property as they own the property and receive rent from tenants.

Reasonable Excuse Defence

- 13. The Respondents raise the defence of reasonable excuse because (1) they said that they were unaware of the licensing scheme and (2) that they were not involved in the day to day management, relying instead on an agent.
- 14. In relation to being unaware of the licensing scheme, the Respondents told the Tribunal that the Local Authority had not consulted local residents properly about the licensing scheme and so they were unsure how they would have found out about the scheme in any event. In reply, the Applicant confirmed that Regulation 9 of the Licensing and Management of Houses in Multiple Occupation and Other Houses (Miscellaneous Provisions) (England) Regulations 2006 imposed a series of publication requirements on local authorities but pointed out that the Respondents had not provided any evidence to the Tribunal to show that this or any publication requirements were not met.
- 15. The Tribunal must consider the reasonable excuse defence and the Respondents must establish a reasonable excuse defence for managing or controlling the Property without a licence to the lower standard of proof namely on a balance of probabilities. The Applicant's representative referred the Tribunal to the case of Thurrock Council v Khalid Daoudi (2020) UKUT 209 where the Upper Tribunal said that "no matter how genuine a person's ignorance of the need to obtain a

- licence, unless their failure was reasonable in all the circumstances, their ignorance cannot provide a complete defence".
- 16. The Tribunal has not been presented with any evidence that the local authority did not consult or advertise the licensing scheme properly and therefore does not accept the Respondents' contention that there were not properly consulted. The Tribunal finds that when renting the Property, the Respondents should have taken steps to find the relevant regulatory requirements. The Respondents in cross examination conceded that as this Property was the only property they were renting as a private rental, they did not have systems in place to find out what they did not know. Further the Respondents confirmed that even if they did have such systems, they were not sure how they would have found out about the selective licensing scheme. The Respondents also stated that they did not seek advice from a solicitor or tenant organisation prior to the tenancy commencing. We therefore do not find, on a balance of probabilities, that a reasonable excuse defence is established on the basis that the Respondents were unaware of the licensing scheme.
- 17. Turning to the second aspect raised by the Respondents, namely that they were not involved in the day to day management and instead relied on an agent. The Respondents in their written evidence confirmed that a family friend, Harriet Sophie Wright (known as Sophie), had her own short-term rental business and so the Respondents asked her to recommend tenants to them. In their oral evidence at the hearing the Respondents confirmed that Sophie did not have a formal legal role, but instead was responsible for finding tenants. The Applicant's representative drew the Tribunal's attention to Aytan v Moore [2022] UKUT 027 (LC), and highlighted that a landlord's reliance upon an agent will rarely give rise to a defence of reasonable excuse and that at the very least the landlord would need to show (1) there was a contractual obligation on the part of the agent to keep the landlord informed of the licensing requirements (2)there would need to be evidence that the landlord had good reason to rely on the competence and experience of the agent (3) there was a reason why the landlord could not inform themselves of the licensing requirements without relying on the agent.
- 18. The Tribunal finds that the Respondents have not provided evidence of a contractual obligation for Sophie to inform the Respondents of the licensing requirements as they told the Tribunal that Sophie did not have a formal legal role, but instead she found tenants. Further Sophie is a short-let Airbnb specialist and therefore there would be no good reason for the landlords to rely on her competence and experience. Finally, we do not accept that the landlord could not inform themselves about the licensing requirements. We therefore do not find, on a balance of probabilities, that a reasonable excuse defence is established on the basis that the Respondents relied upon an agent.
- 19. The Tribunal does accept that the Respondents did not deliberately fail to obtain a licence, but rather did not know that such a licence was needed. The Tribunal also notes that the Respondents have said in both their written and oral evidence that they regret not applying for a licence, and that they have since applied to the local authority for a temporary exemption October 2023. Whilst outside the relevant period, the Respondents stated that they applied to the London Borough of Tower

Hamlets for a temporary exemption and confirm that they went to the additional effort of having to print and hand-deliver their application to the Council because a long term software system error meant that their partnership details could not be entered properly and so the Respondents, through no fault of their own, could not apply to the Council digitally.

20. Whilst not establishing a reasonable excuse, the fact that the Respondents did not deliberately attempt to evade the licensing regime is something that the Tribunal will consider when evaluating the amount the rent repayment order is made for.

Ascertaining the Whole of the Rent for the Relevant Period

21. The Applicant is seeking to recover rent paid of £21 605.00 for the period between 7 November 2021 to 6 November 2022. The applicant provided a rent payment calculation at Exhibit D of her bundle and proof of payment (bank statements) at Exhibit E. The Respondents accept that this rent has been paid and rent paid of £21 605.00 is therefore not in dispute.

The Tribunal has discretion as to whether or not to make deductions for utility payments

- 22. At page 16 of the Respondents' bundle they set out the cost of utilities that were used by the Applicant that did not benefit the Respondents. Barbara Thompson, who is a Respondents' financial partner and a chartered accountant, in her evidence to the Tribunal confirmed that the cost of utilities for the period was £838.72. The Tribunal accepts the calculation provided by Barbara Thompson and finds that the figure of £838.72 is the figure paid by the Respondents for utilities.
- 23. When determining the amount of a Rent Repayment Order, the Tribunal has a discretion whether or not to make a deduction for utility payments. Acheampong v Roman [2022] UKUT 239 confirmed that it will usually be appropriate to deduct a sum representing utilities. We find that this is an appropriate deduction in this case because the figure of £838.72 represented an amount that the Respondents have paid which they have not benefited from.

Determining the Seriousness of the Offence to Ascertain the Starting Point

- 24. The Tribunal must consider the seriousness of the offence compared to other types of offences for which a RRO can be made, and also as compared to other examples of the same offence.
- 25. The Applicant referred the Tribunal to the Judge Cooke's analysis in Acheampoong v Roman [2022] that the seriousness of the offence can be seen by comparing the maximum sentences upon conviction for each offence. Using this hierarchical analysis, the Applicant's representative submitted that the relevant offence of having control or managing an unlicensed house will generally be less serious. However, the Applicant's Representative invited the Tribunal to consider the circumstances of this particular case as compared to other examples of the same offence.

26. The Tribunal accepts the analysis that using the hierarchical analyses of the relevant offences, the offence of having control or managing an unlicensed house will generally be less serious. The Tribunal now considers the seriousness of the circumstances of this particular case.

Conduct of Landlord and Tenant

27. At pages 4 to 6 and pages 12 to 13 of the Applicant's bundle, the conduct issues the Tribunal is asked to consider are set out. The Tribunal will deal with each of these in turn:

Leak in the Shower Room

- 28. The Applicant states that the Respondents have failed to comply with their legal obligations within the Housing Act 2004 schedule 4 as the leak in the shower room meant that the Applicant did not have a functioning shower, with the Applicant having to resort to using the shower at a local gym (10 minutes away from the Property) from 28 September 2022 until the tenancy ended one month early on 6 November 2022. The Applicant told the Tribunal that she reported a problem with inadequate sealant in the Property to Sophie in June 2022. The Applicant also told the Tribunal that she became aware of a problem with using the shower on 28 September 2022 when a new resident, who had moved into the property below, told her that her shower was leaking into the flat below. The Applicant told the Tribunal that she informed Sophie and that a plumber was arranged by the Respondents and that he visited the Property on 30 September 2022. The Applicant told the Tribunal that none of the floor tiles within the shower room were loose and that they only became loose after the plumber had visited and lifted the tiles. The Applicant also told the Tribunal that she had a cleaner who cleaned the waste every two to three weeks to ensure the shower ran freely. The Applicant therefore does not accept that her actions caused any damage to the shower room.
- 29. The Respondents told the Tribunal that there was damage to the shower room and a tap had broken. Robin Fellgett told the Tribunal that the damage to the shower room was caused by the way the Applicant was using the space and that the damage was to the floor rather than the shower, which meant that water went through the floor into the flat below. The Respondents told the Tribunal that no other person who had used the Property had any issues and so it was reasonable to say that the issues arose because of how the Applicant was using the shower room. The Respondents stated that the Applicant must keep the Property in reasonable order under the terms of her tenancy agreement as Tenants have responsibilities as well as rights.
- 30. The Tribunal is an expert tribunal and using its expertise does not find it plausible that a tenant would damage the shower room so as to cause the damage that actually occurred. Included within the Respondents' bundle at exhibit 15 is a photo which shows the equipment used by the plumber to lift the tiles rather than the tiles being loose. The Tribunal also notes that at page 60 of the Respondents' bundle is a copy of the adjudicator's report following a dispute about the amount of deposit that

- could be withheld by the Respondents to cover damage to the shower. The report concluded that the Applicant had reported an issue with the shower-seal and a leak affecting the property. The adjudicator also concluded that the issues with the grout was beyond the scope of fair wear and tear.
- 31. Taking this all into consideration, the Tribunal finds that the Applicant complied with her obligations to inform the Respondents about any issues with the Property that she was aware of. For the period 20 September 2022 until the tenancy ended one month early on 6 November 2022 the Applicant did not have access to a shower or bath at the Property and this was not as a result of the Tenant's actions.

Unjustifiable and or unreasonable refusal to return Applicant's deposit

- 32. The Applicant told the Tribunal that the Respondents had attempted to unjustifiably deduct the Applicant's deposit at the end of the tenancy through a claim for damage to the Property.
- 33. The Respondents told the Tribunal that Sophie applied to the Tenancy Deposit Scheme for a determination that the Respondents could keep the full deposit as a contribution to the bathroom repair. The Applicant opposed this and so the matter was referred to the Dispute Service for adjudication under the Tenancy Deposit Scheme. The report is included at pages 60-61 of the Respondents' bundle and the conclusion reached was that the damage went beyond fair wear and tear. However, without a surveyor's report, it was not possible to conclude how the damage was caused.
- 34. The Applicant in her oral evidence to the Tribunal said that she was not aware of the adjudicator's findings and had not seen the report.
- 35. The Tribunal finds that the Respondents did not unjustifiably or unreasonably refuse to return the Applicant's deposit but instead went through a due process to enable an adjudicator to make a finding as to the level of deposit that should be returned.

Fire safety – Smoke alarm, fire doors, fire extinguisher, fire blankets, centralised fire detection system

- 36. The Applicant's evidence within her bundle is that the Property had no fire doors, fire extinguishers or fire blankets and that there was no centralised fire detection system. In her oral evidence to the Tribunal the Applicant stated that she had not noticed any fire detection system and she did not think there were fire doors at the Property, however the Applicant confirmed that she was not an expert and so was not able to say this for certain.
- 37. The Respondents told the Tribunal that all flats have smoke detectors and heat detectors, and during the construction of the five flats the services of a fire safety consultant had been used. Additionally, there was a fire alarm and call points and a company that maintained the system, with the alarms tested every two weeks. The Respondents also confirmed that the Property (Flat 5) had two smoke detectors/alarms and one heat detector/alarm.

- 38. At page 4 of the Respondents' bundle they include a photograph of the entrance lobby which showed what the Respondents describe as the building-wide fire system and confirmed that the main fire alarm control panel is in the dry riser cupboard.
- 39. The Respondents told the Tribunal in oral evidence that there was not a fire blanket or fire extinguisher in Flat 5 and no internal fire-doors but these were within the whole building.
- 40. The Tribunal finds the evidence of the Applicant inconsistent and prefers the evidence of the Respondents who have detailed knowledge of the fire safety precautions relating to the Property. The Tribunal is therefore not satisfied that there were no fire alarms, fire doors, fire extinguishers, or a centralised fire detection system at the Property. In relation to a fire blanket, the Tribunal finds that this was not provided at the Property and so on this aspect only the Tribunal accepts the evidence of the Applicant.

Failure to ensure that a gas safety Certificate was obtained and provided to the Applicant

41. The Respondent confirmed to the Tribunal that there is no gas within the Property. This is not disputed by the Applicant. The Tribunal is therefore surprised that this issue has been raised as a conduct issue by the Applicant and finds that there was no requirement for a gas safety certificate to be obtained by the Respondents.

Failure to Ensure that an Electrical Safety Certificate was obtained and provided to the applicant

- 42. The Applicant maintains that she was not provided with an electrical safety certificate, whereas the Respondents told the Tribunal that Sophie would have known about this requirement and would have provided the certificate to the Applicant. In cross examination Robin Fellgett told the Tribunal that he expected that these documents would have been emailed to the Applicant, however the Tribunal notes that no copies of such emails are before the Tribunal.
- 43. To demonstrate that an electrical safety certificate was obtained, the Respondents referred the Tribunal to an occasion when a short notice visit to Property had been requested by Sophie. The Tribunal was referred to Exhibit 11 of the Respondents' bundle which showed an email conversation between Sophie and the Applicant whereby Sophie explained that she needed to call round at short notice with an electrician to complete an annual safety check.
- 44. The Tribunal accepts the evidence of the Respondents that there was an electrical safety certificate for the property and forms this view in particular from the correspondence at page 52 of the Respondents' bundle which demonstrated that an electrician visited the property to complete tests so as to be able to renew the electrical safety certificate. The Tribunal is therefore satisfied that because the

- electrician was renewing the certificate, a certificate was already in existence and was renewed.
- 45. Turning to whether the electrical safety certificate was provided to the Applicant, the Applicant told the Tribunal that she was not provided with an electrical safety certificate, whereas the Respondents told the Tribunal that Sophie would have provided a bundle of documents to tenants at the start of any tenancy. The Respondents told the Tribunal in answer to a question from Mr Neilson on behalf of the Applicant to Robin Fellgett that he had formed the view that Sophie had handed over the relevant documents to the Applicant because he asked Sophie. The Respondents said that to provide such documents would be Sophie's usual practice. However, the Respondents had no actual knowledge as to whether Sophie did serve these documents on the Applicant. The Tribunal also notes that Sophie did not give evidence to the Tribunal as part of this hearing and the witness statement provided by her (page 27 Respondents' bundle) simply confirmed that what the Respondents said about her was true without specifically detailing any documents that she gave to the Applicant. The Tribunal therefore prefers the evidence of the Applicant on this point and finds that an electrical safety certificate was not provided to the Applicant.

Providing a Copy of the Energy Performance Certificate to the Applicant and How to Rent Guide

46. The Applicant told the Tribunal that she had not been provided with a copy of the energy performance certificate or a How to Rent Guide. The Respondents told the Tribunal that Sophie would have provided these documents. However, the Tribunal prefers the evidence of the Applicant and for the reasons set out at paragraph 45 (above), does not find that an energy performance certificate of How to Rent Guide was provided to the Applicant.

Substandard Property Conditions and Breach of Housing Health and Safety Rating System (HHSRS)

- 47. At paragraph 24 of page 5 of the Applicant's statement, she described substandard property conditions and a breach of the HHSRS because of water supply to the bathroom leading to an unserviceable shower room. The Applicant in her statement (page 14 Applicant's bundle) described the exterior corridor as being often wet and messy.
- 48. The Respondents at page 3 of their bundle provided a photograph of 11 Chance Street and pointed out that the photograph provided and labelled 11 Chance Street at Exhibit I in the Applicant's bundle is not actually the Property. The building described as 11 Chance Street within the Applicant's bundle is heavily graffitied. Additionally, the Respondents pointed out that 11 Chance Street has received two architectural merit awards. The Respondents, at page 4 of their bundle provided photographs of an internal street walkway and entrance lobby and describe this as ground floor entrance walkway to flats 1-8. The Respondents also confirmed that this is cleaned weekly by a cleaning contractor and stated that the Applicant's witness statement gives a false impression of an unloved and neglected space.
- 49. The Tribunal finds that in relation to any breach of HHSRS, a finding that the shower was not available to be used by the Applicant from September 2022 through

to the end of her tenancy has been made. In terms of the Property being in a substandard condition it is disappointing that the Applicant's bundle contained a photograph that made the Property look in a substandard condition. The Tribunal does not accept that the Property was substandard.

Breach of London Borough of Tower Hamlets Amenities Standards and Room Sizes 2021

- 50. The Applicant states that the Respondents have breached the Tower Hamlets Amenities Standards and Room Sizes guidance because (a) there must be one bath with a wash basin provided at the property and (b) the unserviceable shower room at the property is in breach of the standards. The Applicant at Exhibit H of her bundle includes the Tower Hamlets Amenities Standards and Room Sizes. The Tribunal notes that this document begins with definitions and states that the standards are guidance as it begins with the phrase "in this guidance...".
- 51. Both parties accept that the Property does not have a bath but instead has a shower room. The Amenities Standards state that where only one bathing facility is provided in the premises, this must be a bath (page 144 Applicant's bundle). The Respondents in their evidence said that the property was not intended to be used by a family and instead was intended for use by single occupants or couples only, and therefore in their view providing a shower is sufficient.
- 52. The Tribunal notes the Tower Hamlets Amenities Standards and that by not providing a bath the Standards are technically not met. However, the Tribunal finds that this is a very minor breach within the facts of this case. The Property was rented by the Applicant in the full knowledge that there was no bath provided at the Property. Additionally, the Tribunal notes that there is no evidence before it that the Applicant ever raised the lack of a bath as being problematic with the Respondents.
- 53. The issues of the shower being unserviceable from 28 September 2022 until the tenancy ended one month early on 6 November 2022 has been dealt with above. The tribunal will therefore not repeat the findings it has made on this issue here except to say that the lack of a shower that could be used by the Applicant is a breach of the Amenities Standards.

Quiet Enjoyment

54. The Applicant states that (a) the Respondents often provided only a few minutes notice before they accessed the flat and (b) the Applicant was unlawfully evicted from the property and harassed.

Access at a Few Minutes Notice

55. Turning to the first issue which is that the Respondents only provide a few minutes notice before their access to the flat, the Applicant stated at paragraph 9 of her witness statement (page 17 Applicant's Bundle) that the Landlord often only gave a few minutes notice when they needed to access the Property, but that the Applicant always granted their requests.

- 56. At Exhibit 11 of the Respondents' bundle is an email conversation where Sophie explained to the Applicant that an electrician has a "rare" slot available to complete an annual safety check and asks if the Applicant would mind him coming to the Property at short notice. The email asked the Applicant to "let me know if this is ok with you?" The tone of the email is friendly. The Respondents stated that they knew the Applicant as a neighbour as Sophie was the person who managed the tenancy and therefore she was the person who contacted the Applicant.
- 57. The Tribunal does not find that the Respondents acted unreasonably by asking to access the Property at short notice. The correspondence in the bundles shows that when such a request was made there was always a reason and the request was always made politely. The Tribunal therefore does not accept that the Respondents, or indeed Sophie, acted unreasonably.

Unlawful Eviction and Harassment

- 58. The Applicant gave evidence that following the shower no longer being available for use by her that Sophie initially proposed a rent reduction and offered to assist the Applicant to look for alternative accommodation. However, the Applicant's evidence is that this tone changed to one of bullying, threatening and harassing language with Sophie telling the Applicant that it would "be best" for her to leave the Property. The Applicant stated that she felt unsafe in the Property and went to great lengths to avoid the Respondents.
- 59. The Respondents denied unlawfully evicting the Applicant and engaging in harassment. At page 15 of the Respondents' bundle they set out that Sophie explained to the Applicant that if an agreement could not be reached for her to leave the Property early to enable repairs to the shower room to be completed they would have to serve a notice to effect the repairs in accordance with the lease agreement.
- 60. The Tribunal accepts the evidence of the Respondents and does not accept that the Applicant was unlawfully evicted or harassed. It is clear from the evidence from both parties that the issue with the shower room caused considerable stress and did indeed sour the relationship between the Applicant and the Respondents, however this does not in the view of this Tribunal amount to unlawful eviction or harassment.

Conduct of the Landlord Regarding the Licensing Scheme

61. The Respondents submitted that they deeply regret not having a licence and confirmed that this was not a case where they deliberately did not obtain a licence but rather, they were unaware of the need to have such a licence. Additionally, they pointed out that the Property was approximately 50 metres within the licensing zone and that the scheme was not well advertised by the local authority. They also pointed out that the licensing scheme began on 1 October 2021, which was after the commencement of the initial tenancy with the Tenant which commenced in December 2020.

62. Whilst the Tribunal does not consider the fact that the Property was approximately 50 metres within the licensing zone as a relevant factor, the Tribunal does accept that the Respondents did not deliberately fail to obtain a licence. The Tribunal also accepts that the licencing scheme did begin after the initial tenancy with the Tenant had commenced.

Financial Circumstances of landlord

63. Barbara Thompson on behalf of the Respondents gave oral evidence to the Tribunal regarding the financial circumstances of the landlord. She confirmed that the Property has been valued at £750,000 and is due to be sold, the flat being under offer at the moment. Within the Respondents' bundle the background to why the Property was rented by the Respondents is set out with the Respondents confirming that the intention had always been to rent the Property until the fixed-term mortgage ended in October 2023. Barbara Thompson also explained that they had seen a decrease in rental incomes from retail and the forecast for 2023 was profit of around £22,000.00.

Whether landlord has been convicted of offence

64. There is no evidence before the Tribunal of any previous convictions of the Respondents.

Quantum Decision

- 65. Taking all of the factors outlined above, the Tribunal finds that this licensing offence was not the most serious as covered under the 2016 Act. The Tribunal was referred to various Upper Tribunal cases and in his closing submission Mr Neilson on behalf of the Applicant concluded that a 70% award would be reasonable in the circumstances. There was also a request for repayment of the hearing and application fees.
- 66. Taking all of the findings outlined above into account, the Tribunal finds that we reduce the rent repayment figure by 80% and we therefore order that the Respondents pay 20% of the amount claimed after the deduction of the utilities of £838.72.

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Total Claim - £21 605.00
Less utilities - £ 838.72
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20% of which gives a total amount of £4 153.26.

The Tribunal orders that the payment be made in full within 28 days.

67. A rent repayment order has been made and therefore the Tribunal makes an order for £300 to be paid by the Respondents to the Applicant in respect of Tribunal fees. This amount shall be paid within 28 days.

Judge Bernadette MacQueen

Date: 14 January 2024

ANNEX - RIGHTS OF APPEAL

- 1. If a party wishes to appeal this decision to the Upper Tribunal (Lands Chamber) then a written application for permission must be made to the First-Tier at the Regional Office which has been dealing with the case.
- 2. The application for permission to appeal must arrive at the Regional Office within 28 days after the Tribunal sends written reasons for the decision to the person making the application.
- 3. If the application is not made within the 28-day time limit, such application must include a request to an extension of time and the reason for not complying with the 28-day time limit; the Tribunal will then look at such reason(s) and decide whether to allow the application for permission to appeal to proceed despite not being within the time limit.
- 4. The application for permission to appeal must identify the decision of the Tribunal to which it relates (ie give the date, the property and the case number), state the grounds of appeal and state the result the party making the application is seeking.