FIRST-TIER TRIBUNAL
PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference	**:**	**LON/00BE/HMF/2025/0614**
Property	**:**	**Flat 2, 198B Peckham Rye, London SE22 0LU**
Applicants	**:**	**(1) Hannah Chin** **(2) Alaïs Constance (Lawson) Morié** **(3) Liah O'Prey**
Representative	**:**	**Jamie McGowan of Justice for Tenants**
Respondents	**:**	**Marie-Louise Quantick and Oliver Quantick**
Representative	**:**	**John Beresford (Counsel)**
Type of Application	**:**	**Application for a Rent Repayment Order by Tenant. Sections 40, 41, 43, & 44 of the Housing and Planning Act 2016**
Tribunal Member	**:**	**Mr A Harris LLM FRICS FCIArb** **Ms F MacLeod MCIEH**
Date and Venue of Hearing	**:**	**3 July 2025 at** **10 Alfred Place, London WC1E 7LR**
Date of Decision	**:**	**15 July 2025**

DECISION

Decision of the Tribunal

1. The Tribunal makes a Rent Repayment Order (RRO) against the Respondents, Marie-Louise Quantick and Oliver Quantick in favour of the Applicants in the sum of £7225.00 to be paid within 28 days.

2. The Tribunal determines that the Respondent shall also pay the Applicants a total of £300 within 28 days in respect of the reimbursement of the tribunal fees paid by the Applicants.

3. **Background**

4. The Applicants are the three occupiers of flat 2 , 198B Peckham Rye London SE22 0LU (the Flat). An assured shorthold tenancy agreement was prepared by Kinleigh Folkard & Hayward (KFH), the letting and managing agent for a term of 24 months starting on, and including, 25 February 2023 at a rent of £2700.00 per calendar month naming Marie-Louise Quantick & Oliver Quantick as landlord and the Alais Constance Morie & Hannah Bethany Chinn as tenants.

5. On 31 January 2023 the 3 applicants completed a Registration of Interest Form for the Flat setting out that £623, representing one weeks rent, had been paid as a holding deposit.

6. On 1 February 2023 the agents reported to the Respondents 3 offers for the Flat from the Applicants and from 2 groups of 4 people. Additionally interest was reported on the following day from a couple for a 2nd viewing and a family who confirmed they were getting a dog and could not move until March so the agents did not think this would be ideal.

7. On 14 February 2023 Thomas Holland MARLA emailed the landlord stating

Just wanted to write with you with an update on the tenancy at 198B Peckham Rye. I've spoken with the tenants and it will now continue with Hannah and Alais as the named tenants on the agreement.

You won't need to apply for the HMO licence with this as the case

8. On 14 February 2023 Tom Holland of the letting agents sent a Whatsapp message to the Applicants reading.

We've ran (sic) into a slight issue. Due to the landlord's mortgage (it's a bit different as it's through the army) they can't change the mortgage type to a HMO for 3 people. We can go ahead with the tenancy but what this would mean is that we could only name two of you on the documents. So tenancy agreement for example. One of the 3 would just need to pay the others for bills rent etc rather than this being set up in 3 names. I think referencing should be fine.

9. All three Applicants took occupation.

10. On 10 October 2023 the 2nd Applicant and her partner were assaulted by the tenant of the lower flat in the building resulting in significant injuries and

as a consequence of which the 3 Applicants moved out and wanted to terminate their tenancy. Terms were agreed for an early surrender in November 2023. After that date the flat was sold. The Respondents had no interest in or responsibility for the lower flat.

11. The Flat was occupied by three households as their main residence, sharing kitchen and bathroom facilities.

12. It is common ground that the flat is in the London Borough of Southwark who have an additional licensing scheme for houses in multiple occupation consisting of 3 occupants into all households. It is also common ground that the flat was not licensed.

13. The parties agree that the maximum amount which could be the subject of a rent repayment order is £20,645.75.

14. **The Application**

15. By an application dated 7 November 2024 the Applicants sought Rent Repayment Orders ("RRO") totalling £24,300.00 for the period 15 February 2023 to 24 November 2023 against the Respondents pursuant to Part I of the Housing and Planning Act 2016 ("the 2016 Act"). The Respondents are named in the tenancy agreement of the Flat as the landlord. They are the registered leasehold owner of the Flat,

16. The Tenancy ended on 24 November 2023 and the application was made on 7 November 2024. Therefore the offence was being committed in the period of 12 months ending on the day on which the application was made. The application is made on the basis that the landlord has committed the offence under section 72 (1) of the Housing Act 2004 of control of, or managing, an unlicensed HMO. There is no suggestion that the landlord has been convicted of the offence.

17. On 12 February 2025, the Tribunal gave Directions for a hearing on a date to be fixed.

The Hearing

18. The Applicants and Respondents and their representatives appeared in person. The three Applicants and first Respondent gave evidence.

The Law

Housing and Planning Act 2016 ("the 2016 Act")

19. Section 40 provides :

> "(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
>
> (b) pay a local housing authority an amount in respect of a relevant award of universal credit paid (to any person) in respect of rent under the tenancy."

20. Section 40(3) lists seven offences "committed by a landlord in relation to housing in England let by that landlord". The Claims are made in respect of the following three offences

(1) the offence of eviction or harassment of occupiers contrary to section 1 (2), (3) or (3 A) of the Protection from Eviction Act 1977

(2) the offence of control or management of an unlicenced HMO under section 72(1) of the Housing Act 2004 ("the 2004 Act")

(3) the offence of having control of, or managing an unlicensed HMO under part 3, section 95 (1) of the Housing Act 2004

21. Section 41 deals with applications for RROs. The material parts provide:

> "(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.

22. Section 43 provides for the making of RROs:

> "(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)."

23. Section 44 is concerned with the amount payable under a RRO made in favour of tenants. By section 44(2) that amount "must relate to rent paid during the period mentioned" in a table which then follows. The table provides for repayment of rent paid by the tenant in respect of a maximum period of 12 months. Section 44(3) provides (emphasis added):

> "(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."

24. Section 44(4) provides:

> "(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."

25. Section 56 is the definition section. This provides that "tenancy" includes a licence.

The Housing Act 2004 ("the 2004 Act")

26. Part 2 of the 2004 Act relates to the designation of areas subject to additional licensing of houses in multiple occupation (HMO).

27. Section 72 specifies a number of offences in relation to the licencing of houses. The material parts provide (emphasis added):

> "(1) A person commits an offence if he is a person having control of or managing an HMO which is required to be licensed under this Part (see section 61 (1)) but is not so licensed.
>
> (4) In proceedings against a person for an offence under subsection (1), it is a defence that at the material time
>
> (a) a notification had been duly given in respect of the house under section 62 (1) or

(b) an application for a licence had been duly made in respect of the house under section 63"

28. Section 62 (2) allows the local authority to grant a temporary exemption of up to 3 months where a landlord intends to take particular steps with a view to securing that the house is no longer required to be licensed.

29. The Housing Act 2004 Part 2 s. 61(1) states:

(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.

30. Section 55 of the Housing Act 2004 states:

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

31. The Housing Act 2004 introduced the mandatory licensing of HMOs whilst The Licensing of Houses in Multiple Occupation Order (Prescribed Description) (England) Order 2018 states at paragraph 4

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

(a) is occupied by 5 or more persons
(b) is occupied by persons living in 2 or more separate house and
(c) meet the standard test under section 254 (2)of the Act

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");...

(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.

72 Offences in relation to licensing of HMOs

32. Section 72 specifies a number of offences in relation to the licencing of houses. The material parts provide (emphasis added):

"(1) A person commits an offence if he is a person <u>having control of</u> or <u>managing</u> a house which is required to be licensed under this Part (see section 61 (1)) but is not so licensed.

(2)A person commits an offence if—

(a)he is a person having control of or managing an HMO which is licensed under this Part,

(b)he knowingly permits another person to occupy the house, and

(c)the other person's occupation results in the house being occupied by more households or persons than is authorised by the licence.

(3)A person commits an offence if—

(a)he is a licence holder or a person on whom restrictions or obligations under a licence are imposed in accordance with section 67(5), and

(b)he fails to comply with any condition of the licence.

(4)In proceedings against a person for an offence under subsection (1) it is a defence that, at the material time—

(a)a notification had been duly given in respect of the house under section 62(1), or

(b)an application for a licence had been duly made in respect of the house under section 63,

and that notification or application was still effective (see subsection (8)).

(5)In proceedings against a person for an offence under subsection (1), (2) or (3) it is a defence that he had a reasonable excuse—

(a)for having control of or managing the house in the circumstances mentioned in subsection (1), or

(b)for permitting the person to occupy the house, or

(c)for failing to comply with the condition,

as the case may be.

263 Meaning of "person having control" and "person managing" etc.

33. (1)In this Act "person having control", in relation to premises, means (unless the context otherwise requires) the person who receives the rack-rent of the premises (whether on his own account or as agent or trustee of another person), or who would so receive it if the premises were let at a rack-rent.

(2) In subsection (1) "rack-rent" means a rent which is not less than two-thirds of the full net annual value of the premises.

(3) In this Act "person managing" means, in relation to premises, the person who, being an owner or lessee of the premises—

(a) receives (whether directly or through an agent or trustee) rents or other payments from—

(i) in the case of a house in multiple occupation, persons who are in occupation as tenants or licensees of parts of the premises; and

(ii) in the case of a house to which Part 3 applies (see section 79(2)), persons who are in occupation as tenants or licensees of parts of the premises, or of the whole of the premises; or

(b) would so receive those rents or other payments but for having entered into an arrangement (whether in pursuance of a court order or otherwise) with another person who is not an owner or lessee of the premises by virtue of which that other person receives the rents or other payments;

and includes, where those rents or other payments are received through another person as agent or trustee, that other person.

(4) In its application to Part 1, subsection (3) has effect with the omission of paragraph (a)(ii).

(5) References in this Act to any person involved in the management of a house in multiple occupation or a house to which Part 3 applies (see section 79(2)) include references to the person managing it.

The Evidence

The property

34. The Flat is a three bedroom split level self-contained flat in a 4 storey house converted to two flats. The flat is described as having 2 storeys with each storey in turn having 2 levels divided by a few steps. The accommodation consists of an open plan kitchen and living room 3 bedrooms, a study and 2 bathrooms.

Occupation

35. All 3 Applicants gave evidence that they moved in in February 2023 and occupied the flat as their main or only residence. Although the tenancy agreement only named two tenants the agents knew from the outset that there would be 3 occupants. Each occupant formed a separate household.

36. The first Applicant gave evidence that she met the First Respondent on 6 June when a defective dishwasher was to be replaced and they spent about 4 hours together including lunch at which all 3 Applicants were mentioned.

37. The first Respondent gave evidence that the Respondents were happy to rent the property to the Applicants but enquired with the agents as to whether they would also constitute an HMO. At around this time, Tom

Holland of the letting agents mentioned that sometimes tenants get round a landlord's refusal to take 3 tenants by pretending that 2 of them will be renting the property and sneaking the 3rd in without the landlord's knowledge. It was made to sound commonplace and would have no effect on the HMO status of the property if it was done out of the control or knowledge of the landlord.

38. The evidence continued that they were not overly strict as landlords and were not too concerned about the possibility of a 3rd tenant moving in. The primary concern was to make sure they were not breaching their mortgage and to be as comfortable as possible they were not breaching any of the rules. As long as those ends were achieved they were quite happy for the tenants to do what they wanted so long as they were happy and looking after the property.

39. The first Respondent stated they were alive to the possibility the tenants on the agreement might wish to move a 3rd person in but they were not told at any point that would be happening and were not aware the letting agent had encouraged the tenants to do so. It would be impossible for them to police the property. At the meeting on 6 June she met Hannah Chinn but did not see any other occupiers at the Flat. She had no reason to conclude there were more than 2 people in occupation.

The tribunal's decision

40. The tribunal accepts the evidence of the Applicants and is satisfied beyond reasonable doubt that at all times during the tenancy there were 3 occupants of the flat forming separate households.

Licence requirements

41. The tribunal has found that the property was let to 3 occupants who were not related and who shared kitchen and bathroom facilities. The property therefore meets the standard test for an HMO and required a licence.

42. It is common ground that the London Borough of Southwark have an Additional licensing scheme which covers the geographical area in which property lies and that the property was not licensed as an HMO.

43. No licence application for an HMO licence was made before or during the tenancy.

The relevant landlord

44. It is not disputed that the Respondents are the landlords of Flat.

The period of the offence

45. Under section 41(2)(a) of the Housing and Planning Act 2016 a tenant may apply for a rent repayment order if 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 for a licence was made.

46. The tenancy ran for a term from February 2023 until November 2023 when the Applicants vacated. The maximum period for which an order can be made is 12 months. No application has been made at any stage for an HMO licence.

47. The Tribunal is satisfied beyond reasonable doubt that the offence was being committed during this period.

Rent paid

48. The amount of rent paid which can be the subject of any order is agreed at £20,645.75.

Utility costs

49. In *Acheampong v Roman* [2022] UKUT239 (LC) the Upper Tribunal restated the amount of a rent repayment order should start with the amount of rent paid and then deduct any element of that sum that represents payments for utilities that benefit the tenant such as gas and electricity and internet access.

50. The Applicants were responsible for the utility costs during the tenancy and therefore no deduction falls to be made.

Repayment Order

51. The Tribunal is satisfied that the conditions for the making of a Rent Repayment Order have been made out. Under section 44 of the 2016 Act the amount the landlord may be required to repay must not exceed the rent paid in that period. The Tribunal must also take into account the conduct of the landlord and tenant and the financial circumstances of the landlord and whether the landlord has been convicted of an offence. There is also a defence available to the landlord of reasonable excuse.

52. The Tribunal has no evidence of a conviction.

The Respondents financial circumstances.

53. The tribunal was given very limited evidence of the Respondents financial circumstances. In oral evidence the first Respondent stated that the Flat had been vacant since the previous October and they were very keen to obtain a letting as they were continuing mortgage payments going out. The table of those payments was presented to the tribunal.

54. After the termination of the tenancy the Flat was sold the land Registry documents recording that the price paid on 23 February 2024 £760,000.

55. The tribunal is not satisfied the Respondents financial circumstances would justify a reduction in the rent repayment order the tribunal may make.

Conduct of the parties

56. The Applicants gave evidence of various items of disrepair. There were issues with the boiler during the tenancy and the dishwasher required replacement. The internal doors were said not to be fire doors and no fire blanket was provided. One window said to be painted shut.

57. The Applicants state that the response of the managing agents was so slow that they have to be chased to get repairs done. However the evidence is that repairs were done.

58. The tenant of the lower flat had a history of harassment of tenants of the upper flat which was known to the Respondent but the Applicants were not informed of this prior to the tenancy.

59. The tribunal finds that the Respondents were aware they were required to obtain an HMO licence from their conduct at the commencement of the tenancy agreeing to a tenancy agreement naming 2 tenants instead of 3.

60. The Tribunal finds no evidence of any conduct on behalf of the Applicants which is relevant to this assessment.

Reasonable excuse

The Respondent's case

61. The Respondents say they have a reasonable excuse for not obtaining a licence as they were misled by their letting agents who stated clearly that a licence is not required where the tenancy agreement only named 2 tenants despite the agents knowledge that 3 would be living there.

62. The first Respondent stated she was not aware that the 2 named tenants were intending to move in a 3rd occupier and on her visit she had no reason to conclude that a 3rd person was in occupation. It is clear from outset the

primary concern was to ensure they were not breaching the terms of a mortgage and licensing requirements were very much a secondary issue.

63. The tribunal was referred to the Upper Tribunal decision in *Aytan v Moore* [2022] UKUT 27 (LC) where it was said at paragraph 40

"40. We would add that a landlord's reliance upon an agent will rarely give rise to a defence of reasonable excuse. ***At the very least*** *the landlord would need to show that there was a contractual obligation on the part of the agent to keep the landlord informed of licensing requirements; there would need to be evidence that the landlord had* ***good reason to rely on the competence and experience of the agent****; and in addition there would generally be a need to* ***show that there was a reason why the landlord could not inform themself of the licensing requirements without relying upon an agent,*** *for example because the landlord lived abroad."*

64. There was no evidence presented to the tribunal of the terms of the contractual arrangements between the Respondents and the KFH. In oral evidence the first Respondent stated that they made no enquiries for themselves as to the licensing requirements applying to the property.

65. The tribunal was also referred to a decision of the Upper Tribunal at para. 48 of *Marigold v Wells* [2023] UKUT 33 (LC) and that when considering a reasonable excuse defence the tribunal must consider whether the proven facts relied upon by the Respondents amount objectively to a reasonable excuse for the default. It was submitted that the Respondents are not professional landlords and that the only reason they let out the Flat which was previously their home was because they had to leave London due to the 2nd Respondent's work.

66. Understanding licensing requirements is not straightforward so they relied on KFH who are well known and respected letting agents operating in an area subject to a licensing scheme. It is reasonable to rely upon their clear advice.

67. In support of this tribunal was referred to a taxation case *Lithgow v Revenue and Customs Commissioners* [2012] UKFTT 620 (TC) where the tribunal said

10. ….The purpose of resorting to professional advice is that one normally expects to be able to rely upon it, whether that professional advice is taken from a lawyer, an accountant or a medical practitioner. We consider it difficult to understand how a taxpayer can be negligent if, perceiving the need for professional advice on a matter of difficulty or in a taken, he then seeks, and relies upon properly considered professional advice.

11. In my judgement, if the advice of a professional, in the sphere of tax matters usually an accountant, is negligently provided, that negligence is not to be imputed to the taxpayer. The question is whether the taxpayer was negligent. He cannot be principally or vicariously liable for the negligence of his professional adviser unless the factual circumstances in which the advice is given indicate that a matter is fraught with difficulty and doubt, with the professional adviser giving no more than his honest opinion about which side of a sometimes difficult line, the facts of a particular case happen to fall. It is contrary to the very notion of negligence (that is, a failure to take reasonable care) that the person who perceives there to be doubt or difficulty and then sets out to take the advice of a professional person whom he believes will be able to resolve that doubt or difficulty, can be said to be negligent if he then relies upon that properly provided advice (even if it turns out to be wrong)."

68. It was argued that whether or not the agent's advice was correct is relevant as the tribunal is considering whether the Respondents have a reasonable excuse.

The Applicants case

69. In reply the Applicant stated there was a 3 stage test to be applied. Firstly **"*at the very least*"** the landlord must prove there was a contractual obligation on their agent to inform them of the licensing obligations.

70. Secondly the landlord would need to prove they had "***good reason to rely on competence and experience of the agent***"

71. Third, the Upper Tribunal held that the landlord would need to "***show a reason why the landlord could not inform themselves of the licensing requirements without relying upon an agent"***

72. The Applicant argued that the agent fails or 3 stages of the test in *Aytan v Moore*.

The tribunal's decision

73. In evidence the first Respondent stated that KFH were new agents to them and that they had previously used Winkworth's. Mr Holland has MARLA after his name and they considered him to be a qualified professional relying on the points made in *Lithgow*.

74. There was no evidence to the tribunal of a contractual obligation on the agent to inform them of licensing obligations.

75. The tribunal is not persuaded that membership of the Association of Residential Letting Agents is the same as being a qualified solicitor or

accountant where membership is by examination. Its website states "We are **dedicated to representing the interests of letting and management agents in the UK**. We work with government on new legislation, in an advice capacity, and sit on many committees and policy input bodies. UKALA is member-owned and run for the benefit of members. We are here to help your business grow."

76. In evidence the first Respondent stated that they made no enquiries for themselves as to licensing requirements in Southwark. This does not constitute a reason why they could not have made enquiries. A Google search for Southwark HMO has as the first 3 responses 3 pages from Southwark Council setting out their licensing requirements. It would have been a simple matter to become informed on this without a trawl through the legislation. This would have been sufficient to put them on their guard. The term used in evidence was that the tenancy agreement showing two tenants was a fudge.

77. The tribunal finds that the Respondents did not have a reasonable excuse for failing to licence the House as an HMO.

The amount of a rent repayment order

78. The Tribunal has considered the guidance given by the Upper Tribunal in Acheampong v Roman, *Williams v Parmar)* and *Aytan v Moore [2022] UKUT 027 (LC)* and finds that the appropriate starting point for assessment of an RRO is 50% of the rent paid.

79. The Tribunal has then considered that the Respondents are not experienced landlords familiar with the licensing regimes for housing. It has also considered the state of repair of the property and accepts the evidence of the tenants who all stated in evidence that the Flat was a lovely flat with spacious rooms overlooking parkland which is what attracted them to it in the first place.

80. The tribunal also takes into account complete failure of the Respondents to seek an HMO licence at any stage.

81. The Court of Appeal in Kowalek v Hassanein [2022] EWCA Civ 1041 quoted with approval from Jepsen v Rakusen [2021] EWCA Civ 1150, [2022] 1 WLR 324, (s44) "is intended to deter landlords from committing the specified offences" and reflects a "policy of requiring landlords to comply with their obligations or leave the sector": and further Parliament's principal concern was thus not to ensure that a tenant could recoup any particular amount of rent by way of recompense, but to incentivise landlords. The 2016 Act serves that objective as construed by the Deputy President. It conveys the message,

"a landlord who commits one of the offences listed in section 40(3) is liable to forfeit every penny he receives for a 12-month period".

82. The Upper Tribunal in Acheampong set out several stages to the assessment of a rent repayment order.

a. Ascertain the whole of the rent for the relevant period;

b. Subtract any element of that sum that represents payment for utilities that only benefited the tenant, for example gas, electricity and internet access. It is for the landlord to supply evidence of these, but if precise figures are not available an experienced tribunal will be able to make an informed estimate.

c. Consider how serious this offence was, both compared to other types of offence in respect of which a rent repayment order may be made (and whose relative seriousness can be seen from the relevant maximum sentences on conviction) and compared to other examples of the same type of offence. What proportion of the rent (after deduction as above) is a fair reflection of the seriousness of this offence? That figure is then the starting point (in the sense that that term is used in criminal sentencing); it is the default penalty in the absence of any other factors but it may be higher or lower in light of the final step:

d. Consider whether any deduction from, or addition to, that figure should be made in the light of the other factors set out in section 44(4).

83. Applying the above guideline, the whole of the rent is £20,645.75 being the appropriate agreed figure. There are no utilities to be deducted.

84. Failing to licence a house which is required to be licensed is a serious offence and is part of a policy to ensure housing is of an appropriate quality. The tribunal regards the complaints about repair as being normal incidents which could occur in any property and makes no adjustment for this. The tribunal has regard to the fact that the Respondents were not professional landlords and have left the sector by selling the property. We also take into account the fact the Applicants were released early from the agreement following the assault in October 2023.

85. Taking all these factors into account the tribunal determines that the appropriate level of rent repayment order is 35%.

Our Determination

86. The Tribunal is satisfied beyond reasonable doubt that the Respondents have committed an offence under section 72(1) of the 2004 Act of managing an unlicenced HMO.

87. The Tribunal makes a rent repayment order in favour of the Applicants in the sum of £7225.00 to be paid within 28 days.

88. We are also satisfied that the Respondents should refund to the Applicants the Tribunal fees of £300 which have been paid in connection with this application.

A Harris LLM FRICS FCIArb
Valuer Chair

15 July 2025

Rights of appeal

By rule 36(2) of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013, the tribunal is required to notify the parties about any right of appeal they may have.

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 Tribunal at the regional office which has been dealing with the case.

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.

If the application is not made within the 28-day time limit, such application must include a request for 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.

The application for permission to appeal must identify the decision of the tribunal to which it relates (i.e. 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.

If the tribunal refuses to grant permission to appeal, a further application for permission may be made to the Upper Tribunal (Lands Chamber).