FIRST-TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)

Case reference	**:**	**LON/00BF/HMG/2025/0627**
Property	**:**	**22 Malden Road, Cheam, SM3 8QF**
Applicant	**:**	**Hannah Rosemary Smith**
Representative	**:**	**In person**
Respondent	**:**	**Billboards Property Group Limited**
Representative	**:**	**n/a**
Type of application	**:**	**Tenant's application for a Rent Repayment Order under ss. 40, 41, 43 & 44 of the Housing and Planning Act 2016**
Tribunal members	**:**	**Tribunal Judge Mark Jones** **Mr Richard Waterhouse MA LLM FRICS**
Date and venue of hearing	**:**	**17 November 2025, 10 Alfred Place, London WC1E 7LR**
Date of decision	**:**	**17 November 2025**

DECISION

Decisions of the tribunal

(1) The Tribunal orders the Respondent to repay to the Applicant the sum of £6,169.61 by way of rent repayment.

(2) The Tribunal also orders the Respondent to reimburse the Applicant the application fee of £110 and hearing fee of £227.

(3) The above sums, totalling £6,506.61 must be paid by the Respondent to the Applicant in full within 28 days of the date of this determination.

Introduction

1. The Applicant tenant made an application dated 02 June 2025 for a rent repayment order ("***RRO***") against the Respondent landlord under sections 40-44 of the Housing and Planning Act 2016 ("***the 2016 Act***").

2. It is asserted that the Respondent landlord committed an offence of control or management of an unlicenced house in multiple occupation ("***HMO***") contrary to section 72(1) of the Housing Act 2004 ("***the 2004 Act***"), which is an offence under section 40(3) of the 2016 Act.

3. The Applicant tenant seeks a RRO in the sum of £8,568.00, for the period 25 July 2023 to 28 May 2024.

4. The Tribunal gave Directions dated 13 June 2025, requiring the Respondent to provide its bundle in response to the application by 12 September 2025. It did not do so, and has made no subsequent application seeking permission to file a statement of case, witness evidence or any other documentation. It has wholly failed to respond to the application, and did not in the event appear by way of an officer or representative at the hearing.

5. We have considered the Respondent's publicly available information at Companies House, and note that its registered office is 20-22 Wenlock Road, London N1 7GU. This is the address to which the Tribunal sent notification of the application dated 20 May 2025, additional correspondence dated 09 June 2025, the aforementioned directions dated 13 June 2025, and notice dated 21 July 2025 of the hearing on 17 November 2025. We are entirely satisfied that the Respondent has been properly notified of the proceedings and of the hearing date. We also accept that the Applicant served her bundle upon the Respondent by post and email on 28 July 2025.

6. The Applicant filed her bundle in advance of the hearing, as directed, numbering some 115 pages.

7. Whilst the Tribunal makes it clear that it has read the Applicant's bundle, the Tribunal does not refer to every one of the documents in detail in this Decision, it being impractical and unnecessary to do so. Where the Tribunal does not refer to specific documents in this Decision, it should not be mistakenly assumed that the Tribunal has ignored or left them out of account.

8. This Decision seeks to focus solely on the key issues. The omission to refer to or make findings about every statement or document mentioned is not a tacit acknowledgement of the accuracy or truth of statements made or documents received. Not all of the various matters mentioned in the bundles or at the hearing require any finding to be made for the purpose of deciding the relevant issues in this application. The Decision is made on the basis of the evidence and arguments the Applicant presented (in the absence of the Respondent), as clarified by the Tribunal in the hearing, and is necessarily limited by the matters to which the Tribunal was referred.

Hearing

9. This was a face-to-face hearing.

10. The Applicant attended in person.

11. As mentioned above, the Respondent neither attended, nor was represented. We considered at the outset whether to permit the hearing to proceed in the Respondent's absence. We considered the provisions of Rule 34 of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013 ("***2013 Rules***"). We noted that Tribunal staff had written to the Respondent at its registered office address on at least 4 occasions and had sent notification of the hearing date. The Tribunal was accordingly satisfied that the Respondent had been notified of the hearing.

12. We also considered the overriding objective in Rule 3 of the 2013 Rules, requiring us to deal with the case in ways proportionate to the importance of the case, the complexity of the issues, the anticipated costs and resources of the parties and of the Tribunal, and in particular avoiding delay. We found (i) that the Applicant was in a position to proceed with the Application, (ii) she had complied with the directions given, and (iii) the Respondent had elected deliberately to ignore the proceedings and to have failed or refused to comply with directions or to respond to correspondence. We concluded that it would be unfairly prejudicial to the Applicant to delay hearing the application, and that it was in the interests of justice to proceed with the hearing in the Respondent's absence.

13. Ms Hannah Smith explained her application and answered a series of questions posed by the Tribunal members. We are grateful to her for her assistance.

The Property

14. The property is a 6-bedroom, semi-detached house with a basement room and converted loft situated on a residential street in the south London suburb of Cheam.

15. The property is arranged over four levels. The basement is accessed via stairs from the kitchen on the ground floor level, and originally housed bedroom no. 2. On 22 May 2024 the local housing authority, LB Sutton, issued an Emergency Prohibition Order pursuant to Section 43 of the 2004 Act, prohibiting the use of this room as sleeping accommodation with immediate effect, due (in short) to the absence of any effective form of fire escape save through the kitchen.

16. On the ground floor there is a kitchen, dining room and shower room with toilet and wash basin which are facilities shared by the residents in the property, together with room 1. Rooms 3, 4 and 5 together with a shared bathroom are situated on the first floor. The loft area has been converted to provide a further bedroom, room 6.

17. The Applicant occupied room 3 on the first floor pursuant to what purported on their faces to be individual licence agreements, each headed *"Licence to Occupy Room - Licence for Shared Occupation of a Furnished House with a Non-Resident Licensor"*. The first of these was dated 8 July 2023 and provided for letting for the term 16 August 2023 to 15 February 2024 at a monthly rent of £750, payable on the 16th day of each month. The second, dated 20 January 2024, provided for letting from 27 February 2024 to 26 August 2024 at the same monthly rent. Notwithstanding the service upon her of a notice to quit dated 26 June 2024 requiring possession of the property on 27 August 2024, the Applicant remained in occupation until 27 January 2025, with the Respondent's consent on what it described as a *"rolling contract"* in an email dated 28 June 2024.

18. The licence agreements permitted the Applicant to occupy her room, and permitted her to use the front door, entrance hall, staircase, landings and to use the communal facilities including the kitchen, bathroom and shower room. The licence fee (or rent) included an element for payment for utilities defined in the agreements as council tax, central heating, water rates, electricity and broadband.

19. The Applicant produced evidence of her payments of rent commencing on 25 July 2023, when she was required to make payment in advance of the last month of the (then) proposed occupation. We are satisfied that

the payments were each made directly to the bank account of the Respondent, under the name Billboards UK.

20. The Tribunal accepted the Applicant's evidence that during the period of her occupation of the property, other rooms were occupied by the following persons to whom she was not related and with whom she was not in a relationship, namely Finlaye Johnson (basement room, until service of the Emergency Prohibition Order), Fazima Bacchus (ground floor room), Mohamed Camera (first floor room), Oluwaseun Olarewaju (loft room), Stefanos Manos (first floor room), and an individual bearing the forename 'Promise', whose surname is unknown to the Applicant, who took over occupation of the room formerly occupied by Mr Camera, when he vacated.

21. The Tribunal is satisfied on the above evidence that the property meets the standard test for an HMO as specified in section 254(b) of the 2004 Act, viz. (i) consisting of one or more units of living accommodation not consisting of a self-contained flat; (ii) the living accommodation is occupied by persons who do not form a single household; (iii) the living accommodation is occupied by persons as their only or main residence; (iv) their occupation of the living accommodation constitutes their only use of it; (v) rents are payable in respect of at least one of those persons' occupation of the living accommodation; and (vi) two or more of the households who occupy the living accommodation share one or more basic amenities, here the toilets, washing facilities and the kitchen.

22. The Tribunal is also satisfied from the above facts that the property as an HMO was subject to mandatory licensing under section 55(2)(a) of the 2004 Act during the period of the Applicant's occupation from 16 August 2023 to 27 January 2025, where it was occupied by at least five persons, and up to six until June 2024, living in five or six separate households.

23. We did not inspect the Property, where neither party requested us to do so, and we did not consider it necessary or proportionate to do so to determine the application before us.

24. The Applicant produced a copy letter dated 11 June 2024 from a Mr Botten, Environmental Protection Officer in the employment of LB Sutton's Residential Enforcement department to Mr Stefanos Manos confirming that the property had been operating as an HMO without the requisite licence having been obtained, and advising him that the person in control of the management of the property had been served with a notice of intention to impose a financial penalty for offences in relation to the (non-) licensing of the HMO under s.72 of the 2004 Act and in relation to the management of the HMO under s.234 of that Act.

25. By email dated 03 July 2025, Mr Botten confirmed to the Applicant that an application for the appropriate licence had been received on 05 July 2024, and the licence was issued on 29 August 2024.

26. We find this somewhat surprising, where the evidence discloses that on 05 July 2024 an inspection of the Property was carried out by council staff under the Housing Act 2004, Housing Health and Safety Rating System, where Category 1 and Category 2 hazards were found to exist at the property, causing Mr Botten to notify the occupiers by letter dated 31 July 2024 that on that date a Preliminary Improvement Notice under Sections 11 and 12 of the 2004 Act was served upon the landlord. This identified deficiencies in the fire detection system, in the fire doors to bedrooms 1, 3,4 and 5, that the doors to room 6 and the kitchen were not fire doors providing 30 minutes fire resistance. Further, it identified that the doors to all bedrooms and the kitchen were not fitted with functioning self-closing mechanisms, the front and rear doors were not fitted with keyless locks, the fire blanket in the kitchen was not wall-mounted, the electrical cupboard in the basement was not fire protected, and the property did not have an emergency lighting system, or appropriate fire signage. All of this constituted, in the council's opinion, a Category 1 hazard

27. Additionally, the Preliminary Improvement Notice identified a Category 2 hazard in the form of damp and mould, where there was evidence of water ingress through external walls into the kitchen, and from either external walls or the roof into the converted loft room, bedroom 6. The Preliminary Notice specified a series of necessary remedial works.

28. The Preliminary Improvement Notice was followed by an Improvement Notice served upon Billboards Property Group Ltd., the Respondent, on 06 November 2024, identifying precisely the same hazards that were specified in the earlier Notice, and again specifying the necessary remedial works.

29. While we heard no evidence on the issue, the chronology of Improvement Notices sits ill with the granting of an HMO licence on 29 August 2024, where the very serious deficiencies identified in the Preliminary Notice dated 31 July 2024 appear to have subsisted as at the date of the 'full' Improvement Notice dated 06 November. In short, the circumstances appear to suggest that LB Sutton granted an HMO licence in respect of the property whilst these serious defects remained unremedied. It may be that the licence was granted conditional upon those defects being rectified: the service of the November Improvement Notice suggests that they were not so addressed, but we have no further evidence on that issue.

Applicant's Case

30. The Applicant stated that the Property did not have a licence, but required one, for the entirety of the period 25 July 2023 to 28 May 2024.

31. When questioned by the Tribunal, the Applicant agreed that she had not commenced occupation of the property until 16 August 2023, but explained that she had selected the earlier date for the commencement of the term within which she made her application, as that was when she had made the first advance payment of rent.

32. The Applicants complained of disrepair within the Property, and alleged that the Respondent was unresponsive to complaints and requests for maintenance works. She alleged, amongst other things, that for a period of more than one month the bath within the first-floor bathroom would not drain, so that a pool of stagnant water that she described as being *"like a swamp"* remained therein. Upon commencing occupation there had been only a handheld shower in that bathroom, albeit that upon request a shower affixed to a rail had been installed. As to the lower shower room, the shower tray was regularly overtopped by water, apparently attributable to inadequate drainage, which would flow into the adjacent utility room, where the washing machine was located. While these issues were each eventually remedied, it took a considerable period of time in each case.

33. We accept the Applicant's evidence, and we accept that the Respondent's lack of response caused her to approach the local authority to seek assistance, which led in turn to the inspections which prompted LB Sutton to take action against the Respondent.

Relevant statutory provisions

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

Section 40

(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 …

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

	Act	***section***	***general description of offence***
1	Criminal Law Act 1977	section 6(1)	violence for securing entry
2	Protection from Eviction Act 1977	section 1(2), (3) or (3A)	eviction or harassment of occupiers
3	Housing Act 2004	section 30(1)	failure to comply with improvement notice
4		section 32(1)	failure to comply with prohibition order etc
5		section 72(1)	control or management of unlicensed HMO
6		section 95(1)	control or management of unlicensed house
7	This Act	section 21	breach of banning order

Section 41

(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.

Section 43

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

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

(3) The amount of a rent repayment order under this section is to be determined in accordance with – (a) section 44 (where the application is made by a tenant) …

Section 44

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

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

If the order is made on the ground that the landlord has committed	***the amount must relate to rent paid by the tenant in respect of***
an offence mentioned in row 1 or 2 of the table in section 40(3)	the period of 12 months ending with the date of the offence
an offence mentioned in row 3, 4, 5, 6 or 7 of the table in section 40(3)	a period, not exceeding 12 months, during which the landlord was committing the offence

(3) The amount that the landlord may be required to repay in respect of a period must not exceed – (a) the rent paid in respect of that period, less (b) any relevant award of universal credit paid (to any person) in respect of rent under the tenancy during that period.

(4) In determining the amount the tribunal must, in particular, take into account – (a) the conduct of the landlord and the tenant, (b) the financial circumstances of the landlord, and (c) whether the

landlord has at any time been convicted of an offence to which this Chapter applies.

Housing Act 2004 (*"**the 2004 Act**"*)

Section 95

(1) A person commits an offence if he is a person having control of or managing a house which is required to be licensed under this Part (see section 85(1)) but is not so licensed.

Section 263

(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 … rents or other payments from … 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 … 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 …

Tribunal's analysis

34. The uncontested evidence is that the property was a dwelling which was required to be licensed but was not licensed at any point during the period of the claim. Having considered that uncontested evidence we are satisfied beyond reasonable doubt that for the whole period of the claim the property required a licence, and it was not licensed.

35. The publicly available Register of Companies held at Companies House shows that the Respondent was incorporated on 10 January 2017. Its nature of business is stated to be the management of real estate on a fee or contract basis. Mr Hakim Habib is stated to be both the director and a person with significant control.

36. Mr Hakim Habib is also the director and a person with significant control of a company named Billboards Estate Agency Limited, which was

incorporated on 09 October 2014, which shares the same registered address and the same nature of business as the Respondent. The Tribunal concludes from this that the Respondent company has significant experience as a property manager and either was aware, or should have been aware, of the licensing requirements for HMOs.

37. The Applicant provided a copy of the HM Land Registry entry for the property at 22 Malden Road, registered under title no. SGL3496, showing Amrit and Harpreet Othi as registered freehold proprietors, having acquired the property for consideration of £595,000 on 14 November 2002. We had no evidence before us of the connection between the freehold proprietors and the Respondent.

38. On the evidence provided, we are satisfied that the Respondent was named as the Licensor in the agreements entered into with the Applicant, that the Respondent was contractually entitled to receive payment of her licence fees or rent, and that it was to the Respondent that the Applicant made payment. It is accordingly clear that the Respondent was the landlord for the purposes of section 43(1) of the 2016 Act.

39. The next question is whether the Respondent was a *"person having control of or managing"* the Property within the meaning of section 263 of the 2004 Act. The evidence shows that the rent was paid to the Respondent. The Respondent has not sought to argue that it was not such a person having control of or managing the Property or that the rent paid was not the *"rack-rent"* as defined in section 263. We are, accordingly, satisfied that the Respondent received rent from the Applicant. The Respondents was additionally and in any event at the relevant time a legal person managing the Property.

The defence of "reasonable excuse"

40. Under section 72(5) of the 2004 Act, it is a defence that a person who would otherwise be guilty of the offence of controlling or managing a house which is licensable under Part 3 of the 2004 Act had a reasonable excuse for the failure to obtain a licence. The burden of proof is on the person relying on the defence.

41. No such defence has been advanced in this case. The Tribunal therefore concludes, beyond reasonable doubt, that the Respondent had no reasonable excuse for failing to seek the necessary licence.

The offence

42. Section 40 of the 2016 Act confers power on the First-tier Tribunal to make a rent repayment order where a landlord has committed an offence listed in the table in sub-section 40(3), subject to certain conditions

being satisfied. An offence under section 72(1) of the 2004 Act is one of the offences listed in that table.

43. Section 72(1) states that *"A person commits an offence if he is a person having control of or managing a house which is required to be licensed under this Part … but is not so licensed"*, and for the reasons given above we are satisfied (a) that the Respondent was a "person managing" the property for the purposes of section 263 of the 2004 Act, (b) that the property was required to be licensed throughout the period of claim and (c) that it was not licensed at any point during the period of claim.

44. Under section 41(2), a tenant may apply for a rent repayment order only if the offence relates to housing that, at the time of the offence, was let to the tenant and the offence was committed in the period of 12 months ending with the day on which the application is made. On the basis of the Applicant's uncontested evidence on these points we are satisfied beyond reasonable doubt that the Property was let to the Applicant at the time of commission of the offence and that the offence was committed in the period of 12 months ending with the day on which her application was made.

45. The Tribunal is accordingly satisfied beyond reasonable doubt that the Respondent committed the specified offence of control or management of an unlicensed HMO contrary to section 72(1) of the 2004 Act. We find that the offence was committed within the period 16 August 2023, being the date the Applicant commenced occupation of the property and not the earlier date of 25 July 2023 specified in her application, and ending on 28 May 2024, being the last date specified in the application.

Should the Tribunal make a RRO?

46. Section 40(2) of the 2016 Act defines an RRO as an order requiring the landlord under a tenancy of housing to repay an amount of rent paid by a tenant. An RRO can only be made against an immediate landlord. Under section 56 of the 2016 Act a tenancy includes a licence for these purposes, so that the fact that the Respondent has purported to grant a series of licences to the Applicant does not enable it to avoid the provisions regarding RROs.

47. Here, the Tribunal is satisfied that the Respondent was the Applicant's immediate landlord and that it has committed the offence of letting an HMO absent the requisite licence, which is one of the specified offences in section 40(3), and against all the circumstances of this case the Tribunal is amply satisfied that it is correct to exercise its discretion to make an RRO.

Process for ascertaining the amount of rent to be ordered to be repaid

48. The amount of rent to be ordered to be repaid is governed by section 44 of the 2016 Act. Under sub-section 44(2), the amount must relate to rent paid by the tenant in respect of a period, not exceeding 12 months, during which the landlord was committing the offence. Under sub-section 44(3), the amount that the landlord may be required to repay in respect of a period must not exceed the rent paid in respect of that period less any relevant award of housing benefit or universal credit paid in respect of rent under the tenancy during that period.

49. In this case, the offence was committed during, and thus the Applicants' claim must be limited to, the period 16 August 2023 to 28 May 2024.

50. During the period in issue, by reference to her bank statements, the Applicant paid rent in the sum of £7,818.00.

51. We are satisfied on the basis of the evidence that the Applicant was in occupation for the whole of the period to which this rent repayment application relates and that the property required a licence for the whole of that period. Therefore, the maximum sum that can be awarded by way of rent repayment is the sum of £7,818.00, this being the amount paid by the Applicant by way of rent/licence fees in respect of the period of claim.

52. Under sub-section 44(4), in determining the amount of any rent repayment order 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 the relevant part of the 2016 Act applies.

53. In its decision in ***Acheampong v Roman and others [2022] UKUT 239 (LC)***, the Upper Tribunal recommended a four-stage approach to determining the amount to be repaid, which is paraphrased below:-

    (a) ascertain the whole of the rent for the relevant period;

    (b) subtract any element of that sum that represents payment by the landlord for utilities that only benefited the tenant;

    (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 compared to other examples of the same type of offence; and

(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).

54. Adopting the ***Acheampong*** approach, the whole of the rent in this case means the whole of the rent paid by the Applicant out of her own resources, which (where we have been unable to discern any relevant components of Universal Credit) is £7,818.00.

Utilities

55. The successive licence agreements stated that the rent included payment for utilities, defined as council tax, central heating, water rates, electricity and broadband, specifying an allowance of £400 per month, equating to £66.67 per month for each resident. The Applicant agreed that she had not undertaken separate responsibility for payment of utilities. The Tribunal therefore determines that there should be a deduction of £559.64 for utilities for the period of 8 months and 12 days (8 x £66.67 and 12 days at £2.19/day).

56. Consequently, the maximum amount of rent after deduction for utilities is £7,818.00 - £559.64 = £7,258.36.

Seriousness

57. In ***Acheampong*** at §20(c), Judge Cooke held that the Tribunal must consider how serious the housing offence forming the basis of the application is, both compared to other types of offences in respect of which a rent repayment order may be made, and compared to other examples of the same offence. As the issue was put in §21 of the judgment, this *"…is an assessment of the conduct of the landlord specifically in the context of the offence itself; how badly has this landlord behaved in committing the offence?"*

58. Failure to license leads – or can lead – to significant health and safety risks for often vulnerable tenants, and sanctions for failure to license have an important deterrent effect on future offending as well as encouraging law-abiding landlords to continue to take the licensing system seriously and to inspire general public confidence in the licensing system. In addition, there has been much publicity about licensing of privately rented property, and there is an argument that good landlords who apply for and obtain a licence promptly may feel that those who fail to obtain a licence gain an unfair benefit thereby and therefore need to be heavily incentivised not to let out licensable properties without first obtaining a licence.

59. Furthermore, even if it could be argued that the Applicant did not suffer direct loss through the Respondent's failure to obtain a licence, it is clear

that a large part of the purpose of the rent repayment legislation is deterrence. If landlords can successfully argue that the commission by them of a criminal offence to which section 43 of the 2016 Act applies should only have consequences if tenants can show that they have suffered actual loss, this will significantly undermine the deterrence value of the legislation.

60. Against that expression of policy concerns, it is nevertheless the case that the offence under s.95(1) of the 2004 Act is significantly less serious than those in rows 1, 2 and 7 in the table in section 40 of the 2016 Act, and we take that into account, following the guidance the Upper Tribunal in ***Dowd v Martins* [2023] HLR 7**, where offences of failing to licence in accordance with the 2004 Act were expressed as being "*…generally less serious than others for which a rent repayment order can be made.*"

61. The nature of a landlord has been held to be relevant to the seriousness of the offence. In some cases, it has been argued that there is a distinction to be drawn between "professional" and "non-professional" landlords, seriousness being aggravated in the case of the former. The proper approach is as set out by the Deputy President in ***Daff v Gyalui* [2023] UKUT 134 (LC)**, at paragraph 52:

"The circumstances in which a landlord lets property and the scale on which they do so, are relevant considerations when determining the amount of a rent repayment order but the temptation to classify or caricature a landlord as "professional" or "amateur" should be resisted, particularly if that classification is taken to be a threshold to an entirely different level of penalty. … The penalty appropriate to a particular offence must take account of all of the relevant circumstances."

62. The Tribunal finds the following, in assessing the seriousness of the offence:

(i) The Respondent was an experienced residential property manager, which should have been aware of the licensing requirements for HMOs.

(ii) The property was a large HMO subject to the mandatory licensing scheme for HMOs which has been in force since the passing of the Housing Act 2004.

(iii) Large HMOs are known to be high risk buildings, particularly in relation to fire safety.

(iv) In view of the Respondent's experience as a property manager, and in the absence of an explanation, the Tribunal concludes that the Respondent's commission of the offence was either deliberate, or a consequence of wilful blindness.

(v) The evidence of the Applicant's licence agreement and circumstances of her occupation discloses that the property was operating as an unlicensed HMO from at least July 2023, until August 2024, a period of over 13 months.

(vi) Upon inspection by Mr Botten on 22 May 2024 the basement room (room 2) was found to pose a serious fire risk which resulted in the immediate issue of the emergency order prohibiting use of that room as sleeping accommodation.

(vii) On 05 July 2024 Mr Botten carried out the HHSRS inspection, leading to the Preliminary Improvement Notice, the contents of which are summarised above.

(viii) Mr Botten then issued a formal Improvement Notice on 06 November 2024 requiring works to be done to address a Category 1 fire hazard and a category 2 hazard of damp and mould by 01 January 2025. The Tribunal has no evidence of whether, or to what extent the Respondent has complied with that Improvement Notice.

63. In order to assess the starting point at stage (c), we take account of the now substantial guidance in case law from the Upper Tribunal, including cases in which the Upper Tribunal has substituted its own assessments. In particular, we have considered **Acheampong** itself, ***Williams v Parmar and Others* [2021] UKUT 244 (UT), [2022] H.L.R. 8**; ***Aytan v Moore* [2022] UKUT 27 (LC)**; ***Hallett v Parker* [2022] UKUT 239 (LC)**; ***Hancher v David and Others* [2022] UKUT 277 (LC)**; and ***Dowd v Martins and Others* [2022] UKUT 249 (LC)**. The range of percentage of the maximum possible RRO awarded range from 25% to 90% (i.e. at stage (d) – most of the cases precede ***Acheampong***).

64. We have had particular regard to the case of ***Newell v Abbott* [2024] UKUT 181 (LC)**, where at §57 Martin Rodger KC, Deputy Chamber President, summarised the principles governing the level of RROs in licensing offences thus:

"This brief review of recent decisions of this Tribunal in appeals involving licensing offences illustrates that the level of rent repayment orders varies widely depending on the circumstances of the case. Awards of up to 85% or 90% of the rent paid (net of services) are not unknown but are not the norm. Factors which have tended to result in higher penalties include that the offence was committed deliberately, or by a commercial landlord or an individual with a larger property portfolio, or where tenants have been exposed to poor or dangerous conditions which have been prolonged by the failure to licence. Factors tending to justify lower penalties include inadvertence on the part of a smaller landlord, property in good condition such that a licence would

have been granted without additional work being required, and mitigating factors which go some way to explaining the offence, without excusing it, such as the failure of a letting agent to warn of the need for a licence, or personal incapacity due to poor health."

65. The Tribunal takes into account the fact that the offence under section 72(1) of the 2004 Act is not one of the more serious of the offences for which a rent repayment order can be made. The Tribunal, however, finds that this offence fell towards the higher range of seriousness for a section 72(1) offence.

66. The Tribunal's assessment of seriousness is based upon its findings that (i) the Respondent was an experienced property manager who would or should have been aware of the licensing requirements for HMOs; (ii) the Respondent's offending was either deliberate or the product of Nelsonian blindness and committed over a significant period of at least 13 months; (iii) the condition of the property posed serious risks of fire to the safety of the residents; (iv) the Respondent's willingness to let a room in the basement with no effective fire escape; (v) the blatant disregard for occupiers' safety disclosed by the inadequacy of fire prevention measures; and (vi) the Respondent's poor management practices as evidenced by the category 2 hazard.

67. In these circumstances, the Tribunal considers that the starting point for this offence at stage (c) should be 80% of the maximum rent otherwise payable. That provides a figure of £7,258.36 x 80% = £5,806.69.

Section 44(4) – Other Factors, Including Conduct

68. At stage (d), we must consider what effect the matters set out in Section 44(4) of the 2016 Act have on our conclusions thus far. Section 44(4) provides that in determining the amount of an RRO, within the maximum, the Tribunal should, in particular, take into account the conduct of the landlord and the tenant, and the financial circumstances of the landlord.

69. As Judge Cooke noted in ***Acheampong***, there is a close relationship in terms of conduct, at least of the landlord, between stages (c) and (d). Insofar as we have already made findings in relation to stage (c) which may also be said to relate to the conduct of the Respondent, we do not double-count them in considering the section 44(4) issues.

70. The most notable factor concerned what we find to have been the Respondent's inadequate responses to residents' requests for repairs and maintenance. Against the consequential unpleasantness for 6 persons living together in the HMO, we conclude that this warrants an upward adjustment of an additional 5% of the rent in issue, to 85%.

71. The Respondent elected not to participate in the proceedings and offered no mitigation. The Tribunal has no information as to its financial circumstances save the last set of filed accounts, to 31 January 2024, demonstrating turnover of £215,330 and net profit for the year of £19,635.

72. The Tribunal considered whether the Respondent's application for a licence merited a reduction in the sum of the RRO. The Tribunal concluded that it did not, where the timing of the provisional improvement notice and grant of the licence suggested either that the licence was granted subject to carrying out the necessary fire preventions works, or in ignorance of the need for them. The issue of a formal Improvement Notice in November 2024 was compelling evidence that the Respondent did not make the property safe from risks of fire, and (if conditional) a potential non-compliance with the conditions of the HMO licence.

73. The Tribunal accordingly concludes that there should be no downward revision of the sum of the RRO in respect of the Respondent's conduct.

Whether the Landlord has at any time been convicted of a relevant offence

74. We are aware that the Respondent was held to have committed an offence of control or management of an unlicensed HMO in respect of 22 Malden Road for the period February 2024 to July 2024 on the application of the present Applicant's co-occupant Mr Stefanos Manos, in Case Ref. LON/00BF/HMF/2025/0672, heard on 15 August 2025 and in which a Decision was made on 26 August 2025.

75. Given that this period broadly straddled the period for which the present RRO is made, and was in respect of the same property, we consider it would be unfair to the Respondent to make any additional adjustment in respect of that otherwise aggravating feature.

Other Factors

76. It is apparent from the wording of sub-section 44(4) itself that the specific matters listed in that sub-section are not intended to be exhaustive, as sub-section 44(4) states that the Tribunal *"must, in particular, take into account"* the specified factors.

77. In this case, however, we have been unable to identify any other specific factors which should be taken into account in determining the amount of rent to be ordered to be repaid.

Amount to be Repaid

78. The four-stage approach recommended in *Acheampong* has been set out above. The amount arrived at by considering the first stage is £7,818.00.

79. Deducting the sums required by stage (b) in this case reduces the maximum figure by £559.64, to £7,258.36.

80. Considering the further matters required by stages (c) and (d), the Tribunal's conclusion is that the appropriate amount is reduced to 85% of that sum, and there is nothing to add or subtract for any other factor under s.44(4).

81. Accordingly, taking all the factors together, the rent repayment order will be for 85% of the maximum amount of rent payable. The amount of rent repayable is, therefore, £7,258.36 x 85% = £6,169.61.

82. While this is a substantial sum, we have considered our conclusions against the guidance provided by the Upper Tribunal, in particular where it has substituted percentage reductions in redetermining RROs. The key cases are set out in helpful fashion in the course of the redetermination in ***Newell,*** referred to above. We do not repeat that analysis, but have been closely guided by it.

Reimbursement of Tribunal Fees

83. The Applicant has applied under paragraph 13(2) of the 2013 Rules for an order that the Respondent reimburse her application and hearing fees, in the sums of £110 and £227, respectively.

84. In light of our findings, we consider it just and equitable to allow that application.

Name: Judge Mark Jones **Date: 17 November 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.

(A) 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.

(B) 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.

(C) 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.

(D) 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.

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