FIRST - TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)

Case Reference	**: MAN/00EJ/HMG/2024/0011**
Property	**: 62 Hornby Road, Blackpool FY1 4QJ**
Applicant	**: (1) Chi Keung Lee, (2) Tsz Tung Lee, (3) Sau Ying Law, (4) Tsz Chun Lee and (5) Tsz Long Lee**
Representative	**: Justice for Tenants**
Respondent	**: (1) Blackpool B&B Limited (2) Wai Kuen Tang**
Type of Application	**: Application for Rent Repayment Order by tenant Sections 40,41,43 and 44 Housing and Planning Act 2016**
Tribunal Members	**: J Platt FRICS FTPI (Chairman) Judge T N Jackson**
Date and venue of Hearing	**: 26 August 2025 CVP Video hearing**
Date of Decision	**: 17 October 2025**

AMMENDED DECISION

AMMENDMENT

In its decision of 14 October 2025 the Tribunal ordered Respondent(1) to reimburse Applicant(1) the application fee of £103.00, being the sum stated in the Applicants' skeleton argument. The application fee paid by Applicant(1) was in fact £110 and the Order is amended in accordance with Rule 50 of the Tribunal Procedure (First-Tier Tribunal)(Property Chamber) Rules 2013, to reflect the correct sum.

DECISION

- The Tribunal is satisfied beyond a reasonable doubt that Respondent (1) committed an offence under section 95(1) Housing Act 2004 without reasonable excuse.

- The Tribunal makes a Rent Repayment Order against Respondent (1) in the sum of £5,239.75, to be paid to Applicant (1) within 28 days of the date of this Decision.

- Respondent(1) to reimburse Applicant(1) the application fee of £110.00, the reimbursement of the hearing fee having been granted at a previous hearing by Regional Judge J Holbrook on 12 August 2025.

BACKGROUND

1. On or around 10 May 2025 the Applicants applied for a Rent Repayment Order ("RRO") stating that the Respondents had failed to licence a house which was required to be licensed under the provisions of the Housing Act 2004 ('HA 2004"). The Applicants seek a Rent Repayment Order in the amount of £5,342.50. The Applicants also seek reimbursement of the application fee of £103.00, the hearing fee having been granted at a previous hearing by Regional Judge J Holbrook on 12 August 2025 (Case Management Note and Costs Order appended to this decision).

2. The Applicants (who comprise one family unit) occupied 62 Hornby Road, Blackpool FY1 4QJ ("the Property"), as their home, between 8 November 2022 and 16 June 2023, under a tenancy agreement dated 8 November 2022 between the Landlord: Blackpool B&B Ltd and Tenant: Mr Chi Keung Lee.

3. Blackpool B&B Ltd ("Respondent 1") is the Freeholder of the Property. Ms Wai Kuen Tang ("Respondent 2") is the sole Director of Blackpool B&B Ltd.

4. The rent payable under the agreement was £750 per month. Rent was paid directly out of the bank account of Tsz Tung Lee (Mr Chi Keung Lee's daughter) into the personal bank account of Ms Tang.

5. The Property is a first & second floor flat above a commercial unit retained by Respondent 1, which at the time of occupancy was used as a storeroom by the Respondents.

THE APPLICATION

6. The Application was submitted on or around 10 May 2024. The exact date of receipt of the Application by the Tribunal is unclear but it was uploaded onto the Tribunal's case management system on 21 May 2024. The Application was therefore received within the period of 12 months specified in s.41(2) Housing & Planning Act 2016 ("HPA 2016").

7. The Applicants allege that the Respondents have both committed an offence under s.95(1) HA 2004, the control or management of an unlicensed house subject to a selective licensing regime.

8. It is alleged that the offence took place throughout the period of the tenancy, 8 November 2022 to 16 June 2023.

9. Neither Respondent has been convicted of the offence.

10. A RRO is sought for the sum of £5,342.50 being, in accordance with s42(2) HPA2016, the total amount of rent paid during the period, not exceeding 12 months, during which the landlord was committing the offence.

THE LAW

11. The relevant sections of the Housing Act 2004 and Housing & Planning Act 2016 are detailed in Appendix 1.

LITIGATION HISTORY

12. Directions were issued on 30 April 2025 and amended directions on 19 May 2025. In accordance with those directions, the Applicants' representative submitted a bundle of evidence on 23 May 2025. The Respondents, having been chased on 25 June 25 (compliance date 20 June 25), submitted a bundle of evidence on 25 and 26 June 2025.

13. In response to the Applicants' bundle, Ms Tang submitted, by email dated 28 May 2025, a detailed strike out application dated 27 May 2025 together with an application for costs under Rule 13. The Applicants' representative submitted a response to the strike out application on 11 June 2025 to which Ms Tang submitted a further detailed response on 12 June 2025. A procedural judge issued a detailed decision on 13 June 2025 refusing to strike out or award costs. That written decision highlighted a number of areas where Ms Tang had misinterpreted the law.

14. On 16 and 19 June 2025 Ms Tang submitted a detailed appeal against the refusal to strike out decision. The appeal was refused and Ms Tang was advised that the arguments were more appropriately heard at the hearing.

15. Ms Tang's submissions included a purported authority which does not exist. That issue was considered at a preliminary hearing by Regional Judge J Holbrook on 12 August 2025 (Case Management Note and Costs Order appended to this decision). Despite the outcome of that decision, Ms Tang continues with the same argument in her closing

submission, namely that as the Property was sold on 9 April 2023, before the application was made to the Tribunal, as the landlord-tenant relationship had ceased, no RRO can be made.

16. Mr Cairns submitted a skeleton argument on 20 August 2025 which was sent to the Tribunal and Ms Tang.

17. On 22 August 2025, Ms Tang sent to the Tribunal but not the Applicants, a request for an adjournment.

18. On the day of the hearing, Ms Tang sent to the Tribunal, but not the Applicants, additional evidence, including witness statements.

HEARING

19. A remote hearing was held via CVP video platform on 26 August 2025. The Applicants were represented by Mr James Cairns of Justice for Tenants. Ms Tang represented herself and Blackpool B&B Ltd. Mr Chi Keung Lee and his daughter Tsz Tung Lee attended as witnesses for the Applicants.

20. The whole proceedings were interpreted on behalf of Ms Tang and Mr Lee and Ms Lee by a Tribunal appointed interpreter. The parties confirmed to the Tribunal that they were able to communicate through the interpreter provided.

21. The hearing was lengthy and, due to the lack of judicial time, parties were not able to make closing submissions. Conscious of Ms Tang's health issues, and to prevent the need for the matter to be reconvened, both parties were asked to provide written closing submissions, which they did.

Preliminary issues

22. At the commencement of the hearing the Tribunal asked Ms Tang to turn on her camera. She did so after remarking that she preferred not to be visible to the Applicants.

23. A number of preliminary issues were considered.

24. It was unclear whether an earlier application by the Applicants to submit video evidence had been properly considered by the Tribunal and consideration was requested as a preliminary issue. Mr Cairns, however, stated that he had prepared his submission without the benefit of the video evidence and it was not therefore necessary for it to be admitted.

25. The Tribunal had received an email from Ms Tang at c16:00 on Friday 22 August 2025 requesting an adjournment of the hearing on medical grounds. The weekend of 22-25 August 2025 was a bank holiday weekend and hence the application for an adjournment had only been received at the very last 'working hour' prior to the hearing. Ms Tang admitted that the application had not been sent to the Applicants. Mr Cairns in arguing

against an adjournment described this act as an ambush. He argued that an adjournment would cause severe prejudice to the Applicants and would not be in accordance with the overriding objective set out in Rule 3 of the Tribunal Procedure (First-Tier Tribunal)(Property Chamber) Rules 2013, namely to deal with cases fairly and justly.

26. In the email received 22 August 2025, Ms Tang stated that she was suffering from anxiety, PTSD and depression and made unsubstantiated allegations of criminal behaviour against the Applicant which the Tribunal had no regard to. She adduced a sick note signed by her GP on 18 August 2025 stating (only) that she was unfit for work due to anxiety. When questioned by the Tribunal regarding her application for an adjournment, she was advised to avoid making unsubstantiated claims against the Applicants. She stated that she had been suffering from anxiety for the last 18 months and could give no indication as to when she may be able to attend a reconvened hearing. She then proceeded to concentrate her submissions on not having enough time to prepare her case nor to find somebody to assist in that process. She also said that she 'did not wish to face the Applicants' and was shortly returning to Hong Kong.

27. Further emails, with attachments, had been received by the Tribunal during the early hours of 26 August 2025. The members of the Tribunal were alerted to those emails immediately before the hearing. Ms Tang stated that the emails had not been copied to the Applicants. Mr Cairns described this act as an ambush and argued against new evidence being permitted at the very last moment which would cause severe prejudice to his clients.

28. In her written submissions, Ms Tang raised concerns about the standing of four of the five Applicants as Mr Lee was the sole named tenant. It had previously been confirmed to the Tribunal by the Applicants that they comprised one family unit and the Property was occupied as a single family home. Mr Cairns had no objection to the Tribunal's suggestion that the case be heard on the basis that Mr Chi Keung Lee is the sole applicant. This was confirmed by the Tribunal and the rest of this decision refers to Applicant(1).

29. The Tribunal adjourned to consider Ms Tang's applications for adjournment and admission of late evidence. We noted that a similar application for an adjournment (supported by a similar sick note dated some days earlier) had been made immediately prior to the Case Management Hearing on 12 August 2025. The Tribunal Application had been submitted in May 2024 and evidence had been exchanged in May – June 2025. We also noted that Ms Tang apparently had no difficulty, during a period in which she states she has been suffering throughout from anxiety and mental health issues, in producing comprehensive applications for strike out within one or two days of receiving the Applicant's statement of case and the Tribunal's strike out decision. We considered that her stated anxiety about encountering the Applicant in a hearing and her flawed but comprehensive strike out applications were attempts to delay the determination of the case for as long as possible and maybe indefinitely in light of her stated return to Hong Kong.

30. We, therefore, advised Ms Tang that her application to adjourn was refused on the basis that it was prejudicial to the Applicants (who had not been made aware of it and due to the lateness of the application) and was not in accordance with the overriding objective. We were conscious that she had been suffering ill health for 18 months and that she was

unable to provide any indication of when she considered she may be well enough to resume if the matter were to be adjourned. We considered that additional delay would likely exacerbate her anxiety which appeared, (on the face of her submissions), to be largely anxiety about presenting her case and attending the hearing. A delay would not, in any event, alleviate her anxiety about encountering the Applicant in a hearing. We advised that we were, however, conscious of her health issues and would ensure regular breaks during the day. The Tribunal made appropriate reasonable adjustments throughout the proceedings as referred to in paragraph 33 below and kept matters under continual review throughout the hearing. At no stage during the hearing did the Tribunal have any concerns about Ms Tang's ability to participate fully in the hearing due to health issues.

31. No application had been received from Ms Tang to submit late evidence. We did however take Ms Tang's emails to be an application. Permission was refused on the basis that it was prejudicial to the Applicants, (who had not received a copy in any event), and not in accordance with the overriding objective.

32. Ms Tang asserted that our decisions not to adjourn the hearing and to refuse the admission of late evidence were unfair. We advised that it was in the interests of justice to determine this case, which related to a tenancy that ended in June 2023, as soon as possible and that she was not being denied the opportunity to present her case which we were considering on the basis of evidence received in May – June 2025. In response to Ms Tang's comment that we were 'making her attend', we pointed out that it was her decision to defend the application and that the hearing was her opportunity to explain her evidence and to question the evidence put forward by the Applicants. Mr Cairns advised that Ms Tang had not responded to settlement offers nor offers of alternative dispute resolution put forward by the Applicant.

The Evidence

33. In recognition of Ms Tang's health issues (and as a reasonable adjustment), her false understanding of the law as drafted in both HA 2024 & HPA 2016, and the need for all the proceedings to be interpreted, we deviated from the usual formal litigation process led by cross examination. The Tribunal led proceedings on a point-by-point basis, explaining what the law actually says and taking evidence and questioning witnesses as and when necessary. This ensured that Ms Tang did not have to cross examine the Applicant if she chose not to, as she asserted that to do so would increase her anxiety.

34. Despite this approach, Ms Tang was unhelpful throughout the hearing. She continued to press irrelevant or incorrect points of law despite our best efforts to confirm the correct wording of statute and did not engage with the Applicant's submissions (she did not have a copy with her) and skeleton argument which highlighted the same valid points.

35. Ms Tang was deliberately evasive and failed to provide simple answers to simple questions on multiple occasions. She continually sought to make statements based on unevidenced allegations of assault and death threats by Mr Lee. We were compelled to halt the interpreter's translations of such statements on several occasions and requested Ms Tang to focus on, and answer, the questions asked.

36. At one stage, (late in the day), the Interpreter felt compelled to make a statement to the Tribunal that her job was being made incredibly difficult and the process unnecessarily lengthy by Ms Tang's blatant refusal to give straight forward answers to straight forward questions despite those questions being repeated several times.

37. The Applicant provided comprehensive evidence that the Property is a 'house', within a selective licencing area, that was not licenced throughout the whole period of the tenancy. Ms Tang did not agree. Despite explaining the relevant statutory provisions to Ms Tang, she was unable to take us to any of the Applicant's submissions to demonstrate why they were wrong or why she disagreed.

38. Ms Tang's written evidence included the following submissions:

2. Legal Basis - Section 99(3) of the Housing Act 2004
2.1 Section 99(3) provides:
"A Part 3 licence is not required for a house or flat if it is not wholly or mainly used as living accommodation."
2.2 This provision exempts properties from selective licensing where a substantial part is used for commercial purposes, and residential use does not predominate.

39. We advised Ms Tang that the purported s99(3) HA 2004 does not exist. She did not dispute that fact and was also unable to take us to any other reasons why the Property is not a 'house' despite admitting that part of the Property was occupied by the Applicants as a separate dwelling and as their family home. In her closing written submissions (prepared and submitted after the hearing) she continues to assert that the Property is exempt from licencing because of its predominant commercial use but she provides no legal nor scheme designation basis for that assertion.

40. Ms Tang agreed that the rent was paid directly into her personal bank account. She denied that she was a controller of the property because she transferred the rent to Blackpool B&B Ltd. She averred that she had requested the Applicant on a number of occasions to pay the rent into the bank account of Blackpool B&B Ltd but no such evidence was before us. Relying on *Rakusen v Jepsen* [2023] UKSC 9, she averred that Applicant(1) had not paid any rent and was therefore not entitled to a RRO because the rent had been paid directly from the account of Tsz Tung Lee, Applicant(1)'s daughter and that a RRO could only be made in favour of a tenant who had paid the rent and Tsz Tung Lee was not a tenant.

41. Mr Cairns, on behalf of the Applicants submitted that:

a. The Respondent's reliance on Rakusen v Jepsen is misplaced. That case concerned a sub-tenant's attempt to recover from a superior landlord.

b. The present case concerns a family renting directly from the Respondents, payment being made through a daughter's account on behalf of her father, the named tenant.

c. Such payment can be taken as being 'by the tenant' by virtue of Clauses 6 and 15 of the Tenancy Agreement being read together.

d. Therefore, any objection as to standing can be taken as artificial.

42. Ms Tang admitted that Blackpool B&B Ltd was the freeholder throughout the period of the tenancy. The Property has since been sold. She did not agree however that Blackpool B&B Ltd was a controller or manager of a house. Her reasoning was unclear other than an assertion (repeated several times) that the Property was a mixed-use property, despite having been advised by the Tribunal that her written evidence relied entirely on a purported s99(3) HA 2004 which does not exist. The purported wording excluding mixed-use properties from selective licencing requirements was entirely fabricated.

43. At 12:05, Ms Tang stated that she needed to take her medication and promptly left the hearing. The hearing was immediately adjourned for lunch until 13:00.

44. After the lunch adjournment, in an effort to narrow some of the issues and smooth the flow of the hearing, we gave our oral decisions of fact, that:

    a. the Property is a house;
    b. within a selective licencing area;
    c. that was not licenced throughout the period of the tenancy; and
    d. both Blackpool B&B Ltd & Ms Tang were persons having control of the Property and Blackpool B&B Ltd was the person managing the Property.

45. Ms Tang had put forward a defence of reasonable excuse on behalf of both Respondents. She was unaware of the licencing requirement for a commercial / mixed-use property. She had another property in the same road for which she had received letters from Blackpool Borough Council ("Blackpool BC") advising of the need to obtain a selective licence. If the subject property had required a licence, Blackpool BC would have written to her to advise. She also stated that Blackpool BC had telephoned her about the Property. This phone call is not mentioned in her written evidence and Ms Tang could not recall the date of the phone call. During that phone call, she says that she advised Blackpool BC of the commercial nature of the Property and Blackpool BC had not followed up with any letter advising that a licence was required. It was unclear whether she still disputes that a licence was required or only that her reasonable excuse was that she had relied on Blackpool BC following up this phone call with a letter to advise of the requirement. We asked Ms Tang five time whether she had told Blackpool BC during the phone call that part of the Property was occupied as somebody's home. She blatantly refused to answer the question, was very evasive and sought to obfuscate the matter. Eventually, (on the 5th attempt), she answered, 'no I did not tell them'.

46. Ms Tang also gave contradictory evidence on the use and ownership of other properties on Hornby Road. She sought to rely on the fact that Blackpool BC had not written to her about the selective licencing requirements in respect of the Property despite having done so in regard to another property. She stated that Blackpool B&B Ltd owned four properties in total on Hornby Road but none of them required a licence because they were all hotels. After repeated questioning on this contradiction she eventually stated that one property was mixed-use similar to the subject property.

47. Mr Cairns made submissions that:

a. being unaware of the licencing requirement was not an objectively reasonable excuse;
b. Blackpool BC had no obligation to notify Blackpool B&B Ltd of the requirement (*Newell v Abbott [2024]UKUT 264 (LC));* and
c. Ms Tang had not been misled by Blackpool BC. They had not provided any assurance in the phone call. Ms Tang's case was simply that they had not followed up to tell her of the requirement that had not in itself been discussed as part of the phone call

48. Ms Tang stated that neither herself nor Blackpool B&B Ltd had ever been convicted of any housing offences nor had they received any financial penalties.

49. We then gave Ms Tang an opportunity to provide us with any relevant evidence relating to the financial circumstances of both herself and Blackpool B&B Ltd. She stated that she had no money in the bank, no assets and is living in hotel accommodation. She also stated that Blackpool B&B Ltd is no longer trading and has disposed of all its assets. She has handed over control of Blackpool B&B Ltd to her son but she is still the only director. She stated that she is not, nor ever has been a director of any other company. We referred her to Companies House records for Blackpool B&B Ltd which showed Apapachar Ltd to be a person of significant control and the only director of Apapachar Ltd being Man Hon Morrision Kong, who Ms Tang confirmed is her son. When pressed on the matter, she also admitted that she had been a director of Apapachar Ltd until her resignation on 11 June 2025.

50. Ms Tang stated that £130,000 of the £134,000 proceeds of sale from 62 Hornby Road belonged to her husband but could not, (or would not), confirm that Blackpool B&B Ltd had repaid that sum to her husband. She did not provide any clarity on the disposal of the remaining assets of Blackpool B&B Ltd beyond saying she had handed the company over to her son and that it was no longer trading.

51. Both parties made substantial submissions on conduct. Those submissions include allegations and counter-allegations in respect of both parties, some of which were entirely unrelated to the letting of the subject Property and some of which were unevidenced. It is only necessary, within this decision, to summarise the main and pertinent aspects of those submissions.

52. In summary form, the Applicants submit that the Respondents' conduct was poor in that:

a. The Respondents failed to provide a Gas Safety Certificate.
b. The Respondents failed to provide an Electrical Safety Certificate
c. The Respondents failed to provide an Energy Performance Certificate.
d. The Respondents did not provide a How to Rent Guide.
e. The Respondents let out a property with severe damp and mould issues.
f. The Respondents let out a property which did not meet minimum fire safety standards.
g. The 2nd Respondent disrespected the Applicants' quiet enjoyment, expecting them to be regular receivers of large packages at all hours and letting herself into the

Property until the First Applicant had to resort to using string to keep the front door shut.
h. The 2nd Respondent made continuing harassing telephone calls.
i. The 2nd Respondent's online harassment, decontextualising a repair visit by uploading or allowing to be uploaded (by a third party) screenshots from a video taken by the 1st Respondent with Cantonese commentary calling the 1st Applicant a "disgrace" and claiming he is "doing the same old [criminal] business again"

53. The Applicants also submit that they were good tenants fulfilling all their obligations under the tenancy agreement, paying all rent on time and leaving the Property in good condition on exit (photographs provided).

54. In summary form, the Respondents submit that the Applicants' conduct was not good in that they:

a) Left the Property in a disgraceful condition at exit. Photographs provided.
b) Any mould in the Property was caused by the Applicants
c) Assaulted the 2nd Respondent on several occasions and made death threats to the 2nd Respondent. These allegations were unevidenced.

DELIBERATIONS

55. We considered the application in four stages –

i. whether we were satisfied beyond a reasonable doubt that either of the Respondents had committed an offence under section 95(1) of the Housing Act 2004;

ii. whether the Applicant was entitled to apply to the Tribunal for a Rent Repayment Order;

iii. whether we should exercise our discretion to make a Rent Repayment Order and, if so against whom; and

iv. determination of the amount of any Order.

<u>The offence</u>

56. S95(1) HA2004 provides 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 (see section 85(1)) but is not so licensed*".

57. S263 HA2004 defines a person "having control" and a "person managing":

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

58. In *Cabo v Dezotti*, [2022] UKUT 240 (LC), the Upper Tribunal clarified that "the person having control is the rent collector whether for themselves or on behalf of someone else". Ms Tang was the rent collector whether for herself or on behalf of Blackpool B&B Ltd and she gave oral evidence that she passed the rent onto Blackpool B&B Ltd. We determine as fact that both Ms Tang and Blackpool B&B Ltd were persons "having control" of the Property.

59. Blackpool B&B Ltd was the freeholder of the Property and the landlord under the tenancy agreement. Ms Tang's oral evidence was that Blackpool B&B Ltd received the rack rent through herself. Blackpool B&B Ltd was, in any event, entitled to receive the rack rent as freeholder and landlord. We, therefore, find as fact that Blackpool B&B Ltd was a person "managing" the Property.

60. S99 HA2004 defines a house as:

In this Part—

"dwelling" means a building or part of a building occupied or intended to be occupied as a separate dwelling;
"house" means a building or part of a building consisting of one or more dwellings;

61. Ms Tang accepted that the Applicant and his family occupied part of the building as a separate dwelling but refused to accept that the Property was 'a house' for the purposes of S99, relying exclusively on the mixed-use nature of the building and an entirely fabricated s99(3) which does not exist. We determine as fact that the Property was part of a building occupied by the Applicant and his family as a separate dwelling and that the Property was a house.

62. We had regard to the Blackpool BC's Selective Licensing Scheme (Applicant's Exhibits J & K), ("the Scheme"), which came into force on 26 March 2019 and ceased to have effect on 25 March 2024. The Scheme covers a number of streets, including Hornby Road. The Scheme required every privately rented property, occupied under a tenancy or a licence, that is not a licensable house in multiple occupation, to be licensed.

63. Blackpool BC confirmed by letter to the Applicant's Representative dated 10 January 2024 (Exhibit G) that the Property was not licensed, that no licence application had been received and that no exemption was in place.

64. We therefore find that the Property was unlicensed throughout the period of the tenancy.

65. Each of the above determinations were communicated orally to the parties at the hearing following the lunch recess.

Defence under section 95(4) of the 2004 Act

66. Section 95(4) of the 2004 Act provides a defence if the person in control of or managing the house had a reasonable excuse for the house being unlicenced. We had regard to the framework for considering a reasonable excuse defence set out in *Marigold v Wells [2023] UKUT 33 (LC)*.

67. It was unclear from Ms Tang's evidence whether she claimed to be ignorant of the Scheme, especially as she stated in her oral evidence (and confirmed within her written closing submissions) that she had been advised of the Scheme by Blackpool BC in respect of another property in Hornby Road owned by Blackpool B&B Ltd. In her written evidence, she relied on her belief that the Property was mixed-use and therefore did not require a licence. In her oral defence, she relied on receiving no follow-up correspondence from Blackpool BC to a phone call in which she described the layout of the building. We have no evidence as to which department of Blackpool BC she was talking during the phone call nor whether that department was concerned with the Scheme. Ms Tang gave no evidence that Blackpool BC provided any reassurance about the Scheme during that phone call (nor any evidence that the Scheme was even discussed). Ms Tang also, (eventually), admitted that she had not advised Blackpool BC during that phone call that part of the building was occupied as a dwelling. In any event, Blackpool BC is not required to notify landlords directly about the Scheme and Ms Tang (and Blackpool B&B Ltd) must have been aware of

the Scheme from the correspondence received in relation to a neighbouring property. A mixed-use property is not exempt from the Scheme.

68. We, therefore, find that neither Respondent has a reasonable excuse for the Property being unlicensed.

69. We find beyond a reasonable doubt, that between 8 November 2022 and 16 June 2023, both Respondents committed the offence of being a person having control of a house which was required to be licensed under Part 3 of the 2004 Act, but which was not so licensed and for which they did not have a reasonable excuse. In addition, we find beyond a reasonable doubt that, between 8 November 2022 and 16 June 2023, Blackpool B&B Ltd committed the offence of being a person managing a house which was required to be licensed under Part 3 of the 2004 Act, but which was not so licensed and for which it did not have a reasonable excuse.

Entitlement of the Applicant to apply for a Rent Repayment Order

70. We determine that the Applicant is entitled to apply for a Rent Repayment Order. In accordance with s41(2) HPA 2016, the offence related to housing that, at the time of the offence, was let to the Applicant, and the offence was committed in the period of 12 months ending with the day on which the application to the Tribunal was made. There was no dispute that the Applicant was a tenant of the Property from 8 November 2022 until 16 June 2023.

71. A rent repayment order under S40(2) HPA 2016 (2) 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) .....'

72. Blackpool B&B Ltd is the freeholder and landlord under the tenancy agreement. Ms Tang gave oral evidence that Blackpool B&B Ltd received the rack rent. We, therefore, determine as fact that Blackpool B&B Ltd is the landlord and as such, is the appropriate person against whom a RRO may be made.

73. It is agreed that all rent payments were made directly out of the bank account of Mr Lee's daughter, Tsz Tung Lee. The Respondents argue that Mr Lee was the only tenant and no RRO can be made as no rent has been paid by a tenant. We disagree. We agree with Mr Cairns (for the reasons he gave) that *Rakusen v Jepsen* is of no assistance to the Respondents. Mr Lee and his family, (including his daughter Tsz Tung Lee), occupied the Property as their family home, all rent was paid on behalf of the family in respect of the family occupation, in full compliance with clauses 6 & 15 of the tenancy agreement and was accepted by the Respondents. In our view, the primary purposes of the limitation under s40(2)(a) are two- fold:

a. where the tenancy is in the name of a number of joint tenants, a RRO in favour of any one of those joint tenants is limited to the amount of rent paid by that tenant and

b. to distinguish rent paid by a tenant from its own resources from any rent element of Universal Credit for which an order can be sought by the local authority under S40(2)(b) and to prevent double counting of that element.

74. We also disagree with Ms Tang's submission that as the Property had been sold before the Tribunal application was submitted and there was no longer a landlord-tenant relationship, that a RRO order cannot be made. That is not what the legislation says. Ms Tang bases this submission on a case which the preliminary hearing on 12 August 2025 determined did not exist and Ms Tang confirmed was created by AI.

75. We determine in this case that the rent has been paid by the tenant in accordance with the terms of the tenancy agreement.

Discretion to make a Rent Repayment Order

76. We are satisfied that there is no ground on which it could be argued that it is not appropriate to make a Rent Repayment Order in the circumstances of this case.

77. The Upper Tribunal determined in *Kaszowska v White [2022] UKUT 11 (LC)* that where the landlord is a company, a RRO cannot be made against a director of the company. Although we have determined that Ms Tang also committed an offence and Ms Tang was the only director of Blackpool B&B Ltd at the time it committed the offence, a RRO can only be made against the landlord company. We, therefore, consider it appropriate to make a RRO against Blackpool B&B Ltd as landlord and hereafter refer to Blackpool B&B Ltd as the Respondent.

Amount of Rent Repayment Order

78. In accordance with section 44 HPA 2016, the amount of an Order must relate to rent paid in a period, not exceeding 12 months during which the landlord was committing the offence under section 95 HA 2004. The amount that the landlord is required to pay in respect of a period must not exceed the rent paid in respect of that period.

79. In quantifying the Rent Repayment Order, we adopt the approach set out in paragraph 21 of *Acheampong v Roman and others [2022] UKUT 239 (LC*) as endorsed in paragraph 26 of *Dowd v Martins and others [2022] UKUT 249(LC)* namely:

i. ascertain the whole of the rent paid for the relevant period;

ii. subtract any element of that sum that represents payment for utilities that only benefited the tenant, for example, gas, electricity and internet access.

iii. consider how serious this offence was, 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 the 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.

iv. 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).

Rent for the relevant period

80. The relevant period during which the offence was committed was 8 November 2022 to 16 June 2023.

81. The Applicant provided evidence, (Exhibit D), that the total rent paid during the relevant period was £5,342.50. Ms Tang confirmed this sum during her oral evidence.

82. It is agreed that all sums paid for utilities etc were met directly by the tenant and the Respondent does not claim set-off of any such costs.

83. We, therefore, determine that the maximum amount of any RRO is £5,342.50

The seriousness of the offence

84. As confirmed in several Upper Tribunal decisions, s95(1) HA 2004 offences are generally considered to be less serious than other Rent Repayment Order offences as the punishment for failure to comply with s95(1) is a fine rather than imprisonment.

85. In considering where this particular case falls on the scale of s95(1) offences, we had regard to the Upper Tribunal decision of *Newell v Abbott*, which includes a summary of previous Upper Tribunal decisions. *Newell v Abbott* involved the same offence by a landlord of one property comprising two flats on the upper stories of a building with a restaurant on the ground floor. The property was generally of a good standard. He was an accidental landlord who had, inadvertently, not obtained a selective licence as required for a dwelling occupied by two or more people sharing facilities but living in separate households. The Upper Tribunal determined that 60% of the rent received was an appropriate order.

86. In this case, the Respondent could not be described as an accidental landlord nor was the Property generally in good condition. The Respondent owns several properties on Hornby Road described by Ms Tang as hotels and / or mixed use (including residential). The Respondent must have been aware of legislative requirements in respect of such properties and Ms Tang gave oral evidence that she had received correspondence from Blackpool BC about the selective licencing requirements, in respect of another property in Hornby Road.

87. We saw evidence of damp and mould growth within the Property at the time of inspection by Blackpool BC. We have not seen Blackpool BC's assessment nor hazard calculations. It is unclear if Blackpool BC commenced formal enforcement procedures or relied on an informal 'hazard awareness approach' but it is agreed that Blackpool BC required the Respondent to make appropriate repairs to reduce dampness and remediate mould. We agree with the submissions of the Applicant's representative that it was unreasonable that the Applicant was exposed to such health hazards for an additional period of 3-4 months it took the Respondent to complete the works.

88. Having regard to the above circumstances we consider this case to be more serious than *Newell v Abbott* and determine that an appropriate starting point is 65% of the total rent received during the relevant period.

Adjustments for section 44

89. Section 44(4) HPA 2016 Act states that in determining the amount of a Rent Repayment Order, we should take account of the following factors:

    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 that Chapter of the Act applies.

Conduct

90. As stated by Deputy Chamber President Martin Rodger QC in *Newell v Abbott [2024]* at paragraph 61-

> "*When Parliament enacted Part 2 of the 2016 Act, it cannot have intended tribunals to conduct an audit of the occasional defaults and inconsequential lapses which are typical of most landlord and tenant relationships. The purpose of rent repayment orders is to punish and deter criminal behaviour. They are a blunt instrument, not susceptible to fine tuning to take account of relatively trivial matters. Yet, increasingly, the evidence in rent repayment cases, (especially those prepared with professional or semi- professional assistance), has come to focus disproportionately on allegations of misconduct. Tribunals should not feel that they are required to treat every such allegation with equal seriousness, or to make findings of fact on them all. The focus should be on conduct with serious or potentially serious consequences, in keeping with the objectives of the legislation. Conduct which, even if proven, would not be sufficiently serious to move the dial one way or the other, can be dealt with summarily and disposed of in a sentence or two.*"

Breaches of tenancy terms

91. We prefer the Applicants' evidence to the Respondents' evidence on condition of the Property at exit. Photographs provided by both parties show, in our opinion, a period property in reasonable condition which would benefit from some refurbishment. We saw no evidence that the Property was not left in good condition at exit and saw no evidence that the Respondents needed to spend significant sums of money rectifying any faults

caused by poor tenant behaviour. We make no decision on whether or not the Respondent spent significant sums of money on the Property after it had been vacated but it would be entirely normal to refurbish / refresh any such period property prior to marketing it for sale (which the Respondent did).

92. Having had regard to the evidence of both parties, we prefer the evidence of the Applicants and find as fact that they were subject to unnecessary inconvenience of regular parcel deliveries, uninvited access into the Property by Ms Tang and others and frequent telephone contact from Ms Tang, all of which could potentially amount to breaches of their right to quiet enjoyment.
93. We also prefer the Applicants evidence on potential harassment and, in particular, have regard to the social media post which included screenshots of a video taken by Ms Tang. We find as fact that Ms Tang was either directly or indirectly responsible for the social media posts or enabled the posts to be made by a third party to whom she had supplied the video footage.

94. We detail throughout this decision how the conduct of Ms Tang was poor. She repeatedly sought to present unevidenced allegations of criminal behaviour against the Applicants.

95. Taking all of the above into consideration, along with all the other factors listed by Mr Cairns on behalf on the Applicants (excluding damp and mould which we have already dealt with), we consider that the starting point for a RRO should be increased to 70% to reflect the conduct of the Respondents. Ms Tang is the only director of Blackpool B&B Ltd and acted on behalf of Blackpool B&B Ltd throughout the tenancy and as its representative in respect of these proceedings and at the hearing. We therefore consider it unnecessary to apportion conduct issues between the Respondents and consider it appropriate for all conduct issues to be reflected in the level of RRO against Blackpool B&B Ltd.

Deposit

96. It is agreed that the Applicant paid a £1,500 deposit to the Respondent at the start of the tenancy. Ms Tang stated in oral evidence that the Respondent had retained the deposit, in full, to pay towards costs of remediating the Property at the termination of the Applicant's tenancy. She also stated that the deposit had been lodged in a recognised deposit protection scheme and that the scheme had not been requested to adjudicate on any dispute as to return / retention of the deposit. Miss Lee gave oral evidence that the Applicant had not agreed to the Respondent retaining the deposit and that she had been in contact with the approved deposit protection schemes who could find no trace of any deposit being lodged with them.

97. We make no determination as to whether the deposit has been protected or not: that is for others to decide. It is however, unclear to us how the Respondent could have obtained the deposit money from one of the approved schemes without the Applicant's consent or without an adjudication by the scheme. It is agreed that the Respondent has retained £1,500 deposit paid by the Applicant without his consent and without him having been given the opportunity to dispute the legitimacy of that retention with an approved scheme. That is a matter of conduct on behalf of the Respondent which we may have regard to in determining the level of the RRO. The Respondent's conduct has

directly caused £1,500 loss to the Applicant and, bearing in mind that the tenancy ended over 2 years ago, we consider it unlikely that the matter will be resolved through an adjudication by one of the approved deposit schemes. We, therefore, consider it appropriate to have regard to this matter as one of conduct and increase the level of RRO accordingly by £1,500.

Financial Circumstances

98. Ms Tang was less than forthcoming about the financial circumstances of Respondent(1). She did not provide any evidence to persuade us that any adjustment should be made and, as such, we do not consider that there needs to be any adjustment to the starting figure for reasons of finance.

Conviction

99. Respondent (1) has not been convicted of any housing related offences or received any financial penalties. There is no reason to adjust the proposed Rent Repayment Order figure.

CONCLUSION

100.	Total rent paid during relevant period:	£5,342.50
	RRO at 70%	£3,739.75
	Plus	£1,500
	RRO in the sum of	£5,239.75

REIMBURSEMENT OF FEES

101. The Applicants also seek the application fee of £110.00 (incorrectly stated as £103 in Mr Cairns' skeleton argument) under Rule 13(2) of the First-Tier Tribunal (Residential Property) Rules 2013, the hearing fee having been granted in any event by Regional Judge J Holbrook's 12 August 2025 Case Management Note.

102. As Applicant(1) has succeeded in his application, it is appropriate to order that Respondent (1) refund to him the Tribunal fees that he has paid, totalling £110.

APPENDIX 1: THE LAW

Housing Act 2004

79Licensing of houses to which this Part applies

(1)This Part provides for houses to be licensed by local housing authorities where—
(a)they are houses to which this Part applies (see subsection (2)), and
(b)they are required to be licensed under this Part (see section 85(1)).

(2)This Part applies to a house if—
(a)it is in an area that is for the time being designated under section 80 as subject to selective licensing, and
(b)the whole of it is occupied either—
(i)under a single tenancy or licence that is not an exempt tenancy or licence under subsection (3) or (4), or
(ii)under two or more tenancies or licences in respect of different dwellings contained in it, none of which is an exempt tenancy or licence under subsection (3) or (4).

(3)A tenancy or licence is an exempt tenancy or licence if—
(a)it is granted by a non-profit registered provider of social housing,
(b)it is granted by a profit-making registered provider of social housing in respect of social housing (within the meaning of Part 2 of the Housing and Regeneration Act 2008), or
(c)**]**it is granted by a body which is registered as a social landlord under Part 1 of the Housing Act 1996 (c. 52).

85Requirement for Part 3 houses to be licensed

(1)Every Part 3 house must be licensed under this Part unless—

(a)it is an HMO to which Part 2 applies (see section 55(2)), or
(b)a temporary exemption notice is in force in relation to it under section 86, or
(c)a management order is in force in relation to it under Chapter 1 or 2 of Part 4.

(2)A licence under this Part is a licence authorising occupation of the house concerned under one or more tenancies or licences within section 79(2)(b).

(3)Sections 87 to 90 deal with applications for licences, the granting or refusal of licences and the imposition of licence conditions.

(4)The local housing authority must take all reasonable steps to secure that applications for licences are made to them in respect of houses in their area which are required to be licensed under this Part but are not so licensed.

(5)In this Part, unless the context otherwise requires—

(a)references to a Part 3 house are to a house to which this Part applies (see section 79(2)),
(b)references to a licence are to a licence under this Part,
(c)references to a licence holder are to be read accordingly, and

(d)references to a house being (or not being) licensed under this Part are to its being (or not being) a house in respect of which a licence is in force under this Part.

95Offences in relation to licensing of houses under this Part

(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.

(2)A person commits an offence if—

(a)he is a licence holder or a person on whom restrictions or obligations under a are imposed in accordance with section 90(6), and
(b)he fails to comply with any condition of the licence.

(3)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 86(1), or
(b)an application for a licence had been duly made in respect of the house under section 87,

and that notification or application was still effective (see subsection (7)).

(4)In proceedings against a person for an offence under subsection (1) or (2) 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 failing to comply with the condition,

as the case may be.

99Meaning of "house" etc.

In this Part—

- "dwelling" means a building or part of a building occupied or intended to be occupied as a separate dwelling;

- "house" means a building or part of a building consisting of one or more dwellings;

and references to a house include (where the context permits) any yard, garden, outhouses and appurtenances belonging to, or usually enjoyed with, it (or any part of it).

Housing and Planning Act 2016

40Introduction and key definitions

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

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

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

(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.

(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

(4)For the purposes of subsection (3), an offence under section 30(1) or 32(1) of the Housing Act 2004 is committed in relation to housing in England let by a landlord only if the improvement notice or prohibition order mentioned in that section was given in respect of a hazard on the premises let by the landlord (as opposed, for example, to common parts).

41Application for rent repayment order

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

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

(a)the offence relates to housing that, at the time of the offence, was let to the tenant, and

(b)the offence was committed in the period of 12 months ending with the day on which the application is made.

(3)A local housing authority may apply for a rent repayment order only if—

(a)the offence relates to housing in the authority's area, and

(b)the authority has complied with section 42.

(4)In deciding whether to apply for a rent repayment order a local housing authority must have regard to any guidance given by the Secretary of State.

43Making of rent repayment order

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

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

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

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

(b)section 45 (where the application is made by a local housing authority);

(c)section 46 (in certain cases where the landlord has been convicted etc).

44Amount of order: tenants

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

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

If the order is made on the ground that the landlord has committed	***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.

APPENDIX 2 – Case management note and order dated 12 August 2025

First-tier Tribunal
(Property Chamber)
Residential Property

Tribunal Reference:	**MAN/00EY/HMG/2024/0011**
Premises:	**62 Hornby Road, Blackpool FY1 4QJ**
Applicants:	**Chi Keung Lee & others**
Respondent:	**Blackpool B&B Limited**
Judge:	**Regional Judge J Holbrook**

CASE MANAGEMENT NOTE

1. A preliminary hearing was held at the Tribunal's hearing centre in Manchester on 12 August 2025. It was attended only by the Respondent's director and representative, Wai Kuen Tang.

2. The hearing resulted from the case management note I issued on 3 July, in which I had explained that:

> "[Ms Tang had] submitted a document purporting to be a decision of the Upper Tribunal (Lands Chamber) in the case of *Khan v Mehmood* which, it was submitted, provided authority for the proposition that this Tribunal has no jurisdiction to make a rent repayment order in the circumstances of this case. In fact, no such decision or authority exists. The Upper Tribunal has not decided the point of law in question, whether in a case by that name or in any other case. I can only conclude that the 'decision' submitted to the Tribunal is a fabrication – whether or not it is the product of the injudicious use of artificial intelligence tools is unclear."

3. Having explained that this is a matter which the Tribunal takes extremely seriously, I had asked Ms Tang to attend to explain the relevant circumstances. She duly did so, having first written in to apologise and to provide some copy documentation evidencing her use of AI. Written representations were also received from the Applicants' representative.

4. Had this been a deliberate attempt to mislead the Tribunal, I would have made an order barring the Respondent from participating further in the proceedings. However, that is not the case: having inspected the documents provided, and having heard Ms Tang's

explanation, I am satisfied that she honestly believed that the "authority" she submitted in support of her case was a genuine decision of the Upper Tribunal. It appears that, having struggled to find advice or representation, Ms Tang relied exclusively on AI tools to produce advice and legal submissions. She asked the AI tool in question to confirm the reliability of its advice, and it erroneously assured her that the authority in question was an authentic decision of the Upper Tribunal.

5. Ms Tang seems to have previously been unaware of the dangers of over-reliance on AI-generated material; in particular, the tendency of AI to invent facts (though I have to say that this is my first experience of AI inventing an entire judgment). Ms Tang accepted that the extent of her reliance on AI had been unwise, and I recommended she takes further steps to obtain professional (human) advice.

6. I have therefore decided that the Respondent should be permitted to participate fully at the final hearing (which is **already listed for 10:00 on 26 August 2025**). In making that decision, I have also taken account of the representations made on behalf of the Applicants, including a generous representation urging me not to make a barring order against the Respondent in these circumstances.

7, Nevertheless, I also take account of the Applicants' comments about the additional time and resources they have incurred in dealing with a baseless strike out request, and in researching cases that do not exist. The fact that Ms Tang was not deliberately seeking to mislead either the Applicants or the Tribunal does not mean that she was therefore acting reasonably. Indeed, I consider it was unreasonable for her to put such unqualified faith in AI-generated material and thus to submit unreliable and potentially misleading AI-generated legal argument/authority to the Tribunal without any independent prior verification. I am satisfied that this is unreasonable conduct of a kind which justifies the making of a costs order, of at least a token amount, against the Respondent under rule 13(1)(b) of the Tribunal's procedural rules. I have decided that the amount of that costs order should be £227.00 (which means, in effect, that the Respondent will bear the final hearing fee in this case, rather than the Applicants). The Respondent must pay this amount in costs whether or not the application for a rent repayment order is successful, and in addition to any other sums the Tribunal may order be paid following the final hearing.

Signed: J W HOLBROOK
Date: 12 August 2025