FIRST-TIER TRIBUNAL
PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case reference	**:**	**LON/00BH/HNA/2025/0605**
Property	**:**	**69 Cary Road, London, E11 3LG**
Appellant	**:**	**Nafeesa Begum Limited**
Representative	**:**	**Ms F Entwistle (director)**
Respondent	**:**	**London Borough of Waltham Forest**
Representative	**:**	**Sharpe Pritchard LLP**
Type of application	**:**	**Appeal against a financial penalty - Section 249A & Schedule 13A to the Housing Act 2004**
Tribunal	**:**	**Judge Pittaway** **Mr S Mason BSc FRICS**
Date of hearing	**:**	**15 July 2025**
Date hearing reconvened	**:**	**20 November 2025**
Date of decision	**:**	**8 December 2025**

Decision

1. The Tribunal finds that the Appellant committed an offence under s72(1) of the Housing Act 2004 (the '**2004 Act**') of having control of or managing an HMO which is required to be licensed but which was not so licensed.

2. The Tribunal finds that the Appellant, having committed an offence under s72(1) of the 2004 Act did not have a reasonable excuse under s72(5) of the 2004 Act.

3. The Tribunal finds that the Notice of Intent dated 30 May 2023 and the Notice of Decision to impose a financial penalty dated 14 October 2024 to be lawful and valid.

4. The Tribunal finds that the appropriate financial penalty on the Appellant to be £13,600.

Application

5. By an application dated 12 November 2024 the appellant seeks to challenge the imposition by the London Borough of Waltham Forest ('**LBWF'**) of a financial penalty of £13,600 imposed in relation to its failure to have an HMO for 69 Cary Road London E11 3LG (the '**Property'**).

The hearings

6. This matter was initially heard on 15 July 2025 (the '**July Hearing**') as a video hearing, to accommodate the appellant and at her request. The Tribunal offered Ms Entwistle the opportunity of breaks during the hearing. It was not possible to hear all the evidence on that day so the Tribunal reconvened on 20 November 2025, again by video (the **'November Hearing'**).

7. At the July Hearing, but not at the November Hearing, the appellant was represented by Mr McDermott of counsel. The respondent was represented by Ms Osler of counsel at both hearings.

8. At both hearings the Tribunal had before it

    - a bundle of 515 pages from the appellant
    - A witness statement from Mr Elliot of 3 July 2025 and various other documents (8 pages)

- A skeleton argument from Mr McDermott (19 pages) and bundle of authorities (62 pages)
- a bundle of a bundle of 331 pages from the respondent.
- A witness statement from Ms Adepegba dated 2 July 2025 (23 pages)
- A skeleton argument from Ms Ostler (21 pages) and bundle of authorities (98 pages)

9. There was a late application before the initial hearing by the Appellant to submit a further witness statement (of 11 July 2025) to which Ms Osler on behalf of the Respondent objected. Having considered the submissions made to it the Tribunal determined that this witness statement would not be admitted.

10. At the initial hearing the Tribunal heard evidence from Ms Entwistle, Ms McGrath, a Team Manager within the Private Housing and Licensing Department of LBWF, Mr Asfani, a former tenant of the Property, and Mr Jaganbrun, formerly an Environmental Health Enforcement Officer at LBWF and who had been the case officer investigating the licensing status of the Property.

11. At the request of the Appellant the Tribunal heard evidence from Ms Entwistle first, as a 'reasonable adjustment' considering the mental problems from which Ms Entwistle says she suffers. Having heard the evidence of the Respondent's witnesses at the July Hearing Mr McDermott applied to recall Ms Entwistle, to which Ms Osler objected. The Tribunal directed the parties to make submissions as to the recall of Ms Entwistle in advance of the reconvened hearing. By an order of 13 November 2025 (the **'November Order**') the Tribunal refused to permit the recall of Ms Entwistle, as she had requested that she give evidence first and had the benefit of experienced counsel to advise her on the potential consequences of her request and to cross examine the respondent's witnesses on their evidence.

12. Ms Entwistle by an application of 1 August 2025 applied to have her oral evidence of 15 July 2025 disregarded and set aside on the grounds that she was medically unfit to give evidence on that date. The respondent made a response to this request on 13 August 2025. The November Order refused this application on the grounds that included

    - That the medical evidence Ms Entwistle relied on pre-dated the July Hearing (26 June 2025), but was not produced at it, and appeared to refer to a separate dispute.

- Ms Entwistle was represented by Counsel at the July hearing who could have applied for an adjournment if there had been relevant supporting medical evidence but had not done so

13. By an application dated 3 November 2025 Ms Entwistle repeated in substance her request for her evidence to be disregarded. This was refused in the November Order on the grounds that the supporting letter from her GP of 23 October 2025 was substantially in the same terms as the letter of 26 June 2025 and did not suggest that there had been any material change in Ms Entwistle's health since March 2025.

14. The November Order stated that the Tribunal would consider requests for reasonable adjustments to enable Ms Entwistle to participate fully. With Ms Ostler's agreement Ms Entwistle did not have her camera on at the November Hearing. During that hearing the Tribunal adjourned the hearing twice, once to allow Ms Entwistle to remind herself of the contents of Mr McDermott's skeleton argument and once to accommodate her request for a break. To facilitate Ms Entwistle's participation Ms Osler offered to make her closing submissions before Ms Entwistle made hers.

15. On 18 November 2025 the Tribunal refused Ms Entwistle's application for permission to appeal the November Order.

16. On 17 November 2025 Ms Entwistle requested an adjournment of the November Hearing, again on the grounds of her medical unfitness, and that Mr Ellisdon was a key witness and unable to attend the hearing because he would be in hospital. The respondent objected to the request on the basis that the GP letter relied on by Ms Entwistle did not appear to relate to this application but another 'case', and that as Ms Entwistle had already given her evidence to the Tribunal there was no need for her to attend the November Hearing. As to Mr Ellisdon, there was no independently verifiable evidence that he was scheduled to be in hospital.

17. On 19 November 2025 the Tribunal received a further request from Ms Entwistle to adjourn the November Hearing, accompanied by a letter from her psychiatrist, which appears to relate to a hearing unrelated to this appeal.

18. At the start of the November Hearing the Tribunal refused Ms Entwistle's requests for an adjournment. Nafeesa Begum Limited is the Appellant not Ms Entwistle, who was not obliged to participate in the November Hearing. The Tribunal had already heard Ms Entwistle's evidence and could rely on the submissions made and in Mr McDermott's skeleton argument, so there was no prejudice to the appellant.

19. At the November Hearing the Tribunal heard evidence from Ms Adepegba and submissions from Ms Osler and Ms Entwistle.

Background and agreed facts

20. The Property is described in the application as a two bedroom, two reception terraced house. In the respondent's statement of case it is described as a three bedroom two storey house, with a bathroom, kitchen and lounge.

21. The appellant is the owner and manager of the Property of the property. Ms Entwistle is a director of the appellant company.

22. On 1 April 2020 LBWF's additional licensing scheme came into force. Since then, where three or more people live in two or more households an additional HMO licence is required (unless a mandatory licence would be required)

23. On 1 May 2020 LNWF's selective licensing scheme came into force which applied to lettings that did not require a mandatory or additional HMO licence.

24. On 10 October 2021 the appellant applied for an additional HMO licence on the basis that the property was occupied by three unrelated persons forming 3 households. On 7 June 2022 the respondent sent the appellant Notice of Approval to grant an HMO Licence, which was for one year only as the Property was being used as an HMO without the necessary planning permission.

25. On 13 June 2022 the appellant advised the respondent that the Property was to be occupied by two persons only from 29 June 2022. On 5 August 2022 the respondent granted the appellant a five year selective licence. On 3 January 2023 the respondent gave the appellant notice of its intention to revoke the selective licence on the basis that the Property was being used as an HMO and required an additional HMO licence.

26. On 30 May 2023 the respondent served notice of intent to impose a financial penalty of £19,500 citing an offence, committed on 1 December 2022 of controlling or operating a property which required a 'mandatory [sic] licence' but which was not so licensed.

27. On 6 June 2023 the respondent revoked the selective licence, which decision was itself subsequently revoked, because by that date a selective licence was appropriate to the use of the Property.

28. On 27 June 2023 the appellant sent the respondent medical evidence regarding Ms Entwistle's health and representations against the Notice of Intention.

29. On 30 September 2024 Mr Fine, on behalf of the respondent, acknowledged Ms Entwistle's health as a mitigating factor, reducing the original fine to £15,000, which was increased to £17,000 to reflect the aggravating factor of Ms Entwistle's knowledge of the need for a licence. A further reduction of 20% was then applied, reducing the fine to £13,600, as the offence was rectified within a required timescale. The fine would have been further reduced by 20% if paid within 28 days of the final notice.

30. On 14 October 2024 the respondent served on the appellant a final notice of the imposition of a civil penalty of £13,600.

31. On 12 November 2024 the appellant appealed the imposition of this penalty.

Issues

32. The issues before the Tribunal were

- Did the appellant commit an offence?
- If the appellant committed an offence did it have a reasonable excuse?
- Were the Notice of Intent ('**NoI'**) and/or the Notice of Decision to impose a financial penalty **('NoD')** defective or unlawful?
- If an offence had been committed, without a reasonable excuse, and the notices valid, what was the appropriate penalty?

Reasons for the tribunal's decision

33. The Tribunal reached its decision after considering the witnesses' oral and written evidence, including documents referred to in that evidence, and taking into account its assessment of the evidence.

34. As appropriate this evidence is referred to below.

35. This decision does not refer to every matter raised by the parties, or every document the Tribunal reviewed or took into account in reaching its decision. However, this does not imply that any points raised or documents not specifically mentioned were disregarded. If a point or document was referred to in the evidence or submissions that was relevant to a specific issue, it was considered by the Tribunal.

36. The relevant law is set out in the Appendix to this decision.

Did the Appellant commit an offence?

37. The Tribunal finds on the evidence before it that on 1 December 2022 an offence was committed by the appellant. There were three persons living in the Property, Mr James, Mr Hayat and Mr Asfani.

38. The respondent's bundle contained an unsigned AST agreement dated 23 June 2022 between appellant and Mr Alex James for a term of 12 months from 29 June 2022, referred to by Mr James in his witness statement, an unsigned AST agreement dated 31 May 2022 between the appellant and Mr Malik Hayat for a term of 12 months from 29 June 2022 and an AST agreement dated 17 May 2022 between the appellant and Mr Faiz Asfani for a term of 12 months from 1 July 2022, signed by Mr Asfani.

39. The respondent's bundle also contained an AST Agreement dated 23 June 2022 made between the appellant and Mr Hayat and Mr Asfani for a term of 12 months from 29 June 2022. This appears to have been signed electronically by Ms Entwistle on 26 June 2022 and by Mr Hayat and Mr Asfani on 24 June 2022. Mr Asfani gave evidence denying that he had ever signed this agreement. Ms Entwistle gave evidence that she uses various tenancy agreements but could not explain why there appeared to be more than one for Mr Hayat and Mr Asfani.

40. The witness statement of Mr Asfani of 1 December 2022 states that he lived at the Property with 'Alex' and 'Malik' and had done so for about five months. Mr Hayat's undated witness statement states that he lived at the Property states with "Alex' and 'Faiz". Mr James' witness statement of 1 December 2022 states that he lived with 'Faiz' and 'Malik'.

41. There is a further witness statement from Mr Hayat dated 24 February 2025 in which he states that he lived at the Property between 31 May 2022 and 27 December 2024 with 'two other occupiers not related'.

42. There is a further witness statement from Mr James dated 4 March 2025 in which he states that he lived at the Property between 31 May 2022 and December 2022 'with two other occupiers not related'.

43. There was evidence given by Ms Entwistle in cross-examination as to when the three named tenants may have gone into occupation. The relevant date for the Tribunal's purposes is 1 December 2022, the date it is alleged the offence occurred. Mr Jagambrum gave evidence that when he visited the Property on 1 December 2022, the date of the offence, he found Mr James, Mr Hayat and Mr Asfani to be in occupation.

44. Ms Entwistle did not challenge the existence of the three original ASTs produced by LBWF nor that agreements had been entered into with all three named persons to live at the Property. Nor did she challenge Mr Jagambrun's evidence that the three tenants had been at the Property when he visited it on 1 December 2022.

45. Ms Entwistle gave evidence that she believed Mr Hayat and Mr Asfani to be cousins. The Tribunal heard conflicting evidence as to whether Faiz Asfani and Malik Hayat were held out to Ms Entwistle as being cousins. Mr Asfani gave evidence that he is not Mr Hayak's cousin.

46. S258(2) of the 2004 Act provides that persons are not to be regarded as forming a single household unless they are members of the same family. S258(3)(b) provides that a person is a member of the same family as another person if one is the relative of the other. S258(4)(b) defines a 'relative' as including cousins.

47. Even if Mr Hayat and Mr Asfani had been related, as submitted by Ms Entwistle, so as to be one household, the Property would still have required an additional HMO, as it was a building where three or more persons lived in two or more households. Ms Entwistle agreed this in a letter to Mr Jagambrun of 6 December 2022.

48. Under The Licensing and Management of Houses in Multiple Occupation and Other Houses (Miscellaneous Provisions) (England) Regulations a building which is occupied only by <u>two</u> persons who form two households is not an HMO for the purposes of additional licensing.

49. Even if the Appellant believed there to be only two households at the Property the fact that there were three persons in occupation meant that an additional HMO would be required.

50. The Tribunal was also presented with uncorroborated written evidence that two of the tenants at the property were letting out their rooms as holiday lets. Even if they had been this would not have altered the fact that there were three persons living at the Property.

Did the Appellant have a reasonable excuse for committing the offence?

51. Section 72 (5) of the 2004 Act provides that in proceedings against a person for an offence under Section 72(1) of the 2004 Act it is a defence that he had a reasonable excuse for having control of or managing the house in the circumstances mentioned in subsection (1).

52. The Tribunal has reviewed the evidence before it and the appellant's submissions as to whether it had a reasonable excuse, and finds that it did not have a reasonable excuse for not having an additional HMO licence.

53. In reaching its decision the Tribunal has had regard to paragraph 81 of the decision in *Perrin v HMRC* [2018] UKUT 156 (TCC) approved by Deputy Chamber President Martin Rodger KC in *Marigold and others v Wells* [2023] UKUT 33 (LC)

"81. When considering a "reasonable excuse" defence, therefore, in our view the FTT can usefully approach matters in the following way:

(1) First, establish what facts the taxpayer asserts give rise to a reasonable excuse (this may include the belief, acts or omissions of the taxpayer or any other person, the taxpayer's own experience or relevant attributes, the situation of the taxpayer at any relevant time and any other relevant external facts).

(2) Second, decide which of those facts are proven.

(3) Third, decide whether, viewed objectively, those proven facts do indeed amount to an objectively reasonable excuse for the default and the time when that objectively reasonable excuse ceased. In doing so, it should take into account the experience and other relevant attributes of the taxpayer and the situation in which the taxpayer found himself at the relevant time or times. It might assist the FTT, in this context, to ask itself the question "was what the

taxpayer did (or omitted to do or believed) objectively reasonable for this taxpayer in those circumstances?"

54. The Tribunal has also had regard to paragraph 47 of the decision in *AA v Rodriguez & ors*[2021] UKUT 0274 (LC)

'47. The view has generally been taken that it is the responsibility of someone who wishes to let their property to find out whether any relevant regulatory restrictions exist and that ignorance of the need for a licence will not normally provide a reasonable excuse (although it may be relevant to culpability and therefore to the amount of a financial penalty to be imposed under section 249A). But there is no hard and fast rule and, just as much as any other defence, a reasonable excuse defence based on ignorance of the need for licensing will always require a careful evaluation of all the relevant facts.'

55. Ms Entwistle gave evidence that the appellant company owns 5 properties, all of which are HMOs, except for the Property which is currently vacant. Ms Entwistle personally owns several HMOs, including two in LBWF.

56. The Tribunal finds that the appellant and Ms Entwistle should therefore have been aware of the need for the Property to have an additional HMO.

57. Mr McDermott referred the Tribunal to the decision in *D'Costs v Andrea* [2021] UKUT 144 (LC) as authority for the proposition that the defence of reasonable excuse may be established where it can be shown that a landlord had been told by a local authority that an HMO licence was not required and that they would inform her if that position changed.

58. The Tribunal heard evidence from Ms Entwistle that she had on numerous occasions told the respondent how many persons were in occupation of the Property, without LBWF indicating to her that an additional HMO licence was required. The Tribunal were referred to Ms Adepbegba purportedly confirming to Ms Entwistle, on an inspection on 7 July 2022, that if two of the three occupants were cousins only a selective licence is required. It was also referred to an internal LBWF e mail of 17 November 2022 which stated that an additional HMO licence would be required if there were three occupiers and three households, and an e mail from Mr Jagambrun of 17 November 2022, when LBWF knew there were three people in 3 households in occupation, which stated that the only action that was going to be taken was to log the information on the authority's database.

59. The Tribunal find nothing in the evidence before it that LBWF told Ms Entwistle that she did not require an additional HMO Licence when there were three persons in occupation of the Property. The e mail of 17 November makes it clear that the course of action then proposed was temporary and based on the section 8 notices that Ms Entwistle had sent Mr Jagambrun as evidence that she was seeking to rectify the position.

60. Mr McDermott submitted that Ms Entwistle's poor mental health in 2022, anxiety, depression and post-traumatic stress disorder, provided an excuse for the appellant's conduct.

61. The Tribunal heard evidence that Ms Entwistle had on various occasions provided LBWF with evidence as to her poor mental health in 2022 but that LBWF had appeared not to be able to open the medical records attached to Ms Entwistle's e mails. From Ms Entwistle's evidence it is clear that she was aware of when an additional HMO licence, or a selective licence might be required for a property, both before and on 1 December 2022. Her mental health does not appear to have affected this cognizance.

62. Ms Entwistle is not the owner of the property, the appellant is. That is a corporate body with another director, who could have acted for it but did not do so.

63. The Tribunal finds that the appellant did not have a reasonable excuse by reason of Ms Entwistle's poor mental health.

The validity/lawfulness of the Notice of Intent and Notice of Decision

64. Before imposing a financial penalty on a person s249A of the 2004 Act the local authority must give the person notice of the local authority's proposal to do so (a '**Notice of Intent**'). Paragraph 3 of Schedule 13A of the 2004 Act requires that the Notice of Intent must set out the amount of the proposed penalty, the reasons for proposing to impose the penalty and information about the right to make representations. If the authority decides to impose a financial penalty paragraph 6 of Schedule 13A requires it to give the person a final notice. Paragraph 8 of Schedule 13A states that the final notice must set out the amount of the financial penalty, the reasons for imposing the penalty, information about rights of appeal and the consequences of failing to comply with the notice.

65. On behalf of the appellant Mr McDermott submitted that the Notice of Intent was defective in that it gave as the reason for proposing to impose a penalty that the

appellant was operating a mandatory HMO without a licence. The Notice of Intent should state the offence that justifies the imposition of the financial penalty and it did not do so. He submitted that the Tribunal is not entitled to find an offence proven which is different from the offence described in the Notice of Intent, citing *Maharaj v Liverpool City Council* [2022] UKUT 140 (LC) (***'Maharaj'***).

66. In relation to both the Notice of Intent and the Notice of Demand Mr McDermott submitted that neither gave the particulars of the offence, they merely set out the provenance of the offence, namely s72(1) of the 2004 Act. He cited paragraph 17 of *Maharaj* as authority for the reasons needing to provide particulars of the offence. He submitted that no reasons were given here.

67. For the respondent Ms Osler submitted that paragraph 3(b) of Schedule 13A requires the notice to set out 'the reasons for proposing to impose a financial penalty'. In *Welwyn Hatfield BC v Wang* [2024] UKUT 24(LC) ('***Wang***') Elizabeth Cooke J confirmed that the crucial yardstick against which adequacy of reasons should be measured is whether the notice equips the recipient with sufficient information to enable them to respond to the allegations against them. There is no minimum standard that applies automatically. The contents of the notice depend upon all the circumstances of the case, including the knowledge and information available to the particular recipient, *Wang* applying *Mannai Investment Co Ltd v Eagle Star Life Assurance Co* [1997] AC 749 (***'Mannai'***).

68. Ms Osler submitted that in this case the Notice of Intent is entirely clear that a financial penalty had been imposed because the recipient had breached a licensing obligation in respect of the Property. She acknowledged that there was an incorrect reference to mandatory licensing provisions but that that error did not of itself invalidate the notice, citing *Mannai.* Ms Osler pointed to the fact that the second page of the notice referred to failure to license a property under the Council's additional licensing Scheme, the date upon which the failure occurred and the offence that was thereby committed. Ms Osler submitted that the appellant clearly knew of the allegation to which it was required to respond from the way in which it made representations in opposition to the Notice of Intent.

69. Ms Osler made the same submissions in relation to the Notice of Demand, which did not incorrectly refer to a mandatory HMO licence.

70. Ms Osler submitted that the appellant lost nothing by the inclusion of the word 'mandatory' in the Notice of Intent. It had submitted detailed representations in relation to the Notice of Intent, which representations succeeded in part as the penalty was reduced from £19,500 to £13,400.

71. The Tribunal finds the Notice of Intent and Notice of Demand to have set out the reasons for proposing to impose the penalty. The Tribunal finds that it is unfortunate that the error was made in the Notice of Intent in referring to 'Mandatory' rather than 'Additional' Licensing but it is satisfied that the Notice gave the recipient sufficient information to enable it to respond to the allegations against it. The notice made it clear that the offence was one under s72 of the 2004 Act. That the appellant had sufficient information to respond to the allegations against it is evidenced by it instructing counsel to make representations on its behalf and applying for an Additional HMO Licence in March 2023.

72. The length of time between the two notices may be regrettable but does not invalidate either.

The amount of the financial penalty

73. The appeal is by way of a re-hearing of the respondent's decision to impose the penalty and/or the amount of the penalty. The Tribunal may therefore have regard to facts that may not have been known to LBWF when it made its decision.

74. In ascertaining the level of penalty to be charged the Tribunal should have regard to LBWF's policy and whether it was followed by the Council. While not referred to in the hearing this approach is consistent with the Upper Tribunal decision in *Waltham Forest LBC v Marshall* [2020] 1 WLR 3187).

75. The Tribunal had a copy of the Council's Housing and Licensing Team Enforcement Policy dated 17 April 2023 in the respondent's bundle before it. This sets out that LBWF may impose a Civil Penalty, as an alternative to prosecution where a person commits the offence of failing to license Houses in Multiple Occupation.

76. The Policy provides, at paragraph 7.8, that the level of civil penalty will be calculated in accordance with the matrix and guidance set out in its Appendix 1. Appendix 1 sets out the following factors to be taken into account when setting the level of the penalty, being those set out in the statutory guidance under Schedule 9 of the 2016 Act. These are
    (a) Severity of the offence
    (b) Culpability and track record of offender
    (c) The harm caused to the tenant
    (d) Punishment of the offender
    (e) Deter the offender from repeating the offence

(f) Detering others from committing similar offences
(g) Remove any financial benefit the offender may have obtained as a result of committing the offence.

77. Appendix 1 sets out the four stage process to be adopted when determining the level of penalty. First the officers determine the band the offence initially falls in. Secondly, any aggravating or mitigating factors are considered, which may increase or decrease the penalty within the relevant band. Thirdly they consider whether there are any exceptional circumstances, considered on a case-by-case basis. Fourthly they consider whether any of the specified discounts apply. The policy provides for automatic 20% discounts where the offender complies with the identified breach within the representation period at the 'Notice of Intent' stage or where the offender pays the penalty within a specified time period, normally 28 days.

78. The Tribunal finds no reason to depart from the approach adopted by LBWF in fixing the amount of the penalty.

79. The Tribunal has taken into account that that proper enforcement of licensing requirements against all landlords, good and bad, is necessary to ensure the general effectiveness of licensing system and to deter evasion, and the seriousness of the offence.

80. In his letter of 30 September 2024 Mr Fine, on behalf of the Respondent, set out that the fine imposed is in line with the Council's enforcement policy for non-licensing of Properties requiring an Additional HMO licence, and how it had been calculated.

81. The letter set out that the Council had viewed the offence as a serious one because the appellant controlled/owned a significant property portfolio, being three or more HMOs and/or six or more dwellings, and/or has demonstrated experience in the letting/management of property (irrespective of the size of the portfolio). LBWF fixed the offence as falling within its Band 4 attracting a penalty of between £15,000 and £20,000 and fixed the penalty at £17,500. The basis upon which LBWF appears to have treated the matter as serious was the nature of the appellant's business which is stated at Companies House to be 'Other letting and operating of own or leased real estate.'

82. The Tribunal finds on the evidence before it that it is correct to treat the failure to obtain an Additional licence as serious. In addition to the stated purpose at Companies House of the appellant the Tribunal heard evidence that the appellant company owns 5 properties, all of which are HMOs, except for the property which is

currently vacant. The Tribunal have therefore adopted the same starting point for the penalty of £17,500.

83. LBWF treated Ms Entwistle's health as a mitigating factor and reduced the penalty of £17,500 to £15,000, the bottom of Band 4.

84. As stated in Mr Fine's letter the appellant should have had contingencies in place to manage properties on a day-to-day basis if an emergency arises, however the Tribunal is prepared to accept LBWF's reduction of the penalty to £15,000 on the grounds of Ms Entwistle's ill health.

85. LBWF's policy allows for the penalty to be increased by aggravating factors and in this case increased the penalty by £2,000 because the appellant knew of the licensing schemes. The Tribunal finds that this was appropriate.

86. LBWF then applied an automatic discount of 20%, reducing the fine to £13,600, as the offence was rectified within a required timescale.

87. The Tribunal finds that the appropriate financial penalty on the appellant to be £13,600.

Name: Judge Pittaway **Date:** 8 December 2025

Rights of appeal

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

If a party wishes to appeal this decision to the Upper Tribunal (Lands Chamber), then a written application for permission must be made to the First-tier Tribunal at the regional office which has been dealing with the case.

The application for permission to appeal must arrive at the regional office within 28 days after the tribunal sends written reasons for the decision to the person making the application.

If the application is not made within the 28-day time limit, such application must include a request for an extension of time and the reason for not

complying with the 28-day time limit; the tribunal will then look at such reason(s) and decide whether to allow the application for permission to appeal to proceed, despite not being within the time limit.

The application for permission to appeal must identify the decision of the tribunal to which it relates (i.e. give the date, the property and the case number), state the grounds of appeal and state the result the party making the application is seeking.

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

Appendix

Housing Act 2004

72Offences in relation to licensing of HMOs

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

(2)A person commits an offence if—

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

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

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

(3)A person commits an offence if—

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

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

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

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

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

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

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

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

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

(c)for failing to comply with the condition,

as the case may be.

(6)A person who commits an offence under subsection (1) or (2) is liable on summary conviction to **[**F1a fine**]** .

(7)A person who commits an offence under subsection (3) is liable on summary conviction to a fine not exceeding level 5 on the standard scale.

[F2(7A)See also section 249A (financial penalties as alternative to prosecution for certain housing offences in England).

(7B)If a local housing authority has imposed a financial penalty on a person under section 249A in respect of conduct amounting to an offence under this section the person may not be convicted of an offence under this section in respect of the conduct.**]**

254Meaning of "house in multiple occupation"

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(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.

S258 HMOs: persons not forming a single household

(1)This section sets out when persons are to be regarded as not forming a single household for the purposes of section 254.

(2)Persons are to be regarded as not forming a single household unless—

(a)they are all members of the same family, or

(b)their circumstances are circumstances of a description specified for the purposes of this section in regulations made by the appropriate national authority.

(3)For the purposes of subsection (2)(a) a person is a member of the same family as another person if—

(a)those persons are married to **[**F1, or civil partners of, each other or live together as if they were a married couple or civil partners**]**;

(b)one of them is a relative of the other; or

(c)one of them is, or is a relative of, one member of a couple and the other is a relative of the other member of the couple.

(4)For those purposes—

(a)a "couple" means two persons who F2... fall within subsection (3)(a);

(b)"relative" means parent, grandparent, child, grandchild, brother, sister, uncle, aunt, nephew, niece or cousin;

(c)a relationship of the half-blood shall be treated as a relationship of the whole blood; and

(d)the stepchild of a person shall be treated as his child.

(5)Regulations under subsection (2)(b) may, in particular, secure that a group of persons are to be regarded as forming a single household only where (as the regulations may require) each member of the group has a prescribed relationship, or at least one of a number of prescribed relationships, to any one or more of the others.

(6)In subsection (5) "prescribed relationship" means any relationship of a description specified in the regulations.

Section 249A

(1)The local housing authority may impose a financial penalty on a person if satisfied, beyond reasonable doubt, that the person's conduct amounts to a relevant housing offence in respect of premises in England.

(2)In this section "relevant housing offence" means an offence under—

(a)section 30 (failure to comply with improvement notice),

(b)section 72 (licensing of HMOs),

(c)section 95 (licensing of houses under Part 3),

(d)section 139(7) (failure to comply with overcrowding notice), or

(e)section 234 (management regulations in respect of HMOs).

Schedule 13A

Notice of intent

1Before imposing a financial penalty on a person under section 249A the local housing authority must give the person notice of the authority's proposal to do so (a “notice of intent”).

2(1)The notice of intent must be given before the end of the period of 6 months beginning with the first day on which the authority has sufficient evidence of the conduct to which the financial penalty relates.

(2)But if the person is continuing to engage in the conduct on that day, and the conduct continues beyond the end of that day, the notice of intent may be given—

(a)at any time when the conduct is continuing, or

(b)within the period of 6 months beginning with the last day on which the conduct occurs.

(3)For the purposes of this paragraph a person's conduct includes a failure to act.

3The notice of intent must set out—

(a)the amount of the proposed financial penalty,

(b)the reasons for proposing to impose the financial penalty, and

(c)information about the right to make representations under paragraph 4.

Right to make representations

4(1)A person who is given a notice of intent may make written representations to the local housing authority about the proposal to impose a financial penalty.

(2)Any representations must be made within the period of 28 days beginning with the day after that on which the notice was given (“the period for representations”).

Final notice

5After the end of the period for representations the local housing authority must—

(a)decide whether to impose a financial penalty on the person, and

(b)if it decides to impose a financial penalty, decide the amount of the penalty.

6If the authority decides to impose a financial penalty on the person, it must give the person a notice (a “final notice”) imposing that penalty.

7The final notice must require the penalty to be paid within the period of 28 days beginning with the day after that on which the notice was given.

8The final notice must set out—

(a)the amount of the financial penalty,

(b)the reasons for imposing the penalty,

(c)information about how to pay the penalty,

(d)the period for payment of the penalty,

(e)information about rights of appeal, and

(f)the consequences of failure to comply with the notice.

Withdrawal or amendment of notice

9(1)A local housing authority may at any time—

(a)withdraw a notice of intent or final notice, or

(b)reduce the amount specified in a notice of intent or final notice.

(2)The power in sub-paragraph (1) is to be exercised by giving notice in writing to the person to whom the notice was given.

Appeals

10(1)A person to whom a final notice is given may appeal to the First-tier Tribunal against—

(a)the decision to impose the penalty, or

(b)the amount of the penalty.

(2)If a person appeals under this paragraph, the final notice is suspended until the appeal is finally determined or withdrawn.

(3)An appeal under this paragraph—

(a)is to be a re-hearing of the local housing authority's decision, but

(b)may be determined having regard to matters of which the authority was unaware.

(4)On an appeal under this paragraph the First-tier Tribunal may confirm, vary or cancel the final notice.

(5)The final notice may not be varied under sub-paragraph (4) so as to make it impose a financial penalty of more than the local housing authority could have imposed.

Recovery of financial penalty

11(1)This paragraph applies if a person fails to pay the whole or any part of a financial penalty which, in accordance with this Schedule, the person is liable to pay.

(2)The local housing authority which imposed the financial penalty may recover the penalty or part on the order of the county court as if it were payable under an order of that court.

(3)In proceedings before the county court for the recovery of a financial penalty or part of a financial penalty, a certificate which is—

(a)signed by the chief finance officer of the local housing authority which imposed the penalty, and

(b)states that the amount due has not been received by a date specified in the certificate,

is conclusive evidence of that fact.

(4)A certificate to that effect and purporting to be so signed is to be treated as being so signed unless the contrary is proved.

(5)In this paragraph "chief finance officer" has the same meaning as in section 5 of the Local Government and Housing Act 1989.

Guidance

12A local housing authority must have regard to any guidance given by the Secretary of State about the exercise of its functions under this Schedule or section 249A.**]**