FIRST-TIER TRIBUNAL
PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference	**:**	**LON/00BG/HMF/2025/0644**
Property	**:**	**2 Printers Mews, London E3 5NZ**
Applicants	**:**	**Martin Galabov** **Sebastian Brennan**
Respondent	**:**	**Ahmed El Hamoudi**
Type of Application	**:**	**Application for a rent repayment order by tenant**
Tribunal	**:**	**Judge Nicol** **Mr J Stead**
Date and Venue of Hearing	**:**	**30th January 2026;** **10 Alfred Place, London WC1E 7LR**
Date of Decision	**:**	**2nd February 2026**

DECISION

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(1) The Respondent shall pay Rent Repayment Orders:

(a) To the First Applicant in the sum of £7,545.60; and

(b) To the Second Applicant in the sum of £7,065.60.

(2) The Respondent shall reimburse the Applicants their Tribunal fees of £330.

Relevant legislation is set out in the Appendix to this decision.

Reasons

1. The Applicants were tenants at 2 Printers Mews, London E3 5NZ:

   (a) The First Applicant from 23rd August 2022 to 5th October 2024; and
   (b) The Second Applicant from 12th February 2023 to 11th July 2024 (although he left the property in mid-June).

2. The Respondent was their landlord. He mostly lives abroad. The property was managed on the Respondent's behalf by Mr Sam Hasanagic, a resident of one of the rooms at the property.

3. The Applicants seek rent repayment orders ("RROs") against the Respondent in accordance with the Housing and Planning Act 2016 ("the 2016 Act").

4. The Tribunal issued directions on 25th February 2025 and amended them to extend time limits on 10th March and 6th August 2025. There was a face-to-face hearing of the application at the Tribunal on 30th January 2026, attended by the Applicants only.

5. The documents available to the Tribunal consisted of:

   - A bundle of 120 pages from the Applicants;
   - A witness statement from Ms Ifeoluwa Towolawi, Environmental Health Officer for London Borough of Tower Hamlets; and
   - The Respondent's Statement of Case, accompanied by a collection of screenshots of WhatsApp chats.

Respondent's non-attendance

6. The Respondent did not attend the hearing nor respond to a recent email from the Tribunal asking if he was coming. Reen Anderson solicitors were acting for him but came off the record in May 2025. He provided his documents by email dated 15th August 2025, following email exchanges with the Tribunal about this being late. Notification of the hearing was sent to the same email address.

7. Under rule 34 of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013, if a party fails to attend a hearing the Tribunal may proceed with the hearing if the Tribunal—

   (a) is satisfied that the party has been notified of the hearing or that reasonable steps have been taken to notify the party of the hearing; and
   (b) considers that it is in the interests of justice to proceed with the hearing.

8. The Tribunal is satisfied that reasonable steps have been taken to notify the Respondent of the hearing. There is no reason to think he would attend an adjourned hearing while an adjournment would involve a significant waste of time and resources for the Applicants and the Tribunal. Therefore, it is in the interests of justice to proceed with the hearing in the Respondent's absence.

The offences

9. The Tribunal may make a rent repayment order when the landlord has committed one or more of a number of offences listed in section 40(3) of the Housing and Planning Act 2016. The Applicants alleged that the Respondent was guilty of having control of or managing an HMO (House in Multiple Occupation) which is required to be licensed but is not so licensed, contrary to section 72(1) of the Housing Act 2004 ("the 2004 Act"). Their application also mentioned harassment contrary to section 1 of the Protection from Eviction Act 1977 but this was not pursued.

10. The Applicants' primary contention is that the property should be licensed under the statutory mandatory scheme which requires at least 5 occupants in at least two households. The property has 6 rooms, each with a numbered entrance door. The Respondent concedes that he let them all out, he says in ignorance of licensing requirements.

11. There are two defences under section 72 of the 2004 Act. Firstly, under sub-section (4)(b), it is a defence that an application had been duly made for a licence. The Respondent concedes that he did not make an application – his reaction to being told of the licensing requirements has been instead to reduce occupancy to three tenants with the intention to reduce it further to just two.

12. Secondly, under sub-section (5), it is a defence if the accused "had a reasonable excuse for having control of or managing the property" when it was unlicensed. The Respondent has provided no meaningful explanation. He concedes that he was aware of HMO licensing but thought it was only for instances of overcrowding or poor housing conditions. A landlord is expected to keep themselves abreast of regulatory and legal requirements and being vaguely ill-informed, even if well-intentioned, does not get anywhere near to a reasonable excuse.

13. Therefore, the Tribunal is satisfied so that it is sure that the Respondent committed the offence of managing and/or having control of the property when it was let as an HMO despite not being licensed. Neither of the statutory defences has been made out.

Rent Repayment Order

14. For the above reasons, the Tribunal is satisfied that it has the power under section 43(1) of the Housing and Planning Act 2016 to make Rent Repayment Orders on this application. The Tribunal has a discretion not to exercise that power. However, as confirmed in *LB Newham v Harris* [2017] UKUT 264 (LC), it will be a very rare case where the Tribunal does so. This is not one of those very rare cases. The Tribunal cannot see any grounds for exercising their discretion not to make a RRO.

15. The RRO provisions have been considered by the Upper Tribunal (Lands Chamber) in a number of cases and it is necessary to look at the guidance they gave there. In *Parker v Waller* [2012] UKUT 301 (LC), amongst other matters, it was held that an RRO is a penal sum, not compensation,

i.e. the purpose is to penalise the offender, not to compensate the victim. The law has changed since *Parker v Waller* and was considered in *Vadamalayan v Stewart* [2020] UKUT 0183 (LC) where Judge Cooke said:

> 53. The provisions of the 2016 Act are rather more hard-edged than those of the 2004 Act. There is no longer a requirement of reasonableness and therefore, I suggest, less scope for the balancing of factors that was envisaged in *Parker v Waller*. The landlord has to repay the rent, subject to considerations of conduct and his financial circumstances. …

16. The Respondent listed various financial commitments, such as insurance, mortgage, ground rent, maintenance, furniture replacement and decoration. These are precisely the items which the Upper Tribunal pointed out arise from a landlord's normal legal obligations and should not be taken into account when considering the amount of any RRO.

17. In *Williams v Parmar* [2021] UKUT 0244 (LC) Fancourt J held that there was no presumption in favour of awarding the maximum amount of an RRO and said in his judgment:

> 43. … "Rent Repayment Orders under the Housing and Planning Act 2016: Guidance for Local Authorities", which came into force on 6 April 2017 … is guidance as to whether a local housing authority should exercise its power to apply for an RRO, not guidance on the approach to the amount of RROs. Nevertheless, para 3.2 of that guidance identifies the factors that a local authority should take into account in deciding whether to seek an RRO as being the need to: punish offending landlords; deter the particular landlord from further offences; dissuade other landlords from breaching the law; and remove from landlords the financial benefit of offending.
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> 50. I reject the argument … that the right approach is for a tribunal simply to consider what amount is reasonable in any given case. A tribunal should address specifically what proportion of the maximum amount of rent paid in the relevant period, or reduction from that amount, or a combination of both, is appropriate in all the circumstances, bearing in mind the purpose of the legislative provisions. A tribunal must have particular regard to the conduct of both parties (which includes the seriousness of the offence committed), the financial circumstances of the landlord and whether the landlord has at any time been convicted of a relevant offence. The tribunal should also take into account any other factors that appear to be relevant.

18. In *Acheampong v Roman* [2022] UKUT 239 (LC) the Upper Tribunal sought to provide guidance on how to calculate the RRO:

> 20. The following approach will ensure consistency with the authorities:

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

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

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

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

19. The Applicants seek RROs for the full amount of rent they paid at the property:

(a) The First Applicant paid rent of £786 per month for the 12 months to 5th October 2024, for a total of £9,432.
(b) The Second Applicant paid rent of £736 per month for the 12 months to 11th July 2024 for a total of £8,832.

20. In relation to utilities, the Applicants accept that it was included within the rent but the Respondent has provided no evidence to indicate how much that was worth. With all due respect to the guidance in *Acheampong*, the Tribunal does not have the information it needs to make any kind of meaningful estimate of any relevant sum. Instead, the fact that utilities were included in the rent is taken into account in the assessment of the amount of the RRO below.

21. The next step is to consider the seriousness of the offence relative both to the other offences for which RROs may be made and to other cases where the same offence was committed. In *Daff v Gyalui* [2023] UKUT 134 (LC) the Tribunal sought to rank the housing offences listed in section 40(3) of the 2016 Act by the maximum sanctions for each and general assertions, without reference to any further criteria or any evidence, as to how serious each offence is. The conclusion was that licensing offences were generally lesser than the use of violence for securing entry or eviction or harassment, although circumstances may vary significantly in individual cases.

22. It is important to understand why a failure to licence is serious, even if it may be thought lower in a hierarchy of some criminal offences. In *Rogers v Islington* LBC (2000) 32 HLR 138 at 140, Nourse LJ quoted,

with approval, a passage from the Encyclopaedia of Housing Law and Practice:

> … Since the first controls were introduced it has been recognised that HMOs represent a particular housing problem, and the further powers included in this Part of the Act are a recognition that the problem still continues. It is currently estimated that there are about 638,000 HMOs in England and Wales. According to the English House Condition Survey in 1993, four out of ten HMOs were unfit for human habitation. A study for the Campaign for Bedsit Rights by G Randall estimated that the chances of being killed or injured by fire in an HMO are 28 times higher than for residents of other dwellings.

23. He then added some comment of his own:

> The high or very high risks from fire to occupants of HMOs is confirmed by the study entitled "Fire Risk in HMOs" … HMOs can also present a number of other risks to the health and safety of those who live in them, such as structural instability, disrepair, damp, inadequate heating, lighting or ventilation and unsatisfactory kitchen, washing and lavatory facilities. It is of the greatest importance to the good of the occupants that houses which ought to be treated as HMOs do not escape the statutory control.

24. The process of licensing effectively provides an audit of the safety and condition of the property and of the landlord's management arrangements, supported wherever and whenever possible by detailed inspections by council officers who are expert in such matters. Owners and occupiers are not normally expert and can't be expected to know how to identify or remedy relevant issues without expert help. It is not uncommon that landlords are surprised at how much a local authority requires them to do to bring a property up to the required standard and, in particular, object to matters being raised about which the occupiers have not complained.

25. If a landlord does not apply for a licence, the audit process never happens. As a result, the landlord can save significant sums of money by not incurring various costs which may cover, amongst other matters:

(a) Consultants – surveyor, architect, building control, planning

(b) Licensing fees

(c) Fire risk assessment

(d) Smoke or heat alarm installation

(e) Works for repair or modification

(f) Increased insurance premiums

(g) Increased lending costs

(h) Increased lettings and management costs.

26. The prospect of such savings is a powerful incentive not to get licensed. Not getting licensed means that important health and safety requirements may get missed, to the possible serious detriment of any occupiers. RROs must be set at a level which disincentivises the avoidance of licensing and disabuses landlords of the idea that it would save money.

27. Further, under section 44(4) of the 2016 Act, in determining the amount of the RRO the Tribunal must, in particular, take into account the conduct of the respective parties, the financial circumstances of the landlord, and whether the landlord has at any time been convicted of any of the relevant offences. The Respondent did not provide any information about his financial circumstances and there is no suggestion he has any previous convictions.

28. The Applicants' evidence included a witness statement from Ms Towolawi, an EHO with the local authority. She had inspected the property on 19th December 2024. She stated,

> … the property was occupied by five individuals from more than two households, and the property was unlicenced. I found the following hazards during the inspection:
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> - Lack of fire doors fitted with intumescent strips, smoke seals and self-closers
> - There were not smoke alarms in the bedrooms
> - Fire alarms and smoke alarms are not interlinked
> - All bedroom's internal doors are key operated, which is a fire safety concern.

29. The Applicants also complained about the following further matters:

(a) Gas and electricity safety certificates were not provided or displayed in the property, contrary to the relevant regulations.
(b) The tenants' deposits were not protected, contrary to section 213 of the Housing Act 2004.
(c) The tenancy agreements were expressed to be "sharers' agreements", possibly intended to deprive tenants of their rights.
(d) The Respondent's agent, Mr Hasanagic, appeared to have no professional qualifications or knowledge and engaged in inappropriate behaviour such as cutting off electricity and threatening to throw away tenants' belongings if he felt they were not keeping to the requisite standard of cleanliness in the common areas.
(e) Mr Hasanagic, on behalf of the Respondent, tried to increase the rent without going through any process of sufficient notice or under section 13 of the Housing Act 1988.

30. In *Newell v Abbott* [2024] UKUT 181 (LC) the Upper Tribunal reviewed the amount given in previous RROs and stated at paragraph 57:

> Factors which have tended to result in higher penalties include that the offence was committed deliberately, or by a commercial

landlord or an individual with a larger property portfolio, or where tenants have been exposed to poor or dangerous conditions which have been prolonged by the failure to licence. Factors tending to justify lower penalties include inadvertence on the part of a smaller landlord, property in good condition such that a licence would have been granted without additional work being required, and mitigating factors which go some way to explaining the offence, without excusing it, such as the failure of a letting agent to warn of the need for a licence, or personal incapacity due to poor health.

31. In the Respondent's favour, the fire safety issues aside, the property appeared to be in reasonable condition – the Applicants provided video evidence which showed this. However, while the Respondent asserted that he was a good and mindful landlord, he provided no evidence to support this. He claimed to have just been letting out rooms in his home but the property was clearly set up as a commercial HMO, with numbers on the bedroom doors and suitable communal facilities. At best, the Respondent has been careless about his obligations as a landlord. The fire safety breaches in particular are concerning – the fact that he got lucky and no fire incident occurred is not a point in his favour.

32. Taking into account all the circumstances, the Tribunal concluded that this was a serious default which warrants a proportionate sanction.

33. In the light of the above matters, the Tribunal has concluded that the RROs should be set at 80% of the maximum amounts:

(a) The First Applicant £9,432 x 80% = £7,545.60
(b) The Second Applicant £8,832 x 80% = £7,065.60

34. The Applicants also sought reimbursement of the Tribunal fees: a £110 application fee and a £220 hearing fee. The Applicants have been successful in their application and had to take proceedings to achieve this outcome. Therefore, it is appropriate that the Respondent reimburses the fees.

Name: Judge Nicol **Date:** 2nd February 2026

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 of relevant legislation

Housing Act 2004

Section 72 Offences 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 a 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.

(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.

(a) For the purposes of subsection (4) a notification or application is “effective” at a particular time if at that time it has not been withdrawn, and either–

(a) the authority have not decided whether to serve a temporary exemption notice, or (as the case may be) grant a licence, in pursuance of the notification or application, or

(b) if they have decided not to do so, one of the conditions set out in subsection (9) is met.

(b) The conditions are–

(a) that the period for appealing against the decision of the authority not to serve or grant such a notice or licence (or against any relevant decision of the appropriate tribunal) has not expired, or

(b) that an appeal has been brought against the authority's decision (or against any relevant decision of such a tribunal) and the appeal has not been determined or withdrawn.

(c) In subsection (9) "relevant decision" means a decision which is given on an appeal to the tribunal and confirms the authority's decision (with or without variation).

Housing and Planning Act 2016

Chapter 4 RENT REPAYMENT ORDERS

Section 40 Introduction 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).

Section 41 Application 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.

Section 43 Making 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).

Section 44 Amount 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.