



**FIRST-TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)**

Case reference : **MAN/00CG/HNA/2024/0624 0662
0666**

Property : **247 Pitsmoor Road, Sheffield S3 9AQ**

Applicant : **Mr. Navid Sabir**

Representative : **Mr Christopher Machin**

Respondent : **Sheffield City Council**

Representative : **Mr Michael Haywood**

Type of Application : **Appeal against financial penalties -
Section 249A & Schedule 13A to the
Housing Act 2004**

Tribunal : **Judge John Murray
Mr. Neil Swain**

Date of Order : **23 February 2026**

ORDER

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**This is a formal order of the Tribunal which must be complied with by
the parties.**

ORDER

The Tribunal reviewed the amounts of the six Financial Penalty Notices which are adjusted as follows:

- i. S72(1) Housing Act : £12,960
- ii. reg 3(b) Breach : £900
- iii. reg 4 Breach : £15000
- iv. reg 5 Breach : £2250
- v. reg 7 Breach : £7020
- vi. reg 8 Breach : £7020

BACKGROUND

2. The Tribunal received an appeal from the applicant against six financial penalties made under section 249A of the Housing Act 2004.
3. The Tribunal made directions on the 25 July 2025 and 13 November 2025.
4. The matter was listed for hearing at the Sheffield Magistrates Court on the 23 February 2026.

BACKGROUND

5. The Tribunal received an appeal from the Applicant against a total of six financial penalties imposed pursuant to s.72(1) of the Housing Act 2004, together with a range of breaches of the HMO Management Regulations, being offences as stated at s.234(3) of the Housing Act: 2004 and contrary to UK Statutory Instruments 2006 No. 372 – The Management of Houses in Multiple Occupation (England) Regulations 2006.
6. The Appeal form dated 14 April 2025 provided by the Applicant stated: “The HMO license was obtained for a part of the building, it was never operated or used as a House in Multiple Occupation. This part of the property has always been occupied as self-contained studio flats, each with its own kitchen and bathroom facilities. At no time were the units used for shared accommodation, and the premises have consistently been used for independent living. furthermore, the premises were leased out to Mohamed Usman Hussain during this period.” The Applicant went on to say Mohammed Hussain

should have the penalty as he (the Applicant) had no Authority or right to be making any decisions or take any action regarding it.

RELEVANT LEGISLATION

7. A Local Housing Authority has powers to impose financial penalties on persons where they are satisfied, beyond reasonable doubt, that a person's conduct amounts to a relevant housing offence. The powers are granted by s249 of the Housing Act 2004 as follows:

S249A Financial penalties for certain housing offences in England

(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).

(3)Only one financial penalty under this section may be imposed on a person in respect of the same conduct.

(4)The amount of a financial penalty imposed under this section is to be determined by the local housing authority, but must not be more than £30,000.

(5)The local housing authority may not impose a financial penalty in respect of any conduct amounting to a relevant housing offence if—

(a)the person has been convicted of the offence in respect of that conduct, or

(b)criminal proceedings for the offence have been instituted against the person in respect of the conduct and the proceedings have not been concluded.

(6)Schedule 13A deals with—

- (a)the procedure for imposing financial penalties,
- (b)appeals against financial penalties,
- (c)enforcement of financial penalties, and

(d) guidance in respect of financial penalties.

(7) The Secretary of State may by regulations make provision about how local housing authorities are to deal with financial penalties recovered.

(8) The Secretary of State may by regulations amend the amount specified in subsection (4) to reflect changes in the value of money.

(9) For the purposes of this section a person's conduct includes a failure to act;

Schedule 13A: Financial penalties under section 249A

Paragraph 10: 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.

THE HEARING

8. The hearing took place on the 23rd of February 2026 at 10am at Sheffield Magistrates Court.

9. The Applicant was represented by Counsel Mr Machin. The Applicant was accompanied to the hearing along with Mr Mazur Hussain, Mr. Usman Mohammed Ali Hussain, and Mr. Nader Al Nab who had all filed witness statements on behalf of the Applicant.

10. The Respondent was represented by Counsel Mr. Haywood . In attendance for the Respondent was Senior Private Housing Standards Officer Mr . Gary Sanders (who had filed a statement on behalf of the Applicant) and Principal Legal and Policy Officer Mr. Alun Whitaker.
11. At the outset of the hearing, Mr. Machin informed the Tribunal that his client intended to change his position that he was not in control or management of the Property, and he would not be calling any witness evidence to support that position.
12. The Applicant now accepted that he was in control of the Property , in so far as he had received rent from the occupants as evidenced by his own statement, as well as evidence filed by the Respondent, whereby rent payment had been paid into a Santander bank account evidenced by an Expedia report to be in the Respondent's name In addition to this, on the 14 May 2025, some six months prior to filing his witness statement in this matter, the Applicant had pleaded guilty in the Sheffield Magistrates Court to an offence of being in control or management of the Property as at 18 November 2024. In those circumstances, Counsel for the Applicant quite rightly advised the Tribunal that his client could not pursue an appeal on the basis that he was not in control of the Property.
13. Counsel in his submissions referred to the judgment in Tribunal case MAN/00CG/HNA/2024/0619, an appeal brought in relation to the same property regarding fines imposed against the Applicant's brother (and witness) Mr. Mazur Hussain. In that judgement it was held that Mr. Mazur Hussain met the definition of a person managing the Property under s263(3) of the Act.
14. Counsel for the Applicant suggested that his client was not the person who had been actively managing the properties, due to "problems" that he had had in the past which had resulted in both a custodial sentence, and a suspended prison sentence, and subsequently a finding of not being a fit and proper person to manage a House in Multiple Occupation, which led to him distancing himself from the running of Property, and there should not be a further fine against him as there had been a substantial fine imposed on his brother which would result in two fines for the same offences.
15. In relation to his admission and guilty plea in the Magistrates Court, Counsel said that his client had been unrepresented at that hearing and had elected to plead guilty faced with voluminous paperwork as his English was not good.
16. Counsel submitted that the various properties the Applicant owned were currently empty. He had limited money coming in, and had outgoings

including 6 dependent children, aged between five and twenty years of age, who were all still living at home. His eldest son was studying property management at university to help with the family business. The Applicant had inherited the properties from his father and felt a degree of shame attached to what's going on. He had no savings, and no car. Aside from the Property subject matter of this appeal, all of his properties had been withdrawn from being HMOs. The Respondent had several other cases against him pending and had submitted approximately 26 other appeals. He realised that things had gone badly wrong and had now appointed two managing agents.

17. Counsel said that his client suffered from stress anxiety and depression; he did not have the money to pay the fines. He would have no money to pay the mortgages over the properties he owned. The Applicant gave some oral evidence as to the mortgages he said existed on the properties he owned, as follows:

- a. 247 – 251 Pittsmoor Road: mortgage payments c £1300 pcm: £150,000 mortgage over a property valued at around £100,000.
- b. 249 Pittsmoor Road: mortgage payments c, £2,000 pcm £150,000 mortgage over a property valued at around £100,000
- c. 4 Club : mortgage payments £c500 pcm £100,000 mortgage over a property worth between £120,000 to £140,000
- d. 68 The Wicker : mortgage payments c£1500 pcm. The shop and flat above were worth around £200,000.

18. When asked by the Tribunal how he had been able to mortgage the properties for more than they were worth, the Applicant said that he had mortgaged them to buy his father's interest, and ten years ago they had been worth more. Their condition had deteriorated over time.

19. Mr. Haywood for the Respondent chose not to cross examine the Applicant in relation to this, his only submitted evidence.

20. Mr. Haywood in his submissions reminded the Tribunal that the previous judgement in case MAN/ooCG/HNA/2024/0619 was not admissible as evidence.

21. The Applicant's admission that he had pleaded guilty, and was no longer suggesting that he was in control of the property, but was relying on the earlier Tribunal's findings about his brother, was not accepted by the Respondent. There was no "mutual exclusivity", in terms of the management or control of the Property, and the concept of "double recovery" referred to by Mr. Machin would not apply to offences of this nature.

22. Mr. Haywood noted that it was unlikely that the Applicant would want his nephew Mr. Usman Mohammed Ali Hussain to be subject to cross examination; if he did, he would be liable to incriminate himself in relation either to his benefit's claims, or in relation to the statement submitted within these proceedings that he was managing a property and liable to pay £52,000 a year for a lease, and recovering rental payments to pay the outgoings, whilst claiming Universal credit.
23. The Applicant's own evidence was somewhat misleading in that he had pleaded guilty to being in control of the Property and subsequently submitted a statement to the Tribunal setting out a completely different story some seven months after his guilty plea.
24. It was conceptually wrong for him to suggest that there was less culpability for him than his brother.
25. In relation to his submissions of his inability to pay, Mr Haywood pointed out that none of this evidence was put before the Council previously. The Applicant was inviting the Tribunal to accept evidence that had not been put in writing about his inability to pay; there was no documentation to support his oral evidence.
26. Unlike the management position where he had changed his argument, the quantum of fines was always in issue, and the Applicant had produced a piecemeal description of mortgages he said that he had. He had apparently entered into a lease with his nephew for £52,000 per annum, and no evidence had been provided as to whether that money was received by him, or not. It was hard to understand that he was in financial difficulty. Given the number of properties owned by him, it was likely that he would be able to raise funds based on the equity he was likely to have in those properties.

DETERMINATION

27. The Applicant appealed the decision of the Respondent to impose fines upon the Second Applicant. The Tribunal can review the fines based upon a rehearing.
28. The Applicant through his Counsel having changed the basis of his appeal, it was no longer necessary for the Tribunal to determine that the Applicant was the person in control or management of the Property, within the meaning of sections 263 (1) – (3) of the Housing Act 2004 the Property at the relevant time. He admitted that he was.

29. The only issue for the Tribunal to determine was whether the Penalty Notices were set at the appropriate amount.
30. In his statement the Applicant had submitted that:
- a. He believed the penalties were excessive and disproportionate.
 - b. The Respondent failed to follow Guidance for Local Housing Authorities (Civil penalties under Housing and Planning Act 2016), which requires consideration of culpability, harm, financial benefit, among other factors.
 - c. He was not culpable for any of the breaches. He did not derive any financial benefit as he did not receive the rent or manage tenants during this period. (the Respondent produced evidence to the contrary).
 - d. The Respondent had considered previous alleged convictions/offences when determining penalty level; it was his view that penalties should be assessed independently without reference to unrelated history.
31. The Respondent's evidence set out in some detail in relation to each of the six determinations how they had assessed the level of penalty, by reference to their matrix of penalties, assessing culpability and harm, aggravating and mitigating circumstances, Punishment, Deterrence and Removing the Financial Benefit of Offending, evaluation of reasonableness, and totality.
32. There clearly is a need to punish an offender in these circumstances, as well as to deter the offender, and others, from committing similar offences. The Tribunal agreed that the penalty notices
33. The Tribunal considered the determinations for the six notices and found that the methodology applied by the Respondent was in accordance with their policy and government guidance. The Tribunal agreed with the assessments of culpability in all cases assessed by the Respondent but did reconsider and revise the harm assessment as below.
34. The Notices of Intention in relation to offences under ss. 72 and 234 of the 2004 Act were issued on 3 April 2024. After considering representations, Final Notices were issued on 17 October 2025
35. The Final Notices under appeal are as follows:
- a. Section 72 – operating an HMO without a license: £13,950

- b. Section 234 for breach of Regulation 3 of The Management of Houses in Multiple Occupation (England) Regulations 2006 (the 2006 Regulations) - failure to provide information to the occupants: £1,740
- c. Section 234 for breach of Regulation 4 – failure to take safety measures: £16,875
- d. Section 234 for breach of Regulation 5 – failure to maintain water supply and drainage: £3,670
- e. Section 234 for breach of Regulation 7 – failure to maintain the common parts, fixtures fittings and appliances: £12,600
- f. Section 234 for breach of Regulation 8 -failure to maintain the living accommodation: £9,780

36. The total of the six financial penalties imposed by the Respondent was £58,615.

37. The Tribunal reviews the financial penalties as follows:

- a. **Section 72 – operating an HMO without a license:** Original penalty £13,950. The Tribunal assessed harm as medium high, on the basis that the lack of building regulations, the standard of building and workmanship on the blocks had the potential to be seriously harmful to residents. The starting point on the matrix was therefore £20,000. Adjusting by 10%, increased this figure to £22,000. The Tribunal considered that the appointment of the Applicant's brother was not necessarily an aggravating factor, so that adjustment was removed. The Tribunal added on 10% to take into account the vulnerable residents resulting in a figure of £24,000. The Tribunal found no mitigation. £3,000 was added on to take into account the amount of rent received for the four years that the property was unlicensed (almost £200,000) producing a figure of £27,000. This figure was then adjusted for overall reasonableness by 20%, so that the final penalty was determined at **£21,600**.
- b. **Section 234 for breach of Regulation 3 of The Management of Houses in Multiple Occupation (England) Regulations 2006** (the 2006 Regulations) - failure to provide information to the occupants: original penalty £1,740. The Tribunal disagreed with the items the Respondent raised as aggravating factors. The Tribunal considered that

the starting figure of £7500 should be reduced on n reasonableness by 80% producing a final figure of **£1500**.

- c.** Section 234 for breach of Regulation 4 – failure to take safety measures: original penalty £16,875. The Tribunal agreed that Culpability was high, and Harm medium/high in relation to this offence so the starting figure for assessment was £20,000. The Tribunal again disagreed with the aggravating factors, but increased the base figure by 25% for punishment and deterrent bringing the figure to £25,000. Having removed the aggravating factors, we saw no reason to reduce the amount further, so set the penalty at **£25,0000**.
- d. Section 234 for breach of Regulation 5** – failure to maintain water supply and drainage: original penalty £3,670. The Tribunal agreed with the Respondent’s assessment of high culpability/low harm, producing a starting figure of £7500. We did not consider it necessary to add either aggravating factors or a deterrent to this penalty. In terms of reasonableness , we determined to reduce the amount by 50% to **£3750**
- e. Section 234 for breach of Regulation 7** – failure to maintain the common parts, fixtures fittings and appliances: original penalty £12,600 . The Respondent considered this matter to be high culpability, medium risk. The Tribunal determined that risk was medium/low, being less serious than overall fire safety issues. The starting figure as a consequence was £11250. The Tribunal did not agree with the Respondent’s aggravating factor numbered (i) but did agree to add 10% for aggravating factor (ii) in that falls are more likely. This produced a figure of £12375. 20% was added to this for deterrent factor given value of works, adding on £2250 bringing the total amount to £14,625. This figure was then adjusted for reasonableness by 20% producing a final penalty figure of **£11700**.
- f.** Section 234 for breach of Regulation 8 -failure to maintain the living accommodation: original penalty £9,780. The Tribunal agreed with the Respondent's determination of high Culpability and medium/low harm, producing a starting figure of £11250. In terms of aggravating factors, the Tribunal added 10% for (ii) agreeing that the total of 15 breaches of Regulation 8 to was indicative of a persistent, systemic absence of a regimen of effective management measures of the block that affected most of the occupants, increasing the Penalty by £1125 to £12375. The Tribunal added on a deterrent amount of 20% increasing the sum to £14625, before adjusting for reasonableness by 20%, resulting in a final penalty amount of **£11700**.

38. The penalties totalled **£75,250**. The Tribunal carried out a final exercise to moderate the total amount (totality) by 40% taking into account:

- a. the Applicant was the Freehold owner but not involved in the day to day management of the premises (the person in control having been separately fined)
- b. The Applicant has been prosecuted and fined in the Magistrates Court

resulting in a total figure of **£45,150**.

39. Each Penalty is therefore determined in the following amounts:

- i. S72(1) Housing Act £21,600 reduced by 40% : £12,960
- ii. reg 3(b) Breach £1,500 reduced by 40% : £900
- iii. reg 4 Breach £25,000 reduced by 40% : £15,000
- iv. reg 5 Breach £3,750 reduced by 40% : £2,250
- v. reg 7 Breach £11,700 reduced by 40% : £7,020
- vi. reg 8 Breach £11,700 reduced by 40% : £7,020

Tribunal Judge John Murray
23 February 2026