



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

**Case reference** : **MAN/00CG/HNA/2024/0619**

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

**First Applicant** : **Sevenstonesproperty Ltd**  
**Second Applicant** : **Mr. Mazur Hussain**

**Representative** : **Mr. Michael James**

**Respondent** : **Sheffield City Council**

**Representative** : **Ms. Anjum Saad - Legal Services**

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

**Tribunal** : **Judge John Murray Llb**  
**Mr. Aaron Davis MRICS**

**Date of Order** : **3 March 2026**

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**ORDER RELATING TO COSTS APPLICATION UNDER RULE 13**

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**ORDER**

1. The Tribunal orders Mr. Mazur Hussain to pay 50% of the costs of the hearing on 29 September 2025 assessed in the sum of £1417.60 being 50% of the itemised costs of £3,835.20.
2. No further order for costs is made on the Respondent's application.

## BACKGROUND

3. On the 11<sup>th</sup> December 2025 the Tribunal determined an appeal from the Applicant in relation to six Financial Penalty notices to breaches of the Housing Act 2004.
4. As part of the Order, the following order was made.

The Tribunal determined that the Second Applicant met the definition of s.263(3) of being a person managing Property, and that he committed the offences attracting the financial penalties.

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

i.	S72(1) Housing Act £16,666.50
ii.	reg 3(b) Breach £1856.25
iii.	reg 4 Breach £19,125
iv.	reg 5 Breach £6243.75
v.	reg 7 Breach £13,921.87
vi.	reg 8 Breach £11,137.50

6. Totalling £68,950.87
7. This total was actually higher than the original total of penalties imposed by the Respondent of £67,115
8. A further order was made that the Second Applicant should pay 50% of the Respondent's costs of the wasted hearing of the 29<sup>th</sup> September 2025, costs to be assessed by the Tribunal if not agreed. The Order was made pursuant to Rule 13(1)(a) of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013 as the Applicant was adjudged of having acted unreasonably in conducting the proceedings
9. The Applicant was invited to address the Tribunal in writing as to the application of Rule 13 and whether a costs order should be made against the

Second Applicant for the costs of the entire proceedings, such representations to be filed (along with details of the costs sought for the hearing of the 29<sup>th</sup> September 2025 by the Respondent) and served within 28 days of the date of this order.

10. The Second Applicant was invited to file and serve a response to any such application and the costs schedule within 14 days of receipt of the same from the Respondent.
11. The parties filed their submissions, and the Tribunal reconvened to consider the application on the papers.

### **SUBMISSIONS FOR THE RESPONDENT**

12. The Respondent made the following submissions on the 13 February 2026 in relation to the Applicants' Conduct
13. Fundamentally, the Applicants have:
  - i) failed to include any grounds of appeal in its application for appeal in 2024 and reluctance to explain these thereafter,
  - ii) failed to engage in the appeal procedure including a failure to comply with directions or provide documentation in support of the appeal,
  - iii) failed to explain what their grounds of appeal were for the duration of the proceedings until ordered to do so by the Tribunal following the hearing on 29 September 2025,
  - iv) failed to acknowledge receipt of documentation or emails when served despite the contact details being the same as those provided on its appeal application and application for an adjournment,
  - v) failed to arrange and put on a camera for the hearing on 29 September 2025 despite advance notice that the hearing was by video link, and
  - vi) provided evasive, mendacious and inconsistent submissions when questioned by the Tribunal at the hearing on 29 September 2025.
14. The unreasonable conduct of the Applicants throughout the proceedings may be gleaned from the Tribunal file. Whilst the Tribunal Panel may recall the responses provided by Mr Mazhar Hussain at the hearing on 29 September

2025, given the seriousness of Mr Hussain's conduct the Respondent has obtained a transcript of the hearing from one of the Tribunal's approved third party providers as independent evidence that the Applicants have provided untrue information.

15. Documents in support of the Respondent's submissions

16. We attach a copy of the following in support of the Respondent's application:

1. The Tribunal order dated 29 September and Decision dated 11 December 2025 (received 16 December 2025).

2. The Respondent's costs statement (completed N260 form) in respect of costs incurred as a consequence of the hearing adjourned on 29 September 2025 at the Applicant's request, dated 20 October 2025 and totalling a sum of **£3,835.20**.

3. The Respondent costs statement (completed N260 form) for costs excluding the costs included in the above costs statement, dated 13 January 2026 and totalling the sum of **£9,738.20**. Accompanying this statement is the invoice for the transcript (Acolad) dated 31 December 2025.

4. A copy of the transcript of the hearing on 29 September 2025 (with highlighted section by the Respondent) as evidence of Mr Mazhar's submissions that he had instructed solicitors prior to the hearing on 29 September 2025 (an example is page 18, lines 21 ad 22).

5. A copy of the email dated 11 November 2025 from Abbey Scott solicitors, acting for the Applicants, confirming that it was not instructed until 30 September 2025, namely not prior to the hearing on 29 September 2025 which is contrary to the submissions of Mr Hussain at the hearing on 29 September 2025 when seeking an adjournment (please see transcript).

6. The Respondent's application dated 27 October 2025 seeking evidence that Mr Hussain had instructed solicitors prior to the hearing on 29 September as per his submission in support of seeking an adjournment.

#### Respondent's Costs Submissions

17. Pursuant to the Decision dated 11 December 2025 of Judge Murray and Mr Davis, the Respondent sets out submissions regarding its costs.

18. It is noted that the Tribunal has ordered the Respondent is entitled to recover 50% of its costs in preparation and attendance of the hearing on 29 September

2025. The costs assessment form dated 20 October 2025 and totalling a sum of £3,835.20 is attached.

19. In addition, the Respondent seeks recovery of the remainder of its costs from the first and second Applicant (joint and severally), due to the unreasonable conduct of the Applicants in this matter throughout the proceedings. The costs assessment dated 13 January 2026, whilst it does not include the full time incurred by the Respondent in responding to the appeal, it demonstrates that a significant amount of time has been incurred. The Respondent is a custodian of the public purse and seeks to recoup those funds resulting from the unsuccessful appeal and unreasonable conduct of the Applicants.
20. It is the specific conduct of the Applicants in this matter that has caused increased costs to be incurred. The Applicants did not respond substantively to the Respondent's correspondence. The Applicants' responses were scant (usually one brief sentence), indicating a lack of interest in pursuing the appeal. The Respondent had sought to strike out the Applicants' appeal due to its failure to comply with directions, orders and lack of engagement in the Tribunal process. Notwithstanding this and the Applicants' clear lack of preparation, the Applicants' submissions at the hearing on 29 September for an adjournment were permitted based on Mr Hussain's submissions that he had already instructed solicitors and that his representative was reading the Respondent's bundle.
21. The unreasonable conduct of the Applicants before the Tribunal Panel and Respondent (with solicitor and witnesses in attendance) at the hearing on 29 September 2025 can be gleaned from the transcript attached. Mr Hussain provides inconsistent and evasive responses to a number of questions raised by the Tribunal Judge Murray and Tribunal Member Mr Davis. These included but were not limited to: Mr Hussain failing to state when he was involved with the management of the property at 247 Pitsmoor Road (a fundamental question given Mr Hussain was simultaneously asserting he had no involvement with the property but also made the application for a HMO for the same property), when the Applicants had received the Respondent's bundle, why the Applicants had waited until two working days prior to the hearing to instruct solicitors and seek an adjournment, why Mr Hussain had provided an email and postal address in his application forms that were inappropriate for service of documentation in proceedings, what other matters involving Mr Hussain are live cases at the Tribunal, Mr Hussain's awareness of the Tribunal process given he had been involved in other cases, Mr Hussain's understanding of the importance of preparation for the Tribunal hearing given the Applicants are purportedly a property management company.

22. The Applicants' lack of preparation was evident from the hearing on 29 September. This was the result of his unreasonable conduct throughout the proceedings as he had not engaged or made any attempt to express the grounds of his appeal to the Respondent and the Tribunal. The unreasonable conduct of the Applicants is ostensibly a culmination of evasive, non-compliant conduct. It is the Respondent's position that as there had been no grounds of appeal in this matter from the outset, the appeal should have been struck out when these were not forthcoming from the Applicants or, latest, when the Respondent's made its application for strike out. This would have avoided the parties and the Tribunal incurring any resources or time in this matter.
23. Most disconcertingly, Mr Hussain stated to the Tribunal Panel that he had instructed solicitors and that the firm was in the process of reading the papers regarding this matter. Whilst Mr Hussain was pressed further by the Panel regarding why his solicitors had not attended the hearing or provided any correspondence to the Tribunal confirming their involvement or why he was not able to provide any correspondence evidencing that he had been liaising with this solicitors, Mr Hussain's responses led to the hearing being adjourned. However, upon receipt of the email from solicitors acting for the Applicants, it is evident that instructions were provided, after the hearing, on 30 September 2025. It is unacceptable and unjust for a party to consider it appropriate to provide false information to the Tribunal in order to succeed in an application which is the result of its failure to engage with the proceedings without good reason.
24. For the reasons provided above, the Respondent seeks its full costs outside the hearing dated 29 September 2025 for the sum of £9,738.20, in addition to the 50% ordered in respect of preparation for the hearing on 29 September (50% equates to £1,917.60). The total costs sought by the Respondent therefore is £11,655.80.

### **SUBMISSIONS FOR THE APPLICANTS**

25. The Applicant's solicitors made the following submissions by email on the 9 February 2026.
26. The Applicant opposes the Respondent's application for costs beyond those already ordered by the Tribunal, namely 50% of the wasted costs of the adjourned hearing on 29 September 2025.

27. The Respondent's application seeks, in substance, to re-litigate matters already considered by the Tribunal and to impose a punitive costs order that is neither justified by the Applicant's conduct nor proportionate under Rule 13 of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013 ("the Rules").

### **Applicable Legal Principles**

28. The Tribunal's power to award costs under Rule 13 is exceptional, not compensatory by default.

29. The Respondent must establish that the Applicant has acted unreasonably in bringing, defending or conducting proceedings, and that such conduct caused the costs now claimed.

30. The Tribunal has already considered the Applicant's conduct in detail and exercised its discretion by:

- a. declining to strike out the appeal; and
- b. limiting the costs sanction to 50% of the wasted costs of the adjourned hearing.

31. The Respondent's current application goes far beyond that finding and seeks to impose costs for the entirety of the proceedings, notwithstanding the Tribunal's clear and reasoned approach in its Decision dated 11 December 2025.

### **The Applicant's Status as a Litigant in Person**

It is not disputed that the Applicant was a litigant in person until 30 September 2025, when Abbey Scott Solicitors were formally instructed.

This is a critical point and provides the proper context for:

- i. defects in the appeal notice;
- ii. procedural non-compliance; and
- iii. the manner in which submissions were articulated prior to representation.

32. The Tribunal expressly recognised this context when determining that the appeal should not be struck out and should instead be adjourned in the interests of fairness.

33. The Respondent's submissions repeatedly characterise the Applicant's conduct as "evasive", "mendacious" and "unreasonable" without

acknowledging the well-established principle that procedural imperfections by litigants in person do not of themselves amount to unreasonable conduct.

### **Grounds of Appeal – Respondent’s Knowledge**

34. The Respondent asserts that the Applicant failed or refused to explain his grounds of appeal. This is denied.
35. Throughout the proceedings, the Applicant consistently maintained that:
  - a. he was not the person in control of the Property at the relevant time; and
  - b. responsibility for the HMO pre-dated his involvement and the grant of the licence.
36. Even if those grounds were imperfectly articulated in the appeal form, the Respondent was well aware of the Applicant’s position. It is therefore unsustainable for the Respondent to suggest it was prejudiced or ambushed by the Applicant’s case.
37. The Respondent cannot simultaneously assert that:
  - a. no grounds were advanced; and
  - b. it incurred extensive costs responding to the Applicant’s alleged position.

### **Alleged Failure to Engage and Service of Documents**

38. The Respondent alleges that the Applicant failed to acknowledge receipt of correspondence and documentation. This is denied.
39. The Respondent proceeds on the assumption that service equates to receipt. That assumption is unsafe.
40. The Applicant has consistently maintained that:
  - a. he did not receive certain correspondence and documentation; and
  - b. issues arose with access to post at the registered office and electronic communication.
41. The Respondent does not explain what, if any, steps were taken to:
  - a. confirm receipt;
  - b. follow up non-responses; or

- c. verify that communications had been successfully delivered.
42. In circumstances where service was disputed, it is inappropriate to characterise the Applicant's position as unreasonable without further inquiry.

### **Video Hearing and Technical Issues**

43. The Respondent asserts that the Applicant failed to appear on camera at the hearing on 29 September 2025.
44. This is misleading. The Applicant experienced technical difficulties, an issue not uncommon in remote hearings.
45. Notably, at the time the hearing commenced:
- a. the Tribunal itself had not received the Respondent's bundle; and
  - b. the hearing did not proceed substantively and was adjourned.
46. The suggestion that technical issues alone amount to unreasonable conduct is untenable.

### **Transcript of the Adjourned Hearing**

47. The Respondent places significant reliance on a transcript of the hearing on 29 September 2025.
48. The Applicant objects to this for the following reasons:
- i. The transcript has been unilaterally obtained by the Respondent.
  - ii. It was not relied upon at the hearing at which costs were considered.
  - iii. The hearing was procedural only and was adjourned; it was not determinative of the appeal.
49. The Tribunal has already assessed the Applicant's conduct at that hearing and made a calibrated costs order. It is inappropriate for the Respondent to seek to expand that sanction by selective reliance on a transcript after the event.
50. In any event, the Applicant denies that his submissions were evasive or inconsistent. Context, stress and lack of representation must be taken into account.

### **Costs Claimed – Proportionality and Recoverability**

51. Without prejudice to the above, the Applicant challenges the quantum and recoverability of the costs claimed.

### **Internal Communications**

52. The Respondent claims 6.3 hours for internal letters and telephone calls.

53. Such internal communications are not properly recoverable as costs caused by the Applicant's conduct and should be disallowed in full.

### **Preparation of Application – 3.1 Hours**

54. The Respondent claims 3.1 hours for preparation of an application, understood to relate to the application seeking evidence as to when Abbey Scott Solicitors were instructed.

55. The application itself is brief and standard in form. The time claimed is wholly disproportionate and should be reduced substantially or disallowed.

### **Costs Submissions – 4.1 Hours**

56. The Respondent claims 4.1 hours for preparation of the present costs submissions.

57. These submissions are neither complex nor novel. The time claimed is excessive and disproportionate, particularly in the context of public authority litigation.

### **Transcript Costs**

58. The Respondent seeks to recover the cost of a transcript invoice.

59. The Applicant objects to this:

- a. the transcript was not required by the Tribunal;
- b. it has not been formally adduced as evidence; and
- c. it was obtained for the Respondent's own purposes.

60. The cost of the transcript should therefore be disallowed.

### **Conclusion**

61. The Tribunal has already exercised its discretion and imposed a measured costs sanction reflecting the circumstances of the adjourned hearing.

62. The Respondent's attempt to recover its entire costs is:

- a. unsupported by the legal test under Rule 13;
- b. inconsistent with the Tribunal's earlier findings; and
- c. disproportionate.

63. The Applicant respectfully invites the Tribunal to:

- a. dismiss the Respondent's application for further costs; and
- b. limit any costs order to that already made on 11 December 2025.

## **DETERMINATION**

64. The Respondent asks the Tribunal to make an Order for costs for the whole proceeding against the Applicants, on the basis of their unreasonable conduct in the proceedings.

65. The Tribunal generally operates a "costs neutral" regime whereby each party bears its own costs. The Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013 (as amended) prohibit the making of an order for costs except in the circumstances described in rule 13(1) of *The Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013* ("the Rules").

66. The Tribunal's powers to award costs derive from to section 13 (1)(a) and (1)(b) of the Rules:

67. Under Rule 13(1)(a) if there is a finding of wasted costs pursuant to section 29(4) of *The Tribunal Courts and Enforcement Act [2007]* Act where they are incurred by a party—

- a. as a result of any improper, unreasonable or negligent act or omission on the part of any legal or other representative or any employee of such a representative, or
- b. which, in the light of any such act or omission occurring after they were incurred, the relevant Tribunal considers it is unreasonable to expect that party to pay.

68. Under Rule 13(1)(b) a party has acted unreasonably in bringing, defending or conducting these proceedings.

69. In the leading case of **Willow Court Management Co (1985) Limited v Alexander** [2016] UK UT 290 (LC); [2016] L.&T.R.34 the Upper Tribunal provided guidance on exercise of the powers conferred by Rule 13, and introduced the three stage test.

70. The First stage is to consider whether (objectively) a person has acted unreasonably. If there is no reasonable explanation for the conduct complained of, the behaviour will properly be adjudged to be unreasonable, and the threshold for the making of an order will have been crossed.
71. If the Tribunal considers that threshold has been reached, the Tribunal will then consider whether, in the light of the unreasonable conduct it has found to have been demonstrated, it ought to make an order for costs or not; it is only if it decides that it should make an order that a third stage is reached when the question is what the terms of that order should be.
72. Whether or not there has been unreasonable conduct is a matter of objective fact. Would a reasonable person, acting reasonably, have acted in this way?
73. The conduct relied upon by the Respondent was that the Applicants had failed to set out their reasons for the appeal at any time, both in the application form and in response to directions, until ordered to do so by the Tribunal at the September 2025 hearing. Further more the Second Applicant had failed to acknowledge receipt of documentation or emails when served and had failed to put his camera on at the September 2025 hearing and “provided evasive, mendacious and inconsistent submissions” when questioned by the Tribunal at the hearing on 29 September 2025.
74. Having taken into account the representations of both parties, the Tribunal is not persuaded that the first limb of the test in Willow Court is satisfied for the whole of the case.
75. The Second Applicant was acting in person for himself and the First Applicant for most of the duration of this application. He had apparently consulted solicitors, but they had not placed themselves on record as representatives under Rule 14 of the Tribunal's rules. The Applicant was entitled to make an appeal and seek a rehearing of the Respondent’s determinations; the Respondent, having imposed the penalties in the first place knew the case that they had to make.
76. The Tribunal has of course already made an order that the Second Applicant pay 50% of the costs in relation to the hearing of the 29<sup>th</sup> August 2025, with those costs to be assessed as his behaviour was considered unreasonable, so the representations as to his conduct at the hearing, and his part played in the September 2025 hearing having to be adjourned has already resulted in an adverse costs order against him.

77. The conduct in terms of failing to put his case adequately or at all may have been incompetent, but incompetency does not necessarily equate to unreasonable conduct, particularly when it may be explained by the Second Applicant being a litigant in person. The costs lost to the Respondent arising due to the adjournment have already been addressed.

78.. Having considered the N260 provided, and the Applicant's representations, (which did not refer to this N260), the Tribunal finds the costs reasonable in terms of hourly rates, and time spent. Accordingly, the Tribunal assesses the costs payable by the Second Applicant in the sum of £1417.60 being 50% of the itemised costs of £3,835.20.

**Tribunal Judge John Murray**

**3 March 2026**