FIRST-TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)

Case Reference	**:**	**MAN/00CX/HNA/2024/0634**
Property	**:**	**9-11 Willow Street Bradford BD8 9NJ**
Applicants	**:**	**Mr Mohammad Ramzan Ali**
Respondent	**:**	**Bradford Metropolitan District Council**
Type of Application	**:**	**Appeal against a financial penalty - Section 249A & Schedule 13A to the Housing Act 2004**
Tribunal Members	**:**	**Judge, Katherine Southby** **Valuer Member, Aaron Davis**
Date of Decision	**:**	**18 March 2026**

DECISION

The Tribunal dismisses the appeal and upholds the financial penalties of £4250 and £14250.

REASONS

THE FACTS

1. The Applicant has leased the premises at 9–11 Willow Street since 14 August 2023, operating a butcher's shop at ground/basement level with residential accommodation above.

2. On 15 February 2024, Environmental Health Officers from the Respondent conducted an inspection in response to reports of multiple occupation and concerns regarding fire safety. A representative from the Fire and Rescue Service also attended the inspection. The inspection resulted in an Emergency Prohibition Order (EPO) being issued that day.

3. Following service of Notices of Intention to issue a Civil Penalty on 13 August 2024, and after considering the Applicant's written representations, the Respondent issued Final Notices on 31 October 2024, imposing penalties of £4,250 for the offence under s72 of the Housing Act 2004 of failure to licence a licensable house in multiple occupation and £14,250 for an offence under s234 of the Housing Act 2004, being a breach of the management regulations in respect of HMOs.

4. The Applicant has appealed both penalties.

PRELIMINARY MATTERS

5. The hearing took place in person at the Bradford Tribunal Centre on 18 March 2026. Mr Ali attended and represented himself with the support of Mr Mahmood Azam. Mr Suliman attended as a witness.

6. Mr Machin of Counsel represented the Respondent. The witnesses were Mr Leah and Ms Kershaw.

7. Two bundles of documents of 337 pages and 25 pages from the Respondent and two bundles of 139 pages and 18 pages from the Applicant had been placed before the Tribunal for their consideration and these had been read by the Tribunal before the commencement of the hearing and were referred to during the hearing. The Applicant confirmed that he had received the documents in advance and had had the opportunity to consider the contents in order to make any representations he wished to. Arrangements were made to ensure that the Applicant was able to read and refer to all of the documents during the hearing.

8. The Tribunal confirmed with the Applicant that he was able to understand and participate fully in the hearing. At one point the Tribunal briefly adjourned to satisfy itself that Mr Ali's level of understanding was sufficient for it to be fair and just for the hearing to continue. We were satisfied that Mr Ali's understanding of the questions being put to him was excellent with the exception of one small area of terminology around Tenant and Leaseholder, and therefore the Tribunal proceeded having clarified this area of understanding and ensured questions were put in a way which ensured that Mr Ali could clearly express himself.

9. We carefully considered all the written evidence submitted to the Tribunal in advance and the oral evidence given to us at the hearing even if we do not mention it. We used the hearing to amplify and update parts of the written evidence and only record such of the oral evidence as is necessary to explain our decision

INSPECTION

10. Prior to the hearing the Tribunal inspected the Property, which is located above a butcher's shop. It is common ground that the necessary works had been completed on the Property prior to the inspection and the Tribunal also noted that the layout and room usage had also somewhat altered since the relevant time period.

The Law

Housing Act 2004

11. Section 249A (1) of the Act provides that a local authority may impose a financial penalty where there has been "a relevant housing offence".

12. Section 249 (2) sets out what amounts to a housing offence and includes at, section 249(a) an offence under section 30 of the Act, namely a failure to comply with an improvement notice. Section 249 (3)-(4) further provides that only one financial penalty can be imposed for each offence and that cannot exceed £30,000. The imposition of a financial penalty is an alternative to criminal proceedings.

13. A failure to licence a licensable HMO is an offence under 72(1) of the Housing Act 2004:

(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.*
>
> .....

(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 .

....

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

14. Subsection 6A of section 95 of the Housing Act 2004 makes it clear that civil penalty notices can be imposed in respect of this offence, as does section 249A of the 2004 Act which reads as follows:

(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. ...

Procedural requirements

15. Schedule 13A of the Act sets out the procedural requirements a local authority must follow when seeking to impose a financial penalty. Before imposing such a penalty, the local authority must give a person notice of their intention to do so, by means of a Notice of Intent.

16. A Notice of Intent must be given be given within 6 months of the local authority becoming aware of the offence to which the penalty relates, unless the conduct of the offence is continuing, when other time limits are then relevant.

17. The Notice of Intent must set out:
- the amount of the proposed financial penalty
- the reasons for imposing the penalty
- Information about the right to make representations regarding the penalty

18. If representations are to be made, they must be made within 28 days from the date the Notice of Intent was given. At the end of this period the local authority must then decide whether to impose a financial penalty and, if so, the amount.

19. The Final Notice must set out:
- the amount of the financial penalty
- the reasons for imposing the penalty
- information about how to pay the penalty
- the period for the payment of the penalty
- information about rights of appeal
- the consequences of failure to comply with the notice.

Guidance

20. A local authority must have regard to any guidance issued by the Secretary of State relating to the imposition of financial penalties:2004 Act Schedule 3, para 12. The Ministry of Housing Communities and Local Government issues such guidance (" the MHCLG Guidance") in April 2018: *Civil Penalties under the Housing and Planning Act 12016 – Guidance for Local Authorities*. This requires a local authority to develop its own policy regarding when or if to prosecute or issue a financial penalty. The MHCLG Guidance also sets out the following list of factors which local housing authorities should consider to help ensure that financial penalties are set at an appropriate level:
   a) Severity of the offence.

b) Culpability and track record of the offender.
c) The harm caused to the tenant.
d) Punishment of the offender.
e) Deterrence of the offender from repeating the offence.
f) Deterrence of others from committing similar offences.
g) Removal of any financial benefit the offender may have obtained as a result of committing the offence.

21. In recognition of the expectation that local housing authorities will develop and document their own policies on financial penalties, in June 2018 the Council approved a policy for the use of Civil Penalties as an alternate to prosecution in the Housing and Planning Act 2016 ('the Policy'). We make further reference to this Policy later in these reasons.

Appeals

22. A final notice given under Schedule 13A to the 2004 Act 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. However, this is subject to the right of the person to whom a final notice is given to appeal to the Tribunal (under paragraph 10 of Schedule 13A).

23. Such an appeal may be made against the decision to impose the penalty, or the amount of the penalty. It must be made within 28 days after the date on which the final notice was sent to the appellant. The final notice is then suspended until the appeal is finally determined or withdrawn.

24. The appeal is by way of a re-hearing of the local housing authority's decision and may be determined by the Tribunal having regard to matters of which the authority was unaware. The Tribunal may confirm, vary or cancel the final notice. However, the Tribunal may not vary a final notice so as to make it impose a financial penalty of more than the local housing authority could have imposed.

25. When deciding whether to confirm, vary or cancel the final notice imposing the financial penalty, the issues for the Tribunal to consider will or may include:

1. Whether the Tribunal is satisfied beyond reasonable doubt that the applicant's conduct amounts to a relevant housing offence in respect of premises in England (see sections 249A (1) and (2) of the Housing Act 2004);
2. Whether the local housing authority has complied with all of the necessary requirements and procedures relating to the imposition of the financial penalty (see section 249A and paragraphs 1 to 8 of Schedule 13A of the 2004 Act);
3. If the appeal relates to more than one financial penalty imposed on the applicant whether or not they are in respect of the same conduct; and/or
4. Whether the financial penalty is set at an appropriate level having regard to any relevant factors, which may include, for example:
    1. The offender's means
    2. The severity of the offence
    3. The culpability and track record of the offender
    4. The harm (if any) caused to a tenant of the premises
    5. The need to punish the offender, to deter repetition of the offence or the need to deter others from committing similar offences; and/or

6. The need to remove any financial benefit the offender may have obtained as a result of committing the offence

26. A number of decisions of the Upper Tribunal have established the questions that should be addressed when considering an appeal against a financial penalty. Those are *London Borough of Waltham Forest v Younis* [2019] UKUT 0362 (LC), *London Borough of Waltham Forest v Marshall & Another* [2020] UKUT 0035 (LC), *IR Management Services Ltd v Salford City Council* [2020] UKUT 0081 (LC), *Sutton & Another v Norwich City Council* [2020] UKUT 0090 (LC) and *Thurrock Council v Daoudi* [2020] UKUT 209 (LC).

27. The Tribunal's task is not simply matter of reviewing whether the penalty imposed by the Final Notice was reasonable: the Tribunal must make its own determination as to the appropriate amount of the financial penalty having regard to all the available evidence. In doing so, the Tribunal should have regard to the seven factors specified in the MHCLG Guidance as being relevant to the level at which a financial penalty should be set (see paragraph 14, above).

28. The Tribunal should also have particular regard to council's Policy (see paragraph 15, above). As the Upper Tribunal (Lands Chamber) observed in *Sutton & Another v Norwich City Council* [2020] UKUT 0090 (LC):

29. "It is an important feature of the system of civil penalties that they are imposed in the first instance by local housing authorities, and not by courts or tribunals. The local housing authority will be aware of housing conditions in its locality and will know if particular practices or behaviours are prevalent and ought to be deterred."

30. The Upper Tribunal went on to say that the local authority is well placed to formulate its policy and endorsed the view that a tribunal's starting point in any particular case should normally be to apply that policy as though it were standing in the local authority's shoes. It offered the following guidance in this regard:

31. "If a local authority has adopted a policy, a tribunal should consider for itself what penalty is merited by the offence under the terms of the policy. If the authority has applied its own policy, the Tribunal should give weight to the assessment it has made of the seriousness of the offence and the culpability of the appellant in reaching its own decision."

32. Upper Tribunal guidance on the weight which tribunals should attach to a local housing authority's policy (and to decisions taken by the authority hereunder) was also given in another recent decision of the Lands Chamber: *London Borough of Waltham Forest v Marshall & Another* [2020] UKUT 0035 (LC). Whilst a tribunal must afford great respect (and thus special weight) to the decision reached by the local housing authority in reliance upon its own policy, it must be mindful of the fact that it is conducting a rehearing, not a review: the tribunal must use its own judgment and it can vary such a decision where it disagrees with it, despite having given it that special weight.

33. The decision of the Upper Tribunal in *Sutton & Another v Norwich City Council* was appealed to the Court of Appeal. The Court concluded that the penalties imposed could not be impugned: *Sutton & Another v Norwich City Council* [2021] EWCA Civ

20. The Court (at para. 14) having considered the Upper Tribunal's view on the weight to attach to a policy of the authority in *London Borough of Waltham Forest v Marshall & Another* took the view there were no reasons to dissent from those observations.

Evidence

Decision

S72 Housing Act 2004 – Failure to licence a licensable HMO

34. The Tribunal first considered whether it is satisfied that the first offence of failing to comply with the requirement to licence a licensable HMO under s72 of the Housing Act 2004 has been made out.

35. Mr Ali's oral and written evidence was that had been in control of the property for approximately six months prior to inspection having leased the Property from Adam Properties on 14 August 2023. He stated that he had not inspected the residential side of the Property before purchasing the lease, as he was more interested in the butcher's business and the transaction was with a family connection. We accept Mr Ali's evidence in this respect.

36. Mr Ali's evidence confirms that shortly after he leased the Property he became aware that four individuals were in occupation, and he, and his son in Mr Ali's place when he was injured, collected rent of £220 per month in cash from Mr Inderjit Singh, Mr Harkirat Singh, Mr Arsh Sidhu and Mr Nerinder Baniwala. Mr Ali gave evidence that the first two individuals were brothers, and the second two were also related in some way although no evidence to support this was provided.

37. Mr Ali's position therefore is that to his knowledge there were four people from two households resident in the Property. It is not disputed that the Property was not licensed. The question for the Tribunal is whether the Property was in fact a licensable HMO.

38. On 15 February 2024 Ms Bellwood and Mr Leah of the Respondent Council attended the Property following a complaint from a member of the public that it was being operated as an unlicensed HMO.

39. We find the written evidence of Ms Bellwood and the written and oral evidence of Mr Leah to be persuasive and supported by the documentary evidence provided within the bundle. We accept that at the time of the inspection the Respondent found six unrelated males present in the Property – Arsh Sidhu, Nerinder Baniwala, Karen, Ahmed Jamiel, Mehboob and another unnamed male.

40. The Respondent obtained witness statements from two individuals – Karen and Ahmed Jamiel who9 both stated that they were not related to the other residents in the property and stated that the Property was occupied by at least 6 and up to 10 people. These statements made reference to Mr Ali by name, reference to working in the butcher's shop below and to the rent being either collected in cash or deducted from the butcher's shop wages. Both indicated that they had taken up residence at the Property in January. One made reference to the gas supply having been off for 5 days.

41. We carefully considered Mr Ali's submissions to the Tribunal as to the credibility of these statements and whether the individuals had understood what they were being asked. He queried why statements had not been taken from all of the individuals observed in the Property, queried whether they were visitors and also pointed out that the reference made by the Respondent witnesses in their written statements to the number of pairs of shoes were inconclusive as to the number of people resident in the Property.

42. We also considered the oral evidence of Mr Suliman who stated that as manager of the butcher's shop he had never employed people by the name of either Karen or Ahmed Jamiel.

43. We find that we are more persuaded by the evidence of Mr Leah, who we found to be balanced and objective, particularly in assisting the Tribunal to confirm Mr Ali's assertion that they had not met at the inspection, as he had left before Mr Ali arrived. We found Mr Leah's evidence more credible than that of Mr Suliman who in our view was either mistaken or seeking to assist Mr Ali in the answers that he gave.

44. Having considered the totality of the evidence we find that there were at least 6 people resident in the Property at 15 February 2024 and given that there were rooms to which the Respondent could no gain entry, and Mr Ali accepts that the two Mr Singhs were living there, we find that there were in all likelihood at least 8 people living at the Property at the time of the Respondent's inspection and that these individuals formed more two or more households.

45. We reach this conclusion because we are persuaded by the evidence of Mr Leah that he satisfied himself that the individuals with whom he spoke when he took their statements were able to understand the questions he was putting to them. We find this particularly persuasive as he suggested that one of the reasons for Ms Bellwood not taking statements from all individuals may have been their lack of English. This leads us to conclude that care was taken by the Council to ensure that the information being recorded in these statements was accurate and fairly obtained. We also find these statements persuasive because they give information such as Mr Ali's middle name and reference to the gas supply which are consistent with the individuals being more than simply a visitor. We note Mr Ali's suggestion that an actual tenant would have known that the gas had been off for 8 days rather than 5, but we do not find this inaccuracy to dilute the compelling and persuasive nature of the rest of the evidence which we accept.

46. We therefore find beyond a reasonable doubt that as at 15 February 2024 9-11 Willow Street was a licensable House in Multiple Occupation.

47. We considered whether Mr Ali had provided the Tribunal with any evidence which could amount to a reasonable excuse for these breaches. We carefully considered Mr Ali's oral evidence about having unknowingly taken over the tenants from the previous Leaseholder and the absence of cooperation by the sitting tenants in leaving the Property when requested. We also considered Mr Ali's evidence, which we accept, that he sustained an injury which rendered him unfit to attend his workplace as a store manager for four months of the six-month period between him taking over the Lease of the Property and the inspection on 15 February 2024.

48. The Tribunal noted that Mr Ali's own evidence was that he did not directly manage the butcher's shop and therefore we considered the possibility that Mr Ali was unaware that there were individuals working at the butcher's who were living in the flat upstairs. We do not find this to be the case, as we accept the evidence in the witness statements taken by Mr Leah that at least one of the individuals of whom Mr Ali claimed to have no knowledge stated that they paid their rent directly to Mr Ali in cash.

49. We carefully considered the oral evidence of Mr Suliman who stated that he was the manager of the butcher's shop and had no knowledge of individuals of the names stated by Mr Leah and Ms Bellwood as being resident at the date of the inspection. We weighed this evidence against that of the Respondent and we concluded that we preferred that of Mr Leah who we found to be balanced and persuasive and we saw no reason to disbelieve his evidence. In contrast we consider that it is possible that Mr Suliman was mistaken, confused or under pressure to assist his employer and we did not find his evidence to be as persuasive.

50. We find that we are satisfied beyond reasonable doubt that a relevant housing act offence has been committed, namely that there was a failure licence a licensable House in Multiple Occupation.

51. S234 Housing Act 2004 – Breaches of the HMO Management Regulations

52. The Tribunal next considered whether it is satisfied that the second offence of failing to comply with the requirements of the HMO Management Regulations under s234 of the Housing Act 2004 has been made out.

53. Mr Ali does not dispute that the state of the Property was as set out by the Respondent's witnesses in their written evidence and the exhibits to their witness statements.

54. The Tribunal finds that at the time of inspection shortcomings at the Property included

Fire Safety

a) No fire detection system was installed;
b) No emergency lighting;
c) Escape routes obstructed by design (mortice deadlocks; incorrect door standards);
d) Compartmentation between commercial and residential areas was significantly breached.

These failings were jointly assessed by the Fire Service as presenting a "risk to life so serious it ought to be prohibited."

Gas and Electricity

a) The gas supply had been completely disconnected, leaving the premises without heating or hot water;
b) No gas safety testing or electrical testing had been undertaken.

Common Parts

a) Shared kitchen and bathrooms were in filthy condition;
b) No functioning boiler, extraction, or cooking facilities;
c) Flooring and fixtures were damaged and unsafe.

Living Accommodation

a) No fixed heating in bedrooms;
b) Rooms contained multiple beds or mattresses indicative of overcrowding.

55. We find that we are satisfied beyond reasonable doubt that a relevant housing act offence has been committed, namely that there was a breach of the HMO Management Regulations, in particular

Regulation 4: failure to take fire safety measures;
Regulation 6: failure to maintain gas/electric supply;
Regulation 7: failure to keep common parts safe and clean;
Regulation 8: failure to maintain living accommodation.

56. Given that Mr Ali had been responsible for the Property since August 2023 we find that the breaches were serious, numerous and long-standing.

57. It is common ground between the parties that the works prescribed by the Respondent following their inspection have been completed by Mr Ali.

58. We again considered whether Mr Ali had provided the Tribunal with any evidence which could amount to a reasonable excuse for these breaches. We again carefully considered Mr Ali's oral evidence about having unknowingly taken over the tenants from the previous Leaseholder his purported attempts to remove them through issuing s21 notices and the absence of cooperation by the sitting tenants in leaving the Property when requested. We are not persuaded that Mr Ali took significant steps to remove the tenants and we find his oral evidence that both he and his son attended the property monthly and met with all of the tenants in person to take their rent in cash on the 20th of each month to be inconsistent with the suggestion that there were significant efforts being made to ensure that they left the Property.

59. We also note the inconsistency of the oral evidence of Mr Ali, in that he claimed that some of the works were done including a new door frame, but that he did not have keys to the Property and was unable to gain access.

60. We also considered Mr Ali's evidence, which we accept, that he sustained an injury which rendered him unfit to attend his workplace as a store manager for four months of the six-month period between him taking over the Lease of the Property and the inspection on 15 February 2024. However, we find that Mr Ali was able to put in place systems and procedures which enabled the rent to continue to be collected in person by his son whilst he was incapacitated and yet did not put in placer systems and procedures to enable him to continue to fulfil the remainder of his responsibilities as a Landlord.

61. We are not persuaded that Mr Ali has provided evidence which could amount to a reasonable excuse for the breaches.

62. Procedural Compliance

63. Notwithstanding that no issue is raised by the Applicant, we next considered the procedural compliance of the Respondent. Paragraphs 3 and 8 of Schedule 13A to the Housing Act 2004 deal with the contents of the Notice of Intent and the Final Notice respectively.

64. We find that the Notice of Intent was given within 6 months of the local authority becoming aware of the offence to which the penalty relates and set out the amount of the proposed financial penalty the reasons for imposing the penalty and information about the right to make representations regarding the penalty. We find that the Final Notice correctly set out:

- the amount of the financial penalty
- the reasons for imposing the penalty
- information about how to pay the penalty
- the period for the payment of the penalty
- information about rights of appeal
- the consequences of failure to comply with the notice.

65. We next considered procedural compliance concerning the Final notice. The Final Notice issued in this case is dated 31 October 2024. The procedural requirements imposed by paragraph 8 have been complied with within that Final Notice.

66. In our view the Respondent has complied sufficiently with its procedural obligations in respect of the issuing of the financial penalty

Penalty

67. We next considered the penalty imposed by the Council in respect of each of the offences.

68. We remind ourselves that our task is not simply matter of reviewing whether the penalty imposed by the Council by the Final Notice was reasonable: we must make our own determination as to the appropriate amount of the financial penalty having regard to all the available evidence before us.

S72 Housing Act 2004 – Failure to licence a licensable HMO

Culpability

69. We considered the Guidance on Civil Penalties and the Respondent's own Guidance.

70. We note that the assessment of the Respondent in this matter was of Medium Culpability. We agree with this analysis as this is Mr Ali's first offence and the failure is not in and of itself a significant risk to the individuals – we note that the other breaches associated with the Property have been dealt with under the other offence and therefore the risks associated with the defects in the Property are not appropriately to be considered here otherwise Mr Ali would be unfairly penalised twice for the same breach.

71. Nevertheless we consider that the HMO licensing regime is of significant importance such that this was not a minor breach, and also the situation which the Respondent witnesses observed upon their inspection appeared to suggest that whether with or without Mr Ali's knowledge the Property was being used as an informal 'doss house' for the workers at the butcher's shop below. We find no evidence that Mr Ali had in place systems and processes to ensure that the Property was not being misused. This is not a situation where we find that he had made a significant effort to comply with his obligations but nevertheless had failed. Rather we find that either he did not know what was happening in his property, or he did not care to find out, or even more seriously he did know or suspect but did not intervene. In any event we find that this is not a Low level of culpability, and we leave the Respondent's assessment of culpability as Medium undisturbed.

Harm

72. The Council categorised the level of harm in this matter as low. We agree with this assessment noting that as previously mentioned, the defects in the condition of the Property are addressed through the other offence under the Management Regulations.

73. A Low level of Harm and a Medium level of Culpability places the initial level of fine under the Respondent's policy at £5,000. This is therefore the starting point prior to considering aggravating and mitigating factors.

74. In the Council's analysis they have not applied any aggravating factors. We are surprised at this and consider that this is a generous approach taken by the Respondent, noting that the rent was being paid in cash, there were no tenancy agreement.

75. We carefully considered the oral representations made by Mr Ali in respect of mitigating factors. We agree that Mr Ali has cooperated with the investigation and has no previous convictions. We note that the Respondent has also treated Mr Ali's subsequent reduction in the number of tenants as confirmation of voluntary steps to address issues. We consider Mr Ali has been a professional Landlord of good character and previous good conduct for over 20 years, and we add this as a mitigating factor

76. We are not bound by the 5% increments within the Council policy, and we remain mindful of the statutory guidance that a civil penalty should not be regarded as a lesser option compared with prosecution and should be set at a level high enough to ensure it has a real economic impact on the offender and removes any financial benefit obtained from the offence. Mr Ali was receiving rent during the period of non-compliance, and we have reflected this in our thinking. We note that no evidence is provided to us regarding the Applicant's means to pay the financial penalty to support Mr Ali's assertions that he does not profit from the properties. In the absence of any such evidence we are unable to give this any weight.

77. Having considered all these factors we agree with the Respondent that the financial penalty is appropriately set at to £4250.

S234 Housing Act 2004 – Breaches of the HMO Management Regulations

Culpability

78. In respect of this second offence we again considered the Guidance on Civil Penalties and the Respondent's own Guidance, noting that there was not a single isolated breach but multiple compliance breaches as identified by Ms Bellwood throughout the Property, and also as described by the Fire Officer as presenting a risk to life so serious it ought to be prohibited.

79. We note that the assessment of culpability in this matter was Medium. We consider that this is at the lower end of the assessment range open to the Respondent and whilst we do not depart from it, we consider that Mr Ali is fortunate that the Council has not pursued a more draconian approach in respect to its enforcement.

Harm

80. The Council categorised the level of harm in this matter as high. We agree with this assessment noting that the missing smoke detectors lack of fire doors and adequate partitioning which we accept, give rise to a high risk of a serious adverse effect on an individual living at the Property, as identified and described by the Fire Officer who attended the Property.

81. A High level of Harm and a Medium level of Culpability places the initial level of fine under the Respondent's policy at £15,000. This is therefore the starting point prior to considering aggravating and mitigating factors.

82. We note that the Council's analysis was that the presence of multiple breaches of the regulations was an aggravating factor. We agree with this but note that in addition rent was being paid in cash and there was a lack of a tenancy agreement.

83. In terms of mitigating features, we agree that Mr Ali has cooperated with the investigation and has no previous convictions. We consider it would also be appropriate to treat Mr Ali's carrying out of the works as acceptance of responsibility for which one should credit as a mitigating factor.

84. We carefully considered the oral representations made by Mr Ali in respect of mitigating factors. In doing so we considered Mr Ali's injury and lack of fitness for work, but we concluded that if he had a system in place for his son to collect rent from his tenants then he could or should have had a system in place to enable him to fulfil his other responsibilities as a Landlord, and it is clear that he did not. We considered the difficulty in getting contractors to attend the site in a timey manner and the lack of cooperation of the tenants which he had inherited, but again, in our view as an experienced Landlord Mr Ali could and should have had systems and procedures in place to enable him to deal with these unfortunate events in a way which enabled him to meet his obligations.

85. We are not bound by the 5% increments within the Council policy, and we remain mindful of the statutory guidance that a civil penalty should not be regarded as a lesser option compared with prosecution and should be set at a level high enough to ensure it has a real economic impact on the offender and removes any financial benefit obtained from the offence. Mr Ali was receiving rent during the period of non-compliance, and we have reflected this in our thinking. We carefully considered the oral and written evidence provided to us regarding the Applicant's means to pay the financial penalty and to support Mr Ali's assertions that he does not profit from the properties. We did not find this evidence persuasive. We found that it was self-serving and not well

supported, and Mr Ali did not appear to appreciate that the capital value of the various properties he owns could be taken into account in considering his means to pay this penalty. The fact that he has mentally allocated a property to another family member does not mean that it cannot be considered as an asset for the purposes of meeting a civil penalty following non-compliance with his obligations as a landlord.

86. Having considered all these factors we agree with the Respondent that the financial penalty is appropriately set at to £14250.

87. A person wishing to appeal this decision to the Upper Tribunal (Lands Chamber) must seek permission to do so by making written application to the First-tier Tribunal at the Regional Office, which has been dealing with the case.

88. The application must arrive at the Tribunal within 28 days after the Tribunal sends to the person making the application written reasons for the decision.

89. If the person wishing to appeal does not comply with the 28-day time limit, that person shall include with the application for permission to appeal a request for an extension of time and the reason for not complying with the 28-day time limit; the Tribunal will then decide whether to extend time or not to allow the application for permission to appeal to proceed.

90. The application for permission to appeal must identify the decision of the Tribunal to which it relates, state the grounds of appeal, and state the result the party making the application is seeking.

Tribunal Judge Katherine Southby

14 April 2026