FIRST-TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)

Case Reference	:	HAV/00HQ/HNA/2026/0006 HAV/00HQ/HNA/2026/0007
Property	:	Devon Towers, 58-62 St Michael's Road, Bournemouth, BH2 5ED
Applicant	:	Kingsley Housing Limited
Representative	:	Ms Uwadione
Respondents	:	Bournemouth, Christchurch, and Poole Borough Council
Representative	:	Ms Asuenimhen
Type of Application	:	**Appeal against a financial penalty –** Section 249A and Schedule 13A to the Housing Act 2004
Tribunal members	:	District Judge Pain, sitting as a Judge of the First-tier Tribunal (Property Chamber) Judge J Dobson Mr B Bourne MRICS
Date of Hearing	:	9 July 2026
Date of Decision	:	17 August 2026

DECISION

Summary of the Decision

1. **The Tribunal refuses to exercise its power, contained in rule 6(3)(a) of The Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013 ('the Tribunal Rules'), to extend the 28-day time limit, set out in rule 27(2) of the Tribunal Rules, for the Applicant to provide notice to the Tribunal of an application relating to an appeal against the financial penalties imposed by the Respondent.**

2. **Accordingly, the Applicant's application relating to its appeals against the financial penalties imposed by the Respondent, dated 30 November 2022, is dismissed.**

The parties and the property

3. The Applicant, Kingsley Housing Limited, is the freehold owner of the subject property, Devon Towers [Hotel], 58-62 St Michael's Road, Bournemouth, BH2 5ED ('the Property'), a four-storey building with more than 60 rooms.

4. The Respondent is the local authority responsible for the licensing of houses in multiple occupation ('HMOs') for the area in which the Property is situated, pursuant to the scheme set out in Part 2 of the Housing Act 2004 ('the 2004 Act').

The application

5. On 7 January 2026, the Applicant applied to the Tribunal to appeal against two financial penalties issued against the Applicant by the Respondent in respect of the Property on 30 November 2022 ('the Financial Penalties'), pursuant to section 249A of the Housing Act 2004 ('the Application'). Both Financial Penalties were in the sum of £25,000.

6. The application invites the Tribunal to, "cancel these financial penalties issued to [the Applicant] on the basis that they have been imposed on the wrong legal entity." The correct legal entity, the Applicant states, was Kingsley Housing Property Management Limited ('KHPM'), a wholly owned subsidiary of the Applicant, that had been granted a lease of the Property by the Applicant in October 2021 and was responsible for managing and operating the Property as an HMO.

7. In the alternative, the Application invites the Tribunal to impose the penalties on KHPM rather than the Applicant, and to reduce substantially the size of those penalties.

Procedural background

8. In its Directions, dated 8 June 2026, the Tribunal noted that: (a) both final notices in respect of the financial penalties were dated 30 November 2022; (b) although paragraph 10 of Schedule 13A to the 2004 Act does

not specify a time limit for bringing an appeal against a financial penalty to the Tribunal, rule 27(2) of the Tribunal Rules states that a notice of application relating to an appeal from any decision must be provided to the Tribunal within 28 days after the date on which the notice of the decision to which the appeal relates was sent to the Applicant; and (c) rule 6 of the Tribunal Rules permits the Tribunal to extend the time limit beyond 28 days if good reasons for failing to meet that deadline are provided.

9. The Tribunal accordingly directed that a preliminary hearing be listed, to be conducted by video, on 9 July 2026 to consider whether the 28-day limit set out in rule 27(2) of the Tribunal Rules should be extended.

10. The Applicant and Respondent both sent written representations and supporting documents to the Tribunal, on 24 June 2026 and 25 June 2026 respectively. The Respondent's written representations state that the Respondent opposes the extension of time sought by the Applicant. The Respondent also relies on a written witness statement of Mr Matthew King, dated 24 June 2026.

11. At the start of the hearing, the parties were invited to consider whether there were any factual disputes that might require oral evidence and cross-examination. Both parties stated that there were no such factual disputes arising, and that they were content for the preliminary issue be determined without oral evidence.

<u>Relevant chronology</u>

12. The following chronology is drawn from the written representations and supporting documents filed by both parties, including the witness statement of Mr King.

13. On 5 October 2021, the freehold of the Property was transferred by Mr David Oram to the Applicant. On the same date, the Applicant granted a lease of the Property to KHPM for a term ending on 30 August 2024.

14. On 20 October 2021, Mr Dean White ('Mr White'), a director of KHPM since August 2020, and of the Applicant since June 2023, made an online application for an HMO licence in respect of the Property. The application stated that Mr White was to be the licence holder, and that he was a leaseholder of the Property, the freehold being held by the Applicant.

15. On 1 February 2022, Mr White emailed the Respondent stating that the HMO licence should be issued in the name of KHPM and not in Mr White's own name. On the same date, the Respondent wrote to Mr White enclosing a Requisition for Information served pursuant to section 16 of the Local Government (Miscellaneous Provisions) Act 1976, seeking information about the ownership of the Property ('the Requisition').

16. The completed Requisition, returned by Mr White on 14 February 2022, stated that the Applicant was the freeholder of the Property and that KHPM was the leaseholder, the occupier, the person having control of the Property, and the recipient of the rent.

17. On 14 April 2022, the Respondent sent the Applicant a draft HMO licence showing the Applicant as licence holder. The accompanying letter stated that, "You are requested within **14 DAYS** of the date of this letter to check the Licence details with the conditions attached" [original emphasis]. The letter also stated that: "You are reminded that a Licence is not transferable to a new owner. Therefore, should any details of the licence change, please contact this department for clarification as to whether a new Licence should be issued."

18. On 4 May 2022, having received no response to the draft HMO licence, the Respondent issued an HMO licence to the Applicant in respect of the Property again showing the Applicant as the licence holder ('the HMO Licence'). The HMO Licence was subject to a detailed list of conditions. The HMO Licence also noted that any appeal against a decision to grant the HMO Licence must be made within 28 days from the date of that decision.

19. On the same date, the Respondent also issued an improvement notice against the Applicant in respect of the Property ('the Improvement Notice') relating to Category 2 Hazards identified at the Property during inspections carried in January and February 2022. Again, accompanying notes provided details of the Applicant's right to appeal to the Tribunal.

20. On 5 May 2022, Mr James Allum, who described himself as, "Head of Legal for Kingsley Property Group," wrote to the Respondent having been forwarded a copy of the Improvement Notice. He stated that: "We just want to make sure that we're 100% clear on exactly what the Council would like us to address."

21. On 19 October 2022, the Respondent issued separate Notices of Intent to Issue Financial Penalties against the Applicant in respect of alleged breaches of the conditions of the HMO Licence and of the Improvement Notice. Those notices invited the Applicant to make any representations to the Respondent by 20 November 2022.

22. No such representations having been received by the Respondent from the Applicant, the Respondent served separate Final Notices to Issue a Financial Penalty on the Applicant on 30 November 2022 (that is, the Financial Penalties). Both Financial Penalties were in the sum of £25,000 and required payment by 5 January 2023. Both Financial Penalties also included details of the Applicant's right to appeal to the Tribunal within 28 days of the date of the notice.

23. No appeal was made by the Applicant against either of the Financial Penalties at that stage. The Respondent sent separate invoices in respect

of each of the Financial Penalties to the Applicant on 6 December 2022, again requiring payment by 5 January 2023.

24. On 7 June 2023, Mr White was appointed as a director of the Applicant.

25. During May 2024, the Respondent and Mr White discussed payment of the outstanding sums. On 15 May 2024, Mr White sent an email to the Respondent asking for information about "outstanding civil penalties". Then, he wrote, "We can look at these and where needed get them sorted."

26. In an email sent by the Respondent to Mr White on 17 May 2025, the Respondent clarified that, of the 3 outstanding civil penalties, each of £25,000, two related to the Property. On the same date, Mr White asked: "Can we set up a proposed payment plan?" And in a further email on 28 May 2024, Mr White proposed clearing the outstanding financial penalties over the following 15 months. On 31 May 2024, the Respondent proposed clearing the 3 financial penalties £5,000 payments each month over 15 months, starting in July 2024. However, no response was received by the Respondent at that time.

27. During February 2025 there was a further exchange of emails between Mr White and the Respondent on several issues, including the Financial Penalties. While Mr White raised objections to the decision to impose civil financial penalties in respect of the Property, no reference was made to the HMO Licence having been issued against the wrong company. In his responses to Mr White, Mr King, on behalf of the Respondent, noted that the time for making representations and appealing against those financial penalties had passed.

28. On 5 March 2025, Ms Amber Cole, who introduced herself as both working "for the lender to Kingsley" and as a director of the Applicant and of KHPM, wrote to the Respondent:

> I'd like to understand why some of the penalties have been levied on Kingsley Housing. Kingsley Housing has rented the properties to [KHPM] who have been operating the buildings since they were purchased. I have also been forwarded an email from [Mr White] sent to the council on [the Property] making it clear that the license [sic.] should be in the name of [KHPM].

In response, the Respondent stated that:

> [Mr White] had applied in his own name and following the email you have referenced and a separate conversation between himself and the officer at the inspection, this was altered to [the Applicant] and the civil penalty was therefore issued against this party as the Licence holder. If the recipient did not want the Licence in this name… this should have been raised at the Draft Licence stage which invites representations and none were received.

In a further email, dated 10 March 2025, Ms Cole maintained that the HMO Licence should have been issued in the name of KHPM and not the Applicant. She stated that: "While we regret that the issue was not flagged at the Draft Licence stage, this was an administrative oversight." She also stated that "any civil penalties arising from past offences be retrospectively re-allocated to KHPM." In his response, Mr King re-iterated that the Financial Penalties were issued against the HMO Licence holder and that no representations or appeal were submitted within the permitted timescales. He also noted that the matter was now with Legal Services who would be writing to the relevant parties.

29. On 1 August 2025, the County Court at Bournemouth and Poole made an Order against the Applicant permitting the Respondent to enforce the Financial Penalties in the County Court. The sum enforceable was stated to be £50,000, the court fee of £54.00, and further interest becoming due. A copy of this order was sent to the Applicant by the Respondent on 6 August 2025.

30. Although no document has been produced to this effect, Mr King states that the Applicant applied to set aside the above order and attended a hearing on 18 December 2025. At that hearing, the application to set aside the order was dismissed.

The relevant law

The 28-day time limit

31. Rule 26 (1) of the Tribunal Rules provides:

> An Applicant must start proceedings before the Tribunal by sending or delivering a notice of application.

32. Rule 27 of the Tribunal Rules states:

> (1) This rule applies where no time limit for starting proceedings is prescribed by or under another enactment.
> (2) Where the notice of application relates to a right to appeal from any decision (including any notice, order or licence), the Applicant must provide the notice of application to the Tribunal within 28 days after the date on which notice of the decision to which the appeal relates was sent to the Applicant.

33. In *Pearson v City of Bradford Metropolitan District Council* [2019] UKUT 291 (LC) the Upper Tribunal confirmed that, since schedule 13A of the Housing Act 2004, which governs appeals against financial penalties imposed under section 249A of the 2004 Act, does not impose any time limit for appealing, the time limit for bringing such an appeal is the 28-day time limit set out rule 27 of the Tribunal Rules.

The Tribunal's power to extend the 28-day time limit

34. Rule 6 of the Rules says:

> (1) Subject to the provisions of the 2007 Act and any other enactment, the Tribunal may regulate its own procedure.

(2) The Tribunal may give a direction in relation to the conduct or disposal of proceedings at any time, including a direction amending, suspending or setting aside an earlier direction.
(3) In particular, and without restricting the general powers in paragraphs (1) and (2), the Tribunal may—

(a) extend or shorten the time for complying with any rule, practice direction or direction, even if the application for an extension is not made until after the time limit has expired;"

35. Rule 3(3) of the Tribunal Rules provides the following:

(1) The overriding objective of these rules is to enable the tribunal to deal with cases fairly and justly.
(2) Dealing with a case fairly and justly includes

(a) dealing with the case in ways which are proportionate to the importance of the case, the complexity of the issues, the anticipated costs and the resource is of the parties and of the Tribunal;
(b) avoiding unnecessary formality and seeking flexibility in the proceedings;
(c) ensuring, so far as practicable, that the parties are able to participate fully in the proceedings;
(d) using any special expertise of the Tribunal effectively and
(e) avoiding delay as far as compatible with proper consideration of the issues

(3) The Tribunal must seek to give effect to the overriding objective when it

(a) Exercises any power under these rules; or
(b) interprets any rule or practice direction.

36. As such, the Tribunal has the power to extend the 28-day time limit set out in rule 27(2) of the Tribunal Rules and must give effect to the overriding objective when considering whether to exercise that power.

Determining whether the power to extend should be exercised

37. Both parties agreed that, in considering whether to exercise the power to extend the 28-day time limit, the Tribunal should apply the 3-stage test set out by the Court of Appeal in *Denton v White* [2014] EWCA Civ 906.

38. Although *Denton* concerns the application of rule 3.9 of the Civil Procedure Rules 1998 ('the CPR'), a set of procedural rules that applies to proceedings before the County and High Courts, the Upper Tribunal has made clear that the Tribunal should follow a similar approach to that taken in *Denton* to issues of procedural non-compliance and relief from sanctions: *Haziri v Havering LBC* [2019] UKUT 330 (LC), referring to the decision of the Supreme Court in *BPP Holdings v Commissioners for Her Majesty's Revenue and Customs* [2017] UKSC 55.

39. *Denton* determined that courts should approach the question of whether to grant a party relief against sanctions in three stages. In *Haziri*, the Upper Tribunal set out those three stages in the following terms:

i) identify and assess the seriousness of the failure to comply;
ii) consider why the default occurred;
iii) evaluate all the circumstances of the case to enable the court to deal justly with the application, including the need for litigation to be conducted efficiently and the need to enforce compliance with rules, practice directions and orders.

40. In *Haziri,* the Upper Tribunal stated that, "when it comes to determining questions of case management... the proper focus is not on the underlying merits of the dispute." In doing so, the Upper Tribunal referred to the decision of the Supreme Court in *Global Torch Limited v Apex Global Management Limited (No. 2)* [2014] UKSC 64, and summarised the position set out by Lord Neuberger in that case as follows:

> He explained that it was hard to see why the strength of either party's case should, at least normally, affect the enforcement of case management directions and decisions, or to identify how a court, when giving directions or imposing a sanction, could satisfactorily take into account the ultimate prospects of success in a principled way. He made an exception to that approach where a party's case was so strong it would entitle them to summary judgment without a trial, but that would be where "the court could quickly be persuaded that the outcome was clear" otherwise it would refuse to consider the merit.

The parties' submissions

The parties' written submissions

41. The Applicant's written submissions focused on establishing that there was a good reason to extend the 28-day limit rather than on the 3-stage test in *Denton*. In doing so, the Applicant relied on:

(a) the substantial size of the Financial Penalties imposed (that is, £25,000 each);

(b) the appeals raising "a serious issue" as to:

(i) whether the Respondent imposed the Financial Penalties on the wrong legal entity (in that the Respondent had been made aware by Mr White, prior to the issue of the HMO Licence, that the licensee should be the Applicant, and the Respondent wrongly conflated the Applicant's freehold ownership of the Property with operational management or control),
(ii) alternatively, whether the Applicant in any event had a reasonable excuse for its non-compliance with the conditions of the HMO Licence or the Improvement Notice, and

(iii) in the further alternative, the amount of the Financial Penalties imposed;

(c) the issue only becoming "live again" for the Applicant's current management when the Respondent pursued enforcement in the County Court in 2025, and

(d) while the Respondent would suffer "no unfair prejudice" if time were extended, the Applicant would be "shut out" from challenging wrongly imposed penalties.

42. The Applicant invited the Tribunal to understand the substantial delay in bringing its appeal in context. First, at the time of the Financial Penalties, the matter was being handled by, "persons then involved in the Kingsley group/property management structure, including [Mr White]," and the Applicant's "current management only became actively involved in the issue much later" when enforcement was pursued. And it was only through the process in the County Court that it became clear to the Applicant that the correct forum for challenging the Financial Penalties was the Tribunal.

43. In contrast to the position set out in its application, the Applicant noted that is does not invite the Tribunal to substitute KHPM as the correct Respondent to any penalty, stating that, if the Financial Penalties were cancelled, it would be a matter for the Respondent to pursue any action against KHPM, taking into account the statutory scheme and "any applicable time limits."

44. The Respondent's written submissions invited the Tribunal, when deciding whether to extend time, to consider the circumstances of the case, including "the length and reasons for the delay," the conduct of the parties, and any prejudice to either party. The Respondent referred to the decisions in both *Denton* and *Haziri*, framing the 3 stages as: assessing the seriousness and significance of the failure to comply with the relevant time limit; considering "the reasons for the delay"; and evaluating all the circumstances of the case, including the need to enforce compliance with statutory time limits.

45. The Respondent noted that the delay in this case is "very substantial, measured in years rather than days." It argued that "such a delay requires a compelling and well-evidenced justification which is absent in this case." The Respondent submitted that the Applicant's contention that the HMO Licence was issued to the wrong entity does not constitute a good reason for the delay. In particular: the Applicant was the named holder of the HMO Licence; and no contemporaneous challenge was made to the grant of the HMO Licence in the Applicant's name, either following the issuing of a draft licence, the HMO Licence itself, when the Improvement Notice was served, or at the time when the notices of intent to issue penalties were served. The issue was only raised by the Applicant in the context of the Respondent's enforcement of the Financial

Penalties, and after the Applicant had entered discussions about payment of the Financial Penalties by instalments.

46. In addition, the Respondent stated that the Applicant's mistaken belief that a challenge to the Financial Penalties could be raised in the County Court proceedings does not provide a good reason for the delaying in bringing an appeal in the Tribunal. Indeed, the Respondent contends that the Applicant has only chosen to bring an appeal against the Financial Penalties because of the Respondent's decision to bring enforcement action against it. The Respondent also points to the notes attached to the Financial Penalties setting out the route and time limits for any appeal against their issuance.

47. The Respondent also argued that allowing an appeal to be brought after such a period would undermine the purpose and finality of the statutory regime set out in Part 2 of the 2004 Act. It also argues that it would be significantly prejudiced by any late appeal, noting that, "licensing decisions often involve informal assessments, oral explanations, and internal discussions," and that the officers involved are no longer employed by the Respondent. The Respondent's ability to explain and justify the decision-making process would be significantly impaired by the delay.

48. The Respondent also argued that the appeal has limited merit. In particular, it argued that: the Applicant was the HMO Licence holder and was therefore responsible for compliance; the 2004 Act confers a broad discretion on the local authority to determine the most appropriate person to hold an HMO Licence, and that the Respondent was entitled to determine who the most appropriate licence holder was.

The parties' oral submissions

49. In their oral submissions, both parties identified the need for the Tribunal to address the 3-stage test in *Denton*. However, neither party was able to avoid being drawn back, almost magnetically, to their key points (as summarised above) at each stage.

50. In addition, the Applicant's representative addressed the serious and significance of the delay, rather than of the breach, and the Respondent followed its written representations in submitting that the Tribunal needed to address, at the second stage, "the reasons for the delay" rather than whether there was a good reason for the breach.

Determination

51. The Tribunal sets out below its determination of the preliminary issue, applying the 3-stage test in *Denton*.

52. The extent of any delay in seeking to bring proceedings is relevant to the seriousness of the breach in the sense that a longer delay may have a more disruptive effect on litigation (particularly, when the period of

delay is likely to mean that any listed trial would be unable to proceed if relief were granted); equally, a short delay may have little or no effect on litigation.

53. However, the Tribunal considers that whether there is a good reason for any delay (or any part of that delay) is properly relevant to the third stage of the 3-stage test in *Denton*. In particular, the promptness or otherwise of bringing an application for relief (or, in this case, making an application to appeal) is considered at this stage. Any consideration of whether an application for relief has been made promptly requires assessing both the period between the time for compliance and any application for relief and any explanation that is given for that period of delay.

The First Stage

54. The first stage identified in *Denton* is, "to identify and assess the seriousness or significance," of the breach (*Denton*, at [25]).

55. In many instances, the focus of this inquiry will be on whether the failure to comply has caused disruption to ongoing litigation. Of course, in a case concerning a failure to bring an appeal within a prescribed period, there is no ongoing litigation at the point that the application for relief is made as the appeal will only proceed if relief is granted. However, the failure to bring an appeal within the 28-day limit has required the Tribunal to give directions towards a hearing at which this preliminary issue must be determined. As such, the breach has led to an additional hearing being listed and judicial and other resources have been used where this would not otherwise be required. In addition, the Tribunal is entitled to consider the impact of the breach (and its consequent requirement for an additional hearing) on litigation before the Tribunal more broadly: the need to list a hearing of this preliminary issue has prevented those resources being applied to other applications and cases before the Tribunal.

56. The Tribunal does not, however, consider that the effect of any failure to bring an appeal within time on the statutory scheme for HMOs set out in Part 2 of the 2004 Act should form part of its assessment of the seriousness of that failure for the purposes of this stage of the *Denton* test. First, while that scheme provides for appeals to be made to the Tribunal, the disruptive effect contended for by the Respondent is not to the conduct of litigation before the Tribunal. Secondly, while the Tribunal can assess the likely impact of any breach on the conduct of that litigation and litigation before it more generally, it is not in a position to assess properly the impact of any such breach on the operation of the statutory scheme more generally.

57. Nevertheless, for the reason set out at paragraph 55, above, the Tribunal finds that the Applicant's failure to make an application to appeal against the Financial Penalties within the 28-day period is a serious and significant breach.

The Second Stage

58. As noted above, the second stage of the 3-stage *Denton* test requires the Tribunal to consider whether there was a good reason for the breach; it does not require the Tribunal to consider whether there was a good reason for the delay, save in so far as it is considering why the relevant step was not taken by the time that it was required to be taken. Accordingly, the Tribunal's assessment at this stage does not extend to considering whether a good reason has been advanced for the period of delay between the passing of the deadline for taking the relevant step and the ultimate taking of that step.

59. The Tribunal finds that there is no good reason for the Applicant's failure to apply to the Tribunal to appeal against the Financial Penalties within 28 days (that is, by 28 December 2022). Indeed, no explanation has been offered for this failure. The Financial Penalties were served on 30 November 2022 and there is no evidence as to what the Applicant or its representatives did or thought about the Financial Penalties in this period. It may simply be that the Applicant and/or Mr White did not notice that the HMO Licence had been issued to the Applicant or that the position of KHPM in respect of the Property had been overlooked by the Applicant at that point; but no such explanation has been provided by the Applicant as part of its application.

The Third Stage

60. *Denton* made clear (at [31]) that if there is a serious or significant breach and there is no good reason for that breach, the application for relief from sanctions made under rule 3.9 of the CPR would not automatically fail. Rule 3.9 requires that the court will consider "all the circumstances of the case, so as to enable it to deal justly with the application." That is the third stage of the *Denton* test.

61. *Denton* held that consideration of "all the circumstances of the case" requires "particular importance" and "particular weight" to be given to the two factors identified in rule 3.9 of the CPR, namely the need: (a) for litigation to be conducted efficiently and at proportionate cost; and (b) to enforce compliance with rules, practice directions and orders. Those two factors are set out in rule 3.9 of the CPR and do not appear in the Tribunal Rules. Nevertheless, while those factors should be not given the particular importance attributed to them under the CPR, they remain matters that ought to be given consideration within the broad circumstances of the case. Indeed, those factors are directly relevant to the overriding objective, and the requirement that the Tribunal must seek to give effect to that objective, set out in rule 3 of the Tribunal Rules.

62. As noted above in respect of the first stage of the 3-stage *Denton* test, the need for a hearing to determine whether the Tribunal should exercise its discretion to extend the 28-day limit for bringing an appeal against the Financial Penalties has affected the efficient dispatch of any substantive

appeal; that further hearing and its preparation has also generated additional legal costs for both sides. The litigation will be conducted less efficiently and at a less proportionate cost. In addition, the Tribunal should give particular importance to the need for parties to comply with procedural rules, including time limits for initiating proceedings. As noted in *Denton* (at 34]), the "old lax culture of non-compliance is no longer tolerated."

63. For the reasons set out at paragraph 56 above, the Tribunal does not consider that an assessment of the impact of the breach of this or other litigation can properly take account of the impact on the statutory scheme set out in Part 2 of the 2004 Act more broadly. Allowing late appeals to proceed may affect the integrity of that scheme or otherwise undermine compliance with that scheme by those who are subject to it. However, the Tribunal does not consider those matters properly fall within the two factors set out in rule 3.9 of the CPR and referred to above.

64. The Respondent contends that a late appeal raises challenges for the Respondent in opposing the appeal. The Respondent argues that its case will be hampered by the fact that many of the officers who dealt with the Applicant and the original HMO no longer work for the Respondent and it will, therefore, be difficult to secure their co-operation and attendance as witnesses. In the Respondent's written submissions, the Respondent referred to licensing decisions that, "often involve informal assessments, oral explanations, internal discussions." And on Mr King's written evidence, a conversation was held between Mr White and officers of the Respondent prior to issue of the HMO Licence to the Applicant.

65. The Tribunal is satisfied that, whether oral evidence would be required or not, the length of time between the issuing of the HMO Licence in November 2022 and the Applicant's appeal is likely to make the conduct of that appeal less efficient and likely to be more costly to address. The absence or unattainability of those who had conduct of the original application for an HMO Licence, something made more likely with the passage of time, is likely to increase the work and cost of dealing with the appeal.

66. In *Denton,* the Court of Appeal also noted (at [36]) that, "the promptness of the application will be a relevant circumstance to be weighed in the balance along with all the circumstances." By any standard, a delay of 1,100 days is, particularly considering the 28-day period in which an appeal should be brought, a very significant and substantial delay.

67. As noted above, the Applicant has sought to explain why the appeal was not made sooner. There is no evidence to suggest that, prior to March 2025, the Applicant believed that the HMO Licence had been issued to the wrong company in the group; certainly, no challenge to the Financial Penalties was raised prior to this point. Indeed, the Applicant appeared keen in 2024 to negotiate terms for payment of the penalties.

68. The fact that a party has failed to notice that it may have a defence to such a penalty does not, particularly in circumstances in which the facts underlying the defence now relied on by the Applicant are plainly discernible on the face of the licence, provide a good explanation for the failure to bring an appeal earlier. In addition, the fact (no doubt contested by the Respondent) that the other party could have discovered the error and/or did nothing to enforce payment of the penalty does not provide a good explanation for the delay.

69. Additionally, the Applicant has failed to provide an explanation for the delay that occurred between March 2025, when Ms Cole raised the issue of the correct holder of the HMO Licence and 6 August 2025 when it was notified of the decision of the County Court at Bournemouth and Poole to allow the Respondent to enforce the Financial Penalties in that court. Further, insofar as the Applicant contends that the delay between 6 August 2025 and the issue of the application to the Tribunal on 7 January 2026 was attributable to its mistaken belief that it could challenge the Financial Penalties in that court, that does not, particularly in light of the notes attached to the Financial Penalties, constitute a good reason.

70. In the circumstances, the Tribunal finds that there is no good reason for the delay in the Applicant bringing its appeal against the Financial Penalties before January 2026.

71. As noted above, the merits of the substantive case are normally irrelevant to an application for relief from sanctions. The exception is where the case is susceptible to summary judgment (on the basis that one party has no real prospects of success). Here, the Applicant does not argue that the Respondent has no real prospects of successfully opposing the appeal – it merely contends that the Applicant does have a real prospect of success. Accordingly, the Tribunal is not satisfied that the merits of the appeal are a factor in determining the Applicant's application for an extension of time.

72. The Tribunal does take into account the effect on the Applicant of any refusal to extend time for the appeal. The Applicant will, as a result, lose its ability to challenge the liability set out in the Financial Penalties. While we have not been addressed on the financial significance of those sums for the Applicant, they are substantial sums.

73. However, the Tribunal finds that the Applicant failed to take advantage of a number of opportunities to identify and raise the issues that it now seeks to rely on in its appeal to the Tribunal. On the evidence presented, those opportunities arose on the issue of the draft HMO Licence, the HMO Licence, the Improvement Notice, the Notice of Intent to issue Financial Penalties, as well as on the issue of the Financial Penalties themselves. Thereafter, the issue was only raised, informally, by Ms Cole's emails to the Respondent in March 2025. While steps were taken to raise that issue after the Applicant was notified of County Court enforcement action in August 2025, those steps were mis-directed. The

Applicant has been, to a very significant extent, the author of its own misfortune.

74. In the circumstances, the Tribunal does not consider that the sanction imposed by rule 27(2) of the Tribunal Rules is disproportionate.

75. Taking all these matters together, the Tribunal determines that it should not exercise its discretion to extend the 28-day limit for bringing an appeal against the Financial Penalties set out in rule 27(2) of the Tribunal Rules. The Tribunal therefore has no jurisdiction to determine the Applicant's application.

Decision

76. Accordingly, the Applicant's application to appeal against the Financial Penalties is dismissed.

Rights of appeal

1. A person wishing to appeal this decision to the Upper Tribunal (Lands Chamber) must seek permission to do so by making written application by email to rpsouthern@justice.gov.uk to the First-tier Tribunal at the Regional office which has been dealing with the case.

2. 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.

3. If the person wishing to appeal does not comply with the 28- day time limit, the 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.

4. 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.