



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

Case Reference : **MAN/00BY/HMG/2025/0603**

Premises : **Flat 2, 183A Smithdown Road, Liverpool, L15
2HD**

Applicants : **Ioanna Gkini & Boyko Nedev**

Respondents : **(1) Ravikumar Thiyagrarahj
(2) Vathany Thiyagrarahj Karthikeyana**

Type of Application : **Rent Repayment Order
s.41(1) Housing and Planning Act 2016**

Tribunal Members : **Judge P Forster
Mr J Faulkner FRICS
Ms H Dobby**

DECISION

Decision

The Tribunal is satisfied beyond reasonable doubt that the 2nd Respondent committed the offence under section 95(1) of the Housing Act 2004. The Tribunal determines that the appropriate amount of the Rent Repayment Order is £1,510.04.

Accordingly, the Tribunal orders that the 2nd Respondent, Vathany Thiagarajah Karthikeyanathan, to pay the Applicants, Ioanna Gkini and Boyko Nedev, the sum of £1,510.04 by 21 September 2026.

Introduction

1. The application is for a rent repayment order pursuant to section 41 of the Housing and Planning Act 2016.
2. The Applicants, Ioanna Gkini and Boyko Nedev, were the tenants of Flat 2, 183A Smithdown Road, Liverpool L15 2HD ('the Flat') which was originally let to them by Robin Kandiah under an assured shorthold tenancy agreement dated 30 August 2021 at a rent of £800 per calendar month. The Applicants occupied the Premises between 30 August 2021 and 23 May 2025.
3. The tenancy agreement names Robin Kandiah as the landlord. He was originally a party to the proceedings but the Tribunal removed him as a respondent because evidence was presented that in 2022, he had assigned his interest to the 1st Respondent, Ravikumar Thiagarajah.
4. The 2nd Respondent, Mrs T Karthikeyana, is the person to whom the Applicants paid their rent to between 14 February 2024 and 13 February 2025.
5. The Applicants seek a rent repayment order based on an alleged offence under section 95(1) of the Housing Act 2004, in that it is alleged that Respondents had control of, or managed, an unlicensed property which was subject to selective licensing.

The hearing

6. The hearing was held on 20 August 2026 at Liverpool Family and Civil Court. The Applicants represented themselves as did the 2nd Respondent. The 1st Respondent did not attend the hearing nor was he represented. The Tribunal had the Applicant's bundle of documents and a written statement from the 2nd Respondent and her bundle of documents. The Tribunal heard evidence from the Applicants and the 2nd Respondent and submissions from the parties before it reserved its decision.

The issues

7. The issues to be determined by the Tribunal are:

- Whether the 1st Respondent and/or the 2nd Respondent had control or management of the Premises within the meaning of the Housing Act 2004.
- Whether the Premises was required to be licensed under Liverpool City Council's selective licensing scheme during the relevant period.
- Whether the Premises was unlicensed during the relevant period.
- Whether the Tribunal is satisfied beyond reasonable doubt that either or both of the Respondents committed the offence under section 95(1) of the Housing Act 2004 of having control or management of an unlicensed house.
- Whether the offence was committed during the 12-month period ending with the date of the application, namely 14 February 2024 to 13 February 2025.
- What is the amount that may be awarded by way of a Rent Repayment Order?

The law

8. For the purposes of this application, the relevant law may be summarised as follows:

- Section 41 Housing and Planning Act 2016 - gives tenants the right to apply to the Tribunal for a Rent Repayment Order where a landlord has committed a relevant housing offence.
- Section 41(2)(b) Housing and Planning Act 2016 - provides that a tenant may apply only where the offence was committed within the period of 12 months ending with the date of the application. In this case the relevant period is 14 February 2024 to 13 February 2025.
- Section 43 Housing and Planning Act 2016 - gives the Tribunal power to make a Rent Repayment Order if satisfied that the relevant offence has been committed.
- Section 44 Housing and Planning Act 2016 - requires the Tribunal to determine the amount of any Rent Repayment Order. The Tribunal must consider:
 - the conduct of the landlord;
 - the financial circumstances of the landlord;
 - whether the landlord has any relevant convictions;
 - the conduct of the tenants; and
 - any other relevant circumstances.
- Section 95(1) Housing Act 2004 - creates the offence of having control of or managing a house that is required to be licensed but is not licensed. This is the offence alleged by the Applicants.
- Section 263 Housing Act 2004 - defines who is a person having "control" or "management" of a property. This is relevant to determining whether either Respondent was legally responsible for the Property during the relevant period.

9. The Tribunal must be satisfied beyond reasonable doubt that the alleged offence was before making a Rent Repayment Order.

The facts

10. The factual background is convoluted.
11. 183 and 183A Smithdown Road (“the Flat”) comprises a ground floor shop and two residential flats. Flat 2 is the subject of these proceedings.
12. Based on the registered title documents, the freehold title to the Property is registered under title MS432479 and the registered proprietor is Kharled Ali Radman.
13. The 1st Respondent did not have a legal interest in the Property. His wife, Sathya Priya Karmegan, held a lease of the Property from Mr Radman. The 2nd Respondent said in her witness statement that the 1st Respondent “assisted Ms Karmegan from time to time in dealing with the property on her behalf”. At the hearing, she said that the 1st Respondent had ‘the lease in his wife’s name’ and that she had only seen Mrs Karmegan once and she always dealt with the 1st Respondent.
14. The 2nd Respondent’s evidence is that in 2023 she was granted a licence to occupy the shop on the ground floor. She had an oral agreement with the 2nd Respondent ‘who was acting on behalf of Mrs Karmegan’. The 2nd Respondent says that she had no interest in the two flats above the shop. She claims that she had no knowledge of the Applicants’ tenancy.
15. Robin Kandiah, who was originally included as a respondent in the proceedings and who is named as landlord on the Applicant’s tenancy agreement, does not feature in the 2nd Respondent’s evidence.
16. The Applicants say that they paid their rent to Mr Kandiah from when they moved into the Flat on 30 August 2021 until 27 September 2022. They understood that Mr Kandiah owned the whole of the Property including the shop and the two flats. Mr Kkandiah’s interest in the Property is not documented but it seems likely that he had a lease of the Property from Mr Radman.
17. The Applicants state that they were introduced to the 1st Respondent and were told that he was taking over from Mr Kandiah. They were instructed to pay the rent into to Mrs Karmegan’s bank account. The Applicants asked several times for a new tenancy agreement but this was not forthcoming.
18. The Applicants’ evidence is that they had lots of problems with the gas supply to their flat. The prepayment gas meter was in the shop and the gas was frequently cut off because the meter had not been topped up. This caused the Applicants a great deal of

inconvenience because they could not get the gas supply restored when the shop was closed. They say that sometimes they had no gas for several days. There were other problems with the Flat including damp and loose electric cables. The Applicants stated that the 1st Respondent was 'the guy who ran the shop'. Whenever they had a problem, they called the 1st Respondent.

19. The Applicants state that in May 2023 the 2nd Respondent came to the Flat with the 1st Respondent and they were told to pay the rent to her. They say they were told the 2nd Respondent was taking over. They were given the 2nd Respondent's bank account details and from July 2023 to April 2025 they paid the rent to the 2nd Respondent. As Mr Nedev succinctly put it, 'why would she [the 2nd Respondent] pay the bills if she was not getting the rent'.
20. The 2nd Respondent confirms that from July 2023 to April 2025 she collected the rent from the Applicants in respect of Flat 2 but she claims this was only because she was assisting Ms Karmegan who was unable to collect it herself. The 2nd Respondent claims that she had no role in managing the Flat.
21. When the 2nd Respondent started to rent the shop, she says she was told that she was responsible for paying the bills for the flats and this is what she did. This included the bills for Flat 1 which was occupied by someone called Trevor.
22. The 2nd Respondent states that in April 2025 the utility bills were unusually high and that she informed the Applicants that she could not cover the cost because their rent was only £800 while the bills were coming in at £600. There was only one gas meter for the whole building and this provided gas to the shop and the two flats. The Applicants reasonably pointed out to the 2nd Respondent that the rent they paid was inclusive of the bills. The 2nd Respondent denies, as alleged, that she switched off the gas supply to Flat 2 on a number of occasions.
23. The Tribunal has been shown a Deed of Surrender dated 22 May 2025 whereby Sathya Priya Karmegan surrendered and yielded up to the freeholder, Khaled Ali Radman, her leasehold interest in the Property. The effect of the deed was to bring Ms Karmegan's lease to an end. The 2nd Respondent's chronology states that, following the surrender, Mr Radman granted a new lease of the whole property, comprising the shop and both flats, directly to her on the same date.

Findings

24. The Tribunal found both Applicants to be honest, straightforward and credible witnesses. Their evidence was given in a clear and consistent manner. The Tribunal was satisfied that they were doing their best to assist the Tribunal by giving an accurate account of events as they recalled them. Having considered their oral and

written evidence in the round, the Tribunal has no hesitation in accepting the Applicants' evidence in its entirety.

25. By contrast, the Tribunal did not find the 2nd Respondent to be a reliable witness. Her evidence was evasive in material respects and the Tribunal did not accept her assertion that she was largely ignorant of matters relating to the occupation and management of the property. In the Tribunal's assessment, the 2nd Respondent sought to minimise her involvement in events and to distance herself from matters of which she was, in fact, aware. Where her evidence conflicted with that of the Applicants, the Tribunal preferred the Applicants' account and did not regard the 2nd Respondent's evidence as credible or reliable.
26. Based on the facts, the following dates are of particular significance:
 - The Applicants entered into occupation of Flat 2 on 30 August 2021 under an assured shorthold tenancy agreement. This established the tenancy from which the present application arises. Although the tenancy agreement named Robin Kandiah as landlord, the Tribunal found that his interest in the property came to an end in 2022.
 - In 2022, the Tribunal found that Mr Kandiah transferred his leasehold interest to Mrs Karmegan. She had very little if anything to do with the Property which was managed and controlled by her husband the 1st Respondent. The Applicants were informed that the 1st Respondent was taking over responsibility for the property and they regarded him as their landlord.
 - In May 2023, the Applicants were introduced to the 2nd Respondent and instructed by the 1st Respondent to pay their rent to her. The Tribunal accepted the Applicants' evidence that they were told the 2nd Respondent was "taking over" and thereafter paid their rent to her until April 2025. The date in July 2023 is significant because it marked the commencement of the 2nd Respondent's involvement in collecting rent.
 - On 22 May 2025, Sathya Priya Karmegan executed a Deed of Surrender whereby she surrendered her leasehold interest in the property to the freeholder, Khaled Ali Radman. The Tribunal found that this brought her lease to an end. The evidence also indicated that on the same date Mr Radman granted a new lease of the property directly to the 2nd Respondent. This date is important in explaining the ownership and management arrangements.
27. The Tribunal finds that the 1st Respondent managed and controlled the Property following the takeover from Mr Kandiah in 2022 and he continued to do so until July 2023.
28. Although the leasehold interest was formally held in the name of his wife, Sathya Priya Karmegan, the evidence establishes that it was the 1st Respondent who dealt with the Applicants as landlord, informed them that their tenancy would continue unchanged

following Mr Kandiah's departure, received and directed the payment of rent, and was the person to whom the Applicants turned whenever issues arose at the Property.

29. The Tribunal finds that the 2nd Respondent assumed control and management of the Property in July 2023 when she was granted a licence by Mrs Karmegan.
30. The Tribunal does not accept the 2nd Respondent's evidence that the arrangement related only to the ground floor shop. Of particular significance is the letter from Mrs Karmegan dated June 2023, which refers to the Property as a whole, records that she was responsible for the rent payable to the landlord in the sum of £1,700 per month, and states that the existing lease would be transferred to her.
31. The Tribunal places substantial weight on the fact that the 2nd Respondent accepted that she received the Applicants' rent, and the bank statements show regular payments of £800 from Mr Nedev being paid into her account. Those statements further demonstrate that the rental income was not passed on to the 1st Respondent but formed part of the funds from which monthly payments of approximately £1,700 were made to Mr Radman as rent for the Property.
32. The 2nd Respondent accepts that she took responsibility for paying the utility bills serving the building, including the flats. It is inherently unlikely that a person with no interest in, or responsibility for, the residential accommodation would undertake liability for the utility costs of occupiers from whom they received no benefit. The more plausible inference, and the one the Tribunal draws, is that the 2nd Respondent received the rental income from the residential occupiers and in return assumed responsibility for the outgoings associated with the building. Taken together, this evidence demonstrates that from July 2023 the 2nd Respondent exercised practical control and management of the whole Property, comprising the shop and both flats, and not merely the shop as she contended.
33. Although the leasehold interest remained formally vested in Mrs Karmegan until its surrender on 22 May 2025, the Tribunal finds that the practical reality was that the 2nd Respondent had assumed the benefit and burden of the Property from July 2023. The letter from Mrs Karmegan records that the 2nd Respondent was responsible for paying rent to Mr Radman in the sum of £1,700 per month and refers to the transfer of the existing lease to her. The bank statements show that the 2nd Respondent received the Applicants' rent and regularly made payments to Mr Radman which corresponded with the monthly rent payable for the Property.
34. The Tribunal is satisfied that, notwithstanding the legal position, the 2nd Respondent was operating the Property as her own business concern, collecting the rental income, meeting the rental liability to Mr Radman and assuming responsibility for the outgoings associated with the building. The subsequent surrender of Mrs Karmegan's lease on 22 May 2025 and the grant of a new lease directly to the 2nd Respondent on

the same date did not create a new reality but rather formalised and recognised the practical arrangement that had existed since July 2023, namely that the 2nd Respondent had been exercising control and management of the whole Property for her own account.

The offence

35. The Tribunal finds that the Premises was required to be licensed during the relevant period and that no such licence was in force. The Applicants produced evidence from Liverpool City Council confirming that the Premises did not hold a selective licence, that there was no record of any licence having been issued for the address, and that there was no licensing history for any of the flats within the building. No contrary evidence was produced by either Respondent and, notwithstanding the opportunity afforded by the Tribunal's directions, no licence or licensing application was disclosed.
36. In those circumstances, and on the basis of the evidence provided by the local housing authority, the Tribunal is satisfied beyond reasonable doubt that the Premises fell within Liverpool City Council's selective licensing regime and remained unlicensed throughout the relevant period of 14 February 2024 to 13 February 2025.
37. The Tribunal finds that the 1st Respondent is not liable to a Rent Repayment Order in respect of the relevant period because he had ceased to have control or management of the Property before the commencement of the relevant period. Whilst the Tribunal accepts that the 1st Respondent managed and controlled the Property following his takeover from Mr Kandiah in 2022, the evidence establishes that control and management passed to the 2nd Respondent in July 2023 when she assumed responsibility for the Property under the arrangement made with Mrs Karmegan. From that date the 2nd Respondent collected the rent from the Applicants, paid the rent due to Mr Radman, assumed responsibility for the utility accounts and exercised day-to-day control over the building.
38. The relevant period for the purposes of the application is 14 February 2024 to 13 February 2025. By that time the 2nd Respondent had already been managing the Property for several months and was the person receiving the benefit of the rental income whilst carrying the obligations associated with the Property. The subsequent surrender of Mrs Karmegan's lease on 22 May 2025 and the grant of a new lease directly to the 2nd Respondent merely formalised an arrangement which had existed in practice since July 2023.
39. Accordingly, the Tribunal finds that throughout the relevant period the 2nd Respondent was the person having control of, and managing, the Property for the purposes of sections 95 and 263 of the Housing Act 2004, and it is therefore she, rather than the 1st Respondent, who is liable in respect of the offence of operating an unlicensed property and against whom the Rent Repayment Order should be made.

40. The Tribunal is satisfied beyond reasonable doubt that the 2nd Respondent committed the offence under section 95(1) of the Housing Act 2004. It finds that the 2nd Respondent was the person managing and having control of the Applicant's flat during the relevant period.
41. There is no evidence that either Respondent applied for or obtained the requisite licence, nor have they advanced any defence to the allegation.

The amount of the Rent Repayment Order

42. In determining the amount of the Rent Repayment Order, the Tribunal has had regard to sections 43 and 44 of the Housing and Planning Act 2016. The evidence establishes that the Applicants paid a total of £800 per month throughout the relevant period. However, this was an "all bills included" tenancy and the monthly payment comprised both rent and charges for utilities and services provided with the accommodation.
43. The Applicants' evidence is that they did not know how much of the £800 per month they paid was attributable to the bills. The 2nd Respondent said that the utilities were costing her about £300 per month. She accepted that it would be reasonable to apportion this equally between the shop and the two flats. On this basis, the Tribunal attributes £100 of the £800 paid each month by the Applicants to the bills.

The Applicants received the housing costs element of Universal Credit during the relevant period in the sum of £6,889.96. Pursuant to section 44 of the 2016 Act, a Rent Repayment Order may not include sums met by public funds and any housing benefit or housing element of Universal Credit must therefore be deducted from the recoverable rent.

Accordingly, the Applicants paid £800 per month throughout the relevant period. The Tribunal finds that £100 per month of that payment was attributable to utilities and services provided with the tenancy, leaving a rent element of £700 per month. Over the relevant twelve-month period, this produces a total rent figure of £8,400. The Applicants received the housing element of Universal Credit during the same period in the sum of £6,889.96, which must be deducted from the recoverable rent. Accordingly, the maximum amount recoverable by way of a Rent Repayment Order is £1,510.04.

44. Having considered all the circumstances of the case, including the conduct of the parties and the statutory purpose of promoting compliance with housing legislation, the Tribunal is satisfied that a Rent Repayment Order in the sum of £1,510.04 should be made.

Conclusion

45. The Tribunal has some discretion when determining the amount of the Rent Repayment Order. In the present case, the evidence presented does not support either an increase or decrease in the figure of £1,510.04. The purpose of a Rent Repayment

Order is to promote compliance with the legislation and deter disobedience. The Tribunal finds that this objective is achieved by imposing a Rent Repayment Order in the sum of £1,510.04 on the 2nd Respondent.

24 August 2026

Judge P Forster

RIGHT OF APPEAL

A person wishing to appeal against 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.

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.

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.

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.