

FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

**Case Reference** 

LON/00AH/HMG/2018/0002 :

Property

26 Hadley Wood Rise, Kenley,

Surrey CR8 5LY

Applicants

Mrs Elanga Longane, Mr Zobo Richphann Loubao and Miss

Jennifer Bolenga Longane

Representative

Mr Alasdair McClenahan of Justice

for Tenants

:

:

:

:

:

:

Respondents

Mr Frank Netsai Mukahanana

(First Respondent) and Wealth **Harbour Consulting Ltd (Second** 

Respondent)

Representative

Not present and not represented at

hearing

Also in attendance

Mrs Longane (one of the

Applicants)

Type of Application

**Application for Rent Repayment** 

Order under the Housing and

Planning Act 2016

**Tribunal Members** 

Judge P Korn

Mr M Cairns MCIEH

Date and venue of

Hearing

14th January 2019 at 10 Alfred :

Place, London WC1E 7LR

**Date of Decision** 

:

21st January 2019

#### DECISION

## Decision of the tribunal

The tribunal orders the First Respondent (Mr Mukahanana) to repay to the Applicants the sum of £4,242.33.

### Introduction

- The Applicants have applied for a rent repayment order against the Respondents under sections 40-44 of the Housing and Planning Act 2016 ("the 2016 Act").
- 2. The Applicants entered into an assured shorthold tenancy agreement in respect of the Property on 15<sup>th</sup> July 2017. The landlord under that tenancy agreement was expressed to be Wealth Harbour Consulting Limited (the Second Respondent), and the tenancy agreement was signed on behalf of the Second Respondent by Mr Mukahanana (the First Respondent). The Property is owned jointly by the First Respondent and Susan Mukahanana.
- The basis for the application is that, according to the Applicants, the Respondents were controlling an unlicensed house which was required to be licensed at a time when the Property was let to the Applicants.

## Applicants' case

- 4. The Applicants' tenancy started on 15<sup>th</sup> July 2017 and rent was paid to the managing agent, Hamptons International. The Property was at that time and continued to be within a selective licensing area designated by Croydon Council. The selective licensing scheme came into force on 1<sup>st</sup> October 2015 and covered the entire borough, and a copy of the Council's public notice is included in the Applicants' bundle.
- The Applicants note the Respondents' claim that they tried to apply for a licence in July 2017 only to find that they were unable to pay the licence fee due to problems with the Council's online payment system. However, the Applicants' understanding, in part based the Council's letter to Mrs Longane dated 21st September 2018, is that an application is only actually made once payment of the licence fee has been received. In her letter of 21st September 2018 Selma Ouaguena of the Council states that payment was not taken until 14th August 2018.
- 6. The First Respondent and Susan Mukahanana are named as the owners of the Property on the Land Registry title register. The Applicants note that the First Respondent is also the sole director of the Second Respondent. They have referred the tribunal to section 251 of the Housing Act 2004, to which further reference will be made later, and have argued that as the First Respondent has full control over the Second Respondent as its sole director and as owner of the Property he

has personally committed the offence and is therefore liable to be proceeded against. The Applicants have also expressed the concern that the First Respondent might be using the company as a protection in order to circumvent the legislation. They argue that if an award is made only against the Second Respondent then the First Respondent may choose to close down the company rather than pay any award.

- 7. The Applicants note the Respondents' claim that there was a reasonable excuse for non-payment of the licence fee but they do not accept this. The automated response received by the Respondents after filling out the application specifically stated that if they had paid using a credit card or debit card they would receive a receipt separately confirming this, and there is no evidence that any such receipt was provided.
- 8. The Applicants also note that the Second Respondent received automated emails from the Council about licensing, but this was only because it opted in to receiving such emails and not because it had completed the licence application. As regards discussions that allegedly took place with the Council, there is no evidence of any telephone calls having taken place. As for the First Respondent's assertion that the Council was unable to process applications in a timely manner nearly 2 years after the inception of the scheme, there is no evidence for this.
- On the question of the conduct of the parties, the First Respondent at one stage visited the Property when the Applicants were facing issues with their heating and pretended to be a workman.

#### Amount of rent

10. The Applicants state that the amount of rent paid by them for the relevant period totals £21,211.64, and they have provided a breakdown.

#### Other relevant considerations

- 11. The Applicants do not know anything relevant about the Respondents' financial circumstances. Aside from the issue relating to the heating, the Applicants were not suggesting that the Respondents' conduct has been an aggravating factor.
- On the issue of outgoings, the Applicants accept that there is some evidence of a management fee having been paid, but the statement of account provided by the Respondents does not itemise any other outgoings and the Respondents seem merely to be relying on a manuscript note at the bottom of the statement of account stating how much the outgoings were.

## Respondents' case

- 13. The First Respondent has provided a witness statement, but he did not appear at the hearing and nor did any representative of the Respondents attend the hearing. No explanation for this has been provided to the tribunal. Apart from any other considerations, the failure of the First Respondent without any explanation to make himself available to be cross-examined on his evidence weakens the force of that evidence.
- 14. The Respondents state that on applying online for a licence they received an automated response stating "Due to the volume of applications we are expecting, it may be a few weeks' after the start date before you hear anything from Croydon". Then from 11th September 2017 the Council signed the Second Respondent up to its mailing list in respect of Private Rented Property Licences, the first one of which began "As a member of the Croydon Private Rented property Licence Scheme, we would like to invite you to our next landlord forum ...".
- The Respondents state that the Second Respondent contacted the 15. Council in February 2018 and was told that it would be some time before the Council processed the application. It then received an email from the Council on 14th August 2018 notifying it that no fee had been taken when the application was made. It also received an email on 22nd November 2018 which according to the Grounds of Opposition prepared by its solicitors "confirmed ... that several other landlords have complained about payment not being taken by the Council, and suggest[ed] that the fault for this may well lie with the Council". The Grounds of Opposition add that "in the circumstances, and presumably in light of recognition that the error to take payment probably lay with the Council and not with the Respondents, the Council has since charged the Second Respondent the lower fee (which would have been charged if the fee had been paid within 28 days of the application in July 2017) and has confirmed that it intends to take no action whatsoever against the Second Respondent".
- 16. The Respondents argue that in the circumstances they have a defence under section 95(3)(b) of the Housing Act 2004 ("the 2004 Act") that an application was in fact made. In the alternative, they argue that they have a defence under section 95(4) of the 2004 Act, namely that they had a reasonable excuse for not having completed the licence application. They also argue that, as they have raised the defence of reasonable excuse, it is for the Applicants to show according to the criminal burden of proof that the excuse was not a reasonable one, and on this point they cite the Encyclopedia of Housing Law and Practice Vol 2 1-4182.181.2 which in turn cites the cases of Westminster City Council v Mavroghenis (1983) 11 H.L.R. 56 DCC, Polychronakis v

Richards & Jerrom Ltd (1998) Env.L.R. 346 and Roland v Thorpe (1970) 3 All E.R. 195 DC.

### Other relevant considerations

17. They state that the Second Respondent has been an assiduous landlord and has complied with all necessary requirements and obligations. As for the Applicants' conduct, Justice for Tenants wrote to the Respondents by letter received on 26th September 2018 demanding a response by 27th September 2018 and then the Applicants issued their application on 2nd October 2018.

## Relevant statutory provisions

## 18. Housing and Planning Act 2016

#### Section 40

- (1) This Chapter confers power on the First-tier Tribunal to make a rent repayment order where a landlord has committed an offence to which this Chapter applies.
- (2) A rent repayment order is an order requiring the landlord under a tenancy of housing in England to – (a) repay an amount of rent paid by a tenant ...
- (3) A reference to "an offence to which this Chapter applies" is to an offence, of a description specified in the table, that is committed by a landlord in relation to housing in England let by that landlord.

|   | Act                                  | section                      | general<br>description of<br>offence            |
|---|--------------------------------------|------------------------------|---|
| 1 | Criminal Law Act 1977                | section 6(1)                 | violence for<br>securing entry                  |
| 2 | Protection from<br>Eviction Act 1977 | section 1(2),<br>(3) or (3A) | eviction or<br>harassment of<br>occupiers       |
| 3 | Housing Act 2004                     | section 30(1)                | failure to comply<br>with improvement<br>notice |

| 4 |          | section 32(1) | failure to comply<br>with prohibition<br>order etc |
|---|----------|---------------|--|
| 5 |          | section 72(1) | control or<br>management of<br>unlicensed HMO      |
| 6 |          | section 95(1) | control or<br>management of<br>unlicensed house    |
| 7 | This Act | section 21    | breach of banning<br>order                         |

#### Section 41

- (1) A tenant or a local housing authority may apply to the First-tier Tribunal for a rent repayment order against a person who has committed an offence to which this Chapter applies.
- (2) A tenant may apply for a rent repayment order only if (a) the offence relates to housing that, at the time of the offence, was let to the tenant, and (b) the offence was committed in the period of 12 months ending with the day on which the application is made.

## Section 43

- (1) The First-tier Tribunal may make a rent repayment order if satisfied, beyond reasonable doubt, that a landlord has committed an offence to which this Chapter applies (whether or not the landlord has been convicted).
- (2) A rent repayment order under this section may be made only on an application under 41.
- (3) The amount of a rent repayment order under this section is to be determined in accordance with - (a) section 44 (where the application is made by a tenant) ...

#### Section 44

- (1) Where the First-tier Tribunal decides to make a rent repayment order under section 43 in favour of a tenant, the amount is to be determined in accordance with this section.
- (2) The amount must relate to rent paid during the period mentioned in the table.

| If the order is made on the ground that the landlord has committed        |  |
|---|--|
| an offence mentioned in row 1 or 2<br>of the table in section 40(3)       | the period of 12 months ending<br>with the date of the offence                                   |
| an offence mentioned in row 3, 4, 5, 6 or 7 of the table in section 40(3) | a period, not exceeding 12<br>months, during which the<br>landlord was committing the<br>offence |

- (3) The amount that the landlord may be required to repay in respect of a period must not exceed – (a) the rent paid in respect of that period, less (b) any relevant award of universal credit paid (to any person) in respect of rent under the tenancy during that period.
- (4) In determining the amount the tribunal must, in particular, take into account – (a) the conduct of the landlord and the tenant, (b) the financial circumstances of the landlord, and (c) whether the landlord has at any time been convicted of an offence to which this Chapter applies.

## Housing Act 2004

## Section 87

- (1) An application for a licence must be made to the local housing authority.
- (3) The authority may, in particular, require the application to be accompanied by a fee fixed by the authority.

#### Section 95

- (1) A person commits an offence if he is a person having control of or managing a house which is required to be licensed under this Part ... but is not so licensed.
- (3) In proceedings against a person for an offence under subsection (1) it is a defence that, at the material time ... (b) an application for a licence had been duly made in respect of the house under section 87, and that ... application was still effective ...
- (4) In proceedings against a person for an offence under subsection (1) ... 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 failing to comply with the condition.

### Section 96

- (5) If ... the tribunal is satisfied as to the matters mentioned in subsection (6) or (8), the tribunal may make ... a rent repayment order ... requiring the appropriate person to pay ...".
- (10) In this section "the appropriate person", in relation to any payment of ... periodical payment payable in connection with occupation of the whole or part of a house, means the person who at the time of the payment was entitled to receive on his own account periodical payments payable in connection with such occupation.

#### Section 251

(1) Where an offence under this Act committed by a body corporate is proved to have been committed with the consent of or connivance of, or to be attributable to any neglect on the part of ... a director ... of the body corporate ... he as well as the body corporate commits the offence and is liable to be proceeded against and punished accordingly.

# Tribunal's analysis

19. It is common ground between the parties that the Property required a licence from 14<sup>th</sup> July 2017. In addition, the Respondents do not dispute that the Applicants had a tenancy agreement and that they paid by way of rent the sums now claimed by the Applicants by way of rent repayment.

- 20. Section 40 of the 2016 Act confers power on the First-tier Tribunal to make a rent repayment order where a landlord has committed an offence listed in the table in sub-section 40(3), subject to certain conditions being satisfied. The offence of having control of or managing an unlicensed HMO is one of the offences listed in that table.
- 21. The Applicants claim in their application that the above offence was being committed from 15<sup>th</sup> July 2017 to 14<sup>th</sup> July 2018 (when they vacated the Property). The application for a rent repayment order was made on 2<sup>nd</sup> October 2018, and as an application for a rent repayment order can only be made in respect of an offence committed within the period of 12 months ending with the date on which the application is made the Applicants are seeking repayment of rent for the period 2<sup>nd</sup> October 2017 to 14<sup>th</sup> July 2018. The dates themselves are not in fact disputed by the Respondents; the main points in contention are whether a licence application was actually made on 14<sup>th</sup> July 2017 or whether in the alternative the Respondents had a reasonable excuse for not having made a licence application.
- 22. Under section 43 of the 2016 Act, the First-tier Tribunal may make a rent repayment order if satisfied, beyond reasonable doubt, that a landlord has committed an offence listed in the table in sub-section 40(3).

#### Has an offence been committed?

23. Under section 95(1) of the 2004 Act, a person commits an offence if he is a person having control of or managing a house which is required to be licensed under this Part ... but is not so licensed. It is clear from the evidence, and is not disputed by the Respondents, that the Property was not licensed during the period 2<sup>nd</sup> October 2017 to 14<sup>th</sup> July 2018 and that it was required to be.

#### Section 95(3)

- 24. Under section 95(3) of the 2004 Act, it is a defence that, at the material time, an application for a licence had been duly made (and that such application was still effective). Under section 87(3) of the 2004 Act the local housing authority may, in particular, require the application to be accompanied by a fee fixed by the authority.
- 25. It is common ground between the parties that a fee was payable, and the evidence shows that the local housing authority does not consider an application to be complete until all information has been provided and the fee has been paid. In any event, in our view it is self-evident that this is the case; an application cannot be treated as having been made for the purposes of section 95(3) unless it is a complete application, and an application which attracts a fee and which is clearly

payable at the time of making the application cannot be considered complete unless and until payment is made. The Respondents therefore do not have a defence under section 95(3). The Respondents argue that any defence, once raised, needs to be disproved beyond reasonable doubt, but even assuming this analysis to be correct we are satisfied beyond reasonable doubt that this defence fails.

## Section 95(4)

- 26. Under section 95(4) of the 2004 Act, it is a defence that the relevant person had a reasonable excuse for failing to license a house required to be licensed. The Respondents argue that there was a reasonable excuse in this case because they tried to pay but were unable to do so as a result of a problem with the online payment system which the Council itself acknowledged.
- 27. We do not accept the Respondents' argument that there was a reasonable excuse in this case for failing to license the Property. They have no evidence, other than their own assertion, that they did try to pay online but were simply thwarted by a failing in the online system. On the contrary, the evidence indicates that if they had experienced problems with paying online they would have received an error message which they could then have submitted in evidence.
- 28. As regards their correspondence with the Council, we note with concern that the Respondents have in our view mischaracterised the Council's response to them. It is apparent from the email dated 22<sup>nd</sup> November 2018 from Beth Owusu of Croydon Council to the First Respondent that she was not confirming that the Council was at fault in this case, and nor was she agreeing that the Respondents had tried to pay the licence fee. Indeed, there is no evidence to indicate that Ms Owusu could possibly have known what steps the Respondents had taken (if any) in order to attempt to make payment. Her email is merely a summary of possible reasons why payment sometimes cannot be taken.
- 29. The Respondents rely in part on their receipt of an automated response stating "Due to the volume of applications we are expecting, it may be a few weeks' after the start date before you hear anything from Croydon". However, that same statement also clearly states, prior to the wording relied on by the Respondents, as follows: "If you paid for your licence using credit or debit card, you will receive a receipt separately to this email. This receipt will only be received and your application processed once your payment has been processed". The Respondents were therefore on notice that payment had not been received and that the application could not be processed without payment.

- 30. As regards the Second Respondent having been signed up to the Council's mailing list in respect of Private Rented Property Licences, this is merely evidence of its having ticked the relevant box in the application form and neither demonstrates that a complete licence application was made nor that the Respondents had a reasonable excuse for failing to make a complete application.
- 31. The Respondents therefore do not have a defence under section 95(4). Again, the Respondents argue that any defence, once raised, needs to be disproved beyond reasonable doubt, but even assuming this analysis to be correct we are satisfied beyond reasonable doubt that this defence fails too.

## Who is the landlord?

- 32. We are satisfied beyond reasonable doubt that the offence of having control of or managing an unlicensed house has been committed throughout the period 2<sup>nd</sup> October 2017 to 14<sup>th</sup> July 2018, and we consider exercising our discretion that a rent repayment order should in principle be made.
- 33. One issue that arises is against whom any such order should be made. The Applicants argue, invoking section 251 of the 2004 Act, that any order should be made not only against the Second Respondent as the named landlord under the tenancy agreement but also against the First Respondent on the basis that an offence has been "committed by a body corporate ... with the consent of or connivance of, or to be attributable to any neglect on the part of ... a director ... of the body corporate" and therefore that the First Respondent "as well as the body corporate commits the offence and is liable to be proceeded against and punished accordingly". They argue that the First Respondent is the sole director of the company and therefore that the offence was committed with his consent or connivance or due to his neglect.
- 34. However, in our view the issue is not simply who has committed the offence but who, according to the legislation, is the person against whom the rent repayment order should be made. Under section 96(5) of the 2004 Act the rent repayment order needs to be made against "the appropriate person", and in section 96(10) the appropriate person is defined as the person who at the time of the (rental) payment was entitled to receive that payment on his own account. In our view, section 251 does not, and was not intended to, widen the meaning of "the appropriate person" and is merely concerned with situations in which it is necessary to work out the specific question of who has committed an offence.
- 35. In any event, the application has been made under the 2016 Act. Section 40(1) of the 2016 Act states that "This Chapter confers power on the First-tier Tribunal to make a rent repayment order where a

landlord has committed an offence to which this Chapter applies", and section 40(3) states that "A reference to "an offence to which this Chapter applies" is to an offence ... that is committed by a landlord in relation to housing in England let by that landlord ...". The rent repayment order therefore needs to be made against the landlord (assuming that the landlord has committed a relevant offence).

- The key question, therefore, in our view, is who is the landlord? The 36. Second Respondent is named as landlord in the tenancy agreement but there is no evidence that the Second Respondent has any property interest whatsoever in the Property. The Applicants have provided evidence to indicate that the First Respondent and Susan Mukahanana jointly own the Property and the Respondents have not denied this. Furthermore, having had every opportunity to do so the Respondents have not even claimed - let alone provided any evidence to support a claim - that the First Respondent and Susan Mukahanana have granted any lease to the Second Respondent. Therefore the factual position, on the basis of the evidence provided, is that the landlord is the First Respondent and Susan Mukahanana jointly and not the Second Respondent. It is true that the Second Respondent has been called the landlord in the tenancy agreement, but as it has no property interest in the Property it cannot be anything more than an agent of the landlord.
- 37. An order can therefore be made against the First Respondent as landlord (or, to be precise, as one of two joint landlords). Susan Mukahanana is the other joint landlord, but she has not been named as co-Respondent and therefore an order cannot be made against her. However, based on the information that we have before us we consider that the First Respondent and Susan Mukahanana hold the Property as joint tenants rather than tenants in common and therefore that any liability belongs in full to each of them. The First Respondent is therefore liable to pay the full amount of any rent repayment ordered.

# Amount of rent to be ordered to be repaid

- 38. Based on the above analysis, we have the power to make a rent repayment order against the First Respondent and we consider on the facts of this case that it would be appropriate to do so.
- 39. The amount of rent to be ordered to be repaid is governed by section 44 of the 2016 Act. Under sub-section 44(2), the amount must relate to rent paid by the tenant in respect of a period, not exceeding 12 months, during which the landlord was committing the offence. Under sub-section 44(3), the amount that the landlord may be required to repay in respect of a period must not exceed the rent paid in respect of that period less any relevant award of universal credit paid in respect of rent under the tenancy during that period.

- 40. In this case, the offence was being committed from 15<sup>th</sup> July 2017 to 14<sup>th</sup> July 2018, and as a rent repayment order can only be made in respect of an offence committed within the period of 12 months ending with the date on which the application was made the applicable period is 2<sup>nd</sup> October 2017 to 14<sup>th</sup> July 2018, as per the Applicants' application. There is no evidence of any universal credit having been paid, and therefore the maximum amount repayable is the whole of the amount claimed, i.e. £21,211.64.
- 41. Under sub-section 44(4), in determining the amount the tribunal must, in particular, take into account (a) the conduct of the landlord and the tenant, (b) the financial circumstances of the landlord, and (c) whether the landlord has at any time been convicted of an offence to which the relevant part of the 2016 Act applies.
- 42. The Upper Tribunal decision in Parker v Waller and others (2012) UKUT 301 (LC) is a leading authority on how a tribunal should approach the question of the amount that it should order to be repaid under a rent repayment order if satisfied that an order should be made. The case was decided before the coming into force of the 2016 Act but in our view the basic principles that it lays down apply equally to rent repayment orders under the 2016 Act, subject obviously to any relevant differences in the statutory wording.
- 43. In his analysis, based in that case on section 74 of the 2004 Act, the then President of the Upper Tribunal, George Bartlett QC, discussed the purpose of rent repayment orders in favour of occupiers. Under section 74 the amount payable is "such amount as the tribunal considers reasonable in the circumstances" and section 74 goes on to specify five matters in particular that should be taken into account, including the conduct of the parties and the financial circumstances of the landlord. This contrasts with rent repayment orders in favour of a local authority in respect of housing benefit under the 2004 Act, where an order for the full amount of housing benefit must be made unless by reason of exceptional circumstances this would be unreasonable. There are therefore different policy considerations under the 2004 Act depending on whether the order is in favour of an occupier or in favour of a local authority.
- 44. The President of the Upper Tribunal went on to state that in the case of a rent repayment order in favour of occupier there is no presumption that the order should be for the total amount of rent received by the landlord. The tribunal must take an overall view of the circumstances. Specifically in relation to payment for utility services which forms part of the rent, his view was that these should not be ordered to be repaid except in the most serious cases as the landlord will not himself (or herself) have benefited from these.

- 45. Section 44 of the 2016 Act does not state that the amount repayable to an occupier should be such amount as the tribunal considers reasonable in the circumstances, but neither does it contain a presumption that the full amount will be repayable.
- 46. Starting with the specific matters listed in section 44, the tribunal is particularly required to take into account (a) the conduct of the parties, (b) the financial circumstances of the landlord, and (c) whether the landlord has at any time been convicted of a relevant offence.
- 47. Based on the evidence before us, we consider the Applicants' conduct to have been good. There is no evidence to the contrary from the Respondents aside from their contention that this application has been pursued somewhat aggressively. The First Respondent did not, though, make himself available to be cross-examined on this contention or on any other part of his evidence.
- As for the Respondents' conduct, the Applicants claim that the First Respondent at one point pretended not to be the owner of the Property when a heating issue arose, but generally there seems to be no suggestion that he has been a bad landlord. The Applicants have raised certain concerns, for example regarding the coldness of the conservatory kitchen and the presence of a hole outside the back door, but generally the Property appears to be in good condition, modern and well-equipped.
- 49. We have not been provided with any specific information as to the Respondents' financial circumstances. As regards convictions, the Respondents have not been convicted of this offence or of any other relevant offences and the Council have chosen not to take any further action.
- 50. It is clear, though, by applying the principles set out in the decision in Parker v Waller and from the wording of sub-section 44(4) itself that the specific matters listed in sub-section 44(4) are not intended to be exhaustive, as sub-section 44(4) states that the tribunal "must, in particular, take into account" the specified factors. One factor identified by the Upper Tribunal in Parker v Waller as being something to take into account in all but the most serious cases is the inclusion within the rent of the cost of utility services. We do not consider that the Respondents' conduct is such that this could be regarded as one of the most serious cases, and we therefore think that it is right in principle to deduct any utility charges of which there is proper evidence, these representing actual costs rather than a profit for the Respondents.
- 51. However, as noted above, the Respondents chose without offering any reasons or any apology not to attend and not to be represented at the hearing. The only information that we have from them in relation

to outgoings is a copy Statement of Account, and no utility costs are listed in that Statement of Account. There are some manuscript notes relating to fees and charges, but these fall far short of constituting proper evidence. The Statement of Account does list a series of management fees but the Respondents have merely provided some figures and have not made themselves available to be cross-examined on them. In any event, we do not consider that a management fee is the sort of outgoing that should be deducted without any supporting evidence as to what work has been done and to whom it has been paid. Therefore, there are no outgoings to be deducted.

- 52. We do not consider that there are any other specific factors to take into account in this case in determining the amount of rent to order to be repaid, and therefore all that remains is to determine the amount that should be paid based on the above factors.
- 53. As regards the Upper Tribunal's general point that there is no presumption that a rent repayment order should be for the total amount of rent received by the landlord, there is a possible question as to whether the Upper Tribunal's view is solely or mainly based on the provision in the 2004 Act that the amount payable is "such amount as the tribunal considers reasonable in the circumstances", a phrase which is not repeated in the 2016 Act, or whether this would also be the Upper Tribunal's view in the context of the 2016 Act.
- 54. In our view, even in relation to the 2016 Act it is probably unhelpful to start with a presumption that the order should be for the total amount of rent received, and therefore we make no such presumption. Taking all of the circumstances into account, including the fact that there was no conviction and that the conduct of the landlord was (taken as a whole) at the better end of the scale, we consider that it is appropriate to order the repayment of 20% of the rent paid in respect of the relevant period, there being no deduction in this case for outgoings. The tribunal has discretion as to the amount payable, and we consider that this is the appropriate amount in the circumstances. The amount of rent paid was £21,211.64, and 20% of this amount is £4,242.33.

# Cost applications

55. There were no cost applications.

Name: Judge P Korn Date: 21st January 2019

#### RIGHTS OF APPEAL

- A. If a party wishes to appeal this decision to the Upper Tribunal (Lands Chamber) a written application for permission must be made to the First-tier Tribunal at the regional office dealing with the case.
- B. The application for permission to appeal must arrive at the regional office within 28 days after the Tribunal sends written reasons for the decision to the person making the application.
- C. If the application is not made within the 28 day time limit, such application must include a request for extension of time and the reason for not complying with the 28 day time limit; the Tribunal will then look at such reason and decide whether to allow the application for permission to appeal to proceed despite not being within the time limit.
- D. The application for permission to appeal must identify the decision of the Tribunal to which it relates (i.e. give the date, the property and the case number), state the grounds of appeal, and state the result the party making the application is seeking.