

FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

LON/00AH/HNA/2020/0103

Case reference : LON/00AH/HNA/2020/0104 LON//00AH/HNA/2020/0105

LON/00AH/HNA/2020/0105 LON/00AH/HNA/2020/0106

88 Parkway New Addington Croydon

CRo oLA (1)

Property : 16 The Lindens, New Addington

**Croydon CRo 9EG** 

Mr Isaac Kironde & Mrs Catherine

Applicant : Kironde (1)

TopMove Estate Agents Ltd (2)

Representative : N/A

Respondent : London Borough of Croydon

Representative : Mr Sharkey of Counsel

Type of application : Appeal against a Financial Penalty

Judge H Carr

Tribunal members : Mr M. Cairns

Ms L. West

Date : 16th April 2021 at 10.00 am and 14th

May 2021 at 9.30

Date of decision : 16th July 2021

#### **DECISION**

# Covid-19 pandemic: description of hearing

This has been a remote video hearing which has not been objected to by the parties. The form of remote hearing was V: CVPREMOTE. A face-to-face hearing was not held as it was not practicable and all issues could be determined in a remote hearing. The tribunal were provided with an electronic bundle prepared by the first applicants comprising 44 pages and the second applicant comprising 75 pages, as well as four electronic bundles prepared by the respondent comprising approximately 1600 pages. Further documents were submitted by the second applicant prior to the second day of the hearing. The determination below takes into account all the documentation received from the parties.

## **Decisions of the tribunal**

- (1) The tribunal determines to vary the order against the first applicant from £6,000 to £4,000 for each property. This is to be split between Mr and Mrs Kironde. A total of £8,000 is therefore payable by Mr and Mrs Kironde made up of £2,000 per property for each of them.
- The tribunal determines to confirm the order against the second applicant. The amount of the Financial Penalty is therefore confirmed at £6,000 per property so a total of £12,000 is payable by the second applicant.
- (3) The tribunal makes the determinations as set out under the various headings in this decision.

# The application

- 1. Each of the applicants is appealing against the imposition of financial penalties by the respondent, the London Borough of Croydon.
- 2. The financial penalties were imposed for offences under section 95(1) of the Housing Act 2004 i.e. failure of a person having control of or managing a house which is required to be licensed but is not so

licensed. The offences were committed between 10<sup>th</sup> September and 24<sup>th</sup> December 2019.

- 3. The financial penalties imposed are as follows:
  - (i) 88 Parkway
    - (a) £6,000 imposed upon the first applicants which was equally split between them £3,000 each.
    - (b) second applicant £6,000
  - (ii) The Lindens
    - £6,000 imposed upon the first applicants which was equally split between them £3,000 each.
    - (b) second applicant £6,000

# The hearing

- 4. Mr and Mrs Kironde attended the hearing and represented themselves. Mr Adedayo Badejo attended from TopMove Estate Agents Ltd and represented his agency.
- 5. The respondent was represented by Mr Paul Sharkey of Counsel. Also in attendance for the respondent were Mr Nick Gracie-Langrick, Mr Joe Moulder, Environmental Health Officer, Mr Paul Gourdon, Housing Enforcement Officer. Ms Mandy Ravalia, the Senior Residential Licensing Officer also attended.

#### The law

6. The relevant law is contained in the Housing Act 2004. Section 263 is set out below.

#### Section 263 Housing Act 2004

(1) In this Act "person having control", in relation to premises, means (unless the context otherwise requires) the person who receives the rack-rent of the premises (whether on his own account or as agent or trustee of another person), or who would so receive it if the premises were let at a rack-rent.

- (2) In subsection (1) "rack-rent" means a rent which is not less than two-thirds of the full net annual value of the premises.
- (3) In this Act "person managing" means, in relation to premises, the person who, being an owner or lessee of the premises—
  - (a) receives (whether directly or through an agent or trustee) rents or other payments from—
    - (i) in the case of a house in multiple occupation, persons who are in occupation as tenants or licensees of parts of the premises; and
    - (ii) in the case of a house to which Part 3 applies (see section 79(2)), persons who are in occupation as tenants or licensees of parts of the premises, or of the whole of the premises; or
  - (b) would so receive those rents or other payments but for having entered into an arrangement (whether in pursuance of a court order or otherwise) with another person who is not an owner or lessee of the premises by virtue of which that other person receives the rents or other payments; and includes, where those rents or other payments are received through another person as agent or trustee, that other person.
- (4) In its application to Part 1, subsection (3) has effect with the omission of paragraph (a)(ii).
- (5) References in this Act to any person involved in the management of a house in multiple occupation or a house to which Part 3 applies (see section 79(2)) include references to the person managing it.

# The background

- 7. The respondent designated the borough of Croydon as a discretionary licence area under Part 3 of the Housing Act 2004. The scheme came into force on 1st October 2015 and requires that owners of every privately rented home in the borough apply to the council for a licence.
- 8. The appeal relates to two properties. (i) 88 Parkway new Addington Croydon CRO OLA (88 Parkway) and (ii) the Lindens Field Way Croydon CRO 9EG (the Lindens).
- 9. 88 Parkway is a 3-bedroom house built in the 1970s/80s. The ground floor of the property consists of the kitchen living room, dining room and WC. The first floor comprises three bedrooms and a bathroom.

- 10. The Lindens is a 3 bedroom house built in the 1970s. It comprises a kitchen, living room, dining room and WC on the ground floor with 3 bedrooms and a bathroom on the first floor.
- 11. Both properties are within the borough and therefore subject to its licensing requirements. The first applicants are the freeholders of both properties. The second applicant is the managing agent of the properties, TopMove Estate Agents Limited. The directors are Bolanie and Adedayo Badejo. They are husband and wife.
- 12. The first applicants have a contract with the second applicant appointing it as managing agent. The management agreement shows that the second applicant collected the rent for the property, and took 11% for services provided with the remaining amount going to the first applicants.
- 13. The properties came to the attention of the respondent because it was investigating another property 253 Franklin Way Croydon CRo 4 UX owned by the first applicants and managed by the second applicant.
- 14. As part of that investigation the respondent sent a letter inviting the first and second applicants to an interview. Mr Badejo was interviewed on 3rd September 2019 and given a warning. The warning was confirmed in writing on 10<sup>th</sup> September 2019. It stated that the respondent was giving the first applicants and the second applicant a month to review any rented properties that they own or have under management. The letter warned that if subsequently a property is found that was not licensed when it should have been, the warning will be taken into account and considered as a consideration in any decision to issue a caution, a penalty or prosecute. That letter was copied to the first applicants.
- 15. Ms Badejo from the second applicant replied by email on 8<sup>th</sup> October 2019 saying that all TopMove's properties would be checked to make sure that they are licensed.
- 16. Mr and Mrs Kironde did not attend the interview. They say that they did not receive the letter inviting them to interview nor did they receive a copy of the warning letter. This matter is dealt with further below.

#### The Lindens

17. Ms Krystal Cyprien is the tenant of the Lindens. She has been renting the property since 10th June 2016 and pays £1,350 per month to the second applicant, TopMove Properties. The tenancy agreement states that Mr and Mrs Kironde, the first applicants, are her landlord and that TopMove are the managing agents.

18. Mr Gourdon for the respondent visited the Lindens on 18<sup>th</sup> December 2019. He took a statement from the tenant. Application for the licence was received on 24<sup>th</sup> December 2019. In that application Mr Kironde was listed as the licence holder and the second applicant listed as managing agent. The relevant fee for the licence application was not paid until 1st May 2020 despite several reminders. The licence was subsequently granted.

# 88 Parkway

- 19. Mr Moulder for the respondent visited 88 Parkway on 5<sup>th</sup> March 2020 and found it to be rented without a licence. On that date the tenant of 88 Parkway Mrs Racheal Izobe-Abumere provided a statement which confirmed that she has been the tenant of the property since 17<sup>th</sup> December 2018. Her rent, which is paid to TopMove Ltd is £1,450 per month. Her statement said that the landlord is Mr Kironde and the rent is paid to TopMove.
- 20. The respondent requested documents in relation to the property on 15<sup>th</sup> May 2020. The information was received on 29th May 2020. The respondent considered that the management agreement between the first and second applicants was unclear about the responsibility for licensing the premises.
- 21. Application for a licence for the property was received on 18<sup>th</sup> May 2020. The licence was granted on 4<sup>th</sup> August 2020. Isaac Kironde was listed as the licence holder. TopMove Ltd were listed as the managing agent. Bola Badejo created the application.

#### The process

- 22. The council sent notices on 15th May 2020 to both applicants requesting information and documentation. All documentation was received on 29th May 2020.
- 23. On 17<sup>th</sup> June 202 the Council served a Notice of Intention to issue a Financial Penalty in relation to offences regarding both properties. Representations were received from both parties in relation to the Notice of Intention. These were considered by the Head of Public Protection and Licensing on 3<sup>rd</sup> August 2020. The fines of £6,000 were confirmed and the Financial Penalty Notice was served on 1<sup>st</sup> September 2020.
- 24. The first applicants appealed against the decision to issue a Financial Penalty on 10<sup>th</sup> September 2020. The second applicant appealed against the decision to issue a Financial Penalty on 28th September 2021.

#### The issues

- 25. The issues that the tribunal must determine are;
  - (i) Is the tribunal satisfied beyond reasonable doubt that the applicant committed the alleged offence?
  - (ii) Whether the local housing authority has complied with all of the necessary requirements and procedures relating to the imposition of the financial penalty (see section 249A and paragraphs 1 to 8 of Schedule 13A of the 2004 Act);
  - (iii) Does the applicant have a defence of a reasonable excuse?
  - (iv) Whether the financial penalty is set at an appropriate level, having regard to any relevant factors, which may include, for example:
    - (a) the offender's means;
    - (b) the severity of the offence;
    - (c) the culpability and track record of the offender;
    - (d) the harm (if any) caused to a tenant of the premises;
    - (e) the need to punish the offender, to deter repetition of the offence or to deter others from committing similar offences; and/or
    - (f) the need to remove any financial benefit the offender may have obtained as a result of committing the offence.

#### The determination

Is the tribunal satisfied beyond reasonable doubt that the applicants have committed the alleged offence?

- 26. The respondent states that there was a clear breach of the legislation. Neither of the applicants submitted a licence application.
- 27. It was accepted by both the applicants that the properties required licensing and that they were not licensed. The second applicant accepted that the offence had been committed.
- 28. The first applicants say that they have not committed the offence because they were not persons having control of or managing a house.
- 29. They say that they have been landlords in Croydon since 2003. They appointed the second applicants as managing agents in 2016. This was a full management agreement and the first applicants paid considerable fees. As a result of that agreement TopMove were in control of or managing the properties.
- 30. They refute the argument that diligent landlords would have paid attention to the law. That, they argue would defeat the law of agency and the first applicants say that they paid the agents to licence the property as part of the management agreement.
- 31. They argue that the legislation does not allow for both applicants to have committed the offence. They place great stress on Croydon's guide to licensing which says that the person applying for the licence must be either the owner *or* the manager. The word 'or', they argue, implies that once an agent has been employed then the owner cannot be dragged back to face responsibility for licensing.
- 32. They argue that the tribunal should take note of the United Kingdom's rules on statutory interpretation, the literal rule, the golden rule, and the mischief rule. They suggested that the tribunal should pay attention to the mischief that the law intended to remedy. They suggested that the purpose of the law was to ensure that licenses were obtained. The first applicants had put the second applicant in charge of this and therefore they had ensured that the mischief targeted by the law was addressed. Any failure is that of TopMove and not their failure.
- 33. They also suggest that the law on agency was applicable and that the respondent was estopped from ignoring the agreement between the first and second applicants.
- 34. The respondent drew the attention of the tribunal to s.263 of the Housing Act 2004. It argues that there are two limbs to the statutory definition where the property is let at a rack rent and where it is not. Where there is a letting at a rack rent, as is the case in this appeal, the first limb of the definition is satisfied and it is unnecessary to consider whether there is anyone else who could also let the premises at a rack rent. It is not necessary for the person in receipt of the rack-rent to be

- in receipt of it on his own account; he may do so as an agent or a trustee. Following the statutory definition Mr and Mrs Kironde are clearly persons having control of the property.
- 35. In these particular circumstances the first applicants are in receipt of the rack rent and are therefore persons in control of the property and liable under the Act.

## The decision of the tribunal

36. The tribunal determines that both the first and second applicants have committed the offence.

### The reasons for the decision of the tribunal

- 37. The second applicant concedes that the offence has been committed.
- 38. The tribunal agrees with the respondent's explanation of the law. It is entirely consistent with the law that more than one party can commit an offence under the legislation.
- 39. The first applicants are mistaken on the law. The rules of statutory interpretation are not required if the statutory provisions are unambiguous as they are here.
- 40. There is nothing to prevent both the owner and the agent having responsibilities under the Act. The respondent was able to initiate proceedings against both applicants as long as both were caught by the statutory definition which in this case, the tribunal finds, they were.

# Do the applicants have a reasonable excuse defence?

- 41. The first applicants argue that there are two bases for their reasonable excuse defence. The first is that the second applicants are responsible for licensing. The second is that they did not receive the warning letter of 10<sup>th</sup> September 2019.
- 42. The first argument is largely a repeat of the argument in connection with whether the offence has been committed. The first applicants state that they have an agreement with the second applicant that is a full management arrangement. They understood the package included ensuring licences are in place for each property. Although licensing of properties is not mentioned in the terms and conditions, the first applicants state that they have a verbal agreement with the second applicants to handle this matter. They say they have a good relationship with the second applicants and believe that the failure to licence was

due to an administrative error. At no point in the process did they think or intend to avoid their licensing responsibilities.

- 43. The first applicants are entitled to rely on their agreement with the second applicant and this is the basis of a reasonable excuse defence. The second applicant is an established business and the first applicant paid for a full management service. TopMove had already licenced two other properties that the first applicants own in the Borough.
- 44. The first applicants say that the email from Bola Badejo on 11th June 2020 to Mr Moulder stating that both applicants were responsible for licensing was a mistake. They say, and the second applicants agree, that what Bola Badejo meant was that the second applicants took full responsibility.
- 45. They therefore argue that the respondent should have treated the second applicant as the party responsible for licensing the properties. The first applicants referred to the rules of statutory interpretation, agency and estoppel to justify this.
- 46. The second base for the first applicants' reasonable excuse defence is that they say that they did not receive the warning letter sent on 10<sup>th</sup> September 2019. They say that this was a communication failure by Croydon Council for which they are being penalised. By their account, if the letter was sent by Royal Mail, it did not reach them.
- 47. They suggest that the respondent incorrectly sent the warning letter to the address on the land registry.
- 48. The first time they learned of problems with licensing was when the respondent sent a letter by email on 15<sup>th</sup> May 2020 requesting information, which they responded to in a timely manner, on 17th May 2020. Prior to that they were confident that all legal matters to do with their properties were in order. In that email they stated that they believed that the premises was licensed and that tenancies and licensing are the responsibility of their managing agent.
- 49. The first applicants say that the speed with which they responded to the respondent shows that they were concerned and responsible landlords. They say that if they were ignoring the respondent, then why would they respond to the enquiries the respondent made from 15th May 2020 onwards?

- 50. The first applicants say that the failure to communicate with them prior to the 15th May 2020 about the lack of licences on their properties is the basis for a reasonable excuse defence.
- 51. The respondent believes that no reasonable excuse for failing to obtain a licence within the warning period given has been advanced by either of the applicants.
- 52. The respondent's starting point is that the burden of proof is on the applicants to show that they had a reasonable excuse defence, although it accepts that the standard of proof is the balance of probability. It points out that the first applicants were experienced landlords with knowledge of licensing requirements. They therefore should have taken steps to ensure their properties were licensed. Instead the respondent was required to intervene on three of their four properties.
- 53. The respondent points to a lack of any due diligence there is no evidence provided by the first applicants for instance that they chased TopMove in connection with licensing. They failed to check invoices to note that the licence fee had not been paid. The argument that the first applicants were entitled to rely on the second applicant does not stand up.
- 54. The respondent also says that the Kirondes do not give a credible account of who was responsible for licensing. The respondent says that the evidence shows that both applicants were responsible for licensing. If that had been incorrect, they say that the Kirondes would have made it clear at a much earlier stage that TopMove was responsible. Moreover the respondent points to the email from Bola Badejo on 11th June 2020 that confirmed that both TopMove and the Kirondes are responsible for licensing. The respondent suggests that the tribunal rely on that email in deciding how responsibilities were allocated between the first and second applicants.
- 55. The respondent says that there was a lack of clarity about who was responsible for the failure to licence the property. The council takes the view that the first applicants had a responsibility to licence the property.
- 56. The respondent also says that there is an obligation on the landlord of any rental property to keep abreast of their legal obligations and ensure that they are compliant with the law.
- 57. The respondent suggests that the tribunal should find that the account of not receiving the invitation to the interview or the warning letter is not credible. The respondent says that the first applicants were invited to the interview. They were copied into the interview invitation letter

- sent to TopMove Estate Agents and that copy was sent to 88 Parkway New Addington Croydon.
- 58. The respondent says that the warning letter of September 10th 2019 was posted to the first applicants. It was posted to the main addressee TopMove Estate Agents and copied separately and individually to all parties at the bottom of the letter. The letter was sent to the Kirondes at 1 Goodwin Gardens Croydon and 88 Parkway New Addington Croydon. Mr Nick Gracie-Langrick told the tribunal he remembered putting the letter into the envelope and posting it.
- 59. Moreover, not receiving the warning letter is a red herring. A landlord should know that licensing is required. The respondent notes that when Mr and Mrs Kironde responded to the respondent in May they did not mention the failure to receive the warning letter. They only raised this issue after the issue of the final Notice. If they were as surprised as they say this would have been mentioned earlier at the point of the Notice of Intention.
- 60. The tribunal asked the first applicants to give it details about conversations in connection with the responsibility for licensing. The first applicant was not able to provide any details about any particular conversation. Mr Kironde indicated that the position was mutually understood.
- 61. The second applicant TopMove argue that there was never an intention to avoid obtaining licences they always had the intention of obtaining licences and failure to license at the earliest opportunity in its opinion is not and does not constitute a deliberate intention to avoid licensing a property. That summarises its reasonable excuse defence.
- 62. TopMove argues that what happened was a simple error, a "clerical slip". They say that the respondent should sympathise with this and support small businesses in difficult times.
- 63. Mr Badejo said that his agency prioritised tenant issues and that licensing was not a priority. He says that as soon as the respondent brought problems to its attention the second applicant sorted those problems out.
- 64. The tribunal asked about the systems that TopMove used to ensure that those properties in its portfolio were licensed. Mr Badejo said it was a database, but he gave very few details and it did not appear to be very sophisticated.
- 65. Mr Badejo also raised issues of rent arrears which had arisen in respect of a property which was rented to a tenant nominated by the respondent.

- 66. The respondent argues that TopMove Ltd were aware of the requirement to obtain licenses for the properties in the borough that they managed but they failed to so until chased by the Council. In the opinion of the respondent the second applicant has intentionally or deliberately breached or flagrantly disregarded the law in this regard.
- 67. The respondent points to email exchanges about the responsibility for licensing between itself and TopMove with the first applicants copied in. In the email from Bola Badejo received on 11th June 2020 Ms Badejo states that the failure to licence was due to human error and that the business had been impacted in various ways due to lockdown. Ms Badejo asked that the error be pardoned.
- 68. Mr Sharkey for the respondent argues that the second applicant has not discharged the burden of showing reasonable excuse and says that Mr Badejo has not been fully open and honest. but defensive. His explanation of his wife's email is not credible. Mr Sharkey suggests that the email from Bola Bedjo should been seen as the honest and accurate explanation of events and that email show that both TopMove and the Kirondes were responsible for licensing.
- 69. It may be, says the respondent, that TopMove did not have the resources available to them to carry out all the tasks required of them. But the respondent argues, it is incumbent on managing agents to employ enough staff to carry out the required work. What happened, in the opinion of the respondent, is that TopMove fell down on the job.

#### The decision of the tribunal

70. The tribunal determines that both the applicants have failed to establish a defence of reasonable excuse.

## The reasons for the decision of the tribunal

- 71. The tribunal do not find it credible that Mr and Mrs Kironde had no knowledge of the need for the properties to be licensed. It does not accept that it did not receive the warning letter. In the opinion of the tribunal the Kirondes simply relied on TopMove to deal with licensing. The statutory scheme does not enable the first applicants to evade its responsibility in this way.
- 72. The tribunal agrees with the respondent that there was a lack of clarity about responsibility for licensing and that no clarity was provided in the course of the hearing. The first applicants appear to have taken a back seat in regards to their statutory responsibilities. In the context of the first applicants saying that the second applicants had been clearly delegated with sole responsibility for licensing, it is surprising to the tribunal that the relationship between them continues to exist. It would

have expected the first applicants to have terminated the management relationship if there was the clear failure by TopMove that the first applicants allege.

- 73. The tribunal was concerned that, despite a very definitive statement by the first applicants that there was an agreement about licensing responsibilities, there was no evidence provided by the first applicants in relation to that agreement. The tribunal therefore does not consider that there was a clear agreement about the responsibility to licence and that in the absence of any such agreement both applicants shared the responsibility of licensing. The first applicants cannot avoid their responsibilities by failing to provide clarity. That position is confirmed by the email sent by Bola Badejo on 11th June 2020.
- 74. For the sake of completeness the tribunal repeat that the rules of statutory interpretation, the laws of agency and estoppel are of no help to the first applicants in these circumstances.
- 75. The second applicant relies on the failure to licence being a simple error. The tribunal is not persuaded that this constitutes a reasonable excuse defence. It notes that it took TopMove nearly one month to reply to the warning letter from the respondent. It was sent on September 10th and replied to on 9th October 2019. It then took until 18th May 2020 for Mrs Badejo to make an application for 88 Parkway.
- 76. The tribunal considers that the second applicant failed to give the necessary priority to its statutory responsibilities. There cannot be a reasonable excuse defence in these circumstances.

# Has the local housing authority complied with all of the necessary requirements and procedures relating to the imposition of the financial penalty?

- 77. Neither of the applicants raised issues in connection with the requirements and procedures.
- 78. The respondent has provided extensive information about its policies and processes and how these were applied in the particular circumstances of the alleged offences.
- 79. On that basis the tribunal determines that the respondent has complied with all of the necessary requirements and procedures relating to the imposition of the financial penalty.

# Has the financial penalty been set at an appropriate level?

- 80. The respondents explained that a simple caution was not considered appropriate in this case as all three parties were given a warning in September 2019 to licence all properties they manage or own. There was therefore a level of non-cooperation with the respondent.
- 81. The respondent explained how it had calculated the financial penalty. It had regard to its 'Determining the Penalty' policy which incorporates a matrix approach to aid transparency and consistency in the setting of a financial penalty. The matrix is divided into five stages allowing an evaluation which allows the penalty score to be increased or decreased: (1) Banding the Offence (2) Amending the penalty based on aggravating features (3) Amending the penalty based on mitigating features (4) Ensuring approach is proportionate and (5) Taking into account the totality principle.
- 82. For each of the FPNs, culpability was considered to be significant given the warning given in 10 September 2019 as it illustrated a flagrant disregard and harm was considered to be medium which gave a penalty score of 8 points (4 x 2). A reduction of one penalty point was made as there was a mitigating factor that the property had by that time been licensed. A Financial Penalty Review was undertaken which had regard to the income made by the applicants from the properties, but there was no increase in the penalty, and no adjustment to the penalty based on totality.
- 83. The respondent acknowledges that the sums demanded are significant but argues that they are not disproportionate or excessive. It points out that the properties have been unlicensed for several years. The parties had had the benefit of a warning.
- 84. The first applicants argue that the level of the penalty is too high and that in the particular circumstances of the case when TopMove had responsibility for licensing, if there was to be a penalty at all it should have been much lower. The failure to provide the first applicants with the warning letter should also be taken into account.
- 85. They also say that the respondents have greatly overestimated the first applicants' income.
- 86. The second applicant says that the fine is not justified. It points to the history of the firm and its relationship with the council. It argues that there was no issue with the property despite it not being licensed.
- 87. Mr Badejo says that there is no history of noncompliance with the law and they have always cooperated. He considered that the firm was being used as a scapegoat. The actions of TopMove have not put anyone's lives at risk.

88. He argues that the respondent should consider that TopMove makes very limited profits as estate agency is highly competitive and the payment of the penalties will wipe the firm out. The closure of the firm will put hundreds of tenants at risk because TopMove is one of very few agents who are prepared to deal with Housing Benefit tenants.

#### The decision of the tribunal

89. The tribunal determines to reduce the financial penalty imposed upon the first applicants to £4,000 per property. It determines to confirm the level of penalty imposed upon the second applicant.

#### The reasons for the decision of the tribunal

- 90. The tribunal notes that Croydon has a clear and detailed policy for calculating the level of financial penalties. Mr Moulder gave extensive evidence which demonstrated that he understood and applied the matrix thoughtfully. The system of review was also applied properly.
- 91. The tribunal thought long and hard about the level of culpability of the first applicant. It considers that the culpability of Mr and Mrs Kironde was high rather than severe. They were, in the determination of the tribunal, wilfully blind to the operation of the law rather than in flagrant disregard. The tribunal therefore reduces the penalty for both properties for the first applicants to £4,000 per property.
- 92. The tribunal is satisfied that the respondent correctly applied its policy to determine the appropriate fine for the second applicant and therefore confirms the level of the fine for the second applicant.

Name: Judge H Carr Date: 16th July 2021

#### Rights of appeal

By rule 36(2) of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013, the tribunal is required to notify the parties about any right of appeal they may have.

If a party wishes to appeal this decision to the Upper Tribunal (Lands Chamber), then a written application for permission must be made to the First-tier Tribunal at the regional office which has been dealing with the case.

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.

If the application is not made within the 28-day time limit, such application must include a request for an extension of time and the reason for not complying with the 28 day time limit; the tribunal will then look at such reason(s) and decide whether to allow the application for permission to appeal to proceed, despite not being within the time limit.

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.

If the tribunal refuses to grant permission to appeal, a further application for permission may be made to the Upper Tribunal (Lands Chamber).