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RESIDENTIAL PROPERTY TRIBUNAL

Reference: RPT/0093/02/26

In the matter of Mohammed Zishan Ali Hassan

In the matter of an application under section 63 of the Housing Act 2004

APPELLANT: Mohammed Zishan Ali Hassan

RESPONDENT: Newport City Council

Tribunal: Tribunal Judge C Jones (Legal Chairperson)
Mr N Martindale FRICS (Surveyor Member)
Mr H.E. Jones (Lay Member)

Hearing Date: 21 September 2026, virtual hearing by Microsoft Teams

Appearances: Mr Mohammed Zishan Ali Hassan, in person
Mr Neil Rees, Counsel for the Respondent Council

Witnesses: Mr James Andrews and Mr Jonathan Keen for the Respondent

DECISION

The Tribunal finds that Mohammed Zishan Ali Hassan is not a fit and proper person to hold a HMO license or to manage the properties applied for, and that HMO Lettings Ltd is likewise not a fit and proper entity to do so, and the Tribunal confirms the determination of Newport City Council dated 9 January 2026 to refuse the relevant applications accordingly.

REASONS FOR THE TRIBUNAL'S DECISION

BACKGROUND

1. By virtue of a licensing scheme introduced in 2008, the Respondent Council designated the whole administrative area of Newport as an area subject to additional house in multiple occupation ('HMO') licensing under Section 56 of the Housing Act 2004 ('The Act'). The Respondent subsequently introduced three further schemes in 2014, 2019 and 2025.

2. Between 2016 and 2023 there was limited involvement by the Respondent in relation to the Appellant, however at the end of 2022 a letter was sent by the Respondent to start the process of licencing properties. The Appellant submitted applications to the Respondent for HMO licences under Section 63 of the Act. He also applied for variation of the HMO manager details to HMO Lettings Ltd on 10 December 2024 for 13 properties in Newport. The Appellant carried out certain works to the properties between 2022 and 2025, and inspections were carried out by the Respondent.

3. A report was produced by the Respondent on 6 October 2025 ('the Section 66 Report'). The Section 66 Report described the status of the work but also provided details of certain convictions, cautions, housing contraventions and non-compliance in relation to the Appellant, a housing conviction relating to a business associate, Mr Vadims Kapustinksis; convictions involving the Appellant's brother, Mr Ihtesham Hassan and the bankruptcy of another brother, Mr Ozzeer Hassan. The Section 66 Report concluded that the Appellant was not a fit and proper person to hold a HMO licence.

4. The Respondent issued a Notice to the Appellant dated 25 November 2025 recording that the Respondent proposed to refuse to grant a HMO licence by virtue of Section 66 of the Act and allowing representations to be made by both 18 and 22 December 2025. The Appellant made such representations on 12 December 2025 and on 9 January 2026, the Respondent confirmed that its decision would stand.

5. The Appellant submitted his appeal accordingly to the Residential Property Tribunal on 'From RPT 9' in relation to the decision of the Respondent stating; *'We believe that I am a fit and proper person'*, and that DBS checks showed that there were no issues with his character, and that reference to the convictions was irrelevant with regard to himself and his management of the properties.

6. On 30 March 2026, the Procedural Judge granted an application by the Appellant for permission to appeal out of time and issued consequential Directions. The matter was then listed for hearing on 16 July 2026. Following an oral application for an adjournment made by the Appellant on that date, as he had experienced difficulties in securing representation, the Tribunal decided to adjourn the hearing; *'to allow the Appellant a final opportunity to be represented by Counsel'.*

PRELIMINARY ISSUE

7. It became apparent at the commencement of the hearing that the Respondent had not received the entire core bundle of 312 pages, albeit it was noted that this version contained duplicates. The Appellant also stated that he had not had sight of a document which was additional to the bundle, being the second witness statement of James Andrews. The Tribunal adjourned the hearing in order to ensure that both parties received all documents.

8. The Appellant then made an application to adjourn the hearing to a future date, as he said that he wished to have a reasonable opportunity to consider the second witness statement and its appendices. The Appellant said that he had seen an e-mail from the Respondent dated 15 September 2026 referring to this further password-protected statement. He had responded to this e-mail; however, he had been under the impression that the password reference sent by the Respondent on 17 September 2026 was an attached document rather than a password. He had clicked on the reference but had been unable to open it.

9. Mr Rees, on behalf of the Respondent, confirmed that the Respondent had sent the password to the Appellant on 17 September 2026, and that the document had also been sent by first class post. He stated that the contents confirmed issues which had already been provided in the main bundle and should not take the Appellant by surprise as there was nothing new in these documents.

10. Following a further adjournment to consider the Appellant's application, the Tribunal determined that it was satisfied that the hearing could proceed, and that relevant material be admitted. The Tribunal considered it unfortunate that this evidence had been received late, and that there appeared to have been lack of clarity and therefore a misunderstanding on 17 September 2026 regarding the password. Nevertheless, it was mindful that the Appellant had stated that he was otherwise ready to proceed, that much of the evidence was not new, or of limited additional evidential value, and that it would wholly disregard any undetermined matters in any event.

11. By virtue of the Residential Property Tribunal Procedures and Fees (Wales) Regulations 2016, the Tribunal decided accordingly that it was fair reasonable for the hearing to proceed. It considered that this was the appropriate course of action bearing in mind the overriding objective as described in the Tribunal's written decision following adjournment of the proceedings on 16 July 2026, being to deal with the matter fairly and justly taking into account relevant factors.

THE LAW

The Housing Act 2004 ('the Act')

12. Part 2 of the Act regulates the licensing of houses in multiple occupation ('HMOs'). HMOs are defined under Sections 254 to 259 of the Act and essentially refers to units of living accommodation not consisting of self-contained flats, with shared

amenities, occupied by persons as their only or main residence, and who do not form a single household.

13. Section 56 of the Act gives power to local authorities to designate areas subject to additional licensing for a particular description of HMOs, where it considers that a significant proportion of the particular HMOs are being managed sufficiently ineffectively as to be problematic for their occupants or for the public. Section 57 of the Act contains detailed requirements and states that in introducing a scheme, the authority must ensure that it is consistent with the authority's overall housing strategy, and *'must also seek to adopt a co-ordinated approach in connection with dealing with homelessness, empty properties and anti-social behaviour affecting the private rented sector...'*

14. By virtue of Section 61 of the Act, every HMO to which Part 2 applies must be licensed, and Section 63 deals with applications for licences. Sections 64 to 68 then contain the main provisions and requirements in relation to the grant or refusal of licences as well as licensing conditions. The extracts which are particularly relevant to this Application are as follows: -

64(1) Where an application in respect of an HMO is made to the local housing authority under section 63, the authority must either (a) grant a licence in accordance with subsection (2), or (b) refuse to grant a licence.
(2) If the authority are satisfied as to the matters mentioned in subsection (3), they may grant a licence either (a) to the applicant, or (b) to some other person, if both he and the applicant agree.
(3) The matters are (a) that the house is reasonably suitable for occupation by not more than the maximum number of households or persons mentioned in subsection (4) or that it can be made so suitable by the imposition of conditions under section 67; (b) ***that the proposed licence holder (i) is a fit and proper person to be the licence holder,*** *and (ii) is, out of all the persons reasonably available to be the licence holder in respect of the house, the most appropriate person to be the licence holder; (c) that the proposed manager of the house is either (i) the person having control of the house, or (ii) a person who is an agent or employee of the person having control of the house; (d)* ***that the proposed manager of the house is a fit and proper person to be the manager of the house;*** *and (e) that the proposed management arrangements for the house are otherwise satisfactory...' [the Tribunal's emphasis].*

15. Regarding the tests for fitness and satisfactory management arrangements, relevant extracts of Section 66 of the Act read as follows: -

66(1) In deciding for the purposes of section 64(3)(b) or (d) whether a person ("P") is a fit and proper person to be the licence holder or (as the case may be) the manager of the house, the local housing authority must have regard (among other things) to any evidence within subsection (2) or (3).
(2) Evidence is within this subsection if it shows that P has (a) committed any offence involving fraud or other dishonesty, or violence or drugs, or any offence listed in Schedule 3 to the Sexual Offences Act 2003...; (b) practised unlawful discrimination on grounds of sex, colour, race, ethnic or national origins or disability in, or in connection with, the carrying on of any business;(c)

contravened any provision of the law relating to housing or of landlord and tenant law; or (d) acted otherwise than in accordance with any applicable code of practice approved under section 233.
(3) Evidence is within this subsection if (a) it shows that any person associated or formerly associated with P (whether on a personal, work or other basis) has done any of the things set out in subsection (2)(a) to (d), and (b) it appears to the authority that the evidence is relevant to the question whether P is a fit and proper person to be the licence holder or (as the case may be) the manager of the house...
(5) In deciding for the purposes of section 64(3)(e) whether the proposed management arrangements for the house are otherwise satisfactory, the local housing authority must have regard (among other things) to the considerations mentioned in subsection (6).
(6) The considerations are (a) whether any person proposed to be involved in the management of the house has a sufficient level of competence to be so involved;(b) whether any person proposed to be involved in the management of the house (other than the manager) is a fit and proper person to be so involved; and (c) whether any proposed management structures and funding arrangements are suitable...

16. Section 235 of the Act provides a power for the local housing authority to require documents to be produced.

17. Schedule 5 of the Act deals with the procedure for the grant or refusal of licences as well as the procedure in relation to any appeals. It requires service of notices before and following refusal of a licence, setting out reasons for any refusal, the consideration of any representations, as well as the right to appeal. The provisions state that an appeal is to be by way of a re-hearing but *'may be determined having regard to matters of which the authority were unaware'* and the Tribunal may confirm, reverse or vary the decision of the local housing authority.

Rehabilitation of Offenders Act 1974

18. The Rehabilitation of Offenders Act 1974 ('the ROA 1974'), provides that where an individual has been convicted of any offence which is not excluded from rehabilitation, then at the end of the relevant period, the conviction shall be treated as spent. This means that the individual shall be treated for all purposes as a person who has not committed, been charged with, prosecuted for, convicted of, or sentenced for an offence. There are limitations to this however under Section 7, and in certain proceedings, where the relevant judicial authority is satisfied, *'in the light of any considerations which appear to it to be relevant (including any evidence which has been...put before it), that justice cannot be done in the case except by admitting or requiring evidence relating to a person's spent convictions or to circumstances ancillary thereto, that authority may admit...the evidence in question notwithstanding the provisions of subsection (1) of section 4 above, and may determine any issue to which the evidence relates in disregard, so far as necessary, of those provisions.'*

Waltham Forest LBC v Hussain [2023] EWCA Civ 733

19. The Tribunal referred to this Court of Appeal case ('the Waltham Forest case') at the commencement of the hearing and provided the parties with an opportunity to consider and refer to this case in closing submissions, however neither party availed themselves of this opportunity. In summary, the case decided that it was wrong to determine an appeal by addressing the question of fitness and propriety as at the date of the appeal rather than at the time of the local housing authority's determination. It found that the Tribunal could take into account matters which were in existence at the time of that determination but of which the authority was unaware and which tended to show that the authority's determination was right or wrong at the time it was made.

THE EVIDENCE AND THE HEARING

THE APPELLANT

Written Statement together with Exhibits

20. In his written statement, the Appellant strongly denied the allegation that he was not a fit and proper person to hold a HMO licence. He said that the Respondent had acted inconsistently and unfairly in the way his application had been handled over many years, and he referred to a letter dated 14 June 2016, in which the Respondent expressly confirmed that the Appellant was a fit and proper person to hold a HMO licence. This exercise had involved consideration of the historic complaints, convictions, and compliance matters *'now repeatedly relied upon by the Respondent in these proceedings.'* He said that it was unfair and unreasonable for the Respondent now to rely heavily upon the same historic matters.

21. As to any implication that the Appellant had failed to engage with licensing requirements, he said that he had consistently engaged with the Respondent, had facilitated inspections, provided documentation when requested, undertaken works at various properties when requested, and attempted to regularise licensing matters in good faith.

22. The Appellant referred to the Respondent's actions in relation to one of the application properties, 28 St John's Road, and said that in December 2023, it prepared and issued a draft HMO licence with a proposal to grant the licence and naming the Appellant as the licence holder. He said that despite this, the licence was never formally finalised. He received no substantive explanation as to why the process ceased, and he assumed a licence was granted, and he only discovered that it was not when he placed the property up for sale. He said that the prolonged failure to conclude his licensing matters had caused prejudice and uncertainty in relation to both management and commercial opportunities concerning the properties.

23. As to progress, the Appellant said that that the Respondent neither fully granted licences nor pursued consistent enforcement action, thereby leaving matters

unresolved and uncertain, although he said that he had complied with the core licensing requirements by providing information, co-operating with the Respondent, and supplying requested documentation. He was of the view that the Respondent could have addressed any outstanding issues through reasonable licensing conditions *'as contemplated within its own scheme'.* He said that in a meeting with the Respondent in 2023, he was left with the clear impression that the purpose was to build a case concerning whether he should be considered a fit and proper person.

24. The Appellant also considered that the Respondent had improperly relied upon matters concerning relatives or third parties who he said were legally and financially separate from himself. As to Mr Ihteshan Hassan, the Appellant said that he had not been managing his property known as the Box Hotel, and that he was merely residing in accommodation in the hotel grounds. As to Mr Ozzeer Hassan and bankruptcy matters, the Appellant stated that he had purchased equity interests from trustees in bankruptcy in 2018 relating to certain properties and that it was plainly in his own interest to ensure that properties were appropriately licensed and managed.

Oral Evidence

25. The Appellant accepted that there had not been perfect compliance, that there had been a historic housing conviction and cautions and he did not seek to defend the fact that he had been convicted of an environmental offence in 2024. He said he was not seeking to avoid responsibilities which properly related to him but that the matter should be considered fairly, based on the actual facts and the proper chronology. He said that the Respondent's records showed that in October 2025, eight of his properties were ready to be licensed.

26. In response to questions posed by Mr Rees and Tribunal Members, as to a Manager/Managing Agent Variation Form, signed by the Appellant on 10 December 2024, he agreed that he had ticked the box *'No'* to the question as to whether he had; *'Contravened any legislation relating to housing, public health, environmental health or landlord and tenant law'.* He said he had done so as he considered the historical housing matters to be spent, and in the light of the Respondent's finding in 2016 that he was a fit and proper person. He said that he had made an honest mistake as to the environmental health element of the declaration.

27. The Appellant accepted the historical housing cautions, and conviction. He also accepted that in August 2015, the Respondent considered him to be in breach of the requirements to licence a particular property. He considered however that he had always tried to maintain contact with officers, especially over the last 10 years, however there had been a lot of paperwork. He said that communications had been both ways rather than simply the Respondent having to instigate contact. He said that he too had expressed frustration in relation to actions and visits by the Respondent. He said that there had always been responses from his part, but that quite a bit of work had been needed.

28. Mr Rees pointed out instances of statutory overcrowding, service of prohibition notices, Section 235 notices, and inability to access all areas being noted in the officer's Section 66 Report from 2025 regarding certain properties. The Appellant accepted that the properties had needed a lot of work doing to them, and he realised that this was the point of being licensed, that there was a lot of process involved, but he had done his best to comply. He denied that this showed a continuing patten of behaviour which reflected historical issues. He stated that notices were complied with, and he accepted that he should have known of the requirements for matters such as gas safety and electrical certificates in advance of the Respondent's input.

29. The Appellant said that this matter had to be considered in the context of the number of properties involved, the extent of works to be done and managed, the fact that he had worked hard to get compliance, and having worked with the Council in doing so. He considered that the Respondent had sometimes been over-zealous, however that all documents were up to date, there had been several visits and there had now been compliance in all respects. Mr Rees posed the question that whilst eight properties may have been ready to licence in 2024, certain properties were still not up to the necessary standard for HMO licence. The Appellant said that he was dealing with matters and communicating with the Respondent. He referred to an e-mail he had received from the Respondent the previous week regarding certain properties, and it confirmed that all work was now complete in that respect.

30. With reference to associated persons, the Appellant accepted that his brother, Mr Ozzeer Hassan had been subject to bankruptcy in 2017, and that a second brother, Mr Ihtasham Hassan had been disqualified from being a company director for a second time in May 2024 and accepted that this all post-dated the 2016 fit and proper person determination. As to 28 St John's Road, it was put to the Appellant that the property was advertised for sale as a HMO-licensed property, and he should not have assumed that the draft licence meant that it had been granted. The Appellant said that he genuinely thought it had been granted, and it came as a complete shock that it was not. He considered that he should have received notification of either a grant or refusal. He had thought that all was in order, and there had been nothing to indicate otherwise. As to the proposed manager, being HMO Letting Ltd, the Appellant confirmed that he was the sole Director, but that his father, Mr Mahmood Hassan assisted a lot in terms of facilities management and that his brother, Mr Ozzeer Hassan also helped out.

31. Finally, in response to questions, the Appellant agreed that he was the freehold owner of the Box Hotel, but that it was leased to a company known as Box Hotels and Guesthouses Ltd and that at the relevant time, the manager was a Mr Massoud Mohammed. He stated that his brother, Mr Ihtashan Hassan had not been the manager and the understanding that he was so, may have been because he had been residing in the manager's flat. He did not know why the job title of 'Hotel Manager' had appeared on official documentation. He said that his relationship with his brother was fractured, and that he was appalled and saddened at what had happened.

32. As to the report of 2016 which stated that the Appellant did not manage or operate any of his properties, he said that this was no longer the case and that he now absolutely had close involvement with all his properties and kept up to date with compliance issues, albeit he had other business interests. Finally, as regards the company 'Let 'N' Manage', it was no longer being put forward as the manager or managing agent, and the directorship had been changed from the Appellant to his father in August 2024.

THE RESPONDENT

Written Statements together with Exhibits

33. The Tribunal received three witness statements from the Respondent Council. Two statements had been prepared by Mr James Andrews, HMO Licensing Officer of the Respondent Council, being dated 7 April and 15 September 2026 respectively, and one witness statement had been prepared by Mr Jonathan Keen, Service Manager, dated 22 April 2026.

34. Mr Andrews' first witness statement contained a helpful table setting out details of the freehold and leasehold interests held in each of the 13 properties, as well as of the proposed licence holder. These details were not contested by the Appellant. Since 10 December 2024, it had been confirmed that the Appellant's company, HMO Lettings Ltd, would be acting as the manager for all properties. The statement also set out details of previous enforcement action against the Appellant. This included cautions for failure to licence a HMO property in November 2009 and failure to comply with a Section 235 notice to provide tenancy agreements in November 2012 in relation to a second HMO property, as well as a conviction for failure to licence the second property. Mr Andrews stated that there was no record on file of the Appellant being formally notified of not being found fit and proper in 2016. The statement then addressed an environmental prosecution by Natural Resources Wales ('NRW'), with the Appellant and his company being convicted in July 2024 of an offence under the Environmental Protection Act 1990 ('the EPA Act')

35. Regarding Mr Kapustinksis, Mr Andrews stated that he had been prosecuted under housing legislation in relation to a separate property, not owned by the Appellant, and as a result, Mr Kapustinksis was found not to be a fit and proper person to hold an HMO licence on 3 March 2025. As of 25 May 2017, there was a bankruptcy notice against Mr Ozzeer Hassan. Mr Ihtesham Hassan had been disqualified from being a company director on two separate occasions, and on 13 June 2024, Mr Ihtesham Hassan was convicted on three counts of conspiring to supply 'class A' drugs and he was sentenced to 14 years' imprisonment.

36. Mr Andrews stated that a licence holder must be capable of meeting all legal obligations and maintaining satisfactory management standards, and that the factors relating to the Appellant's associates were directly relevant to determining whether he could demonstrate sufficiently robust, suitable, and sustainable management arrangements as required under Section 66. In this case, he said that the Appellant was connected to three individuals; *'whose circumstances*

raise concerns regarding the stability and reliability of the financial and managerial arrangements necessary for the proper operation of an HMO.'

37. As a result of these offences, Mr Andrews stated that a Section 66 report was compiled, dated 6 October 2025, and this had led to the decision letter of Mr Keen, and the formal notice dated 25 November 2025, notifying the Appellant that he had failed the fit and proper person assessment. He acknowledged that on 16 February 2026, the Appellant had put forward the name of an alternative licence holder and that no decision had yet been made by the Respondent Council.

38. In Mr Andrews' second witness statement, Mr Andrews explained that on 27 July 2026, a request was sent to Gwent Police for information pursuant to the Crime and Disorder Act 1998 and disclosure was received on 3 August 2026 in relation to the Appellant and certain family members in relation to historical and other offences. Mr Andrews stated that the additional information supported the Section 66 decision made on the 24 November 2025.

39. In Mr Jonathan Keen's witness statement, he confirmed that he had been aware of the Appellant operating as a landlord in Newport since late 2010. He described the process which led to his determination that the Appellant was not a fit and proper person to hold a HMO licence. Following his determination, Mr Keen had received an email from the Appellant asking him to reconsider his fit and proper decision, and he replied on 9 January 2026 confirming that his decision would stand.

Oral Evidence

40. Mr James Andrews confirmed that the Appellant's applications to licence his HMO properties were received in 2022. Mr Andrews had not relied on the 2016 Section 66 Report in compiling his own report, and he had considered the matter afresh. He concurred that in 2022, the Respondent was actively looking to licence the Appellant's properties, and that his role had been to actively engage with individuals. He also agreed that the process had taken time due to workload and a few 'hurdles' as well as due to the number of properties. He acknowledged that the Appellant had been carrying out work to rectify issues, and that most works had been signed off. He agreed that licences had almost been in place and that his Section 66 Report came about due to becoming aware of new matters, being the EPA prosecution and the prosecution of the Appellant's brother. This meant that the applications were placed on hold.

41. As to post-2016 housing law breaches, Mr Andrews said that Section 235 notices had been served to establish correct information and was a formal method of achieving compliance. He acknowledged that there had been no prosecutions for non-compliance with these notices. He also said that, given that there were 13 properties to be licensed, there was a lot of information which had been received in 'dribs and drabs', and there had also been a change of officers, so it had been a slow process. He said that relevant certificates should have been put in place by the Appellant before its intervention, but if all such matters had been complied with, he would expect the licence process to take three months.

42. Mr Andrews said that he rarely saw the Appellant and that he dealt with his team, and that there had been changes regarding the companies and staff involved. It was not always easy, but it was a ‘functionable’ relationship, with ‘just about acceptable’ communications and he agreed that he was generally able to visit the Appellant’s properties. The arrangements were not ideal, and not as fluent as he would like them to be, and it was easier where landlords had fewer properties.

43. As to the issue of a draft licence in December 2023 for 28 St John’s Road which was handled by Mr Andrews, he confirmed that this had been subject to consultation, and that the process was discontinued due to the need to gather information for the Section 66 process. He accepted that the correct course of action may have been to cancel the draft licence rather than leave it in abeyance, and he agreed that works to properties and inspections had continued in the meantime. He acknowledged that it had taken nearly two years to determine that the Appellant was unfit to hold a licence and that the Appellant would have had no indication of an issue behind the scenes.

44. In response to questions, Mr Andrews explained that the Section 56 Licensing Schemes had been introduced to drive up housing standards. He agreed that the Appellant had made his application to vary the manager of the properties in December 2024, at a time when no scheme was in force, and that the Respondent had held on to the application until the third scheme came into force on 13 February 2025. He accepted that the information in his Section 66 report regarding a conviction for ‘charge back’ fraud on 17 May 2017 did not relate to the Appellant. Mr Andrews stated that in relation to notice procedures, he had not taken the advice of the Respondent’s legal department as he considered that the Section 66 process was fairly routine and standard.

45. Finally, Mr Andrews confirmed that there had been multiple complaints over the years about housing conditions from occupants regarding the Appellant’s properties. As to associated persons, Mr Andrews confirmed that Mr Kapustinksis was connected to the Appellant as a joint business owner, whilst the association with his brothers was clearly a personal one. He felt that he could not say that the relationship specifically affected the Appellant’s ability to manage his properties.

46. In response to questions, Mr Jonathan Keen confirmed that the relevant Section 66 Report of 2025 had been compiled by Nicola Mc Grath and James Andrews. He said that he had not been aware of the determination in 2016 that the Appellant was a fit and proper person, and if he had been aware of the this, he would still have borne in mind the historical context. His decision of November 2025 would not have been different in any event due to the more recent information which had been received. He said that the Applicant’s association with his brother Mr Ihtashan Hassan and with Mr Kapustinksis were the most prominent factors in his decision, and not the Appellant’s EPA conviction. He had also considered the historic offences under the housing legislation to be important, and this led to significant concerns.

47. The Appellant asked Mr Keen whether his brother's offence reflected on his ability to manage the properties. Mr Keen considered that it was not appropriate for him to comment, and he was not sure that it would be fair of him to go further than that with any personal comment. He said that he was not aware in detail of the proposal to grant a licence for 28 St John's Road.

48. As to the Respondent's licensing scheme, Mr Keen said that this was very important as without it being in place, there would have to be reliance on complaints from potentially vulnerable individuals. The scheme ensured pro-active and robust regulation of properties, landlords and managers, including for smaller properties. The process for renewal had not always been achieved prior to the previous scheme ending and he agreed that there had been gaps of one, six and seven-and-a-half months respectively between schemes, leading to no scheme being in place for those periods. Mr Keen said that this was regrettable, and he was determined that this would not happen again.

CLOSING SUBMISSIONS

Mr Rees's closing submissions

49. Mr Rees referred to Sections 64(3) and 66 of the Act and stated that the fit and proper person determination was a mandatory requirement. It was also mandatory to consider persons formally connected to the applicant, and the Respondent therefore had to look at the wider picture. As a part of its statutory obligations, the Respondent had embarked on extensive investigations as detailed in its evidence.

50. Regarding associated persons, he said that both Mr Kapustinksis, and the Appellant were the directors of Hallstow Ltd and that the company owned the freehold of two of the properties for which licence applications had been received. Mr Kapustinksis had been prosecuted and pleaded guilty in relation to several offences on 8 April 2022, all to do with HMO failings.

51. As to the Appellant's brother, Mr Ozzeer Hassan, he was shown as being owner of three of the application properties and had been subject to a bankruptcy order. Mr Ihtesham Hassan had also been disqualified from being a company director and being bankrupt impacted on the ability to participate in housing management. Mr Ihtesham Hassan had also been convicted of fraud in the past and on three counts of supplying drugs in June 2025 as part of an organised crime gang, and as manager of the Box Hotel which was connected to the Appellant as owner. He said that these matters were directly relevant to Section 66(3)(a) of the Act.

52. Mr Rees also referred to the Appellant's own housing offences dating back to 2009. Since then, he said that there had been further multiple breaches of housing law up to 2022 and he referred to Section 235 notices, housing prohibition notices, as well as the EPA notices, which showed a disregard for the law. He said that the Appellant had not accepted his wrongdoing and that the EPA issue had been contested, which he submitted, showed a pattern of behaviour.

53. Mr Rees stated that whereas at the time of the 2016 positive Section 66 Report, the Appellant was applying for three properties, this had now increased to 13 properties, with a different set of individuals being involved to those originally envisaged. This meant that there was good reason for different conclusions. It was not the case that the Respondent had no concerns in 2016, it was simply the case that further issues informed its 2025 view, these being the further issues regarding associated persons in addition to further housing law failures by the Appellant and the EPA conviction. Mr Rees pointed out that five properties were still having works done to them and there had been poor compliance in getting some properties over the threshold of compliance. Finally, Mr Rees made it clear that ultimately, the action taken by the Respondent had been to protect tenants against inadequate living conditions and where vulnerable residents may not be in a position to make complaints.

The Appellant's closing submissions

54. The Appellant said that this was a sorry situation. He felt that there were forces at work and that a lot of weight had been placed on matters relating to his brothers, even though there were no shared financial interests affecting him. He did not feel he could be held responsible for his brother's actions, and he felt that the Respondent's latest witness statement had been an attempt *'to show that Hassans are all bad'.*

55. The Appellant said that he regretted the offence under the EPA and had paid his fines. He had put in place processes so that these situations could not happen again. As to the historic convictions, he felt that estoppel should apply to prevent them brought back time and time again. As to any subsequent issues such as the Section 235 notices, he said that he had acted accordingly and so they were never enforced.

56. The Appellant agreed that *'we could organise ourselves better',* however he felt that there had been a large number of visits, delays and requests for information, and that he was being required to jump over hurdles, despite trying to actively comply. He felt that he had been strung along over the last few years and there were forces trying to undermine his efforts, with licences being proposed and then pulled back, and not being informed of the reasons. He now wanted a clean slate with a good and productive relationship between himself and the Respondent and to be judged on his own merits and his own actions, with clarity and a clear channel going forward.

THE TRIBUNAL'S DECISION

Procedural Issue

57. The Tribunal firstly considered the procedural requirements of Schedule 5 of the Act. Whilst the Respondent's official notice dated 25 November 2025 is headed; '*Notice that local housing authority propose to refuse to grant a House in Multiple Occupation licence',* the same notice also stated that as it was not satisfied that the Appellant was fit and proper; *'it must refuse the HMO applications unless*

alternative satisfactory arrangements can be agreed.' The confirmation of the Respondent's decision dated 9 January 2026, whilst not being in notice form as contemplated by Schedule 5 of the Act, confirms its decision to refuse to grant a licence to hold HMO licences or manage properties within Newport, however it also purports to extend the timeframe to put forward an alternative licence holder until 31 January 2026.

58. Mr Andrews confirmed in his first witness statement dated 7 April 2026 that subsequent to the extended timeframe, the Appellant put forward an alternative licence holder and confirmed that no decision had been made in that respect. Due to use of equivocal wording, the question is whether the Respondent had indeed refused the licence. The Appellant appears to have taken the view that there had been a formal refusal, and his completed Form RPT9 refers to the reason for the appeal being *'Refusal to grant HMO licence'.* Whilst this is a finely balanced issue, the Tribunal concludes that Schedule 5 of the Act has been invoked and that there has been a refusal by the Respondent to grant a HMO licence under Paragraph 31(1)(a) of Schedule 5. The Tribunal determines that it does therefore have jurisdiction to hear this appeal.

The Substantive Issue

59. By virtue of Paragraph 34(3) of Schedule 5 of the Act, it is the role of this Tribunal to decide, based on the available evidence whether to confirm, reverse or vary the decision of the local housing authority. Section 66 of the Act then sets out the relevant tests as to whether a person is a fit and proper person to be the licence holder or manager of a property. It requires the authority to have regard *'among other things'* to evidence of commission by the applicant of certain serious offences, as well as contravention of housing law. It also requires the authority to have regard to evidence of such offences or contraventions by any person associated with the applicant, whether on a personal, work or other basis, where it appears to the authority that the evidence is relevant to the question of whether the applicant is a fit and proper person.

60. The Tribunal carefully considered the Tribunal Bundle, all written statements together with their exhibits, the oral evidence presented at the virtual hearing and the parties' submissions, having regard to the following. The relevant standard of proof is the civil standard of proof in such matters, and it is for the Appellant to persuade the Tribunal on the balance of probabilities, that the Tribunal should take a different view from the primary decision maker, the Respondent, and that he is a fit and proper person to hold a HMO licence and to manage the relevant properties. Under Schedule 5, Paragraph of the Act, the appeal is by way of re-hearing but may be determined having regard to matters of which the authority was unaware.

The Appellant's historical cautions and convictions

61. The Tribunal turned firstly to historical matters relating to the Appellant himself, being cautions for failure to licence a property in 2010, and for failure to comply with a Section 235 notice in 2012 as well as a conviction for failure to licence a property in 2013. It noted that the Respondent Council's officers appeared to

hold diverging views as to whether these were relevant and provided context to the more recent issues. The Tribunal considered that historical housing breaches and spent convictions could be considered in principle due to the wording of the ROA 1974 and the wide scope of Section 66 of the Act which envisaged consideration of specific types of offences *'amongst other matters.'*

62. It was unfortunate that at the time of writing their witness statements, the Respondent's officers had been unaware that the Appellant had been deemed a fit and proper person in 2016 by another officer, but in full knowledge of these previous cautions and conviction. In the circumstances, the Tribunal was satisfied that little weight should be attached to these historical matters, particularly as the Respondent appeared to remain satisfied that the Appellant was a fit and proper person up to the date of issue of a draft licence for 28 St John's Road in December 2023.

Contraventions of housing law provisions

63. As to the emphasis which Mr Rees placed upon subsequent notice failures by the Appellant, the Tribunal noted that under Section 66(2)(c) of the Act, evidence was relevant if it showed contravention of any housing law provision, and it was not necessary to evidence actual convictions in this respect. The Tribunal therefore considered the breaches highlighted in Mr Andrews' Section 66 report. It appreciated that the Respondent had, by 2022, started to take proactive steps to ensure compliance. It was also noted that, in accordance with Mr Andrews' evidence, the Section 235 notices had been issued in order to obtain information, and there was no evidence to suggest that these had not been complied with. Similarly, it appears that no further action had been required following service of prohibition notices.

64. The Section 66 report indicated that whilst such notices were served, a considerable amount of work had been carried out by the Appellant to bring the properties up to a satisfactory condition for licensing, and Mr Andrews accepted that the majority of work had been completed by the time of his report, and eight of the properties had been ready to licence. The Tribunal noted that whilst there had been significant difficulties in reaching this stage of readiness, the parties had broadly worked together and that there had been a 'functionable' relationship in ensuring compliance and in bringing properties up to standard. The Tribunal concluded that little weight should therefore be attached to these contraventions.

Offence under the Environmental Protection Act 1990 ('the EPA 1990')

65. The Tribunal noted that the Appellant had entered a plea of not guilty but had been convicted of an offence under the EPA 1990 in July 2024 and this was therefore a relatively recent conviction which related to events which dated back to March 2022. The level of fines against both the Appellant and his company indicated that the court considered this to be a serious matter. The Tribunal noted that the Appellant had failed to comply with notices requiring removal of waste and requiring information, but that as he had failed to fully comply, this led to the prosecution. In addition, the Tribunal noted that in his application to vary the identity of the manager, the Appellant had omitted to declare this environmental

offence. Whilst he said that he had made an honest mistake in the respect, the Tribunal were concerned about this careless omission in relation to a formal application.

66. Nevertheless, the Tribunal noted that the Respondent's Notice dated 25 November 2025 had not referred to this prosecution. Mr Keen did not consider it to be relevant at the time, since it was not one of the types of listed offences in Section 66(2). The Tribunal considered that the conviction could, in principle, come within the wording *'amongst other matters'* to be considered, however, it agreed that this conviction was not one of the criminal offences or housing law contraventions envisaged by the legislation. It concluded that this offence, whilst serious and indicating a certain disregard for statutory notice processes, did not on its own indicate that the Appellant was unfit to conduct the HMO licence requirements or managerial duties.

Matters relating to Business Associates

67. Turning to associated individuals referenced by the Respondent, Mr Kapustinksis was clearly linked to the Appellant as joint director of Hallstow Limited, being the freehold owner of two of the properties put forward by the Appellant to be licenced. In accordance with Section 66(3)(a) he was therefore clearly associated with the Appellant on a work basis. The prosecution in April 2022 of Mr Kapustinksis in relation to a separate property in Newport is relatively recent and led to a determination by the Respondent that he was not a fit and proper person to hold a HMO licence. As to Section 66(3)(b), the Tribunal considered that, in the absence of additional evidence as to the extent of the business relationship or evidence of Mr Kapustinksis being involved in the day-to-day management of the properties, joint freehold ownership of two HMO properties did not in itself indicate that the Appellant was also unfit to hold a HMO licence due to this high-level freehold association.

Matters relating to Personal Associates

68. Mr Ozzeer Hassan, the Appellant's brother is recorded as being the freehold owner of two of the relevant properties and the leaseholder of a further property. Whilst the Respondent had referenced his bankruptcy, this is not a factor specifically identified in Section 66(2), however, the Tribunal noted that it was again possible that it may be regarded as being relevant *'among other things'* as per Section 66(1). In addition to his recorded bankruptcy however, the evidence appended to Mr Andrews second witness statement revealed a conviction dating from October 2017 in relation to handling stolen goods. The Tribunal noted that this was likely to have been a spent conviction for the type of offence involving dishonesty envisaged in Section 66(2) and related to events dating back to 2012 and 2013. Even if spent however, it could in principle, be considered relevant where justice demands, and be considered *'amongst other things'* as referenced in Section 66(1) of the Act.

69. Land Registry entries from March 2026 record Mr Ozzeer Hassan as having the same address as that of the Appellant, and the Appellant confirmed that he had purchased equitable interests in Mr Ozzeer Hassan's properties. In the

circumstances, the Tribunal was satisfied that under Section 66(3)(a) of the Act, Mr Ozzeer Hassan was associated with the Appellant both in a personal and work capacity. It recognised that the Appellant felt it appropriate that he should engage his brother in the on-going management of his properties, and that, bearing in mind his brother's background, this might suggest a lack of insight as to how this might be perceived. Nevertheless, the Tribunal did not consider that this lack of insight was, on its own, sufficient to doubt the Appellant's own fitness to hold a licence.

70. The Respondent made no submissions as to the Appellant's association with Mr Mahmood Hassan, his father, however the Tribunal nevertheless considered whether the association was of relevance to the fit and proper status of the Appellant. The Appellant clearly had a close personal association with his father for the purposes of Section 66(3)(a) of the Act and his address was the same as that of his father. The Tribunal also considered that the Appellant had a close business association with his father. The Appellant referred to his father on several occasions as being his 'Facilities Manager', and he was recorded as being a 'Property Manager' in the Appendix to Mr Andrews second witness statement. The Appellant had clearly deferred to him to speak on his behalf at the initial hearing, and it was his father who had liaised with a barrister as to potential representation in these proceedings. The Appellant made it clear in response to questions that his father assisted him a lot in management of his HMO properties.

71. The appendices to Mr Andrews's second witness statement showed details of several historical, spent offences, some of which included offences of deception and violence. Again, with reference to the ROA 1976 and the wide application of Section 66 *as to 'amongst other things',* such matters could be potentially relevant, however, due to their age, the Tribunal considered these had limited evidential value. Regarding Section 66(3)(b), the Tribunal therefore concluded that this association alone was unlikely, based on the current available evidence, to impact on the Appellant's own fit and proper person status.

72. In relation to Mr Ihteshan Hassan, the Appellant's second brother, the evidence showed that there had been convictions for historical spent offences, as well as more recent and extremely serious offences to include firstly, a conviction involving fraud in May 2024, and secondly, involving supply of controlled drugs in July 2025 which dated from November 2022 to September 2023. The drugs offences were in connection with what Mr Andrews described as an organised crime gang operating from the Box Hotel. The 2024 and 2025 convictions led to terms of imprisonment of over five and fourteen years respectively.

73. Whilst the Respondent had not made submissions in relation to the 2024 offence, in the light of the Waltham Forest case, the Tribunal considered that this was nevertheless a matter the Tribunal could take into account, as it was a conviction which was in existence at the time of the local housing authority's determination, even if the authority was unaware of it, and it tended to show that the authority's determination was correct at the time it was made.

74. The Appellant did not contend that he owned the freehold of the Box Hotel at the relevant time, although in response to questions, he said that it was leased to a company. Whilst the Appellant distanced himself from Mr Ihteshan Hassan, stating that the relationship was fractured and that they did not hold a close bond, the disqualification record dating from May 2024 showed Mr Ihtashan Hassan's address to be the same as that of the Appellant, although it was noted that the police records showed him to be of no fixed abode.

75. The Tribunal were nevertheless satisfied that Mr Ihtashan Hassan was associated with the Appellant by virtue of their family relationship. The Tribunal also considered whether he was formerly connected to the Appellant through work or business. The Appellant had stressed that Mr Ihtashan Hassan had not been the manager of the Box Hotel at the time of the drugs offences and he thought that his brother's recorded status as manager had been because he had been residing in the manager's flat. The Tribunal however found on the balance of probabilities, that evidence showed that he had been acting as its manager, and his job title was shown in the official police records to be 'Hotel Manager'. The Tribunal considered that the Appellant's response as to the identity of the Leaseholder of the property and the identity of any other manager had been tentative. The Tribunal therefore found that Mr Ihtashan Hassan was likely to have been a work as well as a personal associate of the Appellant.

76. This particular property was the subject of the historical conviction of the Appellant in 2013 and had considerable input from the Respondent Council as one of only four properties referenced in its Section 66 Report dating from 2016. In response to questions, the Appellant had made it clear that he was closely involved in relation to all of his properties. In the light of the Appellant's close reliance upon the assistance of his family members, the Tribunal considered that, on the balance of probabilities, Mr Ihtashan Hassan had similarly been acting as manager of the Box Hotel at the relevant time with the Appellant's knowledge, and that the Appellant was very likely to have agreed for his brother to carry out this management role.

77. Under Section 66(3)(b) of the Act, whist the Box Hotel is not currently one of the properties which is subject to the HMO licence application, the Tribunal considered that the prosecution of Mr Ihtashan Hassan was relevant to the question of whether the Appellant was a fit and proper person to hold a HMO licence. It did not consider that the Appellant could detach himself from the events that had occurred there, nor from his brother's involvement.

78. The Appellant's response to questions on the subject had not been persuasive, and drugs offences had been conducted from the Box Hotel during a lengthy period from November 2022 to September 2023. In view of his close involvement with, and acceptance of responsibility for all of his properties, the Tribunal found it implausible that the Appellant had no awareness of the criminal activities occurring at the Box Hotel. This puts the judgment and integrity of the Appellant into question as well as his ability to protect potentially vulnerable tenants. Furthermore, the large number of properties which the Appellant is seeking to manage in addition to his other businesses, also brings into question his capacity to fulfil his duties as a HMO licence holder and manager.

79. In conclusion, the Tribunal determines that whilst the evidence is relation to the Appellant's own convictions and conduct would not, on its own, lead to a conclusion that he is not a fit and proper person to hold a HMO licence, the considerable amount of cumulative evidence in relation to the convictions and the conduct of his associates, do fundamentally reflect upon his status. In any event, Mr Ihtashan Hassan's recent and serious drugs conviction in relation to the Appellant's property and the likelihood that the Appellant was aware of, or should have been aware of these activities, is on its own, sufficient to indicate that the Appellant is not a fit and proper person to be licenced and to manage HMO properties.

80. For these reasons, the Tribunal dismisses this appeal and confirms the decision of the Respondent Council to refuse the Appellant's application on the basis that he is not a fit and proper person to hold a HMO licence nor to manage the HMO properties included in the application. It follows that as the Appellant is the sole Director of HMO Lettings Ltd that the entity is likewise not fit and proper to manage these HMO properties.

Further General Observations

81. The Tribunal was mindful of the fact that HMO properties present considerable challenges for local housing authorities, and that implementing and maintaining robust licencing schemes does generate a considerable amount of work. It noted that such schemes are introduced in the context of a finding that a significant proportion of HMOs in a particular area are being managed ineffectively and are giving rise to problems for tenants or the public. It also recognised the challenges around protection of vulnerable tenants and maintaining housing standards through ensuring that landlords and their managers are of sufficient integrity, competence and financial standing to carry out their roles.

82. In addition, the Act contains a duty to ensure that applications for licences are determined within a reasonable time. The Appellant considered that there had been 'forces at work', and that he had not been kept abreast of the reasons for the Respondent's delays in reaching its decision on his fit and proper status. The Tribunal was cognisant that in this case however, complex inter-agency investigations had clearly been taking place between 2022 and 2025 in relation to the drugs offences surrounding the Box Hotel, and that this led to successful prosecution. Inevitably such processes can be lengthy, and information cannot always be shared with individuals, and could prejudice the criminal process.

83. Nevertheless, the Tribunal expressed some sympathy for the Appellant. He was understandably frustrated about inconsistent actions on the part of the Respondent. It also noted, to the Appellant's considerable credit, that there had been significant works carried out by him to bring his properties up to the requisite standard.

84. The Tribunal had concerns not only regarding the lack of clarity and robust legal procedures by the Respondent under Schedule 5 of the Act, but more generally. Whilst the Respondent attached great importance to its Licensing Schemes, it

had allowed them to lapse for lengthy periods. The Respondent accepted that between 2016 and 2023, it had limited involvement and the Tribunal considered that its intervention had been sporadic and inconsistent. The Tribunal was also concerned that the Respondent's officers had been unable to answer the question as to how the offending of the Appellant's brother reflected on the Appellant own ability to manage his properties as this was at the heart of the issue of whether the Appellant was a fit and proper person under Section 66(3) of the Act. We trust that the Respondent will take on board these general observations in relation to its future dealings with HMO licence applications.

Dated this 14th day of October 2026

Legal Chairperson