



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

**Case Reference** : **CAM/00JA/HML/2018/0002**

**Property** : 10 Elm Street, Woodston, Peterborough PE2 9BL  
and those other properties recorded in the Schedule  
annexed to the Directions order dated 13<sup>th</sup> April 2018

**Appellant** : Lets Move Estate Agents Ltd

**Representative** : Jonathan Manning (counsel, Arden Chambers)

**Respondent** : Peterborough City Council

**Representative** : Charles Snelling (counsel, Fenners Chambers),  
instructed by Andrew Burton, PCC Legal Services

**Type of Application** : Appeal against a decision to refuse to grant a licence  
under Part III of the Housing Act 2004  
[HA 2004, s.94 & Sch 5, para 31(1)]

**Tribunal** : G K Sinclair, G F Smith MRICS FAAV REV  
& N Miller BSc

**Hearing dates  
and venues** : 4<sup>th</sup> July 2018 at Peterborough, 30<sup>th</sup> October 2018 &  
30<sup>th</sup> November 2018 at Cambridge, and 7<sup>th</sup> December  
2018 at Peterborough

**Decision date** : 15<sup>th</sup> March 2019

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**DECISION**

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1. The appellant appeals against the decision by Peterborough City Council to refuse it a licence to act as manager for the letting of residential property within areas of the city which are subject to a selective licensing scheme under Part 3 of the Housing Act 2004.
2. Appeals were lodged in respect of 32 properties across the city of Peterborough, and by directions issued on 13<sup>th</sup> April 2018 that concerning 10 Elm Street, Woodston, Peterborough PE2 9BL was selected as the “lead case,” pursuant to rule 23(2) of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013. The decision in this case is therefore binding upon the other appeals listed in the Schedule to those directions.
3. For the reasons which follow the tribunal dismisses the appeal, determining that
  - a. The application made to the local authority identifies Shareen Hamid as the “responsible person” whose involvement is integral to the “proposed management arrangements” being “otherwise satisfactory.” She removed herself from the company on 26<sup>th</sup> February 2018, prior to the local authority’s determination of the application, and the appellant did not seek to withdraw or amend. An appeal based on criteria which cannot be fulfilled must therefore fail.
  - b. Further, or alternatively, the evidence before the tribunal demonstrates that the appellant company itself is not a “fit and proper person to be the manager of the house”, and its “proposed management arrangements” are not “otherwise satisfactory.”

**Background**

4. The appellant is the proposed manager of the subject premises and many other rented properties within the jurisdiction of Peterborough City Council. As the local housing authority the respondent refused to grant the appellant a licence under section 88 of the Housing Act 2004. Rather than appeal about 92 separate refusals of permission on the grounds that the manager was not a fit and proper person, an agreement was reached with the council that it would formally refuse one application concerning 24 Princes Road, Peterborough PE2 8ED and that would be appealed and used as a test case by which to judge the others.
5. The appeal dated 30<sup>th</sup> November 2017 was received by the tribunal office on 1<sup>st</sup> December 2017, directions for hearing were issued and – despite various requests by the appellant for adjournments – it was listed for hearing at Peterborough on 27<sup>th</sup> January 2018.<sup>1</sup> The hearing began by the solicitor for the appellant company, Mr Ingle, informing the tribunal that he had learnt on the previous afternoon that Ms Shareen Hamid, the sole director and shareholder (who had been named in the application to the local housing authority as the person involved in the management of the house), had sold her interest in the company by a share sale

<sup>1</sup> Case Reference CAM/00JA/HML/2017/0003

agreement that had been executed that very day. The company was under new management, and Mr Ingle said that he now took instructions from one of the new directors, Ms Indrė Juškevičiūtė, who sat at the back of the courtroom. Of Ms Hamid there was no sign, although a witness statement by her (with some exhibits, but not including any sale agreement) was handed in by Mr Ingle.

6. As it was the company that was the appellant and not Ms Hamid as an individual the tribunal considered that it could at least deal with a preliminary legal point, pronouncing orally against the company. Following that decision Mr Ingle asked the tribunal's permission to withdraw the company's appeal. This appeal follows almost directly in consequence of that decision, as even before the tribunal had issued its written decision on the preliminary point on 5<sup>th</sup> March 2018 the local authority decided to refuse all the outstanding applications, ostensibly because it expected that the new directors would submit a series of fresh applications.

7. The following additional scene setting is a direct quotation from paragraphs 6 to 8 of the tribunal's decision in that earlier case :

6. The appellant company was incorporated on 15<sup>th</sup> November 2016 with a single shareholder, director and secretary, viz Shareen Lal (later amended to Hamid). Her brother, Shahnawaz Lal, had been involved in the letting business locally as a director of a company known as Haris Properties Ltd. On 4<sup>th</sup> December 2013 and again on 20<sup>th</sup> July 2014 it had been convicted of offences in connection with the management of unlicensed HMOs. On that latter occasion Mr Lal was also personally convicted. Haris Properties Ltd having been struck off, the council was confident that Mr Lal was using Lets Move Estate Agents Ltd and his sister as a "front" for his continuing activities. As she was associated with him it took the view that she was not a fit and proper person to manage the property. It was also concerned that she lacked sufficient competence to be involved in management of the property, as she had limited knowledge or experience in the day-to-day running of a lettings business.

7. The council's initial concerns were seemingly confirmed when approaches were made, ostensibly on its behalf, by Mr Lal about difficulties in making the on-line applications. Later, however, the council was approached by one Mohammed Sabeel, who was known to it as someone with experience in the lettings business but no formal qualifications, to say that Ms Hamid had appointed him to manage the business. As additional reassurance, a letter dated 1<sup>st</sup> April 2017 was delivered to the council, signed by Ms Hamid, her father Mohammed Lal and Mr Sabeel, undertaking "that Shahnawaz Lal will have no input into the day to day business of Lets Move Estate Agents Ltd." On 19<sup>th</sup> June 2017 Ms Hamid emailed Mr David Marshall at the council to inform him that Mr Sabeel was no longer with the company and that all future contact should be directly with her.

8. On the same day that he received this message Mr Marshall wrote to Ms Hamid stating that he was considering refusing the applications because of her lack of suitability. There followed an email (in almost identical terms) on 7<sup>th</sup> July 2017, with a corresponding one to landlords, further discussions, and finally a letter dated 26<sup>th</sup> October and notice dated 6<sup>th</sup> November 2017 to both the applicant and the landlord of this particular property. This was further to the agreement about a test case...

8. Also relevant to this case are two other companies. On 25<sup>th</sup> February 2014, before the formal dissolution of Haris Properties Ltd on 18<sup>th</sup> November 2014, Lets Move

(East Anglia) Ltd was incorporated with Motansar Javaid (who features in the evidence in this case, referred to by a number of witnesses as “Motty”) as its sole director and shareholder. The registered address of the company was 131 Lincoln Road, Peterborough – the same as Haris Properties. The company was struck off the register on 6<sup>th</sup> October 2015, but just before then – on 25<sup>th</sup> September 2015 – Lets Move Property Services Ltd was incorporated, using the London address of its sole director and shareholder Ms Rosameen Lal (another sister of Shahwanaz Lal, and a current employee of Lets Move Estate Agents Ltd). The company was dissolved on 27<sup>th</sup> March 2017, some months after her sister Shareen Lal/Hamid had become director of the appellant company.

9. It is the respondent’s case that the various companies that succeeded to the same business and Peterborough client base were all fronts for Shanawaz Lal, as the business model he employed – of guaranteeing a fixed rental income to owners in return for a 5-year management agreement (or even a head tenancy allowing sub-letting to assured shorthold tenants) – was far too profitable to let go at the price stated in the 26<sup>th</sup> February 2018 share sale agreement. Whether out of stupidity or a sense of entitlement, he had even contacted senior council officers in an attempt to progress the company’s licence application process.
10. Anxious that Shareen Hamid – his sister and a person previously employed in banking – would not impress the tribunal, a “sale” of the shares was arranged with new directors who merely continued as a front behind whom he could continue to operate. As evidence, his sister Rosameen continued to be employed in accounts and a Lithuanian, Indrė Juškevičiūtė, who had started in the lettings agency business with him at Haris Properties Ltd, remained the principal lettings manager.
11. The appellant’s case is that the sale of the business in February 2018 was genuine, that the current directors have nothing to do with Shanawaz Lal, and that as the circumstances had changed the respondent authority should have paused before dismissing the many applications for licences, instead reconsidering them in light of the new circumstances. The company under new ownership is a fit and proper person and its arrangements for management of the various properties are more than satisfactory, as its lettings manager has years of practical experience and can produce glowing references from tenants.

**Material statutory provisions**

12. Part 3 of the Housing Act 2004 enables a local housing authority, if the required criteria are met, to establish a system of selective licensing across the whole, or a distinct part, of its area. In the case of Peterborough such a scheme came into force on 1<sup>st</sup> December 2016, requiring all owners of rented properties to apply for a licence by that date.
13. By section 87 application must be made to the local authority in accordance with the procedure established by it, accompanied by the payment of a fee fixed by the authority. The power of the authority to specify requirements under the section is subject to any regulations made by the relevant national authority. Those currently in force are the Licensing and Management of Houses in Multiple Occupation and Other Houses (Miscellaneous Provisions) (England) Regulations

2006<sup>2</sup> and, in respect of HMOs only, the Licensing and Management of Houses in Multiple Occupation (Additional Provisions) (England) Regulations 2007.<sup>3</sup>

14. Section 88, so far as is material to this case, provides as follows :
- (1) Where an application in respect of a house is made to the local housing authority under section 87, 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 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;
    - (aa) *[not relevant]*
    - (b) **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;**
    - (c) **that the proposed manager of the house is a fit and proper person to be the manager of the house; and**
    - (d) **that the proposed management arrangements for the house are otherwise satisfactory.**
  - (4) Section 89 applies for the purposes of this section. *[emphasis added]*
15. The material parts of section 89 then provide certain tests to which regard must be had :
- (1) In deciding for the purposes of section 88(3)(a) or (c) 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).
  - (1A) *[not relevant]*
  - (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 (c 42) (offences attracting notification requirements);
    - (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; or
    - (c) contravened any provision of the law relating to housing or of landlord and tenant law (including Part 3 of the Immigration Act 2014).

<sup>2</sup> SI 2006/373

<sup>3</sup> SI 2007/1903

- (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 (c), 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.
  - (3A)–(3C) *[not relevant]*
  - (4) For the purposes of section 88(3)(a) the local housing authority must assume, unless the contrary is shown, that the person having control of the house is a more appropriate person to be the licence holder than a person not having control of it.
  - (5) In deciding for the purposes of section 88(3)(d) 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.
  - (7) *[not relevant]*
16. Section 94 provides that Schedule 5 (which deals with procedural requirements relating to the grant, refusal, variation or revocation of licences and with appeals against licence decisions) has effect for the purposes of Part 3.
17. Part 1 of Schedule 5 to the Act concerns the procedure for granting or refusing to grant a licence. As this case involves a refusal to grant a licence paragraphs 5, 6 and 8 are relevant :
- 5 Before refusing to grant a licence, the local housing authority must–
    - (a) serve a notice under this paragraph on the applicant for the licence and each relevant person, and
    - (b) consider any representations made in accordance with the notice and not withdrawn.
  - 6 The notice under paragraph 5 must state that the local housing authority are proposing to refuse to grant the licence and set out –
    - (a) the reasons for refusing to grant the licence, and
    - (b) the end of the consultation period.
  - ...
  - 8
    - (1) This paragraph applies where the local housing authority refuse to grant a licence.
    - (2) The local housing authority must serve on the applicant for the licence and each relevant person a notice setting out –
      - (a) the authority’s decision not to grant the licence,
      - (b) the reasons for the decision and the date on which it was made,
      - (c) the right of appeal against the decision under Part 3 of this Schedule, and

- (d) the period within which an appeal may be made (see paragraph 33(1)).
  - (3) The notices required to be served under sub-paragraph (2) must be served within the period of seven days beginning with the day on which the decision is made.
18. Neither the Act nor the regulations currently in force specify any required format for the notices under paragraph 5 (notice of intention to refuse) or paragraph 8 (notice of refusal) or means of service.

**Evidence and argument**

19. The tribunal had before it a working bundle which, with the gradual addition of further witness statements and exhibits, grew over the extended course of what ended up as a 4-day hearing to just under 600 pages in length.

*Witness statements*

20. Witness statements were filed and served, and oral evidence given, on behalf of the respondent local authority by :
- a. Jo Bezant – Housing Manager
  - b. Karina Sanchez – Senior Prevention & Enforcement Officer
  - c. Mohammed Farooq – a businessman & landlord
  - d. Sabrina Khan – a locked out tenant
- With the tribunal's permission Ms Khan gave her evidence by video link.

21. Witness statements were also in the bundle from three local authority officers :
- a. Adrian Chapman – Service Director for Communities and Safety
  - b. David Marshall – Senior Prevention & Enforcement Service Officer
  - c. Alice Parkinson – Prevention & Enforcement Officer
- but, perhaps because they dealt with events in late 2016 and early 2017 during the *ancien régime* of Shareen Hamid, they were not called to give oral evidence.

22. Two statements in the bundle, from Janvario Vierra do Amaral (dated 21<sup>st</sup> March 2013) and Jaime Lay (dated 3<sup>rd</sup> January 2014) long pre-date the formation of the appellant company, relate to the affairs of Haris Properties Ltd, and their only relevance is mention of Motansar Javaid (or “Motty”) as an unpleasant person associated with that company. These were not referred to during the hearing. Likewise, statements flourished and sought to be introduced by the respondent from Sophie Watson (Housing Officer) and Mohammed Hussain (residential property owner) were never mentioned again, let alone were the witnesses called.

23. Additionally, statements were filed and served by two lay witnesses, Mr & Mrs Cookson, who were neighbours of Ms Khan at the relevant time. Only that by Mr Cookson was considered particularly helpful and, in view of its content and his poor health, Mr Manning very generously waived the need for his attendance and simply commented on its content in his closing submissions.

24. For the appellant statements were filed and served and oral evidence given by :
- a. Javed Akhtar – director & minority shareholder
  - b. Indrè Juškevičiūtė – director & letting agent
  - c. Mantas Bagdanavicius – handyman & cousin of Indrè Juškevičiūtė.
25. In response to evidence about some post-February 2018 activity by Shahnawaz

Lal at a property managed by the appellant company Mr Manning sought to introduce a witness statement by one Mohamed Iqbal, said to be both landlord of the property in question and “uncle” of Shahwanaz Lal, to explain the latter’s presence at the property one evening and apparent authority to act. As it would have been improper for Mr Manning, acting in the appeal on a public access basis, to have played any part in the taking of this statement its origin remained a mystery. Despite attempts before or during the third and fourth days of the hearing to get him to attend to give evidence Mr Iqbal never appeared in order to confirm the content of his statement, or otherwise.

*A side issue – legal professional privilege*

26. Finally, before going into the evidence in more depth, this decision should also record that Mr Akhtar produced in evidence a signed copy of the share purchase agreement dated 26<sup>th</sup> February 2018 plus two emails dated 16<sup>th</sup> February 2018 from the mailbox of Shareen Hamid to solicitor Matthew Ingle (whose firm, Sloan Plumb Wood LLP, represented the company both at the earlier tribunal appeal on 27<sup>th</sup> February 2018 and the early stages of the current appeal) and one reply by him to Shareen Hamid seeking information as to the identity of the share purchasers.
27. As the first email to Mr Ingle begins with the words “We would like...” and ends with “If you require any further information please feel free to contact me in Shareen’s absence” this attracted some curiosity about who “me” might be, and for this reason – and perhaps a misunderstanding of the significance of certain provisions of and background to the share purchase agreement – at the end of the second day of the hearing Mr Snelling, on behalf of the respondent, applied for a witness summons requiring Mr Ingle to attend and produce documents at the commencement of the third hearing date on 20<sup>th</sup> November 2018. This summons was granted after Mr Snelling argued that as the three emails had been handed over by Ms Hamid she had waived privilege in them, and that the fact that they existed rather brought into question his apparent surprise at the sale displayed during the hearing on 27<sup>th</sup> February 2018 (at which two members of the present tribunal also sat).
28. The response was an application by Mr Ingle to set aside the summons and his attendance with counsel, Andrew Thomas (of Brick Court Chambers), on the morning of the third day to argue that he was bound by a professional duty of confidence, and that this included even revealing the identity of his client. He had sought advice from the professional ethics guidance team at the SRA and in Mr Thomas’ submissions quoted from guidance appearing on the SRA’s website. While being circumspect, his application did state that the appellant company was the subject of the share sale transaction, not a relevant client. He also observed, at paragraph 27, that :

Even if the appellant (and/or the individuals to whom shares were sold under the share sale agreement) had also been clients of Mr Ingle for purposes relevant to the share sale agreement (which is not the case), their waiver of privilege alone would not suffice. All relevant clients would have to agree to a waiver of privilege. Privilege in respect of clients jointly instructing a solicitor is joint and can be waived only jointly and not by one client alone (see, for example, *The Sagheera* [1997] 1 Lloyd’s Rep 160).



29. Citing CPR 34.3 on the issue of witness summonses and passages from *Matthews & Malek on Disclosure*<sup>4</sup> and *Thanki : Law of Privilege*<sup>5</sup> and cases such as *SRJ v Person(s) unknown*<sup>6</sup> and *BBGP Managing General Partner Ltd & ors v Babcock & Brown Global Partners*<sup>7</sup> on confidentiality and privilege, which may include even the identity of a client and/or the fact that the client had sought legal advice, Mr Thomas conceded that Mr Ingle could be ordered by the tribunal to reveal the identity of his client but could not do so voluntarily.
30. Intending no disrespect to the arguments advanced by Mr Snelling in support of the summons, the tribunal considered that if Ms Hamid had provided Mr Akhtar with the emails (probable but not certain) then it could draw inferences about who else may have been involved in providing instructions to Mr Ingle. Further, this was a side issue distracting from the main business of this appeal and likely to consume much-needed time. Mr Thomas' arguments on privilege were upheld and an obviously relieved Mr Ingle released.

*The respondent's case*

31. Mohammed Farooq, a local businessman and private landlord, was the first to give evidence of his relations with Shahnawaz Lal going back a number of years. Despite the fact that the appellant was incorporated as recently as 2016, so far as he was concerned, he was always dealing with Mr Lal and Lets Move. In fact the arrangement concerning three properties was made with Mr Lal and Motansar Javaid. He was therefore not happy to be contacted in late 2016 by a planning enforcement office at the council and learn that a family home he had asked Mr Lal to manage had, without his knowledge and consent (or planning permission), been physically reconfigured as an HMO with many more occupants than he had been aware of – at rents that earned Lets Move a substantial profit.
32. Jo Bezant was one of the respondent's principal witnesses, explaining (albeit with an imperfect understanding of company law) the history of the company and its predecessors, and the involvement of Shahnawaz Lal in his sister's attempts to progress the appellant's registration as manager of a large number of houses. She dealt with the council's licensing procedure and, at [B2], purported to quote from Government guidance for licensing under Parts 2, 3 and 4 of the Housing Act 2004 (although a copy was not provided). Under section 85 this states :
- If there is evidence that a person associated, or formerly associated with the person proposed to be the licence holder or manager of the property has committed any wrongdoings, that evidence may be taken into account in determining the proposed licence holder's or manager's fitness (even if that person has himself or herself an unblemished record).
33. So far as the respondent was concerned the issue whether the company was a fit and proper person depended on being able to assess an individual. It was not suggested that Shareen Hamid was still involved in Lets Move. A new application would have to be made, and there are a range of offences that have to be considered. For example, a company cannot commit a sexual offence. Legislation

<sup>4</sup> 5<sup>th</sup> ed, paras 10.31 & 10.35

<sup>5</sup> 3<sup>rd</sup> ed, paras 2.01 & 2.136 (esp footnote 355)

<sup>6</sup> [2014] EWHC 2293 (QB)

<sup>7</sup> [2010] EWHC 2176 (Ch); [2011] Ch 296

also says that you have to have a responsible person within a company, rather than someone who just works there. The responsible person shown on the documents is Shareen Hamid.

34. Her evidence also dealt with investigations into an illegal eviction of Ms Khan and her family and harassment at 45 Lincoln Road, Peterborough by Shahnawaz Lal and his unauthorised action in converting a property owned by Mohammed Farooq into an HMO. In a late witness statement dated 18<sup>th</sup> November 2018 she informed the tribunal that in the course of investigating that illegal eviction her colleague Karina Sanchez had opened a case with the local police and, while carrying out initial enquiries, the attending police officer had come across a police report of an incident at 35A Lincoln Road on 21<sup>st</sup> April 2018, logged after "Shah Lal" of 91 Thorpe Road, Peterborough had called in to report that tenants had broken back in to a property from which they had been lawfully evicted by bailiffs a few days earlier. She exhibited a copy of the log, which showed that he was reporting the incident on behalf of "uncle who works for 'Lets Move' agency". Later, after calling the police again following a shoving incident, the log records that :

The nephew told us that he was happy for them to stay until Monday but on Monday builders are arriving at the property to do renovations and will empty out the property...

35. In cross-examination Mr Manning put to her the content of Mr Iqbal's witness statement<sup>8</sup>, in which it was said that he had met his nephew Shahnawaz Lal at a wedding in Pakistan and he had been informed by Lets Move that the property was now empty, as instructed to do by himself and his brother Abdul Aziz. At paragraph 7 of his statement he said :

As my nephew was leaving before I did, I asked him to visit the property and check the condition of the property and, most importantly, before I got back to the UK, see if he could suggest some layouts for the 2 separate dwellings and create some plans to show the architect.

36. In response, Ms Bezant said that it seemed odd that he (Mr Lal) did not consult Abdul Aziz. Mr Lal made the decision to allow the tenants to stay in the property. The police log does not tie up with what is said in Mr Iqbal's statement, and if doing drawings to show the architect why would builders be turning up so soon?
37. Ms Bezant's fellow officer Karina Sanchez went into much greater detail about not one but two evictions involving Ms Khan's family, when locks were changed, and concerning her tenancy agreement that began as far back as 15<sup>th</sup> March 2014. She interviewed the landlords, Mr & Mrs Mamer, who revealed that Lets Move had issued court proceedings in the landlord's name without first consulting them. Disquietingly, after many attempts to make further contact with Ms Khan to obtain a signed statement to use in criminal harassment proceedings, she then received an email from Ms Khan (using an unfamiliar email address) stating that she had sorted out the "misunderstandings" and "confusion" with Lets Move and no longer wished to continue with a complaint. Much of her indirect evidence about the Khan case became merely corroborative when, in time for this appeal, Ms Khan re-emerged and, although nervous, said that she had been pressured to

<sup>8</sup> NB. As already noted in paragraph 25 above, despite attempts to get him to attend Mr Iqbal never turned up to confirm the truth of his statement

send the email and expressed herself willing to give evidence provided she did not have to be in the same room as representatives of the appellant.

38. Ms Khan gave evidence on the third day of the hearing by CCTV from the secure witness suite at Cambridge. This included evidence of receiving text messages and numerous telephone calls hassling her about unpaid rent, and of her and her children being locked out of the property overnight because the locks had been changed. There were also numerous text messages, including one showing a photo of her house lights on, telling her that the sender was outside, and that she should open the door. She did not, and damage was caused by kicking the door.
39. Of 43 calls made, 26 were from Ms Juškevičiūtė, appearing on her phone under the name "Lady from Let Move". On one day the timings on Ms Khan's phone records suggest that four people from the company, including Shawanz Lal, were making calls from the same location until the early hours of the morning.
40. She confirmed how, after being locked out on the first occasion, she went to the office and confronted an employee, Shabir, in the office. She secretly recorded what was said, and digital copies were provided to the tribunal and the parties. As these could not be played in the courtroom the tribunal listened to the recording during the lunchtime adjournment on the judge's laptop. The parties' representatives listened to the recording separately, but at the start of the afternoon session Mr Manning was able to cross-examine Ms Khan on what had been heard.
41. Ms Khan also dealt with the supposed tenancy agreement finally presented to her some years later, bearing a signature which was not hers, and the tribunal explored entries in Lets Move's running account for her tenancy of 45 Lincoln Road from 2014 until her departure. She queried what had happened to her deposit and later explained how, following issue of the first eviction proceedings in the local court, she had agreed over the phone to a substantial increase in the monthly rent from £675 to £850 as from 1<sup>st</sup> August 2016, and the proceedings were halted. Asked by the tribunal, she was unaware of ever receiving a Notice of Increase under section 13 of the Housing Act 1988.
42. At the end of her tenancy she said that, following pressure from Shahnawaz Lal, who was said to be an unofficial "guarantor" for her obligation to pay rent (as he was related to her husband), her family agreed to and did pay off all the arrears. It is right to record that no direct evidence of such pressure was before the tribunal.

*The appellant's evidence*

43. The first witness called on behalf of the appellant was Mantas Bagdanavicius, who works for the company as a handyman. A Lithuanian, he gave his evidence with the assistance of an interpreter arranged by the tribunal. He said that he had been working for Lets Move for a year and a half. Shereen Hamid had given him the job. She does not speak Lithuanian. He had written his statement with the assistance of his sister-in law. He spoke in Lithuanian and she wrote it down in English. His statement seemed principally to focus on the fact that after a tenancy he had arranged through Lets Move had come to an end, as the landlord wanted to live there again, the housing assistance offered by the council was poor,

placing him and his family for 3 months 72 miles away at a Travelodge in Derby.

44. Little of his statement seemed relevant, and in cross-examination he explained that although he works for the company and may visit its offices perhaps 3 times per week, he only really speaks with Indrè. He had seen others in the office but did not know their names, never had a coffee while waiting there, or even went to the toilet. He did not know the complete lay-out, as he tended to wait by the front. Indrè gave him his instructions and he would go straight to the property and do what work was required. He had high praises for her, but explained when asked that he had gone to the council, with her assistance, rather than seek help with rehousing from his letting agency employer because he was not earning much money and could not afford to rent privately.
45. Only at the very end of his evidence, surprised that no-one else had thought to ask, did the judge enquire if Mr Bagdanavicius was related to Ms Juškevičiūtė in any way. She was his cousin.
46. Mr Akhtar confirmed the truth of his statement and produced a copy of the share purchase agreement signed by himself and the other parties. The emails were also his exhibit. They were taken by his co-director, Mr Raza. They came from Shareen Hamid round about February, as far as he knew. He explained that his father passed away in February 2018, and for five weeks he was in hospital, so all this was being dealt with by his business partner while all his attention was on his father's health.
47. He confirmed that he had agreed to purchase 25% of the shares in the company, as had his wife. Mr Raza, his co-director, holds 50%. Since making his first statement the costs incurred in fighting this appeal had caused his wife to sell her shares recently to Khalid Sheikh. Neither co-director appeared or filed any evidence. Mr Akhtar earns a living as a taxi driver. He has recently developed a keen interest in Conservative politics in the city, but has not campaigned for Shanawaz Lal's wife, who was a councillor in another ward. Mr Lal was not a person that he associated with. He has his own group of friends. Mr Lal is of a different tribe and caste. Mr Akhtar is a Rajput, but would not limit his business to those from the same tribe. He said that he had no dealings with Mr Lal, but in Peterborough it is a close-knit community, so everyone knows of each other.
48. Explaining the set-up of the company, he said that as it is earning little money at present he drives taxis. Indrè works there four days, from 10:00 to 14:00. She is the manager. Rosameen does the accounts. Irfan Raza may come in one day a week. He looks at the books, while Mr Akhtar liaises with legal, and the council.
49. Under questioning he confirmed that, contrary to what is stated in the share purchase agreement and in a letter dated 31<sup>st</sup> July 2018 from Haines Watts, a firm of accountants in the city :
  - a. The agreement was not executed at the offices of Sloan Plumb Wood but at Lets Move's offices
  - b. Not all may have been present at the same time
  - c. The first £20 000 tranche of the purchase money had not been paid in full but only in dribs and drabs, with Mr Akhtar being extremely vague about exactly how much had been paid, how and when. There was no evidence

of actual payment because there did not need to be.

50. He also confirmed that little by way of due diligence had been undertaken, with him spending only a brief period of time with his own solicitor and trusting the vendor's solicitors instead. Asked about the company's finances at the date of hand-over, he said that there was nothing in the bank account (singular). Only a sample of management contracts had been looked at. His understanding of the business arrangement with landlords was that it was based on 5-year agreements, taking a little commission from landlords. He could not remember the turnover of business off the top of his head. It was put to him by the tribunal that the business model was in fact one of head and sub-lettings rather than commission, and that concerns should have been raised by the change in company names and different family members managing the same housing stock.
51. He insisted that there is no Mr Shah Lal behind their business, and that they are not a team of people trying to run a Mafia type of business. Put to him directly, he accepted that Mr Lal is not a fit and proper person to run property, and when pointed out by the tribunal that Mr Lal had put his sister in to run the company, and evidence of his involvement had been seen, his response was :  
That is not for me – that is your decision.
52. Asked about Ms Juškevičiūtė phoning Ms Khan 24 times, harassing a tenant who was just two weeks in arrears, and increasing Ms Khan's rent before allowing her back in to the property, he insisted that Indre did not illegally evict her. He had full belief in her and supported her.
53. Mr Snelling concluded Mr Akhtar's cross-examination by asking him about his knowledge of basic elements of residential landlord and tenant law, including what documents were required to be supplied to potential tenants, what were the consequences for the landlord if they were not provided, and the difference between a tenant and lodger. Listening to his answers at the back of court, Ms Juškevičiūtė's face remained impassive.
54. On day four of the hearing, on 7<sup>th</sup> December 2018, Ms Juškevičiūtė finally got the chance to demonstrate how her name should be pronounced. Speaking faultless English, she confirmed the truth of her two witness statements. Of the company's staff, she explained that while at one time there were three lettings managers, Khalid, Shafiq and herself, it was now just her – and with a young child she works reduced hours. Rosameen Lal works full time. Mantas works just 24 hours per week. Mr Akhtar is not really involved as he is doing taxi work as the business is short of money. Mr Raza is still employed by the company.
55. Asked by Mr Manning about Ms Khan's issue about her deposit, she said that while she had not originally been involved she had started investigating and spoke to Motty and asked why the system was showing a £1 000 deposit. The first time Ms Khan came and paid £2 025, of which £675 was allocated to rent, then £1 000 was allocated to deposit, and £350 to contract paperwork. A few days later her husband called and said he was not happy as he was a family member of Motty and thought it was unreasonable. In a long conversation he was told he was not being given the money back, but it would be allocated towards the rent. This can be seen on the computerised statement of account at

C196–197. Quite how and why a lettings agent felt able to waive the need for a deposit without regard to its landlord client's interest, as a favour to a family member, was not explained. She said that it was not normal practice not to take a deposit. This incident, of course, took place in early 2014, long before the appellant company existed – but some of the personnel involved can be tracked through the various companies managing this portfolio.

56. She added that in the case of Ms Khan and 45 Lincoln Road one of the cousins paid all the outstanding amount. He paid £300 and something. She said to him that this was not all, and said there was no deposit. A few days later he came back with £1 000 and all rent arrears were cleared. This happened in September 2018.
57. Further on this subject, she gave enlightening evidence of a most unusual practice. When Ms Khan's statement about Awais Lal punching her husband in the face was put to her, and then phone calls from Shahnawaz Lal to the parents demanding payment of the outstanding rent, Ms Juškevičiūtė answered that the cousin who came in to pay the rent was one of their landlords. He was one of the guarantors. Asked to explain about "guarantors" and how many there were, she said that they were family – three guarantors. It was very informal, and nobody signed any document as a guarantor. When asked why Mr Lal was enforcing debts if he was no longer a member of the company, she said that it was because he was one of the guarantors.
58. When it was put to her that one might expect the agent to pursue the guarantors shortly after the tenant moved out in September 2017 she said that she had been talking about this but was told that it would be sorted out. Asked why she did not simply ask Mr Lal for the money, if he is a guarantor, her response was that it was not her decision at the time. Then she became a director and started talking to Tahir Iqbal about the money owed.
59. On the subject of Mr Farooq, she said that she saw him come to the office. He was dealing with Khalid but was unhappy, then with Mr Sabil – but still was unhappy, and Shareen Hamid wanted to speak with him as director; but he wanted to speak with her older brother Shanawaz Lal – on the basis that older brothers have more power, or something like that. Shahnawaz has nothing to do with the company, but they are related so he was asking to see him. Asked why, if he had nothing to do with the company there was any point in speaking to him, she replied simply that she did not know the outcome.
60. Cross-examined by Mr Snelling, she said that she started working with Mr Lal in about 2012, until 2014. Then she worked for Motty's company, Lets Move (East Anglia) Ltd. That was after Mr Lal's conviction, so Motty took over the business. He had worked for Haris Properties.
61. She said that she left the company in 2015, and was self-employed because she had loads of issues with helping people fill in housing documents, translating, etc. she was helping the Lithuanian community and was meeting people in her house. She was not getting any work from Lets Move. Her work involved assisting with translation, changing driving licences, utility bills, filling out application forms, etc. Clients paid her.

62. She did that until 2016, and came back to Lets Move Property Services, on a self-employed basis. That company was run by Rosameen Lal, Shahwanaz's sister. She remained there until 15<sup>th</sup> November 2016, when she started at the present company – initially self-employed. In April 2017 she became employed by the company. Mostly, she was conducting property inspections.
63. She denied that Shahnawaz Lal had anything to do with the company, and he did not attend meetings, but it was put to her that she could check the emails about issues between Mr Farooq and Lets Move. She was aware of some of the licensing issues, but did not fully understand them. She understood that it had been refused because the council believed that Shareen was merely a front for Mr Lal. She did not know why Sabeel was involved, and was unaware of any undertaking given to the council that Shanawaz would have nothing to do with the company.
64. She had been involved with the licence applications. The bank kept stopping the payments, perhaps thought something wrong going on, and it was hard trying to speak with them. She denied knowledge of calls being made by Mr Lal to Mr Chapman at the council, or that he was in the office. A number of staff were in, desperate to meet the “early bird” application deadline, and Shareen’s company credit card was being passed around amongst them when trying to make payment. Shown certain emails from Mr Lal where he was referring to specific application numbers, she insisted that he was not present, that he must have got the information from his sister, and that if her door was shut nobody could hear anything less than shouting.
65. Further documents and emails were put to her, suggesting that he was making strategic decisions, including authorising overtime and asking for an extension of the deadline. She claimed to be unaware of a decision on overtime until later in November, as they were in the office until 03:00, and said that one would need to ask Shareen Hamid about these matters. In some instances emails signed “Shah” were actually from Shafiq, and should have been signed “Shaf” instead.
66. Asked why Shareen had not asked for her advice she said that selective licensing was new and Shahnawaz had lots of friends and was trying to sort it out. Stating that she had already answered a couple of times about him contacting the council and trying to help his sister she went on that she did understand how it looks, and could now agree how he helped his sister. However, from her side he was not involved with the business. This was all before the business was sold, and it has new directors.
67. Ms Juškevičiūtė was questioned extensively on issues related to the Khan account (45 Lincoln Road). She agreed that if someone was involved in unlawful eviction then they would not be a fit and proper person, but she would not regard the company’s behaviour in the Sabrina Khan case as unacceptable :
- a. She had initiated two sets of possession proceedings. It was untrue that there was linkage between an increase in rent and the decision not to proceed with the first proceedings, and on the second occasion Ms Khan confirmed that they were moving to London but wanted to wait until the end of the school term, so she was prepared to wait

- b. While the recording confirmed at least one illegal eviction by changing the locks she had been completely unaware of it. Shareen had not told her, even though she was managing the account
- c. She kept trying to phone Ms Khan so many times in one day because a neighbour had reported a break-in and she wanted to check that Ms Khan was OK. She did not think of calling the police, leaving a message on her phone, or sending a text message. This was not harassment
- d. She was unaware that others, including Shanawaz Lal, were also phoning regularly at the same time
- e. It was not harassment to have colleagues sitting in the car when she went to visit Ms Khan's address
- f. She denied being aware that the signature on the tenancy agreement was not that of Ms Khan. A revised tenancy agreement was produced, showing no deposit as having been paid. She presumed that the council would have a copy, as one is required for Council Tax purposes. The reason it was altered was not because the company had omitted to place the deposit in an approved deposit scheme. She had already answered this
- g. She was challenged on the rental account as shown on the Total Letting Solutions software, the details of which she said had been passed on from company to company. It was put to her that it should not show a deposit as having been paid if the money had been re-allocated, and that this would fail all tests for ARLA, ARMA, etc because one cannot have an overdrawn client account
- h. She had nothing to do with Ms Khan withdrawing her complaint to the council about the company's behaviour, using a previously unknown email account
- i. Ms Khan was wrong when she said that she had taken rent money to her at her home. She was not so stupid as to give landlords and tenants her home address.

#### *Submissions*

- 68. Both counsel very helpfully handed in written submissions (or, in Mr Manning's case, a speaking note). This is not the occasion to recite their arguments in detail so this decision includes a brief summary only.
- 69. Mr Snelling argued that the company – and the share sale agreement – were yet another sham arrangement by Shahnawaz Lal. The council was reassured by the evidence of Mr Akhtar and Ms Juškevičiūtė that the right decision had been made. Mr Akhtar had demonstrated little knowledge of the business, and had undertaken no due diligence in its purchase. It was telling that certain evidence had not been provided. There was none from Ms Hamid or from the largest shareholder, Mr Raza. If Mr Akhbar had no answer, that was because it was a matter dealt with by Mr Raza. The share purchase agreement was not worth the paper it was written on. The letter from the accountants confirming payment of the first tranche is not correct, given the evidence of Mr Akhtar that the £20 000 had not been paid in full, and that which had was paid in bits and bobs.
- 70. In April 2018, several months after the share transfer, the evidence of the police log concerning 35A Lincoln Road shows that Shahnawaz Lal was appearing to act on behalf of the company, more specifically for a mythical uncle who “works for Lets Move.”



71. Insofar as Ms Juškevičiūtė's evidence was concerned it was inconsistent, and very selective in her knowledge. There were credibility issues because of a lack of acceptance that Mr Lal was running the business through Shareen Hamid. This must have a knock-on effect on her credibility.
72. On management issues, Mr Akhtar has no knowledge of the business, and he could not provide answers to basic issues. The main person is Ms Juškevičiūtė, working 16–18 hours a week. She had been involved with the unlawful eviction and harassment of a tenant, and he invited the tribunal to accept Ms Khan as a credible witness.
73. In support of the appeal Mr Manning argued that the most telling evidence in favour of the company was that since the new directors took over at the end of February 2018 the respondent had found no evidence of bad management, no tenant complaints, no evidence of Mr Lal running or having anything to do with the company, and no evidence to suggest that any member of staff has behaved in any way inappropriately.
74. The authority's stress on only a natural person holding a licence is wrong as a matter of law, and is based on an interpretation of the 2004 Act that is wrong. Section 89 only operates satisfactorily if a company can be a licence holder, this being consistent with all other provision in Parts 2 and 3, section 251, LACORS guidance, and the Interpretation Act 1978.
75. On the purchase of the company, there had been no evidence adduced to suggest that these allegations were proved, and no criticism should be made of Mr Ingle's involvement. There is no evidence of any continuing involvement by Mr Lal.
76. The company is "fit and proper", the only stain being allegations about the Khan family and Ms Juškevičiūtė's involvement. These need to be handled with care, as they are disputed by the company and were made many months later. Calls made to Ms Khan were not harassment of her. An explanation has been given.
77. The company does not seek to justify in any way Mr Lal's behaviour, or that of his sister in condoning it, but it is wrong for Ms Juškevičiūtė to be used to justify a conclusion that the company is not fit and proper in the light of all the evidence about the new owners. The new owners are driving taxis in order to fund this litigation. That they hold licences to do so means that they must have been considered "fit and proper". Just because the company has the same name does not mean that it is the same. The appeal should therefore be allowed.

#### **Discussion and findings**

78. It is a feature of the Housing Act 2004 that, beyond guidance provided in the Act itself, in secondary legislation or by local government or other advisory bodies, local housing authorities are left very much to their own devices in the creation of licensing schemes, matrices for assessing appropriate tariffs for civil penalties, etc. While certain matters must be included, authorities are also free to develop their own forms and application processes – save that, as Mr Manning has shown by his success in *R (Gaskin) v Richmond on Thames LBC*,<sup>9</sup> any fees levied must be related to the cost of providing the service – not designed to make a profit.

<sup>9</sup> [2018] EWHC 1996 (Admin); [2018] HLR 47

79. It is also a feature of many types of statutory regulation that, where a licence is held by a corporate body, there should also be an identified individual recorded as personally responsible for providing the licensed service. Thus, public houses require a Premises licence which must name a Designated Premises Supervisor, and that individual must also hold a Personal licence. By section 13 of the Health and Social Care Act 2008 :
- The registration under this Chapter of a person (“S”) as a service provider in respect of a regulated activity must in prescribed cases be subject to a registered manager condition, namely a condition that the activity as carried on by S, or the activity as carried on by S at or from particular premises, must be managed by an individual who is registered under this Chapter as a manager in respect of the activity, or the activity as carried on at or from those premises.
80. The Housing Act 2004 does not go so far, but the selective licensing scheme as devised by the respondent local housing authority asks on the application form who will personally be responsible for ensuring that the management of the house will be conducted properly.
81. This decision has already quoted, at paragraph 32 above, from the Government’s own guidance on section 85. Mr Manning includes in his bundle of authorities HMO Guidance by LACORS which, under the heading “Organisations as fit and proper persons”, comments :
- Companies can commit offences, so when deciding whether the proposed licence holder is “fit and proper” to manage the HMO, both the company and its employees need to be considered.
82. The tribunal considers that it is reasonable for a local housing authority when devising a licensing scheme to request information about a person, usually at a senior level in the company, who will be personally in charge of management. It recognises that there may be risks if a rigid approach were taken and renewal of the application were required every time a named individual left the organisation or moved to another role within it, but wanting to know which individual needs to be DBS checked at the time of application seems not unreasonable.
83. In this case the person named in the applications was Shareen Hamid. As the sister of someone convicted of a housing offence, and who had boldly involved himself in the application process on behalf of the company, this may have been a bold move; and the repeated requests for adjournments and emails disclosed suggest increasing nervousness as the February 2018 hearing date approached. This application had been stayed on a voluntary basis, so that the test case of 24 Princes Road could determine common issues. When that was withdrawn on 27<sup>th</sup> February 2018, following the sale by Shareen Hamid of her shares, resignation as a director and complete removal of herself from the company, the appellant was in no position to manage the house in accordance with the criteria in its application to the council.
84. Anticipating a set of fresh applications, and perhaps also rather boldly, the council did not wait long before dismissing all the remaining applications naming Shareen Hamid as the “responsible person.” No attempt had been made to ask

for a delay while the company decided who to nominate as the new responsible person in an amended application.

85. The tribunal determines that the respondent made its decision on the application put before it, and although the tribunal can consider facts and matters that were not before the decision-maker (or have arisen since), the application sought to be appealed is in precisely the same form and names the same responsible person. On that ground the tribunal dismisses the appeal.
86. Should it be wrong to adopt that approach, and as further or alternative grounds, the tribunal now proceeds to consider the behaviour of the company and/or of its representatives. In doing so it has considered all the evidence and given it such weight as the tribunal considered appropriate, but it rejects Mr Manning's submission that "Just because the company has the same name does not mean that it is the same."
87. A company is a legal person which is entirely separate from its shareholders and directors. If a company were to commit a criminal offence such as a fraud or serious environmental discharge then the immediate repercussions may involve dismissals, resignations from the board, the share price to crash, mass sell-offs of shares and/or a rival making a successful hostile take-over. However, the company that committed the offence is the same, and is still liable to prosecution. The new owners will or should have factored in to their decision to purchase, and the price paid, the possibility of bad publicity and substantial fines.
88. Approaching the history of this company stage by stage, the tribunal takes into account first, in the period prior to 27<sup>th</sup> February 2018, the fact that the company had a history of poor behaviour :
  - a. In the case of Mr Farooq, whom the tribunal considered a credible witness, Mr Lal turned one of his premises into an HMO without either his knowledge or consent, planning permission, or building approval; thus generating a massive and unjustified profit by overcrowding the house
  - b. There were other instances where "management" in fact involved legally questionable 5 year head tenancies of properties which were then sublet by Lets Move as landlord to individual assured shorthold tenants
  - c. Sabrina Khan was locked out twice, and on the first occasion that legal proceedings were taken the matter was resolved by her agreeing under duress to an increase in rent (which was not carried out lawfully by service of a notice of increase under s.13)
  - d. Poor management : the Khan tenancy deposit, and how this was handled in the client account, which accountants had not spotted in four years
  - e. Shareen Hamid's (and perhaps her brother's) anxiety to sell her shares in the company to avoid the tribunal hearing in February 2018.
89. Insofar as the share transfer agreement is concerned, Mr Manning is correct. It is no business of the tribunal to judge whether the deal was imprudent, but that is not what the tribunal is doing. It is looking at this transaction, its written terms and the manner of their implementation (if at all), and deciding first whether this was a bona fide contract and secondly what clues it gives as to the competence of those now seeking a licence to manage residential property and the collection of rents for landlords. Will the proposed management arrangements for the house

be “otherwise satisfactory”?

90. The tribunal takes into account :
- a. The ostensible surprise expressed by Mr Ingle about the sale that took place just one day before the hearing on 27<sup>th</sup> February 2018. The tribunal members who sat on that case recall what they heard that day
  - b. The email chain from a person other than Shareen Hamid. Who was that?
  - c. Mr Ingle cannot be criticised for defending his clients’ right not to waive privilege, including as to the identity of who was instructing him, although he admits that he was not acting for the purchasers or, in that instance, the company itself. If the emails were handed to Mr Akhtar by Shareen Hamid then she waived privilege to them but, if he were jointly instructed, only waiver by all relevant clients is enough. The tribunal considers that on the totality of the evidence in this case concerning Shahnawaz Lal’s continuing involvement with the affairs of this company it is entitled to infer that the “me” referred to in the email dated 16<sup>th</sup> February 2018 timed at 09:58 was him.
  - d. Non-compliance with the terms of sale in the share purchase agreement (which required payment by electronic transfer of immediately available funds to a UK bank account as directed by the vendor) by instead paying the initial tranche in unspecified dribs and drabs; yet by contrast the letter from accountants Haines Watts purports to confirm that the seller did receive her first part payment of £20 000. The purchasers, as represented by Mr Akhtar, also seemed remarkably disinterested in the observation by the tribunal that, by the terms of clause 3.3  
The said balance of the purchase price (£40 000) shall not fall to be paid by the buyers if, at the six month date, the licence has not been granted due only to some act or default on the part of the seller.
  - e. For the avoidance of doubt the tribunal would have dismissed this appeal if Shareen Hamid were still involved with the appellant because, as the evidence clearly demonstrates, she is associated with Shahnawaz Lal, who is not a fit and proper person to manage property yet was allowed by her to take significant decisions effectively as a shadow director.
  - f. The tribunal notes also that, despite the sale, Rosameen Lal is employed by Lets Move, is another sister of Shahnawaz Lal, and was sole director of the previous company set up to manage essentially the same portfolio. Unlike Ms Juškevičiūtė, who works only 16 hours per week, she is the only full-time employee (as bookkeeper) and covers the former’s role as lettings manager when she is not there.
91. As to the current management (see para 4 of Mr Manning’s submissions) :
- a. The only experienced person there is Indrė Juškevičiūtė, who works from 10:00 to 14:00 four days per week, and has had the misfortune to acquire all her residential lettings experience in Lal family companies, starting with Haris Properties (which was convicted twice of housing offences)
  - b. There is police evidence of Shahnawaz Lal entering a property since the date of the transfer of shares, explaining himself to the police as acting for his “uncle”, who supposedly works for Lets Move, and authorising evicted tenants to remain on the premises for a few days. His reasoning, as recorded by police, does not sit well with that in the witness statement

tendered in the name of Mr Iqbal. The tribunal agrees with Ms Bezant's critique of that piece of evidence

- c. Evidence from Sabrina Khan's second statement concerning the August 2018 threats from Shahnawaz Lal to her husband's parents about paying arrears is not direct evidence, so although it is admitted by the appellant that they did pay the arrears and there is evidence of strong-arm tactics employed by Mr Lal on other occasions, the tribunal must treat it with circumspection.
  - d. The concept of informal guarantors, with no arrangements legal or in writing, seems to persist to this day. This is hardly acceptable behaviour for a letting agent that might hope to achieve accreditation one day with one of the recognised industry bodies. If Mr Lal is not involved in the company, is not the landlord, and has not paid up as guarantor, why is he harassing these people?
  - e. The tribunal is surprised not to have heard from the principal shareholder or the new one either. Mr Akhtar may not be from the same tribe and caste as Shahnawaz Lal but the tribunal has no such information about the other shareholders and their connections or otherwise.
92. Ms Juškevičiūtė : Is she reliable, or credible? The tribunal considers that she is an intelligent young woman who has the ability to do well in various roles, but like the hero in a classical tragedy, she is flawed. In her case she has suffered by too long and too close an involvement with Shahnawaz Lal, who both through his company and personally has been convicted of housing offences involving the exploitation of those who are vulnerable and desperate for accommodation. She has learnt the wrong tricks, although if given a chance with a reputable agent could soon unlearn them. However, the tribunal is disturbed by the fact that Ms Juškevičiūtė never admits to Mr Lal's past involvement in the appellant company, even when the evidence is blatant.
93. The tribunal does not accept her evidence about the repeated phone calls by her and others (including Mr Lal) to Ms Khan. On the civil standard the tribunal is satisfied that this was harassment. Most evidence of contact has been by text message, so why did she constantly try and phone Ms Khan (about a supposed break-in) on the same day that Shahnawaz Lal and his brother Awais, and Shabir from Lets Move, were also phoning her?
94. The tribunal would have more confidence in Ms Juškevičiūtė if her property letting and management experience had included organisations other than Lal. Her knowledge was not that good.
95. The evidence from Lets Move is from Ms Juškevičiūtė and cousin Mantas (who never seems to have seen or recognised anyone else in the office), and she claims never to have been aware of Mr Lal being involved in tasks (eg inputting licensing applications) that she was doing at the very same time. He had a high degree of knowledge of what was going on, including banking information. The bank card was being handed around – amongst how many? Mr Lal, she now accepts, was calling in favours. She had insufficient knowledge herself, and differentiated between then (when following orders) and now, as a salaried director (but not a shareholder).

96. Finally, one of Mr Manning's last points was that as his clients were driving taxis, so it must be deduced that they had cleared the "fit and proper" hurdle. Alas for him, that argument does not work. A test for one purpose does not necessarily carry over to another. In *R (on the application of Jones v Judicial Appointments Commission)*,<sup>10</sup> a solicitor who sat regularly as a Deputy District Judge and applied to sit full-time was ruled by the JAC not to be of good character because he had 7 points on his licence for speeding and failing to stop at a light. Despite notifying HMCTS about these matters he was still regularly booked to sit as a Deputy. Although good enough for HMCTS as a DDJ, the court held that the JAC had a separate function from the disciplinary one within HMCTS. Refusing his application, the court held that :

Parliament had given the commission the responsibility for administering judicial appointments under the Act. It was specifically charged with determining issues of good character and had to draw the line somewhere. To that extent, wherever the line was drawn, it was arguable that it would be considered to be arbitrary. However, the commission had to determine the policies it believed were required to ensure that public confidence in the standards of the judiciary was maintained and to do so in the way that it deemed proportionate. There were important differences between disciplining those holding judicial office, for which the commission had no responsibility, and appointing new judges, for which it did.

97. For all these additional reasons the tribunal is not satisfied that the proposed management arrangements by the appellant company for the subject property are "otherwise satisfactory". The company has historically (in its short existence) been heavily influenced by Shahnawaz Lal. He has told the police of a supposed connection with the company through an "uncle" as recently as 21<sup>st</sup> April 2018 when making decisions to permit former tenants to remain in occupation of 35A Lincoln Road. Ms Khan's evidence tends to suggest that he was using strong-arm tactics to recover rent arrears even more recently, and his sister Rosameen – whom he set up as a front for his activities at Lets Move Property Services Ltd in September 2015 – is the only full-time employee, keeping a careful eye on the books. This association with Mr Lal means that the tribunal is inclined to the view that the company is not yet a "fit and proper person to be the manager of the house."

Dated 15<sup>th</sup> March 2019

Graham Sinclair  
First-tier Tribunal Judge

<sup>10</sup> [2014] EWHC 1680 (Admin); [2014] ACD 107, Sir Brian Leveson PQBD & Supperstone J