

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

Case Reference	:	LON/00AW/LSC/2018/0311
Property	:	Flat 1, 23 Stanley Crescent, London W11 2NA
Applicant	:	Women's Pioneer Housing Limited
Representative	:	Mr Stephen Evans (Counsel) instructed by Devonshires Solicitors LLP
Respondent	:	Ms M Woonton
Representative	:	In person
Type of Application	:	For the determination of the reasonableness of and the liability to pay a service charge
Type of Application Tribunal Members	:	reasonableness of and the liability
		reasonableness of and the liability to pay a service charge Mr J P Donegan (Tribunal Judge) Mr K Ridgeway MRICS (Valuer
Tribunal Members Date and venue of	:	reasonableness of and the liability to pay a service charge Mr J P Donegan (Tribunal Judge) Mr K Ridgeway MRICS (Valuer Member) 14 November 2018

## DECISION

#### Decisions of the Tribunal

- (A) The Tribunal makes the determinations set out at paragraph 39 of this decision.
- (B) The Tribunal makes the directions set out at paragraphs (C)-(G) below.
- (C) The applicant shall by 5.00pm on 26 January 2019 provide the respondent and the Tribunal with a further witness statement, setting out its reasons for varying the services and the service charge for Flat 1, 23 Stanley Crescent, London W11 2NA ('the Flat'). The statement must include a schedule listing the current service charge proportions for each flat at 23 Stanley Crescent ('the Property') for the following services: cleaning, estate services officer, fire safety equipment and communal electricity. It must also identify any changes to these proportions since 01 January 2017 and include an explanation of how the advance service charges for the Flat for 2017/18 and 2018/19 have been calculated. The statement must exhibit copies of the service charge accounts for the Property for the years 2015/16, 2016/17 and 2017/18 and copies of the current tenancy agreements for the five flats on the upper floors of the Property (ground to fourth floors). The names of the tenants and the rent figures (but not the service charge figures) should be deleted.
- (D) The respondent shall by **5.00pm on 16 February 2019** provide the applicant and the Tribunal with a further witness statement, responding to the applicant's further statement and setting out her reasons (if any) for disputing the revised services provided for the Flat and the revised service charge.
- (E) The witness statements should identify the name and reference number of the case, have numbered paragraphs and end with a statement of truth (i.e. "I believe that the facts stated in this witness statement are true") and the signature of the witness. Original witness statements should be brought to the hearing. In addition, witnesses are expected to attend the hearing to be cross-examined as to their evidence, unless their statement has been agreed by the other party.
- (F) The Tribunal will determine the service charges payable by the respondent for the years 2017/18 and 2018/19 at a hearing at a date/time to be notified. The parties' availability will be taken into consideration. The estimated time for the hearing is one day.
- (G) Between **Monday 14 and Friday 18 January 2019** each party must return to the Tribunal the attached listing questionnaire showing their availability and the availability of any representatives and any witnesses, for the period of **04 March and 12 April 2019**.

## The application

- 1. The applicant seeks a determination pursuant to section 27A of the Landlord and Tenant Act 1985 ('the 1985 Act') of advance service charges for the Flat for the years 2017/18 and 2018/19.
- 2. The Tribunal received the application on 17 August 2018. Directions were issued on 24 August and the case was listed for hearing on 14 November. The parties filed and served statements of case in accordance with the directions.
- 3. The relevant legal provisions are set out in the appendix to this decision and the relevant terms of the tenancy are set out at paragraphs 4-6 below.

#### <u>The tenancy</u>

- 4. The tenancy was granted by the applicant ("*the Association*") to the respondent ("*the tenant*") and commenced on 27 March 1995. The written agreement ('the Agreement') is headed "*ASSURED TENANCY*" *AGREEMENT*" and is stated to be an "*ASSURED MONTHLY*" *TENANCY*". It is an assured tenancy under section 1 of the Housing Act 1988 ('the 1988 Act').
- 5. Clause 1 of the Agreement provides:
  - "1. It is agreed as follows: -
  - i) In this agreement, rent refers to the charges set out below or as varied from time to time in accordance with the agreement. The monthly rent payable at the date of this agreement is: -

net rent	191.82
service charges	-
TOTAL PAYABLE	191.82

- *ii)* The rent is due in advance on the first day of each month.
- iii) The Association may increase or decrease the rent by giving the tenant one calendar month's written notice or the increase or decrease. The notice shall specify the net rent and service charges proposed. The net rent shall not be increased more than once a year and no increase in net rent shall take effect less than a year after the last increase or the date of this agreement. The revised rent shall be the amount specified in the notice of increase unless the tenant exercises her/his right to refer the notice to a Rent Assessment Committee to have a market rent determined in which case the maximum rent payable for one year after the date specified in this notice shall be the rent so determined.

- iv) The Association shall provide the services listed in the schedule of Services for which the tenant shall pay the service charge. The association will from time to time review the services to be provided but not unless we have consulted tenants and taken account of their views.
- v) (i) The service charge subject to (ii) below is NIL per cent (a fixed proportion) of the total service charge for properties - which represents the estimated reasonable costs of providing the services listed to those properties.
  - (ii) The service charge will be reviewed not more frequently than every 26 weeks and any increase or decrease will be calculated on the most recent service charge. Any increase or decrease in the service charge, representing reasonable estimated costs, will be notified to the tenant giving one calendar month's notice. Adjustments for any underpayment or overpayment of the service charge will be made in the next period(s).
  - (iii) If requested by the tenant (or tenants association) the landlord must provide a summary of costs included in the service charges, such a request must be made within six months of the period concerned or one month of the request for payment whichever is later and the summary must be certified by a qualified accountant who is not an employee of the landlord. If the tenant (or tenants association) has received a summary he can ask to see the landlords accounts, receipts or other papers affecting this summary. This request must be made within six months of receiving the summary. If he is dissatisfied with the information given he may, in the case of a flat, apply to the County Court to determine whether the costs or the standard of services supplied are reasonable.
- vi) With the exception of any changes in rent, or charges, this agreement may only be altered by the agreement of the tenant and the Association.
- 6. At the end of the Agreement is a "*SCHEDULE OF SERVICES*". All of the listed services have been crossed through by hand, save for "*Communal Television Aerial*" and one additional service, "*Pest control*" had been written in.

## <u>The background</u>

7. The applicant is the landlord of the Flat, which is on the lower ground floor of the Property. There are a total of six flats at the Property, with one flat on each floor. The respondent is an assured tenant of the Flat, which has its own, separate entrance. The other five flats are accessed via a communal entrance on the ground floor.

- 8. The respondent has lived in the Flat since 1995 and was not asked to pay a service charge until 2014. On 27 March 2014, the applicant sought to introduce a service charge of £43.04 per month payable from 01 May of that year.
- 9. On 09 June 2014, Mr Allan Wing of the applicant wrote to the respondent about proposed upgrading works at the Property and stated "We are appointing Rosewood Ltd to carry out the works for the sum of £17,967. The cost will be recovered through the service charges from next year."
- 10. In a follow up letter dated 04 July 2014, Mr Jamie Beckwith of the applicant corrected the cost of the work to £18,224.66. He went on to say "Under the terms of your tenancy agreement you are responsible for 16.7% of the total costs of services at 22 Stanley Crescent and therefore the amount you are responsible for would be £25.36 PCM."
- 11. Not surprisingly, the respondent was unhappy that she was now required to pay a service charge. She refused to pay charges that were subsequently demanded, on the advice of her solicitor and pursued a complaint under the applicant's internal procedure. She also consulted her local Councillor and MP.
- 12. The applicant commenced County Court possession proceeding against the respondent in November 2016, based on the unpaid service charges. The claim was heard by Deputy District Judge Kelly on 04 January 2017 and was adjourned on terms, including a requirement that the applicant file and serve evidence of how the Agreement had been varied.
- 13. The applicant obtained legal advice in January 2017 to the effect that the services in the Agreement could only be varied following consultation with the tenants. In the light of this advice, it decided to abandon the service charge claim and informed the respondent of this in a letter dated 31 January.
- 14. The applicant obtained further legal advice and Mr Beckwith wrote to the respondent on 30 March 2017 stating it was reviewing the schedule of services pursuant clause 1 iv) of the Agreement. The letter explained that the communal television aerial and pest control services would remain in the schedule and that the following services would be added; communal cleaning, grounds maintenance, estate services officer ('ESO'), fire safety equipment and landlord's electricity supply. It also gave a brief description of each of the 'new' services.
- 15. The letter of 30 March concluded in the following terms:

"Your response to this consultation is actively invited in accordance with Clause 1 (iv) of your tenancy agreement. I have enclosed a prepaid self addressed envelope with this consultation letter and ask that any observations are made in writing to me by no later than **Tuesday 9 May 2017**."

Mr Beckwith sent a further letter to the respondent on 31 March, stating that the applicant could vary the services and service charges under clauses 1 iv) and v) of the Agreement. He also stated that the applicant intended to apply service charge costs from 01 July 2017.

- 16. The respondent did not respond to the 30 March consultation letter. Mr Mark Cole of the applicant wrote to her on 22 May 2017, enclosing a notice of new rent under section 13(2) of the 1988 Act and a summary of service charge estimates and accruals. The latter showed her contribution to estimated service charge expenditure for 2017/18 to be  $\pounds 447$  ( $\pounds 37.26$  per month). The summary identified five services that she was required to contribute to: cleaning, ESO, fire equipment servicing, communal electricity and a management fee.
- 17. Mr Cole sent a further section 13(2) notice and service charge summary to the respondent on 24 May 2018. The latter showed her contribution to estimated service charge expenditure for 2018/19 to be £585 (£48.75 per month, based on the same five services. It is these estimated charges for 2017/18 and 2018/19 that are the subject of the Tribunal application.
- 18. The respondent was unhappy with the outcome of her complaint to the applicant, as well as the applicant's handling of the complaint. She then referred the matter to the Housing Ombudsman Service ('HOS') who produced a detailed report dated 22 June 2018. They concluded there had been maladministration and ordered the applicant to pay compensation of £900.

## The hearing

- 19. The Tribunal hearing took place on 14 November 2018. The applicant was represented by Mr Evans and the respondent appeared in person.
- 20. The Tribunal was supplied with a hearing bundle that included copies of the application, directions, the Agreement, the statements of case and submissions served by the parties and additional documents served by the respondent. It was also supplied with a helpful skeleton argument from Mr Evans.
- 21. At the start of the hearing, the Tribunal explained that it would deal with 'payability' as a preliminary issue. If it concluded that service charges are payable under the terms of the Agreement there would need to be a separate hearing to determine the amount of those charges. If it concluded that no service charges are payable then that would dispose of the application.

- 22. Mr Evans took the Tribunal through the terms of the Agreement and stressed that the respondent had an assured tenancy with potential security of tenure. He invited the Tribunal to consider whether the applicant had objectively limited itself to no service charge for "all time".
- 23. Mr Evans submitted that the applicant could vary the services to be provided to the respondent, subject to prior consultation with the tenants by virtue of clause 1 iv) of the Agreement. This was entirely sensible, given the potential duration of the tenancy. Further the applicant could vary the service charge in accordance with clause 1 v)(ii). Clause 1 v)(i) states that the service charge is "*NIL*" but this is "*subject to (ii) below*".
- 24. Mr Evans relied on Mr Beckwith's letter as the first stage in the consultation to vary the services. This invited observations but none were forthcoming. There is no prescribed form of consultation but the applicant waited almost two months before giving notice to vary the services and the service charge in its letter of 22 May 2017. It then gave a further notice to vary the service charge in its letter of 24 May 2018.
- 25. Mr Cole gave oral evidence on behalf of the applicant. His job title is director of resources and he joined the applicant in June 2016. He spoke to a witness statement dated 11 October 2018. This addressed a number of issues, including the HOS decision, the services being provided at the Property and the apportionment of the service charges. The respondent's contributions vary across the services (12.5% for cleaning, 16.66% for the ESO, 16.66% for the fire equipment and 5% for the communal electricity supply). In addition she is being asked to pay 15% of her contributions to these services, by way of a management fee.
- 26. At paragraph 4 of his statement, Mr Cole said:

"Given the date of Ms Wooton's tenancy agreement, it is not surprising that we are not able to locate the housing officer who completed the agreement to find out what her intention was when completing para 1(v)(i) of the tenancy agreement. However, I agree with and confirm that the most likely explanation is as set out at paragraph 9 of WPH's Statement of Case in Reply."

The final sentence referred to paragraph 9(1) of the applicant's statement of case in reply, in which it suggested that a positive figure, probably 16.66%, should have been inserted into clause 1 v)(i) of the Agreement but was omitted in error.

27. On questioning from the Tribunal, Mr Cole stated that no attempt had been made to track down the housing officer who had arranged the tenancy (Ms Brown). She had left her job before the applicant decided to vary the services and service charge. Mr Cole's understanding was that service charge expenditure at the Property was equally split between the other five flats.

- 28. The respondent's starting point was that she does not have to pay a service charge under terms of the Agreement, as clause 1 iv) stipulates that the charge is "*NIL*". She objected to being sent service charge demands "*out of the blue*" and suggested that she does not benefit from the services listed in the schedule to the Agreement. She has her own television aerial and there has been no pest control in the 23 years that she has lived at the Flat. The respondent also objected to the 'new' services that the applicant was trying to impose on her.
- 29. On questioning from the Tribunal, the respondent said she had not responded to the 30 March consultation letter on advice from her solicitor. He had advised on a possible injunction application and suggested that she leave the applicant "*to dig themselves deeper*".
- 30. In cross-examination the respondent accepted that she was not required to contribute to the cost of pest control or television aerial repairs in the 2017/18 and 2018/19 service charge summaries. Rather, she only has to contribute to the cleaning, ESO, fire equipment servicing and management charges. The respondent stated that she does not benefit from these services. She has told the cleaner to stop cleaning and the ESO "*doesn't do anything*".
- 31. The respondent accepted there is a fire alarm panel in the internal common-ways but she has not been shown what it does and it is never used or tested. She also accepted that the panel was powered from the communal electricity supply but suggested that she derived no benefit from the alarm system, which was unnecessary. The Flat is not connected to the system and she wouldn't be able to hear the sounders from the lower ground floor. The hearing bundle included a maintenance report certificate dated 15 August 2018, which revealed that the alarm sounders had been tested on a quarterly inspection. However, it did reveal that areas tested were "4<sup>th</sup> TO 1<sup>ST</sup> FLOOR GROUND" and there was "NO ACCESS TO FLAT 1".
- 32. In her closing submissions, the respondent argued that the applicant could not unilaterally vary the Agreement. She drew attention to section 13(2) notices dated 22 May 2017 and 24 May 2018, which stated that her fixed service charges would be " $\pounds$  Nil". She reiterated that she did not benefit from the services and submitted that the 30 March letter did not amount to proper consultation. Rather, the applicant presented the new services and service charge as a fait accompli and responding to this letter would have made no difference. There is an active residents association at the Property, which is largely ignored by the applicant.

- 33. In her written submissions, the respondent reiterated that the Agreement fixed her service charge proportion at "*NIL percent*". She argued that clause 1 v)(ii) of the Agreement enables the applicant to vary estimated service charge costs once the actual costs are known. However, this only applies to tenants who are liable to pay a service charge under clause 1 v)(i). The applicant submitted that it would defy common sense if the service charge proportion could be varied every six months and that clause 1 v)(ii) does not apply to tenants with no proportion, as in her case.
- 34. The respondent disputed the suggestion that the word "*NIL*" had been written in the Agreement in error. The true intention of the parties when the tenancy was signed was that no service charge was payable (either at that time or in the future). Further, the word "*NIL*" is consistent with the deletion of nearly all of the services in the schedule to the Agreement.
- 35. The respondent's written submissions also addressed the Supreme Court's decision *Arnold v Britton [2015] UKSC 36* and referred to the primacy of the language used in the Agreement. She drew support from paragraph 20 of Lord Neuberger's judgment, where he said:

"...while commercial common sense is a very important factor to take into account when interpreting a contract, a court should be very slow to reject the natural meaning of a provision as correct simply because it appears to be a very imprudent term for one of the parties to have agreed, even ignoring the benefit of wisdom of hindsight. The purpose of interpretation is to identify what the parties have agreed, not what the court thinks they should have agreed. Experience shows that it is by no means unknown for people to enter into arrangements which are ill-advised, even ignoring the benefit of the wisdom of hindsight, and it is not the function of a court when interpreting an agreement to relieve a party from the consequences of his imprudence or poor advice. Accordingly, when interpreting a contract a judge should avoid re-writing in an attempt to assist an unwise party or to penalise an astute party."

- 36. Mr Evans started his closing submissions by commenting on the consultation to vary the services. He pointed out the Agreement did not prescribe a mechanism for the consultation. The applicant had followed a similar procedure to section 20 of the 1985 Act. It had set out proposals in the 30 March letter, had invited a response and had requested written observations by 09 May. The respondent was given over a month to comment on the variations and the consultation was entirely reasonable.
- 37. Mr Evans then dealt with the interpretation of the relevant clauses in the Agreement. Clause 1 i) makes it clear that the rent, which includes the service charge, can be "*varied from time to time*" and the services can be, and have been, varied pursuant to clause 1 iv). The service

charge when the Agreement was formed was "*NIL per cent*" (clause 1 v)(i)) but this can be, and has been, varied pursuant clause 1 v)(ii). The reasonableness of these variations would be for the Tribunal to determine, after it has decided the preliminary issue.

38. Mr Evans also referred to the principles of interpretation laid down in *Arnold v Britton*; particularly paragraphs 15, 17, 18 and 21. The Agreement should be construed objectively, based on the language used and the long term nature of the tenancy. The natural and ordinary meaning of clauses 1 i), iv) and (v) was clear and there was no ambiguity.

### The Tribunal's decision

#### **39.** The Tribunal determines that:

- (a) the applicant is able to vary the services, pursuant to clause 1 iv) of the Agreement; and
- (b) the applicant is able to increase the service charge at clause 1 v)(i) of the Agreement, pursuant to clauses 1 i) and 1 v)(ii).

### Reasons for the Tribunal's decision

- 40. In line with principles in *Arnold v Britton*, the Tribunal assessed the disputed clauses in the light of the natural and ordinary meaning of the wording, the other relevant provisions in the Agreement, the overall purpose of the clauses and the Agreement, the factual matrix when the Agreement was formed and applied commercial common sense.
- 41. The Tribunal rejects the applicant's suggestion that "*NIL per cent*" was inserted in clause 1 v)(i) in error. This wording is consistent with clause 1 i) where the service charge was stated to be "-"and the deletion of most of the services in the schedule. Further, it is consistent with Mr Cole's understanding that the service charge was split equally between the five flats on the upper floors. It is highly likely that the Flat was treated separately to the others because it has its own entrance and does not derive the same benefit from the internal common-ways.
- 42. It is clear from clause 1 v)(i) that no service charge was payable by the applicant when the Agreement was entered into. It is also clear that the services and the service charge could be varied pursuant to 1 iv) and 1 v)(ii), for the reasons advanced by Mr Evans. The wording of these clauses is clear and the tenancy was potentially long-term. In those circumstances it is unsurprising that the applicant wanted the flexibility to change both the services and the service charge.

- 43. The applicant consulted the respondent regarding the variation to the services in accordance with clause 1 iv). Mr Beckwith's letter of 30 March 2017 was a reasonable and adequate form of consultation. The applicant then varied the service charge, as it was entitled to do, in Mr Cole's letters dated 22 May 2017 and 24 May 2018.
- 44. Whether the variations are reasonable is another matter and, in the absence of agreement, will need to be determined by the Tribunal, in accordance with section 19 of the 1985 Act. It is for the applicant to explain why it has varied the services and the service charge. For example, in the case of the cleaning it will need to explain what cleaning was provided when the Agreement was entered into, how the cleaning has changed over time (if at all) and why the respondent is now being asked to contribute to this cost. The applicant also needs to address whether the service charge proportion for the Flat can vary across the different services, having regard to the words "(*a fixed proportion*)" in clause 1 v)(i). The Tribunal has given further directions at paragraphs (C)-(G) above, to assist it in determining the advance service charges for 2017/18 and 2018/19.

## <u>Mediation</u>

- 45. The parties are encouraged to try and agree the revised services and service charge for the Flat. This case may be suitable for mediation and agreements to mediate can be obtained from the case officer. If both parties return signed agreements by **5.00pm on 25 January 2019** and give any dates to avoid during the following four weeks the Tribunal will offer mediation at a time and date to be notified.
- Name: Tribunal Judge Donegan Date of Decision: 02 January 2019

## **RIGHTS OF APPEAL**

- 1. If a party wishes to appeal this decision to the Upper Tribunal (Lands Chamber) then a written application for permission must be made to the First-tier Tribunal at the Regional office which has been dealing with the case.
- 2. The application for permission to appeal must arrive at the Regional office within 28 days after the Tribunal sends written reasons for the decision to the person making the application.
- 3. If the application is not made within the 28 day time limit, such application must include a request for an extension of time and the reason for not complying with the 28 day time limit; the Tribunal will then look at such reason(s) and decide whether to allow the application for permission to appeal to proceed despite not being within the time limit.

4. The application for permission to appeal must identify the decision of the Tribunal to which it relates (i.e. give the date, the property and the case number), state the grounds of appeal, and state the result the party making the application is seeking.

## Appendix of relevant legislation

## Landlord and Tenant Act 1985 (as amended)

#### Section 18

- (1) In the following provisions of this Act "service charge" means an amount payable by a tenant of a dwelling as part of or in addition to the rent -
  - (a) which is payable, directly or indirectly, for services, repairs, maintenance, improvements or insurance or the landlord's costs of management, and
  - (b) the whole or part of which varies or may vary according to the relevant costs.
- (2) The relevant costs are the costs or estimated costs incurred or to be incurred by or on behalf of the landlord, or a superior landlord, in connection with the matters for which the service charge is payable.
- (3) For this purpose -
  - (a) "costs" includes overheads, and
  - (b) costs are relevant costs in relation to a service charge whether they are incurred, or to be incurred, in the period for which the service charge is payable or in an earlier or later period.

### Section 19

- (1) Relevant costs shall be taken into account in determining the amount of a service charge payable for a period -
  - (a) only to the extent that they are reasonably incurred, and
  - (b) where they are incurred on the provisions of services or the carrying out of works, only if the services or works are of a reasonable standard;

and the amount payable shall be limited accordingly.

(2) Where a service charge is payable before the relevant costs are incurred, no greater amount than is reasonable is so payable, and after the relevant costs have been incurred any necessary adjustment shall be made by repayment, reduction or subsequent charges or otherwise.

#### Section 20C

- (1) A tenant may make an application for an order that all or any of the costs incurred, or to be incurred, by the landlord in connection with proceedings before a court, residential property tribunal or the Upper Tribunal, or in connection with arbitration proceedings, are not to be regarded as relevant costs to be taken into account in determining the amount of any service charge payable by the tenant or any other person or persons specified in the application.
- (2) The application shall be made—

- (a) in the case of court proceedings, to the court before which the proceedings are taking place or, if the application is made after the proceedings are concluded, to a county court;
- (aa) in the case of proceedings before a residential property tribunal, to that tribunal;
- (b) in the case of proceedings before a residential property tribunal, to the tribunal before which the proceedings are taking place or, if the application is made after the proceedings are concluded, to any residential property tribunal;
- (c) in the case of proceedings before the Upper Tribunal, to the tribunal;
- (d) in the case of arbitration proceedings, to the arbitral tribunal or, if the application is made after the proceedings are concluded, to a county court.
- (3) The court or tribunal to which the application is made may make such order on the application as it considers just and equitable in the circumstances.

#### Section 27A

- An application may be made to the appropriate tribunal for a determination whether a service charge is payable and, if it is, as to -
  - (a) the person by whom it is payable,
  - (b) the person to whom it is payable,
  - (c) the amount which is payable,
  - (d) the date at or by which it is payable, and
  - (e) the manner in which it is payable.
- (2) Subsection (1) applies whether or not any payment has been made.
- (3) An application may also be made to the appropriate tribunal for a determination whether, if costs were incurred for services, repairs, maintenance, improvements, insurance or management of any specified description, a service charge would be payable for the costs and, if it would, as to -
  - (a) the person by whom it would be payable,
  - (b) the person to whom it would be payable,
  - (c) the amount which would be payable,
  - (d) the date at or by which it would be payable, and
  - (e) the manner in which it would be payable.
- (4) No application under subsection (1) or (3) may be made in respect of a matter which -
  - (a) has been agreed or admitted by the tenant,

- (b) has been, or is to be, referred to arbitration pursuant to a post-dispute arbitration agreement to which the tenant is a party,
- (c) has been the subject of determination by a court, or
- (d) has been the subject of determination by an arbitral tribunal pursuant to a post-dispute arbitration agreement.
- (5) But the tenant is not to be taken to have agreed or admitted any matter by reason only of having made any payment.

### Housing Act 1988 (as amended)

#### Section 1 Assured tenancies

- (1) A tenancy under which a dwelling house is let as a separate dwelling is for the purposes of this Act an assured tenancy if and so long as -
  - (a) the tenant or, as the case may be, each of the joint tenants is an individual; and
  - (b) the tenant or, as the case may be, at least one of the joint tenants occupies the dwelling-house as his only or principal home; and
  - (c) the tenancy is not one which, by virtue of subsection (2) or subsection (6) below, cannot be an assured tenancy.
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# Section 13 Increases of rent under assured periodic tenancies

- (1) This section applies to -
  - (a) a statutory periodic tenancy other than one which, by virtue of paragraph 11 or paragraph 12 in Part I of Schedule 1 to this Act, cannot for the time being be an assured tenancy; and
  - (b) any other periodic tenancy which is an assured tenancy, other than one in relation to which there is a provision, for the time being binding on the tenant, under which the rent for a particular period of the tenancy will or may be greater than the rent for an earlier period.
- (2) For the purpose of securing an increase in the rent under a tenancy to which this section applies, the landlord may serve on the tenant a notice in the prescribed form proposing a new rent to take effect at the beginning of a new period of the tenancy specified in the notice, being a period beginning not earlier than –

- (a) the minimum period after the date of service of the notice; and
- (b) except in the case of a statutory periodic tenancy –

(i) in the case of an assured agricultural occupancy, the first anniversary of the date on which the first period of the tenancy began;

(ii) in any other case, on the date that falls 52 weeks after the date on which the first period of the tenancy began; and

(c) if the rent under the tenancy has previously been increased by virtue of a notice under this subsection or a determination under section 14 below -

(i) in the case of an assured agricultural occupancy, the first anniversary of the date on which the increased rent took effect;

(ii) in any other case, the appropriate date.

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