



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

Case Reference : **CHI/43UH/MNR/2018/0082**

Property : **65 Laleham Road, Staines, Surrey TW18 2EA**

Tenant : **Mr. B. MacDonald**

Landlord : **South London Freeholds Ltd.**

Represented by : **Hamways**

Type of Application : **Rent determination in accordance with
Section 14 Housing Act 1988 (as amended)**

Tribunal Members : **Mr. R. A. Wilkey FRICS (Surveyor/Chairman)
Mr. M. J. F. Donaldson FRICS MCI Arb MAE
(Valuer Member)**

Date of Inspection : **Monday 4th February 2019
No Hearing - paper determination**

Date of Decision : **Monday 4th February 2019**

DECISION AND REASONS

Background

1. On 27th July 2018 the Landlord served a notice under Section 13(2) of the Housing Act 1988 (as amended) which proposed a new rent of £1,179 per month in place of the existing rent of £1,155 per month to take effect from 8th January 2019. No services are provided by the Landlord.
2. The Tribunal received an undated application (received by the Tribunal office on 6th December 2018) from the Tenant under Section 13(4) (a) of the Housing Act 1988.
3. Directions for the conduct of the matter were issued by the Tribunal Office on 17th December 2018 and, amongst other things, the parties were advised that the determination will be made on the written representations unless a request for an oral hearing is made within fourteen days
4. Neither party made a request for an oral hearing and the matter was determined on the basis of a paper determination.

Inspection

5. The Tribunal Members inspected the property on Monday, 5 February 2019 in the company of the tenant, Mr. MacDonald and his brother. The landlord had been informed of the inspection but was not present or represented.
6. The property is a semi-detached house which was probably built about 1900. It has frontage to a busy local traffic route and parking on roads in the general area is restricted. There is a small front garden area and a rear garden which appears to have shared vehicular access from a side road. There are two covered vehicles in the rear garden and two small sheds provided by the tenant.
7. The main roof is pitched and has been recovered with concrete tiles. The elevations are part brick, part rendered. Windows were replaced by the landlord a few years ago with uPVC double glazed casements. Externally, the building appeared to be in generally satisfactory order although there are signs of cracking to the elevation around the bay which may be historic.
8. The accommodation comprises landing, four bedrooms, bathroom and

separate WC on the first floor. On the ground floor is a hall, front room, rear dining room and kitchen leading to a lobby in which the tenant has formed a shower and incorporated a former external WC.

9. The present tenant has been in occupation for over 50 years and has carried out various works including the work in the rear lobby mentioned above. The landlord has recovered the main roof slopes, and rewired the house and fitted uPVC double glazed windows and external doors in recent years. There is no central heating. Space heating is provided by fires installed by the tenant with the exception of the gas fire in the front living room which was supplied by the landlord. The Tribunal noted that there are cracks to wall and ceiling plaster around the front bay and various damp patches internally. Notwithstanding the work that has been carried out, the house is being maintained to a minimal standard. In particular, the fittings and units in the bathroom and kitchen are old and both rooms require complete modernisation.
10. The tenant has supplied floor coverings and white goods and refurbished the kitchen to a limited extent. Hot water is supplied by a gas fired unit in the kitchen and this was provided by the tenant
11. The Tribunal has not been supplied with a copy of any Tenancy Agreement and neither party has made any observations on the apportionment of liability for repairs and decoration.

Evidence and representations

12. Neither party made any relevant representations and no evidence of comparable transactions was supplied. Accordingly, the tribunal relied on its own knowledge and experience of local rental values in determining the rent.

The law

S14 Determination of Rent by First-tier Tribunal

- (1) Where, under subsection (4) (a) of section 13 above, a tenant refers to a First-tier Tribunal a notice under subsection (2) of that section, the

Tribunal shall determine the rent at which, subject to subsections (2) and (4) below, the Tribunal consider that the dwelling-house concerned might reasonably be expected to be let in the open market by a willing landlord under an assured tenancy-

- (a) which is a periodic tenancy having the same periods as those of the tenancy to which the notice relates;
- (b) which begins at the beginning of the new period specified in the notice;
- (c) the terms of which (other than relating to the amount of the rent) are the same as those of the tenancy to which the notice relates; and
- (d) in respect of which the same notices, if any, have been given under any of Grounds 1 to 5 of Schedule 2 to this Act, as have been given (or have effect as if given) in relation to the tenancy to which the notice relates.

(2) In making a determination under this section, there shall be disregarded-

- (a) any effect on the rent attributable to the granting of a tenancy to a sitting tenant;
- (b) any increase in the value of the dwelling-house attributable to a relevant improvement carried out by a person who at the time it was carried out was the tenant, if the improvement-
 - (i) was carried out otherwise than in pursuance of an obligation to his immediate landlord, or
 - (ii) was carried out pursuant to an obligation to his immediate landlord being an obligation which did not relate to the specific improvement concerned but arose by reference to consent given to the carrying out of that improvement; and
- (c) any reduction in the value of the dwelling-house attributable to a failure by the tenant to comply with any terms of the tenancy.

(3) For the purposes of subsection (2)(b) above, in relation to a notice which is referred by a tenant as mentioned in subsection (1) above, an improvement is a relevant improvement if either it was carried out during the tenancy to which the notice relates or the following conditions are satisfied, namely-

- (a) that it was carried out not more than twenty-one years before the date of service of the notice; and

- (b) that, at all times during the period beginning when the improvement was carried out and ending on the date of service of the notice, the dwelling-house has been let under an assured tenancy; and
 - (c) that, on the coming to an end of an assured tenancy at any time during that period, the tenant (or, in the case of joint tenants, at least one of them) did not quit.
- (4) In this section "rent" does not include any service charge, within the meaning of section 18 of the Landlord and Tenant Act 1985, but, subject to that, includes any sums payable by the tenant to the landlord on account of the use of furniture, in respect of council tax or for any of the matters referred to in subsection (1) (a) of that section, whether or not those sums are separate from the sums payable for the occupation.

Consideration and Valuation

- 13. The Tribunal is required to determine the rent at which the subject property might reasonably be expected to be let in the open market by a willing Landlord under an assured tenancy. The personal circumstances of the Tenant are not relevant to this issue.
- 14. In the first instance the Tribunal determined what rent the landlord could reasonably be expected to obtain for the property in the open market if it were let today on the terms and in the condition that is considered usual for such an open market letting. The Tribunal relied on its own knowledge and experience of lettings of similar properties and determined that the starting point should be £1,650 per month.
- 15. However, this rent is on the basis of a letting in good, modernised condition. In this case, there are outstanding issues mentioned above and a deduction must be made to reflect the fact that the rental bid in present condition would differ from the rent if the house were in good, modernised condition. The work carried out by the tenant to form the shower/WC must be discounted. In order to reflect these considerations, the Tribunal has made a deduction of £430 from the starting point of £1,650 per month to

produce an adjusted rent of £1,220 per month.

16. The calculation of the market rent is as follows:

Open market rent	£1,650
Less allowance for:	
Floor coverings provided by tenant	£60.00
Lack of central heating	£60.00
White goods provided by tenant	£30.00
Unmodernised kitchen	£50.00
Cracks, dampness and general disrepair	£100.00
Internal redecoration required	£ 75.00
Shower and WC installed by tenant	£25.00
unmodernised bathroom	<u>£30.00</u>
Total deductions	<u>£430.00</u>
Net market rent	£1,220

Determination

17. The Tribunal therefore decided that the rent at which the subject property might reasonably be expected to be let in the open market by a willing Landlord under the terms of this assured tenancy is £1,220 per month.
18. Section 14(7) of the Act provides that the starting date for any rent determined by the tribunal is either the date agreed by the parties, the date specified in the notice or, if it appears to the tribunal that there would be undue hardship, any date directed by the tribunal, but no later than the date that the rent is determined. The tenant made no representations in respect of hardship. Accordingly, the tribunal directs that the new rent of £1,220 per month will take effect on 8th January 2019 being the date specified in the Landlord's notice.
19. This rent is the maximum that the landlord can charge but the Tribunal noted that the notice served upon the tenant specified a rent of £1,179 per month.

Chairman: R. A. Wilkey

Dated: Monday 4th February 2019

Appeals

20. A person wishing to appeal this decision to the Upper Tribunal (Lands Chamber) must seek permission to do so by making written application to the First-tier Tribunal at the Regional office which has been dealing with the case.
21. The application must arrive at the Tribunal within 28 days after the Tribunal sends to the person making the application written reasons for the decision.
22. If the person wishing to appeal does not comply with the 28-day time limit, the person shall include with the application for permission to appeal a request for an extension of time and the reason for not complying with the 28-day time limit; the Tribunal will then decide whether to extend the time limit, or not to allow the application for permission to appeal to proceed.
23. The application for permission to appeal must identify the decision of the Tribunal to which it relates, state the grounds of appeal, and state the result the party making the application is seeking. Any appeal in respect of the Housing Act 1988 should be on a point of law.
24. If the First-tier Tribunal refuses permission to appeal, in accordance with section 11 of the Tribunals, Courts and Enforcement Act 2007, and Rule 21 of the Tribunal Procedure (Upper Tribunal) (Lands Chamber) Rules 2010, the Applicant/Respondent may make a further application for permission to appeal to the Upper Tribunal (Lands Chamber). Such application must be made in writing and received by the Upper Tribunal (lands Chamber) no later than 14 days after the date on which the First-tier Tribunal sent notice of this refusal to the party applying for permission.