



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

Case reference : **FL/LON/00AJ/MNR/2019/0114**

Property : **Room D 34 Sarsfield Road,
Perivale, Middx, UB6 7AE**

Applicant : **Mrs AD Sharma & Mr R Subramani**

Representative : **In Person**

Respondent : **Mr Andy Lau also known as Mr
Chun Kwok Lau**

Representative : **In Person**

Type of application : **Market Rent under s13 & 14 of the
Housing Act 1988**

Tribunal member(s) : **Mr A Harris LLM FRICS FCI Arb
Mr N Miller BSc**

**Date and venue of
hearing** : **25 October 2019 at 10 Alfred Place,
London WC1E 7LR**

Date of decision : **25 October 2019**

DECISION

Decisions of the tribunal

- (1) The tribunal determines that the market rent is £650.00 (six hundred and fifty pounds) per month.
- (2) The tribunal makes the determinations as set out under the various headings in this decision.

The application

1. The applicant seeks a determination pursuant to section 13 & 14 of the Housing Act 1988 following the service of a notice by the landlord proposing a rent increase to £800.00 per month in place of the existing rent of £650.00 per month.

Background

2. The landlord, Mr Lau served a form for notice of increase dated 18 July 2019 proposing an increase in the rent to £800 per month with effect from 22 August 2019.
3. On 15 August 2019 the tenants, Mrs Sharma and Mr Subramani made an application to this tribunal challenging the increase.
4. The tribunal issued directions dated 29 August 2019. A hearing was requested.
5. The tribunal has received written representations from the landlord and tenants.
6. On 25 October 2019 a hearing was held attended by both parties and an inspection was made with the tenant in attendance. The landlord did not attend the inspection.
7. The house is licensed by the London Borough of Ealing as an HMO for a maximum of five people at any one time. The small front bedroom is below minimum standards and is not habitable for this purpose. The two first floor bedrooms can be used by a maximum of two people each as can the ground floor front and rear rooms but the total must not exceed 5.

Inspection

8. The tribunal noted the following matters. 34 Sarsfield Road is a small 1930s built semi-detached house consisting of three rooms and bathroom/WC on the first floor and two rooms and kitchen on the

ground floor. There are outbuildings at the rear. The front garden is paved over and provides two off-street parking spaces. The property was said to have been refurbished prior to the grant of the tenancy and the tribunal found that the kitchen and bathroom facilities were in generally good condition although the double glazed window seal in the kitchen had broken down, and there was condensation marking to the ceiling in the bathroom due to a lack of ventilation. The property has gas-fired central heating.

9. Room D is the first-floor front bedroom and is shown on the HMO licence as having an area of 13.22 m². The tenancy includes a bed and built-in cupboards within the room. There is no other furnishing provided. The tenancy includes shared use of the first-floor bathroom, ground floor WC and the kitchen. There is no other shared space within the house. The tenancy includes one parking space at the front of the property.

The Hearing

10. The hearing was attended by Mr Lau, the landlord, and by Mrs Sharma and Mr Subramani, the tenants.
11. Owing to an administrative error, the hearing initially commenced with only the tenants present. The hearing was halted after about 45 minutes when it was realised that Mr Lau was also at the tribunal waiting to be called. The tribunal therefore restarted the hearing and apologised for the error. Mr Lau had not brought a full copy of the bundle with him, and the tribunal provided a copy for him to use.
12. The bundles submitted to the tribunal showed that there was a considerable history of dispute between the parties. The tribunal explained that its role was solely to fix a rent in accordance with sections 13 and 14 of the Housing Act 1988. Section 14 requires the Tribunal to determine the market rent which would be payable on a letting of the property in the open market by a willing landlord on the terms of the tenancy. The actual landlord and actual tenant are not relevant to this exercise and the previous history between the parties is not something the tribunal can consider.

The landlords evidence

13. Mr Lau was asked present his evidence and to explain the rationale for his rent increase and explained that he accepted the range of rents shown in the comparables provided by the tenants but had not provided copies of comparables of his own. He started with the current rent payable of £650 per month then added for the car parking space which he considered would rent for £60-£80 per month and then

added additionally for electricity charges which he claimed had increased by the presence in room D of a fridge freezer and microwave.

14. In response to a question from the tribunal Mr Lau accepted that the rent was inclusive of bills and that there was no justification for increasing the rent for an alleged increase in electricity usage for which there was no evidence linking it to one particular tenant. The original letting was arranged by an agent who the landlord alleges was letting properties to acquaintances and relations at lower than market rents. The tenants are considering increases from the low initial rent rather than what the current market rent should be.
15. Mr Lau provided comparables to support his parking space rent.
16. At the end of the hearing Mr Lau indicated that he accepted the rent should be £720 per month being the original rent of £650 per month plus a mid-range parking space rent of £70 per month.

The tenant's evidence

17. The tenants presented evidence of a number of comparable properties.
18. Details were provided of a ground floor room in the subject property described as a spacious double room with all bills Wi-Fi and cleaner included at a rent of £550 per month. Mr Lau said this was a rent for a single person only notwithstanding the description as a double room.
19. The next property is described as a newly refurbished house in Perivale approximately 10 to 15 minutes walk from Perivale station. Rooms are described spacious rooms including all bills including superfast Wi-Fi. The room is one of six in the property which has two bathrooms a dining area large kitchen front drive and garden. The offer included parking and the rent quoted was £690 per month. The tenants highlighted the additional facilities available.
20. The next property is described as an elegant and prestigious bedroom available to rent with double bedrooms at £125 per week (£541.66 pcm) and single bedrooms at £95 per week. The rent includes some bills. The property is described as newly refurbished the property is 5 to 10 minutes walk from Perivale underground station.
21. We were next shown details of double rooms available in Greenford described as newly refurbished fully furnished rooms only a short walk from the station. The double room was priced at £140 per week (£606 pcm) and included all furniture bills and a television within the room. The kitchen included a full inventory including a washing machine iron and ironing board full each tenant would have dedicated fridge and

there was weekly cleaning of communal areas. There is no off-street parking.

22. A further property is described as a double room in a nice area 15 minutes walk to 2 underground station. The rent for a double room is quoted a £600 per calendar month but does not include bills. The property has the benefit of parking.
23. Next came a king-sized room in Greenford at a rent of £650 per month including parking and bills. The tenants highlighted this was a larger room described as a king-size rather than a double room.
24. The next property is a double room for rent at a rent of £150 per week (£650 pcm) including bills but without a parking space. The room is furnished with a double bed chest of drawers and wardrobe and there is a fully furnished kitchen. On street parking is free.
25. The tribunal was then shown details of a double room with an ensuite bathroom with off-street parking. The rent is quoted at £800 per month including all bills. The room is fully furnished and within five minutes walk of Perivale underground station.
26. Details are given of a double room to rent in a spacious flat at a rent of £600 per month including parking and bills. The flat has a large open plan kitchen/reception room with fully equipped kitchen.
27. A double room was available to let in Locarno Road at a rent of £625 per month. The rent includes bills but no off-street parking. This room is in a licensed HMO and has use of a kitchen/lounge in addition to the bedroom.
28. The last property is a room to rent in Conway Crescent Greenford at a rent of £650 per month. Properties newly refurbished and fully furnished. The rent includes bills but no parking. The property is described as minutes from Greenford/Perivale station.

The Law

29. The Tribunal must first determine that the landlord's notice under section 13(2) satisfied the requirements of that section and was validly served.
30. The Housing Act 1988, section 14 requires the Tribunal to determine the rent at which it considered that the subject property might reasonably be expected to be let on the open market by a willing landlord under an assured tenancy.

31. In so doing the Tribunal, is required by section 14(1), to ignore the effect on the rental value of the property of any relevant tenant's improvements as defined in section 14(2) of that Act. No improvements were identified to the tribunal.

The tenancy agreement

32. The tenancy agreement is dated 22 May 2016 between Mr Lau and Mr Subramani and is headed “lodger agreement”. As Mr Lau was not and is not resident at the property the tenancy is clearly not between a resident landlord and lodger. The tribunal is satisfied that the tenancy is a periodic assured tenancy with the landlord responsible for repairs and bills and that the form 4 is valid.

Valuation

33. The tribunal considered the arguments put by both parties but was persuaded by the weight of evidence from the comparable properties that the range of rents for a double room in a shared house was between £600 and £800 per month. At the top end of this range was a double room with ensuite bathroom, off-street parking and within five minutes walk of the underground station. The tribunal did not consider the subject property to be of this quality.
34. The tribunal place greater weight on the comparables around £650 per month to include the same range of amenities as the subject property. The cheaper properties were lacking parking or other amenities. In particular the subject property does not have shared use of a living room or dining room.
35. Based on the comparable evidence and using its knowledge and experience, the tribunal therefore determines the rent of the subject property on the terms of this tenancy as between a willing landlord and a tenant at £650 per month.

Effective date

36. Under s14 (7) of the Housing Act 1988 the effective date of the decision would normally be the date shown on the application unless there is hardship to the tenant.
37. The tribunal received no evidence of hardship and therefore the effective date of the decision is 22 August 2019.

Costs

38. The tenants made an application under rule 13 of the tribunal rules for an order requiring the landlord to pay their costs of the hearing.
39. Rule 13 sets out that a tribunal may only make an order in respect of costs if a person has acted unreasonably in bringing, defending or conducting proceedings...in a residential case.
40. The tenants were asked to identify the unreasonable conduct on the part of the landlord. The unreasonable conduct was said to be the making of an application for a rent increase to a rent of £800 per month. The tribunal had already explained it was unable to consider any other disputes between the parties.
41. The tribunal is satisfied on the evidence that while £800 per month is at the top end of the range for double rooms in this location, it is not so far out of the range as to be unreasonable.
42. Additionally, the landlord attended the hearing and complied with the directions as to submission of evidence. There was no unreasonableness in his conduct of the case.
43. The tribunal therefore determines it will not make an order under rule 13 of the tribunal rules.

Name: A P Harris LLM FRICS FCIArb **Date:** 25 October 2019

Rights of appeal

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

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

The application for permission to appeal must arrive at the regional office within 28 days after the tribunal sends written reasons for the decision to the person making the application.

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

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

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