



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

**Case Reference** : **LON/OOAN/MNR/2019/0133**

**Property** : **21 Eustace Road, Fulham, London  
SW6 1JB**

**Applicant** : **Mrs B Dent**

**Respondent** : **Northumberland and Durham  
Property Trust Limited**

**Representative** : **Grainger Plc**

**Date of Application** : **27 September 2019**

**Type of Application** : **Determination of the market rent  
under Section 13(4) of the Housing  
Act 1988**

**Tribunal** : **Mr I B Holdsworth FRICS MCI Arb  
Mr Clifford Piarroux JP CQSW**

**Date and venue of  
Determination** : **13 December 2019  
10 Alfred Place, London WC1E 7LR**

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**DECISION**

**The rent payable from 6 October 2019 is £301.15 per week.**

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## **Background**

1. The landlord issued a Notice on 28 August 2019 proposing a new rent under an assured periodic tenancy at 21 Eustace Road, Fulham, London SW6 1JB. They proposed that the current rent passing at the property of £313.75 per week be increased to £325.38 per week with effect from the 6 August 2019.
2. The tenant made an application to the Tribunal dated the 27 August 2019 for determination of the rent payable at the premises under the provisions of Section 13(4) of the Housing Act 1988.
3. The parties did not request an oral hearing. The tenant made written representations following the issue of Tribunal directions on the 8 October 2019.

## **Inspection**

4. The Tribunal inspected the property on the 13 December 2019. The subject property is a terraced house built during the latter part of the 19<sup>th</sup> century. It is built with basement and two upper floors.
5. It is surrounded by dwellings of a similar style and age and is within proximity to shopping and other amenities.
6. The accommodation comprises: two rooms at basement with a shower room and WC; Two rooms at ground-floor level; a kitchen and living room at first floor level.
7. At the rear of the property there is a small garden and roof terrace accessed from the ground floor.
8. The Tribunal were advised that the tenant had carried out no improvements or repairs to the dwelling that are material rent considerations.
9. They were told that all the furniture and soft furnishings in the property are owned by the tenant together with all floor coverings and white goods.

## **The evidence**

10. The inspection revealed a property in a dilapidated condition. There was extensive damage to plasterwork surfaces at basement, ground and first floor. The internal access to the basement shower room/WC was obstructed by temporary timber structures. At inspection the only access to the toilet and washing facilities at the property was via the external access to the basement.
11. The inspection also revealed penetrating dampness to internal walls, fractures to internal walls, defective external joinery, dilapidated

- external elevations and an overall state of dilapidation. The property has no central heating and obsolete kitchen fittings.
12. The condition of the property with dated internal fittings, extensive disrepair and no internal access to the toilet/shower facilities are material to rental value.
  13. In written representation, the landlord provided no comparable evidence to support the proposed rent of £325.38 per week.
  14. The tenant submitted written evidence to support the contention that the current dilapidation of the property makes residency difficult and this should be reflected in the rent charged.
  15. The Tribunal do acknowledge the desirable location of this property and enviable proximity to central London.

### **The law**

16. The Tribunal must first determine that the landlord's notice under section 13(2) satisfied the requirements of that section and was validly served.
17. 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.
18. 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.
19. A copy of the relevant legislation is at Appendix A.

### **Valuation**

20. The Tribunal applied their own knowledge and experience of rental levels in and around Fulham, including properties of a comparable size and type. The parties did not offer any evidence on market rents for comparable properties.
21. After careful consideration of the available evidence the Tribunal decided that the market rent for a property of this type in the same condition as those available to let on the open market is £3,000 per month, equivalent to approximately £692 per week.
22. The tenant has provided all carpets, curtains, white goods, soft furnishings and ancillary furniture. A deduction of 6.5% was made to reflect the value of these items.
23. The property was in poor condition as detailed above and a further deduction of 56.5% was made to reflect the rot to windows, damage to internal plasterwork, unusable basement space, extensive penetrating

and rising damp, electrical surface wiring and the lack of central heating.

24. This produced a monthly rent of £1,305 which equates to 52 equal instalments of £301.15 per week. Details of the rent calculation are shown in the table 1 below.

Table 1: Rent calculation

21 Eustace Road London SW6 1 JB				
Market rent calculation in accordance with Housing Act 1988 Section 13				
Market rent			£692.31 per week	
			Deduction per week	Deduction as %
Disregards				
Carpets , curtains white, goods, soft furnishing			£45.00	6.50%
Furniture				
Dilapidations				
Rot to windows			£17.31	2.50%
Damage to internal plasterwork particularly kitchen			£17.31	2.50%
Unusable basement space			£138.46	20.00%
Extensive penetrating and damp			£51.92	7.50%
Electric surface wiring			£17.31	2.50%
No Central heating			£103.85	15.00%
	Adjustment total		£391.15	56.50%
Adjusted Market Rent			£301.15	per week

25. The Tribunal accordingly determined that a weekly rent of £301.15 per week is appropriate for this dwelling in present condition but excluding the benefit of the furniture and other items provided by the tenant.

## Decision

26. The Tribunal first determined that the tenant's notice under section 13(2) satisfied the requirements of that section and was served in time.
27. In coming to its decision on the rent the Tribunal applied the above law.
28. The decision of this Tribunal is based upon submitted written evidence and the information gained from its inspection and as the members explained they heard no further evidence at the inspection.
29. The Tribunal determined that the benefit of tenants' possessions and household effects be disregarded in assessment of the Market Rent in accordance with the provisions of the Housing Act. The extent of dilapidation at this property and obsolescence is also reflected in the rent chargeable.

30. Accordingly, the Tribunal determined that the rent at which this property in present condition, with disregard for tenants' improvements and the appropriate adjustment for dilapidation and obsolescence might reasonably be expected to achieve on the open market is **£301.15 per week**.

31. This rent will take effect from 6 October 2019.

Valuer Chairman: Ian B Holdsworth

Dated: 29 January 2020

## **Appendix A**

### **Housing Act 1988**

14 Determination of rent by rent assessment committee.

(1) Where, under subsection (4) (a) of section 13, a tenant refers to a rent assessment committee a notice under subsection (2) of that section, the committee shall determine the rent at which, subject to subsections (2) and (4) below, the committee 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 deciding 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 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, always 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 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 of the dwelling-house concerned or are payable under separate agreements.