



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

**Case Reference** : **LON/OOBH/MNR/2020/0012P**

**Property** : **46 Somerset Road, Walthamstow,  
London E17 8QW**

**Applicant** : **Mount View Estates Plc**

**Respondent** : **Mrs G A Howse**

**Date of Application** : **20 January 2020**

**Type of Application** : **Determination of the market rent  
under Section 14 Housing Act 1988**

**Tribunal** : **Mr I B Holdsworth FRICS MCI Arb  
Mr J E Frances QPM**

**Date and venue of  
Determination** : **31 July 2020  
Paper Hearing**

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**DECISION**

This has been a remote hearing on paper which has not been objected by the parties. A face to face hearing was not held because all issues could be determined on paper. The documents referred to in this Decision are in a submitted bundle of 29 pages the contents of which are noted.

**The Tribunal determines that the rent payable is £275 per week effective from 14 April 2020.**

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## **Background**

1. The landlord made an application on 13 January 2020 to increase the rent from £140 to £177 per week effective from 14 April 2020.
2. The tenant made an application to the Tribunal dated 22 January 2020 for this to be determined.
3. The parties did not request an oral hearing.
4. Directions were sent to both parties by the Tribunal on 12 February 2020. This asked the parties to submit relevant information to the Tribunal to assist in their Determination.
5. A written representation was received from the tenant dated 19 February 2020 which explained and described the dilapidation at the property. They highlighted the extensive dampness and obsolete sanitary fittings and kitchen units.
6. A comprehensive written representation was submitted by the landlord on 20 February 2020 which provided a response to the comments made by the tenant about dilapidation and provided some background information about local rents. They offered two comparable letting transactions of a similar style property on assured shorthold tenancies, these lettings were advertised at rents of around £1,900-£2,000 per calendar month.
7. A letter dated 26 June from the landlord explained that the defects listed by the tenant were not known to the managing agent, they explained that the rent they had requested reflected the condition of the property based on comparable evidence from before the onset of Covid-19.
8. The landlord contends that the property has a market rental in present condition of £177 per week after deduction for the present condition of the dwelling.

## **The law**

9. The Tribunal must first determine that the landlord's notice under section 13(2) satisfied the requirements of that section and was validly served.
10. 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.

11. 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.
12. A copy of the relevant legislation is at Appendix A.

## Valuation

13. Using the evidence supplied by the landlord on comparable transactions and their own knowledge and experience of rental levels in and around the Walthamstow area, the Tribunal was of the opinion that, if the house was in the same condition as those available to let on the open market, the rental value would be approximately £1,700 per month equivalent to £392.85 per week.
14. The landlord acknowledged the older style kitchen and bathroom fittings at this property. It is also reported by the tenant that the property suffers from some damp and has defective electrical wiring. All these matters were taken into account in our appraisal and a deduction of 30% was made from the Market Rent for dilapidation and obsolescence.
15. After careful consideration, the Tribunal determined that a weekly rent of £275 per week dwelling is appropriate for this dwelling in present condition.
16. Details of the rental valuation are shown in table 1 below.

<b>46 Somerset Road Walthamstow London E17 8QW</b>				
<i>Market rent calculation in accordance with Housing Act 1988 Section 13</i>				
Market rent			£392.85	per week
<b>Disregards</b>			Deduction per week	Deduction as %
Nil			£0.00	0.00%
<b>Dilapidations</b>				
Obsolete sanitary fittings			£19.64	5.00%
Aged kitchen fittings			£29.46	7.50%
Extensive penetrating and damp in living room			£49.11	12.50%
Poor external decorative condition			£9.82	2.50%
Defective electrical wiring			£9.82	2.50%
		Adjustment total	£117.86	30.00%
Adjusted Market Rent			£275.00	per week

## Decision

17. The Tribunal first determined that the tenant's notice under Section 13(2) satisfied the requirements of that Section and was served in time.

18. In coming to its decision on the rent the Tribunal applied the above law.
19. Having done so the Tribunal determined that the rent at which this property in current condition might reasonably be expected to be let on the open market would be £275 per week. This rent will take effect from 14 April 2020.

Valuer Chairman: Ian B Holdsworth

Dated: 26 August 2020

## **Appendix A**

### **Housing Act 1988**

#### 14 Determination of rent by rent tribunal.

(1) Where, under subsection (4) (a) of section 13, a tenant refers to a rent tribunal 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 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 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 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.