



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

Case Reference : **LON/00BE/MNR/2020/0089**

HMCTS Code : **P:PAPERREMOTE**

Property : **3 Calico Court, Marine Street
London SE16 4AZ**

Landlord : **Hyde Housing Association**

Tenants : **Mr Emmanuel Kode & Miss M Drozdowska**

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

Tribunal Member : **Mrs Anthea J Rawlence MRICS**

Date of Decision : **19 October 2020**

STATEMENT OF REASONS

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Covid-19 pandemic: description of hearing:

This has been a remote hearing on the papers. The form of remote hearing was P:PAPERREMOTE. Both parties did not object to the Tribunal making their decision on the papers sent in and without a hearing or an inspection.

Background

1. This is an application dated 20 March 2020 to the First-tier Tribunal – Property Chamber by the Tenants of the above property Mr Emmanuel Kode & Miss M Drozdowska under section 13(4) of the Housing Act 1988 (“the Act”), referring a notice served on him by the Landlord Hyde Housing Association, proposing a new rent of £1,560.00 per calendar month in place of the existing rent of £1,410.00 per calendar month.
2. The Landlord’s notice was dated 10 February 2020 and the date inserted in the notice for the commencement of the new rent was 1 April 2020.
3. The tenancy under which Mr Emmanuel Kode & Miss M Drozdowska occupy the property is a periodic tenancy which commenced on 26 September 2013.

The Property

4. 3 Calico Court is a ground floor two bedroom flat situated withing a purpose built block of flats.
5. The accommodation comprises living room, kitchen, two bedrooms and a bathroom.
6. The property has central heating and double glazing.
7. The landlord has provided a cooker and a fridge/freezer.
8. It is understood that the tenants have provide a washing machine and carpets and curtains.
9. The property is unfurnished.
10. Externally there is shared off-street parking.

Tenant’s improvements

11. The Tenants have carried out no improvements.

Landlord's written representations

12. The Landlord's representations, dated 2 September 2020, stated that there had been issues with the heating and the supply of hot water and these had now been resolved.

13. Details of six flats within the immediate vicinity of Calico Court were provided. All the flats were marketed in the period 17 March and 18 May 2020 and the asking prices ranged between £1,898 and £2,000 per calendar month.

14. Sun Passage Bermondsey – asking rent £1,898. Two bedroom apartment with balcony.

15. Prospect House, Sun Passage – rent agreed with asking rent of £1,900. Two bedroom apartment with two bathrooms.

16. Pullman Building, Rotherhithe – asking rent £1,907. Two bedroom apartment with balcony, dressing area and parking.

17. Jamaica Road, Bermondsey – rent agreed with asking rent of £1,975.

18. Spa Road, Bermondsey – asking rent £1998. Two bedroom apartment with two bathrooms, balcony and bike storage.

19. Sun Passage, Bermondsey – asking rent £2,000. Two bedroom apartment with two bathrooms and balcony.

Tenant's written representations

20. The Tenants sent in details of their property and stated that there was a leak in the toilet ceiling.

The Law

21. In accordance with the terms of section 14 of the Housing Act 1988 the Tribunal proceeded to determine the rent at which it considered that the subject property might reasonably be expected to let on **the open market** by a willing Landlord under an assured tenancy.

22. In so doing the Tribunal, as required by section 14(1) ignored the effect on the rental value of any relevant Tenant's improvements as defined in section 14 (2) of that Act.

The Decision

22. The Tribunal's decision was sent to both parties.

23. By email dated 27 October the tenants asked for clarification as to the rent stated being 80% of market rent. They also asked for detailed reasons for the Tribunal's decision.

Reasons for the Decision

24. 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 in the condition that is considered usual for such an open market letting. It did this by having regard to the evidence supplied by the Landlord, and the Tribunal's own general knowledge of market rent levels.

25. The Tribunal noted that the comparable evidence provided by the Landlord referred to blocks of private housing where it was not uncommon for two bedroom apartments to have two bathrooms and a balcony. In some cases, there were communal gardens and parking. All the properties appeared to be on the market furnished with carpets and curtains.

26. The Tribunal concluded that such a likely market rent would be £1,550.00 per calendar month to reflect the lack of second bathroom, furniture and other amenities provide in the comparable evidence.

27. The Tribunal considered a further deduction of £50 per calendar month in respect of the carpets, curtains and washing machine which were provided by the Tenants.

28. The Tribunal therefore concluded that the rent at which the property might reasonably be expected to be let on the **open market** would be £1,500 per calendar month.

29. This rent will take effect from 1 April 2020 being the date specified in the notice.

30. If either party is dissatisfied with this decision, they may apply for permission to appeal to the Upper Tribunal (Lands Chamber), on a point of law only. Any such application must be made to the First-tier Tribunal within 28 days of this decision (Rule 52 (2) of The Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013.

Anthea J Rawlence
Chair