



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

Case reference : **LON/00AM/MNR/2020/0054 V:CVP**

Property : **Flat 2 174-178 Ridley Road,
London E8 2NH**

Applicant : **Ms Manuela Helena Fernandes**

Representative : **In Person**

Respondent : **Network Homes**

Representative : **Mr C Culling**

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

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

**Date and venue of
hearing** : **17 September 2020 by Cloud Video Platform**

Date of decision : **17 September 2020**

DECISION

This has been a remote video hearing which has been consented to by the parties. The form of remote hearing was by Cloud Video Platform (V:CVP). A face to face hearing was not held because it was not practicable and all issues could be determined in a remote hearing. The documents that the tribunal was referred to are in an electronic bundle of 194 pages, the contents of which the tribunal took into account. In accordance with the Practice Directions applicable to tribunals as a result of the Covid 19 pandemic and as stated in the Directions dated 15 July 2020, no inspection was made.

Decisions of the tribunal

- (1) The tribunal determines that the market rent is £718.90 (seven hundred and eighteen pounds ninety pence) per calendar 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 £718.90 per month.

Background

2. On 28 February 2020 the landlord served a notice of rent increase proposing a new rent of £718.90 per month in place of the existing rent of £700 per month. The starting date for the new rent would be 1 April 2020.
3. On 18 March 2020 the tenant, Ms Fernandes, made an application to this tribunal challenging the increase. The application included a list of works which the tenant has carried out since the tenancy commenced in 2015. The tribunal was referred to 2 previous decisions of the tribunal for each of the two preceding years.

The property

4. The subject property is a first-floor self-contained studio flat with an open plan kitchen/living room and a bathroom/WC.
5. The application shows that the flat is furnished with a single bed, wardrobe, white goods (fridge and cooker) but the tenant report she only uses the landlords oven as she has her own bed, wardrobe and small fridge freezer. The other items were not in good condition and were returned to the landlord.
6. The application lists the following improvements claimed by the tenant.
 1. *A new lock for the front door (Housing Association would not repair it & I was getting locked out)*
 2. *Installed a mixer shower (enabled me to have hot water in flat)*

3. *Double rod Ikea curtain pole*
 4. *Single rod Ikea curtain pole (front curtain)*
 5. *Two fixed shelves in the bathroom*
 6. *Two floating shelves in the kitchen/living room*
 7. *Two wall-mounted folding tables*
 8. *Two fixed shelves in the kitchen and living room*
 9. *Two metal wardrobe poles with metal mounts in the closet/meter cupboard*
 10. *Four-peg coat hook in the closet*
 11. *Eight peg coat hook in the living room*
 12. *Shower rail and pole in the bathroom for shower curtain*
 13. *Tall Ikea Billy bookcase attached to the wall*
 14. *Metal wall mount for a microwave in the kitchen*
 15. *TV mount in the living room*
7. The landlord is responsible for repairs to Structure and exterior of the property; drains, gutters, pipes; installation of supply of water, gas, electricity, heating and sanitation (including baths, basins toilets and sinks provided by landlord); fixtures and fittings provided by landlord; and shared and services, lifts, passages, chutes and lighting and fire safety precautions for those who have communal service
 8. The tenant is responsible for cleaning own windows and extractor fans where accessible.
 9. The property stands in Ridley Road E8 close to the well-known Ridley Road market. The tenant reports that the property is opposite a nightclub which causes disturbance in the early hours.

The tenant's evidence

10. The tenant objects to the rent increase on the basis that the landlord has not carried out necessary repairs which were first reported in 2018. These were scheduled for 1 April 2020 and 15 April 2020 but on 22 March 2020 the tenant reported she was self-isolating.
11. The tenant claims the disrepair relates to rising damp and the flat is cold as the window vents have not been repaired. There have been continuing problems with blockage in the drains and rats in the bin store. The flat is basic, suffers from poor ventilation causing black mould and there is generally poor air quality.
12. The tenant reports problems with people from the homeless hostel who have been rehoused in the block including dealing with drug addicts in the lobby.
13. For the last two years the tribunal has not awarded the rent increase sought by the landlord.
14. The tenant states she feels scared living in the property and that it is hard to find comparables as other flats in Dalston are better specified one-bedroom flats.

15. The tenant reports she was previously a key worker with a rent discount but took redundancy and this no longer applies.
16. The tenant would like to be rehoused but the landlord has refused.
17. In response to a question from the tribunal the tenant said the rent should be £650-£700 per month. A listing was supplied showing new studio flats ranging from £925 per month to £1000 per month.
18. A further flat in Morning Lane described as a self-contained studio at a rent of £900 per month including bills being let furnished.
19. 41 Kingsland Road is a studio flat which is fully furnished and including all bills except electricity at a rent of £750 per calendar month.
20. 71 Kingsland Road studio available to let in May 2019 at £950 per month.
21. A one-bedroom flat in Ridley Road recently refurbished and available to let on an unfurnished basis at a rent of £785 per month in June 2019.
22. The tribunal determined a rent on 22 June 2018 of £720 per calendar month with effect from 1 April 2018. The tribunal took as a starting £1000 per month if the property were let on normal assured shorthold tenancy terms. The tribunal made a deduction of £100 to reflect differences in the tenancy terms and the condition of the property and then made a further deduction of £180 per month to reflect the fact the tenancy was an intermediate tenancy.
23. The tribunal made a further decision dated 5 July 2019 relating to a proposed rent increase for 2019 which again took as a starting £1000 per month and then made a deduction of 30% to reflect the fact the tenant was providing most of the white goods, carpets and curtains and the standard of kitchen and bathroom was below that to be found in a normal assured shorthold tenancy. The tenant was also affected by sewage, rodent infestation, black mould and antisocial neighbours. The flat lacked central heating the tribunal determined the rent should be £700 per month.

The landlord's case

24. The landlord is seeking a 2.37% increase which is not substantial.
25. The landlord has submitted an independent report from U Move relating to flat 4 Ridley Road which was valued at £1010 per month. And also the letting of flat 23 £970 is a good comparator. The key worker discount of 20% is no longer available to the tenant.
26. The landlord accepts the tenant returned some of its furniture as some tenants do. A new carpet was supplied following the sewage leak. The landlord considers panel heaters are adequate for the block.
27. Various repairs were carried during the year even though the initial appointments for April appointments were changed due to the virus. The flat is a first-floor flat so it

cannot be affected by rising damp. Damaged plasterwork has been replaced and so far as the landlord is concerned there are no outstanding repairs relating to the heating.

28. The problems with the sewage backflow occurred in 2017 and the tenant was compensated. They have had no notification of pest control issues.
29. Antisocial behaviour by other tenants is a bit of a generalisation and is not totally uncommon. Some of the tenants are Hackney Council nominees and tenants guilty of antisocial behaviour are removed. Some of the drug user problems are friends of residents.
30. The proposed rent is considerably cheaper than valuations obtained in July 2020 and also much cheaper than Local Housing Allowance for studio flats. The cheaper comparator of flat 23 would make this flat good value as it is £251.10 cheaper per month.

The Law

31. The Tribunal must first determine that the landlord's notice under section 13(2) satisfied the requirements of that section and was validly served.
32. 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.
33. 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. Any improvements made during the previous regulated tenancy are no longer disregarded.

Valuation

34. The tribunal has considered the rental evidence put forward by both parties.
35. Based on the evidence provided, the tribunal agrees with the decisions of the two previous tribunals that if this flat were let in the open market on normal assured shorthold tenancy terms it would attract a rental of £1000 per calendar month.
36. The tribunal also notes that the 2019 tribunal made a deduction of 30% for various matters including disrepair.
37. If the property had been in the condition described in the 2019 decision, the tribunal would have agreed with their decision and awarded no increase. However as repairs have been carried out albeit after considerable delay the tribunal makes a small adjustment in the discount and finds that the rent requested by the landlord of £718.90 is reasonable.

Effective date

38. 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.
39. On the evidence submitted by the tenant, the tribunal does not find sufficient evidence of hardship and therefore the effective date of the decision is 1 April 2020.

Name: A P Harris LLM FRICS FCI Arb
Valuer Chair

Date: 13 October 2020

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).