



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

Case reference : **LON/00BG/MNR/2019/0148**

Property : **12 Chapman Bigland Street, London
E1 2NG**

Applicant : **Mr Frederick Michael James**

In attendance and supported by : **Ms Claire Sampson
Ms Rabina Khan**

Respondent : **Lepex Holdings Limited**

In attendance and represented by : **Mr P Mandelson, Solicitor**

Type of application : **Section 13, Housing Act 1988**

Tribunal member(s) : **Judge Daley
Mr K Ridgeway MRICS
Mr A Ring -Lay member**

Date and venue of hearing : **On 26 July 2021 at 10 Alfred Place,
London WC1E 7LR**

Date of decision : **Decision and reasons dated 01
August 2021**

DECISION

Decision of the tribunal

(1) The sum of £875.00 PCM is determined as the rent with effect from 22 July 2021, the Tribunal having heard and accepted the submissions of the Applicant that a rent increase from the date specified in the notice of increase would cause him hardship.

The application

Background

1. By an application received on 28 November 2019 the tenant of the above property referred to the Tribunal a notice of increase of rent served by the landlord on 20 November 2019 under section 13 of the Housing Act 1988.
2. The landlord's notice, which proposed an increase in the rent from £652.50 PCM to £1450.00 per month was dated 20 November 2019, and proposed a starting date for the new rent of 1 January 2020.
3. The assured tenancy commenced in approximately June 1990.
4. On 1 September 2020, directions were given for the determination of this matter. The directions stated "The Tribunal will decide the application during the fourteen days from 27 October 2020 based on the written submissions by the parties.
5. On 21 May 2021 further Directions were given by the Tribunal, the Directions provided that:- "... The Tribunal has received an application from the tenant, referring a Notice of Increase in Rent. The application is made under sections 13 and 14 of the Housing Act 1988 (the 1988 Act). However, due to the Covid-19 pandemic this case was stayed. There had been a request for a face- to face hearing and unfortunately it has not been possible to provide that forum until now."
6. A hearing was held on 26 July 2021. The Tenant attended the hearing, the Respondent Landlord was represented by Mr Paul Mendelson, from the landlord's solicitors.

The representations from the tenant

7. At the hearing, the Applicant, tenant, Mr James informed us that he had lived in the property since 1990. He had entered into a further tenancy agreement in 1996. Mr James set out the history of his occupation and the various changes in landlord that had occurred.

8. He informed us of the history of disrepair which had existed at the property and the disputes which had arisen with the landlord.
9. Mr James made lengthy oral and written representations, which were considered by the Tribunal, but have not been set out in full in this decision.
10. He informed us that when he had first rented the property it had been furnished. Over time the landlord's furnishings had deteriorated and been replaced by him as tenant at his own expense.
11. He acknowledged that recently some repairs had been carried out by the landlord, albeit that the quality of the work, in his opinion had been unsatisfactory. He stated that there had been re-wiring, however it was surface mounted. The landlord had also fitted a new boiler as the old one was beyond repair. He had concerns about how this was fitted as there was a gap where the flue was fitted which had not been properly filled which raised issues of health and safety.
12. Mr James stated that there were still problems with disrepair at the property, for example there was damp in the two bedrooms. He also provided the Tribunal with photographs of the condition at the property which including photos of the bathroom and kitchen.
13. Mr James was asked to comment on the comparables that the landlord had put forward which ranged between £1250-£1475.00 per month. Mr James considered that the levels of rent at Chapman House were overall not reflective of the local market, although he did not rely on any specific market evidence in support of his assertions about the local market.
14. In addition, Mr James sought to distinguish the condition of these flats in comparison with his own. He stated that work had been carried out at the properties, which had been let by the landlord and that the properties were furnished and were also in a far better condition than the subject property. He also stated that the tenants, who were all new, might have felt that they were not in a position to complain about the rents charged.
15. Mr James, also stated that there had been little, if any increase in rents nationally in recent times. In answer to a question concerning hardship, Mr James stated that he would suffer hardship if any increase in rent was backdated to the date specified in the notice of increase. This was due to the fact that he had a fixed income and would be liable to pay the increase over and above housing benefit. Because of the period this case had been stayed, would result in his being in arrears going back several months.
16. The Tribunal also heard briefly from Councillor Khan that there were issues with Chapman House which were well known to the council, which had involved environmental protection measures.

The representations from the Landlord

17. The landlord's representative Mr Mendelson, provided the Tribunal with 5 comparable properties which he stated had been rented at market rent. The range of rents was between £1250 to-£1475.00.
18. He was unable to confirm the condition these properties, relative to the condition of the subject property or to say if the properties had cookers, fridge/freezer, and carpets, however he stated that they had no central heating.
19. He stated that the tenant had not complained about any issues of repair for over a year. He stated that the Landlord had incurred hardship as they delay in dealing with this matter had meant that there had been no increase in rent when it was due and as a result he had been "out of pocket" for a considerable period of time. Further most of the rent was paid by housing benefit rather than the tenant.

The Inspection

20. Due to the Coronavirus pandemic no inspection of the property was carried out. The Tribunal had been provided with photographs of the property by the tenant which assisted.

The law

21. In accordance with the terms of section 14 Housing Act 1988 (the Act) the Tribunal proceeded 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.
22. In so doing the Committee, as required by section 14(1), ignored the effect on the rental value of the property of any relevant tenant's improvements as defined in section 14(2) of that Act.

The Valuation

23. The Tribunal determined that the market rent for the properties within the area at the date of the notice of increase was within the order of £1250 per month, based on the evidence of the layout and condition of the property as provided by the tenant and the lack of any counter evidence from the landlord We heard that that the second bedroom at the property was no more than a small box room, whereas the other comparable properties had been described as two bedroom, or two double rooms.

The property was not in a condition usual for a market letting. [Thus 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 on the date specified in the notice of increase in the condition that is considered usual for such an open market letting

24. The Tribunal noted the comparables provided by Mr Mendelson. Although it was unhelpful that he was unable to provide any details about them the Tribunal noted that they had been put forward as recent lettings and it is therefore reasonable to assume that they were let in good condition with white goods, carpets and curtains. The property also noted the internal condition of the property which lack a modern kitchen and bathroom.
25. . The Tribunal in considering all of the factors including the condition of the subject flat considered that a deduction of 30% was necessary to reflect the actual condition of the subject flat. The Tribunal arrived at its decision in this way. It made deductions for the dated kitchen and bathroom, for the lack of heating and poor electrical installations and for the lack of curtains, carpets, white goods and terms and conditions.
26. The Tribunal considered that as a result of this case being stayed, back-dating the rent to the date set out in the notice would result in arrears and cause hardship to the tenant. The Tribunal determined that the date of increase shall be from 26 July 2021.

The Decision

27. **The Tribunal having taken into account the factors set out above determines that the market rent is confirmed at £875.00 per calendar month.**
28. **The Tribunal heard that an increase which was backdated to 1 January 2020 would cause him hardship, accordingly decided that the rent will take effect from 26 July 2021, being the date specified in the notice of the hearing.**

Name: Judge Daley

Date: 01 August 2018