



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

Case Reference : **LON/00BE/MNR/2021/0050**

HMCTS Code : **P:PAPERREMOTE**

Property : **302 Thames Tunnel Mills, 113 Rotherhithe Street, London, SE16 4NJ**

Landlord : **London & Quadrant Group**

Tenant : **Mr Piero Grandinetti**

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 : **6 July 2021**

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 28 January 2021 to the First-tier Tribunal – Property Chamber by the Tenant of the above property Mr Piero Grandinetti under section 13(4) of the Housing Act 1988 (“the Act”), referring a notice served on him by the Landlord, London & Quadrant Group proposing a new rent of £160.08 per week in place of the existing rent of £157.59 per week.
2. The Landlord’s notice was dated 25 January 2021 and the date inserted in the notice for the commencement of the new rent was 5 April 2021.
3. The tenancy under which Mr Piero Grandinetti occupy the property is a periodic tenancy which commenced on 5 March 2003, according to the copy unsigned tenancy agreement.

The Property

4. 302 Tunnel Mills is a third floor one bedroom flat situated withing a block of flats.
5. The accommodation comprises living room, kitchen, one bedroom and a bathroom.
6. The property is unfurnished.
7. The property has access to a roof garden.

Tenant’s improvements

8. The Tenants have carried out no improvements.

Landlord’s written representations

9. No submissions were received by the Landlord.

Tenant’s written representations

10. No further submissions were sent by the Tenant, but the application form refers to the service charge being disputed as the caretaker should be responsible for the cleaning and maintenance of the building.

The Law

11. 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.

12. 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

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

14. By email dated 6 July 2021 the tenant stated that he still felt that the service charges were very high and would like to appeal. The Tribunal is therefore giving detailed reasons for its decision.

Reasons for the Decision

15. 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 Tribunal's own general knowledge of market rent levels.

16. The Tribunal noted that there were two one bedroom flats in the vicinity of the subject property were with asking rents of £300 and £346 per week.

a. Seafarer Way – 5th floor one bedroom flat with balcony in a purpose built block of flats. The asking rent is £346 per week which includes the service charge for concierge service and the fitness suite. The property is furnished with carpets and curtains.

b. Bombay Court – one bedroom flat in a converted warehouse. The asking rent is £300, having been reduced on 17 November 2021. There is a daytime concierge. The property is furnished with curtains and a carpet in the bedroom.

17. The Tribunal considered the subject property did not have the same facilities as the above mentioned properties and concluded that the likely market rent would be £200 per week.

18. The Tribunal considered a further deduction of £40 per week in respect of the carpets, curtains and white goods which were provided by the Tenants.

19. The Tribunal therefore confirmed that the rent at which the property might reasonably be expected to be let would be £160.08 per week which included the fixed service charge.

20. This rent will take effect from 5 April 2021 being the date specified in the notice.

21. Under section 14 of the Housing Act 1988 the Tribunal is obliged to determine a rent for the property. In a case, such as this, if there are fixed service charges, then the rent to be determined is a rent inclusive of the service charges. Therefore, there is no specific determination as to the level of the service charges. If the service charges had been variable (adjusting within the year, to reflect any increase or decrease in the charges payable), then the Tenant would have been able to make an application under section 27A of the Landlord and Tenant Act 1985 for a determination of the reasonableness and payability of service charges.

22. 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