

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

| Case Reference                      | : | JM/LON/00AY/MNR/2022/0115                       |
|-------------------------------------|---|---|
| HMCTS Code (paper,<br>video, audio) | : | Face to Face Hearing                            |
| Property                            | : | 13 Glenshaw Mansions, London,<br>SW9 oDS        |
| Tenant                              | : | Mrs Vanessa Francis                             |
| Represented by                      | : | In Person                                       |
| Landlord                            | : | LCI Property Management Limited                 |
| Represented by                      | : | Mr Davis - Solicitor                            |
| Type of Application                 | : | Section 13 and 14 Housing Act 1988              |
| Tribunal Members                    | : | Mr A Harris LLM FRICS FCIArb<br>Mr N Miller BSc |
| Date and venue of<br>Consideration  | : | 4 October 2022 at 10 Alfred Place<br>London W1  |
| Date of Decision                    | : | 4 October 2022                                  |

# Decisions of the tribunal

- (1) The tribunal determines that the market rent is £2000 (two thousand pounds) per week.
- (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 of the Housing Act 1988 following the service of a notice of increase dated 6 June 2022 proposing a new rent of £2000.00 per month in place of the existing rent of £1400.00 per month to take effect on 1 August 2022. The tribunal issued directions on 1 August 2022.
- 2. The tribunal was provided with a written statement from the tenant which was expanded on at the hearing and two letters from the landlord dated 12 August 2022 and 2 September 2022.
- 3. The tribunal is solely concerned with setting a market rent for the property in accordance with section 14 of the Housing Act 1988.
- 4. The tribunal were due to inspect the property and attended as arranged. However unknown to the tenant at the entry phone was not working, and the tribunal was unable to gain access. The tribunal visited the locality and using its knowledge and experience is able to visualise the flat in it unimproved condition and has valued on that basis.

#### The property

**5.** The subject property is a second floor purpose built flat over commercial premises without a lift. Accommodation consists of three bedrooms living room kitchen bathroom/WC. Central heating has been installed by the tenant. Further improvements have been refitting the kitchen and bathroom.

#### The tenancy agreement

6. The property was originally let on a tenancy agreement commencing on 1 May 1990 for an initial term of three years continuing monthly thereafter.

- 7. The tenancy agreement contains a provision for the landlord to increase the rent from each anniversary of the term by 5%. The tenant argued that this meant the rent should not be increased by more than that and that the present rent was well above the rent it should be. The landlord referred to a decision of the High Court in London and District Properties v Goolamy [2009] EWHC 1367 where the court held that in the case of a statutory periodic tenancy the provisions of sections 13 and 14 of the Housing Act 1988 superseded the wording of the tenancy agreement and the rent may be increased by using the provisions of section 13 of the Housing Act 1988.
- 8. Under section 11 of the Landlord and Tenant Act 1985 the landlord is responsible for repairing the structure and exterior but not for internal painting and decoration. The landlord is also responsible for keeping in good repair and working order installations for heating water heating and sanitation and for the supply of utilities. Any provisions in the tenancy agreement to the contrary are of no effect. The tenant is to keep the flat properly decorated.
- **9.** There is an implied covenant on the tenant to use the property in a tenant like manner.

## <u>The Tenant's evidence</u>

- 10. The Applicant's evidence set out her views on the condition of the property and the improvements she has made to it during her tenancy. The windows are described as being in poor repair and the back door is disintegrating. The flat has no central heating provided by the landlord. The tenant has replaced the bathroom fittings and tiled and decorated the room. It suffers from condensation. The kitchen has been refitted by the tenant. Carpet curtains and white goods belong to the tenant.
- 11. Flats within the block which are let in the open market have been refurbished generally within the last 10 years but the subject flat is not in that condition would not attract that level of rent.

## The landlord's evidence

- 12. the flat is on the second floor and is one of the larger flats in the block being 99 5 ft.<sup>2</sup> in size plus a small balcony. The tenant has carried out some basic modernisation and is responsible for internal decoration.
- 13. Rental evidence has been provided by Kinleigh Folkard and Hayward who have a local office. All the flats were led through them in the last two months on the open market.

- 14. 27 Glenshaw Mansions a first-floor three bedroom flat modernised in 2016, double glazed and central heating. Let in July 2022 at £2700 per month.
- 15. 38 Glenshaw Mansions a third floor three bedroom flat modernised in 2018 with double glazed windows and central heating let in July 2022 at £2600 per month.
- 16. 4 Glenshaw Mansions the second floor two bedroom flat modernised in 2017 with single glazed windows and central heating. Let in August 2022 at £2200 per month.
- 17. 35 Glenshaw Mansions a first-floor two-bedroom flat modernised in 2002 having single glazed windows and central heating. This was let in July 2022 at £2150 per month.
- 18. 39 Glenshaw Mansions a third floor two bedroom flat modernised in 2010 with original single pane windows and central heating. This flat let in August 2022 at £2300 per month.
- 19. 28 Glenshaw Mansions a first-floor three bedroom flat modernised in 2014 with single glazed windows and central heating that in August 2022 at £2750 per month.
- 20. 30 Glenshaw Mansions a second floor three bedroom flat modernised in 2012 with single glazed windows and central heating. This flat let in October 2022 at £2800 per month.
- 21. 32 Glenshaw Mansions a first-floor three bedroom flat modernised in 2017 with single glazed windows and central heating. This flat let in September 2022 at £2800 per month.
- 22. 36 Glenshaw mansions a first-floor three bedroom flat modernised in 2010 with double glazed windows and central heating let in August 2022 at £2900 per month.
- 23. 40 Glenshaw Mansions a third floor three bedroom flat modernised in 2012 with double glazed windows and central heating. The flat let in September 2022 at £2800 per month.
- 24. There is no cap on the percentage that can be charged to the tenant only that it should be a market rent. Between 1998 and 2009 the rent remained the same at circa  $\pounds$ 300 per month. Since 2009 the have only been three further increases in rent, the most recent in 2019 which was referred to the tribunal.

- 25. External decoration was carried out to the entire building in 2019. Renovations to the rear of the building were carried out in 2015 and windows were repaired and made good at that time.
- 26. Flats in Glenshaw Mansions are very sought-after given the properties build quality close proximity to the city and transport. There is a resident caretaker, carpeted internal common areas, secure entry phone system, CCTV and regular cleaning and maintenance.
- 27. The proposed rent of  $\pounds$ 2000 per month makes allowance for the tenants tenancy status and the works they have undertaken historically to the flat. Rents have increased significantly since 2019.

### <u>The Law</u>

- 28. Section 14 the Housing Act 1988, allows a tenant who has received a notice of increase to apply to the tribunal for a determination of the rent which in the tribunal's opinion the rent at which the dwelling might reasonably be expected to be let in the open market by a willing landlord under an assured tenancy, which is a periodic tenancy having the same periods as the tenancy, beginning at the beginning of the notice period and on the same terms other than the amount of rent as are contained in the tenancy.
- 29. The assessment is required to disregard any effect on rent attributable to the granting of a tenancy to a sitting tenant, any increase in the value attributable to a any voluntary improvement carried out by a tenant and any reduction in the value of the dwellinghouse attributable to a failure by the tenant to comply with any terms of the tenancy.

## <u>Valuation</u>

- 30. The tribunal has considered the evidence of the parties relating to the condition of the property and improvements. In addition to the comparable rental evidence provided by the parties the tribunal also relies on its knowledge and experience.
- 31. The tribunal accept the evidence of the tenant regarding improvements which have been carried out and therefore the original kitchen and bathroom are not visible on an inspection.
- 32. The tribunal notes the significant number of lettings of comparable flats in the block and the rents that have been achieved. This provides strong evidence of the market. However the tribunal has to value the flat in the condition as supplied by the landlord disregarding the tenant's improvements. The flat is also valid without carpets curtains and white goods.

- 33. The tribunal considers that this flat, repaired and modernised, let in the market on an AST on normal market terms, in the condition the market would expect including carpets, curtains and white goods would achieve a rent of £2500 per month. The tribunal has deducted 20% to reflect the lack of carpets, curtains and white goods and the improved bathroom and central heating to reach a rent of £2000 per month.
- 34. There is no evidence before the tribunal of hardship so the rent takes effect from the date set out in the landlord's notice.

Name: A Harris

Date: 4 October 2022

#### ANNEX - 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. Any appeal in respect of the Housing Act 1988 should be on a point of law.

If the tribunal refuses to grant permission to appeal, a further application for permission may be made to the Upper Tribunal (Lands Chamber).