



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

Case reference : **LON/00BE/MNR/2022/0206**

Property : **Room 5, 109 Canterbury Place,
London SE17 3AD**

Landlord : **New Age Lettings**

Tenant : **Ms Linda Fornah**

Type of application : **Market rent determination in
accordance with section 14 of the
Housing Act 1988**

Tribunal members : **Judge P. Korn (Chairman)
Mrs A Flynn MRICS**

Date of decision : **14 February 2023**

Date of Reasons : **6 March 2023**

**REASONS FOR DECISION PLUS CORRECTION OF ERROR UNDER
RULE 50**

Decision of the tribunal

The FTT determines the rent to be £700.00 per month, with effect from **1 January 2023**.

Background

1. On 2 December 2022 the Tenant applied to the First-tier Tribunal (“**FTT**”) referring a notice proposing a new rent under her assured periodic tenancy of the Property.
2. The notice, which was served under section 13(2) of the Housing Act 1988 (“**the Act**”) and was dated 15 November 2022, proposed a rent of £700.00 per month with effect from 1 January 2023.
3. The Landlord has sent written representations to the FTT. The Tenant’s representations are included within the application form.
4. The Tenant has an assured periodic tenancy of the Property under a tenancy agreement dated 26 May 2021.

Representations

5. In written representations, the Landlord has argued that the rental increase reflects current market rates for similar properties, and it has provided comparable evidence in relation to similar rooms in or close to the area in which the Property is situated. It has also provided copy photographs of Room 5 and of other parts of the building.
6. The Tenant states that the Landlord disconnected the broadband/internet and terminated the cleaning services following an attempt to evict her. The Property contains an old double bed which is broken, there is a cockroach and mice infestation and there are unsealed gaps and holes in the kitchen with an exposed skirting board. The Landlord has ignored repeated repair requests.

No Inspection

7. The FTT has not inspected the Property and has relied on the photographs and information provided by the parties.

The Law

8. In accordance with the terms of section 14 of the Act, the FTT is required to determine the rent at which it considers the Property might reasonably be expected to let in the open market by a willing landlord under an assured tenancy on the same terms as the actual tenancy

ignoring any increase in value attributable to tenant's improvements and any decrease in value due to the tenant's failure to comply with any terms of the tenancy. The FTT is also required to take into account (a) the condition of the Property, save to the extent that any disrepair is due to the Tenant's failure to comply with any terms of the tenancy and (b) the terms of the tenancy.

Valuation

9. The starting point is to determine the rent which the Landlord could reasonably be expected to obtain for the Property in the open market in the condition considered usual for a modern letting ("**the initial valuation**"). When calculating the initial valuation, the FTT noted the comparable evidence provided by the Landlord.
10. Having considered the comparable evidence provided together with its own general knowledge of market rental levels for comparable properties in the area, the FTT arrived at an initial valuation of £1,000.00 per week.
11. There is no evidence of tenant's improvements or of any decrease in value due to tenant failure, and therefore adjustments only needed to be made to the initial valuation to take into account (a) the actual condition of the Property and (b) the differences between the terms of this letting and the terms of a standard assured shorthold tenancy.
12. Applying these principles to the Property, the main issue on the evidence before the FTT is the very small size of Room 5. This justifies reducing the monthly rent from £1,000 to £775. The FTT also notes the comments made by the Tenant regarding repair and considers that this justifies reducing the rent by a further 10%. It is not considered appropriate to make a larger reduction, particularly in the light of the photographic evidence provided by the Landlord. The letting terms are normal for an assured shorthold tenancy and so there is no reason to reduce or increase the rent on the basis of the letting terms.
13. A reduction of 10% from £775 gives a figure of just under £700 which (as valuation is not a scientific process) has been rounded to £700.

Effective date of new rent

14. Under section 14(7) of the Act, the FTT can specify a rent commencement date which is later than that specified in the landlord's notice if it appears to the FTT that starting the new rent on the specified date would cause the tenant "undue hardship". In this case, the Tenant has not in advance of the determination date made any representations on the issue of undue hardship and therefore it is not open to the FTT to decide that the new rent should be delayed on this basis.

14. However, the effective date for the commencement of the new rent is stated in the FTT's bare decision (the decision without reasons) as 15 November 2022. This, though, is a clear error, as the date specified in the Landlord's notice is 1 January 2023. Under rule 50 of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013, the FTT may at any time correct any accidental slip in a decision, and accordingly this slip or error is hereby corrected and the new rent will commence on 1 January 2023.

Conclusion

15. Accordingly, the current market rent for the Property is £700.00 per month, with effect from 1 January 2023.

Name: Judge P Korn

Date: 6 March 2023