



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

Case reference : **LON/00 AP/MNR/2022/0090**

Property : **169B Inderwick Road London N8 9JR**

Applicant/Tenant : **Mr G Peddie & Ms P Peddie**

Representative : **In person**

**Respondents/
Landlords** : **Feld Estates Ltd (Managing Agent)**

Representative : **Mr B Feld**

Type of application : **Sections 13 and 14, Housing Act 1988**

Tribunal members : **Mr Charles Norman FRICS
Valuer Chairman
Mr O N Miller**

Date of Decision : **28 October 2022**

Date of Reasons : **21 December 2022**

REASONS

Background

1. On 16 May 2022, the tenant of the above property referred to the Tribunal a notice of increase of rent served by the landlord under section 13 of the Housing Act 1988 (“the Act”).
2. The landlord’s notice, which proposed a rent of £415.50 per week is dated 6 May 2022. The notice proposed a starting date for the new rent of 6 June 2022. The rent passing was stated as being £243 per week.
3. The tenancy is an assured periodic tenancy. From the information provided, the assured tenancy commenced on 24 August 2021 by statutory succession.
4. Directions were issued on 1 July 2022 setting the matter down for a paper determination unless either party requested a hearing. The tenant initially requested a hearing and inspection but subsequently indicated that they were unable to attend the hearing. The landlord did not request a hearing or inspection. The directions invited the parties to make written representations, which both did.
5. The Tribunal inspected the property in the presence of the tenants only on 28 October 2022 and made its determination on the same day. Subsequently, the landlord requested reasons.

The landlord’s Case

6. The landlord’s case may be summarised as follows. Feld Estates assumed responsibility for the property as managing agents on 1 August 2021. On 9 August 2021, they received a list of repairs from the tenant. They inspected on 10 August 2021 and found the property to be in a state of disrepair. The reasons for this were that (i) the previous tenant had asked the landlord for repairs to be kept to a minimum, (ii) window vents were close encouraging damp, (iii) the roof required attention, (iv) the windows were rotten leading to water ingress, (v) the interior decoration was dated, and (vi) the tenants had a pet in the property. A comprehensive programme of repairs was carried out costing over £20,000 and included roof repairs, new windows, upgrade to electrics, and internal works. The tenants had stated that they were happy with the work. The above matters were supported by a contractors report and invoices, amongst other documents.
7. Subsequently, the landlord decided to review the rent. The cheapest three-bedroom property within half a mile was advertised at £2000 per month, was in dated condition and above a shop. The open market value for the property was around £2500 per month. Historic issues with the property had no bearing on the current rent review. The

landlord also sought to clarify the status of the current tenants, which was disputed.

The Tenant's Case

8. The tenant's case may be summarised as follows. The tenants disputed the level of rent asserted by the landlord. The properties referred to by the landlord were not comparable. The tenants had obtained a quotation from Philip Alexander, a local estate agent who inspected on 28 July 2022, and opined that the rental value was between £1500 and £1600 per month, in the property's current condition.
9. Previously, the roof had been leaking badly and the tenants had reported the matter to the local housing authority. A new bath was put in approximately three years ago. The tenant acknowledged that substantial repair works had been carried out by the landlord. However workmen from Castle Maintenance [the landlords contractors] had said that the walls are in such a bad state it would take approximately six months to completely replaster them, and the occupants would need to move out. It was not possible to redecorate the current walls as removing wallpaper causes the plaster to come away.

Inspection

10. The building comprises a late Victorian mid-terraced townhouse in which the subject property comprises the two upper floors being the second and third floors. The property is self-contained with access via a shared ground floor hallway. The property comprises three double bedrooms, living room, hallway, bathroom/WC, and a kitchen. There is gas central heating. The Tribunal noted that the windows had been recently replaced with UPVC double glazed units and that the kitchen had been recently refitted by the landlord. However it was readily apparent that the plasterwork on the walls was in very poor condition throughout the property with extensive evidence of previous damp ingress. In many places wallpaper was hanging off the walls. There was clear evidence of mould and carpet damage caused by previous water ingress. In addition the Tribunal noted some damage to floorboards and skirtings caused by previous water ingress. The bathroom/WC was in poor condition with generally old and non-matching fittings. The kitchen had been recently replaced but the white goods were not integrated and were supplied by the tenants. Inderwick Road is a mainly residential, tree lined road in Crouch End. The subject property is opposite a school.

The Tenancy

11. The previous tenancy was dated 4 July 1986 and was on a weekly basis. That tenancy agreement at clause 3(2) imposed an express obligation on the landlord to keep in repair the structure of the property.

The Law

12. The law as to the Tribunal's approach is given at section 14 of the Act which insofar as relevant is as follows:

(1) Where, under subsection (4)(a) of section 13 above, a tenant refers to a Tribunal a notice under subsection (2) of that section, the Tribunal shall determine the rent at which, subject to subsections (2) and (4) below, the Tribunal consider that the dwelling-house concerned might reasonably be expected to be let in the open market by a willing landlord under an assured tenancy—

(a) which is a periodic tenancy having the same periods as those of the tenancy to which the notice relates;

(b) which begins at the beginning of the new period specified in the notice;

(c) the terms of which (other than relating to the amount of the rent) are the same as those of the tenancy to which the notice relates;

[...].

Findings

13. The Tribunal finds insofar as it is necessary to do so for the purposes of determination of rent, that the plasterwork forms part of the structure of the building and is therefore the responsibility of the landlord. The Tribunal agrees with the tenant that it is not practicable for the tenant to redecorate the property until the plasterwork has been put into repair. In terms of tenants improvements the Tribunal did not identify any, but in any event the disregard of tenant's improvements is only allowed during such period of time that the property was let as an assured tenancy, as a result of section 14(2) and (3) of the Housing Act 1998. The Tribunal has no jurisdiction to comment on the status of the tenants.
14. In terms of rental value, the Tribunal accepts as a starting point the landlord's case that the property is in very good condition would be worth in the region of £2500 per month if let on assured shorthold tenancy (AST). However, although substantial work has been done, the property is not in such a condition at present. Therefore the Tribunal considered that substantial adjustment was required to reflect the actual condition of the property as at the date of its inspection. The Tribunal allowed 10% for the condition of the bathroom/WC, 5% for the tenant's white goods, 20% for the effect of the existing poor condition of the walls and floor coverings as they cannot be improved upon until the structural plasterwork, skirting and floorboard repairs have been carried out, and 5% to reflect the more onerous terms of the tenancy as against a modern AST. These adjustments therefore aggregated to 40% or £1000 per month. The Tribunal therefore also agreed with the rental assessment carried out by Philip Alexander. Accordingly, the Tribunal determined that the rent payable was £1500 per month with effect from 6 June 2022, being the start date stated in the landlord's notice.

Mr Charles Norman FRICS

21 December 2022

ANNEX - RIGHTS OF APPEAL

- The Tribunal is required to set out rights of appeal against its decisions by virtue of the rule 36 (2)(c) of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013 and these are set out below.
- If a party wishes to appeal against 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.