



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

Case reference : **JM/LON/OOAL/MNR/2023/0035**

Property : **99 Compton House, London SE18 6FT**

Applicant : **Shasha Lopez**

Representative : **In Person**

Respondent : **Anna Beaton and Norman James Beaton**

Representative : **In Person**

Type of application : **Market Rent under s13 & 14 of the Housing Act 1988**

Tribunal member(s) : **Mr Richard Waterhouse MA LLM FRICS**

Date and venue of hearing : **13th April 2023 on Papers**

Date of Decision : **13th April 2023**

DECISION

Decision of the tribunal

The tribunal determines the rent at £2250.00 per month. The rent to have effect from the date in the landlords notice of 19th December 2022, which is the 26th January 2023.

Background

1. The tribunal received an application under section 13 of the Housing Act 1988 dated 18th January 2023. This included the landlord's notice dated 19th December 2022 proposing a new rent to commence on 26th January 2023. The previous rent being £1300.00 per month and the proposed £2250.00 per month from 26th January 2023.
2. Neither party requested an inspection nor an oral hearing nor did the tribunal considered one proportionate.
3. The property a flat on the 13th floor comprising, one living room with kitchen, two bedrooms, and one bathroom. The tenancy commenced on the 26th December 2020.

Applicant submissions.

4. The tenants submissions comprised; the application form dated 18th January 2023, the tenancy agreement showing commencement date 1st July 2021 for 12 months and the notice of Increase in Rent dated 3rd January 2023.

5. The application form notes;

Furniture that came with the property comprised, a dining table, sofa, tv stand fridge washing machine a bed and a wardrobe.

Under improvements, the tenant notes, there is a drainage issue which requires regular attention. Additionally, mould is present which requires regular removal

Additional issues noted under 8 – repairs are , bathroom drainage not fixed, heater and radiators in living room and bedroom have not been working for more than 7 months. Issues in bathroom regarding mould and water leakage.

Additionally, further correspondence

Letter of 31st October 2022 with suggestion that a section 21 notice would be served shortly

Covering letter dated 16th December 2022 noting rent increase

Photograph of mould in bathroom on mastic

Comparable properties ;

3 bedroom house in Plumstead at £1700 per month

2 bedroom flat in Woodhill at £1700 per month

2 bedroom flat Ware Point Drive , Thamesmead £1575 per month

2 bedroom flat with two bathrooms flat Fishguard Way £1700 per month

2 Bedroom flat with two bathrooms Pettacre Close Thamesmead £1550 per month

2 bedroom flat with two bathrooms , Mast Quay , Woolwich £1800 per month

2 bedroom 2 bathroom flat Sunderland Point Royal Docks £1700 per month

A Reply Form that noted the landlord provided; the central heating, double glazing , carpets and curtains and white goods. The property has access to communal gardens and has a balcony.

The form also contained detailed commentary on issues all have been carefully considered.

In summary they are the heating not functioning properly, drainage in the bathroom, mould in the two bedrooms and living room. Additional issues with flies, type not identified.

There is a description of the discussions that lead to the previous rent of £1300.00 being agreed. The property at the time was for sale and so there was an anticipation viewing would occur, however the viewing often took place with insufficient notice period.

There is also a chain of whats app messages covering various logistics between the landlord, tenant and selling agents.

Respondents Submission

A copy of an e mail from Chestertons suggesting a rental valuation in range of £2400 to £2500 per month.

A copy of the details of a number of flats considered comparables.

A copy of an email data 21st March 2023 which presented the landlords interpretation of events, regarding the heating, mould and tiles. The e mail submits that in all cases of issues or repairs required a suitable professional was employed promptly and the issues put right. The submission was supported by a number of receipts/invoices.

A completed Reply Form from the Landlords, the contents of which are carefully noted. Including pictures of the property.

Additional agents views of the properties rental value.

The Determination

The matter was decided on papers.

The Law

Validity

7. The tribunal first had to determine that the Tribunal had jurisdiction to hear the Application in order to determine a rent under S14 of the Housing Act 1988. In short, the tribunal must determine that the Landlord's notice under Section 13(2) satisfied the requirements of that section and was validly served.

8. The Act provides in section 13 (2) as amended by the Regulatory Reform (Assured Periodic Tenancies) (Rent Increases) Order 2003 that the date in paragraph 4 of the Landlord's notice (the date the new rent becomes payable) must comply with three requirements.

9. The first requirement is that a minimum period of notice must be given before the proposed new rent can take effect.

10. The second requirement is that the starting date must not be less than 52 weeks after the date on which the rent was last increased using this procedure although there are exceptions to this.

11. The third requirement is that the proposed new rent must start at the beginning of a period of the tenancy.

Valuation

13. Section 14 of the Housing Act 1988 requires the tribunal to determine the rent at which it considered the subject property might reasonably be expected to be let on the open market by a willing landlord under an assured tenancy.

14. Only if a landlord's notice complies with each of the requirements referred to above does a tribunal have jurisdiction to determine a rent under section 14 of the Act.

The Decision

15. The tribunal determined that these three requirements for validity were met.

16. In coming to its determination under section 14, the tribunal relied on its own general knowledge of rental levels in the area and evidence supplied by the parties.

The various issues with the property on balance of probability were of a nature that could be anticipated and were on the evidence addressed proportionately.

17. Given the size and nature of the accommodation, given the evidence of similar rental properties supplied by the tenant, using its own knowledge of the area, the tribunal determines the rent at £2250.00 per month effective from the date of Notice of Increase.

Name: Chairman Waterhouse

Date: 13th April 2023

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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.

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

THE LEGISLATION

Housing Act 1988

s.13.— Increases of rent under assured periodic tenancies.

(1) This section applies to—

(a) a statutory periodic tenancy other than one which, by virtue of paragraph 11 or paragraph 12 in Part I of Schedule 1 to this Act, cannot for the time being be an assured tenancy; and

(b) any other periodic tenancy which is an assured tenancy, other than one in relation to which there is a provision, for the time being binding on the tenant, under which the rent for a particular period of the tenancy will or may be greater than the rent for an earlier period.

(2) For the purpose of securing an increase in the rent under a tenancy to which this section applies, the landlord may serve on the tenant a notice in the prescribed form proposing a new rent to take effect at the beginning of a new period of the tenancy specified in the notice, being a period beginning not earlier than—

(a) the minimum period after the date of the service of the notice; and

(b) except in the case of a statutory periodic [tenancy—]

[

(i) in the case of an assured agricultural occupancy, the first anniversary of the date on which the first period of the tenancy began;

(ii) in any other case, on the date that falls 52 weeks after the date on which the first period of the tenancy began; and

]

(c) if the rent under the tenancy has previously been increased by virtue of a notice under this subsection or a determination under section 14[below—]

[

(i) in the case of an assured agricultural occupancy, the first anniversary of the date on which the increased rent took effect;

(ii) in any other case, the appropriate date.

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(3) The minimum period referred to in subsection (2) above is—

(a) in the case of a yearly tenancy, six months;

(b) in the case of a tenancy where the period is less than a month, one month; and

(c) in any other case, a period equal to the period of the tenancy.

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(3A) The appropriate date referred to in subsection (2)(c)(ii) above is—

(a) in a case to which subsection (3B) below applies, the date that falls 53 weeks after the date on which the increased rent took effect;

(b) in any other case, the date that falls 52 weeks after the date on which the increased rent took effect.

(3B) This subsection applies where—

(a) the rent under the tenancy has been increased by virtue of a notice under this section or a determination under section 14 below on at least one occasion after the coming into force of the Regulatory Reform (Assured Periodic Tenancies) (Rent Increases) Order 2003; and

(b) the fifty-third week after the date on which the last such increase took effect begins more than six days before the anniversary of the date on which the first such increase took effect.

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(4) Where a notice is served under subsection (2) above, a new rent specified in the notice shall take effect as mentioned in the notice unless, before the beginning of the new period specified in the notice,—

(a) the tenant by an application in the prescribed form refers the notice to [the appropriate tribunal] ; or

(b) the landlord and the tenant agree on a variation of the rent which is different from that proposed in the notice or agree that the rent should not be varied.

(5) Nothing in this section (or in section 14 below) affects the right of the landlord and the tenant under an assured tenancy to vary by agreement any term of the tenancy (including a term relating to rent).

s.14.— Determination of rent by [tribunal] .

(1) Where, under subsection (4)(a) of section 13 above, a tenant refers to [the appropriate tribunal] a notice under subsection (2) of that section, the [appropriate tribunal]³ shall determine the rent at which, subject to subsections (2) and (4) below, the [appropriate tribunal]³ 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; and

(d) in respect of which the same notices, if any, have been given under any of Grounds 1 to 5 of Schedule 2 to this Act, as have been given (or have effect as if given) in relation to the tenancy to which the notice relates.

(2) In making a determination under this section, there shall be disregarded—

(a) any effect on the rent attributable to the granting of a tenancy to a sitting tenant;

(b) any increase in the value of the dwelling-house attributable to a relevant improvement carried out by a person who at the time it was carried out was the tenant, if the improvement—

(i) was carried out otherwise than in pursuance of an obligation to his immediate landlord, or

(ii) was carried out pursuant to an obligation to his immediate landlord being an obligation which did not relate to the specific improvement concerned but arose by reference to consent given to the carrying out of that improvement; and

(c) any reduction in the value of the dwelling-house attributable to a failure by the tenant to comply with any terms of the tenancy.

(3) For the purposes of subsection (2)(b) above, in relation to a notice which is referred by a tenant as mentioned in subsection (1) above, an improvement is a relevant improvement if either it was carried out during the tenancy to which the notice relates or the following conditions are satisfied, namely—

- (a) that it was carried out not more than twenty-one years before the date of service of the notice; and
- (b) that, at all times during the period beginning when the improvement was carried out and ending on the date of service of the notice, the dwelling-house has been let under an assured tenancy; and
- (c) that, on the coming to an end of an assured tenancy at any time during that period, the tenant (or, in the case of joint tenants, at least one of them) did not quit.

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(3A) In making a determination under this section in any case where under Part I of the Local Government Finance Act 1992 the landlord or a superior landlord is

liable to pay council tax in respect of a hereditament (“the relevant hereditament”) of which the dwelling-house forms part, the [appropriate tribunal] shall have regard to the amount of council tax which, as at the date on which the notice under section 13(2) above was served, was set by the billing authority—

- (a) for the financial year in which that notice was served, and
- (b) for the category of dwellings within which the relevant hereditament fell on that date,

but any discount or other reduction affecting the amount of council tax payable shall be disregarded.

(3B) In subsection (3A) above—

- (a) “*hereditament*” means a dwelling within the meaning of Part I of the Local Government Finance Act 1992,
- (b) “*billing authority*” has the same meaning as in that Part of that Act, and
- (c) “*category of dwellings*” has the same meaning as in section 30(1) and (2) of that Act.

(4) In this section “*rent*” does not include any service charge, within the meaning of section 18 of the Landlord and Tenant Act 1985, but, subject to that, includes any sums payable by the tenant to the landlord on account of the use of furniture [, in respect of council tax] or for any of the matters referred to in subsection (1)(a) of that section, whether or not those sums are separate from the sums payable for the occupation of the dwelling-house concerned or are payable under separate agreements.

(5) Where any rates in respect of the dwelling-house concerned are borne by the landlord or a superior landlord, the [appropriate tribunal] shall make their determination under this section as if the rates were not so borne.

(6) In any case where—

- (a) [the appropriate tribunal] have before them at the same time the reference of a notice under section 6(2) above relating to a tenancy (in this subsection referred to as “the section 6 reference”) and the reference of a notice under section 13(2) above relating to the same tenancy (in this subsection referred to as “the section 13 reference”), and
- (b) the date specified in the notice under section 6(2) above is not later than the first day of the new period specified in the notice under section 13(2) above, and
- (c) the [appropriate tribunal]⁹ propose to hear the two references together, the [appropriate tribunal] shall make a determination in relation to the section 6 reference before making their determination in relation to the section 13 reference and, accordingly, in such a case the reference in

subsection (1)(c) above to the terms of the tenancy to which the notice relates shall be construed as a reference to those terms as varied by virtue of the determination made in relation to the section 6 reference.

(7) Where a notice under section 13(2) above has been referred to [the appropriate tribunal] , then, unless the landlord and the tenant otherwise agree, the rent determined by [the appropriate tribunal] (subject, in a case where subsection (5) above applies, to the addition of the appropriate amount in respect of rates) shall be the rent under the tenancy with effect from the beginning of the new period specified in the notice or, if it appears to [the appropriate tribunal] that that would cause undue hardship to the tenant, that that would cause undue hardship to the tenant, with effect from such later date (not being later than the date the rent is determined) as the committee may direct.

(8) Nothing in this section requires [the appropriate tribunal] to continue with their determination of a rent for a dwelling-house if the landlord and tenant give notice in writing that they no longer require such a determination or if the tenancy has come to an end.

(9) This section shall apply in relation to an assured shorthold tenancy as if in subsection (1) the reference to an assured tenancy were a reference to an assured shorthold tenancy.