



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

Case Reference : **CAM/00KF/MNR/2023/0002
P:PAPERREMOTE**

Property : **15 Fradel Lodge 1 Schonfeld Square
London N16 0QW**

Applicant : **Mr Abraham Hopstein**

Representative : **-**

Respondent : **Agudas Israel Housing
Associatioin**

Representative :

Date of Application : **25 July 2022**

Type of Application : **Determination of the market rent
under Section 14 Housing Act 1988**

Tribunal : **Mrs E Flint FRICS
Mr A Ring**

**Date and venue of
Determination** : **16 January 2023
on the papers following an inspection.**

DECISION

The market rent as at 1 August 2022 is £405 per week inclusive of £30 per week for heating, electricity and water.

This has been a remote hearing which has been consented to by the parties. The form of remote hearing was P:PAPERREMOTE. A face-to-face hearing was not held because it was not practicable and all issues could be determined in a remote hearing. The documents that the Tribunal were referred to are in a bundle, the contents of which have been noted.

Background

1. On 25 July 2022, the tenant referred to the Tribunal a notice of increase of rent served by the landlord under section 13 of the Housing Act 1988.
2. The landlord's notice, which was dated 1 July 2022 proposed a rent of £415.52 per week including £40 per week for heating, electricity and water with effect from 1 August 2022 in place of the existing rent of £299.90 per week which included £20 for heating, electricity and water.
3. The tenant occupies under a periodic tenancy which commenced on 30 October 2016.
4. Directions were issued by the tribunal on 26 August 2022.
5. The parties did not object to the matter being dealt with on the papers following an inspection by the tribunal. Prior to which both the landlord and tenant sent their submissions to the tribunal.

The Inspection

6. The Tribunal inspected the flat and the development on the morning of 16 January 2023.
7. The development which was constructed in 1993, comprises forty four flats, nursing home, synagogue, communal lounge, laundry and gardens which provided a number of sitting areas. The communal facilities were well maintained. Staff were available to deal with any queries. Meals may be ordered from the care home.
8. The flat which was situated on the first floor provided rather spartan accommodation although it is centrally heated and the windows double glazed. There was a small dual aspect living room with a view over the gardens, partially obscured by a ground floor extension; a door led into a kitchenette with two sinks but otherwise very limited facilities. The modest sized bedroom had a built in wardrobe and dressing table; the internal bathroom had a low level bath with shower over, wash hand basin, wc and heated towel rail. There were fitted cupboards in the hallway.
9. The kitchenette and bathroom were dated. The landlord had gifted the bed, chairs and table, the net curtains and floor coverings and oven (small and dated).

The Evidence

10. The tenant was of the opinion that the proposed rent was excessive. However, he did not provide any market evidence in support of his

assertion but noted that the flat was unmodernised and in his opinion in poor condition.

11. The landlord provided a brief description of the development. The increase in rent, net of the charges for electricity, heating and water had been accepted by the local authority. The utilities were stated to cost £40 per week. The landlord did not provide any rental evidence nor any evidence relating to the cost of the utilities in support of the proposed charge of £40 per week.

The law

12. In accordance with the terms of section 14 Housing Act 1988 the Tribunal proceeded to determine the rent at which it considered that the subject property might reasonably be expected to be let on the open market by a willing landlord under an assured tenancy.
13. In so doing it, as required by section 14(1), ignored the effect on the rental value of the property of any relevant tenant's improvements as defined in section 14(2) of that Act.

Valuation

14. In coming to its decision, the Tribunal relied on its own general knowledge of rents in Stoke Newington.
15. The Tribunal concluded that the rent at which the property might reasonably be expected to be let on the open market in its current condition would be of the order of £375 per week exclusive of the service charge for heating, electricity and water. The Tribunal, in view of no evidence being presented as to the actual cost, and doing the best it can based on its own expert knowledge determines that the service charge for the heating and hot water and electricity for this modest unit of accommodation is £30 per week. The open market rent as at 1 August 2022 is £405 per week.

The decision

16. The Tribunal determines the open market rental value of the premises is £405 per month effective from 1 August 2022, being the effective date in the landlord's notice.

Chairman: Evelyn Flint

Dated: 28 March 2023

ANNEX - RIGHTS OF APPEAL

- i. 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.

- ii. 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.
- iii. 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.
- iv. 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.

Appendix Housing Act 1988

14 Determination of rent by rent assessment committee.

(1) Where, under subsection (4) (a) of section 13, a tenant refers to a rent assessment committee a notice under subsection (2) of that section, the committee shall determine the rent at which, subject to subsections (2) and (4) below, the committee 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 to 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.

(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 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....

(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 ... 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, with effect from such later date (not being later than the date the rent is determined) as the appropriate tribunal may direct.

