



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

**Case reference** : **JM/LON/OOAH/MNR/2023/0198**

**Property** : **5 Farley Place, South Norwood,  
Croydon, SE25 5JR**

**Applicant** : **Gregory Spis**

**Representative** : **In Person**

**Respondent** : **Lifespace**

**Representative** : **In Person**

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

**Tribunal  
member(s)** : **Mr R Waterhouse MA LLM FRICS  
Mr J Francis QPM**

**Date and venue of  
hearing** : **19<sup>th</sup> October 2023 Inspection and  
determination on papers.**

**Date of Decision** : **19<sup>th</sup> October 2023**

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**DECISION**

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## **Decision of the tribunal**

The tribunal determines the rent at £900.00 per month. The rent to have effect from the 21<sup>st</sup> April 2023, the effective date of the rent increase in the Notice of Increase of Rent.

## **Background**

1. The tribunal received an application under section 13 of the Housing Act 1988, dated 1<sup>st</sup> April 2023. This included the landlord's notice dated 3<sup>rd</sup> March 2023 proposing a new rent to commence on 21<sup>st</sup> April 2023. The previous rent being £1050.00 per month and the proposed £1300.00 per month from 21<sup>st</sup> April 2023.
2. Additionally, a copy of the tenancy agreement which showed the tenancy running from 21<sup>st</sup> October 2016 for 12 months with the last day of the contractual term being 20<sup>th</sup> October 2017. The application form at box 4 notes, the present tenancy commenced on the 21<sup>st</sup> October 2016.
3. The tenant requested an inspection and a hearing within their completed Reply Form.
4. The property is according to the application form submitted by the tenant semi-detached house with two bedrooms, a living room, a small kitchen and a small bathroom.
5. The tenancy commenced on the 21<sup>st</sup> October 2016 and ran for 12 months concluding on 20<sup>th</sup> October 2017. The last contractual period day was 20<sup>th</sup> October 2017, so the statutory periodic tenancy then commenced on the 21<sup>st</sup> October 2017.

## **Applicant submissions.**

6. The Tenant completed and submitted a Reply Form.

The accommodation is described noting, mould in the kitchen, mould in bedroom 1, mould in bedroom 2 also.

The landlord has provided central heating and double glazing with carpets and curtains supplied by the tenant.

The property has permit parking and privates gardens.

Under "improvements" it is noted that a couple of months ago the windows were changed.

Under “Disrepairs /Defects”, mould is noted, the radiators are very old, and they cannot heat up the living space decently. Also noted there are cracks “almost everywhere”.

Under “any other comments” the nature of the area is noted and opinion that the rent is too high for the property.

## **7. Respondents Submission**

The respondent's landlord within their completed Reply Form noted they did not require an inspection.

The landlord noted they supplied the double glazing and the central heating, also carpets but not curtains nor white goods. Also, that the property has permit parking and a garden.

8.The landlord noted that all single glazed windows were replaced with double glazed windows and two doors in November 2022.

The landlord submitted written representations drafted by Lucy Palmer ARLA qualified to level 3 and experienced in the London and southeast residential property markets.

9.The report identified four comparable properties ranging from £1400.00 per month to £1625.00 per month, with photographs concluding that the £1300.00 per month within the section 13 Notice was “fair and reasonable”.

## **The Inspection**

10.The property is a semi-detached house located in a non through road. The property is Victorian in era, built with soft yellow bricks with lime mortar. The property has been covered in cement-based render and painted.

The property has central heating and good quality double glazed windows throughout. The property has permit parking and a private garden.

11.There is however extensive mould within the property. The kitchen has a large section of damp wall from the ground up and the sloping roof of the kitchen is also damp and exhibits mould. The ground floor roadside room has extensive damp along the base of the exterior wall.

12.On the first floor the roadside bedroom has extensive damp on the exterior wall. Across the landing there is another room which leads to the bathroom. The first-floor bathroom has extensive damp on the outer wall to the extent that the tiles have loosened and fallen off.

## **The Hearing / determination**

13. The property was inspected in the afternoon of 19<sup>th</sup> October 2023 and the matter determined on papers subsequently.

## **The Determination**

14. The tribunal is grateful for the submissions of the parties. In terms of rental evidence, the applicant noted they considered the rental level too high given the quality of the property. For the Respondent, an expert report on rental levels in the vicinity was submitted.

The tribunal considering the evidence determines the rental level of the property in good condition to be £ 1500.00 per month.

15. The property from the inspect does unfortunately suffer from dampness and subsequent mould, quite extensively. The level appears in excess of that anticipated if there was inadequate use of windows and may be a more pronounced issue. Given this, the tribunal determines the rent should be adjusted, an allowance of 40% is made to reflect the extensive damp.

The tribunal therefore determines a figure of £900 per month.

## **The Law**

## **Valuation**

16. 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.

## **The Decision**

17. Given the size and nature of the accommodation, and, using its own knowledge of the area, the tribunal determines the rent at £900.00 per month. The tribunal taking into account the submissions in respect of the effective date determines the effective date of the rent is 21<sup>st</sup> April 2023, the date in the Landlords Notice of an Increase in Rent.

**Name:** Chairman Waterhouse

**Date:** 19<sup>th</sup> October 2023

## **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]<sup>3</sup> shall determine the rent at which, subject to subsections (2) and (4) below, the [appropriate tribunal]<sup>3</sup> 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]<sup>9</sup> 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.