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FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case reference	:	LON/00AJ/MNR/2023/0333
HMCTS Code (Paper, video, audio)	:	P: PAPERREMOTE
Property	:	4 Convent Gardens, London, W5 4UT
Tenant	:	Mr Raymond Matthews
Landlord	:	Spot Developments Limited
Type of application	:	Section 13 Housing Act 1988
Tribunal members	:	Judge Tueje Miss M Krisko FRICS
Venue	:	10 Alfred Place, London WC1E 7LR
Date of hearing	:	23 rd November 2023
Date of decision	:	6 th December 2023
DECISION		

The Tribunal's determination

Decision

The Tribunal determines that the market rent for the subject property is $\pounds 1,406.25$ per calendar month, with effect from 6th December 2023.

Background

- By a notice dated 26th May 2023, the landlord sought an increase in rent under section 13 of the Housing Act 1988. The landlord proposed that the rent should increase from £1,300.00 to £1,725.00 per calendar month, with effect from 1st August 2023.
- 2. By an application dated 26th July 2023, the tenant, Mr Matthews, sought a determination of the rent payable under his tenancy.
- 3. The jurisdiction of the Tribunal is to set a market rent for the property taking into consideration the terms of the tenancy, the condition of the property, its location and the market rent for similar properties in the locality.
- 4. Mr Matthews's predecessor in title occupied the subject property under the terms of an agreement dated 20th March 1968. Mr Matthews succeeded to that tenancy on 12th March 2011, and occupies the property as a statutory periodic tenant.

The inspection

- 5. The Tribunal inspected the property on 23rd November 2023. We found it to be a twostorey mid terraced Edwardian house.
- 6. The ground floor accommodation consisted of a living room, dining room, plus a small kitchen in the rear addition. There were two bedrooms and a combined bathroom/WC on the first floor.
- 7. From its inspection the Tribunal noted some repairs are required, for instance the window sills are in disrepair. The bathroom and kitchen are also dated. The landlord has not supplied kitchen white goods, floor coverings or curtains.

The law and the Tribunal's valuation

- 9. Sections 13 and 14 of the Housing Act 1988 ("the 1988 Act") make provision for the increase of rent under an assured periodic tenancy.
- 10. Under section 14 of the 1988 Act, the Tribunal must determine the rent that would be obtained in respect of the same property on a new letting on the open market by a willing landlord under an assured tenancy, on otherwise similar terms (other than rent) to the existing tenancy. The rent so determined must, however, disregard the effect on the rent of the granting of the tenancy to a sitting tenant; any increase in the value of the property as a result of improvements carried out by the tenant during the tenancy

(or a previous tenancy), otherwise than as a result of his or her obligations to the landlord under the lease; or any reduction attributable to a failure to comply with such an obligation.

- **11.** In coming to its decision, the Tribunal considered what was observed during the inspection, and all of the written evidence.
- 12. The Tribunal first assessed the market price that would be achieved for a new letting, in a condition that would be expected of the property if it were to be marketed now. The Tribunal considered comparable properties show £1,875.00 to be the starting point.
- 13. Accordingly, the Tribunal finds that, if the property were in the condition to be expected of a current market letting, that the rent would be in the region of $\pounds 1,875.00$.
- 14. However, the property must be valued on the basis that a tenant would seek a reduction from that asking rent to reflect the unmodernised condition of the property. The reduction is not measured in monetary value, but reflects the percentage reduction that would be needed to let the property as it is today.
- 15. Based on the Tribunal's knowledge and experience, we conclude a tenant would seek a reduction of at least the 25% of the market value to take account of all of these matters.

Conclusion

- 16. The Tribunal therefore determines the market rent for the subject property, taking into consideration the matters referred to above, is $\pm 1,406.25$ per calendar month.
- 17. Finally, the Tribunal considers it would cause undue hardship to the tenant for the increase to take effect on the date specified in the landlord's notice. Therefore, pursuant to section 14(7) of the 1988 Act, the Tribunal determines the effective date of increase is 6th December 2023.

Name: Jud

Judge Tueje

Date: 6th December 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).