

FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case reference : LON/OOBE/MNR/2023/0476

Property : 31 Shere House, Great Dover Street , London

SE₁4YQ

Applicant Tenants : Mr Messan Gbodjo Afantsawo, Ms Solange

Acacha

Representative : In Person

Respondent Landlord : Ms Angela Eguakhide

Representative : In Person

Type of application : Determination of a Market Rent

Sections 13 & 14 Housing Act

1988

Tribunal member(s) : Mr R Waterhouse FRICS

Date of determination : 31 July 2024

Date of reasons : 31 July 2024

REASONS

Decision of the Tribunal

On 31 July 2024 the Tribunal determined a Market Rent of £1200.00 per month, to take effect from 26 November 2023. It should be noted that the amount determined represents the market rent determined under section 13, the landlord may choose to charge less.

Background

- 1. By way of an application received by the Tribunal on 13 November 2023 the Applicant tenants of 31 Shere House, Great Dover Street, London SE1 4YQ (hereinafter referred to as "the property") referred a Notice of Increase in Rent ("the Notice") by the Respondent landlord of the property under Section 13 of the Housing Act 1988 ("the Act") to the Tribunal.
- 2. The Notice, dated 11 October 2023, proposed a new rent of £1500.00 per month in lieu of a passing rent of £1100.00 per month.
- 3. The property was let to the Tenants by way of an assured shorthold tenancy commencing **26 November 2022 for 12 months ending on the 25 November 2023.** A copy of the tenancy agreement was provided.
- 4. On **30 May 2024**, the Tribunal issued Directions advising the parties that it considered the matter suitable for determination on the papers unless either party objected, in writing, within 7 days. In accord with current Tribunal policy the parties were advised that no inspection would be undertaken. No objections were received.
- 5. The Directions required the Landlord and Tenant to submit their completed statements to the Tribunal by 24 June 2024 and 8 July 2024 respectively, with copies to be sent to the other party. Both parties complied.
- 6. Having reviewed the submissions, the Tribunal concluded that the matter remained capable of being determined fairly, justly and efficiently on the papers, consistent with the overriding objective of the Tribunal.
- 7. These reasons address in **summary form** the key issues raised by the parties. They do not recite each point

referred to in submissions but concentrate on those issues which, in the Tribunal's view, are fundamental to the determination.

Law

8. In accordance with the terms of Section 14 of the Act, the Tribunal is required to determine the rent at which it considers the subject property might reasonably be expected to let on the open market, by a willing Landlord, under an assured tenancy, on the same terms as the actual tenancy.

9. In so doing, and in accordance with the Act, the Tribunal ignores any increase in value attributable to tenants' improvements and any decrease in value due to the tenants' failure to comply with any terms of the tenancy.

The Property

10. The Tribunal did not inspect the property. From the Application form it is understood to comprise a third floor flat, with a living room, one bedroom, one kitchen, a bathroom and a WC.

Submission – Tenants

- 11. The Tenants' submissions, excluding consideration of personal circumstances which are to be disregarded in setting a market rent under the Act, can be <u>summarised</u> as follows.
- 12. The tenants moved took occupancy in 2005, and the flat has not been decorated since. The tenant asserts that the wallpaper is coming off, the roof in corridor and living room are water stained from leaks and there is a crack in the bedroom
- 13. The landlord has supplied one electric cooker, one fridge /freezer, one washing machine, one boiler for heating, one cupboard and one wardrobe.
- 14. The tenants Reply Form noted the landlord has replaced the washing machine.
- 15. Additionally, the Reply Form noted, the boiler frequently broke down, and kitchen sink in poor condition. Photographs were submitted and have been noted.
- 16. The Tenant moved out on 26 February 2024.

Submissions-Landlord

- 17. The Landlord, completed and submitted their Reply Form dated 21 December 2023, noting the property was functional, and only essential repairs were carried out because the tenant made access to carry out difficult.
- 18. The landlord noted in e mail dated 22 May 2024 that they had received an offer for £1680 per month to rent the property.

Determination

- 19. The Tribunal has carefully considered all the submissions before it.
- 20. The Tribunal determines a market rent for a property by reference to rental values generally and, in particular, to the rental values for comparable properties in the locality. The Tribunal has no regard to the current rent and the period of time which that rent has been charged, nor does it take into account the percentage increase which the proposed rent represents to the passing rent. In addition, the legislation makes it clear that the Tribunal is unable to account for the personal circumstances of either the Landlord or the Tenant.
- 21. The date at which the Tribunal assesses the rent is the effective date contained within the landlord's Notice which, in this instance, is the **26 November 2023.** The Tribunal disregards any improvements made by the tenants but has regard to the impact on rental value of disrepair which is not due to a failure of the tenant to comply with the terms of the tenancy.
- 22. In the first instance, the Tribunal determined what rent the Landlord could reasonably be expected to obtain for the property in the open market, if it were let on the effective date and in the condition that is considered usual for such a market letting.
- 23. The Tribunal has noted the rental offer for the property but notes this is after the effective date and the condition of the property is not known.
- 24. Using its own expert knowledge as a specialist Tribunal and having regard to the nature, specification and size of the subject property determined £1200.00 per month.
- 25. The Tribunal is grateful for the submissions on condition by the landlord and the tenant.
- 26. Accordingly, the Tribunal finds no adjustments are warranted and the rent determined is £1200.00 per month.
- 27. The Tenants made no submissions to the Tribunal in regard to delaying the effective date of the revised rent on the ground of undue hardship under section 14(7) of the Act. Accordingly, the rent of £1200.00 per month will take effect from 26 November 2023.

Valuer Chair Waterhouse

Date: 31 July 2024

RIGHTS OF APPEAL

- 1. A person wishing to appeal this decision to the Upper Tribunal (Lands Chamber) must seek permission to do so by making written application by email to rpsouthern@justice.gov.uk to the First-tier Tribunal at the Regional office which has been dealing with the case.
- 2. The application must arrive at the Tribunal within 28 days after the Tribunal sends to the person making the application written reasons for the decision.
- 3. If the person wishing to appeal does not comply with the 28 day time limit, the person shall include with the application for permission to appeal a request for an extension of time and the reason for not complying with the 28 day time limit; the Tribunal will then decide whether to extend time or not to allow the application for permission to appeal to proceed.
- 4. The application for permission to appeal must identify the decision of the Tribunal to which it relates, state the grounds of appeal, and state the result the party making the application is seeking.