

FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case reference	:	LON/OOAQ/MNR/2024/0106
Property	:	44 Churchill Place, Harrow, Middlesex , HA1 1 XY
Applicant Tenants	:	Mohamed Nifsan Mohamed Nailar
Representative	:	In Person
Respondent Landlord	:	Elnaz Mihanmehr
Representative	:	In Person
Type of application	: 1988	Determination of a Market Rent Sections 13 & 14 Housing Act
Tribunal member(s)	:	Mr R Waterhouse FRICS Mr O Miller
Date of determination	:	15 August 2024
Date of reasons	:	15 August 2024
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Decision of the Tribunal

On 15 August 2024 the Tribunal determined a Market Rent of **£1200.00 per month** to take effect from **24 February 2024**. It should be noted that the amount determined represents the market rent determined under section 13, the landlord may choose to charge less.

Background

- By way of an application received by the Tribunal on 22 April 2024 the Applicant tenants of 44 Churchill Place, Harrow, Middlesex, HA1 1XY (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 **21 December 2023** proposed a new rent of **£1350.00 per month to take effect on 24** February 2024 in lieu of a passing rent of **£1050.00** per month.
- 3. The property was let to the Tenant by way of an assured shorthold tenancy from **24 December 2022** for 12 months with the contractual period ceasing on the **23 December 2023.** Thereafter the tenancy carried on as a statutory monthly periodic tenancy.
- 4. On **3 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 to determination on papers were received. However, the **Tenant** requested an **inspection** and **a hearing** was carried out.
- The Directions required the Landlord and Tenant to submit their completed statements to the Tribunal by 23
 May 2024 and 26 June 2024 respectively, with copies to be sent to the other party. Both parties complied.
- 6. 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

7. 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. 8. 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

9. The Tribunal did inspect the property. The Tribunal found the property to be a ground floor flat, comprising one living room, one bathroom, one kitchen, one bedroom. The property is within a block within a complex of blocks. The block within which the flat is located was built around the early 1980s. The block and the subject property have UPVC double glazing with trickle vents. Upon entering the flat, the atmosphere was humid. Each wall and ceiling had evidence of black The floors between the flats were mould growth. concrete and the subject property was above the car parking area. The kitchen, bathroom and WC were functional but appeared fitted some time ago. There is no mechanical air extraction in the bathroom nor in the kitchen but the windows do open.

<u>Submission – Tenants</u>

- 10. 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.
- 11. The Tenant returned a completed Reply Form noting the size of the accommodation and its condition. That the property has central heating, double glazing, carpets curtains and white goods supplied by the Landlord.
- 12. The Tenants application form also noted that the Landlord furnished comprising; bed, fridge freezer, washing machine, dining table, and wardrobe.
- 13. In terms of disrepair the Tenant noted, a swollen door which fitted badly but has now been attended to, a leak from the flat above, which is now fixed, and damp mould appearing within the flat.

Submissions- Landlord

14. The Landlord made a number of submissions. A

completed Reply Form noting the size of the accommodation. The Landlord also noted that the kitchen had been refitted several years ago, double glazing fitted in 2019, and bathroom refitted in 2021. Finally noting that black mould had been reported and addressed in October and November 2023. The Landlord noted no further issues had been reported since the work was carried out.

The Hearing

15. The Landlord appeared in person at the hearing the Tenant nor any Tenants representatives did not appear. The Landlord submitted that the property was in good order before the current letting and noted that they had not personally inspected the property. In respect of the mould , the Landlord had obtained a specialist report from a company called Cedar Care which had concluded the damp and subsequent mould was caused by the occupants. In terms of rental value, the Notice of Increase requested £1350.00 per month. The property had recently been marketed with an offer of £1400.00 per month received. It is not clear whether the person making the offer had inspected the property.

Determination

- 16. The Tribunal has carefully considered all the submissions before it.
- 17. 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.
- 18. The date the Tribunal assesses the rent is the effective date in the Landlord's Notice, which is the **24 February 2024**. The Tribunal disregards any improvements made by the Tenants but considers the impact on rental value of disrepair, due to the Tenant's failure to comply with the tenancy terms or the Landlord's failure to repair.
- 19. 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.

- **20.** The Tribunal weighed the parties' evidence against its own expert knowledge as a specialist Tribunal and having regard to the nature, specification and size of the subject property determined **£1300.00 per month**.
- 21. The Tribunal is grateful for the submissions on condition by the parties and the benefit of an inspection. There is no evidence of insulation on the wall, floor or ceiling. With the flat being located above the car park, which is open, the flat has a high proportion of external facing surfaces, including the floor, which may make it difficult to keep warm. This combined with the double glazing is leading to a predisposition to dampness. To keep such a property mould free would require increased ventilation and increased heating, which would be costly.
- 22. Accordingly, the Tribunal finds adjustments are warranted and the rent determined is **£1200.00 per month.**
- **23.** The Tenants made no substantive submissions to the Tribunal about delaying the effective date of the revised rent due to undue hardship under section 14(7) of the Act. Accordingly, the rent of **£1200.00 per month** will take effect from **24 February 2024.**

Valuer Chair Mr R Waterhouse FRICS Date: 15 August 2024

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).