



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

**Case Reference** : **LON/OOAY/MNR/2024/0281**

**Property** : **Flat 3 80 Upper Tulse Hill, London SW2 2RP.**

**Tenant** : **Mr Kypros Loizou**

**Landlord** : **Mr E Willis of Willis Estates**

**Date of Objection** : **25 April 2024**

**Type of Application** : **Determination of a Market Rent sections 13 & 14 of the Housing Act 1988**

**Tribunal** : **Mr D Jagger MRICS  
Mr C Piarroux JP**

**Date of Summary Reasons** : **1 November 2024**

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**DECISION**

**The Tribunal determines a rent of £222 per calendar week with effect from 25 May 2024.**

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## **SUMMARY REASONS**

### **Background**

1. On the 19 April 2024 the Landlord served a notice under Section 13(2) of the Housing Act 1988 which proposed a new rent of £299 per week in place of the existing rent of £208 per month to take effect from 25 May 2024, being an increase of £91 per week
2. The Tenants application is dated the 25 April 2024, under Section 13(4)(a) of the Housing Act 1988. The Tenant referred the Landlord's notice proposing a new rent to the Tribunal for determination of a market rent.
3. The Tenant has lived at the property since 17 August 1996 under an Assured Shorthold Agreement which is now a statutory periodic tenancy.

### **Hearing and Inspection**

4. A hearing took place at 10 Alfred Place London WC1E 7LR which was attended by the Tenant together with his good friend Mr McMorro and the Landlord.

### **The Tenant's case**

5. The Tenant stated that when he commenced occupation in 1996 the property was in a very poor state of repair with one cupboard and an old fashion sink in the kitchen. There was a "tin shower and a high flush WC in the bathroom. Over the years with the assistance of Mr McMorro, he has undertaken a series of improvements. Therefore, what you see is the Tenants complete refurbishment of the flat including decoration, all floor coverings, kitchen and shower room fittings. He confirmed the Landlord has not undertaken any repairs whatsoever and the property has been subject to extensive water leaks from the flat above.
6. It is for these reasons, he is of the opinion there should be no increase in the rent previously set by the Tribunal in a decision dated 14 September 2021, which was back dated from the 26 December 2019, being the date given in the previous notice.

### **The Landlord's case**

7. In the first instance, the Landlord accepted the previous Tribunal's decision in connection with an aggregate deduction of 35%. In his evidence, the Landlord relied on three strands of valuation methodology. The first was the Local Housing Allowance taken from the Valuation Office Agency website. Mr Willis explained that because this related to an intermediate market rent. He confirmed this was a "back-up" method of valuation to confirm the evidence of lettings within the subject property which he described as "the best comparable"
8. He produced evidence of flats. Flats 4 and 5 are studio flats on the second floor, which are smaller and let £276 and £219 per week respectively. The two

properties are located on the ground and lower ground floors. These are larger two bedroom flats and have let at £288 and £461 per week. Mr Willis then analysed these rental figures by breaking them down to a pound per square foot. Then, he took an average of the £PSF and applied it to the subject property and deducted this figure by 35% which produced the proposed rental figure of £299 per week.

9. Thirdly, Mr Willis produced evidence of 6 comparable recent lettings for one-bedroom flats in the area which ranged from £1495 - £2,350. The comparable refers to it being a one bedroom flat, but in fact the description confirms this property has two good sized bedrooms, Therefore, the evidence must be discounted and the range is £1,495- £1,725.

Following the hearing, the Tribunal arrived at the property on the 1 November 2024 at around 12.30 Pm in the presence of the parties and Mr Mc Moro. Following the inspection of the subject property, the Tribunal inspected flat 2 with the Landlord with the acceptance of the Tenant. This flat was vacant and we will refer to this property later in this decision.

## **Evidence**

10. The Tribunal has consideration of the verbal and written submissions provided by the landlord and tenant which included photographs and floor plans. Together with comparable evidence from the landlord.

## **Determination and Valuation**

11. The Tribunal commends Mr Willis for the level of evidence he has produced. Firstly, the Tribunal can place little weight on the Local Housing Allowance taken from the Valuation Office website. This is data led and has little bearing on actual open market transactions for rental values in the area.

12. Next, taking the evidence of the lettings within the property, the Tribunal is of the opinion this is flawed for several reasons. Firstly, the evidence refers to two bedroom and studio flats. Whereby the subject property is a one-bedroom flat. The method of pound per square foot analysis is not an accepted valuation methodology for rental valuation and this results in anomalies in the final figure. Lastly, flat 2 is currently vacant and for sale. Upon looking at the sales agents' details the floor plan confirms this property has a floor area of 588f2. This is therefore 61% larger than the subject property. A fact, that was not related to the Tribunal. It is for these reasons the Tribunal can place limited weight on this evidence.

13. Finally, Mr Willis produced evidence of five recent lettings of one bedroom flats in the area which range from £1,495- £1,725. Upon reading through the details of each, it is apparent each of the flats has a modern specification with central heating and double glazed windows. The Tribunal preferred this evidence as the best available comparables.

14. Having consideration of our own expert knowledge of rental values in the Tulse Hill area, together with the parties' submissions. The Tribunal considers that an achievable rent for a similar one-bedroomed property in a good marketable condition with reasonably modern kitchen and bathroom fittings, modern services with carpets curtains and white goods provided by the Landlord would be **£370** per week. (£1,600 per month)

15. The Tribunal now needs to adjust this rent to allow for the poor internal condition of the property, the significant Tenant improvements, no central heating, rot infested sash windows, poor condition of common parts, small floor area. (358f2) and defective electrical system. Using its own expertise upon the inspection, the Tribunal considers that a deduction of 40% should be applied. This equates to **£148** and reduces the rental figure to **£222** per week. The Tribunal is aware that a previous decision made an aggregate deduction of 35%. In the first instance, this Tribunal is not restricted to follow previous decisions. Otherwise, the advantage, of this Tribunal, compared to the previous was that an inspection was undertaken to fully consider the condition of the property.

### **Decision**

16. The Tribunal therefore determines that the rent at which the subject property might reasonably be expected to be let in the open market by a willing Landlord under an assured tenancy in its current condition is **£222** per calendar week.

17. Following questions from the Tribunal the Tenant made an application to the Tribunal under s14(7) of the 1988 Act. This provision allows the Tribunal to defer the date of increase to the date of determination if it appeared to the Tribunal that it would cause undue hardship to the tenant. The Tenant confirmed his only form of income is his state pension which he relies on to pay for the rent and all other outgoings. In addition, he stated that he required a considerable loan from his friend Mr McMorro to pay for the previous rent increase. In reply, the Landlord stated that state housing benefit was available.

18. The Tribunal has considered this request and on the balance of the evidence provided concludes that there is sufficient substantiation to show such undue hardship.

19. The Tribunal directs the new rent of **£222 per calendar week** to take effect on the **1 November 2024**. This, being the date of the Tribunal's decision.

**Chairman: Duncan Jagger MRICS**

**Date: 1<sup>st</sup> November 2024**

## **APPEAL PROVISIONS**

These summary reasons are provided to give the parties an indication as to how the Tribunal made its decision. If either party wishes to appeal this decision, they should first make a request for full reasons and the details of how to appeal will be set out in the full reasons. Any subsequent application for permission to appeal should be made on Form RP PTA.