



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

<b>Case Reference</b>	:	<b>MF/LON/00AB/MNR/2024/0364</b>
<b>HMCTS code (paper, video, audio)</b>	:	<b>P:PAPERREMOTE</b>
<b>Property</b>	:	<b>75 Oxlow Lane, Dagenham, Essex, RM9 5XD</b>
<b>Tenant</b>	:	<b>Naomi Webb</b>
<b>Landlord</b>	:	<b>Mr. Terry Wilding</b>
<b>Type of Application</b>	:	<b>Determination of a Market Rent sections 13 &amp; 14 of the Housing Act 1988</b>
<b>Tribunal Members</b>	:	<b>Judge Sarah McKeown Mrs. A. Flynn MA MRICS</b>
<b>Date and venue of Consideration</b>	:	<b>10 Alfred Place, London WC1E 7LR</b>
<b>Date of Full Reasons</b>	:	<b>11 November 2024</b>

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**Description of hearing**

This has been a paper hearing which the parties are taken to have consented to, as explained below. A face-to-face hearing was not held because it was not practicable and all issues could be determined in a paper hearing. The form of remote hearing was P:PAPERREMOTE. The Tribunal's decision is below.

**DECISION**

The Tribunal determines a rent of £1,665 per week with effect from 17 July 2024.

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## **REASONS**

### **The Background**

1. The Tenant's tenancy of the Property commenced on 17 July 2023. The property is a terraced house, with a living room, two bedrooms, a bathroom and a kitchen. It also has a rear garden.
2. The application states that the Tenant has:
  - (a) Purchased a fridge/freezer, washing machine and tumble dryer, has replaced the hob and has fitted the flooring;
  - (b) Installed flooring to the hallway, front bedroom;
  - (c) Provided all the furniture to the front bedroom;
  - (d) Replaced the toilet seat in the bathroom;
  - (e) Provided all the furniture and fittings to the living room and back bedroom;
  - (f) Improved the garden.
3. It also states that the landlord is responsible for electrical faults, gas faults, structural issues and plumbing faults. The Tenant is responsible for general wear and tear.
4. The tenancy agreement states that the Tenant is responsible for paying the gas and electric light and power consumer or supplied to the Property. The Tenant is also responsible for keeping the Property in a good state of decorative condition and is to take all reasonable precautions to keep the Property to the same standard of repair as at the beginning of the tenancy.
5. The Landlord is to keep in repair and proper working order the central heating system and all electrical appliances and other equipment provided by the Landlord for the use of the Tenant unless the repair is necessary as a result of damage sustained through

misuse by the Tenant. Sections 11-16 of the Landlord and Tenant Act 1985 are incorporated into the tenancy agreement.

6. On 14 June 2024, the Landlord served a notice under Section 13(2) of the Housing Act 1988 which proposed a new rent of £1,800 per month in place of the existing rent of £1,000 per month to take effect from 17 July 2024.
7. On 15 July 2024, pursuant to s.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.

### **The Law**

8. The way in which the Tribunal is to determine a market rent in this circumstance is set out in Section 14 of the Housing Act 1988.
9. Section 14 of the Housing Act 1988 states:
  - (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 shall determine the rent at which, subject to subsections (2) and (4) below, the appropriate tribunal 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 the 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.
10. The tribunal is to determine the rent at which the property might reasonably be expected to be let in the open market by a willing landlord under an assured tenancy, subject to disregards in relation to the nature of the tenancy (i.e. it being granted to a "sitting tenant") and any increase or reduction in the value due to the tenant's improvements or failure to comply with the terms of the tenancy.
11. The rent takes effect from the date specified as the starting date of the rent in the notice unless the committee consider that this would cause undue hardship to the tenant, but in that case the rent start date would be no later than the date that the rent is determined.

## **Inspection**

12. The Tribunal did not inspect the property but considered the case on the basis of the papers provided by the parties.

## **Determination and Valuation**

13. The Tribunal has considered the written submission provided by the Tenant. There were not written submissions from the Landlord about the state of repair of the Property.
14. 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 today in the condition that is considered usual for such an open market letting.
15. Having consideration of our own expert, general knowledge of rental values in the area, and in the road itself, we consider that the open market rent for the property in good tenantable condition would be in the region of £1,850 per calendar month.
16. This hypothetical rent is adjusted as necessary to allow for the differences between the terms and conditions considered usual for such a letting and the condition of the actual property at the date of the determination.
17. Our deductions are not based on any monetary values but reflect the amount of discount a tenant would require if taking this property on the open market in its current condition.
18. The full valuation is shown below:

		PCM
AST Market rent		£1,850
Less deductions for condition as above	10%	-£185
		£1,665

## **Decision**

19. The Tribunal therefore determined 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 was £1,665 per calendar month.
20. The Tribunal directed that the new rent of £1,665 per calendar month to take effect on 17 July 2024, which is the date specified in the notice.

Name: Judge Sarah McKeown Date: 11 November 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).