

FIRST - TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference : LON/00AL/MNR/2024/0365

Property: 21 Sandbach Place, London, SE18 7EX

Tenant : Mr Edwin Imafidon and

**Mrs Metalayo Imafidon** 

Landlord : Olabode Olusanya Ajayi

Representatives : Envoy Solicitors

Type of Application : Determination of a Market Rent

sections 13 & 14 of the Housing Act

1988

Tribunal Members : Mrs E Ratcliff MRICS

**Judge N Carr** 

Date and venue of

Consideration

**11 December 2024** 

10 Alfred Place, London, WC1E 7LR

Date of Decision : 20 December 2024

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## **DECISION**

The Tribunal determines a rent of £1,600 per calendar month with effect from 20 December 2024.

#### **REASONS**

# **Background**

1. On 24 June 2024 the Landlord, Mr Ajayi, served a notice dated 20 June 2024 under Section 13(2) of the Housing Act 1988, which proposed a new rent of £2,000 per calendar month in place of the existing rent of £1,250 per calendar month, to take effect from 28 July 2024.

- 2. On 12 July 2024, under Section 13(4)(a) of the Housing Act 1988, the Tenants, Mr & Mrs Imafidon, referred the Landlord's notice proposing a new rent to the Tribunal for determination of a market rent. The Tenant's referral was received by the Tribunal on 16 July 2024.
- 3. The Tribunal issued Directions, dated 29 August 2024, setting out a timetable for submissions and return of Reply forms.
- 4. The Landlord representatives, Envoy Solicitors, replied by explaining that the Landlord proposed to increase the rent due to the prevailing economic conditions and increasing rents in the area, although they provided no comparable rental evidence. They stated that the Landlord had recently instructed a firm, Winners Real Estate, to manage the property and liaise with the Tenants to carry out work identified by the Tenants. They also explained that the Tenants had offered to pay an increased rent of £1,500 and the Landlord would accept £1,800. The Landlord was content for the matter to be decided on paper, but required an inspection.
- 5. The Tenant replied saying that they required an inspection and hearing, and detailing defects and improvements.

## The Law

6. The law is found in section 14 of the Housing Act 1988 ('the 1988 Act'), which, insofar as is relevant to this application, provides:

# 14 Determination of rent by tribunal.

(1) [...] 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—

[...]

(2) In making a determination under this section, there shall be disregarded—

[...]

- (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 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.
- (7) Where a notice under section 13(2) above has been referred to the appropriate tribunal, then, unless the landlord and the tenant otherwise agree, the rent determined by the appropriate tribunal (subject, in a case where subsection (5) above applies, to the addition of the appropriate amount in respect of rates) shall be the rent under the tenancy with effect from the beginning of the new period specified in the notice or, if it appears to the appropriate tribunal that that would cause undue hardship to the tenant, with effect from such later date (not being later than the date the rent is determined) as the appropriate tribunal may direct.

# Hearing

- 7. A hearing was held at 10:00 am on Wednesday 11 December 2024. Mr and Mrs Imafidon, the Tenants, attended in person. Mr Ajayi did not attend, and nor did anyone from Envoy or Winners.
- 8. The Tribunal noted the positive efforts both the Tenant and the Landlord had made to attempt to agree a new rent, however, the role of the Tribunal is not to arbitrate between parties but to determine the market rent in accordance with \$14 of the 1988 Act.

# **Inspection and property**

9. The Tribunal carried out an inspection on 11 December 2024. The Tenants were present along with a house guest, who remained in the living room. Mr Gbadero, of Winners Real Estate Ltd, attended the property during the inspection, though he arrived 20 minutes after the inspection had

commenced. Mr Gbadero clarified that the Landlord had asked him to attend the inspection on his behalf, but not the hearing. The Tribunal had not been advised of this in advance and had not received written authority for Winners Real Estate Ltd to act on behalf of the Landlord in this matter. However, the Tenants invited Mr Gbadero to enter the property and were content for him to be present during the inspection.

- 10. The Tribunal found the property to be a relatively modern mid-terrace two-storey house, with a single storey, flat-roofed addition and small garden to the front, and a small patioed garden to the rear. There was no garage or allocated parking space with the property. The property appeared to be mid-twentieth century, with replacement double-glazed windows and a newly tiled roof. Given the age of the property, and that several roofs of neighbouring properties had also recently been, or were being, replaced, it seemed likely that the original roof had reached the end of its anticipated lifespan.
- 11. The property comprised a reasonable size hallway, cloakroom, living room to the rear, an open plan kitchen/dinner, three bedrooms and a bathroom upstairs. The floor covering was a combination of tired laminate wood effect flooring, carpets, and ceramic tiles in the kitchen area and bathroom. There is central heating and a modern wall mounted boiler in a landing cupboard. There was a leak in the cupboard, with buckets placed below to collect water, which appeared to be coming from the boiler.
- 12. The property was generally very dated and tired. The kitchen was particularly basic and well-worn with some doors no longer fitting. Throughout the property, the internal doors were damaged where handles and/or locks had been removed and not made good, and the bathroom door did not lock. The ceiling light in the sitting room had been replaced and there were gaps and discoloration to the ceiling around the fitting.
- 13. Throughout, there was black condensation mould on and around the windows, particularly in the bedrooms. There were also signs of mould and water damage elsewhere, particularly to the ceiling in the hall and cloakroom (below the flat roof), the kitchen ceiling (directly below the bathroom), and the larger bedroom.
- 14. The bathroom WC appeared to have been replaced, however there were signs of an ongoing leak behind the built-in vanity unit, between the WC and the soil pipe. A row of different tiles, between the bath and the main wall tiling, suggests that the bath had also been replaced in the past.
- 15. The fully tiled bathroom did not have a window, a functioning extractor fan, or a heated towel rail or radiator. It might be a reasonable assumption that condensation created in the bathroom is contributing to condensation and mould elsewhere in the house, particularly around the windows.

16. The location is residential with two schools in close proximity and a 10-15 minute walk to tube and DLR stations.

#### **Evidence**

- 17. The Tribunal has considered the oral and written submissions provided by the Tenant, the written submissions made by the Landlord, and its own inspection observations.
- 18. The Tenants provided a copy of the tenancy agreement, dated 28 March 2016, with their application. At the hearing, the Tenants confirmed that the one-page agreement was all that they had received, and they had not seen separate terms and conditions referred to in the agreement. The Tenants confirmed that they had occupied the whole of the property since they took up occupation in 2016, and that the Landlord had never lived at the property, despite the tenancy agreement appearing to apply to part only of the property:

"The Landlord agreed to let the two rooms and the Tenant agrees to take the two rooms out of the 3 rooms in the property for the term and the rent stated in the particulars while the landlord will occupy the remaining one room in the property."

- 19. The Tenants had understood and expected the Landlord to be responsible for repairs and redecoration, but this had not been discussed.
- 20. The Tenants also confirmed that the property was let unfurnished and that the Landlord had supplied floor coverings but not curtains. There had been a cooker, but it was not working. The Tenant's had replaced it with a second-hand cooker when they took up occupation and recovered the cost from the Landlord. The replacement cooker is no longer working. No other white goods were provided.
- 21. As part of their written submissions, the Tenants provided the Tribunal with photographs of repair issues. By checking his phone, Mr Imafidon was able to confirm that the photos were taken in October 2023. The Tenant's submitted that, although the roof had been replaced, the disrepair noted in the photographs was still evident, particularly the leak from the bathroom into the kitchen and the leak from the boiler.
- 22. They also asserted that the damp and cold may have contributed to Mrs Imafidon developing pneumonia in the past, though there was no evidence provided establishing the link. They added that the EPC certificate had expired in February 2024, but evidence of this had not been previously provided.
- 23. The Landlord's written submission, made by his representatives Envoy Solicitors, set out the background and rent history of the tenancy. They submitted that a number of items of works had been identified by the Tenants

and carried out, providing photographic evidence and receipts, dated January 2024, to support that this work had been completed. The lists of works which these recorded were said to be as follows:

"should be carried out namely,

- Living room light.
- Kitchen light switch.
- Washing machine sockets.
- Oven switch to be moved.
- Storage light not working.
- Bathroom extractor needs fixing.
- Smoke alarm."
- 24. In addition, a new roof had been installed and a warranty certificate, dated 16 July 2024, was provided as evidence. The boiler had been replaced in 2021, which the Tenant had originally paid for but had recouped the cost from the Landlord.
- 25. The Tribunal noted that neither party had provided comparable rental evidence of lettings of similar properties in the locality to assist the Tribunal in determining the market rent of the property.

# **Determination and Valuation**

- 26. The Tribunal has relied solely on its own expertise and general knowledge of rental values in the area and considers that the open market rent for this property unfurnished but in good tenantable condition would be in the region of £2,000 per calendar month.
- 27. From this level of rent, the Tribunal has considered the evidence of both parties and its own observations on inspection, and has made adjustments particularly in relation to:
  - i. lack of curtains and white goods, other than the cooker which is not in proper working order,
  - ii. dated kitchen in poor repair,
  - iii. leaks in the bathroom and to (or above) the boiler,
  - iv. signs of water ingress and visible mould in the hall and downstairs cloakroom (under the flat roof) and kitchen (from the bathroom above).
  - v. condensation mould to windows, particularly the bedrooms, and lack of proper bathroom ventilation,
  - vi. damaged internal doors and no bathroom lock, limiting privacy,

- vii. poor condition of floor coverings.
- 28. There appears to be no written or verbal agreement in relation to repairs and decorations. As a result, the Tribunal finds that section 11 of the Landlord and Tenant Act 1985 applies and the Landlord is responsible for the structure and exterior of the property, installations for the supply of water gas or electricity and space heating. The landlord is also responsible for his own fixtures and fittings. By inference, the Tenant is then responsible for internal redecoration.
- 29. The full valuation is shown below:

per calendar month
Market Rent

Less
Lack of curtains and white goods )
Condition of kitchen ) approx.
Leaks from bathroom and boiler ) 20 %
Water damage and mould )
Condition of internal doors
and floor coverings )

30. The Tribunal, therefore, determines a rent of £1,600 per calendar month.

# Hardship

- 31. In the Tenants written submissions they raised their financial position and asked the Tribunal to determine a later start date "to avoid severe and undue hardship on us as a family".
- 32. In the hearing, the Tenants explained that Mrs Imafidon is now a student studying nursing, and Mr Imafidon subcontracts as a maintenance engineer and, as such, his income fluctuates, on occasions meaning he has no income. The Tenants are in receipt of Universal Credit, which varies dependent on Mr Imafidon's income. Mr Imafidon gave evidence of that income.
- 33. The Tribunal considered the Tenant's representations on this point and that, under \$14(7) of the 1985 Act, if the Tribunal considers that the new rent coming into effect from the date specified in the Notice of increase "would cause undue hardship to the tenant", they can determine "from such later date (not being later than the date the rent is determined) as the appropriate tribunal may direct."

#### **Decision**

- 34. 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 £1,600 per calendar month.
- 35. The Tribunal directs the new rent of £1,600 per calendar month to take effect on **20 December 2024**, the date of this decision. The Tribunal was satisfied that a starting date of that specified in the Landlord's notice would cause the tenant undue hardship.

Chairman: Mrs E Ratcliff Date: 20 December 2024

## APPEAL PROVISIONS

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 should be made on Form RP PTA available at <a href="https://www.gov.uk/government/publications/form-rp-pta-application-for-permission-to-appeal-a-decision-to-the-upper-tribunal-lands-chamber">https://www.gov.uk/government/publications/form-rp-pta-application-for-permission-to-appeal-a-decision-to-the-upper-tribunal-lands-chamber</a>

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. Please note that if you are seeking permission to appeal against a decision made by the Tribunal under the Rent Act

# 1977, the Housing Act 1988 or the Local Government and Housing Act 1989, this can only be on a point of law.

If the Tribunal refuses to grant permission to appeal, a further application for permission may be made to the Upper Tribunal (Lands Chamber).