

FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case reference : LON/00BB/MNR/2024/0318

Property : 19 Barton Close, London E6 5QE

Tenant : Mr Saikhul Islam & Mrs Josnara Parven

Landlord : Homecraft Lettings

Date of Objection : 31 May 2024

Determination of a Market Rent

Type of Application : sections 13 & 14 of the Housing Act 1988

Judge N Carr

Tribunal : Mr M J F Donaldson FRICS

Date of Summary

Reasons

28 October 2024

Date of Full

Reasons

7 November **2024**

DECISION

The Tribunal determines that the rent that the property in its current condition as at the 10 June 2024 might reasonably be expected to let in the open market under an assured periodic tenancy is £1,700 per calendar month.

REASONS

Background

1. The Tribunal issued summary reasons following determination of this application. Either party may request full reasons. These full reasons

- are provided following a written request from the Landlord's representative, Mr Omer Raja, dated 29 October 2024.
- 2. The Tenants have lived in the property since 10 January 2019. The Tribunal was provided with a copy of the fixed term tenancy agreement of the same date, which demonstrated that the fixed term ended on 9 January 2020. From 10 January 2020 the Tenants have continued to occupy the property under a statutory periodic tenancy.
- 3. On the 18 April 2024 the Landlord served a notice pursuant to section 13(2) of the Housing Act 1988, seeking to increase the rent from £1,400 per calendar month to £1,950 per calendar month (being an increase of £550 per month) to take effect from 10 June 2024 ('the Notice').
- 4. By an application dated 31 May 2024, the Tenants referred the Notice to the Tribunal for determination of the market rent.
- 5. By Directions dated 22 August 2024 the Landlord was required to complete a reply form by 12 September 2024, and the Tenant to do similarly by 26 September 2024. The Landlord could then respond to the points raised by the Tenant by 3 October 2024. Both the Landlord and Tenant complied, with the Tenant requesting an inspection to determine this matter. An inspection was held on 25 October 2024, at which the Landlord chose not to attend.
- 6. These reasons address 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.

Evidence

- 7. The Tribunal has before it a bundle of evidence, which includes a background to the case and the Directions. Each of the parties made submissions in writing.
- 8. The Landlord submitted that the subject property is a two-bedroom house with a separate living room, kitchen, and bathroom, and a good sized garden. The property is fitted with central heating, double glazing, carpets and curtains. The Landlord also supplies the white goods. The Landlord asserted all rooms were in good condition when rented to the Tenants. The Landlord did not list any improvements to the property, but rather described generally that it undertook reactive repairs when reported by the Tenants. In the Landlord's view the local amenities (including transport) render the property 'ideally located'. The Landlord stated that there had been no rent increase in the five years since the Tenants have moved in, and that £1,950 is lower than the usual market rent for two bedroomed houses in the area. He provided a 'Zoopla

- estimate', of which he said £1,950 was "in the mid range of what the properties [sic] rental valuation is".
- 9. The Tenants submitted that the property is a semi-detached house, with two bedrooms, a separate living room, a kitchen and bathroom, plus a garden. The Tenant submitted that a two bedroomed house in the area rents for £1,600 to £1,700, and that their neighbour is paying that amount. They listed a number of defects and disrepair, including very old carpeting throughout the house, a broken door to the back bedroom, mould in the same bedroom, water coming through the bathroom fan ventilator in winter, and broken-down parts of the kitchen including the cooker hood filter. The Tenants dispute that the property was in good condition when they moved in, though they had worked with the previous agent to get things fixed over a period of years (for example, the kitchen cooker did not work for 8 months after they moved in, it took a number of years for a faulty boiler to be replaced). The Tenants stated the front door and staircase both had small problems.

Property

- 10. The property is a two-storey mid stepped-terrace building located in a development of similar properties close to the A1020, Beckton Park DLR and London City Airport to the South and Asda and Lidl Superstores to the North. The building is red brick under a pitched and tiled roof, and has double glazed plastic windows.
- On inspection, the Tribunal found that the 'small issue' with the front door is that the handle sticks on trying to open the door from within, so that some force has to be applied to exit the building.
- 12. One goes through the front door immediately into the lounge area. On the left-hand side adjoining wall are stairs to the first floor. There was formerly a serving hatch between the kitchen and lounge which has been boarded so that there is minimal light into the lounge area. Through the lounge one walks to the kitchen through a gap with no door in the right-hand side of the rear wall where the serving hatch was boarded.
- 13. We observed that the kitchen units had several doors and drawer fronts that were broken down so as to be hanging or missing. The base board to the units on the adjoining wall, where the fitted cooker is situated, were broken down with holes. What the Tenants had described as the 'cooker hood filter' was in fact the whole of the stainless steel hob extractor hood, which had come down from where it had previously been fixed to the ceiling and had not been replaced. The Tenant stated this had been reported.
- 14. The Tenant stated that the washing machine had not worked for around two months, but that she had not reported it to the Landlord.

- 15. On taking the stairs to the first floor, we found that the 'small issue' with the staircase is that one of the treads near the top bounces and creaks substantially. The Tenant stated that had been reported.
- 16. In the back (largest) bedroom looking onto the garden, the door-front laminate is no longer fixed so that the internal door structure is revealed, as shown in the photograph sent to the Tribunal and the Landlord by the Tenant. The Tenant described black mould forming at the top of the adjoining wall on the left, which is usually indicative of condensation forming and not being ventilated so that condensation dampness occurs. She stated this has been reported to the Landlord. The curtain rail was falling out of the wall where the brick appears to have dessicated. That had not been reported to the Landlord.
- 17. In the bathroom we observed, and were able to smell, similar black mould, and the radiator had begun to rust. The bathroom door was also beginning to delaminate. The bathroom ventilation fan did not overrun when switched off, to assist in ventilation. We noted that there was a small window over the bath which is openable and should be used to assist the escape of condensation. We observed that there were a number of cracked tiles particularly around the bath. The bathroom cupboard was broken. The Tenant said the latter had been reported and had been the case since they moved in.
- 18. Through to the smaller (front) bedroom, the boiler cupboard was to the adjoining wall on the left. We could not observe the condition of the boiler as there were large amounts of clothes in front of it. We wish to indicate to the Tenants that the boiler should ideally be kept clear for reasons of safety.
- 19. We noted that throughout the house, the carpets are very old so that they have become stretched and rucked. In some places (in particular the landing) they have worn through to the thread. There was a working smoke alarm on the landing.
- 20. In the garden, there is a significant deep step down from the kitchen to access the patio paving, which is broken and in areas dangerously unstable. The garden is a good size, overlooked by a large electricity pylon as well as by neighbours.

The Law

21. The law governing a determination is set out in section 14 of the Housing Act 1988 ('the 1988 Act'). In particular, 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.
- 22. The Landlord is responsible for repairs to the structure, exterior and any installations pursuant to section 11 of the Landlord and Tenant Act 1985 by clause 6.2 of the Tenancy Agreement. The Tenants are responsible for interior decoration (clause 3.7).

The Valuation

- 23. The Landlord asks that the rent be determined in line with local market rents for two-bedroom houses. The Tribunal considers the correct starting point to determine the market rent is rental levels for two-bedroom houses in the locality and to adjust for any improvements and disrepair.
- 24. The Zoopla estimate provided by the Landlord appears to be for the subject property, and to suggest that the market rent is between £1,800 £2,100. No information is provided for the basis of that estimate. No further comparables were provided by the Landlord. The Tenants rely on the rent charged to a neighbour, however no information is given about which neighbour, the terms of their tenancy, condition of their property, the last time their rent was reviewed etc. We therefore rely on our own general knowledge and professional experience of rental values in the Beckton area.
- 25. Having carefully considered all the evidence the Tribunal considers that an achievable rent for a similar two-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 £2,000 per month.
- 26. From this level of rent we have made adjustments in relation to: the poor repair of and very dated kitchen fittings, poor condition (beyond usable life) of the floor coverings throughout; the lack of ventilation in the bathroom to assist in dissipating condensation; exacerbating condensation dampness; dangerous condition of the patio paving. That equates to the equivalent of approximately **15%** (£300).

Effective date

27. No application to the Tribunal was made under \$14(7) of the 1988 Act.

Decision

28. 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 in its current condition was £1,700 per calendar month.

29. The Tribunal directs the new rent of £1,700 per calendar month to take effect on the 10 June 2024, being the date set out in the Landlord's Notice of Increase.

Chairman: Judge N Carr Date: 7 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).