



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

Case Reference : **FR/LON/00BK/MNR/2024/0642**

Hearing Type : **Face to Face**

Property : **Flat 138 Dibdin House, Maida Vale, London,
W9 1QG**

Applicant : **Tina Lukic (Tenant)**

Representative : **In person**

Respondent : **Grainger Plc (Landlord)**

Representative : **No representation at the Hearing**

Type of Application : **Referral in Respect of Market Rent Under Section
13 of the Housing Act 1988**

Tribunal Members : **J. A. Naylor FRICS FIRPM
Valuer Chairman**

Mr O Miller

Date of Hearing : **18 December 2024**

Date of Inspection : **No inspection**

Date of Full Reasons : **30 December 2024**

**STATEMENT OF FULL REASONS ON AN APPLICATION FOR
DETERMINATION OF A MARKET RENT UNDER S.13 AND S.14 OF THE
HOUSING ACT 1988.**

REASONS

Background

1. On 29 August 2024 the landlord served a Notice under Section 13(2) of the Housing Act 1988 proposing an increase in the rent of the above property from the passing rent of £1,531.72 per month to £1,690.56 per month commencing 1 November 2024.
2. On 6 September 2024, the tenant made an application to the Tribunal for the determination of a market rent.
3. The Tribunal noted that the application for the assessment of an open market rent had been made on Form AS22 which was the wrong application form for this process. Nevertheless, the Tribunal had come to the conclusion that the application did contain all relevant information and that the error was not prejudicial to the overall case to be considered.
4. The original tenancy was believed to have begun 27 January 1997.
5. The tenant occupies the property by way of an Assured Periodic Tenancy.
6. By way of a letter dated 24 October 2024, the Tribunal issued directions. These required the landlord to provide details of evidence on which they wished to rely by way of reply by 14 November 2024. The tenant was directed to do the same by 28 November 2024 and the landlord was given until 5 December 2024 for his response thereto.
7. On 21st November 2024 the Tribunal wrote to the parties confirming details for a hearing date. There was to be no inspection of the property.
8. Both parties took the opportunity to make submissions.
9. In consideration of the Market rental value of the subject property, the Tribunal has taken into consideration all documentation before it, including various letters and any reply forms returned by the parties.
10. The tenant states that very little work has been undertaken at the property since her tenancy began. She confirms that she has fitted a brand new kitchen, replaced the central heating boiler, installed a new door and carpet in the lounge and that she has replaced much of the flooring.

In addition to the above, the tenant states that they have mould throughout the flat.

11. The tenant also provides comparable evidence, namely, Flats 62, 106 and 30 Dibdin House. She states that the rent for 62 Dibdin House is £531.48 per week and describes the tenancy here as a “Westminster” tenancy.

She then confirms that 106 is a 3 bedroomed property with a rent of £1,225.00 per month and No. 30 is let at a rent of £1,070.00 per month but provides no further details.

12. In the tenant’s Reply form, she confirms that she would wish to have a hearing but did not want an inspection of the property. She states that the size of the property is approximately 62m² and repeats her comments concerning repairs stated in paragraph 10 above, in addition to which she says that she has painted and decorated the property and spent approximately £20,000 since the commencement of her occupation. The tenant advises that the bathroom still needs attention, that there is still mould within the property, that radiators work sporadically and there is some peeling wallpaper.
13. In the landlord’s Reply form, the landlord confirms that they require neither an inspection nor a hearing. The landlord provides details of the flat and room sizes and confirms that the carpets and white goods were provided by the tenant and that it is the tenant’s liability to decorate.
14. The landlord states that central heating and double glazing were installed 5 years ago and that they are unaware of any defects to the flat. Specifically, they refer to the flat’s central London location and transportation links and mention that Rightmove now have similar size properties on the market at £2,500.00 per month .They do not provide any details of these. They say that they have let similar size flats within the building at £2,025.00 per calendar month but, again, provide no further details.

Hearing

15. A face to face Hearing took place at 10 Alfred Place on the morning of 18 December 2024.
16. Tina Lukic (tenant) attended and represented herself.
17. No representative from the landlord was present.

18. During the Hearing the tenant was given the opportunity to summarise their case and make representations.
19. The Tribunal took the opportunity to ask questions relating to the written and verbal evidence provided but there was no cross examination .
20. The tenant spoke generally about the property confirming that it was an empty shell when she originally took on the tenancy with an old basic bathroom, kitchen and concrete walls. She reiterated that she has spent approximately £20,000.00 during the course of her tenancy.
21. The tenant advised the Tribunal that the property had been sold in 2005 when the current landlords, Grainger Plc, bought the property. Since then, there have been large increases in the rent. She said that Grainger do emergency repairs but do little else and have undertaken no modernisation. Despite the fact that she has complained of mould, this has not been rectified.
22. Having noted conflicting evidence in the Reply forms of the landlord and the tenant, the Tribunal asked specifically about the position relating to central heating.
23. The tenant confirmed that she had replaced the boiler, but that Grainger now undertook and paid for the ongoing maintenance.
24. When asked specifically about the shell condition of the property and, in particular, her reference to the walls being concrete, the tenant was able to clarify that the walls were plastered and wallpapered but in fairly poor condition when she took occupation but that there were no floor coverings.
25. Again, asked specifically if she knew whether decoration and the provision of floor coverings were her liability within the lease, she confirmed that they were.
26. The tenant was asked specifically if she knew what the value of the property was in the open market. She confirmed that if it was in good order, she imagined it might let for £2,000.00 per month but believed that her property was worth between £800.00 and £1,000.00 per month.
27. Unfortunately, with no representative of the landlord in attendance, the Tribunal were not able to ask any questions relating to the written evidence provided by

them, particularly relating to comparable evidence. As a result, the Tribunal has insufficient information to enable it to assess the landlord's comments on market rent.

28. The tenant was asked specifically about the comparables she had provided. She confirmed that No. 62 was, in fact, a 'council flat' and that she had no specific details about the tenancy or how the rent had been calculated. In relation to Flat 30, the tenant confirmed that she was relying on a previous Tribunal Decision where the Tribunal had reduced the market rent by 35% but she did not know the size of this unit and also confirmed that she had no additional details of the rent payable for Flat 106 save for those already given in written submissions .

The Law

29. When determining a market rent in accordance with the Housing Act 1988 Section 13 regard must be had to all of the circumstances (other than personal circumstances) including the age, location and state of repair of the property, matters contained within the rent, repairing obligations, etc. This means that issues such as the tenant's ability to pay the rent or bills associated with the property are not a consideration for the tribunal in assessing the rent.

Valuation

30. Following consideration of the written and photographic submissions given by both parties, the evidence given at the hearing and using its own knowledge and experience of the rental market in Maida Vale, the Tribunal finds that the market rental value of the property, if it was in good condition, would be £2,300.00 per month.
31. Taking into account the condition of the property when it was originally let and the provisions of a tenancy agreement, it is clear that the tenant inherited a property requiring extensive modernisation and was taking on some decoration and repairing liability and white good and carpet provision which would not normally be required in the open market. In addition, the property now requires considerable upgrading beyond the tenants repairing liability and it would appear to suffer from some issues of damp and mould growth. The Tribunal, therefore, considers it necessary to adjust that market rent value to reflect the following:
- i) That the tenant has provided central heating within the property.
 - ii) That the upgrade to the kitchen has been paid for and undertaken by the tenant.
 - iii) That the bathroom is inadequate by modern standards.

- iv) That there is evidence of damp and mould growth within the property.
- v) That the tenant has a liability for internal decoration.
- vi) That the tenant has a liability to provide their own white goods.
- vii) That the tenant has a liability to provide their own carpets and curtains.

32. Taking these and other more general factors into consideration, the Tribunal finds that it is necessary to make a 33% deduction in the market rental value of the property to reflect its condition and lack of modernisation.

Valuation Calculation

33. Open market rent	£2,300.00 per month
Deduction for adjustments detailed above 33% =	£ 759.00 per month
Adjusted rent	£1,541.00 per month

The Tribunal therefore determines that the market rental value of the property should be set at a figure of £1,541.00 per month.

Chairman: J. A. Naylor FRICS

Valuer Chairman

Date: 8th January 2024

ANNEX OF RIGHTS FOR MARKET RENTS

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 might 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 this 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. Any appeal in respect of the Housing Act 1988 should 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).