First-tier Tribunal – Property Chamber File Ref No. FR/LON/00BD/MNR/2024/0641

# **Notice of the Tribunal Decision and** Register of Rents under Assured Periodic Tenancies (Section 14 Determination)

Housing Act 1988 Section 14

Address of Premises				The Tribunal members were			
29 North Worple V London S.W.14 8QA			J	A NAYLOR FF	RICS		
Landlord	Warm Light Properties Limited						
Address							
Tenant		Mr Z Papps					
1. The rent is:£	The rent is: <b>£</b> 2,185.00		<b>Per</b> Month		(excluding water rates and council tax but including any amounts in paras 3)		
2. The date the decision takes effect is:					11 <sup>th</sup> September 2024		
*3. The amount in applicable	services is not			N/A	Per		
4. Service charges are variable and are not included							
5. Date assured tenancy commenced					11 <sup>th</sup> September 2014		
6. Length of the term or rental period					Monthly		
7. Allocation of liability for repairs					Landlord repairs		
8. Furniture provided by landlord or superior landlord							
None							
9. Description of premises							
A purpose built self contained flat comprising :							
Lounge, 2 bedrooms , kitchen breakfeasr room , Bathroom / WC							
Externally side return of rear .							
Chairman	J A NAYLOR FRICS			Date	of Decision	1	December 2024



# FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference : FR/LON/00BD/MNR/2024/0641

**Hearing Type** : Face to Face

Property : 29 North Worple Way, London, SW14 8QA

Applicant : Mr Zoltan Papp (Tenant)

**Representative** : In person

Respondent : Warm Light Properties Ltd (Landlord)

Representative : Mr Daniel Johnson and Miss Jessica Brand

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 : 18 December 2024

Date of Full Reasons : 19th January 2025

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 9 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 £1,625.00 per month to £2,450.00 per month from 11<sup>th</sup> September 2024.
- 2. On 5 September 2024, the tenant made an application to the Tribunal for the determination of a market rent.
- 3. The original tenancy was believed to have begun 11 September 2014.
- 4. The tenant occupies the property by way of an Assured Periodic Tenancy.
- 5. 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.
- 6. On 21<sup>st</sup> November 2024 the Tribunal wrote to the parties confirming details for a hearing date and inspection to take place on 18 December 2024.
- 7. Both parties took the opportunity to make submissions.
- 8. 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 the any reply forms returned by the parties.
- 9. The Tribunal was provided with an unusually large amount of evidence relating to this case with evidence provided by both the landlord and the tenant. Referral to the Tribunal on this occasion is by way of an application for the assessment of a market rent under the provisions of Section 13 of the Housing Act 1988 and following the Tribunal's examination of the paperwork, it became apparent that much of the evidence, while relating to the conduct of the parties and the effect that this may have had on the tenant, did not specifically relate to the assessment of the open market rent. The Tribunal has, therefore, considered all evidence put before it, but in its determination has focused only on those issues that relate specifically to the assessment of the market rent for the subject property and thus only reasons relating to this assessment shall be addressed below.

10.In photographic evidence provided by the tenant, the tenant provides photographs of scaffolding erected during various work, photographs of leak damage within the hall and bedroom areas, photographs of fencing that necessitated the repositioning of a boiler flue and states that during work there was much noise and physical disturbance to them as tenants. In addition, the tenant points to the erection of a wood store and the fact that this blocks access to their garden area.

In respect of these issues and others that might not affect the rent directly, much email correspondence has been provided.

Specifically, the tenant quotes a number of comparables and these can be detailed as follows:

Second Avenue, SW14 – let at £1,750.00 per calendar month.

Cowley Road, SW14 – let at £1,750.00 per calendar month.

Ashleigh Road, Mortlake, SW14 – let at £2,000.00 per calendar month.

Ashleigh Road, Mortlake, 2 bedroom flat, let at £1,800.00 per calendar month and

North Worple Way a 2 bedroom flat, let at £1,850.00 per calendar month.

Specific details regarding these comparable are provided in written submissions.

11.By way of submissions, the landlord also provides comparable evidence as follows:

Worple Street, a 2 bedroom flat, at £2,750.00 per calendar month.

Ashleigh Road, a 2 bedroom flat, at £2,300.00 per calendar month.

North Worple Way, a 2 bedroom flat, at £2,400.00 per calendar month.

North Worple Way, a 2 bedroom flat, at £2,500.00 per calendar month.

Avondale Road, a 3 bedroom flat, at £2,950.00 per calendar month.

12. The landlord provided a copy of a buy to let valuation of the subject property This has three comparables on it and concludes that the market rental value of the subject property is £2,300.00 per calendar month.

# 13. The landlords also provided:

a copy of a Decision by the Tribunal relating to 4 Buxton Road valued at £2,750.00 per calendar month.

one of Avondale Road, a 798ft² of 2 bedrooms with no garden, let at £2,300.00 per calendar month and

Worple Street, a 2 bedroom cottage, at £2,350.00 per Calander month

Two 2 bedroomed cottages in Rock Avenue each available to let at £2650.00 per month

14. Finally, they provide a map of rents screenshot from OnTheMarket. and numerous photographs of the interior and exterior of the property from November 2024

# Hearing

- 15. A face to face Hearing was held at 10 Alfred Place on the morning of 18 December 2024.
- 16. Mr Daniel Johnson and Miss Jessica Brand attended on behalf of Warm Light Properties and Mr Zoltan Papp, the tenant, attended to represent himself.
- 17. Prior to the Hearing, the tenant had requested an opportunity to call Mr Jonathan Joiner of Burlington School as a witness by way of video link.
- 18. The Hearing commenced with the Tribunal explaining to the parties its approach to the conduct of the Hearing. Specifically, the Tribunal explained that its function was to determine the market rental value for the property and that while it fully appreciated that there may be other issues and was sympathetic to the effect that these may have on the occupants of the property, it was only issues that were going to directly impact on the rental value of the property that the Tribunal could take into consideration.

- 19. In this regard, the Tribunal referred to a letter received from Burlington School and suggested that the information contained therein related to the effect on the occupants of the flat as a result of the actions of the landlord but did not affect rent. The Tribunal further pointed out that it was its view that the witness, Mr Jonathan Joiner, was a witness to this specific fact and was not a witness to any issue that might affect the rent of the property.
- 20. The tenant confirmed that he now understood the specific function that the Tribunal was to undertake and confirmed that he did not believe that Mr Joiner's evidence would assist the Tribunal in that specific objective.
- 21. With agreement of the parties, Mr Joiner was, therefore, released, gave no evidence and took no part in the Hearing.
- 22. As Applicant, Mr Papp, the tenant, was given the opportunity to summarise his case.
- 23. He confirmed that it was his view that rents within the area for a property such as his were between £2,200.00 and £2,300.00 per calendar month and referring to the comparable evidence that he had given in his written submissions, directed the Tribunal specifically to Ashleigh Road as the closest comparable to the subject property.
- 24. Mr Papps stated that first floor flats were often 3 bedroom flats and bigger than his flat, they would have more light and access to the garden. He said that he no longer had access to his garden because of the erection of a wood store blocking access.
- 25. Under further questioning, Mr Papp went on to say that there were other properties available between £2,015.00 and £2,100.00 per calendar month but he had no information relating to these. He also stated that London Properties had said that the rent was £1,850.00 and Miss Avery of Village Properties (The managing agents) had also said that she thought the flat was worth approximately £1,850.00 per month. The Tribunal noted that there was no corroboration of these statements.
- 26. Turning specifically to the subject property, Mr Papp said that he thought it was probably worth £2,000.00 per calendar month in good lettable order because of the lack of a back garden.

- 27. Under questioning by the Tribunal, Mr Papp confirmed that the landlord had, in fact, replaced the boiler and moved the flue.
- 28. The Tribunal also enquired whether defects depicted in photographs, such as the water damage, were still current or whether they were historic, and Mr Papp confirmed that the leak had been stopped but that the staining remained but that structural cracks within the property and opening up works investigating these remained.
- 29. Lastly, the tenant advised that the flat was cold and draughty as both cold and drafts came from between the bare floorboards and that any carpeting had been put in by the tenant.
- 30. The landlord had no questions for the tenant in cross examination.
- 31. Mr Johnson then spoke on behalf of Warm Light Properties, the landlord. He confirmed that he and Miss Brand had lived in the area prior to buying the freehold of the subject property and that they had paid a rent of £1,700.00 per month for a 1 bedroom flat in an adjacent road.
- 32. Mr Johnson stated that in his opinion Mr Papp had given no real evidence and nothing concrete to support his contention on rent. Mr Johnson said that he was aware that some of the evidence given by Mr Papp was very historic and that some of it reflected lettings that took place in 2012 but that Mr Papp had not stated any of this in his evidence submissions.
- 33. In contrast, Mr Johnson said that his evidence related to properties currently on the market and he also referred to the professional opinion obtained in the buy to let market valuation following inspection on 15<sup>th</sup> May 2024. In his view, the most relevant comparable was that on Rock Avenue at a rent of £2,650.00 per month but he estimated the rental value of the subject property at £2,500.00 per month.

#### **Inspection**

- 34. The Tribunal attended the property to undertake an inspection on 18 December 2024.
- 35. It was apparent that the property was originally constructed as a purpose built, self-contained, maisonette constructed circa 1900.

Formatted: Not Highlight

- 36. The accommodation comprises a lounge, 2 bedrooms, small kitchen / breakfast room, small bathroom / WC and side return. Note: access to the remainder of the garden was blocked by a wood store.
- 37. During the inspection, the tenant was present, but the landlord did not attend.
- 38. On arrival the Tribunal notified the parties that they should be provided with access to all possible areas of the property but that they could not provide any additional evidence nor engage in conversation about the property nor the rental value thereof.
- 39. All rooms were accessible.
- 40. Externally, the property is fairly well presented and is fairly well maintained as is the front garden area.
- 41. In the flat, the Tribunal observed that the property benefitted from a modern kitchen and bathroom and while suffering a little from wear and tear, it is generally well decorated.
- 42. The photographic evidence provided showed details of repair to the shower and a hole in the wall. From the inspection we were able to determine that this has now been neatly rectified.
- 43. Similarly, the central heating boiler has been replaced and the flue is no longer inhibited by the fencing.
- 44. A crack in the wall of the kitchen / breakfast room remains as does an investigation hole and this needs rectification.
- 45. Within the entrance hall and bedroom areas, there is also some staining remaining from the previous leak as detailed in evidence described above.
- 46. The property is double glazed, but the double glazing is antiquated. The second bedroom is a small single bedroom, almost a box room, but typical of others within the area.
- 47. In the rear garden there was direct access to the side return but access further than this, to the garden beyond, is blocked by a log store.

48. The electrical installation has a limited number of power points and is relatively old and the flat has stripped boards and no carpeting.

#### The Law

49. 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**

- 50. Following consideration of the written and photographic submissions given by both parties, the hearing and taking into account the Tribunal's inspection and using its own knowledge and experience of the rental market in Barnes area the Tribunal finds that the market rental value of the property, if it was in good condition, would be £2,300.00 per month.
- 51. Taking into account the lack of modernisation and the general disrepair, the Tribunal considers it necessary to adjust that market rental value to reflect specifically the following:
  - i) A lack of carpeting within the property.
  - ii) Failure to repair a crack and investigation holes in the kitchen / breakfast room
  - iii) leak stains in the hall and bedroom areas.
  - iv) The inadequacy of the electrical installation by modern standards.
- 52. Taking these and other more general factors into consideration, the Tribunal finds that it is necessary to make a 4% deduction in the market rental value of the property to reflect its condition and lack of modernisation.

# **Valuation Calculation**

53. Open market rent

£ 2,300.00 per month

Deduction for adjustments detailed above 5% =

£ 115.00 per month

# Adjusted rent

£ 2185.00 per month

The Tribunal, therefore, determines that the market rental value of the property should be set at a figure of £2185.00 per month.

# **Hardship**

- 54. On the issue of hardship, the tenant had written in a signed statement dated 26<sup>th</sup> November addressed to the Rent Assessment Panel that the issues with noise nuisance and lack of heating had necessitated additional costs of care and counselling.
- 55. No written submissions as such had been provided by the landlord but at the Hearing the landlord confirmed that he wished the rent to be back dated to the date stated in his Notice.
- 56. The landlord advised that no defects had been reported to them historically and that they had received no complaints from the tenant until the current application.
- 57. Further, Mr Johnson, on behalf of the landlord, said that no real evidence on hardship had been given by Mr Papp.
- 58. In reply, Mr Papp said at the Hearing that he and his family had been caused mental and physical trauma by the actions of the landlord and that he had had to pay for care and therapy as a result of the actions of the landlord and this has caused financially difficulties.
- 59. The Tribunal has every Sympathy with Mr Papp and has no doubt that there may have been issues at the property that have caused distress and knock on consequences that may have had financial implications, however the assessment of hardship is one that requires proof of an overall financial inability to meet the obligation imposed by the creation of liability of a back rent payment and the Tribunal is of the opinion that this has not been proven in this instant.

60. The Tribunal determines therefore that the date from which the payment of rent should take effect should be the date detailed in the landlords notice namely 11<sup>th</sup> September 2024.

**Chairman:** J. A. Naylor FRICS FIRPM

Valuer Chairman

**Date:** 19<sup>th</sup> January 2025

# **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).