

FIRST - TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference	:	HS/LON/OODS/MNR/2024/0631
Property	:	51 Westward Road London E4 8LZ
Tenant	:	Mr Zubair Ahmed & Mrs Fatiha Ahmed
Landlord	:	Mr Sheikh Fahim Wahid Alam And Mrs Sufia Alam
Date of Objection	:	23 August 2024
Type of Application	:	Determination of a Market Rent sections 13 & 14 of the Housing Act 1988
Tribunal	:	R Waterhouse FRICS J Francis QPM
Date of Reasons	:	9 December 2024

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DECISION

The Tribunal determines a rent of £2600.00 per calendar month with effect from 9 December 2024.

Full REASONS

Background

1. On **26 July 2024** the Landlord served a notice under Section 13(2) of the Housing Act 1988 which proposed a new rent of **£2835.00 per month** in place of the existing rent of **£2000.00 per month** to take effect from the 29 **August 2024.**

2. An application dated **23** August **2024** was made under Section 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 Tenant's referral was received by the Tribunal on **23** August **2024**.

Inspection

3. The Tribunal did inspect the property. The property is a semi-detached house comprising on the ground floor, one large living room with open plan kitchen, a ground floor WC and shower. On the first floor, there are three bedrooms, with a separate family bathroom. The second-floor loft extension has a large bedroom with an ensuite shower and WC. At the rear there is a good-sized garden, accessible from both the main house and a side passage from the road.

Evidence

4. The Tribunal has considered the written submissions, oral submissions made at the hearing, provided by the parties, and the tribunal has had the benefit of an inspection. The Tribunal only took into account written material that had been shared between both parties. The Landlord and Tenant attended the hearing.

5. The Tenant's prehearing submissions included;

A copy of the application form, Notice of Increase and Tenancy.

Bundle of evidence 160 pages containing photographs and marketing details of properties used as comparisons by the applicant.

Letter to the Tribunal dated 21 November 2024

Letter to the Tribunal requesting no backdating of any rent increase because this would cause hardship. Dated 21 November 2024

A completed reply form of 18 pages.

The Tribunal considered all the evidence before it, if a part of the evidence is not specifically referenced this should not be taken to mean it has not been considered.

Key points from the submissions were;

Licencing of the property

6. The Tenant asserts that upon taking out the tenancy, a licence permitting renting of the property issued by Waltham Forest, was in place. The licence ran from 30 August 2017 to 31 March 2020.

Gas Safety Check

7. The Tenant asserts that no gas safety checks were carried out between 25 March 2019 and 23 September 2023.

Dangerous Appliance – boiler

8. The Tenant in their application form notes that a gas engineer attended the property on 4 November 2023 and the engineer "sealed the boiler" noting "dangerous gas appliance installation at the property". The Tenant asserts that at the date of completing the application the boiler is still operating without repair.

Electrical Safety Certificate

9. In the Application form the tenant notes that the property has an Electrical Safety Certificate that ran from 24 February 2017 to 24 February 2022 and that they have not received a Certificate since.

Leak in Bathroom/WC in Loft

10. The Tenant reports that in 2018 they reported a leak to the Landlord that was coming through the ceiling of the room below and impacting on the lighting of that room. The tenant submits that the Landlord took no action regarding this "till now".

Damp and Mould

11. The Tenant reported that the central heating had ceased to function over the winter 23/24 and as a result damp and mould had developed.

Boiler Flue exiting into covered area

12. The Tenant noted that the boiler flue vented into an external covered area. There is photographic evidence of this. The boiler flue was adapted by extending it the depth of the covered area a photograph shows this. The amended system was deemed safe by the gas safety check of 23 September 2023. 13. The Landlord's prehearing submissions include;

An inventory report for the property dated 29 April 2018.

Letter from Landlord to Tenant dated 21 October 2024 requesting access to see what disrepair may be present at the date of the letter. Attached also the e mail chain relating to Tenant's view of disrepairs.

Reply Form completed by the Landlord noting the Landlord supplied double glazing, central heating, curtains and carpets and white goods. The Form also identifies repairs carried out by the Landlord. The Reply Form and attachments, also notes some marketing information of properties the Landlord considers to be similar.

Domestic Electrical Installation Condition Report dated 22 November 2023.

Landlord/Homeowner Gas Safety Record dated 16 September 2024.

Request for EPC visit dated 5 October 2024.

Landlord's response to Tenant's submissions received by e mail 9 November 2024.

The Hearing

14. The following is not a verbatim record of the submission and questioning of the parties, it is intended to cover the key points.

Relationship between Landlord and Tenant

15. The Applicant Tenant stated they had concern over the lack of electrical, gas safety certificates and items of disrepair in the property. There had also been the start of proceedings to evict the Tenant. Communications continued but were more formalised.

16. The Respondent Landlord by way of context explained that he was not a professional Landlord and that the subject property had been purchased and renovated for use as accommodation for his family, but circumstances had prevented this.

17. Noting also that the Landlord and Tenant had had a good relationship but as number of complaints had been made by the Tenant the Landlord had formalised the relationship.

18. The Landlord submitted that the Tenant had requested to be able to coordinate with contractors over access to the property and that for differing reasons access for repairs had been difficult.

Top floor shower leak

19. The Respondent Landlord noted that in respect of the top floor bathroom, on a number of occasions the Landlord's contractor had attempted to repair the leak. The Tenant submitted it remained unresolved.

The functioning of the ground floor boiler

20. The Tenant asserted the ground floor boiler did not work fully and regularly showed an error message. This prevented the boiler from supplying to the ground floor radiators and underfloor heating on the ground floor, although the hot water to the kitchen remained functioning.

Ground floor boiler exit flue

21. The flue in photographs supplied by the Tenant had exited into the canopy outside the ground floor kitchen area. This had been adjusted to have a longer exit ducting to take the exhaust fumes beyond the canopy. This was in place at the effective date of the notice.

Gas Safety Certificate

22. The Tenant contended that for significant periods of time the subject property had not had a valid gas safety certificate. The Landlord submitted that one was in place at the effective date of the rent increase.

Electrical Safety Certificate

23. The Tenant contended that for significant periods of time the subject property had not had a valid electrical safety certificate. The Landlord submitted that one was in place at the effective date of the rent increase.

Energy Performance Certificate

24. The Tenant asserted that the EPC was missing or not up to date for the property. The Landlord stated that the property was purchased in 2015/2016 and that the property came with a certificate that expired in 2025. There are minimum energy requirements for renting out property and the tribunal has not seen evidence that the EPC at the effective date of the rental increase was valid. The Landlord considered that the Tenant had refused access for an updated EPC to be carried out.

Licensing

25. The London Borough of Waltham Forest requires a licence for letting of domestic property. The Tenant contends that for significant periods of the tenancy such a licence was absent. The Landlord noted that a licence had been applied for in July 2024 and that whilst the London Borough of Waltham Forest had not issued a licence, they were content that application of, prevented enforcement action against the Landlord.

Damp

26. The inspection showed a number of patches of damp on the ground floor walls, which appeared to be rising damp. Whilst these were not at the date of the inspection considered extensive, they were none the less present and would detract from the rental bid for the property.

Rental Level

27. The Applicant Tenant contended that as the property had lacked for significant periods the formal certificates as discussed above the property was incapable of being let and so a rental value of nil should be determined.

The Tenant also supplied within their submissions a number of properties to rent that they considered comparable.

Kings Head Hill 4 bedrooms 3 bathrooms at £3000 pm

Beresford Road 6 bedrooms at £3000 pm

Mayfield Road 3 bedrooms at £2,000 pm

Hall Lane 4 bedrooms at £2,400 pm

28. The Respondent Landlord noted that the property was in a superior standard from that of normal rental properties and that at the effective date of the notice there were no irregularities outstanding. The Landlord developed a formula which they applied to the original passing rent of £2000 per month, by applying a compound growth percentage derived from rental indices, this they contended supported the figure within the notice.

Hardship

29. The Tenant made an application for the effective date of any rent increase to be a date later than that in the Landlord's Notice of Increase of Rent. Mr Ahmed noted he was on sick leave with a reduced income, although he scheduled to return to work shortly. They also noted that Mrs Ahmed was in poor health and was in receipt of benefits. In addition, one of their children was in receipt of disability benefits. Any shortfall in income needed to pay the rent was being funded by borrowing he submitted.

30. The Landlord also noted that they were in hardship with the various increases in costs of mortgages and changes in the taxation regime for the treatment of rent.

Decision

31. The Tribunal determines that on the evidence provided to it the formalities required for letting a property were in place at the effective date of the rent, other than no evidence of an EPC that recorded the post refurbishment quality of the property. The tribunal upon inspecting the property has identified that the boilers are certainly not old and what periodic defects they may exhibit

should be repairable under the normal course of ongoing repairs for a rental property. The same can be said for the leaking shower.

32. The Tribunal first considers the rent that the property could attract in uniformly good condition and then deducts a figure to reflect any matters that detracts from this.

33. The Tribunal considers the Tenants comparables and notes they are in E4 but a little away from the subject property. The Tribunal understands the approach the Landlord has taken but disagrees with it as an approach for finding the rental value of the subject property and has recourse to comparables in the market.

34. The Tribunal considers the property in uniformly good condition to attract a rent of £2800.00 per month.

35. The elements of disrepair and the lack of the EPC, although one could be obtained, would make the property slightly less desirable so an allowance of 7.5% is made. This results in a figure of £2600 per month. Whilst it is noted that the Landlord submitted the Tenant refused access for the EPC, the EPC should have been in place since the beginning of the tenancy.

36. In terms of hardship, the Housing Act 1988 only permits the hardship of the Tenant to be taken into account and not the Landlord. The Tribunal finds that hardship has been proven and determines a revised effective date of the rent increase to be the date of hearing which is 9 December 2024.

37. The Tribunal therefore determines the new rent of £2600.00 per month to take effect on 9 December 2024.

Chairman:R Waterhouse FRICSDate:9 December 2024

Appeal to the Upper Tribunal

A person wishing to appeal this decision to the Upper Tribunal (Property Chamber) on a point of law must seek permission to do so by making a written application to the First-tier Tribunal at the Regional Office which has been dealing with the case which application must:

a. be received by the said office within 28 days after the Tribunal sends to the person making the application written reasons for the decision.

b. identify the decision of the Tribunal to which it relates, state the grounds of appeal, and state the result the party making the application is seeking.

If the application is not received within the 28 –day time limit, it must include a request for an extension of time and the reason for it not complying with the 28- day time limit; the Tribunal will then decide whether to extend time or not to allow the application for permission to appeal to proceed.