

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

Case Reference	:	HS/LON/00AY/MNR/2024/0695
Hearing Type	:	By Way of Written Representations
Property	:	34 Leigham Vale, Streatham, London, SW16 2JH
Applicant	:	Mr R Mustonen-Smith (Tenant)
Representative	:	In person
Respondent	:	Mr B Bull (Landlord)
Representative	:	In person
Date of Objection	:	18 October 2024 (resubmitted on 5 December 2024)
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 C Piarroux
Date of Hearing	:	No hearing
Date of Inspection	:	4 April 2025
Date of Full Reasons	:	10 April 2025

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

#### **REASONS**

## **Background**

- 1. On 19 September 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 £345.00 per week to £920.00 per week.
- 2. On 19<sup>th</sup> October 2024 the tenant made an application to the Tribunal for the determination of a market rent.
- 3. The current tenant, Mr Mustonen-Smith, occupies the property by way of succession following the death of his mother.
- 4. The tenant occupies the property by way of a statutory succession by way of an Assured Periodic Tenancy.
- 5. By way of a letter dated 7<sup>th</sup> February 2025, the Tribunal issued directions. These required the landlord to provide details of evidence on which they wished to rely by way of reply by 25<sup>th</sup> February 2025. The tenant was directed to do the same by 10<sup>th</sup> March 2025 and the landlord was given until 17<sup>th</sup> March 2025 for his response thereto.
- 6. On 24<sup>th</sup> February 2025 the Tribunal wrote to the parties confirming details for a hearing date and inspection to take place on the morning of 4 April 2025.
- 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 tenant's submissions are made by way of an email dated 27 November 2024 on their original application form of 5 December 2025, but submitted, originally on 19 October 2024 and within their Reply form. Within their emails, the tenant states that the property has subsidence, damp and mould in the ground floor rooms and points out that it is not double glazed. They confirm that there is no tenancy agreement and that the landlord is responsible to do all the repairs and that they themselves have done no improvements.
- 10. In the tenant's Reply form the tenant requests an inspection but says that they do not require a hearing. They confirm the accommodation and say that the windows

are in bad need of repair, that there is damp and black mould throughout the ground floor, they say that there is central heating but no double glazing or a garage or parking space.

- 11. In the landlord's Reply form the landlord confirms that they require neither a hearing nor an inspection to take place and they state that the property is a three floor house with two reception rooms, four bedrooms, kitchen, bathroom and separate WC.
- 12. They confirm there are gardens and that there is central heating. They also say that the property has double glazing.
- 13. They state that they have made improvements: the electrics in 2019, a new kitchen in 2020, new central heating boiler in 2021 and double glazing in 2019.
- 14. They detail facilities and amenities within the immediate locality and state that the property is occupied by more than the tenant or his family.
- 15. Specifically, the landlords provide a number of comparables with a location map. These include properties in Leigham Vale, Rosedene Avenue and Kingscourt Road. The details provided by the landlord have been taken into account by the Tribunal who note that they give no confirmation from any agents of the evidence detailed, nor do they provide copy sales details, nor the source of the information, or dates of letting.
- 16. On 4 April 2025, on the basis of paper submissions and without a hearing, but with the benefit of an inspection, the Tribunal determined the Market rent of the above property at £1,750 per month.

#### **Inspection**

- 17. The Tribunal attended the property and undertook an internal and external inspection on 4 April 2025.
- 18. The tenant was present but there was no landlord or landlord's representative present during the inspection.
- 19. The Tribunal were firstly able to confirm the accommodation.
- 20. The property has been built as a three-storey semi-detached house and is arranged as originally constructed. In essence there are a hall, three reception rooms and a very small kitchen on the ground floor, three bedrooms, a bathroom and separate

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WC on the first floor and two further bedrooms on the top floor. One of the bedrooms at first floor level has been converted to a kitchen in the past. Externally, there are gardens front and rear, on road parking is possible but this is by way of a Permit paid by the tenant. The property is, therefore, deemed to have no parking or garaging facilities.

- 21. The first issue that the Tribunal sought to address was whether or not the property benefitted from double glazing as there was a dispute between the parties relating to this matter. Throughout, the property has original sash timber windows, all of which are single glazed. The property fronts a fairly busy road and is in close proximity to a railway junction. Cracks within the property are fairly extensive supporting the tenant's contention that there may be subsidence at the property.
- 22. Overall, the Tribunal was of the opinion that the property shows little sign of maintenance, modernisation or improvement by the landlord and it is apparent that this has been the case for a number of decades. The result is a property in exceptionally poor condition.
- 23. It was the Tribunal's view that to let this property on the open market as a five bedroom house it would be necessary to take out the kitchen at first floor level and reinstate the bedroom.
- 24. In addition, the ground floor kitchen is exceptionally small and almost certainly dating back in excess of 50 years it needs to be relocated and refitted. The bathroom and WCs are dated.
- 25. Internally, the property requires extensive work. There is evidence of damp, mould and blown plaster at ground level, a number of ceilings are badly cracked and bowing and in danger of collapse. The electrical installation is antiquated and limited and there is no doubt that there is deterioration to windows which is allowing the property to become cold and draughty.
- 26. Externally, the property is very shabby with external decoration long overdue and windows in a poor condition. Front and rear doors are also in poor condition with open joints and general deterioration. Garden fences are down, paths are broken up.

#### **Hardship**

27. In the tenant's Reply form, they stated that they would suffer hardship were the rent to be backdated to the date of the landlord's notice.

- 28. They advise that they were working four days a week for a minimum wage but also undertook volunteer work.
- 29. The tenants did not provide any details of their financial circumstances with no evidence of income, expenditure etc.

#### The Law

30. 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**

- 31. Following consideration of the written and photographic submissions given by both parties and taking into account the Tribunal's inspection and using its own knowledge and experience of the rental market in the Streatham area, the Tribunal finds that the market rental value of the property, if it was in good condition, would be £3,500.00 per month.
- 32. 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) Poor external decoration.
  - ii) Severe deterioration to external joinery including windows.
  - iii) Antiquated and inadequate kitchen and bathroom facilities.
  - iv) Removal of the kitchen from the first floor.
  - v) Inadequate electrical installation.
  - vi) Defective plaster throughout the property and particularly ceilings.
  - vii) Damp evident on the ground floor flank wall.
  - viii) Evidence of rising damp and rot to skirtings.
  - ix) Evidence of mould within the ground floor.
  - x) Evidence of lack of maintenance to disrepair to fences.
- 33. Taking these and other more general factors into consideration, the Tribunal finds that it is necessary to make a 50% deduction in the market rental value of the property to reflect its condition and lack of modernisation.

#### **Valuation Calculation**

	Weekly equivalent of rent	£404.00 per week
	Adjusted rent	£1,750.00 per month
	Deduction for adjustments detailed above 50% =	£1,750.00 per month
34.	Open market rent	£3,500.00 per month

The Tribunal therefore determines that the market rental value of the property should be set at a figure of  $\pounds 404.00$  per week.

## <u>Hardship</u>

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35. Taking into account the oral submissions by both parties and its inspection of the property, the Tribunal is of the opinion that there are sufficient occupants / contributors to the rent to provide an adequate income and as a result determines that the rent above should take effect from the date stated in the landlord's notice that being 25<sup>th</sup> October 2024.

Chairman:	J. A. Naylor FRICS FIRPM	
	Valuer Chairman	
Date:	10 April 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).