

FIRST - TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference : LON/00AC/MNR/2024/0712

Property: 15A Market Place, Falloden Way,

London NW11 6LB

Tenant : Philip Naughten represented by

Richard Naughten

Landlord : Streathers Highgate

Date of Objection : 19 September 2023

Type of Application : Determination of a Market Rent

sections 13 & 14 of the Housing Act

1988

Tribunal : R Waterhouse FRICS

L Packer

Date of Full Reasons : 24 April 2025

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Full DECISION

The Tribunal determines a rent of £1200.00 per month with effect from 24 April 2025

Full REASONS

Background

- 1. On a Notice dated "August 2023" the Landlord served a notice under Section 13(2) of the Housing Act 1988 which proposed a new rent of £1516.00 per month in place of the existing rent of £1196.00 per month to take effect from 22 September 2023.
- 2. An application dated **12 September 2023** 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 **19 September 2023.**
- 3. The Tribunal wrote to the parties on 17 December 2024 recording that Judge Carr had reviewed correspondence from Richard Naughten on behalf of his father Philip Naughten and had concluded that an application was made on 19 September 2023 as recorded by Royal Mail. Unfortunately, the tribunal was not aware of this until Richard Naughten chased its progress on the 30 November 2024.
- 4. In order for the matter to proceed to a swift conclusion, the tribunal asked the parties to provide a letter of authority for Philip Naughten to act for Richard Naughten and a copy of the notice of rent increase by 4pm 3 January 2025;
- 5. The tribunal is in receipt of a signed letter by Philip Naughten authorising Richard Naughten to act on his behalf.
- 6. On the 20 February 2025 the tribunal considered the application on papers. The review of the papers identified that the copy of the Notice of Increase supplied to the Tribunal was dated "August 2023". Without a precise date the tribunal concluded there was doubt over the validity of the Notice and hence doubt over whether the tribunal had jurisdiction.
- 7. The case of Mooney v Whitehead [2023] EWCA Civ 67] confirmed that the tribunal does not have the jurisdiction to determine whether a Notice of Increase for all purposes is valid or not. However, the tribunal is entitled to decide whether it is satisfied, on balance, that the legal and factual matrix forming the background to the application demonstrates that it has jurisdiction. In the current case it appears:
- 8. In practical terms, this means that the proposed new rent may not be payable from the date specified.
- 9. As the tribunal has not explicitly raised this matter previously, the parties are invited to provide submissions on this point to the tribunal within 14 days of receipt of this decision. Submissions should be copied to the other party when sent to the tribunal.
- 10. The tribunal requested the parties to make submissions on this matter by the 25 March 2025.

11. Mr N Waldron of Streathers Highgate LLP acting for The Landlord provided a submission by e mail on the 11 March 2025. This comprised; a submission with a number of attachments (i) copy of section 13 Notice dated 18 August 2023, and (ii) copy of a video showing delivery of a letter and notice on 18 August 2023 (iii) a copy of a letter dated 5 October 2023 noting the previous service of the Notice of the 18 August 2023, (iv) a copy of the covering letter from the landlord dated 18 August 2023 addressed to Mr P Naughton, and a copy of the Notice of Increase dated "August 2023".

12. The tenant's son submitting a note saying they were acting on behalf of Mr P Naughten.

13. Following the submission, of the signed Notice of Increase dated 18 August 2023, by Mr N Waldron of Streathers Highgate LLP acting for the Landlord the tribunal determined on 24 March 2025 that the tribunal did have jurisdiction to determine the rent.

Inspection

14. The Tribunal did inspect the property. The flat is on the first floor within a development that comprises commercial mainly retail units on the ground floor, residential on the first and second floor. The block was completed it is estimated in the 1930s, the flat is accessed from communal external stairs to a communal external landing, from which there is a sole use door to the flat. The flat comprises kitchen, bathroom with WC, living room and bedroom.

15.The kitchen is fitted with the "white goods" being provided by the landlord. The units are functional relatively basic the kitchen has central heating. The kitchen window is single glazed louvre type wooden windows, painted white, on the inside is a white metal security grill. Externally the window has putty missing from around the glass.

16.The bathroom has a WC and shower with drain in the floor, which is activated when water enters it. The bathroom window is again original wood single glazed. The bathroom is functional but relatively tired.

17. The bedroom is a good size accommodating a double bed, there are windows of painted wood, single glazed with two fixed and two louvre opening sections. The bedroom has a radiator. There is a large wardrobe supplied by the landlord, the chest of draws belongs to the tenant.

18.The living room has similar windows and also has a radiator. All rooms in the flat with the exception of the bathroom have exposed soft wood parquet flooring as built. Within the hall there is a cupboard, and external to the front door another cupboard.

Evidence

19. The parties did not request a hearing, and the matter was determined in the papers following the inspection.

Applicant's Submission

- 20. By letter dated 13 April 2025, the tenant's representative contended the property is not in good condition noting specifically, there was a non-operational shower and broken boiler at the time of the proposed rent increase in August 2023.
- 21. In terms of rent, the tenant's representative noted the figure of £1436.00 per month, as being in the Local Housing allowance and so within the tenant's financial capacity.

The Respondent Submission

- 22. The landlord has completed a Reply Form undated noting that neither an inspection nor a hearing was requested.
- 23. The Form identified the property as a flat on the first floor, comprising one bedroom, one living room, a kitchen and a bathroom. The property has central heating provided by the landlord, carpets, curtains and white goods also provided by the landlord.
- 24. In terms of improvements the Landlord noted the boiler was replaced in November 2023, in October 2024, there was redecoration of the hallway and bathroom with partial decoration of the kitchen also carried out. The landlord notes that prior to the current tenant's occupancy the flat was redecorated in 2020.
- 25. In respect of the boiler the Landlord noted that the tenant notified them on 9 August 2023, and that an engineer attended the same day and it was understood to have resolved the issue. In October a further report of an issue with the boiler was received and again the engineer attended the same day, a repair was not possible, and the boiler was replaced on 9 November 2023.
- 26. In terms of the shower, an issue was reported in June 2023, inspected on 27 July 2023 and 5 October 2023. The issue appeared resolved.

The rent level requested on the Notice was £1516.00 per month from 22 September 2023.

Determination and Valuation

27. The tribunal notes tenant's representative proposed rental figure of £1436 per month but notes that the rent to be determined is on the basis of market rent at the effective date of the rent increase in the notice and the tenant's ability to pay cannot be taken into consideration. Having consideration of the comparable evidence proved by the parties and of our own expert, general knowledge of rental values in the area, we consider that the open market rent for the property in good tenantable condition would be in the region of £ 1700.00.

28. The property has a number of issues that detract from the good tenantable condition as described above, overall, the bathroom and kitchen appear tired, the flooring requires re sanding and sealing, and the single glazed windows will have poor heat retention. Indeed, the Local Authority report notes the property experiencing "excess cold".

Rent of similar sized property in good condition £1700.00 per month

A deduction of £200.00 per month is made to reflect the location above commercial property and close to a busy road this gives £1500.00 per month.

A further deduction of £300.00 per month (20%) is made to reflect the age and condition of the kitchen, bathroom and the single glazing.

The rent net of deductions is £1200.00 per month.

Hardship

29. By letter dated 13 April 2025, the tenant's representation noted in respect of hardship that the Application was made in September 2023 and for various administrative errors and procedural issues the rent is being determined in April 2025. The letter details the tenant's specific financial position, which the tribunal has considered carefully, it is accompanied by copies of letter from London Borough of Barnet Benefit Team, and the Department of Work and Pensions.

Decision

30. The Tribunal therefore determines the new rent of £1200.00 per month to take effect on 24 April 2025.

Chairman: Mr R Waterhouse FRICS
Date: 24 April 2025

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.