



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

Case Reference : **CAM/00KA/MNR/2024/0631**

Property : **18 Elizabeth Street, Luton, LU1 5BN**

Applicant (Tenant) : **Kuong Iun Chang**

Respondent (Landlord): **Chiew Hwa Tan**

Type of Application : **Determination of a Market Rent
sections 13 & 14 of the Housing Act
1988**

Tribunal : **Judge Bernadette MacQueen
Mr Roland Thomas, MRICS**

Date of Hearing : **3 February 2025**

Date of Decision : **10 February 2025**

DECISION

Decision of the Tribunal

1. The Tribunal determines a rent of **£1,345 per calendar month** with effect from **14 December 2024** for the reasons set out below.

Background

2. The Applicant entered into an assured shorthold agreement with the Respondent on 14 October 2022. The agreement contained clauses which required the landlord to maintain the structure and exterior of the Property and installations for the supply of water, gas, electricity, sanitation, heating and hot water. The term was for an initial period of 12 months, followed by a further 12 month term. No further agreement had been entered into, therefore, a statutory tenancy on the terms of the written agreement appeared to have arisen from 14 October 2024. Section 11 of the Landlord and Tenant Act 1985 applied in respect of the landlord's repairing obligations.
3. By notice dated 11 November 2024 and given under Section 13(2) of the Housing Act 1988, the landlord had proposed a new rent of £1,700 per calendar month in place of the existing rent of £1,280 per calendar month to take effect from 14 December 2024.
4. On 20 November 2024, the Applicant tenant had referred the Respondent landlord's notice proposing a new rent to the Tribunal for determination of a market rent under Section 13(4)(a) of the Housing Act 1988.
5. The Tribunal had directed that parties complete a pro forma supplying details of the accommodation on a room-by room basis, the features of the Property (central heating, white goods, double glazing, carpets and curtains) and other property attributes and any further comments that they may wish the Tribunal to take into consideration. This could include any repairs and improvements that had been made, and any comments on the condition of the Property.
6. The Tribunal had confirmed that they would make their decision based on the written representations from both parties unless either party requested a hearing.
7. The parties had returned the pro-forma forms to the Tribunal and a hearing and inspection had been requested.

Inspection and Hearing

8. The Tribunal carried out an inspection of the Property prior to the hearing. The Applicant attended and Genevieve Lam attended on behalf of the Respondent.

9. Following the inspection, the Tribunal held a hearing where it heard representations from the Applicant and Genevieve Lam on behalf of the Landlord. The hearing was held via Cloud Video Platform (CVP).
10. The Applicant asked that his son (Keva Chang) assist him to ensure that he understood what was being said. Keva Chang confirmed that he would be able to repeat back to the Applicant what was said to ensure that the Applicant understood, and also make sure that what the Applicant wanted to say was understood by the Tribunal. The Tribunal were unable to arrange a Cantonese interpreter at such short notice and therefore the Applicant and Respondent both confirmed that they were happy to proceed with the Applicant's son's assistance. The Tribunal considered the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013 and, in particular rule 3, the need to deal with cases fairly and justly to ensure a fair hearing, including seeking flexibility in the proceedings and avoiding delay, so far as compatible with proper consideration of the issues. The Tribunal also considered Chapter 8 paragraph 112 and 113 of the Equal Treatment Bench Book – informal interpreters - whereby judges should be sympathetic to allowing a litigant to be accompanied by children/relatives who can assist them in understanding what is being said and to act as an intermediary. The Tribunal therefore decided to proceed with the hearing by ensuring that the Applicant understood what was being said and said what he wanted to say by using his son to assist. The Tribunal also noted that both the Applicant and Respondent had provided their respective positions to the Tribunal in writing in advance of the hearing.
11. The Respondent did not attend. Genevieve Lam told the Tribunal that she was the daughter of the Respondent and that the Respondent was abroad and unable to attend. Genevieve Lam confirmed that she had the Respondent's permission to represent the Respondent at the hearing.

The Property

12. The Property was an end terrace house of brick and tile construction with a ground floor and first floor. It comprised 3 bedrooms, a bathroom, kitchen and living room. The Property also had a rear garden. Double glazing and gas central heating were provided at the Property by the Respondent landlord. The cooker and washing machine in the kitchen were provided by the Respondent with the fridge provided by the Applicant. The Property did not have off-street parking but permit parking was available on the road on which the Property was situated.

The Inspection

13. The Tribunal inspected the Property. There was damp and mould throughout the Property. The bathroom had been recently decorated; however, although there was a ventilation fan, this did not turn on when the light was activated. The Property was tired and dated in appearance

and, although there was central heating at the Property, the radiators were single panel. A bath had been left in the garden following the renovation of the bathroom.

Evidence

14. The Tribunal considered the written submissions provided by the Applicant tenant and the Respondent landlord as well as the oral submissions given by both parties at the hearing.

Applicant Tenant's Representations

15. The Applicant told the Tribunal that the Property was in poor condition due to the lack of repairs and stated that the Respondent was reluctant to clean mould or add damp proof paint to the walls.
16. It was the Applicant's position that there was damp and mould throughout the Property and severe mould in bedroom three. Further, the Applicant stated that there was a switch in the kitchen that could not be used because it was too close to the heat source. Additionally, the Applicant stated that debris had been left in the garden following the bathroom refit.
17. The Applicant told the Tribunal that they had contacted the local authority (Luton Borough Council) because of the mould and damp at the Property. Sue Farmer, Private Sector Housing Officer, on behalf of the Council, had visited the Property and had required the Respondent to complete a damp survey.
18. The Applicant confirmed that the issue with the leak in the bathroom stated in the written evidence appeared to have been fixed now and that the gutters had also been addressed.
19. The Applicant further confirmed that they heated the Property in the morning and evening for approximately 8 hours during the winter and they sometimes also used an electric heater in addition to the gas central heating. The Applicant told the Tribunal that this cost approximately £50 per week.
20. It was therefore the Applicant's position that, in light of the condition of the Property, the rent of £1,700 per calendar month that the Respondent was seeking was not reasonable.

Respondent Landlord's Representations

21. The Respondent stated that the rent of £1,280 per calendar month which was charged for the Property was below market price and it was the Respondent's view that raising it to £1,700 was taking the rent to the market price for similar properties. The Respondent told the Tribunal

that the rent of £1,700 was justified because it was in a very good location, being about 5-10 minutes walk from the town centre and also benefitting from a bus stop close to the Property.

22. It was the Respondent's position that the rent was set below market value when the Applicant signed the tenancy in October 2022 as the Applicant was recommended to the Respondent by a friend; however, the Respondent now wished to increase the rent to reflect current market rents.
23. The Respondent told the Tribunal that, prior to the Applicant moving into the Property, it had been decorated and laminate floors had been laid. The bathroom had been renewed in November 2023.
24. As part of their written evidence, the Respondent had included a screenshot of part of a damp report written by Garratt's Damp and Timber Ltd completed in December 2024. This report stated that the Property was suffering from severe condensation, water ingress from leaking gutters and a leak from the bathroom above. It was the Respondent's position that the gutters were no longer leaking and that the bathroom leak had been fixed. The Respondent confirmed that they were making progress with installing fans to the kitchen and bathroom to improve the ventilation; however, they were waiting for the tenant to provide availability for the work to be completed.
25. It was the Respondent's position that the primary cause of the damp and mould issue was the Applicant's lifestyle. The Respondent stated that the Applicant failed to heat the Property, and left windows closed as well as drying laundry indoors without using a dehumidifier or having proper ventilation.
26. The Respondent told the Tribunal that most properties of a similar nature were rented at about £1,600 to £1,700 per calendar month. The Respondent stated at the hearing that a range of £1,600 to £1,800 was reasonable and therefore the Respondent had determined the rent at a mid point of £1,700 per calendar month.
27. In written submissions, the Respondent had provided a number of properties for the Tribunal to consider as comparables. However, the Respondent had only provided photographs of the exteriors, the locations of the properties, and the asking rents. The Tribunal had therefore not been provided with any detail as to the condition of the properties or photographs of the interiors.
28. The evidence presented by the Respondent can be summarised as follows:

Property	Type	Distance from Property	Rent per calendar month
Dunstable Road (LU4)	3 bedroom semi-detached	2.5 miles	£1,700
Brooklands Close LU4	3 bedroom semi-detached	4 miles	£1,700
Limbury Road	3 bedroom terrace	3 miles	£1,695
Wychwood Avenue, LU2	3 bedroom semi-detached	2.4 miles	£1,800
Holmbrook Avenue LU3	3 bedroom semi-detached	2.7 miles	£1,700
Chapel Street LU1	3 bedroom flat	1 mile	£2,500
Chiltern Rise LU1	3 bedroom terrace	0.4 miles	£1,600
Chapel Street LU1	3 bedroom flat (described by letting agency as "in excellent condition")	0.1 miles	£2,450

The Law

29. By virtue of section 14(1) Housing Act 1988 the Tribunal is to determine a rent at which the dwelling-house concerned might reasonably be expected to be let in the open market by a willing landlord under an assured periodic tenancy-
 - (a) having the same periods as those of the tenancy to which the notice relates;
 - (b) which begins at the beginning of the new period specified in the notice;
 - (c) the terms of which (other than relating to the amount of rent) are the same as those of the subject tenancy
30. By virtue of section 14(2) Housing Act 1988 in making a determination the Tribunal shall disregard –
 - (a) any effect on the rent attributable to the granting of a tenancy to a sitting tenant;
 - (b) any increase in the value of the dwelling-house attributable to a relevant improvement (as defined by section 14(3) Housing Act 1988) carried out by a tenant otherwise than as an obligation; and
 - (c) any reduction in the value of the dwelling-house due to the failure of the tenant to comply with any terms of the subject tenancy.

Determination and Valuation

31. The Tribunal found from inspecting the Property that it was suffering from damp and mould. Whilst the Tribunal accepts that the Respondent has work planned to improve the position, the Tribunal has considered the Property in light of its inspection and from hearing the evidence of both the Applicant and the Respondent. The Tribunal does not find that all of the damp and mould was caused by the Applicant's lifestyle and the Tribunal notes in particular that the radiators at the Property were single panel and that the fans were not adequate.
32. Regarding the comparables submitted by the Respondent, the Tribunal notes that most of these are not in close proximity to the Property and that only one property is a terrace house in the same style as the Property. Further, the Tribunal notes that the rents submitted by the Respondent are asking rents.
33. Using the Tribunal's own expert knowledge of rental values in the area, the Tribunal considers that the open market rent for the Property in good tenable condition would be in the region of £1,600 per calendar month.
34. From this level of rent the Tribunal has made a 16% adjustment to reflect the damp and mould within the Property and also the condition of the Property, in particular that the kitchen was tired and the decoration dated.
35. The full valuation is shown below:

Market Rent	£1,600 per calendar month
Less	12% deduction for damp and mould and 4% for tired kitchen and decoration

Total Deduction: 16%

The Tribunal determines a rent of £1,345 per calendar month.

Decision

36. The Tribunal determines that the rent at which the Property might reasonably be expected to be let in the open market by a willing landlord under an assured tenancy would be £1,600 per calendar month. A 16% deduction for the reasons set out above has been made, meaning that the Tribunal determines the rent at £1,345 per calendar month.

37. The Tribunal directs that the new rent of £1,345 per calendar month take effect on 14 December 2024 as the Tribunal is satisfied that a starting date of that specified in the landlord's notice would not cause the tenants undue hardship.

Judge Bernadette MacQueen

Date: 10 February 2025

APPEAL PROVISIONS

Rights of appeal

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 may 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 the case. The application should be made on Form RP PTA available at <https://www.gov.uk/government/publications/form-rp-pta-application-for-permission-to-appeal-a-decision-to-the-upper-tribunal-lands-chamber>

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. **Please note that if you are seeking permission to appeal against a decision made by the Tribunal under the Rent Act 1977, the Housing Act 1988 or the Local Government and Housing Act 1989, this can only 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).

