

	FIRST - TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)
Case Reference	LON/00BE/MNR/2026/0459
Property	3 Acanthus Dive London SE1 8BT
Tenant	Paul Elliot
Tenant's Representative	None
Landlord	BMR St James 5 Ltd
Landlord's Address	c/o 4th Floor Southerland house, 70-78 West Hendon Broadway, London NW9 7BT,
Landlord's Representative	Freshview Estates Ltd
Date of Application	29 May 2026
Type of Application	Determination of a Market Rent sections 13 & 14 of the Housing Act 1988
Tribunal Members	Mr D Jagger MRICS Ms P Ogunfeibo
Date of Decision	2 October 2026
Rent Determined	£1,525 per calendar month
Date the new rent takes effect	1 June 2026.

REASONS FOR THE DECISION

Background

1. On 30 March 2026, the Landlord served a notice under Section 13(2) of the Housing Act 1988 which proposed a new rent of £1,600 per calendar month (pcm) in place of the existing rent of £1,121 per month to take effect from 1 June 2026. This being an increase of £279 (approximately 42%).
2. On 29 May 2026, 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.
3. The assured tenancy commenced on the 26 October 1995. The Tribunal were presented with a copy of the agreement at a passing rent of £665 per month. The tenancy was for a term of 6 months; therefore, this is a statutory tenancy agreement.

Allocation of Repairs between Landlord and Tenant.

4. *As per section 11 of the Landlord and Tenant Act 1985.*

Services Charges or furniture provided by Landlord:

5. No Furniture supplied by the landlord
6. No service charges are payable by the Tenant.

Liability for Council Tax

7. The Tenant is responsible for the payment of Council Tax in respect of the Property. The rent determined is exclusive of Council Tax.

Any other terms of the tenancy taken into consideration in determining the rent.

8. There are none.

Inspection/Hearing

9. The Tenant requested a hearing which was agreed to by the Tribunal.
10. The Tribunal has therefore, considered this case on the basis of the hearing, together with the papers provided by the parties and its own knowledge and specialist expertise.

The Hearing.

11. A Video hearing via CVP to hear the parties' representations in this case was held on the 2 October 2026. The hearing was attended by Mr Issac Chisel on behalf of the Landlord and the Tenant Mr Paul Elliott. During the hearing the Tribunal set out the issues, and it is the Tribunal's task to determine a market rent based upon the evidence provided.

The preliminary issue

12. The First question for the Tribunal is Does it have jurisdiction to consider the application
13. The Tenant states that the S13 Notice submitted by the Landlord contains an error in the said notice of increase. The Notice states the current rent is £1550 when in fact it is £1121. Therefore, this is an invalid notice.
14. Mr Chisel states the error is insignificant and the Tenant suffered not prejudice.
15. The Tribunal has considered this preliminary matter and determines that it does have Jurisdiction to consider the case. The minor cosmetic typo does not invalidate S13 Notice as this is not considered a substantive error. In the case of Mannai Investment Co Ltd v Eagle Star Assurance, it was established that a reasonable recipient would not be misled by a truly minor, obvious facial clerical typo if the meaning remains clear and unambiguous.

The Tenant's Submissions

16. Mr Elliott stated that he has lived at the property for approximately 35 years and has a medical condition. The original tenancy was for affordable homes.
17. The comparable evidence provided by the Landlord only provide marketing rental values and not the actual rental value the flat let for. In addition, the condition of the propertIES is unknown.

18. The subject flat is unmodernised; the kitchen and sanitary fittings are original. The electric storage heaters are very basic and dated.
19. The flat suffers from damp and mould to the internal walls.
20. The data provided by the Office for National Statistics shows an increase in the region of 3% for rental properties in the Bermondsey area.
21. The external areas and common parts are in poor condition with a build up of rubbish and poor estate management which must be reflected in rental values.
22. The St James Tenants Association undertook a survey of 182 homes in the local area and the data revealed the average rent for 1-bed properties in our local area is £1326.15 pcm

The Landlords Submissions

23. Mr Chisel stated that the comparable evidence produced in the bundle confirm a market rent of £1600 pcm.
24. A previous Tribunal decision confirms the market value is £1600 for a one bedroom flat on the estate.
25. The Tribunal must determine a market rent and the previous social rental values are historic and should not be considered relevant.

The Property

26. The property is a purpose built ground floor flat forming part of a three storey building built around 1990 with communal access arrangements. The accommodation comprises, one bedroom, living room, kitchen and bathroom. The flat has an EPC Rating of C which is above average and a stated floor area of 40m². The property has electric storage heating, double glazed windows, and flooring coverings.

Outside: The property has brick elevations under a pitched and tiled roof. There are non allocated parking spaces.

The Property is situated in an established residential area close to local amenities and South Bermondsey station.

Evidence

27. Both parties returned the Tribunal's completed Rent Appeal Statements together with helpful photographs and floor plan. The Landlord produced a schedule of comparable evidence of recent lettings in the Bermondsey area. The 18 properties gave a very wide range of £1400 per month through to £3879 per month.

Determination and Valuation

28. Section 14 of the Housing Act 1988 requires the Tribunal to determine the rent at which it considers the Property might reasonably be expected to be let on the open market by a willing landlord under an assured tenancy, on the terms of the subject tenancy other than as to rent, and disregarding the matters set out in section 14(2). Those disregards include any effect on the rent attributable to the fact that the Tenants are sitting tenants, and any increase in value attributable to a relevant improvement carried out by the Tenants.
29. The Tribunal is grateful to both parties for the comprehensive written statements, the comparable evidence provided by the Landlord and helpful submissions made at the hearing. The evidence relied upon by the Landlord consists of advertised asking rents rather than achieved rents. Asking rents are of assistance in establishing the tone of the market but they are not conclusive, since a property may in the event let at a figure above or below the rent at which it was advertised.
30. The Tribunal can only place limited weight on the survey undertaken by St James Tenants Association of 182 homes in the local area as no information was provided on the type of property, the location and whether it included affordable rental values.
31. Relying on its own expert, general knowledge of rental values in the Bermondsey area, together with the comparable evidence provided by the landlord, the Tribunal considers that the market rental of the subject property, modernised and in good condition would be in the order of £1700 per month. This is the rent we would expect the property to let for in the open market including having white goods and curtains provided by the landlord.
32. From this level of rent, the Tribunal has made the following adjustments in relation to the following:
 - a) Evidence of mould and damp to the main walls.
 - b) Defective and dated electric heating system

- c) Dated kitchen unit and bathroom units
- d) Poor estate management of external areas.

33. The Tribunal has considered very carefully this information and using its own expertise considers that a deduction of £175 should be applied in order to take account of the above matters. It should be noted that this figure cannot be a simple arithmetical calculation and is not based upon capital costs but is the Tribunal's estimate of the amount by which the rent would need to be reduced to attract a tenant.

The full valuation is shown below:

Starting Rent	<u>£1,700</u>
<u>Less</u>	
a) Items given under a)-d) above	£175
Market rent	£1,525 pcm

Undue hardship

34. The new rent takes effect from the date specified in the Landlord's Notice of increase unless that would cause undue hardship to the tenant. In cases of undue hardship, the Tribunal has a discretion to fix a later starting date up to the date a Tribunal makes its determination.
35. The tenant has stated that the proposed rent increase would cause undue hardship. The tenant is reliant on Universal Credit and LHA. He has a medical condition which limits his mobility and any increase in rent would cause undue stress. On the basis of the evidence supplied by the tenant, the Tribunal considers that there is not sufficient evidence to show this will not cause undue hardship and accordingly sets the starting date for the new rent as 1 June 2026.

Decision

36. Therefore, the Tribunal determines the market rent at £1,525 per calendar month with effect from the 1 June 2026 being the date of the Landlord's notice.

APPEAL PROVISIONS

If either party is dissatisfied with this decision, they may apply for permission to appeal to the Upper Tribunal (Lands Chamber) on any point of law arising from this Decision. Prior to making such an appeal, an application must be made, in writing, to this Tribunal for permission to appeal. Any such application must be made within 28 days of the issue of this statement of reasons (regulation 52 (2) of The Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013) stating the grounds upon which it is intended to rely in the appeal.