	**FIRST - TIER TRIBUNAL** **PROPERTY CHAMBER** **(RESIDENTIAL PROPERTY)**
Case Reference	**LON/00BE/MNR/2026/0442**
Property	**26 Acanthus Drive, London, SE1 5HJ**
Tenant	**Ms Hiro Fujita**
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 O Awotesu**
Date of Decision	**20 October 2026**
Rent Determined	**£1,650 per calendar month**
Date the new rent takes effect	**1 June 2026.**

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REASONS FOR THE DECISION

Background

1. On 31 March 2026, the Landlord served a notice under Section 13(2) of the Housing Act 1988 which proposed a new rent of £1,900 per calendar month (pcm) in place of the existing rent of £1,282 per month to take effect from 1 June 2026. This being an increase of £618 (approximately 48%).

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 within the bundle commenced on the 1 October 2014 and ended on the 30 September 2015. The Tribunal were presented with a copy of the agreement at a rent of £960.30 per month. The tenancy was for a term of 12 months; therefore, this is a statutory tenancy agreement. The tenancy agreement contains a Rent Review clause (Paragraph J2) which we will refer to later.

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. Furniture and white goods supplied by the landlord: double bed and mattress, washing machine, fridge, hob unit and two sofas.

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 Tenant requested the Tribunal to carry out an inspection of the property. In a decision dated 16 July 2026 the Tribunal determined such an inspection was not proportionate.

11. 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.

12. A Video hearing via CVP to hear the parties' representations in this case was held on the 20 October 2026 at 2pm. The hearing was attended by Mr Issac Chise on behalf of the Landlord and the Tenant Ms Hiro Fujita. 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

13. The First question for the Tribunal is **Does it have jurisdiction to consider the application ?**

14. Firstly, the Tenants state that the S13 Notice submitted by the Landlord contains an error in the said notice of increase. The Notice seeks to increase the rent within a 12-month period of the previous Landlord increasing the rent , therefore this is an invalid notice.

15. The matter raised by the Tenants is that the tenancy agreement dated 1 October 2014 contains a valid rent review clause linked to the Retail Price Index (clause J2) and for this reason the Landlord must strictly adhere to this clause. For this reason, the Tribunal do not have jurisdiction to consider the application. The Tenant claims she signed another tenancy agreement in November 2025, however no copy of such agreement was provided in the bundle of evidence.

16. Mr Chisel challenges this assertion in his witness statement. He states the tenancy is now a statutory periodic tenancy (SPT) so any contractual provision regarding a rent increase is obsolete and superseded by the s.13 regime as per

London District Properties Management Ltd v Goolamy [2009] EWHC 1367 (Admin).

17. The Tribunal has considered this preliminary matter and determines that it does have jurisdiction to consider the case. This is now a statutory periodic tenancy (SPT) The original fixed-term tenancy ended on 30 September 2015 and, unless another tenancy agreement was made, a statutory periodic tenancy started on 1 October 2015. Under *Goolamy* any rent review clause becomes dead letters, and the Landlord can use a Section 13 Notice to increase the rent, as is the case here.

18. For these reasons the Tribunal will now determine the application.

The Tenant's Submissions

19. I have been living here for 26 years and never had any updates, such as carpets, walls, ceilings, lightings, bathrooms, bedrooms etc**.**

20. The subject flat is unmodernised; the kitchen and sanitary fittings are original.

21. The electric storage heaters are very basic and dated.

22. The carpets and floor coverings are in poor condition.

23. There is a cracked in the wash basin and the extractor fan does not function which remain unfixed.

24. The proposed increase is excessive compared to rental properties in the Bermondsey area.

25. 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.

26. There is evidence of mould to the window frames.

The Landlords Submissions

27. The comparable evidence produced in the bundle confirm a market rent of £1900 per month.

28. No matters of disrepair have been reported to the managing agents

29. The Tribunal must determine a market rent and the previous social rental values are historic and should not be considered relevant.

The Property

30. The property is a purpose built first floor flat forming part of a three storey building built around 1990 with communal access arrangements. The accommodation comprises, two bedrooms, living room, kitchen and bathroom. The flat has an EPC Rating of C which is above average and a stated floor area of 51m2. 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

31. 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 properties gave a wide range of £1750 per month through to £2600 per month.

Determination and Valuation

32. 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.

33. 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.

34. 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 £1900 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) Defective and dated electric heating system
b) Dated kitchen unit and bathroom units
c) Poor estate management of external areas.
d) Disrepair to floor coverings and mould to window units
e) Damaged wash basin and extractor fan

33. The Tribunal has considered very carefully this information and usings its own expertise considers that a deduction of £250 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	£1,900
Less	
a) Items given under a)-e) above	£250
Market rent	**£1,650 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 which would not cover future outgoings and a rent increase. On the basis of the evidence supplied by the tenant, the Tribunal considers that there is not sufficient evidence to show this will 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 **£1,650 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.