

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

Case reference	:	LON/00AW/MNR/2021/0167
Property	:	Flat 3, 71 Linden Gardens, London W2 4HJ
Applicant	:	Ms Una Higgins
Representative	:	Oliver Fisher
Respondent	:	Tamarit Holdings Ltd
Representative	:	In Person
Type of application	:	Market Rent under s13 & 14 of the Housing Act 1988
Tribunal member(s)	:	Mr Richard Waterhouse MA LLM FRICS
Date and venue of hearing	:	18 <sup>th</sup> January 2022 Remote hearing on the papers
Date of Decision	:	18 <sup>th</sup> January 2022
DECISION		

## Decision of the tribunal

The tribunal determines the rent at £270 per week. The rent to have effect from the date in the landlords notice of 17<sup>th</sup> September 2021.

## **Background**

- 1. The tribunal received an application under section 13 of the Housing Act 1988 on 6<sup>th</sup> October 2021. This included the landlord's notice proposing a new rent to commence on 6<sup>th</sup> November 2021. The notice specifying an increase from £140 per week to £280 per week.
- **2.** Neither party requested an oral hearing and written representations were received from the applicant and respondent.
- **3.** The property comprises a studio flat on the ground floor. The flat is, single glazed, and located on the ground floor of the building.
- **4.** The applicant relies on the application form and additional submissions including a copy of a First tier Tribunal decision on a previous section 14 determination, on 7<sup>th</sup> June 2019. Further there were a number of photographs of the inside of the property.
- **5.** The respondent made a submission covering matters including the landlord's response to tenant's representations and landlords' comparable properties and other evidence.

### The Law

6. Section 14 of the Housing Act 1988 requires the tribunal to determine the rent at which it considered the subject property might reasonably be expected to be let on the open market by a willing landlord under an assured tenancy.

### 7. **Applicant's submissions**

- 8. The tenancy started on 28<sup>th</sup> March 1987, and notes that both parties "take the view the tenant has an assured tenancy".
- 9. The applicant notes they have decorated the flat internally. Supplying white goods, curtain rail, curtain and a carpet.
- 10. Reference is made to a previous decision by the tribunal, where rent was reduced on basis of specification and condition.
- 11. The tenant disagreed with the landlord over whether central heating was present.
- 12. The applicant notes requested repairs have not been addressed quickly, although this issue prior to the hearing is understood to have become less acute.
- 13. At paragraph 12 of the previous First tier Tribunal decision, it noted "there was no fixed heating system, no double glazing, dated and basic kitchen and shower room fittings, The timber sash windows were not ready opened and at least one internal door not easily closed."

- 14. A number of photographs of the interior show the specification of the property, they show the property with dated but functioning facilities. There is no evidence of fixed central heating, heating appears by way of electrical heaters.
- 15. At paragraph 9 of the previous First tier Tribunal decision, it was noted that at the date of inspection, that apart from the subject premises and the flat below, the remainder of the building was experiencing substantial refurbishment and remodelling.
- 16. Para 16 the First tier Tribunal decision was also very mindful that during their inspection that, "he very immediate surroundings to the property that lie within the building itself and which have a very considerable effect on it, to the extent of making it hard to let"
- 17. An electrical report dated 15<sup>th</sup> November 2019 instructed by the tenant. The report concluded the electrics were "unsatisfactory".
- 18. The applicant tenant also provided the tribunal with a number of comparables in the vicinity. All comparables were considered and appropriate weight given to them.

#### 19. **Respondent's submissions**

- 20. The respondent landlord, in their submission contends that they have offered to replace the single glazing with double glazing and to replace the carpets which are deteriorating. These offers have been declined by the tenant.
- 21. There is a dispute between the tenant and the landlord over repair in particular what constitutes repair and what is improvement.
- 22. An electrical inspection was carried out on 1<sup>st</sup> November 2019, and no issues found.
- 23. The respondent landlord made representations on the rental level, it directed to a rental website which ranged between  $\pounds$ 950 pcm to  $\pounds$ 3142 pcm.

### 24. **The Decision**

- 25. The tribunal must have regard to the condition of the property. Disrepair that is the result of omission by the landlord must be taken into account when setting the rent, and disrepair as a result of the tenant or frustration to repair by the tenant should be disregarded in determining the rent.
- 26. The tribunal finds that the property was originally let with the benefit of a carpet, curtains and limited white goods. Over the years as these have fallen into disrepair and been replaced, they have been replaced by the tenant. The tribunal finds that the carpet is the responsibility of the landlord and the rent to be determined is on the basis of its supply. Notwithstanding the disagreement between the tenant and the landlord over who is responsible for the provision of curtains, carpets and white goods, the tribunal finds the current position to be that the property is let without curtains and white goods and so the rent will be determined on this basis. The tribunal finds that the carpet is in disrepair, and is the responsibility of the landlord and its replacement is frustrated by the general dispute over refusal of access.
- 27. The tribunal notes the rent determined previously in 2019 of £140 per week. That at the time of the determination the property was situated within a building undergoing extensive works and the tribunal applied a 50% deduction.

- 28. In coming to its determination under section 14, the tribunal relied on its own general knowledge of rental levels in the area and evidence supplied by the appellant and respondent.
- 29. The tribunal notes the combination of ground floor and single glazed with a central London locality may detract from the enjoyment of the property and hence rental bid.
- 30. Given the size and nature of the accommodation, the tribunal determines the rent at  $\pounds$ 270.00 per week effective from the 6<sup>th</sup> November 2021.

Name:Tribunal Judge WaterhouseDate: 18th January 2022

## **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 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.

If the tribunal refuses to grant permission to appeal, a further application for permission may be made to the Upper Tribunal (Lands Chamber).

## THE LEGISLATION

# Housing Act 1988

## s.13.— Increases of rent under assured periodic tenancies.

(1) This section applies to—

(a) a statutory periodic tenancy other than one which, by virtue of <u>paragraph 11</u> or <u>paragraph 12 in Part I of Schedule 1</u> to this Act, cannot for the time being be an assured tenancy; and

(b) any other periodic tenancy which is an assured tenancy, other than one in relation to which there is a provision, for the time being binding on the tenant, under which the rent for a particular period of the tenancy will or may be greater than the rent for an earlier period.

(2) For the purpose of securing an increase in the rent under a tenancy to which this section applies, the landlord may serve on the tenant a notice in the prescribed form proposing a new rent to take effect at the beginning of a new period of the tenancy specified in the notice, being a period beginning not earlier than—

(a) the minimum period after the date of the service of the notice; and

(b) except in the case of a statutory periodic [tenancy—]

[

(i) in the case of an assured agricultural occupancy, the first anniversary of the date on which the first period of the tenancy began;

(ii) in any other case, on the date that falls 52 weeks after the date on which the first period of the tenancy began; and

(c) if the rent under the tenancy has previously been increased by virtue of a notice under this subsection or a determination under <u>section 14</u>[below—]

(i) in the case of an assured agricultural occupancy, the first anniversary of the date on which the increased rent took effect;

(ii) in any other case, the appropriate date.

]

(3) The minimum period referred to in subsection (2) above is—

(a) in the case of a yearly tenancy, six months;

(b) in the case of a tenancy where the period is less than a month, one month; and

(c) in any other case, a period equal to the period of the tenancy.

(3A) The appropriate date referred to in subsection (2)(c)(ii) above is—

(a) in a case to which subsection (3B) below applies, the date that falls 53 weeks after the date on which the increased rent took effect;

(b) in any other case, the date that falls 52 weeks after the date on which the increased rent took effect.

(3B) This subsection applies where-

(a) the rent under the tenancy has been increased by virtue of a notice under this section or a determination under <u>section 14</u> below on at least one occasion after the coming into force of the <u>Regulatory Reform (Assured Periodic Tenancies) (Rent Increases) Order 2003</u>; and

(b) the fifty-third week after the date on which the last such increase took effect begins more than six days before the anniversary of the date on which the first such increase took effect.

]

(4) Where a notice is served under subsection (2) above, a new rent specified in the notice shall take effect as mentioned in the notice unless, before the beginning of the new period specified in the notice,—

(a) the tenant by an application in the prescribed form refers the notice to [the appropriate tribunal]; or

(b) the landlord and the tenant agree on a variation of the rent which is different from that proposed in the notice or agree that the rent should not be varied.

(5) Nothing in this section (or in section 14 below) affects the right of the landlord and the tenant under an assured tenancy to vary by agreement any term of the tenancy (including a term relating to rent).

## s.14.— Determination of rent by [tribunal].

(1) Where, under <u>subsection (4)(a) of section 13</u> above, a tenant refers to [the appropriate tribunal] a notice under <u>subsection (2)</u> of that section, the [appropriate tribunal]<sup>3</sup> shall determine the rent at which, subject to subsections (2) and (4) below, the [appropriate tribunal]<sup>3</sup> consider that the dwelling-house concerned might reasonably be expected to be let in the open market by a willing landlord under an assured tenancy—

(a) which is a periodic tenancy 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 the rent) are the same as those of the tenancy to which the notice relates; and

(d) in respect of which the same notices, if any, have been given under any of <u>Grounds 1 to 5 of Schedule 2</u> to this Act, as have been given (or have effect as if given) in relation to the tenancy to which the notice relates.

(2) In making a determination under this section, there shall be disregarded—

(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 carried out by a person who at the time it was carried out was the tenant, if the improvement—

(i) was carried out otherwise than in pursuance of an obligation to his immediate landlord, or

(ii) was carried out pursuant to an obligation to his immediate landlord being an obligation which did not relate to the specific improvement concerned but arose by reference to consent given to the carrying out of that improvement; and

(c) any reduction in the value of the dwelling-house attributable to a failure by the tenant to comply with any terms of the tenancy.

(3) For the purposes of subsection (2)(b) above, in relation to a notice which is referred by a tenant as mentioned in <u>subsection (1)</u> above, an improvement is a relevant improvement if either it was carried out during the tenancy to which the notice relates or the following conditions are satisfied, namely—

(a) that it was carried out not more than twenty-one years before the date of service of the notice; and

(b) that, at all times during the period beginning when the improvement was carried out and ending on the date of service of the notice, the dwelling-house has been let under an assured tenancy; and

(c) that, on the coming to an end of an assured tenancy at any time during that period, the tenant (or, in the case of joint tenants, at least one of them) did not quit.

(3A) In making a determination under this section in any case where under <u>Part I</u> of the <u>Local Government Finance Act 1992</u> the landlord or a superior landlord is liable to pay council tax in respect of a hereditament ("the relevant hereditament") of

which the dwelling-house forms part, the [appropriate tribunal] shall have regard to the amount of council tax which, as at the date on which the notice under <u>section</u> <u>13(2)</u> above was served, was set by the billing authority—

(a) for the financial year in which that notice was served, and

(b) for the category of dwellings within which the relevant hereditament fell on that date,

but any discount or other reduction affecting the amount of council tax payable shall be disregarded.

(3B) In subsection (3A) above—

(a) *"hereditament"* means a dwelling within the meaning of <u>Part I</u> of the <u>Local</u> <u>Government Finance Act 1992</u>,

(b) "billing authority" has the same meaning as in that Part of that Act, and

(c) *"category of dwellings"* has the same meaning as in <u>section 30(1) and (2)</u> of that Act.

(4) In this section "*rent*" does not include any service charge, within the meaning of section 18 of the Landlord and Tenant Act 1985, but, subject to that, includes any sums payable by the tenant to the landlord on account of the use of furniture [, in respect of council tax] or for any of the matters referred to in subsection (1)(a) of that section, whether or not those sums are separate from the sums payable for the occupation of the dwelling-house concerned or are payable under separate agreements.

(5) Where any rates in respect of the dwelling-house concerned are borne by the landlord or a superior landlord, the [appropriate tribunal] shall make their determination under this section as if the rates were not so borne.

(6) In any case where—

(a) [the appropriate tribunal] have before them at the same time the reference of a notice under <u>section 6(2)</u> above relating to a tenancy (in this subsection referred to as "the section 6 reference") and the reference of a notice under <u>section 13(2)</u> above relating to the same tenancy (in this subsection referred to as "the section 13 reference"), and

(b) the date specified in the notice under section 6(2) above is not later than the first day of the new period specified in the notice under section 13(2) above, and

(c) the [appropriate tribunal]<sup>9</sup> propose to hear the two references together,

the [appropriate tribunal] shall make a determination in relation to the <u>section 6</u> reference before making their determination in relation to the <u>section 13</u> reference and, accordingly, in such a case the reference in <u>subsection (1)(c)</u> above to the terms of the tenancy to which the notice relates shall be construed as a reference to those terms as varied by virtue of the determination made in relation to the section 6 reference.

(7) Where a notice under <u>section 13(2)</u> above has been referred to [the appropriate tribunal], then, unless the landlord and the tenant otherwise agree, the rent determined by [the appropriate tribunal] (subject, in a case where <u>subsection (5)</u> above applies, to the addition of the appropriate amount in respect of rates) shall be the rent under the tenancy with effect from the beginning of the new period specified in the notice or, if it appears to [the appropriate tribunal] that that would cause undue hardship to the tenant,

that that would cause undue hardship to the tenant, with effect from such later date (not being later than the date the rent is determined) as the committee may direct.

(8) Nothing in this section requires [the appropriate tribunal] to continue with their determination of a rent for a dwelling-house if the landlord and tenant give notice in writing that they no longer require such a determination or if the tenancy has come to an end.

(9) This section shall apply in relation to an assured shorthold tenancy as if in subsection (1) the reference to an assured tenancy were a reference to an assured shorthold tenancy.