

FIRST - TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference : LON/00BA/MNR/2021/0117

P:PAPERREMOTE

Property : 17 Elder Lodge Talbot Close Mitcham

CR4 1FG

Applicant : Sitta & Romeo Dayi

Respondent : Notting Hill Genesis

Date of Application : 24th May 2021

Type of Application : Determination of the market rent

under Section 14 Housing Act 1988

Tribunal : Mr Mark Taylor MRICS

:

Date and venue of Determination

22nd September 2021 remote paper hearing.

DECISION

The market rent as at 1st June 2021 is £1300 per month.

This has been a remote paper hearing which has been consented to by the parties. The form of remote hearing was P:PAPERREMOTE. A face-to-face hearing was not held because it was not practicable and all issues could be determined on the papers. The documents that the Tribunal were referred to below and the contents of which have been noted with no bundles prepared. The order made is described below.

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Background

- 1. On 28th May 2021, the tenant referred to the tribunal a notice of increase of rent served by the landlord under section 13 of the Housing Act 1988.
- 2. The landlord's notice, dated 26th April 2021 proposed a rent of £1032 per month with effect from 1st June 2021 based on 80% of Open Market Rental Value.
- 3. The tenancy is now a monthly periodic tenancy having originally commenced on 19 March 2018 for a term of one year with rent being payable as at the 1st of every month.
- 4. Directions were issued by the tribunal on 3rd June 2021.
- 5. Prior to the hearing the Tribunal did not receive written representations from either party.

The Accommodation

- 6. The tribunal viewed the locality via google maps and associated programmes.
- 7. The subject property is on a small estate of similar modern purpose-built apartments that appear in good repair and has areas of parking but this appears to be at a premium in terms of availability. Local facilities are nearby and is in close proximity to Mitcham Common.
- 8. The flat comprises 2 bedrooms, a combined living room/kitchen and a bathroom it is located on the 3rd floor. Further it is confirmed that White goods have been provided by the landlord.

The law

- 9. In accordance with the terms of section 14 Housing Act 1988 the Tribunal proceeded to determine the rent at which it considered that the subject property might reasonably be expected to be let on the open market by a willing landlord under an assured tenancy.
- 10. In so doing the tribunal, as required by section 14(1), ignored the effect on the rental value of the property of any relevant tenant's improvements as defined in section 14(2) of that Act.

Valuation

11. In coming to my decision, I had regard to my own general knowledge of market rent levels in the area. The best comparables are those on the same estate or nearby which are limited and, in some instances, difficult to judge comparable due to potential differences in specification. Albeit that there is no

evidence of any defects or disrepair at the subject property it is still likely to be at a discount compared to newly refurbished properties. Doing the best, I can with the limited information before me I determine the open market rent of the subject property at £1300 per month.

The decision

- 12. I concluded that the rent at which the property might reasonably be expected to be let on the open market would be £1300 per month.
- 13. The rent has been assessed as at 1st June 2021 as I have no evidence that this would cause the tenant undue hardship. The rent determined sets a ceiling on the rent which may be charged by the landlord. This decision does not preclude the parties agreeing that the rent payable is a lesser amount as is noted from the rent proposed in the landlord's notice.

Chairman: Mark Taylor MRICS

Dated: 21st September 2021

ANNEX - RIGHTS OF APPEAL

- i. 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.
- ii. 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.
- iii. 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.
- iv. 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.

Appendix Housing Act 1988

14 Determination of rent by rent assessment committee.

- (1)Where, under subsection (4) (a) of section 13, a tenant refers to a rent assessment committee a notice under subsection (2) of that section, the committee shall determine the rent at which, subject to subsections (2) and (4) below, the committee 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 Grounds 1 to 5 of Schedule 2 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 subsection (1) 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.
- (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 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....