



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

**Case Reference** : **CHI/00MW/MNR/2018/0077**

**Property** : **35 York Street  
Cowes  
Isle of Wight  
PO31 7BS**

**Type of Application** : **Determination of market rent: Housing  
Act 1988**

**Date of Decision** : **10 January 2019**

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**REASONS FOR THE DECISION**

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**Background**

1. On 09 November 2018 the Landlord served a notice under Section 13(2) of the Housing Act 1988 which proposed a new rent of £175.00 per week in place of the existing rent of £150.00 per week to take effect from 12 December 2018.
2. On 14 November 2018 the Tribunal received an application from the Tenant under Section 13(4) (a) of the Housing Act 1988.
3. The Tribunal issued Directions dated 19 November 2018 and informed the parties that the Tribunal intended to determine the rent on the basis of an inspection of the property and written representations subject to the parties requesting an oral hearing. No request was made by the parties for a hearing.

## **Inspection**

4. On 10 January 2019 the Tribunal members inspected the property accompanied by the Tenant, the Landlord was not represented. The property is in satisfactory order for its age.
5. The layout of the house is awkward with very steep and narrow staircases and rooms spread out between four floors.

## **The parties' representations**

6. The Tenant made no representations in response to the Directions. The Landlord made written representations. He believes that the rent he proposed is fair for the property and he has not applied for an increase in three years.
7. He provides brief details of two properties one on the other side of the same road as copies of an advertisement in the County Press in July 2018. One is offered at £725.00 and the other at £795.00 per calendar month. He is unable to confirm any tenancy details, condition or repairing obligations.

## **The law**

### S14 Determination of Rent by First-tier Tribunal

*(1) Where, under subsection (4) (a) of section 13 above, a tenant refers to a First-tier Tribunal a notice under subsection (2) of that section, the Tribunal shall determine the rent at which, subject to subsections (2) and (4) below, the Tribunal 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, 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.*

### **Consideration and Valuation**

8. The Tribunal is required to determine the rent at which the subject property might reasonably be expected to be let in the open market by a willing Landlord under an assured tenancy. The personal circumstances of the Tenant are not relevant to this issue.
9. Thus in the first instance the Tribunal determined what rent the landlord could reasonably be expected to obtain for the property in the open market if it were let today on the terms and in the condition that is considered usual for such an open market letting. The Tribunal was assisted by the comparables submitted by the Landlord but also we relied on our own knowledge of general rent levels for this type of property and determined that the starting point for a four-storey house with steep stairs should be £173.00 per week.
10. However, the rent referred to in the above paragraph is on the basis of a modern open market letting where the tenant has no liability to carry out decorations and the landlord supplies white goods, carpets and curtains.

11. In this case the Tenant supplies their own white goods, carpets and curtains and the terms of this tenancy require the tenant to carry out internal decorations so a deduction must be made for these differences. The Tribunal has therefore made the following deductions from the starting point of £173.00 per week.

a. Decorating obligations	£8.00
b. Carpets & curtains	£11.50
c. White goods	£7.00
Adjusted rent	£146.50.per week.

### **Determination**

12. The Tribunal therefore decided that as the adjusted rent is below the passing rent there is no reason for the rent to increase and the rent at which the subject property might reasonably be expected to be let in the open market by a willing Landlord under the terms of this assured tenancy remains at £150.00 per week.

13. The Tribunal directs the new rent of **£150.00 per week** is to take effect on 12 December 2018 the date specified in the Landlord's notice.

**Chairman: B H R Simms**

**Date: 10 January 2019**

### **PERMISSION TO APPEAL**

1. A person wishing to appeal this decision to the Upper Tribunal (Lands Chamber) on a point of law must seek permission to do so by making written application to the First-tier Tribunal at the Regional office which has been dealing with the case.
2. The application must arrive at the Tribunal within 28 days after the Tribunal sends to the person making the application written reasons for the decision.
3. If the person wishing to appeal does not comply with the 28-day time limit, the person shall include with the application for permission to appeal a request for an extension of time and the reason for not complying with the 28-day time limit; the Tribunal will then decide whether to extend time or not to allow the application for permission to appeal to proceed.
4. The application for permission to appeal must identify the decision of the Tribunal to which it relates, state the grounds of appeal, and state the result the party making the application is seeking.