

# FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference : CHI/24UL/MNR/2019/0031

Property : 74 Keith Lucas Road, Farnborough,

Hampshire, GU14 oDH

**Type of Application**: Decision in relation to Housing Act 1988

**Date of Decision** : 3 June 2019

### Reasons for the decision

## **Background**

- 1. The Landlord served a notice under Section 13(2) of the Housing Act 1988 which proposed a new rent of £172.00 per week in place of the existing rent of £154.00 per week to take effect from 6 May 2019.
- 2. On 4 April 2019 the Tribunal received an application from the Tenant under Section 13(4) (a) of the Housing Act 1988.
- 3. On 11 April 2019 the Tribunal made Directions requiring the landlord to send a statement to the tenant and to the Tribunal supporting the application for an increase in rent. The Tenant was also required to send a statement to the Landlord and to the Tribunal in support of his objection.
- 4. The Tribunal office informed the parties that the Tribunal intended to determine the rent based on 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 and an inspection was arranged.

### Inspection

- 5. The Tribunal inspected the property as arranged in the company of the tenant. The property is a modest terraced house built in the early 20<sup>th</sup> century of rendered brick under a slate covered roof.
- 6. On the ground floor is a small lobby with stairs up, a living room leading to a kitchen off which is a rear lobby with doors to the ground floor bathroom/WC and the rear garden. On the first floor are two double and one single bedrooms.
- 7. Outside there is a grass area with concrete path to the front and a well-kept garden to the rear with shed provided by the tenant.
- 8. There is no on-site parking and no heating other than a gas fire in the living room. Water is heated by a factory insulated tank with immersion heater located in a cupboard in the rear double bedroom. The windows are replacement UPVC double glazed units.
- 9. We noted that the kitchen is largely unfitted, the bathroom is somewhat tired, there are signs of damp penetration in the front bedroom, the wiring is old and largely surface mounted and the roof covering is in poor condition with signs of numerous repairs to the front slope. We noted the loose rendering to the front elevation.
- 10. The tenant provides his own carpets, curtains and white goods and has installed a shower over the bath.

### The parties' representations

- 11. In a letter dated 25 April 2019 the tenant referred to the lack of heating, poor state of the roof, unfitted kitchen, damp in the bathroom, the loose rendering, lack of onsite parking, old electrical wiring and that the next-door neighbour has built a panelled fence on the landlord's boundary due to the dilapidated state of the existing.
- 12. Commenting on the landlord's reference to the letting of 153 Keith Lucas Road he noted that this property had a replacement roof, off road parking and insulating cladding.
- 13. In a letter dated 16 April 2019 Greenwood and Company on behalf of the landlord referred to extracts from Rightmove's website indicating that for 3-bedroom properties within 1 mile of the subject property rents were

quoted at between £1,100 and £1,450 pcm. In addition, three properties were located on the VOA Electronic Rent Register of regulated tenancies one being No 153 with a registered rent of £130.50 pw from January 2011. The other two were flats both registered at £166.50 pw.

### The law

## 14. 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
    - was carried out otherwise than in pursuance of an obligation to his immediate landlord, or
  - (c) (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
  - (d) 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

- 15. 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.
- 16. The landlord's agent provided information on properties available to let on Rightmove and three properties included on the VOA register. Registered rents are not on the same terms as the subject property not being let on the open market and do not therefore provide comparable evidence.
- 17. The properties shown on the Rightmove extracts included detached, semidetached, terraced old and more modern properties and save for the Busk Crescent property at an asking rent of £277 per week could not be considered comparable to the subject property. No details of the amenities offered has been provided although as a minimum it must be assumed that they are in good condition, with central heating, a fitted kitchen with integral white goods, modern bathroom and WC. It would also be expected to have good quality carpets and curtains.
- 18. The subject property is old, outdated, largely unimproved with a cramped downstairs bathroom, unfitted kitchen no central heating or parking and with outstanding repairs and a prospective tenant would not expect to pay the same rent as where the property is in the condition and with the amenities as described in paragraph 17.

19. Given the substantial difference between the rent of £172 per week proposed by the landlord and the asking rent of £277 per week for the notionally similar Busk Crescent property the Tribunal is satisfied that the Section 13(2) rent may be confirmed at £172 per week.

#### **Determination**

20. The Tribunal therefore decided that the rent at which the property would be expected to let on the terms of the existing tenancy and in its existing condition is £172.00 per week payable from 6 May 2019 being the date referred to in the Landlord's notice.

Mr D Banfield FRICS (Chairman) Mr M Donaldson FRICS MCIArb MAE 3 June 2019

### PERMISSION TO APPEAL

- 1. A person wishing to appeal the decision to the Upper Tribunal (Lands Chamber) 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.