



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

Case Reference	CHI/00HG/MNR/2019/0037
Property	85 North Prospect Road Plymouth Devon PL2 3JA
Landlord	Not disclosed Landlords Agent: Property Links
Type of Application	Determination of Open Market Rent under s13 and 14 of the Housing Act 1988
Tribunal	Mr W H Gater, FRICS ACI Arb (Chairman) Mr M C Woodrow, MRICS
Date of Decision	19 July 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 £750.00 per month in place of the existing rent of £580 per month to take effect from 1 June 2019.
2. On 7 May 2019 the Tribunal received an application from the Tenant under Section 13(4) (a) of the Housing Act 1988.
3. On 5 June 2019 the Tribunal made Directions requiring the landlord to send a statement to the tenants and to the Tribunal supporting the application for an increase in rent. The Tenants were also required to send a statement to the Landlord and to the Tribunal in support of their 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. Neither

party requested an oral hearing. The tenants indicated that they did not wish to send written representations although certain information was

included in the application form referring the matter to the Tribunal. No representations were received from the Landlord.

Inspection

5. The Tribunal inspected the property as arranged in the company of Mrs Johnson and Mr Ottley.
6. It is a two-storey semi-detached house formerly local authority owned in an area of similar housing and close to traffic-light controlled cross-roads. Local shops, schools and public transport services are available with the city centre about a mile distant.
7. It is constructed with rendered brick/ block cavity walls under a pitched slated roof.
8. The accommodation comprises: -

Ground Floor.

Entrance Lobby
Living Room
Dining Room
Kitchen with walk in store cupboard

First Floor

Landing
3 Bedrooms
Bathroom with panelled bath and basin
Separate wc with low level suite

Outside

Enclosed front garden
Large rear garden laid mainly to lawn
External store cupboard
There is no on-site parking

9. The tenants provide their own curtains and white goods except the cooker. The landlord provides fitted carpets and floor coverings.

Tenancy

10. The property was let on an Assured Shorthold Tenancy for a period of six months from 1st July 2013. The tenancy is therefore a statutory periodic tenancy.

11. Clause 3.4 of the tenancy agreement requires the tenants “to keep the interior of the property and the contents in the same good and clean condition and complete repair.”
12. The Landlords covenant to maintain the property in good repair as required by Section 11 of the Landlord and Tenant Act 1985.

The parties’ representations

13. In their application to the Tribunal the tenants pointed out that they had carried out improvements namely replacing front garden fences and laying granite chippings.
14. They also stated that no other white goods other than the cooker were provided by the landlord.
15. No representations were received from the Landlord or their representative.

The law

15. 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

16. 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.
17. Neither party has provided details of any lettings to support or disprove the rent proposed. The Tribunal has therefore relied on its experience and knowledge of the rental market in Plymouth and surrounding area.
18. Most modern lettings have been refurbished prior to marketing to include modern kitchen and bathroom fittings, double glazing and full central heating. They are typically let with all white goods, carpets and curtains included. In that situation the Tribunal would determine the current full market rent at £700 per calendar month.

19. The subject property is not however let on the terms described above.
20. Clause 3.4 of the tenancy agreement is potentially more onerous a tenant's liability compared to typical assured shorthold terms.
21. The limited provision of white goods and the lack of curtains provided must also be reflected.
22. A prospective tenant would not expect to pay the full market rent for this property on these terms. The Tribunal makes a deduction of £50 to reflect the discount that would be required to attract a tenant to the property on the terms of its tenancy agreement arriving at a rent of £650 per month.

Determination

20. The Tribunal therefore determines 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 £650 per month payable from 1 June 2019 being the date referred to in the Landlord's notice.



Mr W H Gater FRICS (Chairman)
19 July 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.