



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

Case Reference : **MAN/00BY/MNR/2019/0058**

Property : **Flat 2, 2 McBride Street, Garston,
Liverpool, Merseyside L19 2ND**

Landlord : **Richard and Sarah Blaney**

Representative : **N/A**

Tenant : **Vivian Nixon**

Representative : **N/A**

Type of Application : **Determination of rent under section
14 of the Housing Act 1988**

Tribunal Members : **Judge Colin Green
Ken Kasambara**

Date and venue : **Determination following an
inspection on 27 September 2019**

Date of Decision : **27 September 2019**

REASONS FOR DECISION

DECISION

The rent at which the Property might reasonably be expected to be let on the open market by a willing landlord under an assured tenancy is £525.00 per calendar month exclusive of water rates and council tax.

This rent will take effect from 9 August 2019, being the date specified by the landlord in the notice of increase.

REASONS

Background

1. The Property is held on an assured periodic tenancy under the Housing Act 1988 granted by a tenancy agreement dated 9 May 2008 at a rent of £500.00 per month payable on the 9th day of each month. The tenant is Vivian Nixon. The current landlords are Richard and Sarah Blaney.
2. The tenancy was for a fixed term of 6 months from 9 May 2008 and has been followed by a statutory monthly assured tenancy. The repairing obligations of the parties are governed by section 11 of the Landlord and Tenant Act 1985 (clause 7 of the tenancy agreement) – landlord – and clause 4(5) -- tenant. As at the date the landlord gave notice proposing an increase in rent, the rent was £500.00 per calendar month. There is no service charge.
3. By a notice to the tenant dated 13 June 2019 the landlord proposed a new rent for the Property of £550.00 per month with effect from 9 August 2019.
4. On 6 August 2019 the tenant referred the landlord's notice to the Tribunal under section 13(4) of the Housing Act 1988. The tenant's application was in the prescribed form and was made before the date specified in the landlord's notice for the start of the proposed new rent.

Inspection

5. The Tribunal inspected the Property on the morning of 27 September 2019 in the presence of the tenant and a representative of Keppie Massie, the managing agents. The Property is a two-bedroom ground floor flat, with living room and kitchen, bathroom/wc and conservatory. There were a number of items of disrepair as set out in the additional information attached to the tenant's application although some had been attended to. There have been no tenant's improvements since the commencement of the tenancy.

Evidence

6. The landlord's agents submitted written representations under cover of a letter dated 31 August 2019 and advertising details of two comparable properties – two-bedroom flats at Heald Street (575.00 pcm) and at St Mary's Road (£595.00 pcm).
7. Neither party elected for a hearing so that following the inspection the Tribunal reconvened to make its determination.

Law

8. Where a tenant has referred a valid landlord's notice to the Tribunal under section 13 of the Housing Act 1988, section 14 of that Act requires the Tribunal to determine the rent at which it considers that the property might reasonably be expected to be let on the open market by a willing landlord under an assured tenancy. In so doing the Tribunal is required, by section 14(1) of the Act, to ignore the effect on the rental value of the property of any relevant tenant's improvements as defined in section 14(2).
9. For these purposes, "rent" includes amongst other things any sums payable to the landlord by the tenant in respect of council tax. It does not include a "service charge" within the meaning of section 18 of the Landlord and Tenant Act 1985 (i.e. where the service charge payable by the tenant is variable from time to time according to the relevant costs). However, it does include a "fixed" service charge.

Validity of the landlord's notice

10. The Tribunal must first determine that the landlord's notice under section 13(2) of the 1988 Act satisfied the requirements of that section and was validly served. Those requirements are that the notice was given in the prescribed form and was accompanied by the relevant guidance notes, that it gave at least one month's notice of the proposed increase, and that it must specify a start date for the proposed new rent which coincides with the beginning of a period of the tenancy.
11. The Tribunal determined that the landlord's notice complied with these requirements and was therefore validly served.

Valuation

12. The Tribunal next determined the rent at which the Property could reasonably be expected to be let on the open market by a willing landlord under an assured tenancy if it were let today in the condition that is considered usual for such open market lettings.

13. Having taken into account the comparables provided and having had regard to its general knowledge of market rent levels in the area, the Tribunal concluded that a likely market rent for a property such as the subject property would be £550.00 per calendar month exclusive of water rates and council tax.
14. However, the Property is not in the condition considered usual for a modern letting at a market rent and so the Tribunal proceeded to make a deduction from the hypothetical market rent of £25.00 to reflect the disrepairs, reducing the net market rent for the Property to £525.00 per calendar month.