



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

Case Reference : **CHI/23UC/MNR/2019/0057**

Property : **Elm Tree Cottage
Summerhill Lane
Naunton
Cheltenham
GL54 3AA**

Applicant : **Northumberland and Durham
Property Trust Ltd**

Representative : **Grainger Residential Management**

Respondent : **Mrs B C Chance**

Representative : **None**

Type of Application : **Determination of a Market Rent
sections 13 & 14 of the Housing Act
1988**

Tribunal Members : **Mr I R Perry FRICS
Mr P E Smith FRICS**

Date of Inspection : **14th November 2019**

Date of Decision : **14th November 2019**

DECISION

Summary of Decision

1. On 14th November 2019 the Tribunal determined a market rent of £650 per month to take effect from 1st November 2019.

Background

2. The case concerned the determination of a market rent for the subject property following a referral of the Landlord's notice of increase of rent by the Tenant pursuant to sections 13 and 14 Housing Act 1988.
3. On 5th September 2019 the Landlord served a notice under Section 13(2) of the Housing Act 1988 which proposed a new rent of £675 per month in place of the existing rent of £650 per month to take effect from 1st November 2019. The notice complied with the legal requirements.
4. On 16th September 2019 the Tribunal received an application from the Tenant under Section 13(4) (a) of the Housing Act 1988.
5. 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.
6. The Landlord and Tenant submitted written representations, copies of which were sent to the parties. These representations included evidence from the landlord's agent of an asking rental of £795 per month for a one bedroomed property in nearby Naunton. This property had a kitchen/breakfast room, a bathroom with shower and bath, a utility area and cloakroom, a nursery/study/office and a garden.
7. Mrs Chance provided evidence of a one bedroomed cottage in Elkstone being offered to let for £575 per month. This property has an open plan kitchen/living room but also has off road parking.
8. Mrs Chance also provided evidence of a two bedroomed house in Church Westcote available for £650 per month.

Inspection

9. On 14th November 2019 the Tribunal inspected the property accompanied by the tenant Mrs B Chance. Neither the Landlord nor his Agent was present.
10. The Tribunal found the property to be a semi-detached house built of natural stone beneath a tiled roof fronting the road in the village of Naunton.
11. The only entrance door, beneath a porch roof, opens directly from the street into the living room which in turn leads to a kitchen on the ground

floor. A staircase rises out of the living room to a first floor landing off which there is a bedroom, bathroom and airing cupboard. A further staircase leads to a good-sized attic room.

12. There is a woodburner stove in the living room, night storage heaters in the principle rooms but not the kitchen, and the windows are double glazed. The house has no outside space excepting a small flower border to the front road. The bathroom and the kitchen are dated.
13. The village has a pub but no shopping facilities. There is no regular bus service to the village and schools are 2.5 miles and 4 miles away.
14. The Tenant pointed the Tribunal to signs of damp penetration in the kitchen, and some shaling to roof tiles. The Tenant also stated that she did not use the night store heaters as they were inefficient and too expensive to run, and she therefore relied on the woodburner for heating.
15. Mrs Chance confirmed that all the white goods, carpets and curtains were provided by her. She had also replaced the woodburner which was originally supplied by her.
16. Independent of the property the Tenant owns a store and car parking space on the opposite side of the road. These are not included in the tenancy.
17. The Tenant had built the porch at the front and installed the heated towel rail in the bathroom.
18. The Tenant succeeded to the tenancy of the property on 27th May 2011 following the death of her father Mr L F Beames. Mrs Chance had succeeded to the Tenancy pursuant to the provisions of the Rent Act 1977 Schedule 1 (3). The night storage heaters were installed by her father with the aid of a grant.

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

19. 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.
20. Having carefully considered the representations from the parties and associated correspondence and using its own judgement and knowledge of rental values in North Gloucestershire the Tribunal decided that the market rent for the subject property if let today in a condition that was usual for such an open market letting would be £750 per month. This takes into account the lack of any outside space and lack of village amenities.
21. However the property is not in a condition that is usual for an open market letting and as such some deductions should be made from this figure to reflect its present condition and items not included which would normally be included in such an open market letting.
22. In addition the Tribunal needs to consider the value attributable to any Tenants improvements which might be excluded from rent, in this case the provision of a porch, provision of the woodburner and the installation of the heated towel rail.
23. The night store heaters had been provided by Mrs Chance's late father. She had succeeded to an assured shorthold tenancy on 27th May 2011. As the heaters had been installed prior to the start of Mrs Chance's tenancy they should, by virtue of the Housing Act 1988 s14(3), not be regarded as tenants' improvements.
24. Using its experience the Tribunal decided that the following adjustments should be made:

| | |
|------------------------------------------------------------|------------|
| Tenant's provision of white goods | £10 |
| Tenant's provision of carpets and curtains | £20 |
| Dated kitchen and bathroom | £20 |
| Lack of full heating | £20 |
| Tenant's construction of porch and provision of towel rail | £10 |
| Dampness | £20 |
| TOTAL | <hr/> £100 |

25. The tenant made no representation that the starting date for the new rent specified in the Landlord's notice would cause the Tenant undue hardship.

Determination

26. The Tribunal therefore decided that 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 was £650 per month.
27. The Tribunal directed that the new rent of £650 per month should take effect from 1st November 2019, this being the date specified in the notice.

I R Perry BSc FRICS

Date: 14th November 2019

RIGHTS OF APPEAL

1. A person wishing to appeal this 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