

# FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference : CHI/40UD/MNR/2019/0063

9 West Street

Ilchester

Property : Yeovil Somerset

**BA22 8NN** 

Applicant : Mr G and Mrs P J Wills

Representative : None

Respondent : Bankway Properties Ltd

Representative : Savills

**Determination of a Market Rent** 

Type of Application : sections 13 & 14 of the Housing Act

1988

Tribunal Members : Mr I R Perry FRICS

**Mr P E Smith FRICS** 

Date of Inspection : 25<sup>th</sup> November 2019

Date of Decision : 25<sup>th</sup> November 2019

#### **DECISION**

## **Summary of Decision**

1. On 25<sup>th</sup> November 2019 the Tribunal determined a market rent of £515 per month to take effect from  $6^{th}$  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 24<sup>th</sup> September 2019 the Landlord served a notice under Section 13(2) of the Housing Act 1988 which proposed a new rent of £520 per month in place of the existing rent of £497.99 per month to take effect from 6<sup>th</sup> November 2019. The notice complied with the legal requirements.
- 4. On 16<sup>th</sup> October 2019 the Tenant sent an application to the Tribunal 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. The parties submitted written representations, copies of which were sent to each other.
- 6. The Landlords Agent referred to a number of comparable properties offered to let but gave no information as to rentals achieved. The Agent suggested that and open market rent might be between £570 pcm and £700 pcm.

### Inspection

- 7. On 25<sup>th</sup> November 2019 the Tribunal inspected the property accompanied by the Tenant Mrs P J Wills. The Landlord nor his Agent was present.
- 8. The Tribunal found the property to be an inner-terraced flush-fronted dwelling house with accommodation on two floors situated on the southern side of Ilchester
- 9. The house is built of solid walls with rendered elevations all beneath a pitched tiled roof. There is a small single storey extension to the rear with a polycarbonate roof.
- 10. The front entrance door opens into a Hall giving access to a Living Room at the front of the property and a Kitchen to the rear with modern units. Beyond the Kitchen is a Lobby/Utility within the extension.

- 11. Stairs rise from the Hall to the first floor where a Landing gives access to a Bathroom with WC and washbasin, a double Bedroom and a single Bedroom.
- 12. Outside there is a small garden store and several outbuildings owned by the Tenant which have been excluded from the valuation. The rear garden is inordinately long with an Orchard beyond.
- 13. The property is heated by night storage heaters supplied by the Tenant. Windows are uPVC double glazed. The Bathroom has been updated by the Tenants who also provided the flooring in the Kitchen and decorated the Kitchen after the units had been replaced by the Landlord.
- 14. Carpets, curtains and curtain tracks are all provided by the Tenant.
- 15. The village has shops supplying day to day requirements together with a church and public house. There was some road noise from the nearby A37.

#### 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**

- 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. Having carefully considered the representations from the parties and associated correspondence and using its own judgement and knowledge of rental values in Somerset 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 £625 per month.

- 18. This open market rental then needs to be adjusted to reflect improvements made by and any fittings provided by the Tenant.
- 19. Using its experience the Tribunal decided that the following adjustments should be made:

Tenant's provision of carpets and curtains	£25
Tenants upgrade of bathroom fittings	£25
Tenants provision of heating	£50
Tenant's provision of kitchen floor tiles and	
Decoration of kitchen	£10
TOTAL	£110

20. The Tribunal was satisfied that the starting date for the new rent specified in the Landlord's notice would cause the Tenant no undue hardship.

#### **Determination**

- 21. 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 £515 per month.
- 22. The Tribunal directed that the new rent of £515 per month should take effect from 6<sup>th</sup> November 2019, this being the date specified in the notice.

I R Perry FRICS

Date: 25th 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