



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

<b>Case Reference</b>	:	CHI/19UE/MNR/2019/0067
<b>Property</b>	:	Lower Farm Cottage, Manston, Sturminster Newton, Dorset DT10 1EX
<b>Type of Application</b>	:	Decision in relation to Housing Act 1988
<b>Landlord</b>	:	BPT (Bradford Property Trust Ltd) Represented by Grainger plc.
<b>Tenant</b>	:	Mr Alan J Blackmore
<b>Tribunal</b>	:	Mr W H Gater FRICS MCI Arb (Chairman) Mr M J F Donaldson FRICS MCI Arb MAE
<b>Date of Decision</b>	:	19 December 2019

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**Reasons for the decision**

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**Background**

1. The Landlord served a notice under Section 13(2) of the Housing Act 1988, on the prescribed form dated 23 October 2019 which proposed a new rent of £ 2500 per quarter to take effect from 25 March 2020.
2. On 12 November 2019 the Tribunal received an application from the Tenant under Section 13(4) (a) of the Housing Act 1988.
3. On 15 November 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 on the basis of 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.
5. Written representations were received from the Landlord and Tenant as referred to below.

### **Inspection**

6. The Tribunal inspected the property as arranged, in the company of the tenant.
7. The property is a detached house in a rural location adjacent to the River Stour. It stands in the hamlet of Manston about 10 miles north west of Blandford Forum.
8. The accommodation comprises, on the Ground Floor, Entrance Hall, Living Room, Kitchen Sitting Room. On the First Floor 3 Bedrooms, Bathroom/WC. Outside there are gardens and parking space with outbuildings, some understood to be provided by the tenant.
9. Internally the house is in need of modernisation. There is no double glazing or central heating. Bathroom and kitchen fittings were installed by the tenants some time ago. Carpets and curtains are not provided under the tenancy.
10. General repair and decoration are poor. There are signs of dampness and the roof carries a mossy growth. External paintwork and woodwork are poor.
11. The Tenant indicates that flooding of the drive / garden happens seasonally and serious flooding to the house occurred in 1966/1979/2000/2013.

### **The Landlord's written representations**

12. The Landlords through their agents provided evidence of two properties to rent in Marnhull and Donhead St Mary at rents between £2626 to £2775 per quarter.
13. They considered that the rent proposed of £2500 per quarter was £125 less than the minimum rent based on comparables.
14. They stated that £100 per quarter was in fact an appropriate allowance for the lack of central heating, modern kitchen and carpets / white goods, and this included an adjustment for scarcity.
15. It would appear that this last reference is in error, possibly confusing this with a Rent Act 1977 determination. The Housing Act 1988 does not require any adjustment for scarcity.
16. The submission states that since the last review, the landlords have installed secondary double glazing. There is no double glazing and again this appears to be an error, possibly conflating facts from a concurrent application before the tribunal.

## **The Tenant's written representations**

17. The tenant pointed out that the house is in a flooding area. The house lacks double glazing and central heating. His family have lived there for nearly seventy years and they had done nearly all the repairs.

## **The law**

### 18. 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 Determination**

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. The Tribunal noted the evidence of comparable lettings provided and used their own knowledge of general rent levels for this type of property. Were the property not in a flood risk area and offered to let in good condition with the usual amenities provided, the Tribunal considered that a rent of £1100 per calendar month or £3300 per quarter could be achieved.

21. It then went on to consider the reduction in rent a prospective tenant would expect to allow for the lack of central heating, double glazing, white goods, carpets and curtains, the unmodernised kitchen and bathroom and general condition including dampness. The effect on the tenant's rental bid on the history of flooding, with current adverse publicity about insurance availability was also considered.

22. To reflect this lower bid that a prospective tenant would make the Tribunal makes a deduction of 40% and arrives at a rent of £1980 per quarter, with effect from 25 March 2020.

*W Gater*

Mr W Gater FRICS ACI Arb  
(Chairman)  
Mr M J F Donaldson FRICS MCI Arb MAE  
19 December 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.