



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

Case Reference : **CHI/45UC/MNR/2020/0032**

Property : **84 The Meadows
St Mary's Drive
East Preston
Littlehampton BN16 1JB**

Type of Application : **Determination of market rent:
Housing Act 1988**

Landlord : **Places for People Homes Ltd**

Tenant : **Mr Peter Murthwaite**

Tribunal Member : **Mr B H R Simms FRICS (Chairman)**

Date of Decision : **15 July 2020**

REASONS FOR THE DECISION

Background

1. By an application received dated 16 March 2020 Mr Peter Murthwaite, the Tenant, referred to the Tribunal a Notice of Increase of rent served on behalf of the Landlord under section 13 of the Housing Act 1988 dated 14 February 2020 which proposed a rent of £116.22 per week (Including £17.95 fixed service charges) with effect from 06 April 2020 in place of the passing rent of £111.64 per week.
2. The Tenancy is an Assured Periodic weekly Tenancy commencing on 15 April 2013 at a rent of £102.011 including services at £9.96. The Tenancy Agreement dated 12 April 2013 is produced to the Tribunal.
3. Directions for the conduct of the case were issued dated 10 June 2020 under regulations applicable in respect of the Covid 19 pandemic. The Tribunal intended to determine the application on the papers without a hearing or an inspection in accordance with rule 31 of the Tribunal Procedure rules 2013. This procedure is subject to the parties requesting an oral hearing. No request was made by the parties for a hearing. The tribunal proceeded to determine the case based upon the written representations received which were circulated to the parties.

Inspection

4. The Tribunal did not inspect the property but checked the area on Google maps. The Tenant describes the property as a first floor flat with accommodation comprising: Dining Room, Lounge, Kitchen, 1 Bedroom and Bathroom with W.C. There is no garden. From Google Street View the property appears to be part of a development of modern 2-storey purpose-built blocks of flats at the end of a cul-de-sac close to local shops and amenities. The buildings are of brick and tile-hanging under a flat roof.

Hearing & Documents

5. Neither party requested a hearing at which they could present their case. The Tenant made written representations accompanying the application but made no further representations in response to Directions. The Tenant's principal concern relates to service charges and the Tribunal explained in response to an enquiry that service charges are part of the rent fixed by the Tribunal and are not considered separately.
6. The Landlord completed the standard reply form, provided a copy of the Tenancy Agreement and supplied a breakdown of the service charges.
7. The Tribunal proceeded to determine the matter based on the written evidence submitted which had been circulated to the parties.

Tenancy Agreement

8. The agreement is dated 12 April 2004 and is in a standard form. The Tenant is responsible for keeping the interior in good and clean condition, to decorate as necessary and to keep it in good order. The Landlord is responsible for all other repairs and decorations.

Evidence

9. The Tribunal has carefully considered the parties' representations in full but summarises here the principal points.
10. The Tenant says he has no objection to the actual rent proposed but his concern is the level of service charge imposed upon him. He identifies and queries many of the individual items in the service charge.
11. Mr Murthwaite explained that on taking the tenancy he had to redecorate and provide carpets. He provided a bath in addition to the existing shower. The Landlord refurbished the bathroom 4 years after he moved in, after he had installed the bath, and he is less than pleased with the quality of the work.
12. The Landlord states that central heating has been provided by the Tenant and the Landlord does not supply floor coverings, curtains or white goods.
13. Although prompted by Directions neither party chose to provide photographs or any information regarding rents of comparable properties.
14. Neither party addressed the question of the rent to be fixed and did not provide any evidence of lettings of similar properties to assist the Tribunal in fixing the rent.

The Law and Valuation

15. 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 Landlord or of the Tenant are not relevant to this issue. Although the Housing Association may choose to charge a rent different to that determined the Tribunal can only fix a market rent in accordance with statute which is the maximum figure that can be charged.
16. In this case the rent includes an amount identified for fixed service charges. Although the rent payable is identified in the S.13 Notice in these separate parts the Tribunal fixes a market rent for a property where the service charges listed are included in the rent, rather than by fixing a net rent and adding the charges to it. Because of this the rent fixed by the Tribunal is not modified by the actual amount of charges stated. The rent for other lettings may not include these outgoings which sometimes are paid in addition to the rent or not paid by the tenant at all.
17. Thus in the first instance the Tribunal determined what rent the landlord could reasonably be expected to obtain for the property in the open market if it were let today on the terms and in the condition that is considered usual for such an open market letting including the services provided by the Landlord. The Tenant did not suggest the level of rent that would be acceptable although he indicated that the proposed net rent of £96.22 was acceptable. Neither party justified their respective opinions with evidence of comparable recent market lettings or the costs of services.
18. Accordingly having regard to the evidence and information supplied, the various comments made and by using its own knowledge and experience the Tribunal arrives at an appropriate open market rental value of £155.00 per week for a property similar

to the subject premises in this location but in good modernised condition with white goods and carpets provided by the Landlord which is usual in the locality. The subject property is, however, not in such a modernised condition and was not provided with central heating, which the Tenant has installed as an improvement. The tenancy also requires the Tenant to redecorate internally and the landlord has not supplied white goods or carpets & curtains. We have made an adjustment for these different physical differences and for the additional tenant's decorating responsibility which would not be usual with a market rent letting. In our view this would reduce the bid that would be made by a hypothetical tenant by £30.00 per week.

Determination

19. The Tribunal therefore determines 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 is £125.00 per week (£155.00 less £30.00) including £17.95 fixed service charge.
20. The new rent of **£125.00 per week including £17.95 fixed service** charge is to take effect on **06 April 2020** the date specified in the Landlord's S.13 notice.

Mr B H R Simms (Chairman)

15 July 2020

PERMISSION TO APPEAL

1. A person wishing to appeal this decision to the Upper Tribunal (Lands Chamber) on a point of law 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.