



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

Case Reference : **CHI/45UG/MNR/2020/0028**

Property : **42 Old Farm Close
Haywards Heath
West Sussex
RH17 7GA**

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

Tenants : **Mr George-Dan Raschitor
& Miss Andrea Roxana Lucaci**

Landlord : **Hyde Housing Association Ltd**

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

Date of Decision : **19 August 2020**

REASONS FOR THE DECISION

Background

1. By an application dated 07 March 2020 the Tenants 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 10 February 2020. The Notice proposed a rent of £936.00 per calendar month with effect from 01 April 2020 in place of the passing rent of £780.00 per calendar month.
2. The Tenancy is an Assured Periodic Tenancy commencing on 14 September 2018 for a term of 6 months then continuing on a contractual periodic basis. The Tenancy Agreement dated 14 September 2018 is produced to the Tribunal.
3. Directions for the conduct of the case were issued dated 23 June 2020 under special arrangements made to respond to government restrictions imposed in connection with the Covid 19 pandemic. The restrictions have caused a suspension of an inspection of the property. The Tribunal proposed that the case would be determined on the papers without a hearing subject to any objection from the parties. No objection was received.

Inspection

4. The Tribunal did not inspect the property but as advised checked the area on Google maps Street View.
5. The Tenant describes the property as a terrace house with accommodation comprising: 1 Living Room, 1 Kitchen, 2 Bedrooms, Bathroom, 1 Shower Room, and 1 Cloakroom. From Google Street View and a photograph supplied by the Tenant the Property appears to be built of brick and tile in a close of similar properties near to the Princess Royal Hospital.

Hearing

6. Neither party requested a hearing at which they could present their case. Both parties made written representations.
7. The Landlord made representations dated 01 July 2020 comprising a witness statement of Donna Jones, the Lead Rent and Compliance Officer for Hyde Housing, in support of the case for Hyde which comprises a list of exhibits without any linking narrative. The exhibits comprise A: The completed Tribunal Reply Form; B: Comparables used to determine the rent; C: The Tenancy Agreement; D: The rent increase Notice showing no separate service charges; & E: Rent increase letters.
8. The Tenants made written representations dated 20 July 2020 in a similar form to the Landlord comprising their witness statement introducing exhibits without any linking narrative. The exhibits are: A: The completed Tribunal Reply Form; B: The Tenants' rent proposal; C: Rent increase letters and the Tenants' response; D: Correspondence re 56 Old Farm Close; E: Correspondence with complaints; F: Photographs; G: Correspondence re abandoned cars; H: Photographs and a response to the Landlord's comparables; I: The Tenancy Agreement.

9. The Tribunal proceeded to determine the matter based on the written evidence submitted which was circulated to the parties.

Tenancy Agreement

10. The agreement dated 14 September 2018 is in a standard form. The Tenant is responsible for keeping the interior in as good and clean condition and repair as at the commencement of the term. The Landlord is responsible for all other repairs and decorations.

Evidence

11. The Tribunal has carefully considered the parties representations in full but summarises here the principal points.
12. The Landlord confirms that the property has central heating and double glazing and the Landlord supplies carpets and curtains. Some white goods are supplied. There is no garage or off-street parking.
13. In support of its rent the Landlord describes three similar properties as comparables: 7 Robertson Drive, a 2 bedroom terrace house let in June 2019 at £1,250 per calendar month; 11 Robertson Drive, a 2 bedroom semi-detached let in July 2019 at £1,150 per calendar month; and 32 Funnell Drive, a 2 bedroom house let in November 2018 at £1,200 per calendar month. The notes attached however each refer to a 2 bedroom flat in error. No information is given to suggest how these comparables of lettings one year earlier support the Landlord's proposed rent of £936.00.
14. The Landlord has supplied copies of letters explaining their proposals to adjust the rent charged following the Covid 19 pandemic.
15. The Tenants submit their own completed Tribunal Reply Form and indicate that only carpets are provided and not curtains, and the carpets were not new when they moved in. A fridge freezer was left behind by the previous tenant. The Tenants confirm that there is no private parking or parking permits and only communal gardens.
16. The Tenants outline a history of slow responses by the landlord to reports of disrepair summarised as follows. A defective front door which has now been replaced; poorly fitting windows which have been temporarily repaired; out of date kitchen hob, oven and hood; washing gutters and exterior of house - not undertaken; slippery external footpaths – no action; incorrectly positioned boiler flue - no action.
17. In their general comments the Tenants emphasise that the communal parking area is often used by the staff from the nearby hospital and there are abandoned cars. In the communal garden the play area has not been modernised, photographs are supplied. They mention that the local transport facilities are limited.
18. In support of the Tenants' concerns regarding repairs and poor amenities they supply photographs and correspondence with the Landlord and others.

19. As a separate exhibit the Tenants outline their case for calculating the rent they should pay and the enquiries they have made with various individuals at the Landlord company.
20. In the final exhibit the Tenants provide photographs emphasising the differences between the properties offered as comparable by Hyde when compared to the poorer properties in Old Farm Close. They also include online particulars of two 2-bedroom apartments, the significance of which is unclear.

The Law and Valuation

21. Although the Housing Association may choose to charge a rent based upon calculations and percentages laid down by government and outside bodies, the jurisdiction of this Tribunal under the terms of the Application is governed by Statute. The rent the Tribunal has to fix is defined as a market rent which is *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. Often a Landlord may choose to apply a reduced percentage to the market rental valuation but the Tribunal's jurisdiction does not extend to that percentage. The rent fixed in this determination is the maximum figure that can be charged.
22. 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. The Tenant fully described the property & its location and the Landlord made some helpful general comments. Both parties offered details of rentals for other properties which they considered comparable to the subject premises.
23. Accordingly having regard to the evidence supplied, the various comments made and using its own knowledge and experience the Tribunal arrives at an appropriate open market rental value of £975.00 per calendar month for a property similar to the subject premises but in good modernised condition with white goods. The Old Farm Close estate is less attractive than the comparables offered by the Landlord in that it has no private space and only has communal gardens which are now deteriorating. There is no private parking. The subject property is also not in such a modernised condition. The Tribunal makes adjustments for minor disrepair, lack of curtains, out of date oven, hob & hood and general lack of amenity. In our view this would reduce the bid that would be made by a hypothetical tenant by £75.00 per month.

Determination

24. 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 £900.00 per calendar month.
25. The new rent of **£900.00 per calendar month** is to take effect on **01 April 2020** the date specified in the Landlord's S.13 notice.

Mr B H R Simms (Chairman)
19 August 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.