



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

Case Reference : **CHI/23UC/MNR/2020/0079**

Property : **12 Culkerton
Tetbury
Gloucestershire
GL8 8SS**

Applicant : **Mr R and Mrs V Stacey**

Representative : **None**

Respondent : **Mr R and Mrs K Clark**

Representative : **Moore Allen & Innocent**

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

Tribunal Members : **Mr I R Perry BSc FRICS
Mr R Brown FRICS
Mr S Hodges FRICS**

Date of Inspection : **None. Determined on the papers**

Date of Decision : **21st December 2020**

DECISION

Summary of Decision

1. On 21st December 2020 the Tribunal determined a market rent of £675 per month to take effect from 29th November 2020.

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 12th October 2020 the Landlord served a notice under Section 13(2) of the Housing Act 1988 which proposed a new rent of £975 per month in place of the existing rent of £675 per month to take effect from the 29th November 2020. The notice complied with the legal requirements.
4. On 18th October 2020 the Tenant applied to the Tribunal under Section 13(4) (a) of the Housing Act 1988.
5. The Coronavirus pandemic and considerations of health have caused a suspension of inspections and of Tribunal hearings in person until further notice.
6. The Tribunal office informed the parties that the Tribunal intended to determine the rent on the basis of 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.

The property

7. From the information given in the papers and available on the internet the property comprises a terraced house within a small hamlet of similar properties between Cirencester and Tetbury.
8. The building seems to date from pre-1900 and is of Cotswold stone construction beneath a tiled roof.
9. The accommodation is described as including a Living Room, Kitchen, two Bedrooms and Bathroom with WC. There is off street parking and a small garden and shed.
10. The property has central heating and double-glazed windows.

Submissions

11. The initial tenancy began on 29th January 2009 at a rent of £675 per month which included a hob, oven, carpets and curtains but no white goods.
12. The Tenant's submission included a number of photographs showing the property to be very badly affected by rising, penetrating and condensation dampness with evidence of black mould growth in some rooms. The kitchen and bathroom fittings are dated with one kitchen cupboard having fallen off the wall.
13. The submission from the Landlord's agent included a list of properties in the area with their listing price but no evidence of the condition of these properties or their actual rents achieved. The agent also included details of some larger properties with their asking prices, but these appeared to be fully modernised and in a lettable condition.
14. The Tribunal was also provided with an Energy Performance Certificate for the property which was assessed as poor to average in many sections of the report.
15. The Tenant considered that the proposed increase in rent was high being more than 18%. Neither party included evidence of the rents paid for other similar properties in the area.

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 first considered whether it felt able to reasonably and fairly decide this case based on the papers submitted only with no oral hearing. Having read and considered the papers it decided that it could do so.

17. 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.
18. 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 £895 per month.
19. However the property is not in such a condition and certain deductions should be made from this figure. Relying on its own experience the Tribunal decided that a deduction of £10 per month should be made to reflect the Tenant's provision of white goods.
20. From the photographic evidence provided by the Tenants the Tribunal decided that further deductions of £50 per month should be made to reflect the dated kitchen fittings, £30 per month to reflect the dated bathroom fittings, £30 per month to reflect the poor EPC rating and £100 per month to reflect the general condition, particularly the damp issues.
21. Accordingly the Tribunal decided that the new rent should be fixed at £675 per month.
22. The Tribunal received no indication that the starting date for the new rent specified in the Landlord's notice would cause the Tenant any undue hardship.

Determination

23. 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 £675 per month.
24. The Tribunal directed that the new rent of £675 per month should take effect from 29th November 2020 this being the date specified in the original notice.

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. Where possible you should send your application for permission to appeal by email to rpsouthern@justice.gov.uk as this will enable the First-tier Tribunal Regional office to deal with it more efficiently.

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