

FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference	:	CHI/00MR/MNR/2021/0098
Property	:	Flat 2 5 Herbert Road Southsea Hampshire PO4 oQA
Landlord	:	Property Link Southampton Ltd
Representative	:	Abbotts Langley
Tenant	:	Mr D Corsar
Representative	:	None
Type of Application	:	Determination of a Market Rent sections 13 & 14 of the Housing Act 1988
Tribunal Members	:	Mr I R Perry BSc FRICS Mrs J E Coupe FRICS Mr M J F Donaldson FRICS MCIArb MAE
Date of Inspection	:	None. Paper determination
Date of Decision	:	6 th January 2022

DECISION

Summary of Decision

1. On 6th January 2022 the Tribunal determined a market rent of £615 per month to take effect from 1st September 2021.

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 an unknown date the Landlord served a notice under Section 13(2) of the Housing Act 1988 which proposed a new rent of £760 per month in place of the existing rent of £411.66 per month to take effect from 1st September 2021. The notice complied with the legal requirements.
- 4. 18th August 2021 the Tribunal received an application from the Tenant under Section 13(4) (a) of the Housing Act 1988.
- 5. On 27th August 2021 the Tribunal issued a notice that it was minded to strike out the application pursuant to rule 9 of the Property Chamber rules because, on the Tribunals preliminary view, the s13(2) notice was defective as it was not dated and there was no information to establish the correct date of commencement of the agreement.
- 6. Representations were received from the Landlord enclosing a signed notice and the Tribunal, doing the best it could in the circumstances, found that the effective date for any rent review would be the first day of the month.
- 7. The Coronavirus pandemic and considerations of health have caused a suspension of inspections and Tribunal hearings in person until further notice.
- 8. The Tribunal issued further directions on 22nd November 2021 informing the parties that, unless either party objected, the Tribunal intended to determine the rent based on written representations. The parties were invited to make submissions which could include photographs or videos.
- 9. The application had included information from the Tenant and the Landlord made further representations. The papers were also copied to the other party.
- 10. Neither party objected to the matter being determined without an oral hearing, so the Tribunal determined the case on 6th January 2022 based on the written representations received.

The Property

11. From the information given in the papers and available on the internet the property comprises a first floor flat within a converted three storey end terraced house probably dating from the Edwardian period.

- 12. The property is in an area of similar style housing in Southsea, about 500 metres from Southsea beach. There is a reasonable range of facilities in the area supplying most day to day needs with further amenities in Portsmouth.
- 13. The accommodation is described as including a Living Room, Kitchen, Bedroom, Bathroom and Toilet.

Submissions

- 14. The Landlord states that the flat has central heating and double glazing, that carpets and a cooker are provided, the original tenancy commenced in 2003 when the property had been refurbished, and that two chests of drawers and a wardrobe were provided by the Landlord.
- 15. The Landlord submitted details of other flats let in the general area and referred specifically to the ground floor flat within 5 Herbert Road which was let in May 2021 for £975 per month.
- 16. The Landlord also submitted photographs of the common areas within the property which included a number of boxes said to belong to the Tenant which were stored on a landing.

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

- 17. 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.
- 18. 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.
- 19. Having carefully considered the representations from the parties and associated correspondence and using its own judgement and knowledge of rental values in Southsea and Portsmouth the Tribunal decided that

the market rent for a one-bedroom flat if let today in a condition that was usual for such an open market letting would be £725 per month.

- 20. To achieve this level of rent for a one-bedroom flat the property would be expected to be in good modern order with carpets, curtains and white goods all included.
- 21. The Tribunal considered that some adjustments to an open market rent of \pounds 725 per month should be made to reflect the absence of some white goods and the now dated nature of the bathroom and kitchen. The Tribunal did not consider that the furniture provided would merit additional rent.
- 22. Using its experience the Tribunal decided that the following adjustments should be made:

Tenant's provision of some white goods	£20
Dated kitchen	£60
Dated bathroom	£30
TOTAL	£110

23. The Tenant made no representation that the starting date for the new rent specified in the Landlord's notice would cause the Tenant undue hardship.

Determination

- 24. 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 $\pounds 615$ per month.
- 25. The Tribunal directed that the new rent of £615 per month should take effect from 1st September 2021, this being the date specified in the 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.