

FIRST - TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference : CAM/38UF/MNR/2022/0008

P:PAPERREMOTE

Property : 11 Jeffs Terrace Chipping Norton

Oxfordshire OX7 3RF

Applicant : Mr A Flynn

Respondent : Cottsway Housing Association

Limited

Date of Application : 14 February 2022

Type of Application : Determination of the market rent

under Section 14 Housing Act 1988

Tribunal : Mrs E Flint FRICS

Mr P Roberts FRICS

Date and venue of

Determination

25 April 2022

remote hearing on the papers.

DECISION

The market rent as at 4 April 2022 is £145 per week.

This has been a remote hearing which has been consented to by the parties. The form of remote hearing was P:PAPERREMOTE. A face-to-face hearing was not held because it was not practicable and all issues could be determined in a remote hearing. The documents that the Tribunal were referred to are in a bundle, the contents of which have been noted. The order made is described below.

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Background

- 1. On 14 February 2022, the tenant referred to the Tribunal a notice of increase of rent served by the landlord under section 13 of the Housing Act 1988.
- 2. The landlord's notice, which was dated 7 February 2022 proposed a rent of £91.51 per week with effect from 4 April 2022 in place of the existing rent of £87.91 per week.
- 3. The tenancy is an assured tenancy which commenced on 11 June 2007.
- 4. Directions were issued by the tribunal on 2 March 2022.
- 5. The parties did not object to the matter being dealt with on the papers and both made written representations to the tribunal.

The Evidence

- 6. The tenant stated that the flat is in a block of four flats, accessed by a communal entrance hall and staircase. The accommodation comprises two rooms, kitchen and bathroom/wc, it is centrally heated and the windows are double glazed. The kitchen and bathroom are dated, the wc has a high level cistern. The tenant added that there is black mould in the bedroom, bathroom and on the landing outside the bathroom, photographs were provided showing the common parts and interior of the flat. He stated that the landlord had been due to inspect the bathroom on 18 March 2020 however the inspection had been cancelled due to Covid and had not been carried out to date. The kitchen is very small. He had supplied the carpets, curtains and white goods.
- 7. The landlord stated that based on asking rents on Rightmove the open market rental value of the flat is £780 per month (£180 per week). The proposed rent is less than would be charged to a new tenant. The flat is a good size having a floor area of approximately 53 sq metres.

The law

- 8. In accordance with the terms of section 14 Housing Act 1988 the Tribunal proceeded to determine the rent at which it considered that the subject property might reasonably be expected to be let on the open market by a willing landlord under an assured tenancy.
- 9. In so doing the Tribunal, as required by section 14(1), ignored the effect on the rental value of the property of any relevant tenant's improvements as defined in section 14(2) of that Act.

Valuation

- 10. In coming to its decision, the Tribunal had regard to the evidence supplied by both the landlord and the tenant. The comparables were superior in terms of modernisation to the subject premises and generally benefited from white goods, floor coverings and blinds or curtains. The common parts of the block were spartan.
- 11. The Tribunal concluded that the rent at which the property might reasonably be expected to be let on the open market would be £170 per week. The open market assumes that the flat is in the condition usually found in open market lettings. However, in this instance the kitchen and bathroom are dated, there are significant areas of mould and the common parts are very basic. The carpets, curtains and white goods had been provided by the tenant. The Tribunal determined that a deduction of £25 should be made from the weekly open market rent to reflect these matters.

The decision

12. The Tribunal determines the open market rental value of the flat as at 4 April 2022 is £145 per week. The rent payable may not exceed this figure however it does not prevent the landlord from charging a lower amount in accordance with the Notice of Increase dated 7 February 2022.

Chairman: Evelyn Flint

Dated: 9 May 2022

ANNEX - RIGHTS OF APPEAL

- i. If a party wishes to appeal this decision to the Upper Tribunal (Lands Chamber) then a written application for permission must be made to the First-tier Tribunal at the Regional office which has been dealing with the case.
- ii. The application for permission to appeal must arrive at the Regional office within 28 days after the Tribunal sends written reasons for the decision to the person making the application.
- iii. If the application is not made within the 28 day time limit, such application must include a request for an extension of time and the reason for not complying with the 28 day time limit; the Tribunal will then look at such reason(s) and decide whether to allow the application for permission to appeal to proceed despite not being within the time limit.

iv. The application for permission to appeal must identify the decision of the Tribunal to which it relates (i.e. give the date, the property and the case number), state the grounds of appeal, and state the result the party making the application is seeking.

Appendix Housing Act 1988

under an assured tenancy-

- 14 Determination of rent by rent assessment committee.
- (1)Where, under subsection (4) (a) of section 13, a tenant refers to a rent assessment committee a notice under subsection (2) of that section, the committee shall determine the rent at which, subject to subsections (2) and (4) below, the committee consider that the dwelling-house concerned might reasonably be expected to be let in the open market by a willing landlord
- (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 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 of the dwelling-house concerned or are payable under separate agreements....
- (7)Where a notice under section 13(2) above has been referred to the appropriate tribunal, then, unless the landlord and the tenant otherwise agree, the rent determined by the appropriate tribunal ... shall be the rent under the tenancy with effect from the beginning of the new period specified in the notice or, if it appears to the appropriate tribunal that that would cause undue hardship to the tenant, with effect from such later date (not being later than the date the rent is determined) as the appropriate tribunal may direct.