



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

Case reference : **CAM/OOKC/MNR/2022/0041**

HMCTS code : **P:PAPERREMOTE**

Property : **23 Highfield Crescent,
Brogborough, Bedfordshire, MK43
0XZ**

Applicant (Tenant) : **Mr and Mrs B Pali**

Respondent (Landlord) : **Regis Group (UBK) Ltd (Lifespace)**

Type of application : **Determination of a Market Rent:
Sections 13 and 14 Housing Act
1988**

Tribunal members : **Mr P Roberts FRICS CEnv**

**Date and venue of
Determination** : **11 July 2022**

DECISION

Covid-19 pandemic: description of hearing

This has been a remote determination on the papers which the parties are taken to have consented to, as explained below. The form of determination was a paper only hearing described above as P:PAPERREMOTE. The documents that the Tribunal was referred to are in bundles from the Applicant and the Respondent. The Tribunal has noted the contents and the decision is below.

Decision

The Tribunal determined a market rent of £730 per calendar month (i.e., £168.46 per week) effective from 20 June 2022.

Reasons

Background

1. On 20 April 2022 the Landlord served notice under section 13 (2) of the Housing Act 1988 to increase the passing rent from £123.36 per week (pw) to £173.08 pw with effect from 20 June 2022.
2. The current rent of £123.36 pw is equivalent to £534.56 per calendar month whilst the proposed rent of £173.08 pw is equivalent to a rent of £750.01 per calendar month.
3. This rent is stated to be exclusive of Council Tax, Water Charges and fixed service charges.
4. The Tenant made an application to the Tribunal in reliance on section 13 (4) of the Housing Act 1988 on 25 April 2022.
5. The Tribunal issued directions on 11 May 2022, inviting the Parties to submit any further representations (including any photographs and details of rentals for similar properties) they wished the tribunal to consider.
6. The Tenant has submitted six photographs. The Landlord has not submitted any further representations.
7. Neither Party requested a hearing. This matter has therefore been dealt with on the papers.

The Property

8. The Tribunal inspected the Property at 10.30AM on 11 July 2022. The Tenant was present, but the Landlord did not attend.
9. The Property is a two storey mid-terraced house of brick and tile construction with UPVC double glazing throughout and central heating.
10. There is a garden to the front of the property and a further extended garden to the rear at the end of which is a hard surfaced area providing two car parking spaces. The Tribunal understands that the Tenant installed the parking area and double gates.

11. The accommodation comprises, at ground floor level, a hallway leading to a lounge with understairs cupboard. There is a kitchen at the rear together with a bathroom. There are three bedrooms at first floor level.
12. The Tribunal was informed that all the white goods belong to the Tenant. In addition, whilst the kitchen sink belongs to the Landlord, all the other units were installed by the Tenant. These units are obsolete and beyond repair such that it would benefit from a complete refit with new units. In this regard, once the Tenant's fixtures and fittings are removed, the Kitchen would effectively comprise a bare room with just a sink.
13. The Tribunal noted extensive damp and mildew within the kitchen. In this regard, it was notable that there is no extractor fan in the kitchen. As such, there is no means, other than by opening the window, which may not be practical or desirable in the colder months, to allow damp to escape. This is likely to be exacerbated by the fact that the bathroom is directly connected to the kitchen by an unheated tiled lobby. Whilst the bathroom does benefit from a fan it is of limited capacity such that moist air will, in all likelihood, travel from the bathroom through the lobby and into the kitchen.
14. The Tribunal was informed by the Tenant that the bath, shower fitting, sink and toilet were all installed by, and belong to, the Landlord.
15. The Tribunal noted that the hot water boiler has been installed in the rear bedroom. In addition to being unsightly, it is also noisy, when operational, for anyone wanting to sleep in this room. The Tribunal also considered that a prospective tenant would be concerned with the proximity of the flue to the window to the bedroom and the risk of waste gases being blown back into the bedroom.
16. There is further significant evidence of damp within the rear and main bedrooms and cracking within the "box room". The Tribunal was informed that the Tenant regularly redecorates these rooms but there remains significant discolouration of the ceilings and tops of the walls as shown in the photographs provided to the Tribunal by the Tenant.
17. Bearing in mind the hot weather conditions at the time of the inspection, it is difficult for the Tribunal to form an opinion as to the cause of the damage but it would appear that there may be either a pipe leak within the loft space or rain water is penetrating the roof.
18. In this regard, the soffits are in major need of repair and redecoration and it is likely that sections will have to be cut out and replaced with new timber. In addition, the Tribunal noted that the chimney stack is cracked, with vegetation growing from the top and evidence of missing bricks. The guttering was also in a poor state of repair. All these issues are likely to have an impact on the extent of water penetration into the Property.

19. The Tribunal noted that there is evidence that the front garden was previously enclosed by a brick wall which has since been removed and/or fallen down. However, the rear garden has clearly been maintained well by the Tenants and is an attractive feature of the Property.
20. Overall, the Property is in need of refurbishment and modernisation and the market would have concerns in respect of the lack of kitchen fixtures, the apparent water ingress, the location of the gas boiler and the general lack of repair.
21. The Tribunal notes that the EPC banding is D effective from 5 July 2022 and that the assumed floor area extends to 74 square metres. The accompanying notes highlight the assessed lack of wall and roof insulation.
22. The Tribunal also notes that the Property has been placed in Council Tax B.

The Tenancy

23. The Tribunal requested a copy of the Tenancy but was advised that this was not available.
24. The Tribunal understands that the current occupancy of the Property is pursuant to an Assured Periodic Tenancy such that Sections 13 and 14 of the Housing Act 1988 apply.

The Law

25. Section 14 of the Housing Act 1988 (the 1988 Act) provides that the Tribunal is required to determine the rent at which the Property might reasonably be expected to let in the open market by a willing landlord under an assured tenancy:
 - a. “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 rent) are the same as those of the existing tenancy.”
26. Section 14 (2) of the Act requires the Tribunal to disregard
 - 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 (as defined by section 14 (3) of the Act) otherwise than as an obligation;

- 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.”
- 27. Examples of a tenant’s failure to comply with the terms of the lease may include, for example, a lack of redecoration.
- 28. Section 11 of the Landlord and Tenant Act 1985 (the 1985 Act), provides that the Tribunal is to imply a covenant by the Landlord:
 - a. “to keep in repair the structure and exterior of the dwelling-house (including drains, gutters and external pipes),
 - b. to keep in repair and proper working order the installations in the dwelling-house for the supply of water, gas and electricity and for sanitation (including basins, sinks, baths and sanitary conveniences, but not other fixtures, fittings and appliances for making use of the supply of water, gas or electricity), and
 - c. to keep in repair and proper working order the installations in the dwelling-house for space heating and heating water.”

Representations – The Tenant

- 29. The Tenant has provided the Tribunal with six photographs in respect of damp issues and the location of the boiler. The Tribunal has been able to verify the accuracy of these photographs during its inspection and is satisfied that they are accurate.

Representations – The Landlord

- 30. The Landlord has not made any representations.

Determination

- 31. In determining the market rent, the Tribunal has regard to prevailing levels of rent in the general locality and achieved rental values in respect of other properties of comparable accommodation and provision that would be likely to be considered by a prospective tenant. The current rent and the period that has passed since that rent was agreed or determined is not relevant.
- 32. The legislation requires the Tribunal to have regard to market demand assuming that the landlord is willing. The Tribunal is therefore unable to have regard to the personal circumstances or identities of the actual landlord and tenant in assessing the level of rent.
- 33. In the absence of any evidence of similar lettings being provided by either Party, the Tribunal has applied its own knowledge and expertise in reaching its determination.
- 34. The Tribunal has been unable to find any evidence of any residential property currently available to let within Brogborough itself and has

therefore had to have regard to evidence from the wider locality and make appropriate adjustments to account for the respective merits or otherwise.

35. In this regard, the Tribunal has taken into account the location of the Property and the nature of the surrounding area.
36. The Tribunal has then considered that the Property would require modernisation and refurbishment in the event that it was to become vacant and available to let in order to be attractive to the market comparative to other properties. This work would be above and beyond the Tenant's obligations.
37. The Tribunal has disregarded the installation of the hard standing and assumed that the Property would be let with no white goods or kitchen units other than the sink and associated cabinet.
38. Having regard to these matters, the Tribunal therefore determines the market rental of the Property with effect from **20 June 2022 at £730 per calendar month which equates to £168.46 per week**. The rent payable may not, therefore, exceed this figure. However, this does not prevent the Landlord from charging a lower figure in accordance with the Notice of Increase dated 14 February 2022.

Name: Peter Roberts FRICS CEnv

Date: 29 July 2022

Rights of appeal

By rule 36(2) of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013, the tribunal is required to notify the parties about any right of appeal they may have.

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.

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.

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.

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.

If the tribunal refuses to grant permission to appeal, a further application for permission may be made to the Upper Tribunal (Lands Chamber).