



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

Case Reference : **CAM/00KA/MNR/2022/0070
P:PAPERREMOTE**

Property : **24 Rosedale Close Luton
Bedfordshire LU3 3AP**

Applicant : **Mrs Angela Preedy**

Representative : **-**

Respondent : **Mr Thomas Whelan and Mr
Kieran Whelan**

Representative : **-**

Date of Application : **2 August 2022**

Type of Application : **Determination of the market rent
under Section 14 Housing Act 1988**

Tribunal : **Mrs E Flint FRICS**

**Date and venue of
Determination** : **4 October 2022
on the papers following an inspection.**

Reviewed : **25 January 2023**

DECISION

The market rent as at 7 September 2022 is £900 per month.

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.

Background

1. On 2 August 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 26 July 2022 proposed a rent of £1250 per month with effect from 7 September 2022 in place of the existing rent of £760 per month.
3. The tenant occupies under a periodic tenancy which commenced in January 1990.
4. Directions were issued by the tribunal on 11 August 2022.
5. The parties did not object to the matter being dealt with on the papers following an inspection by the tribunal. Prior to which both the landlord and the tenant sent to the tribunal brief description of the house and the tenant's improvements. The landlord submitted comparable market rental evidence, no market evidence was supplied by the tenant.

The Inspection

6. The Tribunal inspected the property and locality on 4 October 2022.
7. Rosedale Close is a cul de sac of houses and flats on a 1970's residential estate on the outskirts of Luton. Local shops and buses are within a short walk of the property and Legrave railway station is approximately one mile away.
8. The property is a two storey terraced house built in the 1970's with front and rear gardens and a garage in a block. The rear garden is adjacent to a railway embankment, trains passing on the elevated line were intrusive during the inspection. In the past the house had been shielded by mature trees which have been cut down by the rail company.
9. The accommodation comprises on the ground floor a living room to the rear and kitchen to the front, there are two double and one single bedroom and bathroom/wc on the first floor. The ceiling in the left-hand rear bedroom is damaged following a water leak. The windows throughout are Upvc double glazed units although the seals on some have blown. Heating is via a ducted warm air system which requires being supplemented by the tenant's own appliances.
10. The kitchen units were in situ at the beginning of the tenancy in January 1990 and are showing signs of wear, the tenant has replaced the kitchen taps, provided a breakfast bar and floor covering in the kitchen. The bathroom suite is blue and dated. In 1990 the floor

coverings were provided by the landlord however those on the ground floor were worn, the tenant has polished the thermoplastic tiles in the lounge and laid laminate flooring in the hall and bathroom.

11. The lounge provides access to the rear garden via a glazed door.
12. The curtains and white goods are the tenant's.

The Evidence

13. The landlord provided a letter from a local agent who had estimated the rental value of the house at £1250 per month reflecting that some areas of the interior are deemed to be quite dated and that there are some issues with the heating of the property. However, it was assumed that the property is in good condition and that the landlord has fulfilled his obligations. The landlord had indicated that the condition of the interior was to be maintained and improved where necessary by the tenant as was agreed with the tenant at the time of the signing of the tenancy agreement.
14. The agent stated that the average rent achieved for a house in Luton in the last 12 months is £1122, and £1082 for a house in the LU3 area. This is for all houses regardless of size, however data from www.home.co.uk suggested that the average rent for a 3-bedroom house in the LU3 area is £1296.
15. There were brief details of four houses all within 1 -1.5 miles of the subject at asking rents of £1200 to £1400 per month.
16. Graphs showing average prices in Luton and the LU3 postcode indicated that the LU3 postcode rents were below the average for Luton and rents had increased between January 2016 and May 2022 by approximately 17% in the LU3 postcode.
17. The tenant stated that she had installed a breakfast bar, laminate flooring in the hall and bathroom and tiled the kitchen floor.

The law

18. 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.
19. 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

20. In coming to its decision, the Tribunal took into account the market evidence supplied by the landlord and relied on its own general knowledge of rental values within Luton.
21. The subject property is an example of a modest three bedroom terraced house on an estate constructed in the 1970's. Its location backing on to

a raised railway embankment abutting the small rear garden, makes the property less attractive than others nearby. None of the comparables are in a similar location. Moreover, all of the comparables are modernised with central heating and appear larger from the details supplied. The ducted warm air system in this property is not fully functioning nor is it likely that spare parts are available due to its age. Making good the ceiling in one of the bedrooms following a leak remains outstanding.

22. The Tribunal concluded that the rent at which the property might reasonably be expected to be let on the open market if it were in the condition usually found in houses available on the open market would be £1150 per month but in its current condition it would be £900 per month to reflect the lack of a modern fitted kitchen, dated bathroom, no white goods, curtains and a warm air heating system which is not in line with expectations in the market.

The decision

23. The Tribunal determines the open market rental value of the house is £900 per month effective from 7 September 2022 in accordance with the landlord's notice.

Chairman: Evelyn Flint

Dated: ~~4 October 2022~~ 25 January 2023

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

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 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 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.

