



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

Case Reference : **CHI/43UK/MNR/2022/0147**

Property : **28 Orchard Road
Smallfield
Horley
Surrey
RH6 9QP**

Applicant Tenants : **Ms L Jones & Mr J Ward**

Representative : **None**

Respondent Landlord : **Mr D Hooker**

Representative : **Long Term Housing/ Legal Forensics**

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

Tribunal Members : **Mr I R Perry FRICS
Judge Dobson
Mr J S Reichel MRICS**

Date of Inspection : **None. Paper determination**

Date of Decision : **27th February 2023**

DECISION

Summary of Decision

1. On 27th February 2023 the Tribunal determined a market rent of £1,600 per month to take effect from 13th December 2022.

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 9th November 2022 the Landlord served a notice under Section 13(2) of the Housing Act 1988 which proposed a new rent of £1,900 per month in place of the existing rent of £1,300 per month to take effect from 13th December 2022. The notice complied with the legal requirements.
4. On 10th December 2022 the Tenants applied to the Tribunal under Section 13(4) (a) of the Housing Act 1988.
5. The Tribunal does not consider it necessary and proportionate in cases of this nature to undertake inspections or hold Tribunal hearings unless either specifically requested by either party or a particular point arises which merits such an inspection and/ or hearing.
6. The Tribunal issued directions on 6th January 2023 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.
7. The Landlord submitted detailed papers by the specified date setting out their respective case. The papers were also copied to the Tenants.
8. Neither party objected to the matter being determined without an oral hearing, so the Tribunal determined the case on 27th February 2023 based on the written representations received.

The Property

9. From the information given in the papers and available on the internet the property comprises a semi-detached bungalow of brick and render elevations beneath a tiled roof, located in the village of Smallfield which is about 6 miles northeast of Crawley. There are a few local amenities including a shop and school, but main shopping and educational facilities are a distance away. Horley station is 15 minutes away by car.
10. The accommodation has been extended into the roof space and now comprises a Living Room, Kitchen, 2 Bedrooms and a Bathroom all at ground level. At first floor level there is a large open space albeit with sloping ceilings.

11. Outside there are gardens front and rear and driveway parking. There is a detached garage which is excluded from the tenancy. The Landlord is required to give notice to access the Garage.
12. The property has central heating and double-glazed windows. It is stated that one room is unheated. Carpets, curtains and white goods are included in the tenancy.

Submissions

13. The initial tenancy began on 13th August 2021 at a rent of £1,300 per month.
14. The Landlord provided two opinions of value from local Agents suggesting a rent of £1,800 and £1,875 per month based on a verbal description of the property. The Landlord also provided details of other bungalows in the area available to rent at figures between £1,600 and £2,500 per month.

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

- 15. 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.
- 16. 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.
- 17. The Tribunal carefully considered the representations from the parties and associated correspondence and using its own judgement and knowledge of rental values in the general area of Horley 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 £1,600 per month.
- 18. 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

- 19. 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 £1,600 per month.
- 20. The Tribunal directed that the new rent of £1,600 per month should take effect from 13th December 2022, 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.