

FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference	:	CHI/00MS/MNR/2023/0003
Property	:	Flat 6 West Park Lodge 60 Westwood Road Southampton Hampshire SO17 1DP
Applicant Tenant	:	A Avramidis & O Salem
Representative	:	None
Respondent Landlord	:	C Davies
Representative	:	Countrywide Residential Lettings
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	:	27 th February 2023

DECISION

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Summary of Decision

1. On 27th February 2023 the Tribunal determined a market rent of £700 per month to take effect from 1st January 2023.

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 Tenants pursuant to sections 13 and 14 Housing Act 1988.
- 3. On 3^{rd} November 2022 the Landlord's Agent served a notice under Section 13(2) of the Housing Act 1988 which proposed a new rent of £750 per month in place of the existing rent of £665 per month to take effect from 1^{st} January 2023. The notice complied with the legal requirements.
- 4. On 30th December 2022 the Tribunal received an application from the Tenants 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 17th 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 Tenants submitted papers by the specified date setting out their case. The papers were also copied to the other party who did not make any representations.
- 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 ground floor flat within a purpose built 3-storey block of similar properties situated about 1¹/₄ miles north of the centre of Southampton. All main amenities are available within the city.
- 10. The accommodation includes a Living Room, Kitchen, Bedroom and Bathroom. There are some communal gardens and off-street parking.
- 11. Windows are double-glazed and the accommodation has electric heating. White goods, carpets and curtains are all included in the tenancy. The Energy performance Rating is 'D'.

Submissions

- 12. The latest tenancy agreement is dated 1st May 2016 at a rent of £665 per month but the Tenants say that they have lived there since 2007.
- 13. The Tenants state that the accommodation is some 52 square metres and the Council tax band is 'B'.
- 14. The Tenants refer to several defects in the property including significant mould and/or fungi, a broken ventilator in the bathroom, old and dirty carpets, stains from old water leaks, ill-fitting windows some of which have condensation problems and issues with dampness at various points within the property. Most fittings date from 2007 although the Landlord has replaced the white goods when necessary.
- 15. The Tenants provided photographs in support of their comments and provided details of similar properties let or available to let in the general area at rents from $\pounds 650$ per month to $\pounds 775$ 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

- 16. 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.
- 17. 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 Parties are not relevant to this issue.
- 18. Having carefully considered the representations from the parties and associated correspondence and using its own judgement and knowledge of rental values in Southampton 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 \pounds 775 per month.
- 19. However, the property is not in a condition that would merit such a rent and several adjustments need to be made to reflect this.
- 20. From the photographs provided the Tribunal concludes that the kitchen and bathroom fittings are dated, that the carpets are at the end of their useful life,. internal decorations are relatively poor and there are a number of minor defects, particularly to windows.

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21. Using its experience, the Tribunal decided that the following adjustments should be made:

Dated kitchen and bathroom Worn and dirty carpets General decoration/wear and tear	£25 £25 £25
TOTAL per month	£75

22. 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

- 23. 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 700 per month.
- 24. The Tribunal directed that the new rent of \pounds 700 per month should take effect from 1st January 2023, 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 <u>rpsouthern@justice.gov.uk</u> 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.