

FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case reference : CHI/43UD/MNR/2023/0024

Property : Weir House, Millmead, Guildford,

Surrey, GU2 4BD

Applicant : Mr Bruce Babcock and Mrs Amanda

Cauldwell

Representative : Flint Bishop LLP

Respondent : The National Trust for Places of Historic

Interest

Representative : None

Type of application : Section 13(4) Housing Act 1988

Mr Duncan Jagger MRICS

Tribunal members : Mr Jan Reichel BSc MRICS

Mr Michael J F Donaldson FRICS

MCIArb MAE

Venue : Paper determination

Date of decision : 18th April 2023

DECISION

Decision of the tribunal

(1) The Tribunal determines that the rent that the property in its current condition as at 29th March 2023 might reasonably be expected to achieve in the open market under an assured tenancy is £2,500 per month

Background

- 1. The tenants have lived in the property as assured periodic tenant since 31st March 2008. At that time the Grade II Listed property was in a basic condition. Over the years, it is evident to the Tribunal that the tenant has undertaken works of repair and improvement to the property which included: internal decorations and plaster repairs, redecoration of sash window units, refurbishment of brass shutter handles, carpets, new sanitary fittings, white goods and extensive works to the garden. The majority of the works were carried out with the landlord's consent with the exception of the bathroom fittings.
- 2. On 23rd January 2023 the landlord served a notice pursuant to section 13(2) of the Housing Act 1988 seeking to increase the rent from £1,700 to £2,500 per month effective from 29th March 2023.
- 3. By an application dated 8th February 2023, the tenant referred that notice to the tribunal for a determination of the market rent. The Tribunal issued Directions for the conduct of the matter on 8th March.
- 4. The Tribunal considered the matter suitable for a determination on the papers and therefore a hearing was not necessary. The parties did not disagree with this arrangement.

The Evidence

5. The parties have prepared a very helpful detailed bundle of evidence which extends to 360 pages which includes a background to the case, the application, the directions, comparable evidence, the tenancy agreement, completed rent appeal statement, the "Mumby Report" with floor plans and ordnance survey extract, schedule of proposed works and photographic evidence.

Inspection

6. The Tribunal did not inspect the property and relied on the detailed information provided by the parties and its expert knowledge. The property is a Grade II Listed Villa, being of significant historic

importance. There is a self contained attached flat located at first floor level which is being marketed by the landlord at a rental figure of £1500 pcm. The landlord advises this has now been let for £1495pcm. The property is located in extensive gardens with a river frontage. There is also a garage. The property is located on the periphery of the city centre and lies adjacent the Council offices. It is therefore convenient to local amenities.

7. The accommodation is provided over three floors and was variously described in several floor plans. The Tribunal considered there to be 3 rooms on the ground floor plus utilty room, kitchen, lavatory, store room with 5 rooms, two bathrooms on the upper floors. The floor area is confirmed to be 3,346 square feet.

The Law

8.. The rules governing a determination are set out in section 14 of the Housing Act 1988. In particular, the Tribunal is to determine the rent for each flat at which the property might reasonably be expected to be let in the open market by a willing landlord under an assured tenancy, subject to disregards in relation to the nature of the tenancy (i.e. it being granted to a "sitting tenant") and any increase or reduction in the value due to the tenant's improvements or failure to comply with the terms of the tenancy. In the absence of any evidence to the contrary, the Tribunal has proceeded on the basis that the landlord is responsible for repairs to the structure, exterior and any installations pursuant to section 11 of the Landlord and Tenant Act 1985 and the tenant for interior decoration.

The valuation

9. Having carefully considered all of the evidence the Tribunal considers that the rent that would be achieved in good condition with refurbished kitchen and bathroom fittings, modern services, central heating, carpets, curtains, white goods supplied by the landlord would be £4000 per month. The Tribunal did its very best to analyse the generic "Righmove" comparable evidence provided by the landlord. This is a completely individual property in terms of location and type. Therefore, the Tribunal had to make certain assumptions regarding specification, location, floor area, house type, actual achieved rent value and any market movement compared with the date of valuation.

- 10. That however is the rent that would be achieved if the property was let in good condition with all modern amenities. The Tribunal must disregard any increase in rental value attributable to the tenant's improvements, unless they are carried out under an obligation to the landlord. The Tribunal has been provided with a copy of the tenancy agreement, which incorporates the usual repair obligations.
- 11. Based upon the evidence provided to the Tribunal we consider that that the rent should be reduced by £1,500 to reflect the need for internal refurbishment, the tenants internal decorating responsibilities, the existing condition of the exterior (even though a maintenance programme of £90,000 is planned for the future.) terms of the tenancy, attached flat and access arrangements. Our deduction reduces the rent to a figure of £2,500 per month
- The Tribunal received no evidence of hardship and, therefore, the rent determined by the tribunal is to take effect from **29th March 2023**.

D Jagger MRICS Valuer Chair 18th April 2023

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).