

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

Case Reference	:	CHI/00HB/MNR/2023/0041
Property	:	Flat 13 Don John House 312 Church Road Bristol BS5 8AJ
Applicant Tenant	:	Mr D Francis
Representative	:	None
Respondent Landlord	:	Ms G Amico
Representative	:	None
Type of Application	:	Determination of a Market Rent sections 13 & 14 of the Housing Act 1988
Tribunal Members	:	Mr I R Perry FRICS Mr S J Hodges FRICS Mr P E Smith FRICS
Date of Inspection	:	None. Paper determination
Date of Decision	:	25 <sup>th</sup> April 2023

# DECISION

#### Summary of Decision

1. On 25<sup>th</sup> April 2023 the Tribunal determined a market rent of £650 per month to take effect from 24<sup>th</sup> March 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 Tenant pursuant to sections 13 and 14 Housing Act 1988.
- 3. On 31<sup>st</sup> January 2023 the Landlord served a notice under Section 13(2) of the Housing Act 1988 which proposed a new rent of £849 per month in place of the existing rent of £715 per month to take effect from 24<sup>th</sup> March 2023. The notice complied with the legal requirements.
- 4. On 5<sup>th</sup> March 2023 the Tribunal received an application from the Tenant 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 the parties or a particular point arises which merits such an inspection and/ or hearing.
- 6. The Tribunal issued directions on 21<sup>st</sup> March 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. Both parties submitted papers by the specified dates. The papers were also copied to the other party.
- 8. Neither party objected to the matter being determined without an oral hearing, so the Tribunal determined the case on 25<sup>th</sup> April 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 second floor 'Studio' flat with accommodation comprising a Hall, Living Room/Bedroom, Kitchen and Bathroom with WC. The flat has gas-fired central heating.
- 10. The building appears to be relatively modern with brick and part rendered elevations beneath a tiled roof and is situated in a residential area 2 miles east of the centre of Bristol.
- 11. Local shops are within reasonable distance and there is a full range of amenities within Bristol.

#### Submissions and Evidence

- 12. The initial tenancy began on  $24^{\text{th}}$  October 2018 at a rent of £665 per month, when the property was owned by a different landlord. A wardrobe and fold down bed were included. A new agreement was signed by the parties on  $24^{\text{th}}$  June 2022 at a rent of £715 per month.
- 13. In her submission the Landlord states that the reason for seeking a rent increase is to cover her increased mortgage payments.
- 14. The Landlord states that the property has an allocated car space but the Tenant says that this is incorrect and he has received a letter to say that his permit is not valid.
- 15. In his submission, which includes a floorplan and photographs, the Tenant refers to a number of outstanding repairs including a broken cooker, broken extractor fan, a broken intercom/entry phone, a broken bed, a leaking cistern and a broken toilet bowl. Photographs also showed black mould growth within the property.
- 16. The Tenant also provided the Tribunal with comparable properties to rent for  $\pounds 695$  to  $\pounds 800$  per month and referred to a flat let in the same block for  $\pounds 695$  per month with an allocated parking space.

## 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**

- 17. 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.
- 18. 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 Landlord or Tenant are not relevant to this issue.
- 19. Having carefully considered the representations from the parties and associated correspondence and using its own judgement and knowledge of rental values in Bristol 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  $\pounds 695$  per month.

- 20. The Tribunal decided that this figure needed adjustment in order to reflect the outstanding repairs and deducts  $\pounds$ 45 per month to reflect these.
- 21. 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

- 22. 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  $\pounds 650$  per month.
- 23. The Tribunal directed that the new rent of £650 per month should take effect from 24<sup>th</sup> March 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.