



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

**Case reference** : CHI/24UN/MNR/2023/0035

**Property** : 1 Chalkpit Cottages, Tangley, Andover,  
Hampshire, SP11 0RX

**Applicant Tenant** : Ms S Budgen

**Representative** : None

**Respondent Landlord** : Area Estates Limited

**Representative** : Savills

**Type of application** : Determination of a Market Rent  
Sections 13 & 14 Housing Act 1988

**Tribunal member(s)** : Mrs J Coupe FRICS  
Mrs A Clist MRICS  
Mr M Woodrow MRICS

**Date of decision** : 15 May 2023

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**REASONS**

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## Decision of the Tribunal

**On 15 May 2023 the Tribunal determined a Market Rent of £880.00 per month to take effect from 1 April 2023.**

## Background

1. By way of an application received by the Tribunal on 22 February 2023, the Applicant tenant of 1 Chalkpit Cottages, Tangley, Andover, Hampshire, SP11 0RX (“the property”), referred a Notice of Increase in Rent (“the Notice”) by the Respondent landlord of the property under Section 13 of the Housing Act 1988 (“the Act”) to the Tribunal.
2. The Notice, dated 1 February 2023, proposed a new rent of £680.00 per month, in lieu of the passing rent of £650.00 per month, to take effect from 1 April 2023.
3. The tenant occupies the property under an assured tenancy by way of a succession to a Rent Act tenancy dated October 1968. The succession took effect after the death of the tenant’s father on 27 September 2017.
4. On 17 March 2023, the Tribunal issued Directions advising the parties that it considered the matter suitable for determination on papers unless either party objected, in writing, within 7 days. The parties were also advised that no inspection would be undertaken. No objections were received.
5. The Directions required the landlord and tenant to submit their completed statements to the Tribunal by 31 March 2023 and 14 April 2023 respectively, with copies to be sent to the other party. Both parties complied.
6. Having reviewed the application, the Tribunal concluded that the matter was capable of being determined fairly, justly and efficiently on the papers, consistent with the overriding objective of the Tribunal.
7. These reasons address in **summary form** the key issues raised by the parties. They do not recite each and every point referred to in submissions. The Tribunal concentrates on those issues which, in its view, go to the heart of the application.

## Law

8. In accordance with the terms of Section 14 of the Act, the Tribunal is required to determine the rent at which it considers the subject property might reasonably be expected to let on the open market, by a willing landlord, under an assured tenancy, on the same terms as the actual tenancy.
9. In so doing, and in accordance with the Act, the Tribunal ignores any increase in value attributable to tenants’ improvements and any decrease in value due to the tenants’ failure to comply with any terms of the tenancy.

## **The Property**

10. In accord with current Tribunal policy, the Tribunal did not inspect the property, instead relying on the parties' submissions and viewing the property via online portals.
11. The property is situated in Tanglely, a small hamlet located approximately five miles from Andover. Facilities within the immediate rural locality are sparse however Andover offers the usual range of shops and conveniences, including a mainline railway station.
12. The property is a two-storey semi-detached house with a single storey extension added at a later date. The original part of the property is believed to have been built over 100 years ago and, from photographs provided, appears to be constructed of solid masonry walls beneath a pitched and slate covered roof.
13. The accommodation comprises a kitchen, living room, dining room and bathroom at ground level and two bedrooms on the first floor.
14. The property has the benefit of a garage, off-road parking, garden and garden store.
15. Heating is provided by a solid fuel system supplied by the landlord. Windows are partially double glazed.
16. White goods and curtains are provided by the tenant.
17. No service charges or charges for utilities are included in the rent.

## **Submissions – Tenant (summarised)**

18. The tenant acknowledges that the bathroom was refurbished in June 2021 but submits photographic evidence purporting to show dampness and surface mould to a bathroom wall.
19. Further photographic evidence is said to indicate masonry cracking, penetrating dampness and dislodged roofing tiles. The tenant states that such issues were reported to the Respondent and, although a contractor attended for the purpose of effecting a quotation for remedial works, no repairs have been undertaken.
20. The tenant refers to the kitchen units as being in excess of twenty years old but in a fair condition considering their age.
21. The tenant states that the terms of her occupation include an internal decorating liability.
22. The tenant advises that she has undertaken general repairs to the garage and external store.

23. In support of her objection to the proposed new rent the tenant relies upon six comparable lettings:
- i. Hillview, Vernham Dean                      Asking price £950 pcm  
Detached house  
2 bedrooms
  - ii. Upper Clatford, Andover                      Asking price £925 pcm  
Semi-detached house  
2 bedrooms
  - iii. Farm Road, Andover                      Asking price £875 pcm  
Semi-detached house  
2 bedrooms
  - iv. Astor Crescent, Ludgershall                      Asking price £850 pcm  
Semi-detached house  
2 bedrooms
  - v. Tangley, Andover                      Asking price £1,350 pcm  
3 bedroom cottage  
Oil central heating  
Large main bedroom  
Large garden
  - vi. Houghton, Stockbridge                      Asking price £1,100 pcm  
Grade II Listed house  
2 bedrooms  
Oil central heating  
Great size garden.

**Submissions – Landlord (summarised)**

- 24. The Respondent describes the property as being in a generally good condition, with kitchen units which are deemed reasonable.
- 25. The Respondent last inspected the property, in the presence of the tenant, in November 2022, at which time the only disrepair noted was a loose radiator bracket.
- 26. The landlord refurbished the bathroom in June 2021 and installed five replacement Upvc windows in July 2021.
- 27. In support of the proposed rent, the Respondent relies upon three two-bedroom rental comparables, each let unfurnished and on repairing terms similar to the subject property:
  - i. Shalbourne, SN8 3QH                      Asking price £1,850 pcm  
Excellent condition; superior kitchen.

- |      |                   |   |
|------|-------------------|---|
| ii.  | Chilbolton        | Asking price £1,250 pcm<br>Similar accommodation<br>Significantly smaller                             |
| iii. | Over Wallop, SO20 | Asking price £1,200 pcm<br>Similar accommodation<br>Superior internal condition<br>Less external area |
28. Furthermore, the Respondent states that the rental range for two-bedroom properties in the locality is in the region of £1,200 - £1,500 per month.
29. Acknowledging the “*individual characteristic [sic] and condition of 1 Chalkpit Cottage*” the Respondent applies a rental deduction of £250.00 to arrive at an adjusted rent of £1,000 per month.
30. In accordance with the landlord’s own rental increase policy, the proposed review was capped at £680.00 per month, a figure the Respondent considers to be significantly less than the open market value.

### **Determination**

31. The Tribunal determines a market rent for a property by reference to rental values generally and, in particular, to the rental values for comparable properties in the immediate locality. The Tribunal has no regard to the prevailing rent and the period of time which that rent has been charged, nor does it take into account the percentage increase which the proposed rent represents to the passing rent. In addition, the legislation makes it clear that the Tribunal is unable to account for the personal circumstances of either the landlord or the tenant.
32. The Tribunal assesses the rent for the property as at the date of the landlord’s Notice and on the terms of the extant tenancy. The Tribunal disregards any improvements made by the tenant but has regard to the impact on rental value of disrepair which is not due to a failure of the tenant to comply with the terms of the tenancy.
33. Having consulted the National Energy Performance Register online, the Tribunal noted the property to have an Energy Performance Certificate (EPC) Rating of E and a recorded floor area of 140m<sup>2</sup>.
34. In the first instance, the Tribunal determined what rent the landlord could reasonably be expected to obtain for the property in the open market if it were let today in the condition that is considered usual for such a market letting.
35. By way of comparable, the Applicant provided a basket of six properties advertised as available to rent including a larger three bedroom cottage in Tangley itself at £1,350 per month. The other two bedroom properties ranged between £850 and £1,100 per month.

36. Whilst the comparables provide a useful indication of asking prices the Tribunal was not advised whether such properties had let and, if so, on what date they let or at what price.
37. In support of the proposed rent the Respondent relies upon three comparable properties which they advise have been let, although no supporting evidence of this was provided. The comparables all offer two bedroom accommodation and are located between eight and eleven miles from the subject property.
38. The Tribunal were able to extract useful information from the majority of the Applicant's and Respondent's comparables. Weighing this evidence against its own experience as a specialist expert Tribunal comprising three experienced Chartered Surveyors, the Tribunal determined the open market rental value to be £1,100.00 per month.
39. Once the hypothetical rent, in good condition, was established, it was necessary for the Tribunal to determine whether the property meets the standard of accommodation, repair and amenity of a typical modern letting. In this instance the Tribunal determined that the subject property does not meet the standard required by the market.
40. Whilst acknowledging the improvements effected by the Respondent, the Tribunal still finds that the property would benefit from a degree of repair, maintenance and modernisation. In reflection of such differences the Tribunal makes a deduction of 10% from the hypothetical open market rent.
41. Furthermore, the tenant provides the white goods and curtains for which the Tribunal make a rental deduction of 5%.
42. Finally, the tenant is responsible for internally decorating the property. The Tribunal considers such a covenant a greater burden than the normal responsibility for an assured shorthold tenant to keep the landlord's decorations in good order. Accordingly, the Tribunal allow an additional deduction of 5%.
43. Deducting a total of 20% from the hypothetical rent, the Tribunal arrives at, and hereby determines, an adjusted rent of £880.00 per month.
44. The rental figure determined by the Tribunal exceeds that proposed by the landlord. Such figure is the maximum rent payable however the landlord is under no obligation to charge the full amount.
45. The Tenant made no submissions to the Tribunal in regard to delaying the effective date of the revised rent on grounds of hardship. Accordingly, the rent of **£880.00 will take effect from 1 April 2023**, that being the date stipulated within landlord's 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 by email to [rpsouthern@justice.gov.uk](mailto:rpsouthern@justice.gov.uk) to the First-tier Tribunal at the Regional office which has been dealing with the case.
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.