



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

**Case reference** : CHI/00MS/MNR/2023/0060

**Property** : Flat 8, 46 Millbrook Road East, Southampton,  
Hampshire, SO15 1JB

**Applicant Tenant** : Ms R Varkojyte

**Representative** : None

**Respondent Landlord** : Denzil Properties (Singh & Kaur) Limited

**Representative** : Abbotts Langley

**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.J.F. Donaldson FRICS

**Date of decision** : 16 June 2023

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**REASONS**

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## Decision of the Tribunal

**On 16 June 2023 the Tribunal determined a Market Rent of £665.00 per month inclusive of water charges to take effect from 3 April 2023.**

## Background

1. By way of an application received by the Tribunal on 20 March 2023, the Applicant tenant of Flat 8, 46 Millbrook Road East, Southampton, SO15 1JB (“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 March 2023, proposed a new rent of £735.00 per month in lieu of a purported passing rent of £700.00 per month, to take effect from 3 April 2023. The tenant disputed the landlord’s statement that the current rent is £700.00 and provided correspondence between her solicitor and the Respondent in such regard.
3. The tenant occupies the property under an Assured Shorthold Tenancy agreement with a commencement date of 3 July 2020; a copy was provided.
4. On 5 April 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 19 April 2023 and 3 May 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 tenant’s improvements and any decrease in value due to the tenant’s 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 but did view the exterior from publicly available online platforms.
11. The property is a self-contained ground floor flat with a private entrance, situated within a converted house and garage of masonry construction with a tiled roof. The property is located in an area of established residential and commercial properties and is within easy access of local facilities and public transport.
12. The accommodation comprises - kitchen/dining area; reception room; bedroom; bathroom. There is an area of communal garden, adjacent to a road junction, at the front of the building and a further small area adjacent the driveway. Off-road parking on a first come first served basis is provided within an area of concrete hard-standing directly adjacent the property.
13. The property has gas central heating and double glazing. A fridge and cooker are provided by the landlord.
14. Having consulted the National Energy Performance Register online, the Tribunal noted the property to have an Energy Performance Certificate (EPC) Rating of D and a recorded floor area of 36m<sup>2</sup>.

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

15. The tenant disputed the landlord's statement that the property has two bedrooms and provided a sketch floor plan, with measurements, showing the layout of the accommodation. The purported second bedroom is in reality the sole reception room.
16. The bathroom contains a shower but no bath.
17. The tenant stated that the property is in a poor condition and has structural problems. The tenant referred to surface mould caused by an escape of water, which adversely affects health.
18. The tenant disputed the list of improvements provided within the landlord's statement of case, instead suggesting such works to be repair and maintenance of the property.
19. The tenant further disputed that she has the benefit of a private garden, referring the Tribunal to a small patch of rough ground she has chosen to improve at her expense.
20. Carpets and curtains are said to belong to the tenant.
21. Water charges are included in the rent.

22. In contesting the proposed rent, the tenant relied upon a letter provided by Pearsons Residential Lettings & Property Management dated 3 February suggesting a rent of £625.00 per month.

### **Submissions – Landlord (summarised)**

23. The landlord stated that the property provides two bedroom accommodation and that gas central heating, full double glazing, carpets, curtains and white goods are provided. The landlord referred to the property as having both the benefit of a private and a communal garden, and off-road parking.
24. Water charges are included within the rent.
25. The landlord listed the following improvements undertaken:
- i. Driveway/entrance re-concreted
  - ii. Bathroom and bedroom mould cleaned
  - iii. Repainted kitchen; resealed kitchen worktop
  - iv. Smoke detector renewed.
26. In support of the proposed rent the landlord referred to a letting of an undisclosed property at £800.00 per month and an email provided by Fox and Sons dated 18 April 2023 referring to a one bedroom flat let at £750.00 per month.

### **Determination**

27. 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 current 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.
28. 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.
29. The Tribunal found the tenant's sketch drawing showing the layout of the property useful and having regard to the EPC of the property which recorded the floor area as 36m<sup>2</sup>, the Tribunal had no hesitation in valuing the property as a one bedroom flat. The Tribunal also accepted the tenant's submissions that the garden areas are communal, albeit that she chooses to tend some part.

30. The Tribunal disregarded the landlord's purported improvements, instead concurring with the tenant that such works amount to maintenance or compliance with statutory requirements.
31. 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.
32. In so doing, the Tribunal disregarded the landlord's evidence of a letting at £800.00 per month as neither the property address nor any accommodation details were provided. Likewise, the Tribunal was not assisted by the one line email from Fox and Sons dated 18 April 2023 which valued the property at £750.00 per month. No evidence was submitted that Fox and Sons inspected the flat, nor was the tenant aware of any inspection. Furthermore, Fox and Sons brief opinion contained no narrative of the property nor any commentary on market conditions or comparable rental evidence.
33. The Tribunal also found little value in the evidence relied upon by the tenant as, firstly, this was a marketing appraisal as opposed to an open market valuation and, secondly, no supporting evidence of comparable market rents was included.
34. Accordingly, in the absence of appropriate comparable evidence the Tribunal relied upon its own expert knowledge as a specialist Tribunal and, in doing so, the Tribunal determined that a figure of £700.00 per month to include water charges was reasonable if the flat was in good tenable condition.
35. Once that hypothetical rent 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 falls short of the standard required by the market. The property has a poor layout and requires a degree of general repair and maintenance.
36. In reflection of such differences the Tribunal make a deduction of 5% from the hypothetical rent to arrive at an adjusted rent of £665.00 per month.
37. 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 **£665.00 per month will take effect from 3 April 2023**, that being the date stipulated within the 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.