



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

Case reference : CHI/00HP/MNR/2023/0065

Property : 18 Loewy Crescent, Poole, Dorset, BH12 4PQ

Applicant Tenant : Mrs S Hiscott

Representative : None

Respondent Landlord : Worldwide Property Establishment

Representative : Centreland LLP

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

Tribunal member(s) : Mrs J Coupe FRICS
Mr I Perry FRICS
Mr J Reichel MRICS

Date of decision : 30 August 2023

REASONS

Decision of the Tribunal

On 30 August 2023 the Tribunal determined a Market Rent of £910.00 per month to take effect from 1 May 2023.

Background

1. By way of an application dated 18 March 2023, received by the Tribunal on 21 March 2023, the Applicant tenant of 18 Loewy Crescent, Poole, Dorset, BH12 4PQ (“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 14 March 2023, proposed a new rent of £900.00 per month in lieu of a passing rent of £395.00 per month, to take effect from 1 May 2023.
3. The tenant occupies the property by way of a succession to a tenancy dated 7 August 1956 between Light Machines Limited as “the Company” and Percy Hiscott as “the Tenant”. A copy of the tenancy agreement was provided.
4. On 9 August 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. In accordance with the Directions both parties submitted representations and it is upon those representations that the Tribunal makes its determination.
6. Having reviewed both the application and parties’ submissions, 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, are fundamental to the determination.

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 but did view the exterior from publicly available online platforms.
11. Extracting information from the parties' submissions and with the benefit of its knowledge and experience as an expert Tribunal, the Tribunal arrived at the following conclusions and found as follows.
12. The property is an end-terraced house situated in an established residential area of similar style and age properties, approximately five-miles from Poole and Bournemouth. The property is believed to have been built during the 1950's. The property is well located for local facilities, amenities and transport links.
13. The accommodation comprises a living room, kitchen and cloakroom/WC at ground level, and three bedrooms and a bathroom at first floor level. There are gardens front and rear and off-road parking for one car at the front, created by way of a tenant's improvement.
14. It is common ground that the property is heated by a gas fired central heating system and that windows are double glazed. Carpets, curtains and white goods are provided by the tenant. By way of a tenant's covenant, the internal decorating liability falls to the tenant.
15. Having consulted the National Energy Performance Register online the Tribunal was unable to identify an Energy Performance Certificate for the property.

Submissions – Tenant (summarised)

16. The tenant concurs that double glazing and central heating were installed by the landlord in 2022, prior to which the property had single glazed window units which showed advanced deterioration and were no longer functional. Prior to the refurbishment the only source of heating was a single gas fire in the living room. The bathroom refurbishment was completed as a consequence of the heating and window installations. The improvements were not at the request of the tenant and, furthermore, the tenant was advised that the works would not "impact on me or my living situation".
17. The tenant states that the kitchen has not been modernised since installation prior to 1956. The kitchen sink and taps were replaced in 2009 at the tenant's expense.
18. The tenant refers to "subsidence of the kitchen floor and hall way [sic], damp in hallway internal walls." No evidence in such regard was submitted.

19. Internal repairs and decorations have been undertaken at the tenant's expense.
20. The tenant proposes a rental value of some £650.00 - £675.00 per month which, she asserts, is in common with the rent achieved on No. 26 Loewy Crescent. However, no further details of said tenancy were provided.
21. The tenant states that the proposed rent is substantial and unaffordable on a basic pension.

Submissions – Landlord (summarised)

22. In 2022 the landlord undertook a programme of improvements to the property including the installation of Upvc double glazing and a gas fired central heating system, rewiring, replacement of bathroom and cloakroom sanitaryware, and the replacement of all gutters, soffits and fascias in PVC rainwater goods. Accordingly, the landlord asserts that the property is in a good condition throughout.
23. The landlord states that the tenant is responsible for maintaining internal décor and carpets/curtains.
24. The landlord acknowledges that the kitchen would benefit from updating but states that it is to be found in good repair and fully functional.
25. As evidence, the landlord's representative submitted a series of photographs dated May 2023 showing the exterior of the property, replacement external door, replacement bathroom suite, a central heating radiator and the garden.
26. In support of a rent of £910.00 per month, that being £10.00 per month higher than originally sought, the landlord relied upon the Tribunal's rental determination on 6 Loewy Crescent determined at £815.00 per month in January 2023 and 1 Loewy Crescent determined at £910.00 per month in July 2023. With the exception of a ground floor cloakroom in No. 1 and the subject property, all properties offer similar accommodation.
27. The landlord also relies on historic rental figures achieved on two further properties within Loewy Crescent, both of which have been subsequently sold:
 - 27 Loewy Crescent £830.00 per month effective from 30 May 2018
 - 30 Loewy Crescent £920.00 per month effective from 8 February 2020
28. The landlord considers the property to be well located for public transport and close to a convenience store and facilities. As such, the landlord contends for an open market rental value of £910.00 per month.

Determination

29. The Tribunal found as a matter of fact that the notice served by the landlord was a Notice under section 13 of the Act as prescribed by statute.

30. 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 the Tribunal take into account the percentage increase which the proposed rent represents to the passing rent.
31. The legislation makes it clear that the Tribunal is unable to account for the personal circumstances of either the landlord or the tenant in determining the rent.
32. The Tribunal assesses the rent for the property as at the date of the landlord's Notice, whilst ignoring any market increase or decrease since such date and on the terms of the extant tenancy. The Tribunal disregards any improvements made by the tenant and to such end ignores the off-road parking space, whilst recognising the potential to create such a space, 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. 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.
34. In doing so, the Tribunal considered the evidence relied upon by the parties and weighed such against its own knowledge and experience as an expert Tribunal. Whilst regard was had to the Tribunal determinations on No's 1 and 6 Loewy Crescent neither are binding on this Tribunal. The Tribunal determined the reasonable rent to be £1,300.00 per month.
35. 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.
36. In this instance the Tribunal determined that the subject property falls short of the standard required by the market.
37. The Tribunal finds common ground between the parties that the kitchen is dated and that the carpets, curtains and white goods are provided by the tenant.
38. Furthermore, it was agreed that the tenant is responsible for the internal decoration of the property. The Tribunal considers such a covenant a greater burden than the standard responsibility for an assured shorthold tenant to keep the landlords' decorations in good order.
39. In reflection of such differences, the Tribunal make a deduction of 30% from the hypothetical rent to arrive at an adjusted rent of £910.00 per month.
40. The tenant submitted that the proposed rent, being a significant increase on the passing rent, would be unaffordable. However, no evidence of

hardship was provided. Accordingly, the rent of **£910.00 per month will take effect from 1 May 2023**, that being the date stipulated within the landlord's notice.

41. The rental figure determined by the Tribunal exceeds that proposed by the landlord. Such figure is the maximum rent payable and the landlord is under no obligation to charge the full amount or to effect the increase from the date determined. In view of the percentage increase, the landlord may choose to consider deferring the effective date until the date of this determination. However, such point is for the parties to negotiate and falls outside the jurisdiction of the Tribunal.

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 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.