



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

Case reference	:	CHI/00HB/MNR/2023/0161
Property	:	21 Rose Green, Greenbank Road, Easton, Bristol, BS5 6HS
Applicant Tenant	:	Mr M Cheese and Ms J Scammell
Representative	:	None
Respondent Landlord	:	RVK Properties
Representative	:	None
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 £1,570.00 per month to take effect from 1 May 2023.

Background

1. By way of an application received by the Tribunal on 24 April 2023, the Applicant tenants of 21 Rose Green, Greenbank Road, Easton, Bristol, BS5 6HS (“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 31 March 2023, proposed a new rent of £1,750.00 per month in lieu of a passing rent of £1,175.00 per month, to take effect from 1 May 2023.
3. The tenants occupy the property by way of an Assured Shorthold Tenancy agreement which commenced 1 October 2021. A copy of the tenancy agreement was provided.
4. On 21 July 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 a terraced house situated in an established residential area of similar style and age properties. The property is located close to the city centre and within easy reach of local facilities, amenities and transport links.
13. The accommodation comprises an entrance hall, living room, kitchen and cloakroom/WC at ground level; three bedrooms and a bathroom at first floor level, and a further bedroom on the second floor. The property has a small courtyard garden and off-road parking.
14. It is common ground that the property is heated by a gas-fired central heating system and that windows are double glazed. Carpets are provided by the landlord, whilst curtains and white goods, with the exception of a cooker provided by the landlord, are supplied by the tenant.
15. The property has an Energy Performance Certificate (EPC) Rating of C and a floor area of 93m², as recorded within the National Energy Performance Register online.

Submissions – Tenant (summarised)

16. The submissions suggest that the landlord and tenants were well known to each other before the tenancy began and it is said that the tenants assisted the landlord with some of the refurbishment works in what was to become their home. Sadly, this relationship has broken down and the understanding that they may have reached has been overtaken by events. The Tribunal understand that the tenants have now vacated the property.
17. The tenants state that they invested £4,000.00 into the refurbishment of the property, in addition to their own labour, on the understanding that this would be a long-term let. Such investment included bathroom suites and tiling, new flooring and replacement doors. Undated photographs of a unmodernised bathroom and a refurbished bathroom were provided.
18. All white goods, with the exception of the cooker, are provided by the tenants.
19. The tenants state that the property is located in an area of high frequency of crime, that the landlord failed to register their deposit correctly, that a gas safety certificate was not renewed upon expiry, that the landlord fails

to forward post as agreed and that documentation has not been received from the landlord.

20. The tenants assert that a legally binding oral agreement was reached with the landlord prohibiting a rent increase prior to September 2023. As evidence, the tenants rely on a letter from the Respondent landlord dated 31 March 2023 which reads “I know I had previously said that I would not be reviewing your rent until September 2023 after you have been in the property for 2 years. However due to the significant rise in interest rates I now have no choice but to increase the rent sooner...”. The tenants also rely on a text message dated November 2022 stating “The rent review won’t be until next year so don’t worry about that.”

Submissions – Landlord (summarised)

21. The property is located close to the city centre and to a cycle path and within a short distance of the M32, M4 and M5 motorways. The area is well served by public transport.
22. The property was fully refurbished in 2021, prior to the tenants’ occupation. Such works included a new fitted kitchen, cloakroom, bathroom suite, carpets and floor coverings, redecoration and garden improvements. The works were undertaken by the landlord and their appointed contractors.
23. Sales marketing particulars were provided within submissions, which helpfully show the refurbished property and accommodation layout.
24. The landlord relies on a Rightmove Best Price Guide listing four-bedroom properties as available to rent between May 2022 and July 2023 in Greenbank Road at asking rents ranging from £1,695 per month in May 2022 to £2,300 per month in December 2022.
25. The landlord also relies on an email from Gregory’s Estate Agents dated 31 July 2023 advising that a new tenancy agreement has been agreed for the now vacated property, at a rental of £1,850 per month and commencing 11 August 2023.
26. The landlord refers to the contractual terms of the tenancy agreement with the Applicants dated 1 October 2021, which provide for a rent review in accordance with the Act.

Determination

27. 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.
28. 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.

29. 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.
30. The Tribunal assesses the rent for the property as at the date of the landlord's Notice, that being 31 March 2023, whilst ignoring any market increase or decrease since such date and on the terms of the extant tenancy. In this matter the tenancy relied upon is that dated 1 October 2021.
31. The tenancy commenced on 1 October 2021 and continued on a year-to-year basis until terminated by either party. At paragraph 13 of said agreement, under Rent, the landlord is entitled to increase the rent for the property upon providing to the tenant such notice as required by the Act.
32. The Tribunal's jurisdiction is limited to determining the open market rent of the property on the extant terms of the tenancy, that being the tenancy dated 1 October 2021 and which provides, at paragraph 13, a rent review mechanism. The Tribunal finds insufficient evidence to prove that the terms of such tenancy have been varied, either orally or in writing. Should the tenants contend such, legal redress will need to be sought in an alternative judicial forum. For the purpose of this determination the Tribunal will, in accordance with statute, determine the open market rent on the basis of the tenancy detailed above.
33. In arriving at a determined rent, the Tribunal disregards any improvements made by the tenants 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.
34. In such regard the Tribunal finds that the bathroom suite, evidenced by the tenant's 'before and after' photographs was refurbished to a superior standard than that typically fitted within such a rental property. Accordingly, the Tribunal accept the tenants' submissions that a contribution towards the cost of such works was likely to have been made. The Tribunal also note that the landlord has not made a case management application to the Tribunal to dispute the tenant's evidence in such regard.
35. 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 at the pertinent date in the condition that is considered usual for such a market letting.
36. In doing so, the Tribunal considered the parties' submissions and, weighing such evidence against its own knowledge and experience as an expert Tribunal, arrived at a reasonable rent of £1,750.00 per month.
37. It should be noted that the pertinent date is some four months earlier than the date the current rental figure was agreed and that the subsequent rent was achieved in a rising market.
38. The Tribunal was unable to attribute any weight to the four marketing appraisals submitted in evidence by the tenants as none included the basis,

or instructions, upon which such valuations were commissioned. Two of the appraisals included reference to an instruction to value the property prior to refurbishment however the extent of disregards was not included.

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.
40. In this instance the Tribunal determined that the subject property falls short of the standard required by the market.
41. The Tribunal finds common ground between the parties that the white goods (with the exception of the cooker) and curtains are provided by the tenant.
42. The Tribunal further finds that, on the balance of probabilities, the tenants contributed to the superior finishes of some of the landlords' refurbishment.
43. In reflection of such differences, the Tribunal make a deduction of £180.00 from the hypothetical monthly rent to arrive at an adjusted rent of £1,570.00 per month.
44. The Tribunal note that the tenants have now vacated the property and that no submissions were made to the Tribunal in regard to delaying the effective date of the revised rent on grounds of hardship. Accordingly, the rent of **£1,570.00 per month will take effect from 1 May 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 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.