



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

Case reference : CHI/00HX/MNR/2023/0187

Property : 19 Buttermere, Swindon, Wiltshire, SN3 6LF

Applicant Tenant : Mr I Cuita & Ms C Popa

Representative : None

Respondent Landlord : Mr C Arumemi

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 £1,350.00 per month to take effect from 1 August 2023.

Background

1. By way of an application dated received by the Tribunal on 26 July 2023 the Applicant tenants of 19 Buttermere, Swindon, SN3 6LF (“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 29 June 2023, proposed a new rent of £1,650.00 per month in lieu of a passing rent of £1,050.00 per month, to take effect from 1 August 2023.
3. The tenants occupy the property by way of an Assured Shorthold Tenancy agreement which commenced on 1 July 2022. A copy of the tenancy agreement was provided.
4. On 11 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 a mid-terraced house situated in an established residential area of similar style and age properties, located on the eastern side of Swindon and within easy access of the M4 motorway.
13. The accommodation comprises an integral garage and bedroom at ground level, a living room, kitchen and cloakroom/WC at first floor level, and two bedrooms, a box room and a bathroom at second floor level. There is a garden to the rear and off-road parking for two cars at the front.
14. It is common ground that the property is heated by a gas-fired central heating system and that windows are double glazed. Carpets and white goods are provided by the landlord, whilst curtains are supplied by the tenant.
15. The property has an Energy Performance Certificate (EPC) Rating of C and a floor area of 91m², as recorded within the National Energy Performance Register online.

Submissions – Tenant (summarised)

16. The tenants state that the property is in a good condition, although no improvements have been undertaken by the landlord since their tenancy commenced.
17. The second-floor box room is stated to be very small. The garage is said to be too restrictive for a car and is useful as storage space only.
18. The tenants suggest that the proposed rent increase is a retaliatory measure following their request for minor repairs to the garage door and a stair tread.
19. By way of comparable evidence, the tenants refer to a three-bedroom house, occupied by family and friends, at a rental figure in the region of £850.00 - £900.00 per month. No details of either the property or terms of tenancy were provided.
20. The tenants refer to their financial circumstances which, although providing context, have no bearing on the open market rental value of the property and the details of which are therefore not included within these reasons.

Submissions – Landlord (summarised)

21. The property is well located for public transport links, schools and local facilities.
22. The property was fully refurbished prior to the tenants' occupation.
23. In support of the proposed rent, the landlord relies on comparable lettings advertised as available to let on the online platform Rightmove and a 'renting comparison valuation' provided by a local estate agent. These include three and four bedroom houses in postcodes SN2 and SN25, with asking prices ranging from £1,500 (3 bedroom) to £1,700 (4 bedroom).

Determination

24. 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.
25. 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.
26. 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.
27. 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 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.
28. 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.
29. 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.
30. The tenant's comparable evidence was found to be hearsay and not evidenced by any documentation. Accordingly, the Tribunal were unable to attach any weight to such information.
31. Although there was no 'renting comparison valuation' from a local estate agent included in the landlord's submissions, the Tribunal found the landlord's comparables to be more modern and aesthetically pleasing than the subject. Furthermore, none of the landlords' comparables were located

within the subject's property's postcode of SN3.

32. Having regard to the landlord's comparables and the levels of rent sought for such, and balancing this information against the Tribunal's own expertise of rental values locally, the Tribunal arrived at an open market rental of £1,350.00 per month, which takes account of the tenant's provision of curtains.
33. 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.
34. In this instance the Tribunal determined that whilst the subject property lacks a modern appearance there is no evidence to suggest that the internal facilities fall short of the standard required by the market.
35. The tenants submitted that the proposed rent, representing a significant increase on the passing rent, would be unaffordable. Whilst reference to their financial circumstance was included within their submissions, no documentation or evidence of such was provided.
36. Accordingly, the rent of **£1,350.00 per month will take effect from 1 August 2023**, that being the date stipulated within the landlord's notice.
37. In view of the percentage increase in rent and having regard to the tenant's disclosure of their financial circumstances, 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.