

FIRST-TIER TRIBUNAL

PROPERTY CHAMBER (RESIDENTIAL

PROPERTY)

Case Reference CHI/23UE/MNR/2023/0198 :

22 Sapphire Close

Tuffley

Gloucester **Property** :

Gloucestershire

GL₄ oRR

Applicant Tenant Ms E Owen

Representative None

Respondent Landlord : Mr C Clarke

Representative **Surelet Ltd**

Determination of a Market Rent sections Type of Application

13 & 14 of the Housing Act 1988

Mr I R Perry FRICS Tribunal Members :

Mr M J F Donaldson FRICS Mr M C Woodrow MRICS

Date of Inspection None. Paper determination :

Date of Decision 4th September 2023

DECISION

Summary of Decision

1. On 4th September 2023 the Tribunal determined a market rent of £950 per month to take effect from 9th September 2023.

Background

- 2. The case concerned the determination of a market rent for the subject property following a referral of the Landlord's notice of increase of rent by the Tenant pursuant to sections 13 and 14 Housing Act 1988.
- 3. On 25th July 2023 the Landlord's Agent served a notice under Section 13(2) of the Housing Act 1988 which proposed a new rent of £950 per month in place of the existing rent of £875 per month to take effect from 9th September 2023. The notice complied with the legal requirements.
- 4. On 8th August 2023 the Tribunal received an application from the Tenant under Section 13(4) (a) of the Housing Act 1988. The application is dated 4th August 2023.
- 5. The Tribunal does not consider it necessary and proportionate in cases of this nature to undertake inspections or hold Tribunal hearings unless either are specifically requested by either party or a particular point arises which merits such an inspection and/or hearing.
- 6. The Tribunal issued directions on 22nd August 2023 informing the parties that, unless either party objected, the Tribunal intended to determine the rent based on written representations. The parties were invited to make submissions which could include photographs or videos.
- 7. Both parties submitted papers by the specified dates setting out their respective cases. The papers were also copied to the other party.
- 8. Neither party objected to the matter being determined without an oral hearing, so the Tribunal determined the case on 4th September 2023 based on the written representations received.

The Property

- 9. From the information given in the papers and available on the internet, the property comprises an end-terraced house probably built in the 1960's and arranged in a 'Radburn' style with access roads to the rear of the properties and small open greens to the front.
- 10. The property is in a residential area with local shops supplying day-to-day needs and a full range of amenities are available in Gloucester.
- 11. The property has gas-fired central heating and double-glazed windows to accommodation comprising 2 Living Rooms, Kitchen 3 Bedrooms, Bathroom, WC and Gardens.. The last Energy Performance Rating, which expired 29th March 2019, was 'D'.

Submissions

- 12. The initial tenancy began on 9th September 2013 at a rent of £650 per month.
- 13. The accommodation is described by the Tenant as including a Living Room, Dining Room, Kitchen, 3 Bedrooms, Bathroom and WC. There are Gardens to front and rear, a Garden Shed and off-street parking. The Landlord's Agent describes the accommodation as a Lounge/Diner, Kitchen, 3 Bedrooms, Bathroom and WC.
- 14. The Tenant says that there have been no improvements by the Landlord but that she has made minor improvements including the laying of a path at the side of the house. The Tenant says that the whole house is in disrepair and that she has replaced all the carpets with new carpet or laminate flooring. The Tenant also said the Landlord had only provided a cooker.
- 15. The Tenant provided several undated photos in support of her written comments.
- 16. The Landlord's Agent says that carpets, curtains, washing machine and cooker are included but no fridge and that the existing bathroom and kitchen fittings pre-date the start of the tenancy.
- 17. The Landlord's Agent refers to several comparable properties with rents between £950 per month and £1,350 per month.

The Law

S14 Determination of Rent by First-tier Tribunal

- (1) Where, under subsection (4) (a) of section 13 above, a tenant refers to a First-tier Tribunal a notice under subsection (2) of that section, the Tribunal shall determine the rent at which, subject to subsections (2) and (4) below, the Tribunal consider that the dwelling-house concerned might reasonably be expected to be let in the open market by a willing landlord under an assured tenancy-
 - (a) which is a periodic tenancy having the same periods as those of the tenancy to which the notice relates;
 - (b) which begins at the beginning of the new period specified in the notice;
 - (c) the terms of which (other than relating to the amount of the rent) are the same as those of the tenancy to which the notice relates; and
 - (d) in respect of which the same notices, if any, have been given under any of Grounds 1 to 5 of Schedule 2 to this Act, as have been given (or have effect as if given) in relation to the tenancy to which the notice relates.
- (2) In making a determination under this section, there shall be disregarded-

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- (a) any effect on the rent attributable to the granting of a tenancy to a sitting tenant;
- (b) any increase in the value of the dwelling-house attributable to a relevant improvement carried out by a person who at the time it was carried out was the tenant, if the improvement-
 - (i) was carried out otherwise than in pursuance of an obligation to his immediate landlord, or
 - (ii) was carried out pursuant to an obligation to his immediate landlord being an obligation which did not relate to the specific improvement concerned but arose by reference to consent given to the carrying out of that improvement; and
- (c) any reduction in the value of the dwelling-house attributable to a failure by the tenant to comply with any terms of the tenancy.
- (3) For the purposes of subsection (2)(b) above, in relation to a notice which is referred by a tenant as mentioned in subsection (1) above, an improvement is a relevant improvement if either it was carried out during the tenancy to which the notice relates, or the following conditions are satisfied, namely-
 - (a) that it was carried out not more than twenty-one years before the date of service of the notice; and
 - (b) that, at all times during the period beginning when the improvement was carried out and ending on the date of service of the notice, the dwelling-house has been let under an assured tenancy; and
 - (c) that, on the coming to an end of an assured tenancy at any time during that period, the tenant (or, in the case of joint tenants, at least one of them) did not quit.
- (4) In this section "rent" does not include any service charge, within the meaning of section 18 of the Landlord and Tenant Act 1985, but, subject to that, includes any sums payable by the tenant to the landlord on account of the use of furniture, in respect of council tax or for any of the matters referred to in subsection (1) (a) of that section, whether or not those sums are separate from the sums payable for the occupation.

Consideration and Valuation

- 18. The Tribunal first considered whether it felt able to reasonably and fairly decide this case based on the papers submitted only with no oral hearing. Having read and considered the papers it decided that it could do so.
- 19. The Tribunal is required to determine the rent at which the subject property might reasonably be expected to be let in the open market by a willing Landlord under an assured tenancy. The Tribunal assessed this on the basis that there are 3 different spaces on the ground floor comprising a Kitchen, Dining Area and Living Area. The personal circumstances of the parties are not relevant to this issue.

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- 20. Having carefully considered the representations from the parties and associated correspondence, and using its own judgement and knowledge of rental values in the Gloucester area, the Tribunal decided that the market rent for the subject property if let today in a condition that was usual for such an open market letting would be £1,100 per month.
- 21. However, the property is not let in a condition to command such an open market rent so that a number of adjustments to this open market rent should be made to reflect the Tenant's provision of some white goods, that the Tenant felt it necessary to replace floorings and the general disrepair as evidenced by the photographs provided.
- 22. Using its experience the Tribunal decided that the following adjustments should be made:

Tenant's provision of white goods Tenant's provision of new floorings General disrepair and dated fittings	£20 £50 £80
TOTAL per month	£150

23. The Tenant made no representation that the starting date for the new rent specified in the Landlord's notice would cause the Tenant undue hardship.

Determination

- 24. The Tribunal therefore decided that the rent at which the subject property might reasonably be expected to be let in the open market by a willing Landlord under the terms of this assured tenancy was £950 per month.
- 25. The Tribunal directed that the new rent of £950 per month should take effect from 9^{th} September 2023, this being the date specified within the 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 to the First-tier Tribunal at the Regional office which has been dealing with the case. Where possible you should send your application for permission to appeal by email to rpsouthern@justice.gov.uk as this will enable the First-tier Tribunal Regional office to deal with it more efficiently.
- 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

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- 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.