



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

Case reference : CHI/21UC/MNR/2023/0184

Property : Flat C, 70 Ashford Road, Eastbourne,
East Sussex, BN21 3TB

Applicant Tenant : Ms L Hodson

Representative : None

Respondent Landlord : Mr F & Mrs S Barrett

Representative : Sequence UK Ltd

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

Tribunal member(s) : Mrs J Coupe FRICS
Mr S Hodges FRICS
Mr N Robinson FRICS

Date of decision : 21 September 2023

REASONS

Decision of the Tribunal

On 21 September 2023 the Tribunal determined a Market Rent of £650.00 per month to take effect from 24 August 2023.

Background

1. By way of an application received by the Tribunal on 19 July 2023 the Applicant tenant of Flat C, 70 Ashford Road, Eastbourne, East Sussex, BN21 3TB (“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 21 June 2023, proposed a new rent of £800.00 per month in lieu of a passing rent of £625.00 per month, to take effect from 24 August 2023.
3. The tenant has been in occupation of the property by way of an Assured Shorthold Tenancy agreement since November 2019. Following a sale of the property to the Respondent landlord the tenant now occupies the property under an agreement dated 24 February 2023. A copy of the latter tenancy agreement was provided.
4. On 8 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 second floor flat within a three-storey converted mid-terraced house, situated within a predominantly residential neighbourhood but within close proximity of commercial occupiers and backing onto a multi-storey car park. The property is within a short walking distance of local facilities and public transport, and a moderate walk to Eastbourne seafront.
13. The accommodation comprises a reception room, kitchen, bedroom and bathroom. Street permit-parking is available locally.
14. The property is heated by a gas-fired central heating system and windows are double glazed. Carpets, curtains and white goods are provided by the landlord with the exception of a fridge supplied by the tenant.
15. The property has an Energy Performance Certificate (EPC) Rating of C and a floor area of 52m², as recorded within the online National Energy Performance Register.

Submissions – Tenant (summarised)

16. The tenant states that the property is in want of repair throughout and submits a series of annotated photographs by way of evidence.
17. Both the tenant and the landlord refer to roofing disrepair. The tenant also suggests that ill-fitting rainwater goods cause water to run down the external walls during periods of heavy rainfall which, in turn, result in water ingress and internal dampness. Photographs were provided appearing to show blistering paintwork and plaster, black spot mould, and damp décor.
18. Additional defects referred to by the tenant include masonry disrepair, an inadequate main entrance door, defective window seals, missing or broken door furniture, internal plaster cracking, dated and deficient kitchen, poor bathroom and substandard internal décor and presentation.
19. By way of comparable evidence, the tenant relies upon two lettings of which she has knowledge. The first is a one-bedroom flat let at £700.00 per month and the other is studio accommodation let at £525.00 per month. Limited details were provided.

20. In response to the landlord's comparables, the tenant considers the only appropriate comparable to be that in Ashford Road, advertised at £775.00 per month. However, the tenant contends such flat to be in superior condition and with white goods provided.

Submissions – Landlord (summarised)

21. The landlord explains that the property was acquired on 24 February 2023 and that an inspection was undertaken on the 24 March 2023, at which time it was noted that *“there had been issues, possibly due to the roof, three quotes have been sought and eventually received, and an order has now been placed for October 2023”*.
22. Furthermore, the landlord states that *“It was noted that the main entrance door was only ever an internal door and quotations have been obtained and an order has now been placed. Date TBC.”*
23. The landlord concurs with the tenant that *“the roof needs major works”* and *“the main door needs replacing”*.
24. The landlord states that, ideally, vacant possession of the entire building, which comprises three self-contained flats, would facilitate a refurbishment. However, possession Orders have not been sought and, in the alternative, a below market rent increase is proposed.
25. The landlord states that the property is within a short distance of shopping facilities and public transport.
26. In support of the proposed rent, the landlord relies upon a ‘Best Price Guide’, listing one-bedroom flats advertised as available to let on the online platform Rightmove between 10 May 2022 and 10 August 2023 and within 0.25 mile of the property. Asking prices range from £775.00 - £1,100 per month. The comparables include converted flats, purpose-built flats and a retirement flat.

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, 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.

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 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.
33. The Tribunal found the one-bedroom comparable in Ashford Road, advertised as available to let in April 2023 at £775.00 per month, the most useful of the parties' comparables. Such property is located in the same road as the subject and is a converted self-contained flat providing one-bedroom accommodation. Whilst the comparable is advertised as having a modern kitchen and bathroom and white goods provided, the heating is electric as opposed to the typically more efficient gas system to be found in the subject.
34. Having regard to all submissions the Tribunal determined an open market rental of £800.00 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 property is in want of repair and refurbishment. Both parties refer to a leaking roof, water ingress and a need for the entrance door to be replaced. Whilst the landlord advises that contracts for such works have now been placed and that remedial works are imminent, the works were outstanding as at the pertinent date. Accordingly, the Tribunal make no allowance for the proposed remedial works in this particular determination. That is not to say that any refurbishment will not be taken into account in future determinations.
38. The useful photographs submitted by the tenant assisted the Tribunal in forming a view of the internal condition of the property, from which the Tribunal concluded that the accommodation was basic, dated and in need of refurbishment, in addition to the repairs referred to above.
39. In reflection of such differences, and taking account of the tenant's provision of a fridge, the Tribunal makes a deduction of £150.00 per month from the hypothetical rent to arrive at an adjusted rent of £650.00 per month.

40. No submissions were made to the Tribunal in regard to delaying the effective date of any increase in rent on the grounds of hardship and, as the determined rent equates to the passing rent, no such delay is warranted. Accordingly, the rent of **£650.00 per month will take effect from 24 August 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.