

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

<b>Case Reference</b>	:	CHI/18UH/MNR/2023/0205
Property	:	The Old School The Green Manaton Newton Abbot Devon TQ13 9UJ
Applicant Tenant	:	Ms S Wragg and Mr K Fitzgerald
Representative	:	None
Respondent Landlord	:	Mrs C M M Sheppard
Representative	:	Stags
Type of Application	:	Determination of a Market Rent sections 13 & 14 of the Housing Act 1988
Tribunal Members	:	Mr I R Perry FRICS Mr S J Hodges FRICS Mr J S Reichel MRICS
Date of Inspection	:	None. Paper determination
Date of Decision	:	9 <sup>th</sup> October 2023

# DECISION

## Summary of Decision

1. On 9<sup>th</sup> October 2023 the Tribunal determined a market rent of £695 per month to take effect from 1<sup>st</sup> 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 26<sup>th</sup> July 2023 the Landlord's Agent served a notice under Section 13(2) of the Housing Act 1988 which proposed a new rent of £900 per month in place of the existing rent of £600 per month to take effect from 1<sup>st</sup> September 2023. The notice complied with the legal requirements.
- 4. On 15<sup>th</sup> August 2023 the Tenant applied to the Tribunal under Section 13(4) (a) of the Housing Act 1988.
- 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 29<sup>th</sup> 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 which 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 9<sup>th</sup> October 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 a period detached house in a small rural hamlet within Dartmoor National Park, about 5 miles northeast of Bovey Tracey.
- 10. The accommodation is said to include a Hall, Living Room, Kitchen, Utility and WC at ground level with 3 Bedrooms and a Bathroom with WC at first floor level. Outside there are Gardens and Parking.
- 11. The Energy Performance Rating for "The Old School" Manaton is 'E' but the certificate has expired. There is a more recent certificate for "The Old School House" which is rated 'F'. The main elevations are stone beneath a slate roof.

## Submissions

- 12. The initial tenancy began in June 1991 and included a few items of furniture some of which were stored in a freestanding shed which has since collapsed and the furniture discarded.
- 13. The Agent's submission says that the property has electric central heating and double glazing, that carpets and curtains are provided by the Landlord and the property is dated but functional. No tenancy agreement or inventory are provided.
- 14. The Agent provides a photograph of the front of the property and a list of properties available to rent in the general area with asking rents ranging from £895 per month to £1,100 per month, but no details are provided of any confirmed lettings.
- 15. The Tenants state that there is no central heating, and that carpets, white goods and curtains are all provided by them. They also state that they have replaced a Woodburning stove.
- 16. The Tenants also refer to many historic issues with the condition of the property and state that they have carried out a number of repairs over the years including repairs to damaged floors, that a lean-to shed collapsed, that covered porches leak, that a garden wall has collapsed and that they have had numerous issues with the septic tank drainage. Photographs are provided in support of these submissions which also show the property to be in fairly poor general condition and show that the driveway is susceptible to flooding.
- 17. A Surveyors report dated 21<sup>st</sup> August 2006 states that "When the property was originally converted from the former school to a dwelling the standard of workmanship appears to have been very basic, with little attention being paid to overcome inherent problems of dampness in such a structure."
- 18. The Tenants refer to a similar property at Easdon, Manaton recently let for  $\pm$ 700 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-
  - (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**

- 19. 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.
- 20. 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

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under an assured tenancy as at the date of the Notice. The personal circumstances of the Parties are not relevant to this issue.

- 21. In this case there is a clear difference between the parties as to the form of heating to the property. Within the Surveyors report dated 21<sup>st</sup> August 2006 there is no mention of central heating or boiler. In the absence of any evidence to the contrary the Tribunal finds that the Tenants, who say there is no central heating, are likely to know the property best. In addition, there is no evidence of any heating in the photographs provided. The Tribunal therefore assesses the property based on there being no central heating system.
- 22. Having carefully considered the representations from the parties and associated correspondence and using its own judgement and knowledge of rental values in Dartmoor National Park 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  $\pounds$ 1,150.
- 23. However, the property is not in a condition nor is it let on terms to command such a rent and a number of adjustments to this open market rent of £1,150 per month need to be made.
- 24. Using its experience the Tribunal decided that the following adjustments should be made:

Tenant's provision of white goods	£30
Tenant's provision of carpets	£40
Tenant's provision of curtains	£15
Lack of central heating	£110
Dated kitchen	£110
Dated bathroom	£50
General disrepair and neglect	£100
TOTAL per month	£455

25. 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

- 26. 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  $\pounds 695$  per month.
- 27. The Tribunal directed that the new rent of £695 per month should take effect from  $1^{st}$  September 2023, this being the date specified in the notice.

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#### **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 <u>rpsouthern@justice.gov.uk</u> 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 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.