

FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference	:	CHI/00HB/MNR/2023/0240
Property	:	37 Lodge Causeway Fishponds Bristol BS16 3JA
Applicant Tenant	:	Ms L Hawkins
Representative	:	None
Respondent Landlord	:	Mr O Ashley
Representative	:	J Graham (Midwood Properties)
Type of Application	:	Determination of a Market Rent sections 13 & 14 of the Housing Act 1988
Tribunal Members	:	Mr I R Perry FRICS Ms A Clist MRICS Mr C M Davies FRICS
Date of Inspection	:	None. Paper determination
Date of Decision	:	6 th December 2023

DECISION

Summary of Decision

1. On 6th December 2023 the Tribunal determined a market rent of £1,255 per month to take effect from 27th October 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 19th September 2023 the Landlord's Agent served a notice under Section 13(2) of the Housing Act 1988 which proposed a new rent of £2,500 per month in place of the existing rent of £1,050.09 per month to take effect from 27^{th} October 2023. The notice complied with the legal requirements.
- 4. On 28th 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 1st November 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. The Tenant made a submission which was copied to the Landlord.
- 8. Neither party objected to the matter being determined without an oral hearing, so the Tribunal determined the case on 6th December 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 bay-fronted inner terrace house situated within a residential area on the northeast side of Bristol, about 3 miles from the City centre.
- 10. The accommodation is listed as including a Living Room, Dining Room, Kitchen, 3 Bedrooms and Bathroom. There are gardens to front and rear but no off-street parking.
- 11. The Energy Performance Rating is 'D' and the Certificate states that the property has mostly double-glazed windows and gas-fired central heating.

Submissions

12. The initial tenancy began on 27th April 2015 when an inventory was prepared by Bristol City Council Renting Team. White goods were included, and the condition of the property was rated as good throughout. No curtains were included but the principal rooms all had basic furniture provided. The Landlord

retained use of the Attic. Floorings were assessed as good, but no curtains were included.

- 13. In her submission the Tenant provides photographs to support her assertion that the property is not well maintained. Defects include kitchen cupboards with broken doors and drawers, plasterwork blistered from damp penetration, rotting skirtings, defective doors and windows, cracked plasterwork, mould growth in several places and defective electrical wiring. Most floors appear to be bare boards and there is no carpet to the staircase.
- 14. The Tenant provides details of comparable 3-bedroom properties with a median rent of \pounds 1,550 per month.
- 15. The Landlord served a Counter claim to the Tribunal dated 7th November 2023 with very few details. She refers to information previously provided to the Tribunal "as per disqualified claim ref CHI/00HB/MNR/2023/0210". She states that "The proposed rent is in line with rents in the area. My home was loaned as a single-family dwelling to Bristol City Council for 12 months. The illegal tenants have and continue to have multiple acquaintances and extended family reside at my premises who can fully support the increase rent requested."
- 16. The Landlord provides no evidence of rental values, nor does she comment on the condition of the property.

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

- 17. 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.
- 18. 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 personal circumstances of the Parties are not relevant to this issue.
- 19. Having carefully considered the representations from the parties and associated correspondence and using its own judgement and knowledge of rental values in Bristol 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 £1,500 per month.

- 20. However, the property is not in a condition to command such a rent and the Tribunal decided that it should make an adjustment to reflect this noting that the tenancy began more than 8 years ago.
- 21. The Tribunal decided that further adjustments should be made to reflect the EPC rating, that the floors are mostly boards and that curtains were not provided.
- 22. The Tribunal did not consider that the furniture supplied would increase the rental value by a significant amount as the vast majority of tenants have their own furniture. The Tribunal did not consider that the rent would be affected by the Landlord storing belongings in the Attic.
- 23. The Landlord suggests that the rent should reflect the number of people, unspecified, who live at the property. The Tribunal did not agree with this assertion as it is accepted valuation practice that it is the age, type condition and extent of the accommodation, along with its location, that are the major factors affecting rental values.
- 24. Using its experience, the Tribunal decided that the following adjustments should be made:

Tenant's provision of curtains	£20
Lack of carpeting throughout	£50
Poor EPC rating	£25
General disrepair and condition	£150
TOTAL per month	£245

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 1,255 per month.
- 27. The Tribunal directed that the new rent of £1,255 per month should take effect from 27^{th} October 2023.

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.