

FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case reference	:	BIR/OOGG/MNR/2023/0145
Property	:	Steeraway Farmhouse Limekiln Lane Wellington Telford TF1 2JU
Applicant	:	Mr A Offland
Representative	:	None
Respondent	:	Mr R Roberts and Mrs Z Crooke
Representative	:	None
Type of application	:	Application under Section 13(4) of the Housing Act 1988 referring a notice proposing a new rent under an Assured Periodic Tenancy to the Tribunal
Tribunal members	:	G S Freckelton FRICS Mr R P Cammidge FRICS
Venue and Date of Determination	:	19 <sup>th</sup> December 2023. The matter was determined by a paper determination

# **DETAILED REASONS**

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### BACKGROUND

- 1. On 14<sup>th</sup> June 2023, the Applicant (tenant of the above property) referred to the Tribunal, a notice of increase of rent served by the Respondent (landlord of the above property) under section 13 of the Housing Act 1988.
- 2. The Respondent's notice, which proposed a rent of £1200.00 per month with effect from 1<sup>st</sup> July 2023, is dated 20<sup>th</sup> May 2023.
- 3. From the details on the Application Form the Tribunal deduces that the tenancy agreement is dated 1<sup>st</sup> October 2008 but that the Applicant first moved into the property in November 1992. The current rent is stated as being £300.00 per month.
- 4. The Tribunal issued Directions on 23<sup>rd</sup> August 2023 following which both parties confirmed that they did not require the Tribunal to inspect the property and did not require a hearing. The Tribunal therefore proceeded to determine the matter based on the information provided in the parties' submissions.
- 5. The Tribunal issued its Decision following the paper determination on 19<sup>th</sup> December 2023. The Respondent subsequently requested written reasons and these detailed reasons are provided in response to that request.

#### **EVIDENCE**

- 6. The Tribunal received written representations from both parties which were copied to the other party.
- 7. From the various submissions the Tribunal understands that the property is a semidetached house comprising two living rooms, dining room and kitchen on the ground floor together with a pantry and W.C. The Respondent states the accommodation includes an office but the Applicant states there is no office.
- 8. On the first floor there are understood to be four bedrooms and a bathroom. Access to bedroom 4 is understood to be through bedroom 3. There is gas fired central heating but no double glazing. Carpets, curtains and white goods are provided by the tenant.
- 9. Outside there are large gardens. There is no garage but there is understood to be ample car parking space within the curtilage of the property and a large outbuilding described as a 'Cart Shed'.
- 10. Both parties provide photographs to support their submissions.
- 11. The Applicant submitted:
  - 1) The floor to living room 1 was uneven.
  - 2) The kitchen units were fitted by the Applicant.
  - 3) The toilet cistern to the bathroom was cracked.
  - 4) The hot water cylinder was leaking and the immersion heater was not working.
  - 5) The outside 'Cart Shed' was shared with the neighbouring tenant.
  - 6) There was damp noted internally to numerous external walls. This resulted in black mould with plaster coming off in some areas.
  - 7) Not all the chimneys had been repointed.
  - 8) Cast iron guttering was broken in places.

- 9) All the windows except for the kitchen had rotten frames which leaked.
- 10) The rear porch leaks badly.
- 11) The roof was not under felted and the roof space was not insulated.
- 12) Radiators were not efficient and external doors were draughty.
- 13) Since moving in the Applicant had decorated internally and part externally, fitted all the carpets as well as tiling the bathroom and concreting outside the rear door. They had also landscaped the gardens.
- 12. The Respondent submitted:
  - 1) That missing tiles had been replaced.
  - 2) That all the chimneys had been repointed and a large chimney removed.
  - 3) The front door had been repaired.
  - 4) That a new sewage system had been installed at a cost of some £20,000.00.
  - 5) That they wished to replace some of the windows but the Applicant did not wish the work to be done at the present time.

## THE LAW

- 13. In accordance with the terms of section 14 Housing Act 1988 the Tribunal proceeded to determine the rent at which it considered that the subject property might reasonably be expected to be let on the open market by a willing landlord under an assured tenancy.
- 14. In so doing the Tribunal, as required by section 14(1), ignored the effect on the rental value of the property of any relevant tenant's improvements as defined in section 14(2) of that Act.

# THE TRIBUNAL'S DECISION

- 15. The Tribunal determined that the house was located in an attractive rural location but it was clear that further modernisation and works were required. It was also noted that some works had been completed by the Applicant.
- 16. The Respondent is now proposing a rent of £1,200.00 per calendar month. Carpets and curtains are provided by the Applicant as are white goods. The Applicant has redecorated internally and partly, externally.
- 17. The Tribunal determined that an open market rent of £1,350.00 per month would be appropriate for the property as offered if in good condition but that deductions were required to reflect the present state of repair and tenant's improvements.
- 18. The Tribunal therefore considered the various monthly deductions to reflect the items referred to above as follows:

Damp and general plaster work, porch etc.	100.00
Cracked W.C.	5.00
Broken immersion heater/leaking cylinder	10.00
Lack of double glazing	60.00
Roof insulation	40.00
Total	£215.00

19. In addition, the Tribunal also made the following allowances to reflect the Applicants improvements as follows:

Gardens	10.00
Fitted kitchen	50.00
Carpets and curtains	65.00
White goods	20.00
Tiling to bathroom etc.	5.00
Internal decorations and part external decoration	70.00
Total	£220.00

- 20.In coming to its decision, the Tribunal had regard to the members' own general knowledge of market rent levels in the area. The Tribunal concluded that an appropriate market rent for the property would be £915.00 per month (£1,350.00 £215.00 £220.00).
- 21. The Tribunal therefore determined that the rent at which the property might reasonably be expected to be let on the open market would be £915.00 per month.

### **APPEAL**

22. Any appeal against this Decision can only be made only **on a point of law** and must be made to the Upper Tribunal (Lands Chamber). Prior to making such an appeal the party appealing must apply, in writing, to this Tribunal for permission to appeal within 28 days of the date of issue of this Decision, (or, if applicable, within 28 days of any decision on a review or application to set aside) identifying the decision to which the appeal relates, stating the grounds on which that party intends to rely in the appeal, and stating the result sought by the party making the application.

G S Freckelton FRICS Chairman First-tier Tribunal Property Chamber (Residential Property)