

FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference	:	CHI/00HH/MNR/2023/0264
Property	:	23 Darwin Crescent Torquay Devon TQ2 7FL
Applicant Tenants	:	Miss N Wood
Representative	:	None
Respondent Landlords	:	L & J Hale
Representative	:	None
Type of Application	:	Determination of a Market Rent sections 13 & 14 of the Housing Act 1988
Tribunal Members	:	Mr I R Perry FRICS Mr M J Ayres FRICS Mr J S Reichel MRICS
Date of Inspection	:	None. Paper determination
Date of Decision	:	3 rd January 2024

DECISION

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Summary of Decision

1. On 3rd January 2024 the Tribunal determined a market rent of £1,140 per month to take effect from 8th November 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 22nd September 2023 the Landlords served a notice under Section 13(2) of the Housing Act 1988 which proposed a new rent of £1,200 per month in place of the existing rent of £950 per month to take effect from 8th November 2023. The notice complied with the legal requirements.
- 4. On 1st November 2023 the Applicant applied to the Tribunal under Section 13(4)
 (a) of the Housing Act 1988.
- 5. The Tribunal does not routinely 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 20th 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. 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 3rd January 2024 based on the written representations received.
- 9. These reasons address **in summary form** the key issues raised by the parties. They do not recite each and every point referred to either in submissions or during any hearing. The Tribunal concentrates on those issues which, in its opinion, are fundamental to the application.

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-

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- (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.

The Property

- 10. From the information given in the papers and available on the internet the property comprises a modern 3-storey terraced house built in 2011 and situated in a residential area on the northern side of Torquay, a town which provides all main amenities.
- 11. The accommodation includes a Living Room, Kitchen, 3 Bedrooms, Bathroom with WC, Utility Room and WC. There is an integral garage, parking space and gardens to front and rear.
- 12. The Energy Performance Certificate states that the property has a floor area of 92 square metres and the property is rated 'C'.

Submissions

- 13. The initial tenancy began on 8th March 2011. The Tribunal was provided with a signed tenancy agreement dated 8th May 2018 when the rent was £815 per month.
- 14. The Landlords' submission states that the property has gas-fired central heating and double-glazed windows. A cooker is provided but no washing machine or fridge. The Landlords replaced kitchen worktops in 2023 at a cost of \pounds 2,050.
- 15. The Landlords state that the property is located in a desirable area and provides details of 3 broadly similar properties available to rent for £1,200 to £1,500 per month.
- 16. The Tenant states that the kitchen doors were replaced in 2022, that the rendered front elevation requires regular cleaning.
- 17. The Tenant also raises issues relating to the provision and condition of smoke detectors on each floor and a CO2 alarm in the kitchen. She states that no gas safety test was carried out in 2022 but confirms that a test was carried out on 10th March 2023 which raised questions about some alarms and the flue, where it passes through the loft. The Landlords will be aware of their legal responsibilities in these matters.
- 18. The Tenant provided details of 3 similar houses to rent in Torquay with rents ranging from £1,000 to £1,200 per month.

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

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- 21. Having carefully considered the representations from the parties and associated correspondence and using its own judgement and knowledge of rental values in Torquay 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 1,200 per month.
- 22. The Tribunal finds that some white goods are provided by the Tenant as are curtains and adjusts the rent by £20 and £15 per month in each respect. The Tribunal also adjusts the rent to reflect safety concerns over alarms and gas flue and reduces the market rent by £25 per month.
- 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 £1,140 per month.
- 25. The Tribunal directed that the new rent of £1,140 per month should take effect from 8th November 2023, this being the date specified in 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 <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.