



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

Case reference : CHI/00HG/MNR/2023/0220

Property : Flat 3, 10 Ashford Road, Plymouth,
Devon, PL4 7BN

Applicant Tenant : Mr J Christopher

Representative : None

Respondent Landlord : Lions World Management Services Limited

Representative : None

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

Tribunal members : Mrs J Coupe FRICS
Mr N Robinson FRICS
Mr M J F Donaldson FRICS

Date of decision : 9 January 2024

REASONS

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Decision of the Tribunal

On 9 January 2024 the Tribunal determined a Market Rent of £650.00 per month to take effect from 7 September 2023.

Background

1. By way of an application received by the Tribunal on 6 September 2023 the Applicant tenant of Flat 3, 10 Ashford Road, Plymouth, Devon, PL4 7BN (hereinafter referred to as “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 1 August 2023, proposed a new rent of £715.00 per month in lieu of a passing rent of £650.00 per month, to take effect from 7 September 2023.
3. By an agreement in writing the property was let to the tenant for a period of 6 months from 7 July 2022 under an Assured Shorthold Tenancy, continuing on a monthly basis thereafter until terminated by either party. A revised six month Assured Shorthold Tenancy agreement was retrospectively entered into by the parties on 7 July 2022. Copies of both tenancy agreements were provided.
4. On 3 November 2023 the Tribunal issued Directions advising the parties that it considered the matter suitable for determination on the 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. The Directions required the landlord and tenant to submit their completed statements to the Tribunal by 17 November 2023 and 1 December 2023 respectively, with copies to be sent to the other party. Such dates were subsequently extended to 24 November 2023 and 15 December 2023 respectively. Both parties complied.
6. Having reviewed the submissions the Tribunal concluded that the matter remained 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 every point referred to in submissions but, instead, concentrate on those issues which, in its view, it considers fundamental to the application.

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 it externally via information obtained from publicly available online platforms.
11. The property is a first floor flat within a bay-fronted, mid-terraced, converted Victorian building of traditional masonry construction with rendered elevations under a pitched roof clad in slates. The property is located in an established residential area, convenient for local facilities and public transport.
12. Access to the property is via a communal entrance leading to accommodation comprising: open-plan living room/kitchen, bedroom, shower room/WC. No lift.
13. Off-road parking. No garden.
14. Heating is provided by electric storage heaters. Windows are double glazed. Carpets, curtains/blinds and an oven and hob are provided by the landlord.

Submissions – Tenant (summarised)

15. The tenant's initial tenancy, that being in his sole name, commenced in July 2022. A subsequent tenancy, albeit backdated, included both the tenant and Mrs. Christopher.
16. On 15 August 2022 the tenant emailed the landlord expressing concern over a number of issues of disrepair, including dampness in the bedroom. Further communication between the parties followed on 6 February 2023 and 3 September 2023. A response, by email, from the landlord on 16 August 2022 indicated that the issues would be addressed.
17. In regard to the findings contained within the report prepared by the *Ministry of Mould*, the tenant states that his wife and an additional dog moved into the property in April/May 2023 by which time, as evidenced, the issue of mould and dampness had been notified to the landlord some eight months previously. The tenant further points to the findings of the landlord's Mould Report which identify damp penetration and inadequate ventilation, neither of which arise as a consequence of increased occupation.
18. The tenant refers to email communication with the landlord in August 2022 where sewage odour in the bathroom was notified. Reference is also made to an unsecured handrail.

19. Heating is provided by two inefficient electric storage heaters. Additional portable heaters were purchased at the tenant's expense.
20. A series of undated photographs were provided which, amongst others, illustrate surface mould and dampness, cracked plaster and general disrepair.
21. The tenant did not rely on any comparable rental evidence.
22. In December 2023 the tenants vacated the property.

Submissions – Landlord (summarised)

23. The landlord submitted a series of undated photographs showing the interior and exterior of the property.
24. The proposed new rent includes a pet fee of £25.00 per month.
25. A '*Mould Report*', prepared on the landlord's instructions by a firm trading as the *Ministry of Mould*, dated 24 October 2023, identified the following:
 - i. Mould growth within the bedroom and living room. The landlord was advised that mould is classified as a Category 1 health hazard under the Housing Health and Safety Rating System.
 - ii. Signs of damp penetration, including salt damage and crumbling plaster within the bedroom and stairwell.
 - iii. Inadequate ventilation. The bathroom extractor fan did not meet current standards. No fan installed in the kitchen area.
 - iv. Property is occupied by two adults and two large dogs resulting in high levels of airborne moisture and increased humidity which, in turn, can result in condensation and mould issues.
26. The Report included four photographs:
 - i. Render join and missing chimney stack pointing.
 - ii. Fan speed of 11 litres/second.
 - iii. High humidity reading.
 - iv. Penetrating dampness to rear wall.
27. The landlord drew particular attention to the report's comments that the tenants' occupation and keeping of dogs can lead to condensation and mould issues.
28. All remedial works identified in the report have since been authorised.

29. In support of the proposed new rent the landlord relies upon 15 comparable properties listed in a Rightmove (online letting platform) Best Price Guide. 10 such properties were advertised as available to let on various dates throughout 2023, whilst the remaining 5 properties were advertised in 2022. All comparables offered one-bedroom accommodation in converted buildings. Asking prices for those flats advertised in 2023 ranged from £695.00 - £750.00 per month. All comparables were marked as Let Agreed however neither the terms of the tenancy nor agreed rental price were disclosed.

Determination

30. The Tribunal has carefully considered all of the submissions before it.
31. 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 locality. The Tribunal has no regard to the current rent and the period of time which that rent has been charged, nor does it take into account the percentage increase which the proposed rent represents to the passing rent. In addition, the legislation makes it clear that the Tribunal is unable to account for the personal circumstances of either the landlord or the tenant.
32. The Tribunal assesses the rent for the property as at the date of the landlord's Notice. 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.
33. 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.
34. As stated above, the landlord relied upon 10 comparable properties marketed during 2023 at asking prices ranging from £695.00 - £750.00 per month. Although the Tribunal had regard to these comparables, in the absence of more comprehensive details such as the size of accommodation, condition, facilities, tenancy terms or the eventual agreed rent, the Tribunal were unable to place significant reliance on such evidence. The tenant did not rely on any comparable evidence.
35. Weighing the evidence before it against its own expert knowledge as a specialist Tribunal an open market rent of the property, in good tenantable condition, was determined as £700.00 per month.
36. Once the hypothetical rent 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.
37. The Tribunal had regard to the report prepared by the Ministry of Mould, which identified mould growth, penetrating dampness, inadequate ventilation and made reference to the tenant's occupation and pets.

38. The Tribunal find that the landlord accepted the recommendations of the report and that remedial works have been authorised. However, as at the pertinent date, no evidence has been adduced that such works had been undertaken. Accordingly, the Tribunal are required to value the property in the condition as described by the report, the findings of which are undisputed by the landlord.
39. The landlord relies on the fourth paragraph of the report which references high airborne moisture and humidity levels as a consequence of the tenant's occupation and pets. However, evidence has been adduced by the tenant which demonstrates that the issue of dampness was notified to the landlord some considerable time before his wife and an additional dog moved into the property.
40. The Tribunal accept the undisputed findings of the Mould Report and, as a consequence determine that the property falls short of the rental standard required by the market.
41. The tenant also refers to the inefficiency of the electrical storage heaters, as evidenced in communication with the landlord and, ultimately, the need to supplement heating by acquiring, at the tenant's cost, portable heaters. It is the experience of the Tribunal that condensation and mould is not only a consequence of insufficient ventilation, but that inadequate heating is also a contributing factor.
42. Finally, the Tribunal consider the lack of a separate kitchen (the kitchen and living area being open plan) and the size of the shower room to be less attractive to the market.
43. In reflection of such differences, the Tribunal make a deduction of £50.00 per month from the hypothetical rent to arrive at an adjusted open market rent of £650.00 per month.
44. The rent of **£650.00 per month will take effect from 7 September 2023**, that being the date stipulated within the landlord's notice.
45. For the avoidance of doubt, the rental figure determined excludes any additional sum payable for pets.

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.