

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

| Case Reference      | : | CHI/00MS/MNR/2023/0279   |
|---------------------|---|--|
| Property            | : | 25 Gainsford Road<br>Southampton<br>Hampshire<br>SO19 7AS                  |
| Applicant Tenants   | : | Mr J Brown and Ms S Bartlett   |
| Representative      | : | None   |
| Respondent Landlord | : | MYA Property Ltd   |
| Representative      | : | None   |
| Type of Application | : | Determination of a Market Rent sections<br>13 & 14 of the Housing Act 1988 |
| Tribunal Members    | : | Mr I R Perry FRICS<br>Ms C D Barton MRICS<br>Mr N I Robinson FRICS         |
| Date of Inspection  | : | None. Paper determination  |
| Date of Decision    | : | 30 <sup>th</sup> January 2024  |

# DECISION

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#### Summary of Decision

1. On 30<sup>th</sup> January 2024 the Tribunal determined a market rent of £950 per month to take effect from 12<sup>th</sup> December 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 Tenants pursuant to sections 13 and 14 Housing Act 1988.
- 3. On 24<sup>th</sup> October 2023 the Landlord's Agent served a notice under Section 13(2) of the Housing Act 1988 which proposed a new rent of £950 per month in place of the existing rent of £850 per month to take effect from 12<sup>th</sup> December 2024. The notice complied with the legal requirements.
- 4. On 23<sup>rd</sup> November 2023 the Tenants 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 20<sup>th</sup> December 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 30<sup>th</sup> 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. However, this does not imply that any points raised, or documents not specifically mentioned were disregarded. If a point or document was referred to in the evidence or submissions that was relevant to a specific issue, then it was considered by the Tribunal. 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-

- (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.

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### The Property

- 10. From the information given in the papers and available on the internet, the property comprises a ground floor purpose-built maisonette in a residential area of Southampton, on the east side of the River Itchen. Shops are available nearby and there is a full range of amenities within the city.
- 11. The accommodation is listed as including Living Room with French doors to rear garden, Kitchen, 2 double Bedrooms and a Bathroom with WC. There is off street parking at the front of the property, a brick-built garden shed and a garden at the rear which slopes steeply upwards away from the building.
- 12. The Energy Performance Rating is 'C' and the certificate is valid until 1<sup>st</sup> May 2028.

#### Submissions

- 13. The initial tenancy began on 12<sup>th</sup> September 2022 at a rent of £850 per month.
- 14. The Landlord's submission states that the property is double-glazed, has gasfired central heating, fridge, cooker and fitted carpets. The Landlord also states that the property was newly decorated before the start of the tenancy and provides a number of photographs taken prior to the letting.
- 15. The Landlord states that they own a number of similar maisonettes in the same road which are all let between £950 and £1,000 per month. Most recently let was 31A Gainsford Road let on 2<sup>nd</sup> October 2023 for £1,000 per month.
- 16. The Landlord also provides details of other 2-bedroom flats in the SO19 postcode area available through Rightmove with asking rents ranging from  $\pounds$ 975 to  $\pounds$ 1,000 per month.
- 17. Mr Brown says that a cooker is included but no fridge or washing machine, and that the carpets and curtains are provided by the Tenants. He also refers to gaps around some windows and the back door and refers to the Tenants' personal circumstances.

#### **Consideration and Valuation**

- 18. 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.
- 19. 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.
- 20. Having carefully considered the representations from the parties and associated correspondence and using its own judgement and knowledge of rental values in Southampton 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  $\pounds$ 1,000 per month. A market letting would usually include a fridge, washing machine, cooker, carpets and curtains.

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- 21. From the photographs provided carpets seem to be included by the Landlord but not curtains, and a fridge freezer could be seen in the photograph of the kitchen.
- 22. The Tribunal noted the garden slopes steeply enough to require steps and felt that this was a disadvantage to the property.
- 23. The Tribunal decided that the 'open market' rent should be adjusted by  $\pounds$ 50 per month to reflect the steeply sloping garden and the Tenants' provision of curtains and a washing machine.
- 24. The Tenants made no representation that the starting date for the new rent specified in the Landlord's notice would cause the Tenants undue hardship.

### Determination

- 25. 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 £950 per month.
- 26. The Tribunal directed that the new rent of  $\pm 950$  per month should take effect from 12<sup>th</sup> December 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.