

FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case reference	:	CHI/18UC/MNR/2023/0292
Property	:	23 Platform, Linacre House, Southernhay Gardens, Exeter, Devon EX1 1UG
Applicant (Tenant)	:	Mr Julian Snow
Representative	:	None
Respondent (Landlord)	:	IRE-UK RWSI Exeter S.A.R.L.
Representative	:	None
Type of application	:	Section 13(4) Housing Act 1988
Tribunal members	:	Mr D Jagger MRICS Mr C Davies FRICS Mr N Robinson FRICS
Venue	:	Paper Case
Date of Extended Reasons	:	6 th February 2024
DECISION		

Decision of the tribunal

(1) The Tribunal determines that the rent that the property in its current condition as at the 1st January 2024, being the proposed date of increase might reasonably be expected to achieve in the open market under an assured tenancy is **£1,675 per month**

Background

- 1. The tenant has lived in the property as an assured periodic tenant since 8th October 2022 when the Assured Tenancy Agreement commenced. It is unfortunate that the parties were unable to provide the Tribunal with the tenancy agreement.
- 2. On the 30th November 2023 the landlord served a notice pursuant to section 13(2) of the Housing Act 1988 seeking to increase the rent from £1,,523 per month to £1,829 per month, being an increase of £306 effective from 1st January 2024. The landlord confirms this global rental figure includes £39 for broadband and £25 for a pet. (Net rent is therefore £1765)
- 3. By an application dated 8th December 2023, the tenant referred that notice to the Tribunal for a determination of the market rent. The Tribunal issued Directions for the conduct of the matter on 2nd January 2024 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.
- 4. 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.

The Property and the Evidence

5. The Tribunal has before it, a bundle of evidence which includes the application, the directions, completed Rent Appeal Statements on behalf of each party with photographic evidence and floor plan. The landlord confirmed the flat has a floor area of 729 sq ft and provided a schedule in support of the fact that rental values are not purely driven by floor area but adjustments are made for individual aspect and layout. The tenant provided photographs confirming the condition of the common parts following a flood. The tenant states the flat is located on the second floor whereas the landlord stated it is located on the third floor. The Tribunal does not consider this to be a relevant valuation factor.

6. The accommodation comprises: 2 bedrooms, living room, kitchen, bathroom, en-suite shower room and balcony. There is central heating and double-glazed windows. The flat has 24-hour concierge and private gym facilities. The block is located in the city centre and provides exclusive accommodation.

The Law

7. The rules governing a determination are set out in section 14 of the Housing Act 1988. In particular, the Tribunal is to determine the rent at which the property might reasonably be expected to be let in the open market by a willing landlord under an assured tenancy, subject to disregards in relation to the nature of the tenancy (i.e. it being granted to a "sitting tenant") and any increase or reduction in the value due to the tenant's improvements or failure to comply with the terms of the tenancy. In the absence of any evidence to the contrary, the Tribunal has proceeded on the basis that the landlord is responsible for repairs to the structure, exterior and any installations pursuant to section 11 of the Landlord and Tenant Act 1985 and the tenant for interior decoration.

The Valuation

- 8. Having carefully considered all the evidence the Tribunal considers that the rent that would be achieved in good condition with reasonably modern kitchen and bathroom fittings, modern services, carpets, curtains and white goods supplied by the landlord would be **£1,675** per month. This figure is based upon the comparable evidence provided by the landlord and the Tribunal's professional judgement and experience in the Exeter area. This rental value is inclusive of £25 for a pet and the provision of broadband.
- 9. The average rent for rental properties in the Exeter area has increased every quarter since the end of 2019, according to the online property portal Rightmove. The rent increases are due to not enough properties coming to the market to meet demand and the number of homes for rent is 46% below 2019 levels. This puts this decision in context with the current rental market.
- 10. The Tribunal has not been provided with a copy of the tenancy agreement, However it is assumed the agreement incorporates the usual repair obligations.
- 11. The Tribunal received no evidence of hardship and, therefore, the rent determined by the tribunal is to take effect from **1**st **January 2024**.

<u>Rights of appeal</u>

By rule 36(2) of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013, the tribunal is required to notify the parties about any right of appeal they may have.

If a party wishes to appeal this decision to the Upper Tribunal (Lands Chamber), then a written application for permission must be made to the Firsttier Tribunal at the regional office which has been dealing with the case.

The application for permission to appeal must arrive at the regional office within 28 days after the tribunal sends written reasons for the decision to the person making the application.

If the application is not made within the 28-day time limit, such application must include a request for an extension of time and the reason for not complying with the 28-day time limit; the tribunal will then look at such reason(s) and decide whether to allow the application for permission to appeal to proceed, despite not being within the time limit.

The application for permission to appeal must identify the decision of the tribunal to which it relates (i.e. give the date, the property and the case number), state the grounds of appeal and state the result the party making the application is seeking.

If the tribunal refuses to grant permission to appeal, a further application for permission may be made to the Upper Tribunal (Lands Chamber).