

FIRST-TIER TRIBUNAL

PROPERTY CHAMBER (RESIDENTIAL

PROPERTY)

Case Reference : CHI/43UL/MNR/2024/0020

26 Barncroft

Property : Farnham Surrey

GU98RU

Applicant Tenant : Mrs L Tarrant-Gedye

Representative : None

Respondent Landlord : Mr J Waine

Representative : Greenwood & Co

Determination of a Market Rent sections

Type of Application : 13 & 14 of the Housing Act 1988

Tribunal Members : Mr I R Perry FRICS

Mr J S Reichel MRICS Ms C D Barton MRICS

Date of Inspection : None. Paper determination

Date of Decision : 4th March 2024

DECISION

Summary of Decision

1. On 4th March 2024 the Tribunal determined a market rent of £1,200 per month to take effect from 3rd February 2024.

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 12th December 2023 the Landlord's Agent served a notice under Section 13(2) of the Housing Act 1988 which proposed a new rent of £1,225 per month in place of the existing rent of £1,125 per month to take effect from 3rd February 2024. The notice complied with the legal requirements.
- 4. On 22nd January 2024 the Tenant 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 7th February 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.
- 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 4th March 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.

The Property

- 10. From the information given in the papers and available on the internet, the property comprises a modern terraced house situated within a small development of similar properties about ½ mile south of the centre of Farnham.
- 11. There is a full range of amenities in the town including a mainline railway station and easy access to the A31.
- 12. The accommodation includes a Living/Dining Room, Kitchen, WC, 2 Bedrooms, family Bathroom and ensuite Bathroom. Outside there is a Garage and Garden.
- 13. The EPC rating is 'D' and the certificate states that the property is double glazed and has gas-fired central heating.

Submissions

- 14. The tenancy agreement supplied is dated 3^{rd} January 2021 at a rent of £1,075 per month.
- 15. The Landlord's Agent states that the kitchen doors, plinths and handles are due to be replaced in March, that the kitchen and bathroom fittings are original but in good order and that the property was redecorated and had new carpets fitted prior to the tenancy in 2015.
- 16. The Agent refers to 3 recent lettings in the same development at rents from £1,325 per month to £1,495 per month.
- 17. The Tenant also refers to comparable properties and states that she is prepared to pay the new rent requested once the kitchen has been refurbished but also provides photographs which show that the décor is tired, dated and in poor condition.

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 Farnham, 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 £1,350 per month.
- 21. However, the property is not in a condition to command such a rent and a number of deductions are necessary to reflect the accepted poor condition of the kitchen and other general wants of repair throughout the house.

- 22. Using its experience the Tribunal decided that the poor condition of the kitchen merited a deduction of £100 per month and other general wants of repair a deduction of £50 per month. A total deduction of £150 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 £1,200 per month.
- 25. The Tribunal directed that the new rent of £1,200 per month should take effect from 3^{rd} February 2024 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 rpsouthern@justice.gov.uk 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.