



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

**Case reference** : **CHI/40UF/MNR/2024/0013**

**Property** : **88 Alcombe Road, Minehead, Somerset,  
TA24 6BB**

**Applicant** : **Mr R Grant and Mrs R Hughes**

**Representative** : **In Person**

**Respondent** : **Prizeample Ltd**

**Representative** : **Greenslade Taylor Hunt**

**Type of application** : **Market Rent under s13 & 14 of the  
Housing Act 1988**

**Tribunal  
member(s)** : **Mr R Waterhouse FRICS  
Ms C Barton MRICS**

**Date and venue of  
hearing** : **7 May 2024 Determination on Papers**

**Date of Decision** : **7 May 2024**

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**DECISION**

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## **Decision of the tribunal**

The tribunal is required to determine a rent under section 14 of the Housing Act 1988, a rent that the property would let for in the open market. The Landlord has requested a rent of **£695** per month from **20 January 2024**.

The tribunal determines the rent at **£675** per month from **20 January 2024**.

### **Background**

- 1.** The tribunal received an application under section 13 of the Housing Act 1988 received 8 January 2024. This included the Landlord's notice is undated but accompanied by a covering letter dated 2 December 2023 proposing a new rent to commence on **20 January 2024**. The previous rent being **£650** per month and the proposed **£695** per month from **20 January 2024**. The application by the Tenant included a Notice of Increase of Rent that appeared to be invalid because it was undated. Following Directions and Notice of Intention to Strike Out the application dated 5 February 2024, the Landlord supplied, 7 February 2024 a copy of the complete Notice where the date was on the final page. The final page having been omitted from the Tenants Application.
- 2.** No inspection or oral hearing was requested from the Tenant or the Landlord and so the matter was determined on papers.
- 3.** The property is a ground floor flat comprising one living room, two bedrooms, and one bathroom/WC, and a kitchen. The flat has also a courtyard and a garage.
- 4.** The tenancy commenced on the **20 December 2019**.

### **The Bundle**

- 5.** The applicants' application form noted that all repairs were the responsibility of the Landlord. This also contained a copy of the Landlord's Notice of Rent Increase and a copy of the tenancy agreement. On 7<sup>th</sup> December the Tenant wrote to the Landlord objecting and noting that they already paid the highest rent in the block. The Landlord's agent replied, noting that they believed the cheapest rent with a similar property within a 5-mile radius was £750 per month.
- 6.** The Landlord submitted a copy of the Notice of Increase incorporating an additional page which showed the Notice was dated 2<sup>nd</sup> December 2024.

The Landlord supplied a copy of a document titled “Best Price Guide”. Then showing comparable properties within the area of five-mile radius and between September 23 and December 23. The report showed two properties “let agreed” and three with “no longer available”. It did not give the specific achieved rental figures.

On the 11<sup>th</sup> March the Landlord’s agents submitted a “Statement to the Tenant” accompanied by rental information. It shows a plan of the property, external and internal photographs taken shortly before the occupation of the current Tenant. It notes that the property has central heating and double glazing and that a cooker was supplied by the Landlord. A replacement front door has been fitted by the Landlord towards the end of 2023. The tenancy clause 7.2.1 provides that the Tenant should keep the property in good decorative order.

Finally, the Landlord’s agent noted that there had been no reported maintenance issues over the past 6 months.

7. The Tenant completed a rent appeal statement dated 3<sup>rd</sup> April 2024. The statement provided a plan and a set of photographs or in the interior taken during the Tenant's current occupancy.

There is a photograph of the double bedroom there is a picture dated 15<sup>th</sup> March 2024 showing some black mould in the corner of the property, and a picture titled “Hallway to lounge” which shows a carpet with staining.

In photograph titled “cupboard next to front door”, taken 15<sup>th</sup> March 2024 the photograph shows damp in the corner and a damp carpet.

The form makes reference to a defective shower.

Additionally, the form confirms that double glazing and central heating is present and provided by the Landlord and that a cooker and carpets were provided by the Landlord also.

The Tenant noted that there were issues with the old front door, which was replaced- dated not known. There were ongoing issues with the central heating which remained unresolved as of 12<sup>th</sup> March 2024. Finally, the bathroom and kitchen fittings are dated, and the boundary fence was in disrepair to which the Tenant noted they had carried out remedial repairs. The problems with internal mould and a leaking garage are also noted.

In terms of rental information, the Tenant notes that number 84 in the same block rents for £575 from the same Landlord. The Tenant submitted that the property is in the same condition.

### **The Law**

8. Sections 13 and 14 of the Housing Act 1988 (“the 1988 Act”) make provision for the increase of rent under an assured periodic tenancy. 10. Under section 14 of the 1988 Act, the Tribunal must determine the rent that would be obtained in respect of the same property on a new letting on the open market by a willing Landlord under an assured tenancy, on otherwise similar terms (other than rent) to the existing tenancy. The rent so determined must, however, disregard the effect on the rent of the granting of the tenancy to a sitting Tenant; any increase in the value of the property as a result of improvements carried out by the Tenant during the tenancy (or a previous tenancy), otherwise than as a result of his or her obligations to the Landlord under the lease; or any reduction attributable to a failure to comply with such an obligation.

### **The Determination.**

9. The tribunal has carefully noted the nature, layout, location specification and condition of the property.
10. The tribunal has considered the rental information provided by the agent and whilst these are contemporary in time, they are drawn from some distance away and appear to relate to superior properties.
11. The tribunal has considered the rental evidence of the Tenant that of the passing rent of number 84 at £575 per month. The date this rent was set is not known nor is the actual condition or specification of the property.
12. The tribunal is concerned at the presence of black mould in the property and notes recurrent issues with the boiler.
13. The tribunal is an expert tribunal. Using its knowledge of rental levels in the area it considers the property to be lettable at £695 per month if in good lettable order. However, in its current dated condition the property falls short of this because of the two issues of black mould and recurring problems with the boiler. The tribunal therefore determines a figure of **£675 per month** to reflect this.

### **Effective date of the Decision**

14. The tribunal has discretion over the effective date of a rental increase where an application for hardship is made by the Tenant and accepted by the tribunal. The Tenant has not made a case of hardship. So the tribunal therefore determines the rent should have effect from date of proposed increase in the Landlord's Notice of Increase of Rent which is the **20 January 2024**.

**Name:** Chairman Waterhouse

**Date:** 7 May 2024

## **Rights of appeal**

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 First-tier 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).

## THE LEGISLATION

### Housing Act 1988

#### **s.13.— Increases of rent under assured periodic tenancies.**

(1) This section applies to—

(a) a statutory periodic tenancy other than one which, by virtue of paragraph 11 or paragraph 12 in Part I of Schedule 1 to this Act, cannot for the time being be an assured tenancy; and

(b) any other periodic tenancy which is an assured tenancy, other than one in relation to which there is a provision, for the time being binding on the tenant, under which the rent for a particular period of the tenancy will or may be greater than the rent for an earlier period.

(2) For the purpose of securing an increase in the rent under a tenancy to which this section applies, the landlord may serve on the tenant a notice in the prescribed form proposing a new rent to take effect at the beginning of a new period of the tenancy specified in the notice, being a period beginning not earlier than—

(a) the minimum period after the date of the service of the notice; and

(b) except in the case of a statutory periodic [tenancy—]

[

(i) in the case of an assured agricultural occupancy, the first anniversary of the date on which the first period of the tenancy began;

(ii) in any other case, on the date that falls 52 weeks after the date on which the first period of the tenancy began; and

]

(c) if the rent under the tenancy has previously been increased by virtue of a notice under this subsection or a determination under section 14[below—]

[

(i) in the case of an assured agricultural occupancy, the first anniversary of the date on which the increased rent took effect;

(ii) in any other case, the appropriate date.

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(3) The minimum period referred to in subsection (2) above is—

(a) in the case of a yearly tenancy, six months;

(b) in the case of a tenancy where the period is less than a month, one month; and

(c) in any other case, a period equal to the period of the tenancy.

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(3A) The appropriate date referred to in subsection (2)(c)(ii) above is—

(a) in a case to which subsection (3B) below applies, the date that falls 53 weeks after the date on which the increased rent took effect;

(b) in any other case, the date that falls 52 weeks after the date on which the increased rent took effect.

(3B) This subsection applies where—

(a) the rent under the tenancy has been increased by virtue of a notice under this section or a determination under section 14 below on at least one occasion after the coming into force of the Regulatory Reform (Assured Periodic Tenancies) (Rent Increases) Order 2003; and

(b) the fifty-third week after the date on which the last such increase took effect begins more than six days before the anniversary of the date on which the first such increase took effect.

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(4) Where a notice is served under subsection (2) above, a new rent specified in the notice shall take effect as mentioned in the notice unless, before the beginning of the new period specified in the notice,—

(a) the tenant by an application in the prescribed form refers the notice to [the appropriate tribunal] ; or

(b) the landlord and the tenant agree on a variation of the rent which is different from that proposed in the notice or agree that the rent should not be varied.

(5) Nothing in this section (or in section 14 below) affects the right of the landlord and the tenant under an assured tenancy to vary by agreement any term of the tenancy (including a term relating to rent).

#### **s.14.— Determination of rent by [tribunal] .**

(1) Where, under subsection (4)(a) of section 13 above, a tenant refers to [the appropriate tribunal] a notice under subsection (2) of that section, the [appropriate tribunal]<sup>3</sup> shall determine the rent at which, subject to subsections (2) and (4) below, the [appropriate tribunal]<sup>3</sup> 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.

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(3A) In making a determination under this section in any case where under Part I of the Local Government Finance Act 1992 the landlord or a superior landlord is

liable to pay council tax in respect of a hereditament (“the relevant hereditament”) of which the dwelling-house forms part, the [appropriate tribunal] shall have regard to the amount of council tax which, as at the date on which the notice under section 13(2) above was served, was set by the billing authority—

(a) for the financial year in which that notice was served, and

(b) for the category of dwellings within which the relevant hereditament fell on that date,

but any discount or other reduction affecting the amount of council tax payable shall be disregarded.

(3B) In subsection (3A) above—

(a) “*hereditament*” means a dwelling within the meaning of Part I of the Local Government Finance Act 1992,

(b) “*billing authority*” has the same meaning as in that Part of that Act, and

(c) “*category of dwellings*” has the same meaning as in section 30(1) and (2) of that Act.

(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 of the dwelling-house concerned or are payable under separate agreements.

(5) Where any rates in respect of the dwelling-house concerned are borne by the landlord or a superior landlord, the [appropriate tribunal] shall make their determination under this section as if the rates were not so borne.

(6) In any case where—

(a) [the appropriate tribunal] have before them at the same time the reference of a notice under section 6(2) above relating to a tenancy (in this subsection referred to as “the section 6 reference”) and the reference of a notice under section 13(2) above relating to the same tenancy (in this subsection referred to as “the section 13 reference”), and

(b) the date specified in the notice under section 6(2) above is not later than the first day of the new period specified in the notice under section 13(2) above, and

(c) the [appropriate tribunal]<sup>9</sup> propose to hear the two references together, the [appropriate tribunal] shall make a determination in relation to the section 6 reference before making their determination in relation to the section 13 reference and, accordingly, in such a case the reference in subsection (1)(c) above to the terms of the tenancy to which the notice relates

shall be construed as a reference to those terms as varied by virtue of the determination made in relation to the section 6 reference.

(7) Where a notice under section 13(2) above has been referred to [the appropriate tribunal] , then, unless the landlord and the tenant otherwise agree, the rent determined by [the appropriate tribunal] (subject, in a case where subsection (5) above applies, to the addition of the appropriate amount in respect of rates) shall be the rent under the tenancy with effect from the beginning of the new period specified in the notice or, if it appears to [the appropriate tribunal] that that would cause undue hardship to the tenant, that that would cause undue hardship to the tenant, with effect from such later date (not being later than the date the rent is determined) as the committee may direct.

(8) Nothing in this section requires [the appropriate tribunal] to continue with their determination of a rent for a dwelling-house if the landlord and tenant give notice in writing that they no longer require such a determination or if the tenancy has come to an end.

(9) This section shall apply in relation to an assured shorthold tenancy as if in subsection (1) the reference to an assured tenancy were a reference to an assured shorthold tenancy.