



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

**Case reference** : **BIR/00FY/MNR/2024/0027**

**Property** : **4 Palm Cottages, Mansfield Street,  
Sherwood, NG5 4BG**

**Applicant** : **Richard Marsh**

**Representative** : **None**

**Respondent** : **Richard Ashworth**

**Representative** : **Countrywide Residential Lettings**

**Date of application** : **21 February 2024**

**Type of application** : **Determination of the market rent under  
s.14 of the Housing Act 1988**

**Tribunal members** : **Mr I B Holdsworth FRICS  
RICS Registered Valuer 0079475  
Mrs Kay Bentley**

**Venue** : **Remote**

**Date of decision** : **10 June 2024**

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**DECISION**

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**The Tribunal determines the rent payable from 10 June 2024 is £577.50 per month.**

**Background**

- 1 The Tenant made an application to Tribunal on 21 February 2024 seeking a determination of the rent under s.14 of the Housing Act. The rent passing at the date of the application was £500 month.
- 2 The tenancy is an assured shorthold tenancy which commenced on 30 July 2011.
- 3 Directions were issued to both parties following receipt of the application.
- 4 The Tribunal informed the parties of their rights to request an oral hearing.
- 5 A hearing was not held to discuss the application and written submissions on this matter. No hearing was requested by either party.
- 6 An inspection of the property was not carried out. It was not requested by either party.
- 7 Prior to the hearing, the parties were invited to submit relevant information on market rents in the area for similar properties. They were also invited to offer any details of dilapidation, repairs or improvements made to the property by either the Landlord or Tenant.
- 8 The parties were invited to provide a full description of the property on a reply form provided to them by the Tribunal. The Tenant provided a detailed description of the property. This included photographs of the identified defects at the property.
- 9 The Tenant made representations that commencement of the new rent from the date on the Landlords Notice of Increase would cause undue hardship.

**Property Description**

- 10 The property is a terraced house. The accommodation comprises:

Ground floor: Lounge, Kitchen with pantry understairs

First floor: One bedroom, bathroom/wc

**Reported defects and obsolescence**

- 11 The Tenant reported a series of specific and material defects to the property in their submissions.
- 12 The condition of the property is a material consideration when carrying out a fair rent determination. The Tribunal has also had regard for any dilapidation and obsolescence at the property.

### **Market rental evidence and other relevant matters**

13 The parties provided no details of comparable market rents of similar property in the locality. The Tribunal has had regard for any relevant information submitted and their local knowledge and experience of market rents in the locality.

13 The Tribunal is told the property is let furnished, with all carpets, other floor coverings and furniture being provided by the Tenant.

### **The law**

14. The Tribunal must first determine that the Tenant's notice under s.13(4) satisfied the requirements of that section and was validly served.

15. The Housing Act 1988 s.14 requires the Tribunal to determine the rent at which it considered that the subject property might reasonably be expected to be let on the open market by a willing landlord under an assured tenancy.

16. In so doing the Tribunal is required by s.14(1), to ignore the effect on the rental value of the property of any relevant Tenant's improvements as defined in s.14(2) of that Act.

17. A copy of the relevant legislation is at Appendix A.

### **Valuation**

18. The Tribunal has had regard to any relevant rental evidence supplied by the parties, together with the Tribunal's own knowledge and experience of rental levels in and around the locality of the property. On this basis, it was their opinion that if this terraced house were in the same condition and managed to the same standard as those available to let on the open market the rental value would be **£700 month.**

19. From this level of rent we have made adjustments to reflect tenant improvements, tenant furniture and floor coverings, dilapidation and obsolescence at the property.

20. The property exhibits some dilapidation and disrepair which is material to the determined rent. It is acknowledged all soft furnishings, white goods and furniture are provided by the Tenant.

23 Table 1 below provides details of the market rent calculation:

<b>4 Palm Cottages, Mansfield Street, Sherwood, NG5 4BG</b>			
<i>Market rent calculation in accordance with Housing Act 1988 Section 13</i>			
Market rent		£700.00	per month
<b>Disregards</b>			Deduction per month Deduction as %
Furnished by tenant		£35.00	5.00%
<b>Dilapidations/Material rental matters</b>			
Penetrating damp to lounge, bathroom and bedroom		£87.50	12.50%
	Adjustment total	£122.50	17.50%
Adjusted Market Rent		£577.50	per month

24 After careful consideration, the Tribunal determined that a deduction from market rent of 17.5 % was appropriate and reasonable to reflect the dilapidation and obsolescence of the property.

### **Decision**

25. The Tribunal first determined that the rent Notice under s.14 satisfied the requirements of that section and was served in time.
26. In coming to its decision to the rent the Tribunal applied the relevant law appended at Appendix A.
27. The decision of this Tribunal has regard for the evidence provided either in the written submissions of the parties or that gathered at any inspection of the premises.
28. After careful consideration the Tribunal determine that a rent of **£577.50 month** is appropriate for this dwelling in present condition.
29. This rent will take effect from date 10 June 2024. The reason for this rent commencement date is that the Tribunal is satisfied that a starting date of that specified in the Landlord's notice would cause the tenant undue hardship.

**Name:** Ian Holdsworth      **Date of** 17 June 2024  
**Valuer Chairman**      **reasons:**

## Appendix A

### Housing Act 1988

14 Determination of rent, by rent assessment committee.

- (1) Where, under subsection (4) (a) of section 13, a tenant refers to a rent assessment committee a notice under subsection (2) of that section, the committee shall determine the rent at which, subject to subsections (2) and (4) below, the committee 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 deciding 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 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, always 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 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.

## **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.

**You can only appeal if the First-tier Tribunal decision was wrong on one or more points of law and you must say why the First-tier Tribunal was wrong in law.**

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.

Any subsequent application for permission to appeal should be made on **Form RP PTA**.

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 (ie, 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).