

FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case reference : CHI/40UB/MNR/2024/0122

Property: 1 Homefield Close, Beckington, Frome,

Somerset, BA11 6SX

Applicant Tenants : Mr Lewis Easton-Taylor & Ms Alison Easton

Representative : In Person

Respondent Landlord : Colin Kilcoyne & Kevin Kilcoyne

Representative : Swallows Property Letting Agency

Type of application : Determination of a Market Rent

Sections 13 & 14 Housing Act

1988

Tribunal member(s) : Mr R Waterhouse FRICS

Mr M Woodrow MRICS

Date of determination : 21 May 2024

Date of reasons : 21 May 2024

REASONS

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Decision of the Tribunal

On 21 May 2024 the Tribunal determined a Market Rent of £1350.00 per month to take effect from 2 May 2024.

Background

- 1. By way of an application received by the Tribunal on **23 April 2024** the Applicant tenants of **1 Homefield Close**, **Beckington Frome BA11 6SX**, (hereinafter referred to as "the property") referred a Notice of Increase in Rent ("the Notice") by the Respondent landlord of the property under Section 13 of the Housing Act 1988 ("the Act") to the Tribunal.
- 2. The Notice, dated **28 March 2024**, proposed a new rent of **£1,415.00 per month** in lieu of a passing rent of **£1,300.00 per month**, to take effect from **2 May 2024**.
- 3. The property was let to the tenants by way of an Assured Shorthold Tenancy agreement commencing **2 May 2023**, **for 12 months**. A copy of the tenancy agreement was provided.
- 4. On **1 May 2024** the Tribunal issued Directions advising the parties that it considered the matter suitable for determination on the papers unless either party objected, in writing, within 7 days. In accord with current Tribunal policy the parties were advised that no inspection would be undertaken, unless either party objected.
- 5. The Directions required the landlord and tenant to submit their completed statements to the Tribunal by 15 May 2024 and 29 May 2024 respectively, with copies to be sent to the other party. Both parties complied.
- 6. Having reviewed the submissions, the Tribunal concluded that the matter remained capable of being determined fairly, justly and efficiently on the papers, consistent with the overriding objective of the Tribunal.
- 7. These reasons address in **summary form** the key issues raised by the parties. They do not recite each point referred to in submissions but concentrate on those issues which, in the Tribunal's view, are fundamental to the determination.

Law

- 8. In accordance with the terms of Section 14 of the Act, the Tribunal is required to determine the rent at which it considers the subject property might reasonably be expected to let on the open market, by a willing landlord, under an assured tenancy, on the same terms as the actual tenancy.
- 9. In so doing, and in accordance with the Act, the Tribunal ignores any increase in value attributable to tenants' improvements and any decrease in value due to the tenants' failure to comply with any terms of the tenancy.

The Property

- 10. The Tribunal did not inspect the property but did view external images on publicly available online platforms.
- 11. The property is a fully detached house, comprising on the ground floor a sitting room, dining room, conservatory, and kitchen. On the first floor, there are two double bedrooms and one single bedroom, and a bathroom. The property has gas-fired central heating, double glazing, carpets and oven/hob supplied by the landlord. Outside there is a garage, private gardens and off-street parking.
- 12. The property is situated in the village of Beckington, twelve miles south of Bath, local shops, schools and amenities are available.

Submissions – Tenants

- 13. The tenants' submissions, excluding consideration of personal circumstances which are to be disregarded in setting a market rent under the Act, can be <u>summarised</u> as follows.
- 14. Undated imagines of the property were contained with the Rent Appeal Statement completed by the Tenants. They show various maintenance issues; including blown windows and some dampness/ staining and a leaking boiler.
- 15. In terms of rental information on other properties, a 3-bedroom detached property in Warminister is being marketed for £1300 in good condition. Similarly, a 4-bedroom detached property detached at £1350, in Westbury, and the commentary that a lot of property is being reduced now.

Submissions-Landlord

- 16. The landlord's agent completed a Rent Appeal Statement. They noted maintenance has been carried out, that the bathroom and kitchen are aged but serviceable, that damp is not throughout the house but instead only evident towards ceilings upstairs and expressed their concern that the balance of heating and ventilation is questionable."
- 17. The Landlord supplied a number of properties in the locality available for let.

Determination

- 18. The Tribunal has carefully considered all the submissions before it.
- 19. The Tribunal determines a market rent for a property by reference to rental values generally and, in particular, to the rental values for comparable properties in the locality. The Tribunal has no regard to the current rent and the period of time which that rent has been charged, nor does it take into account the percentage increase which the proposed rent represents to the passing rent. In addition, the legislation makes it clear that the Tribunal is unable to account for the personal circumstances of either the landlord or the tenant.
- 20. The date at which the Tribunal assesses the rent is the effective date

contained within the landlord's Notice which, in this instance, is the **2 May 2024.** The Tribunal disregards any improvements made by the tenants but has regard to the impact on rental value of disrepair which is not due to a failure of the tenant to comply with the terms of the tenancy.

- 21. The rent determined excludes any additional charges levied for the keeping of pets.
- 22. In the first instance, the Tribunal determined what rent the landlord could reasonably be expected to obtain for the property in the open market, if it were let on the effective date and in the condition that is considered usual for such a market letting.
- 23. The landlord relies upon a basket of comparable properties advertised as available to let.
- 24. The Tribunal weighed the parties' comparable evidence against its own expert knowledge as a specialist Tribunal and having regard to the nature, specification and size of the subject property determined £1450.00 per month.
- 25. The Tribunal is grateful for the submissions on condition by the Landlord and the Tenant.
- 26. However, based on the images provided by the tenants, the Tribunal finds that the property is showing a degree of general wear and tear. In reflection of such, the Tribunal finds that a deduction in the hypothetical rent of £100 per month is warranted.
- 27. Accordingly, the Tribunal finds the adjusted open market rent to be £1,350.00 per month.
- 28. The tenants made no submissions to the Tribunal in regard to delaying the effective date of the revised rent on the ground of undue hardship under section 14(7) of the Act. Accordingly, the rent of £1350.00 per month will take effect from 2 May 2024, that being the date stipulated within the landlord's 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 by email to rpsouthern@justice.gov.uk to the First-tier Tribunal at the Regional office which has been dealing with the case.
- 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.