



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

Case reference	:	CAM/22UJ/MNR/2023/0156
Property	:	3 Pearl Drift Square, Harlow, Essex CM17 9UN
Applicants	:	Jordanne Hunt (1) Kurtis Bond (2)
Respondents	:	The PRS REIT (LBG) Investments LLP c/o Ascend Properties
Type of application	:	Section 14 of the Housing Act 1988 Determination of market rent payable.
Tribunal member(s)	:	Judge Bernadette MacQueen Mr Roland Thomas, MRICS
Date of decision	:	15 January 2024

DECISION

Decision:

1. The Tribunal determined a rent of **£1495.00** per calendar month to take effect from **16 November 2023**.

Reasons

Background

2. The Landlord by a notice in the prescribed form dated 26 September 2023 proposed a new rent of £1535.00 per calendar month (pcm) to be effective from 16 November 2023. This was in lieu of the previous rent of £1450.00 pcm. On 22 October 2023 the Tenants referred the Notice to the Tribunal.

3. Parties were requested to complete a pro forma supplying detail of the accommodation on a room-by-room basis, the features of the property (central heating, white goods, double glazing, carpets and curtains) and other property attributes and any further comments that they may wish the Tribunal to take into consideration. This could include any repairs and improvements that had been made, and any comments on the condition of the property.
4. Parties were also invited to include photographs and provide details of any rents for similar properties that they wished to rely on.
5. The determination would take place based on the written information received from both parties. The Tribunal confirmed in Directions dated 1 November 2023, that it did not intend to hold an oral hearing unless either party requested this.
6. As the parties did not request a hearing, this determination has therefore been made on the basis of the written information received from both parties, namely the application form, Landlord's notice proposing new rent, the tenancy agreement dated 16 November 2022, and reply form from both parties with details of rentals for similar properties.

The Property

7. The property is a three bedroomed mid terraced house of brick construction with a tiled roof.
8. The accommodation comprises a living room, kitchen, three bedrooms a bathroom and a downstairs WC.
9. The property has double glazing and central heating, both provided by the Landlord.
10. There is a garden at the property but no garage. As to parking, there is a discrepancy between the details given by the Landlord and Tenants with the Tenants stating that there is off-street parking and no permit parking and the Landlord stating that there is no off-street parking but there is permit parking. We have accepted the Tenants' description that there is no front car access to the property but there is off-street parking.
11. The white goods (cooker, washing machine and fridge) have been provided by the Landlord as have the carpets and curtains.
12. The Tribunal has not been made aware of any issues with the condition of the property and the Tenants confirmed in the application form that no improvements that were not the responsibility of the tenants have been completed by the tenants or former tenants.

The Tenancy

13. The tenancy agreement commenced on 16 November 2022 and a copy of the tenancy agreement was provided. The tenancy term was for an initial period of 12 months at £1450.00 pcm and a statutory tenancy on the terms of the written agreement appears to have arisen from 16 November 2023. Section 11 of the Landlord and Tenant Act 1985 applies in respect of Landlord's repairing obligations.

The Law

14. By virtue of section 14 (1) Housing Act 1988 the Tribunal is to determine a rent at which the dwelling-house concerned might reasonably be expected to be let in the open market by a willing landlord under an assured periodic tenancy-
 - (a) 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 rent) are the same as those of the subject tenancy
15. By virtue of section 14 (2) Housing Act 1988 in making a determination the Tribunal shall disregard –
 - (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 (as defined by section 14(3) Housing Act 1988) carried out by a tenant otherwise than as an obligation; and
 - (c) any reduction in the value of the dwelling-house due to the failure of the tenant to comply with any terms of the subject tenancy.

Representation – Tenants

16. In their written representations the Tenants set out details of properties and rental values in the area of their property. Their information was obtained by speaking to friends and neighbours. These properties range from £1465 pcm for a 3 bedroom detached house with front car access and private spaces (August 2023), with another example of this property type being £1440 pcm (March 2023) to £1400 pcm for a property that is similar to the property the subject of this application, except that there is an additional en-suite in the master bedroom.

Representations – Landlord

17. The Landlord provided a best price guide for the same property type within a one mile radius showing rents between £1550 and £1750. The landlord also included a table showing details of neighbouring property types on the same development as the subject property. These ranged from £1550 for a 3 bedroom semi-detached property to £1700.00 for a 3 bedroom terrace property.

Determination

18. The Tribunal determines a market rent for a property by reference to rental values generally and to the rental values for comparable properties in the locality in particular. It does not take into account the present 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 existing rent. In addition, the legislation makes it clear that the Tribunal cannot take into account the personal circumstances of either the landlord or the tenant in arriving at the rental level.
19. The Tribunal assesses a rent for the property as it is on the day of the hearing disregarding any improvements made by the tenant but taking into account the impact on rental value of disrepair (if any) which is not due to a failure of the tenant to comply with the terms of the tenancy.
20. The Tribunal has had regard to the comparables provided by the landlord, although is aware that these are asking rents. The Tribunal has also considered the comparables provided by the Tenants but is aware that this information was obtained through conversations with other tenants. The Tribunal has also had regard to its own knowledge and expertise.
21. Taking all the matters outlined into account, the Tribunal assesses the open market rent of the property in the condition that it would be expected to be let on the market at £1495 per calendar month, with no further deductions being applicable. This rent is to take effect from 16 November 2023.

Tribunal Judge Bernadette MacQueen

15 January 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 on a point of law 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).