

FIRST-TIER TRIBUNAL

PROPERTY CHAMBER (RESIDENTIAL

PROPERTY)

Case Reference CHI/00HB/MNR/2024/0111 :

> 24 Newfoundland Court **Newfoundland Circus**

Property Bristol

BS32 9AP

Applicant Tenants V Agarwal & R Parekh

Representative None

Respondent Landlord Newfoundland Homes Limited

Representative **Bristol Property Centre**

Determination of a Market Rent sections Type of Application

13 & 14 of the Housing Act 1988

Mr I R Perry FRICS Tribunal Members

Mr J S Reichel MRICS

Mr M C Woodrow MRICS

Date of Inspection None. Paper determination

Date of Decision 10th June 2024

DECISION

Summary of Decision

1. On 10th June 2024 the Tribunal determined a market rent of £1,500 per month to take effect 20th April 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 Tenants pursuant to sections 13 and 14 Housing Act 1988.
- 3. On 11th March 2024 the Landlord's Agent served a notice under Section 13(2) of the Housing Act 1988 which proposed a new rent of £1,575 per month in place of the existing rent of £1,375 per month to take effect from 20th April 2024. The notice complied with the legal requirements.
- 4. On 4th April 2024 the Tenants 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 24th April 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. The Tenants submitted papers by the specified date setting out their case with a copy sent to the Landlord. Neither the Landlord nor their Agent made any submission.
- 8. Neither party objected to the matter being determined without an oral hearing, so the Tribunal determined the case on 10th June 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 first floor flat within a purpose-built block of flats in the centre of Bristol.
- 11. There is a wide range of shopping and other amenities within the city.
- 12. The accommodation is listed as including a Living Room, Kitchen, 2 Bedrooms and a Bathroom. Carpets, curtains and white goods are all provided by the Landlord.
- 13. The Energy Performance Rating is 'B' and the certificate notes that the property has gas-fired central heating and high-performance windows.

Submissions

- 14. The initial Assured Shorthold Tenancy was for 6 months which began on 20th February 2023, at a rent of £1,375 per month. There are no details of a new lease or agreement having been signed.
- 15. In their application the Tenants provide details of a similar flat within the same block advertised to let at £1,375 per month and details of other comparable properties advertised at rents between £1,300 and £1,600 per month.
- 16. The Tenants refer to a rent review clause within their original lease which confirms that the rent may be increased every 12 months upwards or downwards in line with changes to the Retail Price Index.
- 17. The Tenants also refer to a list of issues that have affected the flat and the building during their tenancy, including failure of lifts, gas leaks, faulty internal lights, faulty entrance systems and general nuisance from rough sleepers in the bin area and from unauthorised entry to the main building.

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. Once an application is received, 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 irrespective of rent review provision in the original lease. 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 central Bristol as well as considering the factors listed by the Applicants, 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 £1,500 per month.

21. The Tenants made no representation that the starting date for the new rent specified in the Landlord's notice would cause the Tenant undue hardship.

Determination

- 22. 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 £1,500 per month.
- 23. The Tribunal directed that the new rent of £1,500 per month should take effect from 20^{th} April 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.