

FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case reference	:	CHI/40UC/MNR/2024/0104
Property	:	Anfian, Church Road, Moorland, Bridgewater, Somerset TA7 OAX
Applicant	:	Mr & Mrs Adrian & Helen Dunbar
Representative	:	None
Respondent	:	Mrs Beryl Pyne
Representative	:	Andrew Lees Lettings
Type of application	:	Section 13(4) Housing Act 1988
Tribunal members	:	Mr D Jagger MRICS Miss C Barton MRICS
Venue	:	Paper determination
Date of decision	:	15 th July 2024
		DECISION

Decision of the tribunal

(1) The Tribunal determines that the rent that the property in its current condition as at the 1st April 2024 might reasonably be expected to achieve in the open market under an assured periodic tenancy is **£877.50 per month.**

Background

- 1. The tenants have lived in the property as assured periodic tenant since 26^{th} April 1993 with a tenancy agreement of the same date at a rent of £300 per month. The last increase followed a decision made by this Tribunal on the 3rd October 2022 for a rent of £770 per month effective from the 1st August 2022.
- 2. On the 5th February 2024 the Landlord served a notice pursuant to section 13(2) of the Housing Act 1988 seeking to increase the rent from \pounds 770 per month to \pounds 1,095 per month, being an increase of \pounds 325 effective from 1st April 2024.
- 3. By an application dated 28th March 2024, the tenants referred that Notice to the Tribunal for a determination of the market rent. The Tribunal issued initial Directions for the conduct of the matter on 1st May 2024. An Application for Case Management was made by the tenants on 13th May 2024 for an extension of time for medical reasons. Following this application two sets of further Directions were issued to the parties confirming the case would not be struck out and a revised timetable was prepared.
- 4. The Tribunal considered the matter suitable for a determination on the papers and therefore a hearing was not necessary. The parties did not disagree with this arrangement.

The Evidence

- 5. The Tribunal has before it a bundle of evidence which includes a background to the case, the application, tenancy agreement and the Directions. The Rent Appeal Statements were completed by both parties which included helpful photographs and a Rightmove "Best Price Guide" schedule of comparable evidence ranging from £1300-£1500 per month provided by the landlord.
- 6. The tenants have undertaken various improvements to the property which include rebuilding of the utility room, replacement of the kitchen units, replacement of the garage door, some external decorations, refitting of sanitary fittings and landscaping of the garden which included decking.

7. The landlord's agent accepts that the property is in need of modernisation but confirms a schedule of works has been undertaken with some contractor quotations. Works, however, have not commenced as the landlord's agent claims they been unable to gain access internally.

Inspection

- 8. The Tribunal did not inspect the property and relied on the evidence provided by the parties, together with Rightmove, Google Street Maps and its expert knowledge. The property is a detached bungalow with brick elevations under a pitched and tiled roof. The property in located in a small village with limited amenities which is approximately 5 miles outside Bridgewater.
- 9. The accommodation comprises: 3 bedrooms, living room, kitchen/diner, bathroom and utility room. There is LPG central heating and double-glazed windows. Rear garden and garage. The tenants state they provided carpets, curtains and white goods at the commencement of the tenancy. The property has an EPC Rating of E42 which is below average.

The Law

10. The rules governing a determination are set out in section 14 of the Housing Act 1988. In particular, the Tribunal is to determine the rent at which the property might reasonably be expected to be let in the open market by a willing landlord under an assured tenancy, subject to disregards in relation to the nature of the tenancy (i.e. it being granted to a "sitting tenant") and any increase or reduction in the value due to the tenant's improvements or failure to comply with the terms of the tenancy. In the absence of any evidence to the contrary, the Tribunal has proceeded on the basis that the landlord is responsible for repairs to the structure, exterior and any installations pursuant to section 11 of the Landlord and Tenant Act 1985 and the tenant for interior decoration.

The Valuation

- 11. As previously mentioned, the Tribunal received completed Rent Appeal Statements from the parties. Having carefully considered the representations from the parties and associated evidence. the Tribunal considers that an achievable rent for the property in a good marketable condition with reasonably modern kitchen and bathroom fittings, modern services, would be **£1,350** per month. This figure is based upon the Tribunal's professional judgement and experience and knowledge of rental values in the Bridgewater area.
- 12. This open market rental value needs to be adjusted to reflect the tenants' improvements, general repair and the tenants' provision of carpets, curtains and white goods. Using our own expertise, we considered that

deductions of 35% should be applied to take into account these matters. This provides a deduction of £472.50 per month from the open market rent. This reduces the figure to **£877.50 per month.** It should be noted that this figure cannot be a simple arithmetical calculation and is not based upon capital costs but is the Tribunal's estimate of the amount by which the rent would need to be reduced to attract a tenant.

- 13. The average rent for properties in the Bridgewater area has increased every quarter since the end of 2019, according to the online property portal Rightmove. The rent increases are due to insufficient properties coming to the market to meet demand and the number of homes for rent is 46 per cent below 2019 levels. This puts this decision in context with the current rental market.
- 14. The Tribunal has been provided with a copy of the tenancy agreement, which incorporates the usual repair obligations.
- 15. The Tribunal received no evidence of hardship from the tenants and, therefore, the rent determined by the tribunal is to take effect from **1st April 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 Firsttier 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).