

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

Case Reference	:	CHI/24UB/MNR/2024/0090
Property	:	Flat 1, Chineham House Chineham Park Court Basingstoke Hampshire RG24 9LQ
Applicant Tenant	:	Mr Peter Jensen
Representative	:	None
Respondent Landlord	:	Plexus First Project UK Limited
Representative	:	None
Type of Application	:	Determination of a Market Rent sections 13 & 14 of the Housing Act 1988
Tribunal Members	:	Mr I R Perry FRICS Mr M J Ayres FRICS Mr S J Hodges FRICS
Date of Inspection	:	None. Paper determination
Date of Decision	:	17 <sup>th</sup> July 2024

# DECISION

## Summary of Decision

- 1. On  $17^{\text{th}}$  July 2024 the Tribunal determined a market rent of £182.31 per week, which equates to £790 per calendar month, to take effect from  $1^{\text{st}}$  April 2024.
- 2. The Tribunal is aware that this figure is higher than the new rent proposed by the Landlord. The Landlord is not obliged to charge this higher rent.

### Background

- 3. 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 Tenant pursuant to sections 13 and 14 Housing Act 1988.
- 4. On 21<sup>st</sup> February 2024 the Landlord served a notice under Section 13(2) of the Housing Act 1988 which proposed a new rent of £168.08 per week, equating to £728.35 per calendar month, in place of the existing rent of £156.06 per week which equates to £676.26 per month, to take effect from 1<sup>st</sup> April 2024. The notice complied with the legal requirements.
- 5. On 27<sup>th</sup> March 2024 the Tenant applied to the Tribunal under Section 13(4) (a) of the Housing Act 1988.
- 6. 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.
- 7. The Tribunal issued Directions on 5<sup>th</sup> June 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.
- 8. Both parties submitted papers by the specified dates setting out their respective cases. The papers were also copied to the other party.
- 9. Neither party objected to the matter being determined without an oral hearing, so the Tribunal determined the case on 17<sup>th</sup> July 2024 based on the written representations received.
- 10. 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

- 11. From the information given in the papers and available on the internet, the property comprises a ground floor flat within a converted Grade II listed Georgian building within a public park about 1 <sup>1</sup>/<sub>2</sub> miles northeast of the centre of Basingstoke.
- 12. The property overlooks a children's splash pool and public park within the A33 Ring Road.
- 13. There is a local supermarket within a 10-minute walk from the property and a bus stop within a 2-minute walk.
- 14. The accommodation is listed as including Living Room, Kitchen, Bedroom and Bathroom with WC. Outside there is a storage Shed and Waste Bin Shed, shared gardens and a Car Space. Heating is from wall mounted electric heaters.
- 15. The Energy Performance Rating is 'E'. Windows are large Georgian style and single glazed.

## Submissions

- 16. The initial tenancy began on 22<sup>nd</sup> January 2020 at a rent of £138.04 per week.
- 17. The Tribunal was provided with photographs from the start of the tenancy which show it to be newly refurbished. The Tribunal noted the large Georgian sash windows that would require significantly large curtains and would contribute to considerable heat loss in cold weather.
- 18. In his Rent Appeal Statement the Tenant states that carpets are provided by the Landlord, but curtain rails, curtains and white goods are all provided by the Tenant.
- 19. The Tenant also states that he installed some bathroom fittings, has attached privacy film and secondary glazing film to windows and that the tenants of the building paint the car parking white lines and maintain the shared gardens.
- 20. The Tenant describes a number of faults with the fabric of the building including slipped tiles which are a danger, rotten window frames, black mould from condensation, damaged plaster and silver fish from damp, a heater/radiator detached from an internal wall and nesting birds within external walls where bricks are missing.
- 21. Photographs were supplied to support these statements which also show the Bin Shed to need repair and the proximity of the children's splash pool.

#### **Consideration and Valuation**

- 22. 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.
- 23. The personal circumstances of the Parties are not relevant to this issue.
- 24. 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. In this regard the Tribunal relies on comparable evidence of similar properties in the locality, such lettings would normally require the property to be in good condition with floorcoverings, curtains and basic white goods, fridge, washing machine and cooker, all included. Market rents are normally expressed as a monthly figure.
- 25. Having carefully considered the representations from the parties and associated correspondence and using its own judgement and knowledge of rental values in Basingstoke, 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 £1,000 per month.
- 26. However, the property is not let in condition or circumstances to command such a rent.
- 27. Using its experience the Tribunal decided that the following adjustments should be made:

Tenant's provision of white goods	£30
Tenant's provision of curtains and rails	£30
Poor energy performance (EPC 'E')	
and electric heating	£50
General wants of repair	£100
TOTAL	£210

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

#### Determination

- 29. 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  $\pounds$ 790 per month which equates to  $\pounds$ 182.31 per week.
- 30. The Tribunal directed that the new rent of £182.31 should take effect from 1<sup>st</sup> April 2024, this being the date specified in the notice.

31. The Tribunal is aware that this figure is higher than the new rent proposed by the Landlord. The Landlord is not obliged to charge this higher rent.

## **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 <u>rpsouthern@justice.gov.uk</u> 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.