



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

Case reference : CHI/00MS/MNR/2024/0107

Property : Flat 58 Carlton Court, Hulse Road,
Southampton, Hampshire, SO15 2JZ

Applicant Tenant : Ms N Partovi

Representative : None

Respondent Landlord : Brian Foster Foundation

Representative : None

Type of application : Determination of a Market Rent
Sections 13 & 14 Housing Act 1988

Tribunal member(s) : Mrs J Coupe FRICS
Mrs A Clist MRICS

Date of inspection : 19 July 2024

Date of reasons : 19 July 2024

REASONS

Decision of the Tribunal

On 19 July 2024 the Tribunal determined a Market Rent of £600.00 per month to take effect from 17 April 2024.

Background

1. By way of an application received by the Tribunal on 2 April 2024 the Applicant tenant of Flat 58 Carlton Court, Hulse Road, Southampton, Hampshire, SO15 2JZ (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 6 March 2024, proposed a new rent of £725.00 per month, to take effect from 17 April 2024.
3. The tenant occupies the property under an assured shorthold tenancy commencing 17 December 2021; copy provided.
4. On 3 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. The parties were advised that no inspection would be undertaken.
5. The Directions required the landlord and tenant to submit their completed statements to the Tribunal by 17 May 2024 and 31 May 2024 respectively, with copies to be sent to the other party. Both parties complied.
6. Having reviewed the submissions a Procedural Chairman concluded that, in accordance with the overriding objective of the Tribunal, an inspection of the property would be undertaken.
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 Inspection & Findings

10. The inspection was undertaken at 10.00am on 19 July 2024 in the presence of the tenant. The landlord did not attend.
11. The Tribunal found the following:
 - The property is in want of refurbishment.
 - Surface mould is evident throughout the accommodation.
 - Kitchen units and work surfaces are dated.
 - Floor coverings and curtains are beyond their economic life.
 - Window units have failed.
 - White goods are in a very poor condition (with the exception of the washing machine).
 - Landlord's furniture is stacked and awaiting collection.

The Property

12. Carlton Court is a four storey purpose built block of flats situated in an established residential area convenient for local shops, amenities and public transport.
13. The property is a top floor studio with accommodation comprising one room and a bathroom. Windows are uPVC double glazed. Heating is by way of a wall mounted electric heater in the main room and a small wall mounted electric fan heater in the bathroom. The property is let with an array of basic furniture. White goods, carpets and curtains are provided by the landlord. No lift.
14. The tenancy includes use of the communal gardens and unallocated parking.

Submissions – Tenants

15. The tenants' submissions, excluding consideration of personal circumstances (which are to be disregarded in setting a market rent under the Act), can be summarised as follows.
16. The tenant referred to both historical and current issues in regard to the condition of the property and the involvement of other public bodies, the former evidenced by way of a series of photographs. The tenant commented that the bus stop is not local.
17. Whilst no comparable evidence was relied upon, the tenant referred to a neighbouring studio in Carlton Court, which she states is let at less than £600 per month.
18. The tenant disputed the landlord's statement that the passing rent is £650 per month.

Submissions – Landlord

19. The landlords' submissions, excluding consideration of personal circumstances which are to be disregarded in setting a market rent, can be summarised as follows.
20. The landlord relied on the tenant's submissions and completed just two pages of the landlord's statement, making reference to the central location of the property, the communal garden and unallocated parking.
21. In support of the proposed rent, the landlord stated that 169 studios were advertised as available to let on the online letting portal Rightmove, 56 of which are advertised at prices below £725 per month and the remainder above. No details were provided.

Determination

22. The Tribunal has carefully considered all the submissions before it.
23. 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.
24. Statute precludes the Tribunal from accounting for the personal circumstances of either the landlord or the tenant.
25. 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 17 April 2024. The Tribunal disregards any improvements made by the tenant 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.
26. 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.
27. With the exception of the landlord's reference to 169 studios being advertised as available to let within Southampton, for which no details were provided, and the tenant's hearsay evidence that a neighbouring property is let at £600 per month, again of which no evidence was provided, neither party relied on any specific comparable evidence.
28. The Tribunal therefore relied on its own expert knowledge as a specialist Tribunal and, in doing so, determined that the open market rent of the property in good tenantable condition is £700.00 per month. The Tribunal attributes no value to the landlords' furniture.

29. Once the hypothetical rent was established it was necessary for the Tribunal to determine whether the property meets the standard of accommodation, repair and amenity of a typical modern letting. In this regard the Tribunal found the property to fall considerably short of the standard required by the market.
30. The Tribunal finds that the property is in want of general maintenance and refurbishment throughout. The kitchen units are dated and are in a poor condition. Windows are defective, contributing to inadequate ventilation and surface mould. Floor coverings, curtains and white goods (washing machine aside) require replacement.
31. In recognition of the factors set out above an adjustment of £100 per month from the hypothetical open market rent is made.
32. Accordingly, the Tribunal finds the adjusted open market rent to be £600 per month.
33. 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 **£600.00 per month will take effect from 17 April 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.