



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

**Case reference** : CHI/24UF/MNR/2024/0160

**Property** : 276 St Nicholas Avenue, Gosport,  
Hampshire, PO13 9RR

**Applicant Tenant** : Mr D & Mrs S Parkinson

**Representative** : None

**Respondent Landlord** : Ms L Fry

**Representative** : Countrywide Residential Lettings

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

**Tribunal members** : Regional Surveyor Coupe FRICS  
Mr M.J.F. Donaldson FRICS

**Date of inspection** : 23 August 2024

**Date of reasons** : 23 September 2024

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**REASONS**

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## Decision of the Tribunal

**On 23 September 2024 the Tribunal determined a Market Rent of £1,282.00 per month to take effect from 29 August 2024.**

## Background

1. By way of an application dated 26 June 2024 and received by the Tribunal on 27 June 2024 the Applicant tenants of 276 St Nicholas Avenue, Gosport, Hampshire, PO13 9RR (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 30 April 2024, proposed a new rent of £1,400.00 per month, to take effect from 29 June 2024. The passing rent being £815.00 per month.
3. The tenants occupy the property under an assured shorthold tenancy commencing 29 March 2016. A copy of the tenancy agreement was provided.
4. On 23 July 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 6 August 2024 and 20 August 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 23 August 2024 in the presence of the tenant. Neither the landlord nor their representative was in attendance.
11. The Tribunal found the following:
  - The property is an end-terraced house situated in an established residential area
  - The property is in want of refurbishment
  - There is evidence of surface mould within the living accommodation
  - Kitchen units, work surfaces and bathroom fittings show signs of significant wear and tear
  - Floor coverings are beyond their economic life
  - Some window seals have failed and, in part, window furniture is missing
  - Dogs were evident within the living accommodation.

### **The Property**

12. The property is built of brick cavity construction with a pitched and tiled roof, and is situated in an area of similar age and style of properties convenient for local shops, amenities and public transport.
13. Accommodation comprises an entrance hall, reception room, kitchen, cloakroom/WC, three bedrooms, bathroom and separate WC. Windows are uPVC double glazed. Heating is provided by the tenants' own free-standing electric heaters. A gas fired back boiler is said, by the tenants, to have been disconnected by a Gas Safety Engineer. A cooker, carpets and curtains are said to be provided by the landlord. The property has an enclosed garden to the rear, with side pedestrian access. Street parking.

### **Submissions – Tenants**

14. 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.
15. The tenants state the property to be in general disrepair, although accept that many of their grievances have not been notified to the landlord. In no particular order, the tenants complain of a lack of central heating for many years and, more recently, a lack of hot water; poor double glazing; dated and tatty carpets; tired décor; basic bathroom fittings to include worn bath enamel; kitchen units in a poor condition; a lack of general maintenance and normal repairs; plus, a lack of engagement or interest from the landlord or her agent when matters were reported.

16. Whilst accepting that similar properties locally let for figures higher than the passing rent, the tenants claim that such properties are in a far superior condition to the subject property and meet modern letting standards in regard to the provision of white goods and landlords' fittings.
17. White goods, with the exception of the cooker and hob, are said to belong to the tenants. The tenants refer to the landlord as having provided a replacement cooker which the tenants were required to install.
18. The tenants accept that the gas fired back-boiler, fitted in the living room, was disconnected by a Gas Safety engineer upon his identifying that the room was being utilised by the tenants as a bedroom. Despite the room now reverting to its intended use as living accommodation, the back boiler remains decommissioned resulting in a lack of central heating throughout the property. Furthermore, the immersion heater has recently failed, leaving the occupiers with no hot water. The tenants state "*The immersion is yet to be reported though.*"
19. The tenants state that whilst issues of disrepair had historically been reported to the landlord, they ceased doing so more recently due to a lack of satisfactory response from either the landlord or her letting agent. Instead, the tenants undertook such work themselves. Accordingly, the landlord had no knowledge of the works undertaken by the tenants to the property, nor the expense incurred.
20. The tenants do not rely on any particular comparable evidence. However, based on their market research, including comparing the property with similar size and style properties rented by neighbours, they consider the open market rent in good tenable condition to be £1,075 - £1,125.
21. The tenants explain that they would suffer undue hardship if the proposed rent was to be payable from the effective date contained within the s.13 Notice.

### **Submissions – Landlord**

22. The landlords' submissions, excluding consideration of personal circumstances which are to be disregarded in setting a market rent, can be summarised as follows.
23. The landlord states that the property was handed to the tenants in "*clean and smart condition throughout*" and that, at such time, the kitchen was newly fitted. Since then, the carpets have become heavily stained and damaged due to dogs being kept within the property (without landlord's consent). The landlord states that the surface mould arises from the tenants' failure to adequately ventilate the house.
24. Neither the landlord nor her agent are aware of any outstanding issues of disrepair as no such reports have been lodged by the tenants.
25. The landlord refers to local three-bedroom properties as being advertised on two online letting portals at £1,400 - £1,550 per month. A Rightmove Best Price Guide was submitted which listed numerous properties as

available to let within the period 1 January 2023 to 2 August 2024 at asking prices from £1,400 - £1,650 per month.

### **Determination**

26. The Tribunal has carefully considered all the submissions before us.
27. 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 do we take into account the percentage increase which the proposed rent represents to the passing rent.
28. Statute precludes the Tribunal from accounting for the personal circumstances of either the landlord or the tenant.
29. The date at which the Tribunal assesses the rent is the effective date contained within the landlord's Notice. 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.
30. 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.
31. The tenant does not rely on any specific comparable evidence. The landlord's representative submits a Rightmove 'Best Price Guide' which lists the asking prices of multiple properties over a 20-month period. The Tribunal questions why a professional letting agent would not rely on achieved rental prices at or around the pertinent date, as opposed to a basket of unidentified properties, some of which are located up to a mile in distance from the subject and are of varying ages and styles, and provide no evidence of achieved prices.
32. Extracting what useful information the Tribunal was able to from the landlord's list of asking prices and weighing such against the Tribunal's own expert knowledge as a specialist Tribunal, the Tribunal determined that the open market rent of the property in good tenable condition is £1,350.00 per month.
33. 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 short of the standard required by the market.
34. The Tribunal finds that the property is in want of some general maintenance and refurbishment. The kitchen units and bathroom fittings are exhibiting signs of wear and tear, some window units have failed, the carpets (irrespective of the presence of dogs) and curtains are at the end of

their economic life, and some white goods are provided by the tenants. In recognition of such factors the Tribunal makes a 5% downward adjustment to the hypothetical rent.

35. The Tribunal finds the property to be cluttered and lacking ventilation. As a consequence of the disconnection of the heating system, due to the tenants utilisation of the living room as a fourth bedroom, there is inadequate heating. The Tribunal finds that, cumulatively, such factors either cause or contribute to the surface mould evident. No further rental deduction in such regard is therefore warranted.
36. Whilst the Tribunal finds that the property is also in want of more general repair and maintenance, the tenants concede that none of these matters have been reported to the landlord, who, by default, has therefore not been afforded an opportunity to rectify the issues. Accordingly, it would be unjust to make a further rental deduction to reflect such.
37. Accordingly, the Tribunal finds the open market rent (rounded) to be £1282.00 per month.
38. The tenants made submissions to the effect that they would suffer undue hardship should the determined rent become payable from the effective date in the S.13 Notice, that being the 29 June 2024. Section 14(7) of the Act affords the Tribunal a discretion in such matters. Due to the size of increase in rent, the Tribunal accepts that undue hardship is likely. Accordingly, the effective date is delayed until 29 August 2024.
39. The rent of **£1,280.00 per month will take effect from 29 August 2024.**

### **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](mailto: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.