

FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case reference : CHI/18UC/MNR/2024/0159

Property: 69 Park Road, Exeter, Devon, EX1 2HT

Applicant Tenant : M & L Charteris

Representative: None

Respondent Landlord: E Burnett

Representative : c/o Bradleys

Type of application: Determination of a Market Rent

Sections 13 & 14 Housing Act 1988

Tribunal member(s) : Mrs A Clist MRICS

Mrs J Coupe FRICS Mr S Hodges FRICS

Date of decision : 03 September 2024

REASONS

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Decision of the Tribunal

On 3 September 2024 the Tribunal determined a Market Rent of £1,105.00 per month to take effect from 5 August 2024.

Background

- 1. By way of an application received by the Tribunal on 26 June 2024, the Applicant tenant of 69 Park Road, Exeter, Devon, EX1 2HT ("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 June 2024, proposed a new rent of £1,300.00 per month in lieu of a passing rent of £875.00 per month, to take effect from 5 August 2024.
- 3. The tenant occupies the property under an Assured Shorthold Tenancy agreement with a commencement date of 5 October 2007; a copy was provided.
- 4. On 31 July 2024 the Tribunal issued Directions advising the parties that it considered the matter suitable for determination on papers unless either party objected, in writing, within 7 days. The parties were also advised that no inspection would be undertaken. No objections were received.
- 5. The Directions required the landlord and tenant to submit their completed statements to the Tribunal by 14 August 2024 and 28 August 2024 respectively, with copies to be sent to the other party. Only the tenant responded with their Statement of Case.
- 6. Having reviewed the application, the Tribunal concluded that the matter was capable of being determined fairly, justly and efficiently on the papers, consistent with the overriding objective of the Tribunal.
- 7. On 29 August 2024, the landlord's representative contacted the Tribunal to advise that the tenant had surrendered their tenancy and vacated the property on the 23 August 2024, following a County Court Order to do so by the 10 September 2024. Further detail was provided as to the outstanding arrears, to which the landlord had agreed to a reduced figure based upon the passing rent.
- 8. On 31 August 2024, the tenant confirmed to the Tribunal that they had surrendered their tenancy and vacated the property. On the basis of the landlord's reduction of the rent arrears, they requested that no further action be taken by the Tribunal.
- 9. The Tribunal received notification of tenant's request shortly after its determination of the rent. In any case, the tenant's email did not constitute a formal withdrawal of the application, and as such the Tribunal's determination stands.

10. These reasons address in **summary form** the key issues raised by the parties. They do not recite each and every point referred to in submissions. The Tribunal concentrates on those issues which, in its view, go to the heart of the application.

Law

- 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.
- 12. In so doing, and in accordance with the Act, the Tribunal ignores any increase in value attributable to tenant's improvements and any decrease in value due to the tenant's failure to comply with any terms of the tenancy.

The Property

- 13. In accordance with current Tribunal policy, the Tribunal did not inspect the property but did view the exterior from publicly available online platforms.
- 14. The property is a Victorian mid-terraced house with brick elevations under a pitched-tiled roof, with a traditional bay-window frontage. Permit parking is available.
- 15. The property is located within an established residential area, approximately 2 miles north-east of Exeter City Centre, with good access to local amenities and public transport.
- 16. The accommodation comprises an entrance hall, reception room, kitchen, three bedrooms and bathroom. Externally, the property has a rear garden.
- 17. The property has gas central heating and double glazing. The white goods are the tenants, with the exception of the cooker which is provided by the landlord.

Submissions – Tenant

- 18. The tenant states that the kitchen and bathroom fittings are at least 17 years old.
- 19. The tenant states that the ceiling to the kitchen collapsed and was repaired in November 2024, however, re-decoration was not completed.
- 20. Carpets in the hallway and in two bedrooms are said to be in poor repair.
- 21. In addition to written submissions, the tenant provided five photographs which are not dated or annotated. Three photographs show images of bare untreated/painted plaster finishings to walls and ceilings, including an image of plasterboard boxing which appears to be situated in the kitchen.

- The remaining two images show mould, discoloured grouting to tiling and bathroom taps.
- 22. The tenant did not provide any rental evidence, although suggested a rent of £875.00 per month, in line with the previous rent.

Submissions - Landlord

23. None received.

Determination

- 24. 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 immediate 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. In addition, the legislation makes it clear that the Tribunal is unable to account for the personal circumstances of either the landlord or the tenant.
- 25. The Tribunal assesses the rent for the property as at the date of the landlord's Notice and on the terms of the extant tenancy. 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 today in the condition that is considered usual for such a market letting.
- 27. In the absence of any comparable evidence from either party, the Tribunal relied upon its own expert knowledge as a specialist Tribunal and, in doing so, the Tribunal determined that a figure of £1,300.00 per month is reasonable.
- 28. Once that 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 instance the Tribunal determined that the subject property falls short of the standard required by the market. The property has dated kitchen and bathroom fittings and poor carpets to the hall and two of the bedrooms. The white goods, with the exception of the cooker, are provided by the tenant.
- 29. In reflection of such differences the Tribunal make a deduction of 15% from the hypothetical rent to arrive at an adjusted rent of £1,105.00 per month.
- 30. The tenant made no submissions to the Tribunal in regard to delaying the effective date of the revised rent on grounds of hardship. Accordingly, the rent of £1,105.00 will take effect from 5 August 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.