

FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case reference	:	CHI/00HY/MNR/2024/0168
Property	:	1 Custodian Cottages, Amesbury, Salisbury, Wiltshire, SP4 7DD
Applicant Tenant	:	Mr P Newman
Representative	:	None
Respondent Landlord	:	English Heritage Trust
Representative	:	C/O Woolley & Wallis
Type of application	:	Determination of a Market Rent Sections 13 & 14 Housing Act 1988
Tribunal member(s)	:	Regional Surveyor Clist MRICS Mrs J Coupe FRICS
Date of decision	:	14 October 2024

REASONS

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Decision of the Tribunal

On 14 October 2024 the Tribunal determined a Market Rent of £1,020 per month to take effect from 1 August 2024.

Background

- 1. By way of an application received by the Tribunal on 16 July 2024, the Applicant tenant of 1 Custodian Cottages, Amesbury, Salisbury, Wiltshire, SP4 7DD ("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 31 May 2024, proposed a new rent of £1,200.00 per month in lieu of a passing rent of £850.00 per month, to take effect from 1 August 2024.
- 3. The tenant occupies the property under an Assured Shorthold Tenancy agreement with a commencement date of 1 June 2016; a copy was provided.
- 4. On 24 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 7 August 2024 and 21 August 2024 respectively, with copies to be sent to the other party. Both parties complied.
- 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. 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.

<u>Law</u>

- 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 tenant's improvements and any decrease in value due to the tenant's failure to comply with any terms of the tenancy.

The Property

- 10. In accordance with current Tribunal policy, the Tribunal did not inspect the property but did view the exterior from publicly available online platforms.
- 11. The property is traditional thatched roof cottage with painted elevations. Internally, there is a porch, entrance hall, two reception rooms and kitchen/breakfast room to the to the ground floor and two bedrooms and bathroom to the first floor. Externally, there are front and rear gardens with a storage shed and off-road parking.
- 12. The property is located in a rural area, off the A303 road and in close proximity to the Stonehenge monument. Access to public transport is limited with local facilities available within Amesbury.
- 13. The property has oil-fired central heating and single glazing. The white goods belong to the tenant, with the exception of the cooker which is provided by the landlord. Carpets and curtains have been provided by the landlord.

<u>Submissions – Tenant</u>

- 14. The tenant states that the landlord had a new boiler installed at the property in September 2020 and repaired the chimney in June 2022. The tenant also reports that the front door and lock was replaced by the landlord, although a date was not provided.
- 15. The tenant reports that he laid paving for a path and installed external security lights and cameras but did not provide a date for such.
- 16. The tenant provides a list of items of disrepair:

Bathroom: Shower fitting broken and tap only temporarily fixed. The bathroom is in fairly bad condition.
Bedroom 1: Lock broken.
Bedroom 2: Asbestos warning stickers. Mould in cupboard.
Dining room: Broken window pane (outside), wallpaper flaking off, hole in top of wall. Mould in winter.
Living room: Paint falling off doors. Wallpaper coming off walls.
Electrics faulty generally. Light bulbs blow out regularly. Electricity goes off regularly.
Outside: Mould forms on north side of house.
'Stonehenge Cottages' sign vanished and never replaced near road.
Visitors and delivery people have hard time finding property. I requested it to be replaced 2 years ago.
Garages are out of bounds and are collapsing and have asbestos. I have to park right next to garages and walk close to them every day.

- 17. The tenant reported that the nearest Railway Station is at Salisbury, 10.5 miles away with the closest bus stop being in Amesbury. Further, the A303 is dangerous to cross and as such, a car is required.
- 18. The tenant has provided 14 photographs of the property and items of disrepair.
- 19. The tenant reported that his adjoining neighbour at 2 Custodian Cottages

has recently had a rent increase from £850 per month to £1,000 per month. The tenant explains that the properties have been at the same rental level since 2003 and as such, should now also be the same, or less for the subject property owing to items of disrepair. The tenant provides a copy of the Notice for rent increase for 2 Custodian Cottages.

20. By way of comparable evidence, the tenant referenced 8 local properties which were advertised to rent on an online property platform, with a range of $\pounds 895 - \pounds 1,050$ per month. Included within the evidence was a two bedroom flat, a three-bedroom bungalow and two, two-bedroom bungalows, one of which being inclusive of utility bills.

<u>Submissions – Landlord</u>

- 21. The landlord's representative concurs that the property has oil fired central heating and single glazed windows. The cooker, carpets and curtains belong to the landlord.
- 22. The landlord's representative describes the second ground floor reception room as a dining room/third bedroom, with two bedrooms to the first floor.
- 23. Included within the landlord's submissions are two inventories, the first dates 31 May 2016, the second dated 24 May 2024.
- 24. By way of comparable rental evidence, the landlord's representative provides two 'Best Price Guides'. The first between 29 April 2024 29 July 2024 providing 5 properties within a 5 mile radius, ranging from £1,100 £1,150 per month. The second report is of the same date range, providing details of 13 properties within a 10 mile radius, ranging from £1,100-£1,400 per month. The latter report repeats some of the properties from the first report and also contains a three-bedroom bungalow and a two-bedroom flat, in addition to two bedroom houses in the main.
- 25. The landlord's representative emailed the Tribunal to state that the tenant had failed to report the items of disrepair and that the rental increase of 2 Custodian Cottages should not be considered by the Tribunal as the tenant's rent is a separate matter. Further, it was said that the Tenant was responsible for the replacement of the broken window pane.
- 26. The tenant responded providing emails to apparent personnel at the Landlord's representative agency, reporting the said items of disrepair. Further, the tenant accepted responsibility for the window pane but requested that the Tribunal consider the rent of 2 Custodian Cottages in its determination.

Determination

- 27. Firstly, the Tribunal made a finding of fact that the property is a two bedroom house with two reception rooms.
- 28. Secondly, it had been disputed whether the items of disrepair were reported to the landlord. The tenant provides evidence of historic emails to various

personnel, seemingly at the landlord's representative's agency. The Tribunal accepts the tenant's evidence and considers that the items of disrepair were reported to the agent.

- 29. The parties seemingly now agree that the broken window pane is the responsibility of the tenant, as such, the Tribunal gives no consideration to this item.
- 30. 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.
- 31. 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.
- 32. 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.
- 33. The Tribunal first turned to the tenant's evidence of the Notice of rent increase for the adjoining property at 2 Custodian Cottages. Neither party provided sufficient detail as to the circumstances of the rent increase or detail of the accommodation in terms of size, layout and condition. As such, the Tribunal finds difficulty placing any weight on the evidence.
- 34. Whilst both parties submitted several comparable rental properties, the Tribunal could not place any significant weight on the evidence as no detail as to confirmed rental prices or tenancy terms were provided. The Tribunal disregarded properties that were flats or bungalows and those located outside of a reasonable distance of the subject property.
- 35. In summary, the Tribunal considered the properties at Newton Tony and Race Plain Road, submitted by the landlord, and that of Warminster Road in Stapleford submitted by the tenant to be seemingly the most comparable to the subject, although considered that Newton Tony and Warminster Road were potentially smaller than the subject as were lacking a second reception room. Further, the Newton Tony property was advertised as a short term let which may have impacted upon the asking price. Without sufficient detail of each property, tenancy terms and the achieved rents, the Tribunal were unable to draw detailed comparisons with the subject property.
- 36. The Tribunal found that rental evidence provided by both parties amounted to a perception of the general tone of asking rents for two-bedroom properties within the locality.
- 37. The Tribunal therefore also drew upon its own expert knowledge as a specialist Tribunal and, in doing so, the Tribunal determined that a figure of £1,200.00 per month is reasonable.
- 38. 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 single glazed windows

and the white goods, with the exception of the cooker, are the tenant's own.

- 39. With regards to the tenant's submissions regarding items of disrepair, the Tribunal found that the garage is not demised to the tenant, and as such it would be inappropriate to make deductions from the rent to reflect such. Further, the Tribunal found that the missing sign to the cottage, discolouration to the external cladding of the storm porch and the faulty bedroom lock are not value significant. The tenant did not advance any evidence relating to the asbestos warning sticker, other than its existence. Further, the tenant has not advanced sufficient evidence of any mould internally within the property, nor as to the general condition of the bathroom (with the exception of a broken shower fitting and faulty tap). The Tribunal therefore makes no deductions for these items.
- 40. Notwithstanding, the tenant has provided photographic evidence of broken shower and tap fittings, requiring repair. Further, the photographs provided by the tenant evidence that the property requires redecoration internally. The tenant also reports that the electrics can faulter intermittingly, to which is evidenced in an email reporting the issue to the agent. The tenant makes no assertion of health and safety concerns, referring specifically to unreliability and light bulbs requiring frequent replacement. The Tribunal finds that disrepair of bathroom fittings, decorative condition and faulty electrics are value significant.
- 41. In reflection of such differences, the Tribunal makes a deduction of 15% from the hypothetical rent to arrive at an open market rent of £1,020 per month.
- 42. 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 **£1,020 will take effect from 1 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 <u>rpsouthern@justice.gov.uk</u> 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.