



FIRST-TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)

Case reference : CAM/34UG/MNR/2024/0092

HMCTS code : V:CVPREMOTE

Property : 5 High Barnes Close, Northampton,
NN4 5BH

Applicant (Tenant) : S Littlewood

Respondent (Landlord) : M Mashru

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

Tribunal members : Mr P Roberts FRICS CEnv

Date of Determination : 26 November 2024

DECISION

The Hearing was held by means of CVP video conferencing. The documents that the Tribunal was referred to are in bundles from the Applicant and the Respondent. The Tribunal has noted the contents and the decision is below.

Decision

The Tribunal determined a market rent of £1,300 per calendar month effective from 5 May 2024.

Reasons

Background

1. On 21 March 2024 the Landlord served notice under section 13 (2) of the Housing Act 1988 to increase the passing rent from £1,225 per calendar month (pcm) to £1,350 per month with effect from 5 May 2024.
2. This rent is stated to be exclusive of Council Tax, Water Charges and fixed service charges.
3. The Tenant made an undated application to the Tribunal in reliance on section 13 (4) of the Housing Act 1988.
4. The Tribunal issued directions on 17 May 2024, inviting the Parties to submit any further representations (including any photographs and details of rentals for similar properties) they wished the Tribunal to consider.
5. Further directions were issued on 9 September 2024.

The Property

6. The Tribunal has relied upon the evidence provided by the Parties together with information in the public domain including Google Earth Pro.
7. The Property comprises a semi-detached house of brick and tile construction providing a lounge and kitchen at ground floor level and three bedrooms with a family bathroom at first floor level. There is a separate single garage and external car parking to the front and a garden to the rear.

The Tenancy

8. The Tenant occupied the Property by virtue of an Assured Shorthold Tenancy that commenced 5 May 2023 for a term of 12 months.
9. The rent reserved under this Tenancy was £1,225 pcm.
10. The Tenant's repair obligations are set out within the Tenancy at paragraph 4 of Schedule 1. Paragraph 4.1 states that the Tenant is:

"To take reasonable steps to keep the interior of the Property and the Fixtures and Fittings in the same decorative order and condition

throughout the Term as at the start of the Tenancy, as noted in the inventory and Schedule of Condition. The Tenant is not responsible for the following: fair wear and tear, any damage caused by fire... ..repairs for which the Landlord has responsibility (these are set out in Schedule 2 of this Agreement), damage covered by the Landlord's insurance policy."

11. Paragraphs 3 and 5 of Schedule 2 set out the Landlord's statutory and contractual obligations in respect of repair matters.
12. In the absence of a new Tenancy being entered into, an Assured Periodic Tenancy pursuant to Section 5 (2) of the Housing Act 1988 (the 1988 Act) has arisen such that Sections 13 and 14 of the Act now apply.

The Law

13. Section 5 (3) of the Act provides that the periodic tenancy arising on expiry of the Assured Shorthold Tenancy is one:

"(a) taking effect in possession immediately on the coming to an end of the fixed term tenancy;

(b) deemed to have been granted by the person who was the landlord under the fixed term tenancy immediately before it came to an end to the person who was then the tenant under that tenancy;

(c) under which the premises which are let are the same dwelling-house as was let under the fixed term tenancy;

(d) under which the periods of the tenancy are the same as those for which rent was last payable under the fixed term tenancy; and

(e) under which, subject to the following provisions of this Part of this Act, the other terms are the same as those of the fixed term tenancy immediately before it came to an end, except that any term which makes provision for determination by the landlord or the tenant shall not have effect while the tenancy remains an assured tenancy"

14. Section 14 (1) of the 1988 Act provides that the Tribunal is required to determine the rent at which the Property might reasonably be expected to let in the open market by a willing landlord under an assured tenancy:

a. "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 rent) are the same as those of the existing tenancy."

15. Section 14 (2) of the 1988 Act requires the Tribunal to disregard:
- 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 (as defined by section 14 (3) of the Act) otherwise than as an obligation;*
 - 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."*
16. Section 11 of the Landlord and Tenant Act 1985 (the 1985 Act), provides that the Tribunal is to imply a covenant by the Landlord:
- a. *"to keep in repair the structure and exterior of the dwelling-house (including drains, gutters and external pipes),*
 - b. *to keep in repair and proper working order the installations in the dwelling-house for the supply of water, gas and electricity and for sanitation (including basins, sinks, baths and sanitary conveniences, but not other fixtures, fittings and appliances for making use of the supply of water, gas or electricity), and*
 - c. *to keep in repair and proper working order the installations in the dwelling-house for space heating and heating water."*
17. Section 14 (7) of the 1988 Act states:
- "Where a notice under section 13(2) above has been referred to the appropriate tribunal, then, unless the landlord and the tenant otherwise agree, the rent determined by the appropriate tribunal (subject, in a case where subsection (5) above applies, to the addition of the appropriate amount in respect of rates) shall be the rent under the tenancy with effect from the beginning of the new period specified in the notice or, if it appears to the appropriate tribunal that that would cause undue hardship to the tenant, with effect from such later date (not being later than the date the rent is determined) as the appropriate tribunal may direct."*

Representations – The Tenant

18. The Tribunal was provided with copies of correspondence between the Tenant and Landlord. The Tenant had referred to 7 properties by way of comparison upon which basis an offer of £1,250 pcm had been made. This was followed by a further offer on 28 March 2024 at £1,275 pcm. The Tenant also referred to the rent paid by an immediate neighbour.
19. The Tenant provided further representations direct to the Tribunal on 10 June 2024 asserting a market rent of £1,209 pcm. Further

correspondence followed in which the Tenant drew attention to the marketing exercise undertaken by Connells on behalf of the Landlord.

20. For clarity, the Tribunal has had regard to all the information and representations provided by the Tenant and the above comments are only intended as a summary.

Representations – The Landlord

21. The Landlord advised the Tribunal that the Property had been advertised and a let agreed with a new tenant at £1,325 effective from September following vacation of the Property by the Tenant.
22. Connells had handled the letting process on behalf of the Landlord and, consequentially he was unaware as to the details of offers made prior to the letting being secured. Furthermore, he had no information in respect of the letting of the neighbouring property referred to by the Tenant.

Determination

23. In determining the market rent, the Tribunal has regard to prevailing levels of rent in the general locality and achieved rental values in respect of other properties of comparable accommodation and provision that would be likely to be considered by a prospective tenant. The current rent, and the period that has passed since that rent was agreed or determined is not relevant.
24. Previous changes in rent are not, therefore, relevant as the Tribunal is required to assess the rent that would be offered by a prospective tenant who has no knowledge of the existing or previous rents.
25. The legislation requires the Tribunal to have regard to market demand assuming that the landlord is willing. The Tribunal is therefore unable to have any regard to the personal circumstances or identities of the actual landlord and tenant in assessing the level of rent.
26. In that regard, it is irrelevant whether or not the Landlord requires the rent to be at a certain level to fund its repair obligations under the lease or whether the Tenant feels that the services provided by the Landlord are “value for money.” As such, the cost of property maintenance to the Landlord does not affect the rent that would be offered by a prospective tenant in the market and must be disregarded.
27. However, as set out above, the Tribunal is required to have regard to the obligations of the Landlord and Tenant in respect of the repair, maintenance and upkeep of the Property and take into account the extent to which these obligations have been complied with.
28. As set out above, section 14 (2) (c) of the 1988 Act requires the Tribunal to disregard any failure by the Tenant to comply with their lease obligations. However, the Tribunal is to have regard to matters that do

not arise as a direct consequence of the Tenants' failure to comply with any of their obligations.

29. The best evidence comprises the rent that is actually achieved in the open market of the property being valued. In this regard, the Tribunal places the greatest weight on the actual letting of the Property at £1,325 pcm in September.
30. However, the effective date set out in the Section 13 (1) Notice is 5 May 2024 i.e., four months prior to the letting date. It is therefore appropriate to also have regard to market evidence of other properties at or around the effective date.
31. The Tribunal has therefore reviewed all the evidence provided, applied its own knowledge and expertise and determines the market rental of the Property as at the effective date to be £1,300 pcm. The rent payable may not, therefore, exceed this figure. However, this does not prevent the Landlord from charging a lower figure.
32. This rent is to be effective from 5 May 2024.

Name: Peter Roberts FRICS CEnv

Date: 26 November 2024

Rights of appeal

By rule 36(2) of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013, the tribunal is required to notify the parties about any right of appeal they may have.

If a party wishes to appeal this decision to the Upper Tribunal (Lands Chamber), then a written application for permission must be made to the First-tier Tribunal at the regional office which has been dealing with the case.

The application for permission to appeal must arrive at the regional office within 28 days after the tribunal sends written reasons for the decision to the person making the application.

If the application is not made within the 28-day time limit, such application must include a request for an extension of time and the reason for not complying with the 28-day time limit; the tribunal will then look at such reason(s) and decide whether to allow the application for permission to appeal to proceed, despite not being within the time limit.

The application for permission to appeal must identify the decision of the tribunal to which it relates (i.e., give the date, the property, and the case number), state the grounds of appeal and state the result the party making the application is seeking.

If the tribunal refuses to grant permission to appeal, a further application for permission may be made to the Upper Tribunal (Lands Chamber).

Notice of the Tribunal Decision and Register of Rents under Assured Periodic Tenancies (Section 14 Determination)

Housing Act 1988 Section 14

Address of Premises

5 High Barnes Close, Northampton,
NN4 5BH

The Tribunal members were

Mr P Roberts FRICS CEnv

Landlord

M Mashru

Address

16 Sandover, Northampton, NN4 0TS

Tenant

S Littlewood

1. The rent is:£

1,300

Per

month

(excluding water rates and council
tax but including any amounts in
paras 3)

2. The date the decision takes effect is:

5 May 2024

3. The amount included for services is

not
applicable

Per

4. Date assured tenancy commenced

5 May 2023

5. Length of the term or rental period

12 months

6. Allocation of liability for repairs

Tenant liable for internal repairs. LL to
comply with s11 LTA 1985

8. Furniture provided by landlord or superior landlord

N/A

9. Description of premises

The Property comprises a semi-detached house of brick and tile construction providing a lounge and kitchen at ground floor level and three bedrooms with a family bathroom at first floor level. There is a separate single garage and external car parking to the front and a garden to the rear.

Chairman

P Roberts

Date of Decision

26 November
2024