

FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference : HAV/24UB/MNR/2024/0521

12 Corelli Road

Property : Basingstoke

Hampshire RG22 4NB

Applicant Tenants : Mr C & Mrs R Fryde

Representative : None

Respondent Landlord : Dr K Ammar

Representative : None

Determination of a Market Rent sections

Type of Application : 13 & 14 of the Housing Act 1988

Tribunal Members : Mr I R Perry FRICS

Mr S J Hodges

Date of Application : 16th September 2024

Date of Decision : 2nd January 2025

Date of Detailed

Reasons : 24th January 2025

DECISION

Summary of Decision

1. On 2^{nd} January 2025 the Tribunal determined a market rent of £1,650 per month to take effect from 2^{nd} October 2025.

Background

- 2. The case concerned the determination of a market rent for the subject property following a referral of the Landlord's notice of increase of rent by the Tenant pursuant to sections 13 and 14 Housing Act 1988.
- 3. On 27^{th} August 2024 the Landlord served a notice under Section 13(2) of the Housing Act 1988 which proposed a new rent of £1,700 per month, in place of the existing rent of £1,500 per month, to take effect from 2^{nd} October 2024. The notice complied with the legal requirements.
- 4. On 16th September 2024 the Tenants exercised their right and applied to the Tribunal under Section 13(4) (a) of the Housing Act 1988.
- 5. The Tribunal does not routinely consider it necessary and proportionate in cases of this nature to undertake inspections or hold Tribunal hearings unless either are specifically requested by either party or a particular point arises which merits such an inspection and/or hearing.
- 6. Following some procedural issues the Tribunal issued Directions on 26th November 2024 informing the parties that, unless either party objected, the Tribunal intended to determine the rent based on written representations. The parties were invited to make submissions which could include photographs or videos.
- 7. Both parties submitted papers by the specified dates setting out their respective case. The papers were also copied to the Tenants. The Tenants made no further representations.
- 8. Neither party objected to the matter being determined without an oral hearing, so the Tribunal determined the case on 2nd January 2025 based on the written representations received.
- 9. Brief summary reasons were issued on 2nd January 2025. On 23rd January 2025 the Tenants asked for full reasons. These extended reasons address **in summary form** the key issues raised by the parties. They do not recite each and every point referred to either in submissions or during any hearing. However, this does not imply that any points raised, or documents not specifically mentioned were disregarded. If a point or document was referred to in the evidence or submissions that was relevant to a specific issue, then it was considered by the Tribunal. The Tribunal concentrates on those issues which, in its opinion, are fundamental to the application.

The Law

S14 Determination of Rent by First-tier Tribunal

- (1) Where, under subsection (4) (a) of section 13 above, a tenant refers to a First-tier Tribunal a notice under subsection (2) of that section, the Tribunal shall determine the rent at which, subject to subsections (2) and (4) below, the Tribunal consider that the dwelling-house concerned might reasonably be expected to be let in the open market by a willing landlord under an assured tenancy-
 - (a) which is a periodic tenancy 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 the rent) are the same as those of the tenancy to which the notice relates; and
 - (d) in respect of which the same notices, if any, have been given under any of Grounds 1 to 5 of Schedule 2 to this Act, as have been given (or have effect as if given) in relation to the tenancy to which the notice relates.
- (2) In making a determination under this section, there shall be disregarded-
 - (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 carried out by a person who at the time it was carried out was the tenant, if the improvement-
 - (i) was carried out otherwise than in pursuance of an obligation to his immediate landlord, or
 - (ii) was carried out pursuant to an obligation to his immediate landlord being an obligation which did not relate to the specific improvement concerned but arose by reference to consent given to the carrying out of that improvement; and
 - (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.
- (3) For the purposes of subsection (2)(b) above, in relation to a notice which is referred by a tenant as mentioned in subsection (1) above, an improvement is a relevant improvement if either it was carried out during the tenancy to which the notice relates, or the following conditions are satisfied, namely-
 - (a) that it was carried out not more than twenty-one years before the date of service of the notice; and
 - (b) that, at all times during the period beginning when the improvement was carried out and ending on the date of service of the notice, the dwelling-house has been let under an assured tenancy; and

- (c) that, on the coming to an end of an assured tenancy at any time during that period, the tenant (or, in the case of joint tenants, at least one of them) did not quit.
- (4) In this section "rent" does not include any service charge, within the meaning of section 18 of the Landlord and Tenant Act 1985, but, subject to that, includes any sums payable by the tenant to the landlord on account of the use of furniture, in respect of council tax or for any of the matters referred to in subsection (1) (a) of that section, whether or not those sums are separate from the sums payable for the occupation.

The Property

- 10. From the information given in the papers and available on the internet, the property comprises a modern semi-detached house at the head of a cul-de-sac on the southern side of Basingstoke. The main elevations are brick faced all beneath a tiled roof.
- 11. The accommodation is listed by the Tenants as comprising a Kitchen, Dining Room and Living Room at ground level with 2 Bedrooms plus Study and small Bathroom/WC at first floor level. The Landlord refers to the Study as a Bedroom.
- 12. Outside there are gardens to front and rear, off-street parking and a garage. The house has gas-fired central heating, double-glazed windows.
- 13. The Landlord provides carpets, curtains, washing machine, cooker and fridge when the Tenants first took occupation.
- 14. There is a full range of amenities within Basingstoke.
- 15. The Energy Performance Rating is 'C'.

Submissions

- 16. The initial tenancy began on 20th September 2017 at a rent of £1,200 per month. The Landlord states that the rent was not increased during the first five years of the tenancy.
- 17. The Landlord states that the property was updated and decorated to a high standard at the beginning of the tenancy and lists various repairs undertaken at her expense during the tenancy.
- 18. The Landlord states that a local agent has advised her that a market value for a property of this size is £1,650-£1,700. She also comments on the internal condition of the property including stained carpets, dog smells and a damaged floor.

- 19. The Landlord provided the Tribunal with photographs taken at the start of the tenancy and photographs taken in 2021 by Mrs Ryde and internal photographs taken by her Agent in May 2024which show the property in an untidy condition.
- 20. The Landlord also provided details of other modern properties to let in Basingstoke with asking rents of £1,550 and above.
- 21. The Tenants confirm that carpets, curtains and white goods are provided by the Landlord and state that no improvements have been made to the property although essential repairs have been done. They note that the kitchen and bathroom fittings are 9+ years old and that there are cracks in the kitchen and bathroom floors.
- 22. The Tenants state that there are outstanding longstanding issues including deteriorated flooring, broken fencing, persistent cracks, electrical issues and unresolved structural repairs. They do not specify what these issues and repairs are.
- 23. The Tenants provide details of a small end-of-terrace house to let for £1,345. The property only has a single Living Room, no garage and no third room at first floor level.
- 24. The Landlord states that the rent agreed for the property at the start of the tenancy was "at the top range" because of what it offered, the Tenants having wanted a driveway, garage and space for their two dogs.
- 25. The Tenants suggest that the property should be regarded as being 2-bedroomed on the basis that the third room at first floor level is below the size required under the Housing Health and Safety Rating System to qualify as a bedroom.
- 26. The Tenants state that a bed and mattress, belonging to the Landlord, have remained in the garage during their tenancy and argue that the rent should be reduced to reflect this.

Consideration and Valuation

- 27. The Tribunal first considered whether it felt able to reasonably and fairly decide this case based on the papers submitted only with no oral hearing. Having read and considered the papers it decided that it could do so.
- 28. From the photographs provided the Tribunal noted the condition of the inside of the property at the start of the tenancy when it appeared to be in good condition, and the condition shown in the photographs taken in 2024 which show the property to be in a generally untidy condition.
- 29. The Tribunal is required to determine the rent at which the subject property might reasonably be expected to be let in the open market by a willing Landlord under an assured tenancy. The personal circumstances of the Parties are not relevant to this issue. The Tribunal is required to ignore any loss or reduction in

- value due to the actions of the Tenants and to ignore any increase in value due to any improvements by the Tenants.
- 30. The Tribunal rejects the argument made by the Tenants suggesting that the house should be assessed as having two bedrooms. The Tribunal considers that the third room might usefully serve as a child's room or, as the Tenants state, as a Study.
- 31. From the evidence supplied the property was in good order when the Tenancy began, and the Tribunal discounts any reduction in value due to the way in which the Tenants chose to occupy the property. The Tribunal notes that carpets, curtains and white goods are all supplied by the Landlord as one would expect in an open market letting.
- 32. Having carefully considered the representations from the parties and associated correspondence, and using its own judgement and knowledge of rental values in Basingstoke, the Tribunal decided that the market rent for the subject property if let today in a condition that was usual for such an open market letting would be £1,650 per month.
- 33. The Tribunal has been provided with no evidence of any shortcomings in the condition of the property and therefore makes no adjustments to the open market rental figure.
- 34. The Tenant made no representation that the starting date for the new rent specified in the Landlord's notice would cause the Tenant undue hardship.

Determination

- 35. The Tribunal therefore decided that the rent at which the subject property might reasonably be expected to be let in the open market by a willing Landlord under the terms of this assured tenancy was £1,650 per month.
- 36. The Tribunal directed that the new rent of £1,650 per month should take effect from 16^{th} September 2024, this being the date specified in the 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 to the First-tier Tribunal at the Regional office which has been dealing with the case. Where possible you should send your application for permission to appeal by email to rpsouthern@justice.gov.uk as this will enable the First-tier Tribunal Regional office to deal with it more efficiently.

- 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.