

FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference	:	CHI/00HH/MNR/2024/0147
Property	:	1 Two Acre Close Paignton Devon TQ3 3XX
Applicant Tenant	:	Ms J Jones
Representative	:	None
Respondent Landlord	:	Westward Housing Group
Representative	:	None
Type of Application	:	Determination of a Market Rent sections 13 & 14 of the Housing Act 1988
Tribunal Members	:	Mr I R Perry FRICS Mr M J F Donaldson FRICS
Date of Inspection	:	3 rd February 2025
Date of Decision	:	3 rd February 2025

DECISION

Summary of Decision

- 1. On 3rd February 2025 the Tribunal determined a market rent of £517 per month to take effect from 1st July 2024.
- 2. This rent is higher than the amount requested by the Landlord. The Landlord is not obliged to charge this higher rent.

Background

- 3. 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.
- 4. On 20th May 2024 the Landlord served a notice under Section 13(2) of the Housing Act 1988 which proposed a new rent of £434.59 per month, in place of the existing rent of £403.52 per month, to take effect from 1st July 2024. The notice complied with the legal requirements.
- 5. On 13th June 2024 the Tenant applied to the Tribunal under Section 13(4) (a) of the Housing Act 1988.
- 6. 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.
- 7. The Tribunal issued Directions on 30th August 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.
- 8. The Landlord and Tenant both submitted a Rent Appeal Statement that they had copied to the other party.
- 9. Neither party objected to the matter being determined without an oral hearing, so the Tribunal determined the case on 3rd February 2025 based on the written representations received.
- 10. These 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

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subsection (1) (a) of that section, whether or not those sums are separate from the sums payable for the occupation.

The Property

- 11. From the information given in the papers and available on the internet, the property comprises a purpose-built ground floor flat within a modern block of similar properties on the western side of Paignton.
- 12. There is a good range of amenities within the town.
- 13. The accommodation includes a Living Room, Kitchen, 2 Bedrooms and a Bathroom with WC. Outside there is off-road parking and communal gardens. There is gas-fired central heating and double-glazed windows. The Tenant provides carpets, curtains and white goods.

Submissions

- 14. The initial tenancy began on 16^{th} October 2010 at a rent of £349.17 including £51.25 for services.
- 15. The Tenant states that the Landlord was to have fitted a Bathroom fan which has not been completed and there is damp in the Kitchen ceiling from a leak and damp within a storage cupboard.
- 16. Photographs provided by the Tenant show the property is 'tired' internally.
- 17. The Tenant also pays a service charge of £63 per month to cover cleaning and maintenance of common areas.

Consideration and Valuation

- 18. 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.
- 19. 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. Such a letting would normally require the property to be in good and tenantable condition with carpets, curtains and white goods all provided by the Landlord.
- 20. Having carefully considered the representations from the parties and associated correspondence and using its own judgement and knowledge of rental values in Paignton, 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 £800 per month.
- 21. An open market letting would normally provide for the Landlord pay the service charge.
- 22. In addition to adjustments for the matters above the Tribunal decided that adjustments are justified to reflect the condition and damp issues.

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23. Using its experience the Tribunal decided that the following adjustments should be made:

Tenant's provision of white goods Tenant's provision of carpets and curtains Tenant's payment of service charge Damp issues General 'tired' accommodation	£45 £75 £63 £50 £50
TOTAL per month	£283

24. 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

- 25. 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 \pounds 517 per month.
- 26. The Tribunal directed that the new rent of £517 per month should take effect from 1^{st} July 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 <u>rpsouthern@justice.gov.uk</u> 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.