

FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference	:	HAV/21UG/MNR/2025/0617
Property	:	Flat 2, 26 Linden Road Bexhill-on-Sea East Sussex TN40 1DN
Applicant Tenants	:	Mrs J Hunt & Mr N Hunt
Representative	:	None
Respondent Landlord	:	BSD Forest Hill Limited
Representative	:	Mr Berish Weiser Holmleigh Homes Limited
Type of Application	:	Determination of a Market Rent - sections 13 & 14 of the Housing Act 1988
Tribunal Members	:	Mr J G G Wilson MRICS Mr C M Davies FRICS
Date of Application	:	16 January 2025
Date of Decision	:	22 April 2025

DECISION

The Tribunal determines a rent of £620 (Six Hundred and Twenty Pounds) Per Calendar Month with effect from 1 February 2025.

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FULL REASONS

Background

- 1. On 27 December 2024 the landlord served a notice under section 13(2) of the Housing Act 1988 which proposed a new rent of £1,000 per month in place of the existing rent of £580 per month to take effect from 1 February 2025.
- 2. On 21 January 2025 under section 13(4) of the Housing Act 1988, the tenants referred the landlord's notice proposing a new rent to the Tribunal for determination of a market rent.

Inspection

- 3. The Tribunal inspected the property on 1 April 2025, following its Directions. Whereas the tenants attended the inspection, neither did the landlord, nor the landlord's representative.
- 4. 26 Linden Road ('the building') is a late Victorian/early Edwardian three-storey semi-detached house of traditional brick construction, with rendered front elevation and pitched tiled roof. It has been converted into three flats.
- 5. Flat 2 ('the property') is on the first floor, accessed off the common parts entrance hall and stairs. The property comprises, entrance hall, one reception room, kitchen, two bedrooms and one bathroom and a separate WC.

Evidence

- 6. The Tribunal gave Directions dated 28 February 2025. The Tribunal directed the application to be suitable for determination on the papers, coupled with their inspection of the property.
- 7. The landlord's Statement was to be sent by 13 March 2025; and the tenants' Statement was to be sent by 26 March 2025.
- 8. The Tribunal has considered the Statement of Mr Berish Weiser, undated, but given on 13 March 2025 and copied to the tenants the same day. In addition, the Tribunal has considered the Statement of Mr and Mrs Hunt, also undated, but given on 26 March 2025 and copied to the landlord the same day. Both Statements were given in accordance with the Tribunal's Directions.
- 9. With respect to the property, the landlord's Statement includes the accommodation in outline, described as a two-bedroom flat, but neither a floor plan nor any photographs. The Tribunal has been provided with a copy of the tenancy agreement dated 27 February 2013, with a commencement date of 1 March 2013. The property is let unfurnished.
- 10. Under both 'Improvements' and 'Disrepairs/Defects: Age and Condition of Bathroom and Kitchen fittings', Mr Weiser says, ''Unknown."

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- 11. Under 'Any Other Comments', Mr Weiser gives outline details of the property's location in Bexhill-on-Sea, the local road network and its transport links.
- 12. To assist the Tribunal, Mr Weiser has provided comparable lettings' properties to which he has referred to reach his valuation of \pounds 1,000 per calendar month.
- 13. The four comparable lettings' properties are all two-bedroom flats and are in the rental value range of £1,200 per calendar month to £1,300 per calendar month. Each is set out in a schedule with headings: Miles From Subject Property [sic], Size, Description, Other Amenities, Rent and Analysis.
- 14. Thereafter, Mr Weiser has provided a 'Rental Schedule' given by JM Valuation Group understood to be dated August 2024 for 24 Linden Road. The market rent in their schedule for Flat 2, the first-floor flat, is £950 per calendar month. The Tribunal understands this to be an extract from a report on the property given by JM Valuation Group.
- 15. On 26 March 2025 the tenants gave their Statement. The Statement includes an outline description of the property, described as a two-bedroom flat with a lounge and a living room. One of the bedrooms is described as large, the other as small box. The tenants have not provided any photographs to assist the Tribunal and to present their case.
- 16. The tenants confirm various features set out in the landlord's Statement and that double glazing is provided by the landlord and the heating is electric. They have also provided a copy of the tenancy agreement.
- 17. Under 'Improvements' the tenants say there have been none in the 12 (twelve) years they have lived at the property.
- 18. Under 'Disrepairs/Defects: Age and Condition of Bathroom and Kitchen fittings' the tenants list various items of disrepair and outstanding works of repair, which includes: two storage heaters not working, one heater trips the electric when switched on, instances of damp and mould, ceiling cracks, two windows are unable to be closed correctly, the bathroom and kitchen fittings are over 25 years old and are in poor condition and there is neither a Fire Certificate nor any fire doors at the building. The Tribunal's summary is not intended to be an exhaustive list.
- 19. Under 'Your assessment of the rental value of the property', the tenants say 'The rental value of similar properties are in excellent condition compared to the poor condition of this flat."

The Law

Section 14, Housing Act 1988 - Determination of Rent by First-tier Tribunal

(1) Where, under subsection (4)(a) of section 13 above, a tenant refers to a Firsttier 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 of the dwelling-house concerned or are payable under separate agreements.

20. 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 tenancy. 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.

Determination and Valuation

- 21. Section 11 of the Landlord and Tenant Act 1985 applies. The tenants are required to keep the property in the condition at the commencement of the term, fair wear and tear excepted.
- 22. After reviewing the rental values of the comparable lettings' properties given by both the landlord and the tenants, and of its own expert, general knowledge of rental values in the area, the Tribunal determines that the market rent for the property in good tenantable condition is £1,000 (One Thousand Pounds) Per Calendar Month.
- 23. From the Tribunal's inspection and the evidence given by the parties in their Statements, the building in general, both internally and externally, and the property are in very poor condition, with various items of disrepair and outstanding works.
- 24. The landlord describes the property as having one reception room and two bedrooms; the tenant describes the property as having one living room, a large bedroom and a small box bedroom. The Tribunal has determined the optimum layout of the property is as it is currently and notes the second bedroom is a single bedroom.
- 25. The Tribunal has identified Property Management issues at the building; typically, there is no Notice board in the common parts' entrance hall to display the name of the Managing Agents with their contact details. The tenants say there is neither a Fire Safety Certificate for the building, nor are there any fire doors.
- 26. Accordingly, the Tribunal has concluded adjustments are required to the market rent, which are summarised and set out in its valuation below.
 - Market rent in good condition (£ PCM)£1,000Less deductions (£ PCM) for:General wants of repair to the building and
the property
No Central Heating£100No Central Heating£50The Tenants' provision of White Goods£30The Tenants' provision of carpets and curtains£25
- 27. The Tribunal's valuation:

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The unmodernised bathroom/WC The unmodernised kitchen	£75 <u>£100</u> £380
Market rent (per calendar month)	£620

- 28. The Tribunal therefore decided that the rent at which the property might reasonably be expected to be let in the open market by a willing landlord under the terms of this assured tenancy was £620 (Six Hundred and Twenty Pounds) Per Calendar Month.
- 29. The tenants have made no representations that the starting date for the new rent specified in the landlord's notice would cause them undue hardship.
- 30. Accordingly, the Tribunal directs that the new rent of £620 Per Calendar Month should take effect from 1 February 2025. This being the date specified in the landlord's Notice proposing a new rent.

RIGHTS OF APPEAL

- 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 days' 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 days' 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.