

FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference : HAV/00HX/MNR/2025/0659

Flat 5

Millgrove House

Property : 9 Delft Crescent Swindon

Wiltshire SN25 2LU

Applicant Tenant : Mr I Jagne

Representative : None

Respondent Landlord: Places for People Homes

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 M J F Donaldson FRICS

Date of Application : 28th February 2025

Date of Decision : 16th May 2025

DECISION

Summary of Decision

- 1. On 16th May 2025 the Tribunal determined a market rent of £1,000 per month to take effect from 1st April 2025.
- 2. The Tribunal explained that the Landlord, who is a Social Housing Provider, is not obliged to charge the total of this 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 18th February 2025 the Landlords served a notice dated 17th February 2025 under Section 13(2) of the Housing Act 1988 which proposed a new rent of £622.23 per month, in place of the existing rent of £605.87 per month, to take effect from 1st April 2024. The notice complied with the legal requirements.
- 5. On 31st March 2025 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 8th April 2025 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. Both parties submitted papers setting out their respective case. The papers were also 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 16th May 2025 based on the written representations received.
- 10. These reasons address 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

- 11. From the information given in the papers and available on the internet, the property comprises a first-floor flat within a modern purpose-built block of similar properties situated within a mixed residential area on the north side of Swindon.
- 12. The accommodation provides a Hall, an open plan Living Room/Kitchen, 2 Bedrooms and a Bathroom with WC. There is a garage nearby.
- 13. The property has gas-fired central heating and double-glazed windows. The Energy Performance Rating is 'C' although the certificate has expired.
- 14. There are shops and schools nearby and a full range of amenities within the town including a mainline Railway Station with routes to London, Bristol and the South-west.

Submissions

- 15. The initial tenancy began on 1st February 2017 at a rent of £506.25 per month.
- 16. The Landlord is a Social Housing Provider who states that carpets, washing machine, fridge and cooker are all supplied by the Landlord, that the kitchen fittings date from 2020, that a new boiler was installed in February 2025 and there are no current outstanding repairs.
- 17. The Landlord refers to capital values, rental values and the resultant gross rental yield for other flats in Millgrove House and suggests that the Tenant is paying less than a market rent.
- 18. The Tenant does not describe the property in his statement. He states that the double glazing is only partial but otherwise confirms the property information provided by the Landlord.
- 19. The Tenant's view is that his lease states that his rent should increase by 3% above Bank of England Base Rate based on his initial rent from 2017 in the sum of £506.25. He also refers to a UK Government Policy Statement on Rents for Social Housing which links rents to CPI.
- 20. In a letter dated 13th February 2020 the Landlord explained to the Tenant how their rents are calculated by the Rent Standard set by the Regulator of Social Housing.
- 21. Within the original Assured Tenancy Agreement there is a referral to interest rate being 3% a year above the base lending rate of the Bank of England. This would apply to any rent arrears as detailed in paragraph 4.6 of the Agreement.

Consideration and Valuation

- 22. 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.
- 23. The Tribunal is required to determine the **market 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 nor is the Landlords' status as a Social Housing Provider.
- 24. The Tribunal does not accept the Landlords method of valuation based on rental returns although these might provide a useful checking process for Social Landlords. Rather it relies on rents achieved for similar properties in the open market.
- 25. The Tenant seeks to calculate a new rent based on his original rent from 2017 and, as suggested by the Landlord has confused the interest rate which would apply to any rent arrears.
- 26. Having carefully considered the representations from the parties and associated correspondence, and using its own judgement and knowledge of rental values in Swindon, 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 £1,000 per month. This takes into account the Tenants provision of curtains or blinds which is not usual in an open market letting.
- 27. 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

- 28. 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 £1,000 per month.
- 29. The Tribunal directed that the new rent of £1,000 per month should take effect from 1^{st} April 2025 this being the date specified in the notice.
- 30. The Tribunal reiterates that its role is to assess an open market rent but the Landlord, a Social Housing Provider, is not obliged to charge a full open market rent.

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.