

# FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case reference : CAM/ooKF/MNR/2025/0646

HMCTS code : P:PAPERREMOTE

Property : 29A High Street, Shoeburyness,

Essex, SS<sub>3</sub> 9AW

Applicant (Tenant) : C Hadley

Respondent (Landlord) : D Strom

**Determination of a Market Rent:** 

Type of application : Sections 13 and 14 Housing Act

1988

Tribunal members : Mr P Roberts FRICS CEnv

Date of Determination : 2 August 2025

#### **DECISION**

This has been a remote determination on the papers which the parties are taken to have consented to, as explained below. The form of determination was a paper determination described above as **P:PAPERREMOTE** 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 £875 pm effective from 16 March 2025.

## Reasons

# **Background**

- 1. The Landlord served notice under section 13 (2) of the Housing Act 1988 on 6 January 2025 to increase the passing rent from £895 per month to £1,200 per month with effect from 16 March 2025.
- 2. The Tenant made an application dated 12 March 2025 to the Tribunal in reliance on section 13 (4) of the Housing Act 1988.
- 3. This rent in all cases is stated to be exclusive of Council Tax, Water Charges and fixed service charges.
- 4. The Tribunal issued directions on 24 March 2025, inviting the Parties to submit any further representations (including any photographs and details of rentals for similar properties) they wished the tribunal to consider.

# **Property**

- 5. The Tribunal inspected the Property on 16 May 2025.
- 6. The Property comprises a first floor flat in a converted period midterraced building providing one living room, two bedrooms, kitchen, bathroom and WC on split levels. Access is via the front door and staircase up from the ground floor lobby.
- 7. The Property benefits from central heating and double glazing but lacks insulation. The kitchen fittings include a hob and oven but all other White Goods belong to the Tenant.
- 8. The Property is in poor condition and it is evident that the Landlord has carried out limited maintenance of basic quality that falls below the statutory standard.
- 9. The Tenancy does not include any access to garden facilities. Whilst there is a garden at the rear of the Property, this is owned and controlled by a Third Party together with the ground floor flat and neither the Landlord nor Tenant have any control. However, any prospective Tenant would note the state of the front and rear gardens and draw their own inferences.

10. There is no private car parking and on-street parking is subject to the obtaining of residents permits from the Council.

# Tenancy

- 11. The Property was previously subject to a lease dated 16 January 2021 for a period of 6 months at an initial rent of £795 per month.
- 12. Clause C sets out the Tenant's repair obligations which include the following:

"Not to make any alterations in or addition to the Property

*Not to damage or injure the Property* 

Not to interfere with the external decorations or painting of the Property

To preserve the Fixtures, Fittings, Furnishings and Effects in the Property from being destroyed or damaged and not to part with possession of or remove any of them from the Property and not to bring into the Property and of the Tenant's own Fixtures, Fittings or Furnishings except with the Landlord's prior consent in writing."

- 13. The Tribunal is concerned to note that the Tenancy does not reference any repair liability on the Landlord. For clarity, the Landlord was, at all times and regardless as to whether or not he was aware of its existence, subject to section 11 of the Landlord and Tenant Act 1985 which is set out below.
- 14. Following expiry of this lease, a Statutory Periodic Lease arose.

#### The Law

- 15. 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"
- 16. 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."
- 17. 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."
- 18. 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."
- 19. 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**

20. The Tenant completed the Reply Form. This stated:

"Attached evidence of disrepair, urgent repairs have taken months or even years to be addressed. I let estate agent know but then am often ignored unless I action legal help. My disability means I would benefit from adaptations but I can't even get basic repairs done so am hesitant to even ask for these in case they get forgotten like the regular repairs do, even after submitting photos. I have visits from estate agent and they still get missed."

- 21. A package of photographs was provided which assisted the Tribunal during its inspection.
- 22. The Tenant also provided a 45 page document listing various issues together with supporting photographs which the Tribunal was able to verify during its inspection. In addition, the Tenant provided 7 pages listing details in respect of comparable properties, a Police Evidence letter, Proof of Disability, Proof of Income, Council Social Housing letter, copy of three page complaint letter to the managing agents and copies of email correspondence.

# **Representations – The Landlord**

23. Ms Sear of Hopson Property Services submitted a completed Reply Form together with a pack of photographs which appear to be historic. No rental evidence or submissions to support the proposed rent were provided to the Tribunal. Neither the Landlord nor their agent attended the Tribunal's inspection.

# **Determination**

- 24. The Tribunal has had regard to all the correspondence and evidence provided by the Parties but is unable to refer to or make observations in respect of each point and document provided to it. The Tribunal would also stress that it has had the benefit of inspecting the Property.
- 25. 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.

- 26. 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. Similarly, historic rents achieved elsewhere are of limited relevance.
- 27. 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.
- 28. It is therefore irrelevant whether or not the Landlord requires the rent to be at a certain level to fund its liabilities and/or 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 mortgage payments and 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. Similarly, the ability, or otherwise, of the Tenant to pay the rent demanded cannot be taken into account.
- 29. In this regard, whilst the valuation exercise assumes that, regardless as to the condition of the Property, a hypothetical tenant would be prepared to take occupation and negotiate a rent, it does not follow that the actual Tenant and the hypothetical tenant are one and the same. As such, the actual Tenant may be prepared to pay a certain level of rent to remain in occupation for personal reasons whereas the hypothetical tenant is bidding on the assumption that the Property is vacant and to let.
- 30. This is particularly relevant in this case as the Property is not in a state that would be attractive to the market and, in reality, it is unlikely that anyone able to fund their rent payments would choose to take a lease of this Property.
- 31. The most likely tenant would therefore be someone reliant upon financial support (i.e., Universal Credit) who would therefore bid in accordance with the level of Housing Allowance available to them. In the absence of anyone being likely to bid for the flat who would be able to use their own financial resources the market is effectively limited by the financial support available.
- 32. The position would be different if the Property and immediate locality was more attractive to self-funded tenants. As such, it is entirely possible that, if the Landlord refurbished the Property to a decent standard and the garden was cleared, there would be more bidders in the market who were not reliant on financial support and able to make more competitive bids.
- 33. The Rental evidence before the Tribunal comprises:
  - a. 2 bed converted flat in Alexandra Street advertised at £950 pm
  - b. 2 bed flat in Gordon Road advertised at £950 pm

- 34. The Landlord's proposed rent of £1,200 pm is self-evidently excessive when compared to this evidence and the Tribunal noted that the Landlord's agent did not submit any supporting evidence.
- 35. The Tribunal appreciates that the current rent is £895 pm but notes, from the evidence provided to it, that this is marginally in excess of the Tenant's housing allowance which begs the question as to the extent to which this rent reflected market reality bearing in mind that virtually the entirety of this rent was being paid through financial support.
- 36. As such, the Tribunal, notwithstanding the comments set out above, do not consider that it follows that the current rent should be higher than £895 pm merely because rents generally may have increased in the meantime as this approach would assume that the rent of £895 pm was a market rent.
- 37. Bearing these matters in mind, the Tribunal has reviewed all the evidence provided, relied upon its own expertise and knowledge of such matters and, having accounted for the state of the Property due to the Landlord's evident inactivity, determines the market rental of the Property to be £875 per month. The rent payable may not, therefore, exceed this figure. However, this does not prevent the Landlord from charging a lower figure.
- 38. This rent is to be effective from **16 March 2025**.

Name: Peter Roberts FRICS CEnv Date: 2 August 2025

## 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				The Tribunal members were				
29A High Street, Shoeburyness SS3 9AW					Mr P Roberts FRICS CEnv			
Landlord		D Strom						
Address		C/O Hopson Property Services 39 Alexandra Street, Essex, SS1 1BW						
Tenant		C Hadley						
1. The rent is: £	875	Per	month		(excluding water rates and council tax but including any amounts in paras 3)			
2. The date the decision takes effect is:					16 March 2025			
3. The amount included for services is					not applicable Per			
4. Date assured tenancy commenced					16 January 2021			
5. Length of the term or rental period					N/A			
6. Allocation of liability for 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 first floor flat in a converted period mid-terraced building providing one living room, two bedrooms, kitchen, bathroom and WC on split levels. Access is via the front door and staircase up from the ground floor lobby. The Property benefits from central heating and double glazing but lacks insulation. The kitchen fittings include a hob and oven but all other White Goods belong to the Tenant.								

Chairman	P Roberts	Date of Decision	2 August 2025
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