	FIRST - TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)
Case Reference	BIR/31UD/MNR/2026/0147
Property	No.2 Lodge Cottage (aka No.2 Vale Lodge), Rolleston Road, Leicester, LE7 9YD
Tenant	Mark Ferguson
Tenant's Representative	N/A
Landlord	Trustees of Major RB Collie's Will Trust
Landlord's Address	c/o Rural Insight Land & Development, 4 Burrough Court, Burrough-on-the-hill, Melton Mowbray, LE14 2QS
Landlord's Representative	Rural Insight Land & Development
Date of Application	31 May 2026
Type of Application	Determination of a Market Rent sections 13 & 14 of the Housing Act 1988
Tribunal Members	Judge Wendy Banks Tribunal Member Neil Atherton
Date of Decision	7 October 2026
Rent Determined	£950 pcm
Date the new rent takes effect	1 June 2026

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REASONS FOR THE DECISION

Background

1. On 30 April 2026, the Landlord served a notice under Section 13(2) of the Housing Act 1988 which proposed a new rent of £1,050.00 per calendar month (pcm) in place of the existing rent of £775 pcm to take effect from 1 June 2026.

2. On 31 May 2026, under Section 13(4)(a) of the Housing Act 1988, the Tenant referred the Landlord's notice proposing a new rent to the Tribunal for determination of a market rent.

3. The assured tenancy commenced on 10 July 2020 for a term of 12 months. The rental period is monthly.

Validity of Notice

4. The Tenant has ticked the box in his application that the Notice was invalid. He has then referred to an invalid section 21 Notice. He has not given any reasons why the section 13 Notice was invalid. As such, the Tribunal has considered the Notice and although determination of validity of a section 13 notice for a notice served prior to 1 May 2026 is within the remit of the County Court, the Tribunal is not of the opinion that the notice is invalid and determines that it does have jurisdiction to make a determination.

Allocation of Repairs between Landlord and Tenant.

5. As per section 11 of the Landlord and Tenant Act 1985.

Services Charges or furniture provided by Landlord (other than carpets and curtain and white goods specified below) and the costs relating to the same.

6. None

Liability for Council Tax

7. The Tenant is responsible for the payment of Council Tax in respect of the Property. The rent determined is exclusive of Council Tax.

Any other terms of the tenancy taken into consideration in determining the rent.

8. None

Inspection/Hearing

9. Neither party requested an oral hearing. The Tribunal has considered this case on the basis of the papers provided by the Applicant and its own knowledge and specialist expertise.

The Property

10. The Property is a semi-detached house in a rural setting just outside the village of Skeffington offering the following accommodation:

    2 bedrooms, bathroom, dining room, sitting room and a galley kitchen.

    Outside: Front and rear gardens and storage.

    The Property benefits from oil central heating, single glazed windows and carpets save for the kitchen and bathroom which, from the photographs provided by the Tenant appear to have linoleum flooring.

Evidence

11. The Landlord has not returned the response or submitted any evidence in opposition to the Application.

The Tenant.

12. The Tenant made the following comments:

13. The Tenant disputes the rent proposed in the landlord's notice dated 30 April 2026 and contends that it exceeds the market rent for the property in its current condition. He states that the tenancy commenced on 10 July 2020 as an assured shorthold tenancy and subsequently became a periodic tenancy. He says that the agreed arrangement from the outset included use of not only the cottage but also a stable, paddock and outbuilding/office, for which a combined monthly payment of £925 was made (£775 for the cottage and £150 for the stable and paddock arrangements). He argues that the landlord's proposed rent of £1,050

per month for the cottage alone, or £1,450 per month including the additional land and buildings, represents a substantial increase and an attempt to restructure the existing tenancy arrangements.

14. The Tenant maintains that the existing arrangements have continued throughout the tenancy and that he carried out works, with the landlord's knowledge and permission, to convert an outbuilding or garage into basic office accommodation at his own expense. He further states that there was an understanding that the rent initially charged reflected both the condition of the property and the expenditure he incurred in undertaking those works. He also notes that certain improvements promised by the landlord's agent, including external decoration and provision of additional parking, were never carried out.

15. The Tenant raises concerns regarding the description of the premises in the tenancy documentation and subsequent correspondence, referring variously to "No.2 Lodge Cottage", "No.2 Lodge Cottage (aka No.2 Vale Lodge)" and "No.2 Vale Lodge". He seeks clarification as to the premises and tenancy arrangements to which the notice relates. He further contends that the landlord has sought to replace the existing periodic tenancy with a new fixed-term tenancy of one year, requiring a higher deposit and different tenancy arrangements.

16. The Tenant also relies upon the condition of the property. He alleges longstanding disrepair, including a roof leak which persisted for several years, water damage, loose and missing plaster, a rotten window frame, unsafe paving, incomplete decoration, loose tiles within the shower cubicle and the absence of a current electrical installation condition report. He says that these defects were the subject of repeated complaints and requests for inspection, but were largely unresolved. In his submission, the current rent, or a figure close to it, more accurately reflects the market rental value of the property, together with the stable, paddock and office accommodation, having regard to its condition and amenities.

17. The Tenant additionally raises concerns regarding matters surrounding the service of a section 21 notice, the handling of the tenancy deposit and the authority of the individuals identified as trustees and the landlord's agent. He contends that the deposit was not lawfully repaid before service of the notice and questions whether the persons named as trustees remained in office at the relevant time. He acknowledges, however, that these matters are separate from the issue of rent determination before the Tribunal and these issues have therefore not been considered by the Tribunal.

18. In terms of rental evidence, the Tenant had provided an email from Lauren Coles at Osprey Property dated 27 May 2026. The Tribunal has not been provided with a copy of any other correspondence between the Tenant and Lauren Coles. The email suggests that a good condition two bed cottage is around £925 pcm

(ranging from £800). As there are no actual comparables provided, and the Tribunal does not know in what capacity Lauren Coles was instructed, the Tribunal gives little weight to this evidence.

The Landlord

19. The Landlord failed to reply to the Application or provide any evidence.

Determination and Valuation

20. The Tribunal has considered all of the evidence before it, including matters not expressly referred to in these reasons, and has given such weight to that evidence as it considers appropriate. The Tribunal notes that neither party provided meaningful comparable rental evidence. The Landlord chose not to participate in the proceedings and therefore provided no valuation evidence or comparables in support of the proposed increase. The Tribunal has therefore placed primary reliance upon its own expert knowledge and experience of rental values in the locality together with the evidence concerning the Property's condition and characteristics.

21. The Tribunal has considered the email from Osprey Property Lettings dated 12 January 2026. Whilst the email suggests a rental value in the region of £925 per calendar month, it does not identify any specific comparable properties, their location, accommodation, condition or the basis upon which the suggested rental range was derived. The Tribunal is therefore unable properly to assess its reliability and attaches limited weight to it. Nevertheless, the indication that a two-bedroom cottage in good condition might command a rent in the region of £925 per calendar month provides some broad contextual support for the Tribunal's assessment of the market.

22. Relying upon its own expert and general knowledge of rental values in rural Leicestershire, together with the limited evidence before it, the Tribunal considers that a two-bedroom semi-detached cottage in this rural location, if presented in a modernised condition and good state of repair, would be likely to achieve a rent in the region of £1,000 per calendar month on the open market. The Tribunal has had regard to the attractive rural setting of the Property, the benefit of gardens and storage, and the availability of oil-fired central heating. Against that, the Tribunal notes that the Property is relatively modest in size, contains a galley kitchen, has single glazing and lacks some of the features and specification commonly found within modern rental accommodation.

23. The Tenant provided a number of photographs showing what are said to be defects within the Property, including evidence of historic water ingress, damaged plaster, deterioration to a window frame, uneven external paving, incomplete decoration and dated bathroom fittings. The Landlord has not challenged those allegations or disputed the photographic evidence. Whilst the Tribunal is unable to determine from the photographs alone the full extent or cause of every issue identified by the Tenant, the photographs provide persuasive evidence that the Property is in a condition materially below that expected of a modernised rental property. The Tribunal is therefore satisfied that an adjustment from the rent of a fully modernised property is justified.

24. From this level of rent, the Tribunal has made adjustments in relation to the following:

    a. The generally dated and partially unmodernised nature of the Property, including single glazing and older fittings (£15 per calendar month);

    b. The disrepair and defects evidenced by the Tenant's photographs, including historic water damage, defective plasterwork, external deterioration and incomplete decoration (£25 per calendar month);

    c. Improvements carried out and funded by the Tenant, namely the conversion of the garage into office accommodation (£10 per calendar month).

25. The Tribunal accepts the Tenant's evidence, which is supported by contemporaneous correspondence, that he undertook works at his own expense to convert the garage into office accommodation and that those improvements were not funded by the Landlord. In accordance with established valuation principles, the Tenant should not pay rent attributable to improvements carried out at his own expense and a modest allowance is therefore made to reflect that factor.

26. The Tribunal therefore determines the market rent of the Property to be £950 per calendar month.

Market rent	£950 pcm

Undue hardship

27. The new rent takes effect from the date specified in the Landlord's Notice of Increase unless that would cause undue hardship to the tenant. In cases of undue hardship, the Tribunal has a discretion to fix a later starting date up to the date a Tribunal makes its determination.

28. The Tribunal accepts that any increase in rent is likely to have some impact upon a tenant's finances. However, a finding of undue hardship requires evidence enabling the Tribunal to assess the nature and extent of the hardship said to arise. The Tenant has provided no evidence concerning his income, expenditure, financial commitments or personal circumstances. Indeed, the Tenant indicated that he would be prepared to pay an increased rent and had proposed a figure higher than that ultimately determined by the Tribunal. In those circumstances, the Tribunal is not satisfied that the rent determined by the Tribunal taking effect from the date specified in the notice would cause undue hardship and accordingly sets the starting date for the new rent as set out in the Notice, 1 June 2026.

Decision

29. Therefore, the Tribunal determines the market rent at £950 pcm with effect from 1 June 2026.

APPEAL PROVISIONS

If either party is dissatisfied with this decision, they may apply for permission to appeal to the Upper Tribunal (Lands Chamber) on any point of law arising from this Decision. Prior to making such an appeal, an application must be made, in writing, to this Tribunal for permission to appeal. Any such application must be made within 28 days of the issue of this statement of reasons (regulation 52 (2) of The Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013) stating the grounds upon which it is intended to rely in the appeal.