

# FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference : CHI/00HG/MNR/2021/0127

77B Mannamead Road

Plymouth

Property : Devon

**PL3 4SX** 

Landlord : Mr T & Mrs L Searle

Representative : Martin & Co

Tenant : Mr A Breare

Representative : None

Type of Application : Determination of a Market Rent

sections 13 & 14 of the Housing Act

1988

Mr I R Perry BSc FRICS

Tribunal Members : Miss C D Barton BSc MRICS

Mr M C Woodrow MRICS

Date of Inspection : None. Paper determination

Date of Decision : 23<sup>rd</sup> December 2021

## **DECISION**

## **Summary of Decision**

1. On 23<sup>rd</sup> December 2021 the Tribunal determined a market rent of £550 per month to take effect from 27<sup>th</sup> November 2021.

## **Background**

- 2. 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.
- 3. On 6<sup>th</sup> October 2021 the Landlord served a notice under Section 13(2) of the Housing Act 1988 which proposed a new rent of £650 per month in place of the existing rent of £550 per month to take effect from 27<sup>th</sup> November 2021. The notice complied with the legal requirements.
- 4. On 29<sup>th</sup> October 2021 the Tenant applied to the Tribunal under Section 13(4) (a) of the Housing Act 1988.
- 5. The Coronavirus pandemic and considerations of health have caused a suspension of inspections and Tribunal hearings in person until further notice.
- 6. The Tribunal issued directions on 10<sup>th</sup> November 2021 informing the parties that the Tribunal intended to determine the rent based on written representations and that the Tribunal would view the property on the internet. The parties were invited to make submissions which could include photographs or videos.
- 7. The Tenant submitted papers and photographs by the specified date very clearly setting out his case and had copied the papers to the other party. No submissions were received from the Landlords or their Agent
- 8. No objection having been received from either party a Tribunal determined the case on 23rd December 2021 using video conferencing.

#### The Property

- 9. From the information given in the papers and available on the internet, the property comprises a first floor flat within a converted detached Victorian villa situated in a prime residential area, a Conservation Area, close to the centre of Plymouth.
- 10. Local amenities are within a reasonable distance of the property and there is a wide range of shopping, educational and cultural facilities in the City.
- 11. The accommodation is described as including a Living Room, Kitchen, Bedroom and Bathroom with WC. The Tenant states that there is off-street parking.
- 12. The property has gas-fired central heating and some double-glazed windows. The EPC for the property, level E, has expired.

#### **Submissions**

- 13. The initial tenancy began on 27<sup>th</sup> July 2018. Carpets, blinds and white goods, are included in the tenancy. A sofa, bed and a dining table with chairs are provided by the Landlord.
- 14. The Applicant's submission included useful photographs of the property and supported his statement about the general condition including rotten windows, water ingress, damp penetration, black mould growth, a faulty WC, dated kitchen and bathroom fittings and some unsafe electrical wiring.
- 15. The Tribunal noted that at paragraph 9.2.1 the original tenancy agreement provides for the rent to be reviewed annually, upwards only, in line with the RPI subject to a minimum of £5 per calendar month.

#### 16. 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.

## **Consideration and Valuation**

- 17. 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.
- 18. 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 Tenant are not relevant to this issue.
- 19. The Tribunal considered the rent review clause within the original agreement and decided that this did not, nor could it, override the Tribunal's jurisdiction to decide the rent in accordance with Sections 13 and 14 of the Housing Act 1988.
- 20. Having carefully considered the representations from the parties and associated correspondence and using its own judgment and knowledge of rental values in Plymouth, 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 £750 per month. This figure should be increased by £25 per month to reflect the Landlord's provision of the furniture, so that a full rent would be £775 per month.

- 21. However, the property is not in a condition that would command a rent of this level and several adjustments to reflect its condition should be made.
- 22. Using its experience the Tribunal decided that the following adjustments should apply:

| Disrepair including water penetration,    | £100 |
|---|------|
| dampness, mould growth and rotten windows |      |
| Dated kitchen                             | £75  |
| Dated bathroom                            | £50  |
|   |      |
| mom A I                                   | 0    |
| TOTAL                                     | £225 |

23. 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**

- 24. 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 £550 per month.
- 25. The Tribunal directed that the rent of £550 per month should take effect from  $27^{th}$  November 2021, 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 <a href="mailto:rpsouthern@justice.gov.uk">rpsouthern@justice.gov.uk</a> 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.