

# FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference : CHI/00HC/MNR/2021/0053

8 The Barrows

Weston-super-Mare

Property : Somerset

**BS22 8PA** 

Landlord : A & P Smith

Representative : None

Tenant : M & J Walker

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 : Mr M J Ayres FRICS

Mr J S Reichel BSc MRICS

Date of Inspection : None. Determined on papers

Date of Decision : 15th July 2021

### **DECISION**

## **Summary of Decision**

1. On 15<sup>th</sup> July 2021 the Tribunal determined a market rent of £750 per month to take effect from  $2^{nd}$  July 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 12<sup>th</sup> May 2021 the Landlord served a notice under Section 13(2) of the Housing Act 1988 which proposed a new rent of £775 per month in place of the existing rent of £700 per month to take effect from 2<sup>nd</sup> July 2021. The notice complied with the legal requirements.
- 4. On 25<sup>th</sup> May 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 3<sup>rd</sup> June 2021 informing the parties that the Tribunal intended to determine the rent based on written representations. The parties were invited to make submissions which could include photographs or videos.
- 7. Both parties submitted papers by the specified dates. The papers were also copied to the other party. A Tribunal was convened for 15<sup>th</sup> July 2021 using video conferencing.

### The Property

- 8. From the information given in the papers and available on the internet the property comprises an inner terraced house built about 30 years ago within a development of similar properties just over one mile from the beachfront within Weston-super-Mare.
- 9. The accommodation is described as including two bedrooms, an open plan living room/kitchen and a bathroom. Outside there is a garden and parking space.
- 10. Windows are double glazed, heating is from electric storage heaters and the Landlord provided carpets and cooker but no curtains or other white goods.
- 11. When the Tenancy began on 1st February 2015 the property was an end terrace house, but the Landlord obtained planning permission and has subsequently built an additional small house to the side using part of the land originally included with the property.

#### **Submissions**

- 12. The Tenants submitted an exchange of correspondence with the Landlord centred around the construction of the additional house which states that the builders used water and electricity from the Tenants. A partial refund of rent was made to reflect this.
- 13. The Tenants also say that they have lost their parking space and refer the Tribunal to the considerable disturbance from the building work over a period of time. They also lost an area of their garden that they had cultivated.
- 14. The Landlord submitted photographs showing a car parked in front of the property.
- 15. The Tenants also state that they have carried out some redecoration and refer to the dated kitchen and bathroom fittings.
- 16. The Tenants also refer the Tribunal to a comparable property in the road which was let at £700 per month.

#### 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. Whilst sympathetic to the disturbance caused by the construction of an additional house and the loss of garden area 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 as at the date of the Tribunal. The personal circumstances of the Landlord nor Tenant are not relevant to this issue.

- 19. Having carefully considered the representations from the parties and associated correspondence and using its own judgement and knowledge of rental values in Weston-super-Mare 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 £795 per month.
- 20. However, the property is not let in such condition as would be expected in the open market and adjustments should be made to reflect the Tenant's provision of curtains, the Tenant's provision of white goods other than a cooker and the dated fittings to Bathroom and Kitchen. Using its experience the Tribunal decided that the following adjustments should be made:

Tenant's provision of curtains	£10
Tenant's provision of white goods	£10
Dated fittings to kitchen and bathroom	£25
TOTAL DEDUCTION	£45

21. 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**

- 22. 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 £750 per month.
- 23. The Tribunal directed that the rent of £750 per month should take effect from  $2^{nd}$  July 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.