

FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference : CHI/00MS/MNR/2021/0109

18 Alder Road

Property : Southampton

Hampshire SO16 5EP

Landlord : Mr P Richards

Representative : None

Tenant : Miss C Delaney

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 S J Hodges FRICS

Mr J S Reichel BSc MRICS

Date of Inspection : None. Paper determination

Date of Decision : 22nd November 2021

DECISION

Summary of Decision

1. On 22nd November 2021 the Tribunal determined a market rent for the property of £750 per month to take effect from 16th September 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 15th August 2021 the Landlord served a notice under Section 13(2) of the Housing Act 1988 ("the Notice") which proposed a new rent of £890 per month in place of the existing rent of £700 per month to take effect from 16th September 2021. The Notice, which complied with the legal requirements, stated that the original tenancy started on 16th December 2013.
- 4. On 20th August 2021 the Tribunal received an application from the Tenant under Section 13(4) (a) of the Housing Act 1988. The application stated that the tenancy commenced on 16th December 2015, two years later than stated in the Notice, at a rent of £700 per month.
- 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 18th October 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 detailed papers by the specified dates, including a number of photographs. The papers were also copied to the other party. A Tribunal was arranged for 22nd November 2021 using video conferencing.

The Property

- 8. From the information given in the papers and available on the internet the property comprises a semi-detached house situated in an area of similar properties on the northern side of Southampton, within reach of day-to-day amenities.
- 9. The accommodation includes a Living Room, Kitchen, three Bedrooms and a Bathroom with WC. There are gardens to front and rear. The front garden has been cleared to allow two cars to park off-street but there is no dropped kerb. A resident's parking scheme operates in the area.

10. The property has central heating but no double glazing.

Submissions

- 11. The initial six-month tenancy agreement is dated 16^{th} September 2013 at a rent of £780 per month, at variance with the rent specified in the Notice and the Application.
- 12. The Landlord's submission states that carpets, white goods and curtains are provided, and includes photographs of when the new carpets were fitted at the start of the tenancy. He also states that the kitchen was refitted some twelve years ago and that the bathroom was refitted about ten years ago.
- 13. The Tenant's submission states that curtains are not included and that the only white goods provided is the built-in oven. She also refers to defects in the property including the poor standard of doors and windows, gutters, external decorations, dated kitchen, dampness, a cracked bath panel and overall poor insulation which leads to high energy costs. These comments are supported by photographs which also show severe cracking to some elements of the structure.
- 14. The Tenant has replaced a shower head and repaired rear and side fences. The Landlord states that he wishes to replace the doors and windows.
- 15. Both parties included details of comparable properties available to rent in the general area.

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

16. 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.

- 17. 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.
- 18. Having carefully considered the representations from the parties and associated correspondence and using its own judgement and knowledge of rental values in Southampton 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 £1,125 per month.
- 19. However, the property is not in a condition that would be expected in such a fresh open market letting and a number of adjustments should be made to reflect these factors.
- 20. Using its experience the Tribunal decided that the following adjustments should be made:

Tenant's provision of some white goods	£30
Dated carpets and provision of curtains	£20
Dated kitchen	£100
Dated bathroom	£50
Doors and windows/poor insulation	£75
General condition including external	
decoration and cracking	£100
TOTAL	£375

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 new rent of £750 per month should take effect from 16^{th} September 2021, this being the date specified in the Notice.
- 24. The Tribunal noted the disparity between the tenancy start dates contained within the original Notice and the tenant's application but concluded that this had no effect on the rent being decided.

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.