

FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference : CHI/18UC/MNR/2021/0125

1 Lyncombe Close

Exeter

Property : Devon

EX4 5EJ

Landlord : Dorrington Queensway Ltd

Representative : Savills

Tenant : Y & T Hammad

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 : Judge Tildesley OBE

Mr S J Hodges FRICS

Date of Inspection : None. Paper determination

Date of Decision : 22nd December 2021

DECISION

Summary of Decision

1. On 21st December 2021 the Tribunal determined a market rent of £940 per month to take effect from 1st December 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 4th October 2021 the Landlord served a notice under Section 13(2) of the Housing Act 1988 which proposed a new rent of £940 per month in place of the existing rent of £897 per month to take effect from 1st December 2021. The notice complied with the legal requirements.
- 4. On 26th October 2021 the Tribunal received an application from the Tenant 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 10th November 2021 informing the parties that, unless either party objected, 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 very clearly setting out their respective cases. The papers were also copied to the other party.
- 8. Neither party objected to the matter being determined without an oral hearing, so the Tribunal determined the case on 22nd December 2021 based on the written representations received.

The Property

- 9. From the information given in the papers and available on the internet the property comprises a semi-attached house in a residential area approximately one mile north-east of the centre of Exeter.
- 10. There are local shops and schools within a reasonable walking distance of the property and a full range of shopping and other amenities within Exeter itself.
- 11. The accommodation is described as including a Living/Dining Room, Kitchen and WC at ground level. At first floor level there are three Bedrooms and a Bathroom with WC.
- 12. The property has gas-fired central heating and double-glazed windows. Outside there is a Garden, Garage, and Off-Street Parking Space.

13. The tenancy Agreement provided to the Tribunal confirms the Tenant as being responsible for keeping the interior of the Property "in a good and clean condition and shall decorate all internal parts of the Property as frequently as is necessary to keep them in a good state of decoration."

Submissions

- 14. The initial tenancy began on 1st January 1998. The Landlord states that carpets and curtains are included but no white goods.
- 15. The Landlord refers the Tribunal to the recent letting of two properties in the same terrace let within the last six months, each for for £1,100 per month. The Landlord states that both these properties had been refurbished and suggests that the market rent for the subject property should be reduced from this figure by £160 per month to take account of it's condition. The Tribunal would have appreciated additional details of what the refurbishments had included together with some external photographs of the Property and the comparables provided.
- 16. The Applicant's response form describes issues inside the property with cracks to plasterwork and evidence of black mould growth due to dampness.
- 17. The Applicants also describe dated Kitchen and Bathroom fittings and threadbare carpets which are more than 30 years old. The Applicants provided helpful photographs of the interior of the Property in support of their response.
- 18. The Applicants also provided details of one comparable property available to let at an asking price of £895 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

19. 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.

- 20. 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.
- 21. Having carefully considered the representations from the parties and associated correspondence and using its own judgment and knowledge of rental values in Exeter 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 £1,200 per month.
- 22. However the Property is not in a condition that is usual for an open market letting and a number of adjustments to this open market rent need to be made. Using its experience the Tribunal decided that the following adjustments should be made:

Tenant's provision of white goods	£30
Tenant's provision of curtains	£10
Worn out/old carpets	£20
Dated kitchen	£100
Dated bathroom	£75
Tenant's liability for internal decoration, to	
include repairs to cracks and mould removal	£25
TOTAL	£260

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 £940 per month.
- 25. The Tribunal directed that the new rent of £940 per month should take effect from 1st December 2021, this being the date specified in the original 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 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.