



**FIRST-TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)**

Case Reference : **CHI/00HB/MNR/2021/0059**

Property : **28 Colston Road
Bristol
BS5 6AE**

Landlord : **Ms K Painter and Mr J Bowen**

Representative : **Seymour & Co (Bristol) Ltd**

Tenant : **Mr S Rines & Ms K Targett**

Representative : **None**

Type of Application : **Determination of a Market Rent
sections 13 & 14 of the Housing Act
1988**

Tribunal Members : **Mr I R Perry BSc FRICS
Mr S J Hodges FRICS
Mr J S Reichel BSc MRICS**

Date of Inspection : **None. Decided on papers**

Date of Decision : **29th July 2021**

DECISION

Summary of Decision

1. On 29th July 2021 the Tribunal determined a market rent of £830 per month for the property to take effect from 6th June 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 6th May 2021 the Landlord served a notice under Section 13(2) of the Housing Act 1988 which proposed a new rent of £1,150 per month in place of the existing rent of £700 per month to take effect from 6th June 2021. The notice complied with the legal requirements.
4. On 2nd June 2021 the Tribunal received an application via email 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 15th 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. On 30th June 2021 the Tribunal received an application from the Tenants for a stay of proceedings for a minimum period of not less than 14 weeks. The Landlord issued an objection to the postponement dated 1st July 2021.
8. On 7th July 2021 the Tribunal issued further Directions to the effect that the stay of proceedings is refused and that the Directions dated 15th June shall stand.
9. Both parties submitted papers which were copied to the other party. A Tribunal hearing was arranged for 29th July 2021 using video conferencing.

The Property

10. From the information given in the papers and available on the internet the property comprises an inner-terraced house in the Easton area of Bristol about one mile from the centre of the city. The front elevation is rendered, the roof is pitched and tiled.
11. The accommodation is described as including a Living/Dining Room, Kitchen, three Bedrooms, Bathroom and small Garden. There is no off-street parking.

Submissions

12. The Tribunal was provided with an unsigned tenancy agreement made on the 8th June 2017 for 12 months from 6th September 2018. At the end of the initial 12 months the Tenant could renew for six or twelve months or continue on a statutory periodic tenancy. The agreement also refers, at paragraph 1.7.3, to a start date of 1st July 2017.
13. The rent was £700 per month and the agreement states that if the tenancy continues as a periodic tenancy, then the rent shall increase by reference to the Retail Price Index.
14. The Tenants state that when the tenancy commenced, they agreed to carry out extensive cleaning and renovation and in recognition for this the Landlord would accept the agreed rent of £700 per month.
15. The Tribunal was given a comprehensive list of these works which included thorough cleaning, decoration, plumbing repairs, some carpentry, clearing gardens and some external decoration.
16. The Landlord states that he accepted a reduced rental from the Tenants on the basis that they would redecorate the property, but that reduction came to an end when the agreed period expired on 6th September 2020. This date is twenty-four months from the start date and not the twelve months contained within the unsigned agreement.
17. The Landlord's submission states that the property has central heating and double-glazing and carpets, curtains and white goods are all provided by the Landlord.
18. The Tenant states that the cooker was the only appliance provided by the Landlord and that other white goods were passed to them by a previous tenant, or they had purchased themselves. The Tenant confirms that carpets to the first floor are provided by the Landlord but not curtains nor carpets to the ground floor.
19. The Landlord provided some photographs showing repairs to the outside of the house. The Tenant provided photographs of the inside which shows the absence of carpets to the ground floor, decorations damaged by damp or water penetration, untidy pipework and cabling.

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

20. 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. The copy agreement provided to the Tribunal is assumed to cover the period 6th September 2018 to 5th September 2019.
21. 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 or Landlord are not relevant to this issue.
22. The parties agree that an initial reduced rent of £700 per month was accepted by the Landlord on the condition that the Tenants would carry out decoration and associated repairs or minor improvements to the property. Effectively they were paid by the Landlord to carry out the works so they do not now qualify as tenant's improvements.
23. That unsigned agreement submitted to the Tribunal was for twelve months which would have expired on 5th September 2019. That agreement has now run its course and the Landlord seeks an open market rent for the property in its present condition. The landlord states that the original agreement expired in September 2020.
24. The agreement provided suggests that it was for a twelve-month period. The Tribunal is satisfied that the Tenants have had the benefit of a reduced rent for at least twelve months as reimbursement for their time and expenses in bringing the property to its present condition.
25. Having carefully considered the representations from the parties and associated correspondence and using its own judgement and knowledge of rental values in Bristol 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 £1,250 per month.
26. However, from the evidence provided the property is not in such as good condition that would normally be expected to command such a rent and the Tribunal decided that several adjustments need to be made to reflect this. Further adjustments are justified to reflect the fact that the Landlord does not provide fittings that would be expected in an open market letting.
27. Using its experience in such matters the Tribunal decides that an adjustment of £50 per month should be made to reflect the Tenant's provision of white goods, £50 per month to reflect the absence of floor coverings at ground level and curtains throughout, £120 per month to reflect the standard of the Kitchen and £200 per month to reflect the overall standard of repair and damp issues.
28. In summary the Tribunal decided that the following adjustments should be made:

Tenant's provision of white goods	£50
Carpets and curtains	£50
Standard of kitchen	£120
General standard of repair and dampness	£200
TOTAL	<hr/> £420

29. 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

30. 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 £830 per month.
31. The Tribunal directed that the new rent of £830 per month should take effect from 6th June 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 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.