



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

Case Reference : **CAM/00JA/MNR/2019/0013**

Property : **100 Eaglesthorpe, New England, Peterborough,
Cambridgeshire PE1 3RS**

Applicant (Tenant) : **Ms Marianna Nemcova**

**Respondent (Landlord):
Agent** : **Mrs Sahida Shafi
Tenant Find**

Type of Application : **Determination of a market rent under
Section 13 of the Housing Act 1988**

Tribunal Members : **Judge JR Morris
Mrs M Wilcox BSc MRICS**

Date of Decision : **4th September 2019**

DECISION

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DECISION

1. The Tribunal determined a rent of £600.00 per calendar month to take effect from 22nd July 2019.

REASONS

THE PROPERTY

2. The Property is a terraced two storey house probably constructed in the 1990s of brick under a pitched tile roof. There is a timber oriel window to the front.

Accommodation

The Property comprises an entrance lobby which leads to a living room from which stairs rise to the first floor, and off which is a kitchen diner on the ground floor. On the first floor are three bedrooms (two double and one single) and a bathroom with w.c. There is a single garage to the side. There is a small garden area to the front and an enclosed garden to the rear.

Services

There is no space heating to the ground floor. There is a gas convector heater in each of the two larger bedrooms. Water heating is by a tank immersion heater. The Property has mains electricity, gas, water and drainage.

Furnishing

The Property is let unfurnished.

Location

The Property is in a residential area of similar properties on the edge of Peterborough city centre.

THE TENANCY

3. The Tenancy is a contractual Assured Shorthold Tenancy which commenced on 22nd November 2016. Section 11 of the Landlord and Tenant Act 1985 applies in respect of the Landlord's repairing obligations. A copy of the Tenancy Agreement was provided.

THE REFERRAL

4. The current rent is £620.00 per calendar month from 22nd December 2018. The Landlord by a notice in the prescribed form dated 14th June 2019 proposed a new rent of £750.00 per calendar month from 22nd July 2019. On 16th July 2019 the Tenant referred the notice proposing a new rent to the Tribunal. The referral was a determination after an inspection of the Property on consideration of written representations.

THE INSPECTION

5. The Tribunal inspected the Property in the presence of the Tenant.
6. Externally the house is in fair condition although the soffits and facias require redecoration. There are upvc double glazed windows and upvc doors. There is a small paved area to the front and an enclosed garden to the rear. The garden at the rear is bounded by a timber fence with access to a shared parking area in front of a garage block containing the Tenant's garage. The garage up and over door is broken and has had hinges and a bolt attached. The bolt is ineffective so the garage is not secure and the manner in which the hinges have been affixed make the door difficult to open. The contents comprise largely of items from the previous tenant which were not removed prior to letting to the current Tenant. The tenant cannot use it for a car and it is insecure for the possessions, e.g. her lawn mower, which she is currently storing there.
7. Internally the Property has been decorated by the Tenant. There is a fitted kitchen which is dated. The unit doors are ill fitting and the wall units do not match the floor units. There is no seal at the back of the sink unit causing water to run into the cupboard below. The cooker hood is noisy and the cooker socket has come away from the wall. No white goods are provided. The bathroom is basic with a shower controlled from the taps as opposed to an electric shower. There is a damp patch on the bathroom ceiling which appears to be due to ingress of water from the roof or guttering.

8. There is no heating on the ground floor, the gas fire in the living room being unsafe to use. The Tenant is therefore reliant on her own appliances in this part of the home. There are balanced flue gas convector heaters in each of the two double bedrooms. Both heaters are dated. The positioning of the furniture in the one bedroom is restricted due to the heaters being in the middle of the front wall. The third bedroom is very small and really only suitable for a child as there is barely room for a standard divan bed. The Tenant and Council justifiably refer to it as a box room. There are signs of mould growth around the windows resulting from condensation due to the lack of heating and an extractor fan in the bathroom.
9. The floor coverings, of laminate in the living room and bedrooms and carpet on the hall, stairs and landing, are provided by the Landlord and are in fair condition.

THE LAW

10. By virtue of section 14 (1) Housing Act 1988 the Tribunal is to determine a rent at which the dwelling-house concerned might reasonably be expected to be let in the open market by a willing landlord under an assured periodic tenancy-
 - (a) 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 rent) are the same as those of the subject Tenancy
11. By virtue of section 14 (2) Housing Act 1988 in making a determination the Tribunal shall disregard –
 - (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 (as defined by section 14(3) Housing Act 1988) carried out by a tenant otherwise than as an obligation; and
 - (c) any reduction in the value of the dwelling-house due to the failure of the Tenant to comply with any terms of the subject Tenancy.

REPRESENTATIONS

12. The Tenant made written representations saying that she had decorated the house because the previous occupier of six years smoked. She also replaced the basin tap in the bathroom and the front plastic bath panel.
13. The Tenant said that she moved into the property with her son although it was not in good condition because it was better than being homeless or living in a hostel. The rent was initially £563.00 per calendar month with a £300 deposit. She carried out some repairs, as mentioned. She replaced the cooker because it was defective. The rent was later increased to £620.00 per calendar month and a smoke detector and CO₂ detector were installed. There were inspections every 6 months at which she reported the damp problems and the low water pressure. The present landlord bought the Property on 4th April 2019 and has sought to increase the rent to £725.00 per calendar month.
14. The Tenant submitted that the rent increase was not justified because the third bedroom was a box room not a real bedroom and the house was in very poor condition. When they were built 28 years ago, they were classified as having 2 or

2/3 bedrooms. The third bedroom/box room is 195 cm x 180 cm. She said that she did not think any repairs or improvements had been made since.

15. The Tenant provided colour photographs showing corroded pipes around the immersion tank and under the sink unit and around the w.c. They also show areas of mould, and cracks in the plaster work which are not structurally significant but an irritation to tenants when decorating.
16. She said that her neighbour at 101 Eaglethorpe is renting exactly the same type of house in the same condition for £520 per calendar month. Her neighbour's house at 72 Ealgethorpe has the same size bedrooms but it has been renovated with central heating and her rent is £600.00 per calendar month. She submitted that the rental values in Eaglethorpe are in the region of £600 to £675.00 per calendar month. She provided an Internet photograph of a 2-bedroom terraced house in Eaglethorpe which had an asking rent of £600.00 per calendar month.
17. She added that she had been served with a section 21 Housing Act 1988 Notice to quit (a copy was provided).
18. The Landlord's Agent made written representations in which he said that the Landlord had only purchased the Property on 4th April 2019. The Agent confirmed that a Notice under section 21 Housing Act 1988 had been served.
19. The Agent said that the Landlord had received a letter in response to her application for selective licence. This said that the Council's initial inspection identified the following defects which required to be remedied without delay:
 1. The gas fire in the lounge is no longer in use since a gas safety inspection. There is no heating on the ground floor.
 2. The box room on the 1st floor has no heating.It was added that if they are not remedied by the time of a full inspection a statutory notice will be served to remedy them.
20. The Agent stated that the Landlord has confirmed that the works identified by the Council will be carried out.
21. The Agent provided rental values and brief internet details of three houses which were said to be comparable to the Property as follows:

Lincoln Road, unfurnished semi-detached offering two reception rooms, three bedrooms, family bathroom, kitchen, utility room and gas central heating with an asking rent of £775.00 per calendar month.

Burmer Road, recently refurbished and redecorated unfurnished 3-bedroom end of terrace house with two reception rooms, three good size bedrooms and gas central heating, double glazing and enclosed garden with an asking rent of £850.00 per calendar month.

Crown Street, unfurnished terraced house comprising entrance hall, reception room, dining room, kitchen and shower room, three independent bedrooms, central location, gas central heating, double glazing and a large garden with an asking rent of £760.00 per calendar month.

22. The Agent submitted that the rent of £750.00 was fair and reflected the market value.

DETERMINATION

23. The Tribunal determines a market rent for a property by reference to rental values generally and to the rental values for comparable properties in the locality in particular. The Tribunal does not take into account the present rent and the period of time which that rent has been charged nor does it take into account the percentage increase which the proposed rent represents to the existing rent.
24. In addition, the legislation makes it clear that the Tribunal cannot take into account the personal circumstances of either the Landlord or the Tenant. Therefore, the Tribunal did not take into account the health of the Tenant's son.
25. The Tribunal assessed a rent based on the condition of the Property as at the time of the inspection. Therefore, it did not take into account that the current landlord had only recently purchased the Property or that it was intended to carry out works in the future.
26. The Tribunal is only concerned with assessing a rent for the Property therefore it does not take into account the service of a Notice under section 21 Housing Act 1988.
27. The Tribunal considered the rental values submitted by the parties. With regard to the rents which the tenant said were paid by the tenants of 101 and 72 the Tribunal found there to be insufficient detail with regard to the type of letting or the condition of the property for them to be relied upon.
28. With regard to the three properties submitted by the Landlord's Agent the Tribunal found that they were of a different type (two were Victorian) and although indicating the general level of rents they were not specific to the Eaglethorpe area. They were also larger with gas central heating and at least one was newly refurbished and redecorated. The Tribunal found that these too could not be relied upon.
29. The Tribunal found that rents for houses in good condition with modern kitchen and bathroom, gas central heating and carpets and white goods in Eaglethorpe that had two bedrooms were in the region of £600 per calendar month and those that had three bedrooms in the region of £700.00 per calendar month. The third bedroom is particularly small in these houses compared with those in other estates or areas. Therefore, the Property in good condition and modern facilities would be £700.00 per calendar month.
30. However, the Tribunal found that the Property had a dated kitchen which was in poor condition with the cooker socket detached from the wall and no white goods provided. The bathroom is basic and there is no extractor, exacerbating the problem of condensation. There was no heating on the ground floor or in the third bedroom/box room. The fascia and soffits require redecoration and there appears to be ingress of water in the bathroom. The garage is unusable as a garage and is the equivalent of a garden shed. The Tribunal therefore made a deduction of £100.00 per calendar month (approximately 15%). It should be noted that this figure cannot be a simple arithmetical calculation and is not based specifically upon capital cost

but is the Tribunal's estimate of the amount by which the rent would have to be reduced to attract a tenant.

31. Therefore, the Tribunal determined that that the market rent for the Property in its present condition is **£600.00 per calendar month to take effect from the 22nd July 2019.**

Judge JR Morris

Caution: The Tribunal inspected the subject property for the purposes of reaching this decision. The inspection was not a structural survey and any comments about the condition of the property in this statement must not be relied upon as a guide to the structural or other condition of the property.

APPENDIX - RIGHTS OF APPEAL

1. If a party wishes to appeal the decision to the Upper Tribunal (Lands Chamber) then a written application for permission must be made to the First-tier Tribunal at the Regional office which has been dealing with the case.
2. The application for permission to appeal must arrive at the Regional office within 28 days after the Tribunal sends written reasons for the decision to the person making the application.
3. If the application is not made within the 28 day time limit, such application must include a request for an extension of time and the reason for not complying with the 28 day time limit; the Tribunal will then look at such reason(s) and decide whether to allow the application for permission to appeal to proceed despite not being within the time limit.
4. The application for permission to appeal must identify the decision of the Tribunal to which it relates (i.e. give the date, the property and the case number), state the grounds of appeal, and state the result the party making the application is seeking.