

FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case reference	:	CAM/00ME/MNR/2021/0002
HMCTS code	:	P: PAPERREMOTE
Property	:	74 Frances Road Windsor Berkshire SL4 3AJ
Applicant	:	Miss A Leverton
Respondent	:	Mr R Kirkman
Type of application	:	Section 14 of the Housing Act 1988 Determination of market rent payable.
Tribunal member(s)	:	Mary Hardman FRICS IRRV(Hons)
Date of decision	:	7 April 2021
DECISION		

Covid-19 pandemic: description of hearing

A. This has been a remote hearing on the papers which the parties are taken to have consented to, as explained below. The form of remote hearing was P:PAPERREMOTE. A face-to-face hearing was not held because it was not practicable and all issues could be determined on paper.

Decision:

1. The Tribunal determined a rent of **£1200** per calendar month to take effect from 7 April 2021.

Reasons

Background

- 2. The Landlord by a notice in the prescribed form dated 3 December 2020 proposed a new 'rent' of £1388 per calendar month to be effective from 25 January 2021. On 15 January 2021 the tenant referred the Notice to the Tribunal. This was in lieu of the previous rent of £95 per month.
- 3. No inspection took place due to measures introduced to combat the spread of the Coronavirus (COVID-19) and to protect the parties and the public, particularly those at risk.
- 4. Parties were requested to complete a pro forma supplying details of the accommodation on a room by room basis, the features of the property (central heating, white goods, double glazing, carpets and curtains) and other property attributes and any further comments that they may wish the tribunal to take into consideration. This could include any repairs and improvements that had been made, any comments on the condition of the property and rentals of similar properties should they wish to rely on these.
- 5. They were invited to include photographs and were informed that the Tribunal may use internet mapping applications to gather information about the location of the property and may inspect externally.
- 6. The determination would take place based on the submissions from both parties unless either party requested a hearing. No further evidence was submitted by the landlord or the tenant. There was no request for a hearing.

The Property

- 7. The property is a three-bedroom terraced house of traditional brick construction with a slate tiled roof.
- 8. The accommodation comprises a living room, dining room, kitchen and scullery and WC to the ground floor and three bedrooms and a bathroom (no WC) to the first floor.
- 9. There is central heating which was mainly funded by a government grant but which effectively belongs to the landlord. Carpets, curtains and white goods were provided by the tenant.
- 10. There is small garden to the front and a garden to the rear. There is no off-street parking parking being on street via resident's permit.

11. **The Tenancy**

- 12. The original Tenancy was to Miss Leverton's parents and commenced in 1967/1968. On the death of Mrs Leverton in October 2019 Miss Leverton, who had lived in the property with her mother, succeeded to an assured tenancy of the property. Section 11 of the Landlord and Tenant Act 1985 applies in respect of Landlord's repairing obligations.
- 13. As an assured tenancy the property is no longer subject to a registered rent.

The Law

- 14. 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
- 15. 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 – Tenant

- 16. Miss Leverton said that the kitchen was basic and provided a photograph which illustrated this.
- 17. The bathroom was small and had no shower or WC the WC being on the ground floor under the stairs.
- 18. There was visible damp to the ceiling of the utility room (scullery).
- 19. The house had no double glazing, many of the windows and doors being original resulting in drafts and heat loss.
- 20. The central heating was installed under the Warm Front scheme due to the age of the tenant and mostly funded by government grant.

- 21. Some of the plaster on the internal walls was defective and some of the walls felt soft and spongy.
- 22. Pointing to most of the brickwork was also defective.
- 23. The landlord usually travelled to the property in October for a week to do minor repairs. The tenants were not able to accommodate this in October 2018 due to previous commitments and the landlord had not visited the property since October 2017.
- 24. Miss Leverton did not provide any comment on the rental value or any comparable properties.

Representation – Landlord

- 25. The landlord engaged Kempton Croft, a firm of property consultants to provide a valuation report on the property in February 2020.
- 26. The report, which was undertaken by Rosalyn Neal, a Chartered Surveyor stated that the property was located around a third of a mile to the south east of Windsor town centre, although there were more local shopping facilities. The train stations were around three quarters of a mile away.
- 27. The property was around 125m², in fair condition but with the décor looking tired. A number of the walls were suffering from blown plaster and there were a number of differential cracks throughout the property. There was damp to the front bedroom and woodworm in the cupboard within the scullery. The kitchen was very basic and there was no first floor WC.
- 28. All windows required redecoration, repointing was required and there were signs of movement between the subject property and 72 Frances Road.
- 29. Ms Neal said in her report that the property was of an attractive style with a relatively large garden. However, the current state with no modern kitchen or bathroom facilities would impact on the desirability within the letting market. The quality of letting accommodation locally was of a high standard.
- 30. Her assessment as at January 2020 was that if the market rent based on refurbished accommodation was £1,800 per calendar month (pcm) and in its existing state was £1375 pcm. She believed that it would take 9-12 months to let in its existing state.
- 31. She provided 5 comparables of lettings of what she said were similar property . These were let from June 2019 to 'early' 2020 . They varied in size from slightly smaller to significantly larger. They were all

modernised and varied in letting rent from £1,650 to £2,000 pcm and an asking rent in January 2020 at £1,500 pcm for a smaller property in a location which the valuer judged to be an inferior but quieter location.

32. She also provided three comparables with rents registered by the rent officer in 2018, two of which were on Frances Road. The rents on these properties ranged from \pounds 750pcm to \pounds 1157 pcm.

Determination

- 33. 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. It 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.
- 34. In addition, the legislation makes it clear that the Tribunal cannot take into account the personal circumstances of either the landlord or the tenant.
- 35. The Tribunal assesses a rent for the Property as it is on the day of the determination/hearing disregarding any improvements made by the tenant but taking into account the impact on rental value of any disrepair which is not due to a failure of the tenant to comply with the terms of the tenancy.
- 36. This is a property requiring some considerable updating to be attractive to the rental market but situated in a desirable position in a well-regarded location.
- 37. The Tribunal found the valuation and the letting comparables provided by Ms Neal helpful. The registered rent comparables less so due to the definition of what constitutes a fair rent and the likelihood of the rent passing having been limited to the Maximum Fair Rent on review .
- 38. The tribunal regards the rental value after refurbishment of £1800 to be a reasonable representation of what the property might achieve after a considerable amount of money has been spent on it.
- 39. It also does not necessarily disagree that after a period of 9-12 months a rent of £1388 may be achieved for it in its existing condition.
- 40. However, such a period of marketing is not a reasonable assumption when arriving at the price which the dwelling-house concerned might reasonably expect to be let in the open market by a willing landlord under an assured tenancy and subject to the assumptions set out in s14 of the Housing Act 1988.

- 41. The valuation date was also during the third COVID-19 lockdown and whilst official statistics are not yet published for January 2021 the rental market had slowed over 2020, particularly in London but also in England generally.
- 42. On this basis the tribunal believes that the rental value for the property in its existing condition would be in the region of **£1200 per month**.
- 43. Section 14(7) of the Housing Act 1988 gives the tribunal discretion to determine the date of the rent where backdating the rent to the beginning of the new period specified in the notice would cause undue hardship to the tenant. The tribunal, having reviewed the submission of the tenant is satisfied that this would be the case and the rent of £1200 per month takes effect from 7 **April 2021**, the date of this decision.

Mary Hardman FRICS IRRV(Hons) Regional Surveyor

Rights of appeal

By rule 36(2) of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013, the tribunal is required to notify the parties about any right of appeal they may have.

If a party wishes to appeal this 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.

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.

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.

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.

If the tribunal refuses to grant permission to appeal, a further application for permission may be made to the Upper Tribunal (Lands Chamber).