

FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case reference : CAM/22UK/MNR/2020/0026

HMCTS code : A:BTMMREMOTE

Property : 22 Hillside Road, Burnham on Crouch Egger CMo SEV

Crouch Essex CMo 8EY

Applicant: Darren Purdy and Caroline Purdy

Respondent : Andrea Marks

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 hearing : 8 February 2021

Date of decision 1 March 2021

:

DECISION

Covid-19 pandemic: description of hearing

This has been a remote [audio] hearing which has been consented to by the parties. A face-to-face hearing was not held because it was not practicable and all issues could be determined in a remote hearing. The documents that I was referred to are in individual bundles produced by the Applicant and the Respondent. I have noted the contents and my decision is below.

Decision:

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

Reasons

Background

- 2. The Landlord by a notice in the prescribed form dated 1 September 2020 proposed a new 'rent' of £1400 per calendar month to be effective from 3 October 2020. On 1 October 2020 the tenant referred the Notice to the Tribunal. This was in lieu of the previous rent of £1000 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. Further evidence together with photographs was submitted by both the landlord and the tenant. The landlord requested a hearing.

The Property

- 7. The property is a two-bedroom bungalow with rendered walls and a tiled roof.
- 8. The accommodation comprises a living room, kitchen, two bedrooms and a bathroom/wc.
- 9. There is central heating and double glazing which was installed by the landlord.
- 10. The white goods were provided by the landlord. The carpets and some of the curtains were also provided by the landlord.
- 11. There is a garden to the front and rear and off-road parking

The Tenancy

12. The Tenancy commenced as a contractual Assured Shorthold Tenancy for a fixed term of 12 months from 3 June 2016. A copy of the agreement dated 3 June 2016 was provided. From 3 June 2017 a statutory tenancy on the terms of the written agreement appears to have arisen. Section 11 of the Landlord and Tenant Act 1985 applies in respect of Landlord's repairing obligations

The Law

- 13. 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
- 14. 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

- 15. Mrs Purdy said that she did not believe that the property was worth £1400. It was very old dating from the 1960's and not modernised.
- 16. It had an old bathroom suite with a tin bath. There was no shower just a rubber pipe on the water taps and the sink was cracked. There was a problem with drainage and they sometimes got sewerage water coming into the bath.
- 17. She said double glazing had been installed and a replacement kitchen. Installation of the kitchen had damaged the lino
- 18. There was damp in both bedroom. This was due to the previous windows as condensation from the windows used to run down the walls and caused mould.

- 19. There was no gas fire in the living room as it had been capped off
- 20. There was a double garage but they did not have access to much of it only enough space to store the lawn mower. The garden was big but she felt it didn't hold any value and they could not get a car on the drive so there was no onsite parking.
- 21. They had painted much of the property
- 22. She had not provided any evidence of comparables but said that the most expensive property she had seen was £1300 per month and had everything together with an annex.

Representation – Landlord

- 23. Mrs Marks, representing the landlords Stephen and Pamela Marks, said that they had spent £20,000 on the property. They had installed double glazing, new soffits and guttering, repainted the exterior and installed a new kitchen and appliances.
- 24. The property had been re carpeted in 2016 and the lino was new.
- 25. The electricity supply had been upgraded and the property fully insulated with new loft insulation.
- 26. They had plans to do further work but the COVID situation had caused delays.
- 27. She accepted that there were some small items that needed attention but they were generally cosmetic and everything was fully functional. The fire in the living room was condemned but the heating was in working order.
- 28. The damp in the bedrooms was due she thought to the tenants' refusal to adequately vent the property and remove items that were against the walls
- 29. She accepted that there currently wasn't room to put a car in the garage but there was storage space.
- 30. She did not accept that there was no onsite parking and said that it was possible to get 4 cars on the drive.
- 31. She felt that the rental market in Burnham had boomed. It was close to the shops, sea front, amenities and station with direct link to London. There was nothing similar available on the market, the property was incomparable and rental properties got snapped up quickly. She had taken advice from a local agent in setting the rental figure but did not have that advice in writing.

32. On serving the s13 notice Mrs Marks had send Mr and Mrs Purdy two properties for rent in the area but she did not refer to them at the hearing nor in her written evidence.

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. In addition, the legislation makes it clear that the Tribunal cannot take into account the personal circumstances of either the landlord or the tenant.
- 34. The Tribunal assesses a rent for the Property as it is on the day of the 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.
- 35. In this case the landlord has referred to work which they propose to do to include a dropped kerb, block paving to the driveway and a new bathroom and flooring. This has also been disregarded as not in place at the valuation date.
- 36. The Tribunal needs then to consider whether this need adjusting to reflect any disrepair or any other defects which were the responsibility of the tenant or his predecessor in title to remedy and also any improvements which the tenant has carried out.
- 37. The tribunal has been provided with little evidence on which to make its decision. Therefore, it is required to use its skill and knowledge and in doing so the tribunal determines that the market rent for the property in good condition is £1250 per month.
- 38. The Tribunal then needs to consider whether this need adjusting to reflect any improvements made by the tenant and any 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. The property is generally in good condition. However, the bathroom needs some refurbishment and this would be likely to affect the rental value. On this basis the tribunal makes an adjustment of £50 per month to arrive at a market rent for the subject property of £1200 per month. It has not adjusted for the damp as this should be remediable, although if the walls have become very wet this might need the use of a dehumidifier as well as ongoing ventilation.
- 39. 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 1 March 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).