

FIRST - TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference : CAM/38UB/MNR/2021/0057

Property : 75, Willow Road, Ambrosden, Bicester OX25

2RT

Applicant (Tenant) : Ms Alyson Clifton

Respondent (Landlord): Ms Vicky Clarke

Type of Application : Determination of a market rent under

Section 13 of the Housing Act 1988

Tribunal Members : Judge JR Morris

Date of Decision : 13th December 2021

DECISION

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DECISION

1. The Tribunal determined a rent of £1,100.00 per calendar month to take effect from 7th October 2021.

REASONS

THE PROPERTY

2. The Property is a modern semi-detached two storey house with brick elevations under a pitched tile roof constructed. The windows and doors are upvc with double glazed units. The rainwater goods are upvc. There is designated on street parking in bays. There is a small gravelled garden to the front, an enclosed garden at the back of the house which has rear access.

<u>Accommodation</u>

The Property comprises an entrance hall, w.c., living room ($16'2'' \times 15'4''/4.9 \times 4.67 \text{ m}$), kitchen/diner ($9'11'' \times 8'7''/3.02 \times 2.62 \text{ m}$), three bedrooms ($14'1'' \times 9'6''/4.29 \times 2.90 \text{ m}$ (less area of ensuite); $10'1'' \times 8'6''/3.07 \times 2.59 \text{ m}$; $7'11'' \times 6'4''/2.41 \times 1.93 \text{ m}$) and a bathroom. The largest bedroom has an ensuite. There is a conservatory which is adjacent to the living room which is only accessed by an external door.

Services

Space and water heating is by a gas fired central heating system. The Property has mains electricity, gas, water and drainage.

Furnishing

The Property is let unfurnished. Carpets curtains and white goods are provided.

Location

The Property is situated in a residential estate near to an open area in a village about 8 miles from Bicester where there is a range of amenities.

THE TENANCY

3. The Tenancy commenced as a periodic Assured Shorthold Tenancy on 7th April 2014. Section 11 of the Landlord and Tenant Act 1985 applies in respect of the Landlord's repairing obligations.

THE REFERRAL

- 4. The current rent is £950.00 per calendar month. By a notice in the prescribed form dated 6th September 2021 the Landlord proposed a new rent of £1,250.00 per calendar month from 7th October 2021.
- 5. On 29th September 2021 the Tenant referred the notice proposing a new rent to the Tribunal. Directions dated 14th October 2021 were issued informing the parties that due to Public Health England's advice the Tribunal did not intend to hold an oral hearing unless a request was made by 4th November 2021. Neither party made a request for a hearing and both parties completed the Reply Form attached to the Directions and provided photographs. The Tenant requested an inspection which took place on 13th December 2021.

THE LAW

- 6. The relevant law is in section 14 of the Housing Act 1988 which is summarised below.
- 7. 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
- 8. 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.
- 9. Nothing in section 14 affects the right of the landlord and the tenant under an assured tenancy to vary by agreement any term of the tenancy (including a term relating to rent).

CONDITION

- 10. The Tribunal inspected the Property on 13th December 2021. The Tribunal Judge and the Tenant carried out a risk assessment prior to the inspection.
- 11. The Property has a modern fitted kitchen. There is an integrated oven, hob and cooker hood and a free-standing washing machine. The original integrated fridge/freezer has been replaced and positioned behind the unit door where the original unit was located. Unfortunately, the doors of the unit housing the replacement fridge freezer do not correspond to the doors of the fridge/freezer. The doors of the unit open one way and the doors of the fridge/freezer open the other, making the fridge freezer difficult to access. There is an integrated dishwasher but this no longer works.
- 12. There is a modern downstairs w.c and wash hand basin off the hall. The bathroom is modern. However, the spray attachment to the taps is in poor condition and there is no screen or fixing to enable it to be used as shower. The ensuite to the largest bedroom is modern with a shower cubicle, w.c. and small wash hand basin.
- 13. There is a double bedroom and single bedroom and a very small single bedroom which is only large enough to take a bed and bedside cabinet.
- 14. There are some watermarks on the ceiling of the living room from an earlier leak in the ensuite. The use of the conservatory is limited by only being accessed externally. It is situated over and to some extent obscures the light to the living room window.

REPRESENTATIONS

- 15. The Tenant made written representations.
- 16. The Tenant said that the Landlord had committed lots of misdemeanours during the 7.5 years of the Tenancy. The Tenant alleged that:
 - The deposit had not been paid into a deposit scheme.
 - No gas or electricity safety checks had been carried out until the house was put on the market earlier in the year.
 - The Property had never been inspected to identify any disrepair and that since she had started to live at the Property there had been a lot of problems that needed to be remedied.
- 17. The Tenant said that:
 - She had had all the rooms in the house, except one, updated and/or decorated.
 - The fridge freezer failed in November 2020 and this was not remedied until after Christmas. It was replaced with a second-hand fridge freezer which fits into the aperture for the previous integrated model but the outer door has to be opened before the fridge door itself is open.

- 18. The Tenant submitted that the increase in rent was excessive and referred the Tribunal to a letter she had sent to the Landlord on receipt of the Notice of Increase in rent. In this the tenant said she had had a lengthy meeting with the Citizen's Advice Bureau. During her meeting three letting agents in Bicester were contacted who said the going rate for similar properties is between £1,100.00 and £1,250.00 per calendar month in Bicester and that there were very few properties in Ambrosden to rent. In addition, the Tenant said that when a property is let thorough an agent the rent includes the agent's monthly management fee which is 15% plus VAT (£187.50 and £37.50) which equates to £225.00. Therefore, because the Landlord does not use a manager the rent of £1,250.00 should be reduced to £1,025.00.
- 19. The Tenant said that she had offered to pay an increased rent of £1,025.00.
- 20. The Tenant also referred the to a Notice Seeking Possession of a Property Let on an Assured Shorthold Tenancy pursuant to Section 21 of the Housing Act 1988 as amended. This is not within the jurisdiction of the Tribunal whose sole task it is to assess a market rent for the Property.
- 21. The Landlord made written representations.
- 22. She said that her husband had been made redundant in October 2020 and due to ill health has been unable to work. She said they wanted to sell the Property and did receive an offer which has since been withdrawn as the Tenant will not leave without a section 21 notice which they could not afford to serve.
- 23. Photographs were provided which the Landlord said had been taken on the day that the tenancy was signed and showed the house to be in immaculate condition when it was let.
- 24. The Landlord also enclosed two quotations from local letting agents as an example of rental prices in the area as follows:
 - Barton Fleming Lettings stated in an email dated 5^{th} August 2021 that in the current market condition they were confident that if the Property came to the market is would achieve a rental figure of £1,250.00 per calendar month as the property has a conservatory and an ensuite shower room which would provide an attractive proposition to a potential tenant.
 - Chancellors stated in an email dated 5^{th} August 2021 that the amount the Landlord would receive on rent for the Property would be £1,250.00 per calendar month
- The Landlord also referred the Tribunal to a semi-detached two-bedroom house in Ploughley Lane, Ambrosden advertised on the Rightmove internet site to rent at £1,100 per calendar month, which the Landlord submitted was a comparable property. This was found to have a hallway, reception room (19'11" x 10'11"/6.07 x 3.33 m), kitchen (11'8" x 7'11"/3.56 x 2.42 m) with utility room (12'10" x 9'11"/3.91 x 3.02 m) on the ground floor and two bedrooms (11'4" x 8'11"/3.45 x 2.72 m & 14'10" x 10'6"/4.52 x 3.20 m) and a bathroom on the first floor. The garden was said to be 68'8" x 28"2'/8.58 x 20.97 m which is larger than that of the Property. There is also a garage in a separate block. The house was of a similar style of construction with a

modern fitted kitchen and bathroom. The house was also in a similar location as the Property although on what was likely to be a fairly busy road with a bus route and school nearby.

DETERMINATION

- 26. 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. A market rent is common to comparable properties, adjusted according to condition. The Tribunal does not make any adjustment for any overheads that may be incurred by a landlord or a managing agent, if employed, or for costs regarding safety checks and maintenance which are incurred by all landlords or mortgage payments which are specific to an individual landlord. The Tribunal also does not take into account the present rent or 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.
- 27. The Tribunal must not take into account the personal circumstances of either the landlord or the tenant. Therefore, the Tribunal cannot take into account the Landlord's health, employment position or intention to sell the property.
- 28. In addition, the Tribunal does not have jurisdiction to determine any other issue such as whether the Landlord has complied with legislation relating to a deposit, gas or electricity safety inspections or served a notice of possession. Nor can the Tribunal take such compliance into account when assessing the rent.
- 29. The Tribunal assessed a rent based on the condition of the Property as at the time of the determination. Therefore, it did not take into account disrepair that had been remedied by the Landlord or that the Landlord intended to remedy in the future.
- 30. The Tribunal firstly considered the comparable evidence adduced by the parties. It found the evidence adduced by the Tenant to be a good guide to rents generally in the area. Notwithstanding that they related to Bicester the opinion of the three letting agents that a rent for a similar property is between £1,100.00 and £1,250.00 per calendar month. This was in line with the opinion of the agents consulted by the landlord who had, on the landlord's description, adopted the rent attributed to the upper end of the range.
- The Tribunal found that the most helpful evidence was that of the semi-detached 31. two-bedroom house in Ploughley Lane, Ambrosden. The Ploughley Lane house had a larger ground floor area than the Property. The living room and kitchen of each is about the same size but the Ploughley Lane house had the advantage of a large utility room. Balanced against this is the Property's downstairs cloakroom. The Tribunal did not consider that the conservatory would be attractive to a prospective tenant due to it only being accessed externally. Also, in spite of the conservatory being glazed, its position reduced the light in the living room. The Tribunal questioned whether the agents consulted by the landlord were aware of the positioning of the conservatory when they gave their opinion. The Ploughley Lane house only had two bedrooms and a bathroom whereas the Property has three bedrooms, one with an ensuite, and a bathroom. This would make the Property attractive to the prospective tenant although the two bedrooms of the Ploughlev Lane house are, from the measurements, better proportioned than the three bedrooms of the Property.

- 32. Both the Property and the Ploughley Lane house appeared to be of similar construction although the Property was probably built more recently. From the photographs the kitchens looked to be of similar size and although similarly appointed the Property showed signs of wear as noted at the inspection.
- 33. Externally from the dimensions provided of the Ploughley Lane house the garden was significantly larger than that of the Property. In addition, the Ploughley Lane house had a garage.
- 34. Although each house might attract a different type of tenant, on balance the Tribunal determined that despite their differences they would each achieve the same market rent.
- 35. The Tribunal determined that a market rent for the Property in its present condition is £1,100.00 per calendar month to take effect on 7th October 2021.

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.