

FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference	:	BIR/37 UC/MNR/2018/0064
Property	:	4 Aspen Court, Tuxford Nottinghamshire NG22 oQB
Landlord	:	Mrs J Murray
Tenant	:	Mrs B Moore
Type of Application:		Determination of a market rent under The Housing Act 1988 Section 14
Tribunal Members	:	Mrs Anthea J Rawlence MRICS (Chair) Mrs Kay Bentley
Date of Decision	:	5 February 2019

STATEMENT OF REASONS

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Background

1. This is an application received 18 December 2018 to the First-tier Tribunal – Property Chamber by the Tenant of the above property Mrs B Moore under section 13(4) of the Housing Act 1988 ("the Act"), referring a notice served on her by the Landlord Mrs J Murray, proposing a new rent of £800.00 per calendar month in place of the existing rent of £630.00 per calendar month.

2. The Landlord's notice was dated 28 November 2018 and the date inserted in the notice for the commencement of the new rent was 1 January 2019.

3. The tenancy under which Mrs Moore occupies the property is a periodic tenancy which commenced on 1 March 2004.

Inspection

4. The Tribunal inspected the Property on 5 February. The Tribunal were accompanied by the Tenant and, at the Tenant's request, the Landlord was not present.

5. The property was constructed of brick under a tile roof. The property had double glazed windows.

6. The property was a four bedroom detached house with integral garage. The accommodation provided Hall, Living Room, Kitchen, Sitting Room and Ground floor WC; at the First floor Master Bedroom with ensuite shower, two Double Bedrooms, one Single Bedroom and a Family Bathroom.

7. Central heating was provided by Nightstor 100 electric boiler.

8. The white goods were provided by the Tenant. The Tenant had also provided all the furniture, curtains and carpets.

9. The Property had gardens at the front, to one side and at the rear. At the front was hardstanding for one car.

10. The Tribunal noted the following items of disrepair:

Water ingress to the Hall from the ensuite shower Loose light fitting in the Kitchen Loose pipe under bath in Family Bathroom which had led to damp in the Sitting Room in 2018 Two loose window sills Cracking to ceilings Defective mortar to lead flashing on Ground Floor bay window

Tenant's improvements

11. The Tenant had carried out the following improvements:

Extra panels to shower Fitted wardrobe in Master Bedroom Part boarded attic Partial fencing Shed Three coal bunkers Outside tap Paving slabs

Landlord's written representations

12. The Landlord's representations, dated 14 January 2019, stated that she had bought the property in June 2018 and when she received a copy of the tenancy agreement it stated that the rent on the property could be increased to market value. She researched neighbouring properties using Zoopla and provided the print outs. From these, she determined a market rent of £800 per calendar month

13. The Landlord also stated that, on inspection of the property on 3 January 2019, a number of issues were noted, and these were listed in her letter to the Tenant dated 5 January 2019, which was included in her bundle.

Tenant's written representations

14. The Tenant's representations dated 11 January 219 stated there were a number of outstanding works and upgrades required at the property. The property was unfurnished, and the Tenant had provided white goods, curtains and carpets.

15. She further noted the Zoopla estimates of rental values for neighbouring properties but pointed out that none of these were available to rent; they were all owner occupied and had undergone extensive refurbishment.

16. Details were provided of six properties available to rent in the local area including a four bedroom property town house in Tuxford that had electric heating, dining Kitchen, Utility Room and cloak room with lounge and at first floor four bedrooms, one ensuite. To the rear was a small garden and a carport and garage. The asking rent was $\pounds 650$ per calendar month with a deposit of $\pounds 800$.

The Law

17. In accordance with the terms of section 14 of the Housing Act 1988 the Tribunal proceeded to determine the rent at which it considered that the subject property might reasonably be expected to let on the open market by a willing Landlord under an assured tenancy.

18. In so doing the Tribunal, as required by section 14(1) ignored the effect on the rental value of any relevant Tenant's improvements as defined in section 14 (2) of that Act.

The Decision

19. The Tribunal's decision was sent to both parties.

20. By letter dated 25 February 2019, the Tenant asked for detailed reasons for the Tribunal's decision.

Reasons for the Decision

21. In the first instance the Tribunal determined what rent the Landlord could reasonably be expected to obtain for the property in the open market if it were let today in the condition that is considered usual for such an open market letting. It did this by having regard to the evidence supplied by the Tenant, which included a four bedroom town house smaller than the subject property with shared access to garages at the rear, and the Tribunal's own general knowledge of market rent levels. The Tribunal concluded that such a likely market rent would be £800.00 per calendar month.

22. However, the actual property is not in the condition considered usual for a modern letting at a market rent. Therefore, it was necessary to adjust that hypothetical rent of £800.00 per calendar month to allow for the differences between the condition considered usual for such a letting and the condition of the actual property as observed by the Tribunal (disregarding the effect of any disrepair or other defect attributable to the Tenant or any predecessor in title). The Tribunal considered that this required a deduction of £50 per calendar month in respect of the carpets, curtains and white goods which were provided by the Tenant. Further deductions were made for the dated electric heating system, the Tenant's improvements and items of disrepair being a total of £35 per calendar month.

23. The Tribunal therefore concluded that the rent at which the property might reasonably be expected to be let on the open market would be \pounds 715 per calendar month.

24. This rent will take effect from 5 February being the date of the First-tier Tribunal's decision.

25. If either party is dissatisfied with this decision, they may apply for permission to appeal to the Upper Tribunal (Lands Chamber), on a point of law only. Any such application must be made to the First-tier Tribunal within 28 days of this decision (Rule 52 (2) of The Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013.

Anthea J Rawlence Chair