

FIRST - TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference	:	CHI/00HY/MNR/2020/0082
Property	:	Lertolwell Cottage, Latton, Swindon, SN6 6DH
Applicant	:	Mr D McLaughin (Tenant)
Respondent	:	Farmcare Trading (landlord) c/o Bidwells
Date of Application	:	Received 27th October 2020
Type of Application	:	Sections 13 and 14 of the Housing Act 1988
Tribunal	:	Mr R T Brown FRICS Ms C D Barton BSc MRICS Mr M J F Donaldson FRICS
Date	:	4th January 2021

REASONS FOR DECISION

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Background

- 1. The Tribunal gave formal notice of its decision by a Notice dated 4th January 2021 the sum of **£800.00 per calendar month**.
- 2. By an application received on 27th October 2020, the tenant of the above property referred a notice of increase in rent served by the landlord under section 13 of the Housing Act 1988 to the Tribunal.
- 3. The landlord's notice dated the 20th September 2020 proposed a rent of **£1,000.00 per calendar month** with effect from 1st November 2020, in place of the current rent of £710.00 per calendar month.
- 4. The application form states the tenancy is an assured agricultural tenancy. No tenancy agreement was provided by either of the parties and accordingly the Tribunal assumes this tenancy is subject to the Landlord's repairing obligations defined in Section 11 the Landlord and Tenant Act 1985.

Property and Inspection

- 5. Following the Directions dated 16th June 2020 and the explanation contained therein, the Tribunal did not inspect the premises.
- 6. Extracting such information as it could from the papers supplied to the Tribunal by the parties, by reference to information publicly available on the internet and with the benefit of its knowledge and experience the Tribunal reached **the following conclusions and found as follows:**
- 7. The property is located along a track some 300 metres from the main A419 dual carriageway.
- 8. The property comprises a detached house.
- 9. The accommodation comprises: Living Room, Kitchen, Bathroom, w.c, 4 Bedrooms, Office.
- 10. There are gardens and double garage (no doors).
- 11. No specific information was provided to the Tribunal with regard to the supply of utilities. In the absence of any other information the Tribunal has assumed that mains, water, electricity and drainage to be connected. It is not clear from the papers submitted whether the gas is supplied by cylinder or mains. There is oil central heating to radiators.

Hearing

12. A hearing was not requested.

Documents supplied to and considered by the Tribunal

- 13. Tribunal Directions dated 16th June 2020.
- 14. Landlord: Tribunal Reply Form, witness statement.
- 15. Tenant: Application and Reply Form.

16. Landlord: Agent's submission and attachments.

Landlord's Representations

17. The Landlord's agent in a letter to the Tribunal (copied to the tenant) refers to three comparables:

4 Rectory Lane Cricklade: 3 bedroom, 3 reception rooms detached house with off road parking at a rent of £1,200.00 per calendar month from 1st January 2020.

Forge Cottage, Cerney Wick: 4 bedrooms, village location wood burner rear garden and road frontage at rent of \pounds 1,600.00 per calendar month from 23rd September 2020.

16a Manor Cottage, just off Cirencester Road: 3 bedroom cottage refurbished in recent years. Part of the same estate let from 24th August 2020 £1,740.00 per calendar month.

- 18. The agents say they have experienced a strong demand since March and the outbreak of Covid 19 for rural residential properties with outdoor space. This had led to higher increase in rental levels.
- 19. Work carried out to the property in recent years includes: Easy access bath 2016, replacement porch 2016, new central heating boiler 2018, draft proofing and LED lighting 2018 and repairs to basin 2018.

Tenant's Representations

- 20. In the application and the Reply Form the Tenant said he had to replace the solid fuel boiler (hot water and central heating) at his own expense with an oil fired system. Further he had repaired the access road at a cost of £3,000.00 plus VAT (subsequently repaid by Landlord) but it now needs doing again.
- 21. The roof was repaired by the landlord but the rubble and dust resulting was allowed to fall into the bedrooms. Insulation was fitted without properly clearing away the rubble and dust.
- 22. The kitchen was redone with 2nd hand materials. The cooker was moved and a CORGI gas fitter advised that the gas should be shut off immediately. Re installation of the gas cooker in a safe manner was carried out at the Tenant's expense.
- 23. The brook which has not been cleared for 30+ years now floods the garage.
- 24. The tenant requested a walk in shower to assist his wife, but the landlord installed a walk in bath.
- 25. There are proposals to convert the barn adjoining the property into residential accommodation which will cause more disturbance.

26. The examples given by Bidwells of other similar properties bear no comparison as they are all in a good state of repair with none of the problems of the subject property. The attempt by Bidwells to increase the rent to make the property more attractive to a buyer does not reflect the state of repair nor the disruption to the tenants over the next two years.

The Tribunal's Deliberations

- 27. The Tribunal may proceed to determine the rent at which it considers the subject property might reasonably be expected to let on the open market by a willing landlord under an assured tenancy.
- 28. The Tribunal found as a matter of fact that the notice was a Notice under section 13 as prescribed by Statute.
- 29. The Tribunal is required to determine the rent at which the subject property might reasonably be expected to be let in the open market by a willing Landlord under an assured tenancy. The personal circumstances of the Tenant are not relevant to this issue.
- 30. The Tribunal checked the National Energy Performance Register and noted that the certificate (EPC) for the property was dated 27th March 2017 and recorded a rating of F33. The Tribunal notes that some work has been carried since the EPC which affect the rating. This property is below the legal minimum standard (Rating E) for offering a property to let on the open market. The Tribunal considers that a rating of this level is so low it would have an adverse effect on the rent achievable.
- 31. Based on the knowledge of its members the Tribunal finds that the market for this type of property is very sensitive to condition and inventory. In this case, if offered today in the market, the property would require extensive enhancement and an upgraded inventory to include white goods, floor coverings and a much higher EPC rating.
- 32. The Tribunal considered the comparable evidence supplied by the agent and noted the limited analysis and comparison to the subject property and accordingly treated such evidence with caution.
- 33. The Tribunal, after careful consideration of the current market conditions, determined that the market rent for the subject property is **£800.00 per calendar month.**
- 34. The rent will take effect from 1st November 2020 being the date specified by the landlord in the notice of increase.

Relevant Law

- 35. Sections 13 and 14 of the Housing Act 1988.
- 36. Assured Tenancies and Agricultural Occupancies (Forms) (England) Regulations 2015 (SI 2015 No.620)

Robert T Brown Chairman

<u>RIGHTS OF APPEAL</u>

- 1. A person wishing to appeal this decision (on a point of law only) to the Upper Tribunal (Lands Chamber) must seek permission to do so by making written application to the First-tier Tribunal at the Regional office which has been dealing with the case. Where possible you should send your application for permission to appeal by email to <u>rpsouthern@justice.gov.uk</u> as this will enable the First-tier Tribunal Regional office to deal with it more efficiently.
- 2. The application must arrive at the Tribunal within 28 days after the Tribunal sends to the person making the application written reasons for the decision.
- 3. If the person wishing to appeal does not comply with the 28 day time limit, the person shall include with the application for permission to appeal a request for an extension of time and the reason for not complying with the 28 day time limit; the Tribunal will then decide whether to extend time or not to allow the application for permission to appeal to proceed.
- 4. The application for permission to appeal must identify the decision of the Tribunal to which it relates, state the grounds of appeal, and state the result the party making the application is seeking