

FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case reference	:	CAM/12UG/MNR/2020/0020
HMCTS code	:	P:PAPERREMOTE
Property	:	34a Swaffham Rd Reach Cambridge CB25 0HZ
Applicant	:	Catherine Tayleur and John Tayleur
Respondent	:	Platinum Properties
Type of application	:	Section 14 of the Housing Act 1988 Determination of market rent payable.
Tribunal member(s)	:	Mrs M. Hardman FRICS IRRV(Hons)
Date of decision	:	8 October 2020
DECISION		

Covid-19 pandemic: description of hearing

This has been a remote determination on the papers which the parties are taken to have consented to. The form of determination was P:PAPERREMOTE. A hearing was not held because it was not necessary and all issues could be determined on paper. 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 **£1050** per calendar month to take effect from **1 August 2020**.

Reasons

Background

- 2. The Landlord by a notice in the prescribed form dated 4 May 2020 proposed a new 'rent' of £1140 per calendar month (pcm) to be effective from 1 August 2020.
- 3. On 29 July 2020 the Tribunal issued directions stating that in the light of the current situation the Tribunal would not be inspecting the property internally. It required that parties submit photographic evidence, details of the condition of the property, any improvements or alterations made and details of other properties should parties wish to rely on rental comparables.
- 4. A property details form was also sent to both parties to provide 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.
- 5. It also stated that the Tribunal may conduct an external inspection without requiring access to the Property.
- 6. The determination would take place based on the submissions from both parties unless either party requests a hearing. Neither party requested a hearing.
- 7. On reviewing the papers on 30 September 2020, the Tribunal noted that the applicants had vacated the property. The Tribunal wrote to the applicant to check that they still wished to pursue the determination. They confirmed that they did.
- 8. The landlords also replied to state that the property had been re-let.

The Property

- 9. The property is a modern end of terrace house with a pitched, tiled roof. The property has double glazing and central heating provided by the landlord.
- 10. The accommodation comprises one reception room and a kitchen/dining room and cloakroom to the ground floor and three bedrooms, one with ensuite shower room to the first floor with a further bathroom/wc.

- 11. Carpets, curtains and white goods (oven, hob and dishwasher) are provided by the landlord.
- 12. There is a garden to the front, side and a double garage.

The Tenancy

13. The tenancy commenced as a contractual Assured Shorthold Tenancy for a fixed term of 6 months from 17 January 2020. From 17 June 2020 a statutory tenancy on the terms of the written agreement appears to have arisen.

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. The tenant states that the inventory provided by the Landlord (see para 23) as part of his submission gives a reasonable representation of the properties condition when read with the tenants' comments. These relate in terms of condition of the property mainly to the wooden decking to the rear which they report as starting to rot and give way underfoot, the fence which is rotting in places and bowing and the front gate which is rotting and slightly off its hinges. They also comment that the exterior paintwork to the garage is aged and that there is some scuffing to small areas of the internal paintwork.

- 17. They also report that a large piece of coving has fallen off the ceiling in the kitchen.
- 18. In terms of rental levels, they state that the subject property was readvertised on 13th August 2020 at £1100 pcm and had not had any viewings.
- 19. They provided sales particulars for the subject property from 2019 when it was advertised for sale with vacant possession at £315,000. They then rented the property in January 2020 for £950 pcm
- 20. They cited a number of comparables
 - i) 36 Swaffham Rd, the adjacent mid-terraced property which was listed for rent on Zoopla in August 2019 at £995 pcm. They did not believe that an increase had been proposed for the occupants of this property.
 - ii) A 3-bed end of terrace on The Causeway, Burwell which had an asking rent of \pounds 1,050 pcm to include white goods and garden but no garage.
 - iii) A 3-bed detached house on a short term (10 month) tenancy with garden, no garage at an asking rent of £910pcm
- 21. They did not accept that Reach commands a rental premium compared with Burwell, some two miles away. They had seen no market data to support a 20% increase in rent over the last 6 months.
- 22. They also did not accept that the property on Hatley Drive was 'such a good comparable'. They stated that it was a detached bungalow in an area of low density housing and differed from the subject property in a number of further respects in that it was better situated, had greater privacy, had better amenities such as a double oven, fitted wardrobes, a conservatory and private drive and gas (as opposed to oil) for heating. The asking rent of the property at £1100 pcm had not increased since 2017 and it was a more valuable property having been sold in March 2016 at £387,500 when the subject property had been advertised in summer 2019 at £315,00 and failed to sell.

Representations – Landlord

- 23. The Landlord provided a full inventory of the property from the commencement of the tenancy in 2020 which stated the property to be generally in good condition with modern fixtures and fittings.
- 24. They believed that Reach commanded a higher rent although no direct evidence of this was provided.
- 25. In terms of comparables they cited:
 - i) A 3-bedroom detached property in Felsham Chase which had no double garage, a smaller footprint and a smaller garden with an

asking rent of £1050 pcm in July 2020 and a letting had been agreed

- ii) A modern bungalow on Hatley Drive Burwell which had a similar 'footprint' of 112 square metres including a double garage. This they felt was 'such a good comparable'. It had a large rear garden and private driveway and open aspect to the front. It had an asking rent of £1100 pcm in July 2020 and a letting had been agreed.
- iii) A 3-bedroom detached house in Swaffham Prior which they said had no garage but a comparable garden and floor area. It was more dated than the subject property. It had an asking rent of £1100 pcm in June 2020 and a letting had been agreed.
- iv) A 3-bedroom semi-detached house in Burwell which was more sizeable and which appears to have been converted from a public house or similar. It had an asking rent of £1100 pcm in June 2020 and a letting had been agreed
- v) A 3-bedroom detached bungalow in Lode which had an asking rent of £1400 pcm in May 2020 and a letting had been agreed.
- vi) A 2-bedroom 'character' property in Reach with on-road parking, bathroom access via a bedroom and a smaller footprint which was available on the market in July 2020 for £995 pcm.
- 26. The landlord also informed the Tribunal that the subject property had been let in September 2020 within a day of being put on the market for \pounds 1110 pcm. This they believed was at a level to ensure that was let quickly.

Determination

- 27. 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. The legislation makes it clear that the Tribunal cannot take into account the personal circumstances of either the landlord or the tenant.
- 28. The Tribunal assesses a rent for the Property in the state that it is in on the day of the hearing, disregarding any improvements made by the tenant.
- 29. The Tribunal has had regard to the comparables put forward by both parties. It considers that the best comparables are those which are closest in locality and character to the subject property and which let close to the date of the determination of rent which is 1 August 2020.
- 30. The Tribunal does not think that the comparables put forward to support the landlord's case are particularly useful. They are either not in the immediate locality of the subject property and/or are of a significantly different character. It does not accept that the property in Hatley Drive is a 'good comparable' being a detached bungalow when the subject property is an end of terrace house. It is also assuming that

by 'footprint' the agent means floor area. The remaining comparables are all of different character although the Tribunal accepts that in the absence of directly comparable properties they are possibly the best the agent can do and they do help paint a picture of the market.

- 31. Turning to the comparables provided by the tenant it has not attached great weight to the first (para 20(i)) nor to the third (para 20(iii) as it was a fixed short term letting which tend to be less attractive.
- 32. The Tribunal believes that the best comparables are the 3-bed end of terrace on The Causeway, Burwell which had an asking rent of £1,050 pcm, the letting of the subject property in January 2020 at £950 pcm and the reletting of the subject property in September 2020 at £1100 pcm.
- 33. The Tribunal is mindful that the rent in respect of The Causeway is an asking rent as opposed to evidence of the rent achieved. Taking all factors into account, and that the valuation date is 1 August 2020 when the market was uncertain the Tribunal believes that the rental value for the property as at the valuation date was \pounds 1050 pcm.
- 34. 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. No adjustments are due on this basis.
- 35. The Tribunal determines that the rental value for the Property to be **£1,050 per calendar month to take effect from 1 August 2020.**

Mrs M. Hardman FRICS IRRV(Hons) Regional Surveyor

<u>Rights of appeal</u>

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).