

FIRST - TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference : CHI/29UE/MNR/2021/0119

Property : 65 Tower Hamlets Street, Dover,

Kent, CT17 oDX

Applicant : Mr P H Watson (Tenant).

Respondent : South London Investment Co Ltd C/o

John Youden and Son (Landlord).

Date of Application : 13th October 2021

Type of Application : Sections 13 and 14 of the Housing Act

1988

Tribunal : Mr R T Brown FRICS Chairman

Ms C D Barton MRICS Mr S J Hodges FRICS

Date : 30th November 2021

REASONS FOR DECISION

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Background

- 1. The Tribunal gave formal notice of its decision by a Notice dated 30th November 2021 in the sum of £135.00 per week (pw).
- 2. By an application dated 13th October 2021, 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 5th September 2021 proposed a rent of £152.00 pw (£659.00 pcm) with effect from 18th October 2021, in place of the current rent of £136.00 pw (£590.00 pcm).
- 4. The tenancy is an assured shorthold tenancy. The current tenancy agreement is in common form and commenced on 17th May 2004. The 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 27th October 2021 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 in a residential area.
- 8. The property comprises a gas centrally heated part double glazed terraced house.
- 9. The accommodation comprises: Ground Floor: 1 reception room, kitchen and bathroom. First Floor: 2 bedrooms. Outside: garden. No off street parking.
- 10. The property is let unfurnished but with original carpets, curtains.
- 11. The Tribunal assumed that all mains services are connected.

Hearing

12. A hearing was not requested.

Documents supplied to and considered by the Tribunal

- 13. Tribunal Directions dated 27th October 2021.
- 14. Landlord: Tribunal Reply Form.
- 15. Tenant: Application Forms.

Landlord's Representations (summarised):

- 16. The Landlord says in the Reply Form and in a statement by Simon Upward (Director of landlord company):
 - a) The Tower Hamlets area of Dover is predominantly residential situated to the west of the A526. The property is 10 minutes walk from Dover Priory railway station.
 - b) The rent was last increased in July 2017 to the current rent £136.00 per week.
 - d) The proposed increase to £152.00 pw was calculated by reference to the RPI Index and remains cheap in comparison to other 2 bedroom properties in the Landlord's portfolio. If the latest published figure was used the rent would be £166.00 pw.
 - e) For comparison other 2 bedroom properties: on Rightmove:
 - 11 Douglas Road, Dover £158.77 pw (£688.00 pcm).
 - 13 Lowther Road, Dover. £158.75 pw (£635.00 pcm).
 - 3 Odo Road, Dover £178.85 pw (£775.00 pcm).
 - f) Attached are photographs of the subject property and the comparables given above.

Tenant's Representations (summarised)

- 17. In the Application Form the Tenant confirmed the details of the accommodation.
- 18. In the statement the Tenant says:
 - a) The property is very small.
 - b) Condition of carpets is poor dating from 2004.
 - c) Only 50.00% of the property is double glazed.
 - e) Property has poor insulation EPC Rating E.
 - f) Bathroom and kitchen fittings are basic and at least 17 years old.
 - g) The exterior is in poor conditional and has not been decorated in 17 years.
 - h) The accommodation is dated and falls well short of what could be expected in today's market.
- 19. One comparable nearby 2 bedroom house at £625.00 pcm (£144.23 pw).

The Tribunal's Deliberations

- 20. 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.
- 21. The Tribunal found as a matter of fact that the notice was a Notice under section 13 as prescribed by Statute.

- 22. 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 or Landlord are not relevant to this issue.
- 23. The Tribunal checked the National Energy Performance Register and noted that the subject property has a certificate registering the property at E expiring on 7th January 2031. The legal minimum standard for letting a property is rating E.
- 24. 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. The subject property appears to the Tribunal to be in a condition that would be unlikely to appeal to a prospective tenant.
- 25. The Tribunal does not accept that the use of the RPI as an indicator of an increase from existing rent to current market rent is an accurate method of assessment.
- 26. The Tribunal, acting as an expert tribunal, determined what rent the landlord could reasonably be expected to obtain for the subject property in the open market if it were let today in the condition and subject to the terms of such a tenancy that is considered usual for such an open market letting. It did this by having regard to the evidence supplied by the parties and the Tribunal's own general knowledge of market rent levels. Having done so, it concluded that such a likely market rent for a similar modernised property in fair condition with modern central heating, modern bathroom and kitchen facilities, floor coverings, cooker, washing machine and an EPC Rating above F would be £160.00 pw.
- 27. The Tribunal, after careful consideration of the current market conditions and the apparent condition of the subject property (as shown in the Landlord's photographs), made the following deductions:
 - a) Lack of cooker, fridge, washing machine: £5.00 pw.
 - b) Lack of floor coverings and curtains: £5.00 pw.
 - c) General disrepair (as detailed above) and including poor insulation, low EPC, dated bathroom and kitchen: £15.00.
- 28. A total deduction of £25.00 per week.
- 29. Accordingly the Tribunal determined that the market rent for the subject property is £135.00 pcm.
- 30. The rent will take effect from 18th October 2021 being the date specified by the landlord in the notice of increase.

Relevant Law

31. Sections 13 and 14 of the Housing Act 1988.

32. Assured Tenancies and Agricultural Occupancies (Forms) (England) Regulations 2015 (SI 2015 No.620)

RIGHTS OF APPEAL

- 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 rpsouthern@justice.gov.uk 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.