

Property

FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL

PROPERTY)

Case reference BIR/37UJ/MNR/2021/0074 :

23 Charnwood Grove

West Bridgford

Nottingham

NG2 7NT

Applicant **Lesley Dunbar**

Representative None

Respondent's Tolbea Limited

Elliot Mather LLP, Solicitors Representative

Application under Section 13(4) of the

Housing Act 1988 referring a notice Type of application

proposing a new rent under an Assured

Periodic Tenancy to the Tribunal

Mr G S Freckelton FRICS Tribunal members

Mrs K Bentley

Venue and Date of

Determination

The matter was dealt with by a paper determination on 7th February 2022

DETAILED REASONS

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BACKGROUND

- 1. On 23rd November 2021, the Applicant (tenant of the above property) referred to the Tribunal, a notice of increase of rent served by the Respondent (landlord of the above property) under section 13 of the Housing Act 1988.
- 2. The Respondent's notice, which proposed a rent of £865.00 per calendar month with effect from 2nd January 2022, is dated 19th November 2021.
- 3. The date the tenancy commenced is stated on the Application Form as being on 2^{nd} September 1991 and is an Assured Shorthold Tenancy. The current rent is stated in the Respondents notice as being £697.00 per calendar month. The rent at the commencement of the tenancy was £117.00 per calendar Month.
- 4. The Tribunal issued its Decision following the paper determination on 7th February 2022. The Respondent subsequently requested written reasons and these detailed reasons are provided in response to that request.

INSPECTION

- 5. Due to the Covid-19 Pandemic the Tribunal did not carry out an inspection of the property. However, the property is well known to this Tribunal, the members of which have inspected it on previous occasions.
- 6. The property comprises a substantial mid terraced villa style house of traditional construction having an original pitched slate roof situated in an area of predominantly similar type properties.
- 7. Briefly the accommodation comprises of steps up to an open front porch, hallway with stairs off to the first floor and cellar off, front lounge, rear dining room and small kitchen on the ground floor. The kitchen is fitted with a limited range of basic units.
- 8. On the first floor the landing leads to two double bedrooms and bathroom being fitted with a three-piece sanitary suite.
- 9. On the second floor is a further double attic bedroom.
- 10. The house has gas fired central heating although this was installed with the benefit of a 'Warmfront' grant at no cost to either the Applicant or Respondent and the Tribunal has therefore disregarded the benefit of the central heating from the rent assessment. There is no double glazing.
- 11. Externally there is a small front forecourt and small rear yard/garden which, the Tribunal understands, was landscaped by the Applicant.
- 12. The property was previously noted to be in a condition throughout which was 'commensurate with its age and type'.

EVIDENCE

13. The Tribunal received written representations from both parties which were copied to the other party.

14. Neither party requested a hearing and the Tribunal therefore made a determination based upon the written submissions received.

THE APPLICANT'S SUBMISSIONS

- 15. In summary the Applicant submitted:
 - 1) The ceiling to the dining room was cracked.
 - 2) The Applicant had fitted all the units to the kitchen including the sink, flooring and tiling.
 - 3) The Applicant had fitted sliding wardrobes to bedroom 1 and replaced the ceiling to bedroom 2.
 - 4) That the Applicant was in the process of completing repairs to the ceiling of bedroom 3 as there was damage caused by holes to the roof which the previous landlord had not repaired.
 - 5) In the bathroom the Applicant had replaced the flooring, W.C., heater and shower.
 - 6) Outside, the Applicant had replaced the entire fence and shed together with works to the garden.
 - 7) Generally ongoing decoration had been completed throughout as required together with new sash windows to the lounge, bathroom and bedroom1.
 - 8) That parking was difficult in the area due to the high number of student properties. There was also noise disturbance from them.
 - 9) That during the time the Applicant had lived in the property she had maintained the interior in good order.
 - 10) That the Applicant paid for a hatch to be fitted to the loft so that insulation could be provided.
 - 11) That the Applicant has provided all the carpets and floor coverings throughout.
 - 12) That the cellar ceiling was in poor condition with bits falling off.
 - 13) The Applicant provided numerous photographs of the property which accorded with the Tribunal's recollection at the previous inspections. An assessment of private rental prices was also submitted based on the ONS website.
 - 14) That the Applicant had previously approached two local letting agents, Royston and Lund Estates and Rex Gooding Estate Agents who had both confirmed to her that they would not be prepared to market the property in its present condition.
 - 15) That the Applicant was under the impression that the Respondent wanted to evict her. She provided a copy of an email from the Respondent which the Tribunal assumes to be suggesting that she should approach the Local Authority regarding the payment of Housing Benefit as it was a condition of the Tenancy Agreement that rent should be paid in advance and if not then she would be in breach of the Agreement which 'could ultimately lead to the tenancy being terminated'.

THE RESPONDENT'S SUBMISSIONS

- 16. In summary the Respondent submitted:
 - 1) That it had no intention of trying to evict the Applicant and that the suggestion was disingenuous and misleading.
 - 2) That the property had been purchased to let and that having the Applicant in occupation was very much in the Respondent's interest.

- 3) That the rental proposed was at the bottom end of agent's recommendations and that they had made an allowance of £85.00 per month for the historic work completed by the Applicant and the carpets.
- 4) That it had offered to install double glazing.
- 5) That the ONS figures used by the Applicant were selective and so broad as to be of no resemblance to the property.
- 17. To support its opinion of the rental value the Respondent provided copies of letters from Royston and Lund Lettings, Martin and Co and Haart which provided rental valuations ranging from £900.00 in its present condition up to £1,500.00 per month if fully modernised. The Tribunal noted that none of these agents had carried out an inspection of the property.

THE LAW

- 18. In accordance with the terms of section 14 Housing Act 1988 the Tribunal proceeded to determine the rent at which it considered that the subject property might reasonably be expected to be let on the open market by a willing landlord under an assured tenancy.
- 19. In so doing the Tribunal, as required by section 14(1), ignored the effect on the rental value of the property of any relevant tenant's improvements as defined in section 14(2) of that Act.

THE TRIBUNAL'S DECISION

- 20.In the first instance the Tribunal considered the Respondents email which the Applicant considered to be a threat of eviction. This was refuted by the Respondent who provided an email thread to support its submission.
- 21. The Tribunal considers that the email from the Respondent to the Applicant (dated 22nd November 2021) which stated: 'If the rent isn't paid in advance you are in breach of the contract which could ultimately lead to the tenancy being terminated' was at best ill judged.
- 22. It is clear to the Tribunal that the Respondent was aware that the Applicant was in receipt of benefits and as a professional landlord should also have been aware that housing benefits are always (in the experience of the Tribunal) paid in arrears. The Tribunal appreciates that this may be an inconvenience to the Respondent but there is little that the Applicant can do to remedy the position (unless she has funds to enable her to do so), which she has submitted she does not.
- 23. The Tribunal determined that the property was not in the best condition and that if it was to be marketed today then considerable improvement and upgraging would be required.
- 24. In coming to its decision, the Tribunal had regard to the members' own general knowledge of market rent levels in the area of Nottingham. West Bridgford itself is generally considered to be a relatively sought-after residential area.
- 25. Having regard to the general level of rents in the area the Tribunal concluded that if the subject property had been in good condition the market rental value would have been £985.00 per calendar month.

26. The Tribunal then made the following adjustments to reflect the improvements carried out by the Applicant:

 Fireplace and electric fires 	12.00
2) Improvements to kitchen	8.00
3) Repairs to dining room floor	12.00
4) Shower over bath	8.00
5) Sliding wardrobe door	3.00
6) Landscape garden	8.00
7) Repairs to windows	20.00
8) <u>Loft Hatch</u>	5.00
Total	£76.00 per month

27. However, the property as inspected by the Tribunal was not in the condition that would be expected in the open market and the Tribunal therefore also made the following deductions to reflect the condition of the property as follows:

1)	Lack of double glazing	50.00
2)	Carpets and curtains	37.00
3)	General repairs/cellar/ceilings	15.00
	White goods	30.00
5)	Decorating liability	50.00
	Total	£182.00 per month

- 28. The Tribunal therefore concluded that an appropriate market rent for the property would be £727.00 per calendar month (£985.00 £76.00 £182.00).
- 29. The Tribunal therefore determined that the rent at which the property might reasonably be expected to be let on the open market would be £727.00 per calendar month.
- 30. This rent will take effect from 2nd January 2022, being the date of the Respondent's notice.

APPEAL

31. Any appeal against this Decision can only be made **on a point of law** and must be made to the Upper Tribunal (Lands Chamber). Prior to making such an appeal the party appealing must apply, in writing, to this Tribunal for permission to appeal within 28 days of the date of issue of this Decision, (or, if applicable, within 28 days of any decision on a review or application to set aside) identifying the decision to which the appeal relates, stating the grounds on which that party intends to rely in the appeal, and stating the result sought by the party making the application.

G S Freckelton FRICS Chairman First-tier Tribunal Property Chamber (Residential Property)