

FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

| Case reference | : | CAM/31UD/MNR/2022/0002 |
|---------------------|---|--|
| HMCTS code | : | P: PAPERREMOTE |
| Property | : | 4 The Hind Mews High Street Lutterworth LE17 4AH |
| Applicant | : | Robin Williams-Fisher |
| Respondent | : | Van Allen Property C/O Wards Chartered Surveyors |
| Type of application | : | Section 14 of the Housing Act 1988 Determination of market rent payable. |
| Tribunal member(s) | : | Mr A Tomlinson BSc(Hons) MRICS Mrs M Hardman FRICS IRRV(Hons) |
| Date of decision | : | 12 April 2022 |
| DECISION | | |

Covid-19 pandemic: description of hearing

A. This has been a remote hearing on the papers which the parties are taken to have consented to, as explained below. The form of remote hearing was P:PAPERREMOTE. A face-to-face hearing was not held because all issues could be determined on paper.

Decision:

1. The Tribunal determined a rent of **£625** per calendar month to take effect from 12 April 2022.

Reasons

Background

- 2. The Landlord by a notice in the prescribed form dated 4 January 2022 proposed a new 'rent' of £695 per calendar month to be effective from 27 February 2022. On 11 January 2022 the tenant referred the Notice to the Tribunal. This was in lieu of the previous rent of £525 per month.
- 3. Parties were requested to complete a pro forma supplying 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 and any further comments that they may wish the tribunal to take into consideration. This could include any repairs and improvements that had been made, any comments on the condition of the property and rentals of similar properties should they wish to rely on these.
- 4. The determination would take place based on the submissions from both parties unless either party requested a hearing. Evidence was submitted by the landlord and the tenant. There was no request for a hearing.

The Property

- 5. The tribunal inspected the property on 21 March 2022. The tenant, Mr Robin Williams-Fisher was present at the inspection.
- 6. The property is two-storey brick built terraced house with a tiled roof located in a mews development to the rear of the former Hind Hotel Coaching Inn, on the High Street close to the centre of Lutterworth.
- 7. The accommodation comprises an entrance lobby, living room, kitchen, and separate W.C. to the ground floor, with two bedrooms and a bathroom on the second floor.
- 8. There is off-road parking but no garden.
- 9. Heating is via wall mounted night storage electric heaters with no mains gas to the property. Hot water is via an electric immersion heater.
- 10. The windows are single glazed.

- 11. The kitchen is basic with worn décor and the bathroom is also dated with a basic white suite.
- 12. The second bedroom is relatively small which will deter some potential tenants.

The Tenancy

13. The Tenancy commenced as a contractual Assured Shorthold Tenancy for a fixed term of 6 months from 27 June 2013. A copy of the agreement dated 27 June 2013 was provided. From 27 December 2013 a statutory tenancy on the terms of the written agreement appears to have arisen. Section 11 of the Landlord and Tenant Act 1985 applies in respect of Landlord's repairing obligations

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.

Representation – Landlord

- 16. The landlord said that all the rooms were in good condition.
- 17. They provided a Rightmove Best Price Guide based on a search of properties within 2 miles of the postcode, marketed between 13 October 2021 and 13 January 2022. This comprised six 2-bedroomed houses and apartments.

- 18. The landlord did not indicate which they regarded as the best or most alike comparables
- 19. Asking rents for properties listed ranged from £695 to £750 per calendar month.

Representations – Tenant

- 20. The tenant confirmed the accommodation details provided by the landlord together with approximate room dimensions.
- 21. He said that the Landlord supplied the floor coverings, curtains and cooker.
- 22. In response to the submissions from the landlord he said that the Landlord had not carried out any improvements to the property, during the tenancy, including previously agreed replacement of floor coverings. He noted his own installation of energy saving LED bulbs, replacement door seals / insulation and the repair of an external handrail.
- 23. The tenant also commented on the cost of running the electric night storage heaters and lack of double glazing noting that this made it difficult to compare with other rental properties.
- 24. The tenant felt that the proposed rental increase was unfair due to the factors noted above and also in comparison to other properties in the Hind Mews.

Determination

- 25. 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. It does not take into account the present rent and the period of time which that rent has been charged nor does it take into account the percentage increase which the proposed rent represents to the existing rent.
- 26. In addition, the legislation makes it clear that the Tribunal cannot take into account the personal circumstances of either the landlord or the tenant.
- 27. The Tribunal assesses a rent for the Property as it is on the day of the hearing disregarding any improvements made by the tenant but taking into account the impact on rental value of any disrepair which is not due to a failure of the tenant to comply with the terms of the tenancy.
- 28. The tribunal has reviewed the comparables provided by the landlord.

- 29. These properties appear to be mainly superior in various aspects whether; with gardens, recently refurbished, or with gas central heating and double glazing.
- 30. It is not clear whether those listed as Let agreed, or No longer advertised, are showing the initial asking rent or the rent achieved.
- 31. Having regard to the comparables and applying its profession judgement and expertise the tribunal is of the opinion that the open market rental value for a terraced property in this location is likely to be around £695 per month. Making an adjustment for the issues detailed above and in particular worn internal décor and floor coverings and small second bedroom, the tribunal determines that the rental value of the property should be adjusted by a deduction of £70/month to reflect the lower demand from potential tenants.
- 32. On this basis the tribunal believes that the rental value for the property would be in the region of **£625 per month** and makes its determination on this basis.
- 33. Section 14(7) of the Housing Act 1988 gives the tribunal discretion to determine the date of the rent where backdating the rent to the beginning of the new period specified in the notice would cause undue hardship to the tenant. The tribunal, having reviewed the submission of the tenant is satisfied that this would be the case and the rent of £625 per month takes effect from 7 April 2022, the date of this decision.

Alan Tomlinson BSc(Hons) MRICS Valuer Chair

Rights of appeal

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).