



**FIRST-TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)**

Case reference : CAM/26UJ/MNR/2022/0001

HMCTS code : P:PAPERREMOTE

Property : 40 Dove Park, Chorleywood,
Hertfordshire, WD3 5NY

Applicant : Mr Gijo Thomas George & Ms
Deepa Mary Philip

Respondents : Mrs Helen Jane Appleby & Mr
Mark Gordon Thomson C/O John
Roberts and Co

Type of application : Section 14 of the Housing Act 1988
Determination of market rent
payable.

Tribunal member(s) : Mary Hardman FRICS IRRV(Hons)
Alan Tomlinson BSc(Hons) MRICS

Date of decision : 19 April 2022

DECISION

Covid-19 pandemic: description of hearing

This has been a hearing on the papers which has been consented to by the parties. The documents that I was referred to are in individual responses produced by the Applicant and the Respondent. I have noted the contents and my decision is below.

Background

1. By way of an Application dated 3 January 2022 the Applicants, the Tenants of the Property, referred to the Tribunal an Application (the Application) referring a notice of increase in rent (the Notice) by the Landlord of the property under Section 13 of the Housing Act 1988.
2. The Notice is dated 15 November 2021 and proposed a new rent of £2,995 per month instead of the existing rent of £2700 per month to take effect from 8 January 2022.
3. The Tribunal acknowledged receipt of the Application and fixed the date of week commencing 14 March 2022 to consider the matter. Neither Party requested a Hearing.
4. Each Party was invited to submit representations to include photographs and all relevant details. Representations were received from both parties.

The Property

5. The tribunal inspected the property on 14 March 2022. The tribunal was accompanied by the tenants. The representative for the landlord attended but chose not to accompany the tribunal, remaining outside the property to answer any questions that the tribunal may have. We did not have any questions.
6. The property is a two-storey brick built and part rendered detached house with a tiled roof located on an estate of similar properties.
7. It is situated close to the mainline station at Chorleywood and access to the M25 motorway.
8. The accommodation comprises a hall, kitchen, lounge/dining room, family room and cloakroom to the ground floor. To the first floor there are five bedrooms, one with dressing room and ensuite and a main bathroom.
9. There is a garden to the front and a good sized garden to the rear. There is also an integral garage.
10. The property has gas fired central heating system and double glazing. Windows to the front bedrooms were replaced by the landlord in 2020 due to failure of the seals.
11. The property is in reasonable condition with some minor issues to include some superficial cracking to the surface of walls in the dining room, and two of the bedrooms; leakage to one wall of the garage; some damage to the fence panels: some cracking to surfaces to the front and rear paving.

The Tenancy

12. The tenancy commenced on 8 November 2019 for an initial period of 12 months and a copy of that assured shorthold tenancy agreement was

provided. A statutory tenancy on the terms of the written agreement appears to have arisen from 8 November 2020. Section 11 of the Landlord and Tenant Act 1985 applies in respect of Landlord's repairing obligations.

13. The tenancy agreement from 6 April 2018 states the rent to be £2700 per month and includes a gardener fortnightly for which the landlord pays £115 per month.

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 – Tenant

16. In their application the tenant challenged the validity of the notice on the basis that no legally completed assured shorthold tenancy agreement exists. They had signed a contract on 8 November 2019 which was not counter signed by the landlord and a copy with both parties' signature was not sent to them
17. They did not believe that signatures by two parties on two different documents could be taken as a completed assured shorthold tenancy contract.
18. The tenants also said that they felt that the rental 'increment' did not reflect the current market rent. They felt that the rental value had not increased over their time of occupation and that the landlord or their agent had 'failed to satisfy them with substantial evidence that the market rental value of the property had increased and that the rent they paid was already above the fair

rental value and that it was well above the market rent for similar properties in the area.

19. The tenants sent correspondence with the landlord dated 10 March 2020 regarding issues with the first floor windows.
20. They also sent a variety of documents to include a copy of the DCLG (as was) Technical housing standards – nationally described space standards . These were issued in 2015 and as set out in paragraph 2 of the standards and are relevant only for new dwellings.
21. They stated in their narrative that they believed that the rental value of the property had gone down by at least £500 per month . included a copy of the Index of Private Housing Rental Prices for the UK for December 2021 which they said indicated that private rental prices had decreased by 0.1% in the 12 months to December 2021 and that there was a downward trend in London rental prices from 2019.
22. The landlord had submitted evidence on rental price data from Zoopla and Rightmove and on paid news articles from newspapers which did not have the back up of official government statistics. They also referred to advertised and not letting prices. Their property had been advertised at £3000 per month originally but the rent agreed was £2700.
23. They had obtained statements in respect of the rent passing on what they said were two similar properties – 8 Ivinghoe Road, Rickmansworth which the owners statement said was 170² It was semi detached house with two bedrooms to the first floor and a third on the ground floor. It had let in January 2020 for £1850.
24. The second was 12 Berry Lane Rickmansworth which was also a semi detached property with 4 bedrooms and 3 receptions. This was let at £1750 per month from April 2019.
25. He also listed a number of entries from the rent register of properties within 2 miles of the subject property which he said were rented for no more than £1000 a month.
26. He believed that regard should be had to the age of the property and that the landlord had not done any significant work on it since he bought it in 2003.
27. He listed issues that they had had with the house since first occupying in 2019, many but not all of which had been remedied with the items outstanding being cracking in the wall on the first floor which they felt made the structural stability doubtful, the dilapidated state of the fencing, moss growth on the roof and in the rear lawn, dips in the garden where water pools when it rains, issues with the burglar alarm and cracking to some of the front and rear paving.
28. There were a number of photographs of the damage to fencing panels and a copy of a search of the Land Registry for the property that indicated that the

sale price of the property was £525,000 in 2003. There was a copy of On the Market which the tribunal assumed related to the subject property and finally a letter to the letting agents which appeared to be in response to the inventory (presumably from 2019) but was undated and listed issues which the tenants had with the inventory at that time.

Representations landlord

29. The landlord confirmed the details of the accommodation and features of the property.
30. The landlord included a copy of the Right Move Rental Price Tracker which they said confirmed that there had been a 39% increase in rental demand since 2019 as at quarter 3 2021 and an 8.6% annual increase nationally in rents for Q3 2021 (excluding Greater London)
31. They included a copy of the Zoopla entry for the subject property which suggested that the rental estimate for the property was £3,750 per calendar month with a range of £3,200 to £4,300
32. They also included brief details of 4 properties which they obtained via a search of properties within half a mile of the subject postcode which had been marketed between April 2021 and January 2022. Two of these were shown as Let Agreed . They were all substantial houses of 4 or 5 bedrooms and ranged in asking rent from £2,850 - £4,000. The highest rent being for a 5 bedroom property, the rest being for 4 bedroom properties.
33. They did not give any indication of which they felt were most comparable to the subject property.

Determination

34. The tenant challenged the validity of the notice on the basis that no legally completed assured shorthold tenancy agreement existed. The tribunal is satisfied that there is a statutory periodic tenancy which commenced on 8 November 2020 following the expiration of the 12 month fixed term tenancy and that the Section 13 notice is valid and that the tribunal has jurisdiction to determine the market rent.
35. 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. In addition, the legislation makes it clear that the Tribunal cannot take into account the personal circumstances of either the landlord or the tenant.

36. 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 disrepair (if any) which is not due to a failure of the tenant to comply with the terms of the tenancy.
37. The tribunal finds that despite the concerns expressed by the tenant the property is a property in good repair with some minor issues of repair outstanding. It is situated in a sought after area of similar type properties.
38. With regard to arriving at the market rent, before considering any deductions, it has looked at the comparables provided by the parties. It has disregarded the fair rented properties listed by the tenant. These are rents set by the Rent Officer, or on appeal by the tribunal, and are often subject to significant adjustments to the market rent under the requirements of the legislation. It has also attached very little weight to the two rentals put forward by the tenant in that neither property is similar in character to the subject property, in particular 8 Ivinghoe Road.
39. The comparable properties produced by the representative for the landlord are more useful – although it is not clear, as Mr George points out, whether those indicated as ‘let agreed’ achieved the asking rents. Nor is there any analysis of these rents to assist the tribunal.
40. In terms of the indices, the role of the tribunal is to arrive at the current rental value and not to seek to update the previous rental achieved. However the tribunal does not agree that the index for London is the appropriate index for Chorleywood nor that the level of activity in that market reflects that in this vicinity.
41. On the basis of the information supplied and using its skill and expertise the tribunal assesses the open market rent value of the property on the basis of the current tenancy agreement, which includes the services of a gardener at £3,100 per month. Adjusting for the minor repairs outstanding the tribunal had deducted £150 and determines the market rent at **£2950 per month.**

Mary Hardman FRICS IRRV(Hons)
Regional Surveyor