

FIRST - TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference : CHI/29UN/MNR/2022/0039

Property: 6 St Johns Street, Margate, Kent CT9 1LT

Applicant : Mr M Arnold and Ms K Bennett

(Tenants)

Respondent : Mr C Marson (Landlord)

Date of Application : 10th April 2022

Type of Application : Sections 13 and 14 of the Housing Act 1988

Tribunal : Mr R T Brown FRICS Chairman

Mr C Davies FRICS ACIArb Mr P Smith BSc FRICS

Date : 20th June 2022

REASONS FOR DECISION

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Background

- 1. The Tribunal gave formal notice of its decision by a Notice dated 20th June 2022 will be **£800.00 per calendar month (pcm)** with effect from 1st May 2022.
- 2. By an application dated 10th April 2022, the Tenants 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 14th March 2022 proposed a rent of £1,100.00 pcm with effect from 1st May 2022, in place of the current rent of £600.00 pcm.
- 4. The tenancy is an assured shorthold tenancy. The tenancy agreement is in common form and is dated 31st July 2013. 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 26th April 2022 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 mainly residential area just off the main B2205 (Churchfields) close to the town centre.
- 8. The property comprises a Grade II listed part double glazed centrally heated semi-detached house.
- 9. The accommodation comprises: Living Room, kitchen, bathroom and 3 bedrooms. Outside: Courtyard garden.
- 10. The property is let unfurnished without floor coverings, curtains, cooker and washing machine.
- 11. The Tribunal assumed that all mains services are connected.

Documents supplied to and considered by the Tribunal

- 12. Tribunal Directions dated 9th March 2022.
- 13. Landlord: Tribunal Reply Form.
- 14. Tenant: Application Reply Forms, Notice of Increase and Tenancy Agreement and Building Surveyor's report.

Landlord's Representations (summarised):

15. The Landlord says in the Reply Form and attachments:

- a) The tenancy started in 2013, they have not looked after the property or courtyard so some disrepair has occurred.
- b) The landlord has not been able to provide current photographs. The tenants have neglected the property throughout and this should be taken into consideration.
- c) The Landlord listed works undertaken (copy invoices submitted):

March 2015: Damp proofing.

May 2017: Full rewire.

May 2017: Tiling, drains and plaster boarding.

November 2018: Full redecoration following leak.

November 2021: New boiler.

February 2022: New hand rail to stairs.

- d) The Landlord intended to have further works undertaken but contractors refused to attend due to the unsanitary conditions.
- 16. As to rental value the Landlord says there are no comparable Georgian Grade 2 listed buildings. The property could rent for £1,300.00 pcm if Tenants moved out and it was cleaned up. Letting details of 3 bedroom properties available to rent from £1,200.00 to £1,400.00 pcm are included.

Tenant's Representations (summarised)

- 17. The Tenant says in the Application and Reply Forms:
 - a) Improvements undertaken at Tenant's expense: Laminate flooring in hall and living room, Bathroom flooring (after leak), Bath and W.C.
 - b) After leak the Tenants replaced: Bathroom flooring, Carpets in 2 bedrooms and landing outside bathroom.
 - c) Buildings Control Report (By Paul Hannent of Hannent Chartered Surveyors) highlighting: Damp, cracks to windows and inefficient casings, Roof leaks in heavy rain into kitchen where light switch is located, vermin infestation, hole in manhole cover allowing vermin access, Kitchen fittings not replaced since tenancy began, Tenants replaced many items of furniture due infestation, window on stairs boarded up. Photographs showing these defects are included.
 - d) The Tenants deny poor housekeeping the evidence of the Landlord is as seen when the property was flooded. The boiler was not working during lockdown from April 2020.
- 18. Works carried out by the Landlord:
 - a) March 2015: Damp proofing
 - b) May 2017: Full rewire. Flooring removed was not replaced.
 - c) May 2017: Tiling, drains and plaster boarding work not complete.
 - d) November 2018: Full redecoration following leak. Not completed and Tenants had to provide floor coverings.
 - e) November 2021: New boiler fitted following 2 abatement notices by Thanet District Council.
 - f) February 2021: New handrails which are already coming away from wall. Window on stairs still not replaced.

- 19. The landlord says that contractors unwilling to attend due to the vermin.
- 20. The Tenants agree that if the property were of a high standard a rent of £1,100.00 pcm would be reasonable. The Tenants feel that in its current state the property would not let for half the proposed rent. Some evidence of properties available to rent is attached.

The Tribunal's Deliberations

- 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 22nd November 2022. 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.
- 25. 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 of E or above would be £1,200.00 pcm.
- 26. The Tribunal, after careful consideration of the current market conditions and the apparent condition (as submitted by the parties) of the subject property determined to make deductions in respect of issues identified:
 - a) General disrepair (as evidenced by the surveyors report): £300.00
 - b) Lack of floor coverings and white goods: £100.00

Total deduction £400.00 pcm

- 27. Accordingly, the Tribunal determined that the market rent for the subject property is £800.00 pcm.
- 28. The rent will take effect from 1st May 2022 being the date specified by the landlord in the notice of increase.

Relevant Law

- 29. Sections 13 and 14 of the Housing Act 1988.
- 30. 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.