

FIRST - TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference : CAM/22UN/MNR/2022/0054

**P:PAPERREMOTE** 

Property: 18 Victoria Street Harwich Essex

**CO12 3AR** 

Applicant : Miss Natalie Grigg

Representative : -

Respondent : Mrs Karen Drew

Representative : Priory Estates (Essex) Limited

Date of Application : 14 June 2022

Type of Application : Determination of the market rent

under Section 14 Housing Act 1988

Tribunal : Mrs E Flint FRICS

Date and venue of

Determination

8 August 2022

remote hearing on the papers.

DECISION

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The market rent as at 8 August 2022 is £800 per month.

This has been a remote hearing which has been consented to by the parties. The form of remote hearing was P:PAPERREMOTE. A face-to-face hearing was not held because it was not practicable and all issues could be determined in a remote hearing. The documents that the Tribunal were referred to are in a bundle, the contents of which have been noted. The order made is described below.

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# **Background**

- 1. On 14 June 2022, the tenant referred to the Tribunal a notice of increase of rent served by the landlord under section 13 of the Housing Act 1988.
- 2. The landlord's notice, which was dated 19 May 2022 proposed a rent of £850 per month with effect from 7 July 2022 in place of the existing rent of £700 per month.
- 3. The tenant first occupied the property on 8 August 2015. She signed a further tenancy for twelve months from 7 October 2019 at a rent of £700 per calendar month. The tenancy includes a clause prohibiting sharers occupying the house.
- 4. Directions were issued by the tribunal on 20 June 2022.
- 5. The parties did not object to the matter being dealt with on the papers following an inspection by the tribunal. Prior to which both the landlord and the tenant sent to the tribunal written representations.

## The Inspection

- 6. The Tribunal inspected the property and locality in the morning of 8 August 2022.
- 7. Victoria Steet is situated within a conservation area of the Dovercourt area of Harwich; however the subject property is not a listed building. Victoria Street is a heavily parked residential street of three and four storey Victorian terraced houses close to the railway station and a few minutes' walk to both the local shops and Cliff Park which overlooks the sea and has a children's playground. The end terrace house, number 20, is derelict, the site is surrounded by Heras fencing, the garden has been used for dumping of various household items including several mattresses.
- 8. The subject is on upper ground, first and second floors. The basement is a separate flat with access to the rear garden which has recently been converted into a parking space. Externally the property is in fair condition, the windows are single glazed timber sash windows. There is a dormer window to the front of the house at second floor level. The tenant does not have access to any outdoor space, consequently household rubbish is deposited in black bags on the pavement on collection day.
- 9. The accommodation comprises a living room and kitchen/diner on the ground floor, two double bedrooms and internal bathroom/wc on the first floor and a third double bedroom on the second floor which provides access to a small attic store. The staircases are steep with a

number of winders and limited sections of handrails. The house has full gas fired boiler central heating via radiators.

- 10. Internally the house is in fair condition although there is evidence of a number of cracks in the plaster where the tenant has stated dampness arises during the winter. A number of tiles in the rear wall of the kitchen have fallen off the wall and a section of plaster below the window is in poor condition: the tenant has glued mesh to the wall to prevent further deterioration. There was a horizontal crack in the plaster to the left of the kitchen window.
- 11. The kitchen was refitted prior to the tenant moving into the house in 2015 however it is now showing signs of some wear and tear. The bathroom is dated, there were a few missing tiles at a high level. There was some evidence of mould on the front wall of the bedroom at first floor level.
- 12. The curtains and white goods are the tenant's.

#### The Evidence

- 13. The tenant stated that the house suffers from damp during wet weather. There are a number of cracks in the plaster throughout the house where the damp problems arise. The house is dry at present due to the hot weather. She referred to the condition of the plasterwork, tiling in the kitchen and the bathroom fittings: all were noted on the inspection.
- 14. The tenant referred to the lack of any outside space, consequently all refuse must be stored in the house and put out on the collection day. Previously she had stored a dustbin on the pavement outside however she had been advised by the local authority that this was an obstruction of the public path. In addition she has no means of reading her gas and electricity meters as they are within the front basement area.
- 15. Miss Grigg provided a number of comparable properties with asking rents ranging from £695 to £900. The comparables were double glazed and had outside space.
- 16. Miss Grigg stated that the increase would cause her severe hardship owing to the amount of benefits she receives.
- 17. The landlord's agent stated that the proposed rent was based on the local housing allowance. The table produced indicated a rate of £847.69 per month for a three bedroom property for the period April 2022 to March 2023. Moreover, the rent had not been increased for three years.
- 18. The house had been redecorated with new carpets prior to the tenant moving in in 2015.

#### The law

19. 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.

20. 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.

#### Valuation

- 21. In coming to its decision, the Tribunal had regard to the evidence supplied by the landlord and the tenant, noting that the landlord had not provided any open market comparable evidence. The range of rents for the comparables reflected their location, type of property and their amenities.
- 22. The property is situated in a relatively unattractive location due its proximity to the derelict site two doors away. The curtains and white goods had been provided by the tenant. The house has single glazed windows resulting in poor insulation and the lack of any outside space, even for storage of a dustbin, are also matters which a prospective tenant would take into account when considering the rental value.
- 23. The Tribunal concluded that the rent at which the property might reasonably be expected to be let on the open market in its current condition would be £800 per month.

### The decision

24. The Tribunal determines the open market rental value of the house is £800 per month effective from 8 August 2022 as it is satisfied that backdating the increase would cause undue hardship to the tenant

Chairman: Evelyn Flint

Dated: 8 August 2022

#### **ANNEX - RIGHTS OF APPEAL**

- i. 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.
- ii. 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.
- iii. 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.

iv. 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.

## Appendix Housing Act 1988

- 14 Determination of rent by rent assessment committee.
- (1)Where, under subsection (4) (a) of section 13, a tenant refers to a rent assessment committee a notice under subsection (2) of that section, the committee shall determine the rent at which, subject to subsections (2) and (4) below, the committee consider that the dwelling-house concerned might reasonably be expected to be let in the open market by a willing landlord under an assured tenancy—
- (a) which is a periodic tenancy 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 the rent) are the same as those of the tenancy to which the notice relates; and
- (d )in respect of which the same notices, if any, have been given under any of Grounds 1 to 5 of Schedule 2 to this Act, as have been given (or have effect as if given) in relation to the tenancy to which the notice relates.
- (2) In making a determination under this section, there shall be disregarded—
- (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 carried out by a person who at the time it was carried out was the tenant, if the improvement—
- (i) was carried out otherwise than in pursuance of an obligation to his immediate landlord, or
- (ii) was carried out pursuant to an obligation to his immediate landlord being an obligation which did not relate to the specific improvement concerned but arose by reference to consent given to the carrying out of that improvement; and

- (c) any reduction in the value of the dwelling-house attributable to a failure by the tenant to comply with any terms of the tenancy.
- (3)For the purposes of subsection (2)(b) above, in relation to a notice which is referred by a tenant as mentioned in subsection (1) above, an improvement is a relevant improvement if either it was carried out during the tenancy to which the notice relates or the following conditions are satisfied, namely—
- (a) that it was carried out not more than twenty-one years before the date of service of the notice; and
- (b) that, at all times during the period beginning when the improvement was carried out and ending on the date of service of the notice, the dwelling-house has been let under an assured tenancy; and
- (c) that, on the coming to an end of an assured tenancy at any time during that period, the tenant (or, in the case of joint tenants, at least one of them) did not quit.
- (4)In this section "rent" does not include any service charge, within the meaning of section 18 of the Landlord and Tenant Act 1985, but, subject to that, includes any sums payable by the tenant to the landlord on account of the use of furniture or for any of the matters referred to in subsection (1) (a) of that section, whether or not those sums are separate from the sums payable for the occupation of the dwelling-house concerned or are payable under separate agreements....
- (7)Where a notice under section 13(2) above has been referred to the appropriate tribunal, then, unless the landlord and the tenant otherwise agree, the rent determined by the appropriate tribunal ... shall be the rent under the tenancy with effect from the beginning of the new period specified in the notice or, if it appears to the appropriate tribunal that that would cause undue hardship to the tenant, with effect from such later date (not being later than the date the rent is determined) as the appropriate tribunal may direct.