

FIRST - TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference : CHI/29UG/MNR/2022/0066

Property: 21 High Street, Northfleet, Gravesend,

Kent, DA11 9EZ

Applicant : S Cooper (Tenant) c/o Citizens Advice

North and West Kent.

Respondent : G S and T S Dhandra (Landlords)

Date of Application : 16th June 2022

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

Tribunal : Mr R T Brown FRICS Chairman

Mr M Woodrow MRICS Mr J Reichel BSc MRICS

Date : 12th August 2022

REASONS FOR DECISION

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Background

- 1. The Tribunal gave formal notice of its decision by a Notice dated 12th August 2022 will be £890.00 per calendar month (pcm) with effect from 26th June 2022.
- 2. By an application dated 16th June 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 3rd May 2022 proposed a rent of £1,000.00 pcm with effect from 26th June 2022, in place of the current rent of £800.00 pcm.
- 4. The tenancy is an assured shorthold tenancy. The tenancy agreement is in common form and is dated 26th February 1996. 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 28th June 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 close to Gravesend town centre. Bluewater Shopping Centre and other amenities are also close by including commuter links to London via Ebbsfleet and Northfleet railway stations.
- 8. The property comprises a two storey end terrace house dating from around 1931. Construction is said to be of conventional cavity brick under a pitched tiled roof. It is centrally heated and double glazed.
- 9. The accommodation comprises: Living room, kitchen, 2 bedrooms, office/dressing room, bathroom/WC and lean to sunroom. Outside: Garden.
- 10. The property is let unfurnished without floor coverings, curtains or white goods.
- 11. The Tribunal assumed that all mains services are connected.

Documents supplied to and considered by the Tribunal

- 12. Tribunal Directions dated 28th June 2022.
- 13. Landlord: Tribunal Reply Form.
- 14. Tenant: Application and Reply Forms, Notice of Increase and Tenancy Agreement.

Landlord's Representations (summarised):

- 15. The Landlord says:
 - a) They purchased the property in 2016.
 - b) The Tenant has been in occupation since 1996.
 - c) Sets out the history of rent increases.
 - d) Since the last increase in March 2021 the following works have been carried out:

Cut down tree and repaired footpath

Replaced damaged radiator in hall

Repaired bathroom ceiling and replaced light

Repaired kitchen ceiling

Repaired conservatory roof and wall

Electric sockets to ground floor

- e) Intended works include carpets.
- 16. Detailed photographs showing the current condition of the property taken in February 2022.
- 17. As to rental value, the Landlord refers to a report by Denise Ford BSc (Hons) MRICS of Michael Parkes who says there is a reasonable expectation of achieving £1,000.00 pcm in good condition as at 26th March 2021.
- 18. First-tier-Tribunal decision (setting the rent at £800.00 pcm) dated 17th May 2021 (CHI/29UG/MNR/2021/0029).
- 19. A 'Best Price Guide' detailing similar properties marketed between April and July 2022 at rents between £1,000.00 and £1,150.00 pcm.

Tenant's Representations (summarised)

- 20. The Tenant says in the Application and Reply Forms:
 - a) The boiler was replaced in 2006 but of the 10 radiators 6 are more than 25 years old, one is more than 22 years old. The pipe work to the radiator in the lean-to is not chased in and runs approximately 6 inches above the floor across the doorway
 - b) Kitchen replaced in about 2007 and Bathroom at an unspecified time.
- 21. Regarding works undertaken by the Landlord she says:
 - a) Tree felled in 2020 not 2021.
 - b) The hall radiator is not damaged and has not been replaced.
 - c) The bathroom ceiling was not repaired.
 - d) The tenant repaired the kitchen ceiling in November 2020.
 - e) The lean-to roof was repaired in October 2021.
 - f) Electrical sockets replaced throughout the property in 2021.
- 22. Works previously undertaken by the Tenant:
 - a) The Tenant has installed a back gate with high fence and landscaped the garden.

- b) Security light, drain cover, kitchen light, bath leak, tiling in bathroom, shower, bathroom taps replaced, gaps in floor filled, faulty socket in Bedroom 2 replaced, front gate replaced, air brick replaced, ceiling fans installed, back door lock repaired, pest control and mouse proofing.
- 23. The Tenant refers to the 2021 decision of the Tribunal (see above) which set the rent at £800.00 pcm and requests that the information considered at that time be included in the current assessment.
- 24. The Michael Parkes report was on the basis of a 'drive by' valuation. The properties referred to are all on quiet side roads not a busy main road.
- 25. The surrounding area is undergoing major regeneration and consequently heavy lorries thunder past. The property is opposite a public house, adjoins a builder's yard and motor bike repair shop.
- 26. The tenant cannot see how the works undertaken justify an increase of 25.00% (£200.00) and suggests an increase of 5.00% (£40.00).

The Tribunal's Deliberations

- 27. The Tribunal found as a matter of fact that the notice was a Notice under section 13 as prescribed by Statute.
- 28. 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.
- 29. The Tribunal checked the National Energy Performance Register and noted that the subject property has a certificate registering the property at D expiring on 25th July 2028. The legal minimum standard for letting a property is rating E.
- 30. 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.
- 31. 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, white goods (cooker, fridge and washing machine) and an EPC Rating of E or above would be £1,100.00 pcm.
- 32. The Tribunal noted the rental evidence submitted by the parties in particular the report of Michael Parkes Chartered Surveyors dated 26th April 2022 giving a rental expectation figure of £1,000 pcm at 26th March 2021.

- 33. 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 condition including dated bathroom and kitchen: £100.00
 - b) Lack of floor coverings and curtains: £30.00
 - c) Lack of white goods: £30.00
 - d) Works of repair (including internal decoration as provided by the tenancy agreement) undertaken by Tenant: £50.00

Total deduction £210.00 pcm

- 34. Accordingly, the Tribunal determined that the market rent for the subject property is £890.00 pcm.
- 35. The rent will take effect from 26th June 2022 being the date specified by the landlord in the notice of increase.

Relevant Law

- 36. Sections 13 and 14 of the Housing Act 1988.
- 37. 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.