

FIRST - TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference : CAM/22UL/MNR/2022/0058

P:PAPERREMOTE

Property: 23 Langham Drive, Rayleigh, Essex,

SS6 9TA

Applicant: Mr Darren Champness and

Mrs Lian Vicky Champness

Respondent : Mr Anthony Eden and

Mrs Nicola Eden

Date of Application : 24 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

4 October 2022

remote hearing on the papers

following an inspection.

DECISION

The market rent as at 4 October 2022 is £1400 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 on the papers following an inspection. 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 24 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 10 June 2022 proposed a rent of £1450 per month with effect from 18 July 2022 in place of the existing rent of £1200 per month.
- 3. The tenant occupies under a periodic tenancy which commenced on the expiry of a tenancy for 6 months from 18 April 2008.
- 4. Directions were issued by the tribunal on 11 August 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 4 October 2022.
- 7. Langham Drive is within a 1990's residential estate on the outskirts of Rayleigh close to a number of local facilities; the town centre and railway station are approximately a mile away. The subject property which is a link detached house is off a driveway shared with several other houses and set back off the road. Parking for three cars is available at the front.
- 8. Externally the house is in good condition except that the timber double glazed windows are in poor decorative condition.
- 9. The accommodation comprises on the ground floor a cloakroom, living room, kitchen/diner with utility area off and a conservatory with direct access to the rear garden and on the first floor three bedrooms, one with ensuite shower room, and a bathroom/wc. Internally the property is generally in good decorative order.
- 10. The kitchen is fitted with built in appliances. It opens directly into the conservatory which is unheated. The rear garden is relatively unoverlooked, a personal door into the garage is situated next to the conservatory.
- 11. The curtains and white goods are provided by the landlord.

The Validity of the Landlord's Notice

12. Mr Champness queried the validity of the landlord's notice which had been served on him and his wife on the grounds that his wife was

- referred to by her maiden name and also that the landlord's address was incorrect.
- 13. The landlord responded that the S13 Notice had been served by a company who had taken the names from the original tenancy agreement. Mr Eden stated that the landlord had not been formally notified of the change of name. He had continued to use the address shown for a number of bank accounts and received mail via a redirection service which will continue for some time.

The Tribunal's decision

14. The notice is valid: the tenants had not been confused by the use of Mrs Champness's maiden name which matched the name on the tenancy agreement submitted to the tribunal with the tenant's application. The address shown is one which the landlord uses for some correspondence and therefore complies with the statutory requirements. The Tribunal has noted that in correspondence with the tenant the landlord, in May 2022, advised of their new address.

The Evidence

- 15. The tenant stated that they have maintained the house internally during the 14 and a half years they have been in occupation. The kitchen units and bathroom suite were in situ when they moved into the house. Mr Champness was of the opinion that comparables are better appointed and have more modern fittings. A recent EPC with a rating of C has been issued however the surveyor only spent an exceptionally short time in the house, did not inspect the loft or reflect that the uninsulated conservatory cannot be closed off from the rest of the house. The conservatory is very cold in winter resulting in condensation problems.
- 16. Mr Champness supplied links to a number of properties on the market however none were directly comparable to the subject property. The list included an apartment, a number of terraced and semi-detached houses most were not in or on the outskirts of Rayleigh.
- 17. The landlord referred to a letter from a local letting agent who had inspected externally and given a valuation of £1600 per month to that reflect the property may require some modernisation. The landlord also referred to a number of properties on the market with rents ranging from £1500 to £1700 per month.
- 18. The landlord stated that the current rent of £1200 per month had been agreed in 2017; the proposed rent is below the market rent. The landlord was mindful that the tenant had struggled to pay the current rent however £1200 is far below what could be achieved on the open market. The additional rent will be used to deal with the windows which require redecoration. The property recently had a new boiler, a fence repair and a new door.

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. The comparables provided by the parties indicate a rent of £1700 per month as the open market rent for a three bedroom house with ensuite and garage on the outskirts of Rayleigh. However, the subject property is not as well appointed as many properties available on the open market and the open plan layout of the kitchen and conservatory must increase the cost of heating the house which no doubt would be a factor a potential tenant would take into account when assessing the rental value. In its current condition and on the terms of the tenancy the tribunal values the house at £1450 per month.

The decision

22. The Tribunal determines the open market rental value of the house is £1450 per month effective from 4 October 2022. The tenant is still paying off arrears from previous year consequently the tribunal is satisfied that backdating the increase to 18 July 2022 would cause undue hardship to the tenant.

Chairman: Evelyn Flint

Dated: 5 October 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.