# **Notice of the Tribunal Decision and** Register of Rents under Assured Periodic Tenancies

(Section 14 Determination)

Housing	Act	1988	Section	14

Address of Premises Th					e Tribunal members were				
1 Warehouse Cottages, Warehouse Road, Stebbing, Dunmow CM6 3ST				Mrs E Flint FRICS					
Landlord	n John Hav	hn Hawkes							
Address Tees Law Tees Hou 95 Londo CM23 30			ouse, don Road,	nse, on Road, Bishops Stortford,					
Tenant		Mr Vincent Spalding							
1. The rent is: £	£450	Per	month		(excluding water rates and council tax but including any amounts in paras 3)				
2. The date the decision takes effect is:				3 May 2022					
*3. The amount included for services is not applicable				-	Per				
4. Date assured tenancy commenced									
5. Length of the term or rental period			monthly						
6. Allocation of liability for repairs			S11 applies						
8. Furniture provided by landlord or superior landlord									
none									
9. Description of premises									
Semi-detached house comprising five rooms, kitchen, scullery and bathroom/wc, double garage.									
Chairman		E Flin	t	Date	of Decisio	n 28 Jս	nne 2022		



FIRST - TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference : CAM/22UQ/MNR/2022/0035

**P:PAPERREMOTE** 

Property : 1 Warehouse Cottages, Warehouse

Road, Stebbing, Dunmow, Essex CM6

3ST

Applicant : Mr Vincent Spalding

Representative : Roythornes Solicitors

Respondent : William John Hawkes

Representative : Stanley Tee LLP t/a Tees

Date of Application : 14 April 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

16 June 2022

remote hearing on the papers.

**DECISION** 

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The market rent as at 3 May 2022 is £450 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 April 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 31 March 2022 proposed a rent of £950 per month with effect from 3 May 2022 in place of the existing rent of £0.
- 3. The tenant has succeeded to an assured tenancy following the death of his father who occupied under the Rent (Agricultural) Act 1976.
- 4. Directions were issued by the tribunal on 19 April 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 16 June 2022. The tenant and Mr D Anderson of Strutt and Parker Chartered Surveyors on behalf of the landlord were present throughout the inspection.
- 7. The subject is a semi-detached two storey house set back from the main road by a small garden on the outskirts of Stebbing. A driveway providing access to the house and double garage is approached via a narrow opening. Externally the house is in fair condition except for some window cills which require attention and both the front and side doors are ill-fitting. The concrete area to the side of the house is cracked, the rear garden which includes an area behind the adjacent property's rear garden overlooks farmland. There are a number of old sheds and greenhouses within the rear garden.
- 8. Internally the accommodation is dated with surface mounted wiring and pipework, the original plaster walls and ceilings are cracked in a number of places. The accommodation comprises on the ground floor a front living room with stairs to the first floor, rear living room used as a dining room, a kitchen off the front living room, a scullery and bathroom/wc and two double and one single bedroom on the first floor. The garage can be accessed directly from the scullery.
- 9. The only heating in the property is the open fire in the front living room, an open fire in the rear living room has not been used for a number of years. The kitchen is fitted with several non-matching units

with non-matching worktops over, the door between the kitchen and front living room has been removed to allow full access to the cupboards. The bathroom is dated, there is an electric shower over the bath. There was evidence of past water ingress: the weather at the time of the inspection was warm and sunny.

- 10. The window reveals to the rear living room and rear bedroom are clad in polystyrene tiles. The windows are pvc-u double glazed units.
- 11. The curtains, carpets and white goods are the tenant's.

#### The Evidence

- 12. The tenant stated that water comes in under the front door and the bathroom floor also becomes damp when it rains. The window to the front living room is badly fitted and allows water ingress. The kitchen is small, there is mould and the walls adjacent to the window is crumbling. The scullery has a sink unit but is draughty. The bedroom walls have cracks in the walls and ceilings. The single bedroom is damp.
- 13. The tenant further added that the house is difficult to heat, it is cold and draughty, its EPC rating is G. It was stated that a substantial sum would need to be spent to make it appealing to prospective tenants including installing central heating, making the property substantially more energy efficient, general repairs, refitting and decoration.
- 14. The proposed rent is excessive.
- 15. The landlord described the house, as being in a high value rural location with good transport links. The driveway offers parking for up to three cars in addition there is a double garage. It was noted that the second reception room to the rear could be used as a fourth bedroom.
- 16. The scullery has access to outside and has a working LPG supply feeding the tenant's gas cooker. It provides space for white goods, and use as a boot room/porch. The windows are double glazed and the loft insulated.
- 17. Brief details of fourteen properties which had been marketed in 2021 were provided. The properties were generally modern or modernised to the standard usually found in open market lettings. Only one property in Stebbing was marketed for less than the proposed rent of £950 per month, it was a one bedroom cottage in the centre of the village. The rents for the other comparables varied from £850 to £1450 per month for a detached bungalow in Stebbing with three bedrooms and two bathrooms but no garage.

#### The law

- 18. 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.
- 19. 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

- 20.In coming to its decision, the Tribunal had regard to the evidence supplied by both the landlord and the tenant. The range of rents for the comparables reflected the types of property and their amenities.
- 21. The property is situated in a rural location on the outskirts of the village. It provides very basic unmodernised accommodation: the house would require to be fully refurbished including repairing/replacing the plaster on the walls and ceiling, removing the polystyrene tiles around the rear windows, rewiring, replumbing, installation of central heating via an energy efficient system, replacement entrance doors, new kitchen, bathroom and utility room fittings before it would be comparable to those houses available to rent on the open market.
- 22. 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 and reflecting the EPC rating of G would be £450 per month. The carpets, curtains, white goods and gas cooker had been provided by the tenant.

### The decision

23. The Tribunal determines the open market rental value of the house is £450 per month effective from 3 May 2022.

Chairman: Evelyn Flint

Dated: 28 June 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.