

FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference	: CAM/26UD/MNR/2022/0111
Property	 87 West Street, Hertford, Hertfordshire, SG138EZ
Applicant	: Deanna Pegram
Respondent	Robin Mead, Angus Mead and Duncan Mead
Type of Application	Reference proposing a new rent under Assured Periodic Tenancy.
Tribunal Member	Judge Shepherd : Marina Krisko FRICS
Date of Reasons	: 15 th February 2023
Reasons	

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Background

- 1. On 13th October 2022, the landlord sought to increase the rent from £40 per week to £300 per week. The tenant who made the referral to the Tribunal 24th November 2022 occupies the premises at 87 West Street, Hertford, Hertfordshire, SG138EZ ("The premises") under a full assured tenancy protected under the Housing Act 1988. This tenancy cannot be terminated by the service of a notice served pursuant to Housing Act 1988,s.21. Her assured tenancy came about because she succeeded to her father's tenancy. He was a Rent Act protected tenant who died on 1st April 2022. Under the Rent Act regime spouses succeed to Rent Act protected tenancies but members of the family succeed under a full assured tenancy.
- 2. The Tribunal received representations from the tenant and the landlords.
- 3. The Tribunal inspected the premises on 13th February 2023.

Description of premises

4. This is an Inner Terraced Victorian House, with 2 bedrooms, 2 reception rooms and bathroom/WC and downstairs toilet. There is convenient access to the Town Centre. The property is located on a busy road which is narrow and parking is difficult. The property is North facing which means it is dark even on sunny days. There is shared access between the property and the property next door. In addition there is a right of way across all of the terraced properties at the back. The garden is reached through shared access and is narrow. At the rear of the gardens is a shared path leading into town. This could present security issues.

5. The property has a tiled roof which appears in poor condition with defective and broken tiles. There is evidence of bowing and the rainwater goods are in poor condition. One pipe spills drainage directly onto a lower roof. The front door is poorly fitted. There are single glazed windows in the living room which appear in poor condition. There is central heating with radiators throughout.

6. The kitchen has a built in hob and the tenant has white goods located there. She also has carpets throughout the premises. The downstairs toilet has an inadequate sink. There are built in wardrobes in the main bedroom. The windows in that room are single glazed and in poor condition. The second bedroom is a large single room. A bathroom has been created out of the former third bedroom. The windows in this room are double glazed but there is evidence of water ingress and bowing of the ceiling.

7. The tenant has provided curtains and carpets.

8. Under the implied terms of the tenancy the landlord is liable for external repairs and decoration, and the tenant liable for internal repairs and decorations (S.11 Landlord and Tenant Act 1985).

The Law

9. Sections 13 and 14 of the Housing Act 1988 are attached in the annex to this decision. Essentially the Tribunal is seeking to determine what the market rent for the premises should be.

10. The landlord provided comparables at Hertingfordbury Road (\pounds 254 per week), Folly (\pounds 288 per week) and Thornton Street, also on Folly Island (\pounds 311 per week). All of these comparables are superior to the premises. The locations are better than the premises. The Thornton Street property has been refurbished as new. The closest comparable is Hertingfordbury Road but that is still superior to the premises. It was a similar house located on a busy road but the subject property had a North facing aspect and the road was narrow. Further the Rights of Way at the rear of the subject property diminished its attractiveness.

11. The Tribunal can't take into account improvements made by the tenant's father but can consider the condition of the premises and fittings which could be removed like white goods, curtains and carpets. The subject property is particularly disadvantaged because it is North facing, it lies in a narrow busy road and there are complex rights of way at the rear which would affect privacy and potentially cause nuisance. Using our local knowledge it is considered that a starting rent of £240 per week is appropriate and that a 25% deduction should be made for the deficiencies already identified.

12. Accordingly the rent set is £180 per week with effect from 15th February 2023.

Judge Shepherd

15th February 2023

ANNEX - RIGHTS OF APPEAL Appealing against the tribunal's decisions

1. A written application for permission must be made to the First-tier Tribunal at the Regional tribunal office which has been dealing with the case.

2. The application for permission to appeal must arrive at the Regional tribunal office within 28 days after the date this decision is sent to the parties.

3. 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.

4. The application for permission to appeal must state the grounds of appeal, and state the result the party making the application is seeking. All applications for permission to appeal will be considered on the papers

5. Any application to stay the effect of the decision must be made at the same time as the application for permission to appeal.

Annex – Ss13 and 14 Housing Act 1988

13.— Increases of rent under assured periodic tenancies.

(1) This section applies to—

(a) a statutory periodic tenancy other than one which, by virtue of <u>paragraph 11</u> or <u>paragraph 12 in Part I of Schedule 1</u> to this Act, cannot for the time being be an assured tenancy; and

(b) any other periodic tenancy which is an assured tenancy, other than one in relation to which there is a provision, for the time being binding on the tenant, under which the rent for a particular period of the tenancy will or may be greater than the rent for an earlier period.

(2) For the purpose of securing an increase in the rent under a tenancy to which this section applies, the landlord may serve on the tenant a notice in the prescribed form proposing a new rent to take effect at the beginning of a new period of the tenancy specified in the notice, being a period beginning not earlier than—

(a) the minimum period after the date of the service of the notice; and

(b) except in the case of a statutory periodic [tenancy—]₁[

(i) in the case of an assured agricultural occupancy, the first anniversary of the date on which the first period of the tenancy began;

(ii) in any other case, on the date that falls 52 weeks after the date on which the first period of the tenancy began; and

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(c) if the rent under the tenancy has previously been increased by virtue of a notice under this subsection or a determination under <u>section 14[below-]2[</u>

(i) in the case of an assured agricultural occupancy, the first anniversary of the date on which the increased rent took effect;

(ii) in any other case, the appropriate date.

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(3) The minimum period referred to in subsection (2) above is—

(a) in the case of a yearly tenancy, six months;

(b) in the case of a tenancy where the period is less than a month, one month; and

(c) in any other case, a period equal to the period of the tenancy.

(3A) The appropriate date referred to in subsection (2)(c)(ii) above is—

(a) in a case to which subsection (3B) below applies, the date that falls 53 weeks after the date on which the increased rent took effect;

(b) in any other case, the date that falls 52 weeks after the date on which the increased rent took effect.

(3B) This subsection applies where-

(a) the rent under the tenancy has been increased by virtue of a notice under this section or a determination under <u>section 14</u> below on at least one occasion after the coming into force of the <u>Regulatory Reform (Assured</u> <u>Periodic Tenancies) (Rent Increases) Order 2003</u>; and

(b) the fifty-third week after the date on which the last such increase took effect begins more than six days before the anniversary of the date on which the first such increase took effect.⁴

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(4) Where a notice is served under subsection (2) above, a new rent specified in the notice shall take effect as mentioned in the notice unless, before the beginning of the new period specified in the notice,—

(a) the tenant by an application in the prescribed form refers the notice to [the appropriate tribunal] $_5$; or

(b) the landlord and the tenant agree on a variation of the rent which is different from that proposed in the notice or agree that the rent should not be varied.

(5) Nothing in this section (or in section 14 below) affects the right of the landlord and the tenant under an assured tenancy to vary by agreement any term of the tenancy (including a term relating to rent).

14.— Determination of rent by $[tribunal]_1$.

(1) Where, under <u>subsection (4)(a) of section 13</u> above, a tenant refers to [the appropriate tribunal]₂ a notice under <u>subsection (2)</u> of that section, the [appropriate tribunal]₃ shall determine the rent at which, subject to subsections (2) and (4) below, the [appropriate tribunal]₃ 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 <u>Grounds 1 to 5 of Schedule 2</u> 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 <u>subsection (1)</u> 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.

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(3A) In making a determination under this section in any case where under <u>Part I</u> of the <u>Local Government Finance Act 1992</u> the landlord or a superior landlord is liable to pay council tax in respect of a hereditament ("the relevant hereditament") of which the dwelling-house forms part, the [appropriate tribunal]₅ shall have regard to the amount of council tax which, as at the date on which the notice under <u>section 13(2)</u> above was served, was set by the billing authority—

(a) for the financial year in which that notice was served, and

(b) for the category of dwellings within which the relevant hereditament fell on that date,

but any discount or other reduction affecting the amount of council tax payable shall be disregarded.

(3B) In subsection (3A) above-

(a) *"hereditament"* means a dwelling within the meaning of <u>Part I</u> of the <u>Local Government Finance Act 1992</u>,

(b) *"billing authority"* has the same meaning as in that Part of that Act, and

(c) *"category of dwellings"* has the same meaning as in <u>section 30(1) and</u> (2) of that Act.

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(4) In this section *"rent"* does not include any service charge, within the meaning of <u>section 18</u> of the <u>Landlord and Tenant Act 1985</u>, but, subject to that, includes any sums payable by the tenant to the landlord on account of

the use of furniture [, in respect of council tax]⁶ 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.

(5) Where any rates in respect of the dwelling-house concerned are borne by the landlord or a superior landlord, the [appropriate tribunal]_Z shall make their determination under this section as if the rates were not so borne.

(6) In any case where—

(a) [the appropriate tribunal]⁸ have before them at the same time the reference of a notice under section 6(2) above relating to a tenancy (in this subsection referred to as "the section 6 reference") and the reference of a notice under section 13(2) above relating to the same tenancy (in this subsection referred to as "the section 13 reference"), and

(b) the date specified in the notice under section 6(2) above is not later than the first day of the new period specified in the notice under section 13(2) above, and

(c) the [appropriate tribunal]₉ propose to hear the two references together, the [appropriate tribunal]₉ shall make a determination in relation to the <u>section 6</u> reference before making their determination in relation to the <u>section 13</u> reference and, accordingly, in such a case the reference in <u>subsection (1)(c)</u> above to the terms of the tenancy to which the notice relates shall be construed as a reference to those terms as varied by virtue of the determination made in relation to the section 6 reference.

(7) Where a notice under <u>section 13(2)</u> above has been referred to [the appropriate tribunal]<u>10</u>, then, unless the landlord and the tenant otherwise agree, the rent determined by [the appropriate tribunal]<u>11</u> (subject, in a case where <u>subsection (5)</u> above applies, to the addition of the appropriate amount in respect of rates) 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]<u>12</u> 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 committee may direct.

(8) Nothing in this section requires [the appropriate tribunal]₁₃ to continue with their determination of a rent for a dwelling-house if the landlord and tenant give notice in writing that they no longer require such a determination or if the tenancy has come to an end.

[(9) This section shall apply in relation to an assured shorthold tenancy as if in subsection (1) the reference to an assured tenancy were a reference to an assured shorthold tenancy.

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