

FIRST - TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference : CAM/22UE/MNR/2023/0029

P:PAPERREMOTE

Property : 26 Kingsdown walk Canvey Island

SS8 9TZ

Applicant : Mr John Barnes and

Mrs Caroline Barnes

Representative : -

Respondent : Mr Stephen Wells

Representative : Reed Residential Limited

Date of Application : 12 March 2023

Type of Application : Determination of the market rent

under Section 14 Housing Act 1988

Tribunal : Mrs E Flint FRICS

:

Date and venue of

Determination

9 May 2023

on the papers after an inspection.

DECISION

The market rent as at 25 March 2023 is £1050 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. The documents that the Tribunal were referred to are in a bundle, the contents of which have been noted.

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Background

- 1. On 12 March 2023, 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 23 February 2023, proposed a rent of £1150 per month with effect from 25 March 2023 in place of the existing rent of £975 per month.
- 3. The tenant occupies under a periodic tenancy which commenced on the expiry of their original tenancy for twelve months from 25 May 2017.
- 4. Directions were issued by the tribunal on 17 March 2023.
- 5. The parties did not object to the matter being dealt with on the papers. Prior to which both the landlord and tenant sent their submissions to the tribunal and copied them to each other.

The Evidence

- 6. The landlord's agent provided a copy of the inventory which was produced at the beginning of the tenancy, brief details of five three bedroom houses and one three bedroom detached bungalow on Canvey Island at rents of mainly £1350 per month and a list of rents of three bedroom properties situated mainly on Canvey Island ranging from £850 to £1200 per month. No details or effective dates were included within the list.
- 7. The agent stated that the rent had not been increased since 2018 and was of the opinion that the comparables showed the asking rent to be below market value.
- 8. The tenant noted that within the list of rents, the subject property was listed at the proposed rent of £1150 per month.
- 9. Mr Barnes stated that the comparables provided by the landlord were not of similar properties since the subject does not have off street parking or a garage and some properties are situated in a different part of the island. He was of the opinion that the houses in Greenwood avenue, South Walters and Fairview were the best comparables as they were on the same estate as the subject property. He provided photographs of the exterior of 3 Fairview, a semi detached house with garage; 117 Harvest Road, a semi detached house and a terraced house in Walkways. He said that the house in Walkways was the most similar to his own. The rents for these three properties was £950 per month, no details or effective dates of when the rents were effective from were provided.

The Inspection

- 10. I inspected the house on the morning of 9 May 2023. The house which was built in the 1970's, is a mid terrace, approached via a pedestrian walkway, close to a local supermarket and within walking distance of local bus stops and school. Benfleet station is approximately 1.6 miles distant. Canvey Lake, which is set in an 8.3 hectare local Nature Reserve is visible obliquely from the front of the house.
- 11. Externally the house appears in good condition with fully fenced front and rear gardens, The tenant has supplied two garden sheds. The windows are Upvc double glazed units, the front door is a modern composite door and the rear door is part glazed.
- 12. Internally this compact house comprises on the ground floor a kitchen and wc to the front and a living/dining room across the rear of the house. Access to the back garden is via a door in the living room. There were two double and one single bedroom and a bathroom/wc on the first floor.
- 13. The house has central heating via a gas fired boiler; the floors are covered with laminate flooring except for the staircase which is carpetted. The kitchen is modern and fitted with a range of base and wall cupboards including and oven and hob with extractor over. The tenant has extended the worktop across the door from the hall and provided the white goods. The bathroom suite is white, there is an electric shower over the bath.

The law

- 14. 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.
- 15. In so doing it, 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

- 16. In coming to my decision, I relied on the comparables provided by both the landlord and the tenant together with my own general knowledge of rents on Canvey Island. The landlord's comparables included several semi detached houses and one detached bungalow; the bungalow did not provide reliable comparable evidence. Most were some distant from the subject; only the end terraced house in Norfolk Way, a traditional street with on street parking, was on the same estate albeit at the opposite end of the estate: the asking rent was £1350 per month, there were gardens to the front, side and rear.
- 17. The tenant's comparables at £950 per month were all located nearby. Moreover, 3 Fairview is an end terrace with a garage.

18. I 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 £1050 per month to reflect its location accessed off a pedestrian walkway, the compact layout, lack of parking outside the property and that the tenant had provided the white goods.

The decision

19. I determine the open market rental value of the premises is £1050 per month effective from 25 March 2023, being the effective date in the landlord's notice.

Chairman: Evelyn Flint Dated: 9 May 2023

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.