		FIRST - TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)
Case Reference	:	CAM/22UB/MNR/2024/0111 P:PAPERREMOTE
Property	:	34 Fourth Avenue Wickford Essex SS11 8RQ
Applicant	:	Jamie Hickman and Renata Hickman
Respondent	:	Scott King
Type of Application	:	Determination of the market rent under Section 14 Housing Act 1988
Tribunal	:	Mrs E Flint FRICS
Date and venue of Hearing	:	8 August 2024 Remote on the papers following an inspection

# DECISION

The market rent is **£1,800** per month with effect from 15 June 2024.

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#### Background

- 1. On 21 May 2024 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 served on 2 May 2024, proposed a rent of £2,000 per month with effect from 15 June 2024 in place of the existing rent of £1,150 per month.
- 3. The tenant has a statutory tenancy following the expiry of a tenancy for twelve months from 15 July 2020.
- 4. Directions were issued by the tribunal on 4 June 2024.
- 5. Prior to the hearing both the landlord and the tenant sent submissions to the tribunal and the other party.

### The Inspection

- 6. The property is a semi-detached bungalow situated in a residential road of houses and bungalows a little under two miles from Wickford town centre. The boundary of the front garden is set back from the road, consequently there is off road parking between the garden and the public highway.
- 7. Externally the property is in good condition.
- 8. The accommodation comprises an open plan living room/ kitchen in a modern extension to the rear of the bungalow, two double bedrooms, bathroom/wc and former single bedroom giving access to the small mezzanine room in the loft conversion. The windows are double glazed and central heating is via radiators throughout the bungalow. There was some black mould above the window in the front right bedroom. The bathroom had fully tiled walls, the window was a fixed unit, ventilation was via an air brick and an extractor, the pop up bath plug was rusted and no longer usable. The kitchen area in the living room was fitted with a range of units including an oven and hob, the white goods were the tenant's. An open area under the worktop could not be used for an appliance due to the waste pipe running horizontally along the wall at the rear of the opening.
- 9. There was a standard wooden shed, larger shed with canopy, two areas of decking and a larger timber building which was situated at the rear of the back garden. The rear building had been used as a beauty salon: it was divided into three small rooms. There was no heating, water or sanitary fittings within this building.

### The Evidence

- 10. The tenant in written submissions accompanied by photographs, stated that he had repaired an area of the external decking near the bungalow and installed a path in the back garden to the rear decking and outbuilding. There was damp in bedroom one and a crack in the wall of the living room and bedroom 3. The bath could not be used, except for showering, due to the rusted plug. The use of the property was residential although part could be used for beauty therapy.
- 11. The tenant provided a letter from the next door neighbour had agreed a rent of £950 about a year ago: number 32 had two bedrooms, an extension to the rear and the same size back garden. A copy of the Best Price guide showed three bedroom semi detached properties at asking rents of £1400 to £1900 per month.
- 12. The landlord described the property as having a large three bedroomed outbuilding plus living room, store and decking. The landlord furthermore disputed that there was any mould within the property.
- 13. The landlord referred to desktop valuations from two estate agents at £2,000 and £2,500 per month. The latter noting that the annexe would have a rental value of £800-£1,000 per month. The value of the annexe was supported by the asking rent for a beauty cabin at £600 per month + electricity via a meter. The landlord also referred to asking rents of two houses: a three bedroom terraced house at £1,700 per month and a four bedroom detached house at £1,900 per month.

### The law

- 14. In accordance with the terms of section 14 Housing Act 1988 I proceeded to determine the rent at which I 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 I, 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 or any diminution in value due to the tenant not complying with the terms of the tenancy and also any items of disrepair which either the tenant had not reported to the landlord or had not allowed access for the landlord to carry out the necessary repairs.

### Valuation

- 16. In coming to my decision, I relied on both the landlord's and tenant's comparable evidence and my own general knowledge of rents in Wickford.
- 17. I determined that the bungalow essentially provides three bedrooms, the mezzanine area is open to the former third bedroom the usable floor area of which is smaller due to the installation of the staircase to the mezzanine resulting in the two areas together providing the third bedroom. The annexe or rear building does not comprise a three bedroom annexe as there is no heating in the timber building nor any water or sanitary facilities. Moreover, the tenancy agreement refers to the property as a three bedroom bungalow with three room

outbuilding. The outbuilding can and has been used as a beauty therapy room and as such adds value to the bungalow for the current occupier.

18. I determined that the open market rent of the was £1,800 per month to reflect the bungalow with its annexe.

### The decision

19. The rent of £1,800 per month is effective from 15 June 2024 in accordance with the landlord's notice.

Chairman: Evelyn Flint

Dated: 13 August 2024

## **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. The application should be made on Form RP PTA available at <a href="https://www.gov.uk/government/publications/form-rp-pta-application-for-permission-to-appeal-a-decision-to-the-upper-tribunal-lands-chamber">https://www.gov.uk/government/publications/form-rp-pta-application-for-permission-to-appeal-a-decision-to-the-upper-tribunal-lands-chamber</a>
- 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. Please note that if you are seeking permission to appeal against a decision made by the Tribunal under the Rent Act 1977, the Housing Act 1988 or the Local Government and Housing Act 1989, this can only be on a point of law.

### 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.