

# FIRST - TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference : CHI/18UG/MNR/2021/0131

Property : The Granary, Edmeston Farm, Modbury,

Ivybridge, Devon PL21 oTB

Applicant : Professor J Roberts (Tenant)

Respondent : Mr D Harvey c/o Lang Town and

**Country Letting Ltd (Landlord)** 

Date of Application : 5th November 2021

Type of Application : Sections 13 and 14 of the Housing Act 1988

Tribunal : Mr R T Brown FRICS Chairman

**Mr S J Hodges FRICS** 

Mr M J F Donaldson FRICS MCIArb

**MAE** 

Date : 4th January 2022

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### **REASONS FOR DECISION**

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## **Background**

- 1. The Tribunal gave formal notice of its decision by a Notice dated 4th January 2022 in the sum of £1,300.00 per calendar month (pcm).
- 2. By an application dated 5th November 2021, the tenant of the above property referred a notice of increase in rent served by the landlord under section 13 of the Housing Act 1988 to the Tribunal.
- 3. The landlord's notice dated the 27th September 2021 proposed a rent of £1,300.00 pcm with effect from 13th November 2021, in place of the current rent of £1,100.00 pcm.
- 4. The tenancy is an assured shorthold tenancy. The tenancy agreement is in common form and is dated 10th January 2017. The tenancy is subject to the Landlord's repairing obligations defined in Section 11 the Landlord and Tenant Act 1985.

### **Property and Inspection**

- 5. Following the Directions dated 17th November 2021 and the explanation contained therein, the Tribunal did not inspect the premises.
- 6. Extracting such information as it could from the papers supplied to the Tribunal by the parties, by reference to information publicly available on the internet and with the benefit of its knowledge and experience the Tribunal reached **the following conclusions and found as follows:**
- 7. The property is located in a rural area close to the town of Modbury.
- 8. The property comprises an oil fired centrally heated, double glazed semi detached barn conversion.
- 9. The accommodation comprises: Ground Floor: 1 reception room, kitchen. First Floor: 3 bedrooms and bathroom. Outside: garage, and shared garden.
- 10. The property is let unfurnished but with dishwasher, cooker, fridge carpets and curtains.
- 11. The Tribunal assumed that mains services are connected.

#### Hearing

12. A hearing was not requested.

# Documents supplied to and considered by the Tribunal

- 13. Tribunal Directions dated 17th November 2021.
- 14. Landlord: Tribunal Reply Form.
- 15. Tenant: Application and Reply Forms, Letter from Glanvilles Damant, Notice of Increase and Tenancy Agreement.

## Landlord's Representations (summarised):

- 16. The Landlord's agent says in the Reply Form and attachments:
  - a) New bathroom installed in 2016.
  - b) New kitchen in 2000/2001.
  - c) No outstanding repair issues reported.
  - d) The Landlord pays for the maintenance of the common areas which are well maintained.
- 17. The property is located in a development of 6 barn conversions close to Modbury and on the main route to other locations including Plymouth.
- 18. As to the proposed rent, earlier in 2021 the agent let other properties on the development:
  - a) 3 bedroom Barn with slightly larger bedrooms but otherwise similar, backing onto the same communal gardens with same white goods and, kitchen but older bathroom. Let at £1,595.00 pcm.
  - b) The agent says Barns 2 and 3 next to the Granary are currently let at £1,300 pcm and are of similar size and condition.
  - c) Comparable properties on RightMove within 1 mile of the property:
  - 3 bedroom Barn conversion on the same development. Let agreed (between June and July 2021) £1,595.00 pcm
  - 3 bedroom town house Modbury. Let agreed (between August and September 2021) £1,350.00 pcm.
  - 3 bedroom detached house Modbury. Let agreed (between July and August 2021) £1,350.00 pcm.

### Tenant's Representations (summarised)

- 19. The Tenant says in the Application Form, and Reply Form.
  - a) That the increase is not in line with rental growth across the UK over the last 5 years.
  - b) The increase proposed represents 33.3% since taking up the tenancy 5 years ago.
  - c) The Office For National Statistics (ONS) index for the period February 2017 to October 2021 shows an 11.40% increase across the UK.
  - d) The current rent £1,100.00 pcm was set in November 2019. The proposed increase is 18.60% or approximated 9.00% pa. ONS statistics for the South West show an increase of 3.00% over the last 12 months.
  - e) The increase is unreasonable because of various issues:
    - 1) Kitchen updated in 2000 is showing signs of age.
    - 2) The hob had to be replaced in 2018 and again in 2019.

- 3) For a period of over 1 month the fridge was non-operational.
- 4) The central heating and hot water system is elderly and has broken down on 10 separate occasions (2 of which resulted in a flood).
- 5) Mice infestation when property empty during lockdown resulted in a beam having to be replaced, making 1 bedroom unavailable for a month.
- 6) In October 2021 the gutters failed causing water to cascade over the back door.
- f) Three bedroomed properties in this area with equivalent facilities let for less than £1,000.00 pcm. Three examples are given at rents ranging from £875.00 to £1,000.00 pcm.

### The Tribunal's Deliberations

- 20. The Tribunal found as a matter of fact that the notice was a Notice under section 13 as prescribed by Statute.
- 21. The Tribunal is required to determine the rent at which the subject property might reasonably be expected to be let in the open market by a willing Landlord under an assured tenancy. The personal circumstances of the Tenant or Landlord are not relevant to this issue.
- 22. The Tribunal checked the National Energy Performance Register and noted that the subject property has a certificate registering the property at D expiring on 3rd April 2029. The legal minimum standard for letting a property is rating E.
- 23. Based on the knowledge of its members the Tribunal finds that the market for this type of property is very sensitive to condition and inventory. The subject property appears to the Tribunal to be in a condition that would be likely to appeal to a prospective tenant.
- 24. The Tribunal, acting as an expert tribunal, determined what rent the landlord could reasonably be expected to obtain for the subject property in the open market if it were let today in the condition and subject to the terms of such a tenancy that is considered usual for such an open market letting. It did this by having regard to the evidence supplied by the parties and the Tribunal's own general knowledge of market rent levels.
- 25. The Tribunal considered the evidence of the parties and makes the following observations:
  - a) The Tenants evidence relies heavily on average statistics for the UK and South West. The references to comparables relate to properties in less popular urban areas of Plymouth.
  - b) It appears to the Tribunal that the difficulties experienced by the Tenant are historic and that there are no current material issues which the Tribunal should take into consideration.
  - c) The Landlords evidence relies on actual lettings of properties within the immediate locality.

- d) The Tribunal finds actual market evidence more persuasive than statistical evidence. Statistical evidence 'irons out' the differences between properties in urban areas and rural properties, which, like the subject property, are often individual in style.
- 26. Having done so, it concluded that such a likely market rent for a similar modernised property in fair condition with modern central heating, modern bathroom and kitchen facilities, floor coverings, and an EPC Rating above F would be £1,300.00 pcm.
- 27. Accordingly the Tribunal determined that the market rent for the subject property is **1,300.00 pcm**.
- 28. The rent will take effect from 13th November 2021 being the date specified by the landlord in the notice of increase.

#### Relevant Law

- 29. Sections 13 and 14 of the Housing Act 1988.
- 30. Assured Tenancies and Agricultural Occupancies (Forms) (England) Regulations 2015 (SI 2015 No.620)

#### **RIGHTS OF APPEAL**

- 1. A person wishing to appeal this decision (on a point of law only) to the Upper Tribunal (Lands Chamber) must seek permission to do so by making written application to the First-tier Tribunal at the Regional office which has been dealing with the case. Where possible you should send your application for permission to appeal by email to <a href="mailto:rpsouthern@justice.gov.uk">rpsouthern@justice.gov.uk</a> as this will enable the First-tier Tribunal Regional office to deal with it more efficiently.
- 2. The application must arrive at the Tribunal within 28 days after the Tribunal sends to the person making the application written reasons for the decision.
- 3. If the person wishing to appeal does not comply with the 28 day time limit, the person shall include with the application for permission to appeal a request for an extension of time and the reason for not complying with the 28 day time limit; the Tribunal will then decide whether to extend time or not to allow the application for permission to appeal to proceed.
- 4. The application for permission to appeal must identify the decision of the Tribunal to which it relates, state the grounds of appeal, and state the result the party making the application is seeking.