



**FIRST - TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)**

Case Reference : **BIR/00CT/MNR/2018/0063**

Property : **153 Dovehouse Lane Solihull B91 2ER**

Landlord : **Grainger Finance Company Limited**

Representative : **Grainger Residential Management Limited**

Tenant : **Michael S Lawrence**

Type of Application : **An Application for a Determination under
Section 14 of the Housing Act 1988**

Tribunal Members : **V Ward BSc Hons FRICS
Judge David R Salter**

Date of Decision : **21 January 2019**

Date of Statement of Reasons : **30 January 2019**

STATEMENT OF REASONS

BACKGROUND

1. By way of a notice dated 29 November 2018, Grainger Finance Company Limited (“the Landlord”), sought to increase the rental in respect of 153 Dovehouse Lane, Solihull B91 2ER (“the Property”) to £900.00 per calendar month under section 13 of the Housing Act 1988 (“the Act”) with effect from 1 January 2019.
2. The tenancy commenced in August 2016 and the rent payable at the time of the notice was £850.00 per calendar month.
3. By an application received on 10 December 2018, Mr Michael S Lawrence, (“the Tenant” of the Property), referred the Notice of increase of rent served by the Landlord to the Tribunal.
4. After consideration of the available evidence and the applicable law, the Tribunal determined a rental of £865.00 per calendar month with effect from 1 January 2019.

THE PROPERTY

5. The Tribunal carried out an inspection of the Property on 21 January 2019. Present at the inspection was the Tenant and Mr Ryan Tucker who is employed by the Landlord’s representative as a Portfolio manager.
6. The Property was found to be a large traditional semi-detached house situated amongst properties of a similar age, type and class approximately 2 miles from Solihull town centre.
7. The accommodation comprises the following:

Ground floor: hall, lounge, dining room and kitchen.

First floor: four bedrooms, separate WC and bathroom.

Outside: integral garage, external WC and brick store off rear lobby, garden to front elevation incorporating driveway and rear garden.
8. The property benefits from double glazing.
9. The Property itself was generally in poor condition. The following are the principal items noted during the course of the Tribunal’s inspection:
 - Loose, slipped and cracked slates.
 - Driveway in poor condition.

- There was evidence at numerous points within the Property of cracking to both internal and external walls.

The Tenant had provided photographs of the rear element of the rear garden which appears to flood during any period of sustained rain.

10. The Tenant had made many improvements to the Property including the following:
 - The installation of three night storage heaters.
 - The installation of two gas fires and surrounds.
 - Alterations to the kitchen to make it a more useable space.
 - The installation of kitchen fitments.
11. The Tenant had also fitted some carpets to the Property and installed white goods in the kitchen.

EVIDENCE

12. The Tribunal received written representations from both parties which were copied across accordingly. Neither party requested an oral hearing.
13. The representations received from the Landlord provided information of a property on Links Drive, Solihull which it was suggested was similar to the subject. The rental quoted was £1,300.00 per month although it was unclear if the property had been let at this figure or was being offered at this amount. From this starting point, the Landlord made deductions for the condition of the Property and the Tenant's improvements to arrive at the amount sought in the rent increase Notice of £900.00 per calendar month.
14. The representations from the Tenant included a summary of the Property's defects and also a list of the improvements he had made, which are listed, briefly, in paragraphs 10 and 11 above. The Tenant also commented on the comparable evidence put forward by the Landlord relating to the property on Links Drive which he did not consider similar to the Property by virtue of its location on a quiet road (he considered Dovehouse Lane very busy) and secondly, its condition.
15. The Landlord made further representations in respect of the Tenant's above comments to the effect that they did not consider the Property's location on Dovehouse Lane was detrimental to its rental value and, further, that the rear garden flooding was caused by a surface water discharge during prolonged rainfall.

THE LAW

16. In accordance with the terms of section 14 of the Housing Act 1988 the Tribunal must determine the rent at which it considers that the subject property might reasonably be expected to let on the open market by a willing landlord under an assured tenancy.
17. In so doing the Tribunal, as required by section 14(1), must ignore the effect on the rental value of the property of any relevant tenant's improvements as defined in section 14(2) of the Act.

VALUATION

18. In the first instance, the Tribunal determined what rent the landlord could reasonably be expected to obtain for the Property if it were let today in the condition that is considered usual for such an open market letting. It did this by using its own general knowledge of the market rent levels in Solihull. Taking all factors into consideration, the Tribunal concluded that the likely market rental would be £1,300.00 per calendar month.
19. However, to allow for the Property's generally poor condition and the unsatisfactory state of the external areas, the Tribunal made a deduction of £200.00 per calendar month.
20. A deduction of £120.00 per calendar month was made to allow for the Tenant's improvements.
21. A further deduction of £115.00 per calendar month was made to allow for the Tenant's fittings (floor coverings and white goods) and also to reflect the Tenant's liability for decoration.
22. The rent determined by the Tribunal for the purposes of Section 14 was, therefore, £865.00 per calendar month with effect from 1 January 2019.
23. In reaching its determination, the Tribunal had regard to the evidence and submissions of the parties, the relevant law and their own knowledge and experience as an expert Tribunal but not any special or secret knowledge.
24. If either party is dissatisfied with this decision they may apply for permission to appeal to the Upper Tribunal (Lands Chamber) on a point of law only. Prior to making such an appeal, an application must be made, in writing, to this Tribunal for permission to appeal. Any such application must be made within 28 days of the issue of this decision (regulation 52 (2) of The Tribunal Procedure (First-tier

Tribunal) (Property Chamber) Rule 2013) stating the grounds upon which it is intended to rely in the appeal.

V WARD BSc (Hons) FRICS