



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

Case Reference : **BIR/37UD/MNR/2020/0005**

Property : **42 Anderson Crescent Beeston Nottingham
NG9 2PT**

Landlords : **Laura How & Russell How**

Tenant : **Stacey Perry**

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

Tribunal Members : **V Ward BSc Hons FRICS
Mrs K Bentley**

Date of Decision : **1 April 2020**

STATEMENT OF REASONS

BACKGROUND

1. By way of a notice dated 13 January 2020, the Landlords sought to increase the rental in respect of 42 Anderson Crescent, Beeston, Nottingham NG9 2PT to £700 per calendar month under section 13 of the Housing Act 1988 (“the Act”) with effect from 3 March 2020.
2. The tenancy commenced on 3 September 2012 and the rent payable at the time of the notice was £550 per calendar month. A Notice under section 21 of the Act has been served in respect of this Property however this plays no part in the Tribunal’s determination.
3. By an application received on 4 February 2020, the Tenant referred the Notice of increase of rent served by the Landlords to the Tribunal.
4. Following the Covid-19 Public Health Emergency, a Procedural Judge reviewed this case and on 18 March 2020 advised the parties, that in accordance with the overriding objective and considering the PHE advice, that the Tribunal’s planned inspection of the Property would no longer take place and the hearing relating to the same would be cancelled. The parties were advised that they could if they wished, make additional submissions including photographs.
5. The parties were further advised of the following:
 - a) If they considered that an inspection was essential to deal with the case fairly and justly and in accordance with the overriding objective, then they should notify the Tribunal (and send a copy of such notification to the opposing party) setting out reasons. A Procedural Judge would then determine whether or not the case should be stayed to allow an inspection to be carried out at a later date.
 - b) The Tribunal need not hold a hearing if consent to proceeding without a hearing has been given by each party (Rule 31(2) of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013). Each party should therefore notify the Tribunal whether or not they consented to the Tribunal determining this matter without a hearing.
6. The Tenant responded to the effect that she appreciated the reasons for the cancellation of the inspection. Neither had requested an oral hearing.

THE PROPERTY

7. From the information provided, and available, to the Tribunal, the Property appears to comprise a terraced house with the following accommodation arranged over two floors:

One living room, three bedrooms and one bathroom.

Front and rear garden

Submissions of the Parties

The Tenant

8. The Tenant's submissions noted the following alterations/improvements she had carried out to the Property (which included photographs and copies of receipts):

- a) The front door was replaced as the previous one was rotten, at a cost of £600.
- b) Landscaping the back garden at a cost of £4,000.
- c) Replaced the front fence as it was broken.
- d) Skirting boards and flooring in the living room although the latter will be removed upon vacation. The original carpet smelt of animal urine.
- e) Replaced the counter top that supports the sink as the previous one was rotten.
- f) Replaced the washing machine although this will be removed upon vacation.

and made the following observations:

- g) All the first-floor carpets are original.
- h) The energy bills are high, approximately £1,500 in just over a year.
- i) There is no insulation to the walls or loft and few of the windows open.

9. The Tenant also provided background to the service of the section 21 Notice and her financial position which are not factors in the Tribunal's determination.

The Landlords

10. The Landlords' submissions make the following observations:

- a) The rental has not been increased since 2012.

- b) They are of the opinion that the rental value of the Property lies in the order of £700 to £750 per calendar month. They provided extracts from Rightmove showing comparable properties at rentals of £695/£700 per calendar month. An email from Bairstow Eves regarding the Property stated that rental would be in the order of £700 per calendar month.
- c) They did not give permission for any of the alterations to be made to the Property.
- d) They were unaware of any mould issues affecting the carpets before the Tenant replaced them.

11. The Landlord also provided background to the service of the section 21 Notice although as noted above, this is not a factor in the Tribunal's determination.

THE LAW

- 12. 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.
- 13. 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

- 14. 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.
- 15. The Tribunal noted the evidence provided by both parties. Whilst from the photographs it appears that some of the works carried out by the Tenant were required others may have been to suit her own occupation of the Property. The Tribunal also notes the mould however without further advice, it is difficult to ascertain the cause.
- 16. The Tribunal's determination considers what rent the landlord could reasonably be expected to obtain for the Property if it were let today. It did this by using its own general knowledge of the market rent levels in Beeston. Taking all factors into consideration, the Tribunal concluded that the likely market rental would be approximately £700 per calendar month. Weighing the evidence provided, the Tribunal makes a deduction of £25 per calendar month.

17. The rent determined by the Tribunal for the purposes of Section 14 was, therefore, £675 per calendar month with effect from 3 March 2020.
18. 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