

FIRST - TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference	:	BIR/00CN/MNR/2020/0021
HMCTS (paper, video audio)	D :	P: PAPERREMOTE
Property	:	122 Hunters Road Lozells Birmingham B19 1EB
Landlord	:	Midland Heart
Tenants	:	Mohammad Mozel & Mai Naizi
Type of Application	:	An Application for a Determination under Section 14 of the Housing Act 1988
Tribunal Member	:	V Ward BSc Hons FRICS – Regional Surveyor
Date of Decision	:	13 May 2020

# DECISION

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## BACKGROUND

- 1. By way of a notice dated 24 February 2020, the Landlord sought to increase the rental in respect of 122 Hunters Road, Lozells, Birmingham B19 1EB to £99.33 per week (including fixed service charges of £0.43 per week) under section 13 of the Housing Act 1988 ("the Act") with effect from 6 April 2020.
- 2. The tenancy commenced on 16 July 2016 and the rent payable at the time of the notice was £96.72 per week (including fixed service charges of £0.41 per week).
- 3. By an application received on 30 March 2020, the Tenants referred the Notice of increase of rent served by the Landlord to the Tribunal.
- 4. Due to the Covid-19 Public Health Emergency, the Tribunal advised the parties that it would determine the Market Rent for the property based on the written submissions by the parties; the Tribunal did not intend to hold an oral hearing (unless one was requested by the parties) or inspect the property internally. This is following Public Health England's advice to avoid unnecessary travel and social interaction for the time being.
- 5. Neither party requested a hearing.
- 6. The parties were further advised that the Tribunal may use internet mapping applications to gather some information about the location of the property and may, in some cases, inspect externally without entering onto the property. However, the parties were strongly encouraged to complete the reply form (provided by the Tribunal) to provide the Tribunal additional information regarding the property.
- 7. Both parties completed the reply forms.

# Submissions of the Tenants.

8. The Tenants confirmed the following information about the Property.

The Property was a house with the following accommodation over two floors:

Kitchen; lounge; two bedrooms; bathroom

The Property benefits from gas fired central heating but not double glazing.

Externally, there were gardens but no off-road car parking.

The Tenants confirmed that they had provided the white goods and carpets and curtains.

9. In the section of the form for "Any other comments", the Tenants stated the following:

"The windows are very old wooden single glazed and the landlord would not change them.

The Landlord would never fix any thing in the front or rear garden (gate/fence).

When I first sent to the Tribunals, the rent supposed to be (98.90 rent plus 0.43 service charge) = 99.33 but after I complained and contacted the Tribunal they changed it to (88.41 rent plus 10.92 service charge = 99.33)"

# Submissions of the Landlord.

10. Submissions of the Landlord were provided by Natasha Hart, Rent Setting and Service Charge Officer.

The submissions confirmed that the rent for the Property is an affordable rent which follows government guidelines and are set at 80% of market rent with service charges included.

The valuation completed prior to the commencement of the tenancy in 2016 gave a market rent of £124.61 and therefore led to an affordable rent of £99.69 per week.

Subsequently, the Tenants received 3 years of 1% reductions and this year received a 2.7% increase CPI (1.7%) + 1% following government guidance.

No information was given in respect of the physical characteristics of the Property.

# The Tribunal's External Inspection.

- 11. From an external inspection, the Tribunal noted that the Property was a semidetached house with rendered elevations under a pitched slate tiled roof.
- 12. The Property fronts onto Hunters Rd close to the amenities available on the A41 Soho Road. Birmingham City Centre is approximately 2 miles to the south east.

## THE LAW

- 13. 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.
- 14. 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

- 15. 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.
- 16. The Tribunal's determination considers what rent the landlord could reasonably be expected to obtain for the Property if it were let today. As it is a fixed service charge, the Tribunal considers the total amount charged to the Tenants i.e. the rent plus the service charge. It did this by using its own general knowledge of the market rent levels in north Birmingham. Taking all factors into consideration, the Tribunal concluded that the likely market rental would be £130.00 per week. However, to allow for the fact that the Property does not benefit from double glazing, the Tribunal made a reduction of £9.00 per week. The Tribunal made a further deduction of £21.50 per calendar month to reflect the Tenants' white goods, carpets and curtains and decorating liability. This results in a rental of £99.50 per week including service charge. As this sum is not significantly different from that demanded by the Landlord, the Tribunal adopts that amount.
- 17. The rent determined by the Tribunal for the purposes of Section 14 is, therefore, £99.33 per week (including fixed service charges of £0.43 per week) with effect from 6 April 2020.
- 18. If either party is dissatisfied with this decision they may apply for permission to appeal to the Upper Tribunal (Lands Chamber) **on any point of law arising from this Decision**. 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