

FIRST - TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference : BIR/00CN/MNR/2020/0043P

Property: 252 Marsh Lane, Erdington,

Birmingham, B23 6HT

Applicant : Mr. Haroon Hanif

Respondent : Rusworld Properties

Respondent's

Representative : Elite Sales & Lettings (Mr Saeed Akram)

Type of Application : Application under section 13(4) of the

Housing Act 1988 referring a notice

proposing a new rent

Tribunal : Tribunal Judge P. J. Ellis.

Tribunal Member R. Bryant Pearson FRICS

Date of Hearing : 24 November 2020

Date of Decision : 10 December 2020

DECISION

The new rent determined by the Tribunal with effect from 1 September 2020 is £575.00 per month

Introduction and Background

- 1. This is an application for determination of a new rent for an assured periodic tenancy under the regime of ss 13 & 14 Housing Act 1988 (the Act).
- The matter was determined by the Tribunal without an inspection and after a telephone hearing involving the Applicant and the representative of the Respondent.
- 3. The relevant tenancy agreement was made between the parties on 26 November 2015 for a period of six months from 1 December 2015 to 31 May 2016 thereafter continuing as a monthly tenancy. The rent for the period was £575.00per month payable in advance on the first of each month. It has not been increased since the commencement of the tenancy.
- 4. The relevant notice in prescribed form proposing a new rent of £675.00 per month with effect from 1 September 2020 was sent by the Respondent to the Applicant on 7 July 2020.
- 5. The Applicant, Mr Haroon Hanif, referred the Respondent's notice to the Tribunal on 17 August 2020. The Tribunal issued directions including a direction for a telephone or video hearing on 27 August 2020. Each party was directed to complete a reply form giving details of the subject property. The parties were authorised to include photographs. The parties agreed to a telephone hearing.

The Property

- 6. According to the papers supplied by the parties 252 Marsh Lane is a three-bedroom semi-detached two-storey house. The ground floor provides a living room and kitchen. Three bedrooms and a bathroom are on the upper floor. It has gas central heating and partial double glazing.
- 7. It has gardens front and rear. The front garden is given over partly to a parking space for one vehicle.
- 8. The Tribunal had not inspected the property but reviewed its appearance from Google Street View.

The Parties Submissions

- 9. There was an issue between the parties regarding its condition. The Applicant submitted photographs which he described during the hearing. He contended the photographs revealed extensive mould infestation and also damage caused by water ingress from rain and also leaking pipes in the bathroom above the kitchen. He also contended the main bedroom was not fit for occupation by reason of cold and damp causing him to move his children into the third bedroom which is small.
- 10. The Applicant contended that a rent increase was inappropriate having regard to the condition of the property. He referred to the photographs as evidence of the poor condition of the property. The Applicant had referred the condition of the property to the Birmingham City Council. An officer of the council had attended and recommended certain works were required to make good the water leaks
- 11. In response Mr Saeed Akram of Elite Sales & Lettings stated the mould was a result of the lifestyle of the Applicant and his family. He asserted the Respondent had authorised him to arrange for work to be undertaken at the

- property but there had been difficulty in gaining access. He agreed that if the council advised work was required then it should be done.
- 12. Mr Aram admitted the council's Housing Health and Safety Rating inspection had identified a missing staircase handrail, the need for an extractor fan in kitchen and bathroom and the need for improved ventilation in the chimney breast by the installation of an airbrick. He denied they had given rise to a category 1 hazard. Further, he alleged the damage shown to the bedroom roof in one of the pictures was old damage from water ingress which had been eradicated by repairs to the roof. However, he conceded the council's officer had recommended further works to make good.
- 13. He asserted that the heating system was in working order. Supplemental heating as alleged by the Applicant was not necessary. He wanted to arrange an acceptable time with the Applicant when works could be done, suggesting the works could be done within four weeks. He confirmed that the works to be carried out to remedy the defects identified by the council's officer would include the provision of an extractor fan in the bathroom with a timed delay switch connected to the light switch. Moreover, in referring to receipts submitted to the Tribunal, he asserted any work previously requested by the tenant had been carried out.
- 14. He referred to other properties in the area as evidence that the rent was too low. As it had not been increased since commencement of the lease, he considered the proposed rent was fair.
- 15. He then suggested that the Tribunal should make its determination but suspend its operation until the work had been completed satisfactorily.
- 16. The Applicant conceded that if the work was carried out then a rent increase would be appropriate, but he did not agree with the sum proposed. He was aware of some higher rents in the area but did not adduce any evidence of rents paid in any other property.

The Relevant Statutory Framework

- 17. S14 of the Housing Act 1988 provides that the Tribunal shall determine the rent at which the Property might reasonably be expected to be let at the valuation date in the open market by a willing landlord under an assured tenancy which (in this case) is an assured periodic tenancy on the same terms (except as to rent) as those of the subject tenancy.
- 18. S13(5) of the Act provides that nothing in either s13 or s14 of the Act affects the rights of the parties to vary by agreement any term of the tenancy (including the term relating to rent).

The Decision

- 19. The Tribunal does not have a power to suspend any determination it makes when exercising its jurisdiction under \$14 of the Act. The wording provides the Tribunal shall determine the rent at which the Property might reasonably be expected to be let at the valuation date. In this case the valuation date is 1 September 2020.
- 20. The Tribunal determined that the present rent is the market rent for this property having regard to the acknowledged need for remedial work. Also from observing the external aspect of the property the Tribunal referred its overall poor appearance to the Respondent's representative Mr Akram who acknowledged further work is necessary to enhance the appearance of the property in addition to the remedial work already identified and agreed.
- 21. The Tribunal has not taken the Applicant's concession that if the work identified is carried out the Respondent is entitled to raise the rent to mean the proposed new rent of £675.00 is the rent the Tribunal would determine under $14 of the Act. The Tribunal did not find the Respondent's evidence helpful in determining the rent for this property as the comparable evidence merely comprised a list of three bedroomed houses available to rent or recently let in the area. The addresses were incomplete and thus the Tribunal

could not identify specific properties on Google Street View and neither were any property letting particulars submitted. The Tribunal could deduce, however, for these higher rents to be achieved, the properties would have to be in better condition than the current condition of the property.

Appeal

22. If either of the parties is dissatisfied with this decision they may apply to this Tribunal for permission to appeal on a matter of law to the Upper Tribunal (Lands Chamber). Any such application must be received within 28 days after these written reasons have been sent to them (rule 52 of The Tribunal Procedure (First-tier Tribunal)(Property Chamber) Rules 2013).

Tribunal Judge PJ Ellis