



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

**Case Reference** : **MAN/00BN/MNR/2020/0016**

**Property** : **790, Hyde Road, Manchester  
M18 7JD**

**Tenant** : **Mohammed Younas**

**Landlord** : **Shahzad Aslam**

**Type of Application** : **s13 Housing Act 1988**

**Tribunal Members** : **Judge C Wood  
Ms S Latham**

**Date of Decision** : **14 October 2020**

**Date of Reasons** : **17 February 2021**

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**REASONS FOR DECISION**

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## **Decision**

1. By a decision dated 14 October 2020, the Tribunal determined, in accordance with section 14 of the Housing Act 1988, that the open market rent for the Property is £585.00 per month.

## **Background**

2. By a notice dated 30 January 2020, (“the Notice”), the Landlord proposed a new rent of £625.00 per month to take effect from 8 March 2020.
3. By an application dated 3 March 2020, the Tenant referred the Notice to the Tribunal.

## **Inspection**

4. Due to covid-19 restrictions, the Tribunal made an external inspection only of the Property.
5. The Property, a conversion from shop premises, is a mid-terrace property in a row of commercial premises, which fronts the pavement/road. Based on the information contained in the Tenant’s application, the accommodation comprises on the ground floor, 2 reception rooms, (one of which is described as a “shop front room”) and a small kitchen, and on the 1<sup>st</sup> floor, 2 bedrooms and a bathroom. There is a large yard to the rear of the Property.
6. The Tenant states that no furniture is provided by the Landlord and that the Tenant provided the following white goods: refrigerator, washing machine, dryer.
7. The Tenant also stated that he had cleaned, painted and papered walls at the Property.
8. From its external inspection, the Tribunal noted that the front exterior of the Property appears in fair condition.

## **Evidence**

9. Both parties made written representations to the Tribunal. Much of their submissions concerned past events between the parties which were of no relevance to the Tribunal’s determination.
10. The Applicant’s submissions included references to 2 properties in Gorton where the asking rent was £550 per calendar month in each case.
11. In his submissions, the Landlord described the references to these properties as “misleading” because the Property is “...a commercial property with shop floor as well as living area, kitchen, bathroom and 2 bedrooms on the first floor”, whereas the “Sample properties...are for 2 bed domestic properties...”. Further, the Landlord states that it was made clear that the Property was unfurnished and therefore the

provision by the Tenant of “...white goods, sofa, beds...cannot be considered as home improvement done by tenant”.

### **The Law**

- 12.1 The Tribunal must first determine that the Landlord’s notice under section 13(2) satisfied the requirements of that section and was validly served.
- 12.2 The Housing Act 1988, section 14 requires the Tribunal to determine the rent at which it considered that the subject property might reasonably be expected to be let on the open market by a willing landlord under an assured tenancy.
- 12.3 In so doing the Tribunal, is required by section 14(1), to ignore the effect on the rental value of the property of any relevant tenant's improvements as defined in section 14(2) of that Act.
- 12.4 Section 14(4) provides that for the purposes of section 14 “rent” includes amongst other things any sums payable to the landlord by the tenant in respect of council tax.
- 12.5 Section 14(4) provides that for the purposes of section 14 “rent” does not include a “service charge” within the meaning of section 18 Landlord and Tenant Act 1985 (i.e. where in accordance with the terms of the tenancy or other agreement a service charge payable by the tenant is variable from time to time according to changes in the relevant costs). However it does include a “fixed” service charge.

### **Tribunal’s Deliberations**

- 13.1 The Tribunal determined the Notice to be valid.
- 13.2 The Tribunal therefore had to decide only whether or not the rent proposed by the Landlord was fair and reasonable. In doing so it must comply with section 14 (1) of the Housing Act 1988 as referred to above.
- 13.3 The Tribunal considered that the evidence of open market rents provided by the Applicant was of limited value in determining the rent for the Property. Whilst the evidence could be regarded as indicative of the rental value of 2-bedroomed properties, there were significant differences between the subject property and these properties. Further, the information was obtained 3 months prior to the Tribunal’s determination.
- 13.4 The Tribunal did not regard the Applicant’s evidence regarding work done to the interior of the Property as constituting improvements.
- 13.5 The Tribunal accepted that the tenancy agreement provided by the Landlord did not relate to the Applicant. However, it noted that it was of a type commonly used for such tenancies and includes an obligation on the tenant “[T]o keep the interior of the Property, the internal decorations....in good repair and condition...” The Tribunal thinks it is

reasonable to assume that the Applicant's tenancy agreement is substantially in the same form and content and that the works undertaken are therefore a proper discharge of the Applicant's obligations as tenant "to keep the internal decorations in good order".

- 13.6 Based on its own knowledge and experience of market rent levels in the relevant area, the Tribunal concluded that the rent at which the Property might reasonably be expected to be let on the open market if the same were in good condition would be £600 per month.
- 13.7 The Tribunal then determined whether any deductions should be made to account for the condition and characteristics of the Property. Accordingly:
- (1) the Tribunal considered that the provision of white goods etc in a letting of this kind would be unusual and made no deduction for them accordingly;
  - (2) the Tribunal considered that it was appropriate to make a deduction for the non-standard residential frontage and its assumption of the non-standard internal residential layout, the Property's location within a row of commercial properties, and its location immediately fronting onto a busy main road;
  - (3) the Tribunal also took into account the large yard to the rear of the Property.
- 13.8 The Tribunal therefore determined that the open market rent for the Property is £585 per month.
- 13.9 This rent will take effect from 8 March 2020 being the date stipulated in the Notice.

**Judge C Wood**

**17 February 2021**