



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

Case reference : **BIR/OOFN/MNR/2022/0014**

Property : **80 St Denys Road
Evington
Leicester
LE5 6FF**

Applicant : **Mr R Ullah**

Representative : **None**

Respondent : **Mr S Mistry**

Representative : **Sky Blue Homes**

Type of application : **Application under Section 13(4) of the
Housing Act 1988 referring a notice
proposing a new rent under an Assured
Periodic Tenancy to the Tribunal**

Tribunal members : **Mr G S Freckelton FRICS
Mr D Douglas**

**Venue and Date of
Determination** : **The matter was dealt with by a remote Video
Hearing on 5th May 2022**

DETAILED REASONS

BACKGROUND

1. On 8th March 2022, the Applicant (tenant of the above property) referred to the Tribunal, a notice of increase of rent served by the Respondent (landlord of the above property) under section 13 of the Housing Act 1988.
2. The Respondent's notice, which proposed a rent of £725.00 per calendar month with effect from 22nd March 2022, is dated 10th February 2022.
3. The date the tenancy commenced is stated on the Application Form as being on 22nd November 2004 and is an Assured Periodic Tenancy. The current rent is stated in the Respondents notice as being £625.00 per calendar month.
4. The Tribunal issued its Decision following the remote Video Hearing.

HMCTS code: V: VHSREMOTE.

5. The Respondent subsequently requested written reasons and these detailed reasons are provided in response to that request.

INSPECTION

6. The Tribunal carried out an inspection of the property prior to the hearing by courtesy of the Applicant. The Respondent did not attend the inspection.
7. The property comprises an end terraced town house of brick construction with a pitched tiled roof in an area of predominantly residential properties.
8. Briefly the accommodation comprises of front UPVC porch, entrance hall, Lounge, kitchen fitted with a range of basic units and separate dining room. There is a pantry off the kitchen together with a store and WC. A door from the kitchen leads to the side of the property.
9. On the first floor the landing leads to two double bedrooms, one single bedroom and bathroom being fitted with a non-matching three-piece sanitary suite including a vanity basin and shower over the bath. There are basic built in wardrobes to all three bedrooms.
10. The house has gas fired central heating which is provided by a back boiler to the gas fire in the lounge. The Tribunal was informed by the Applicant that the gas fire and back boiler were fitted before he moved into the property in 2004. At the hearing the Respondent confirmed that it was fitted prior to him purchasing the property in 2001.
11. At the inspection the Tribunal noted a strong smell when the gas fire was operated. The Tribunal also noted that there was a ventilator fitted to the rear wall of the lounge to provide ventilation for the gas fire and back boiler. It was considered that this would result in a strong draught which would make the room difficult to heat. However, without the ventilator the Tribunal was concerned that there could be a danger to residents from carbon monoxide.
12. There is very limited double glazing and apart from the front porch all the windows are timber. Rot was noted to some parts externally and the standard of external decoration was poor.

13. Externally there are gardens to the front and rear together with a brick store and timber shed provided by the landlord.

EVIDENCE

14. The Tribunal received written representations from both parties which were copied to the other party. A remote video hearing was arranged and attended by both parties.

THE APPLICANT'S SUBMISSIONS

15. In summary, by written submission and at the hearing the Applicant submitted:
 - 1) That although the fitted gas fire was serviced regularly it gave off a smell when lit and the ventilator in the external wall was draughty.
 - 2) That due to the age of the boiler the central heating system did not work efficiently and did not keep the house warm.
 - 3) That he had provided new fitted carpets throughout.
 - 4) That he had fitted a new door to the lounge as the previous one had fallen off.
 - 5) That the cooker was provided by the Respondent but the washer and dryer were provided by the Applicant.
 - 6) That the fridge was provided by the Respondent but it was old and did not work properly.
 - 7) That there was an ongoing leak from the bathroom into the kitchen. This also resulted in fine dust/debris falling off the kitchen ceiling onto the worktop below.
 - 8) That the windows were old, draughty and required repair.
 - 9) That he had been faced with several rent increases during his tenancy and it was inappropriate to increase it further as the cost of living had recently risen sharply.
 - 10) That the property was in the same condition now as it was when he moved in and no improvements had been made by the Respondent.
 - 11) That during his tenancy the Respondent had employed several letting agents but every time it was suggested to the Respondent that work was required, they were replaced by another agent.
 - 12) That there were leaks to gutters.
 - 13) That when he reported repairs were needed generally no action was taken by the Respondent.

THE RESPONDENT'S SUBMISSIONS

16. In summary, by written submission and at the hearing the Respondent submitted:
 - 1) That the proposed rent reflected the market rent for a property in this condition.
 - 2) That he had originally purchased the property in 2001 and it was let out from April 2002 at a rental of £450.00 per calendar month. This had increased in 2004 to £550.00 per calendar month when the Applicant moved in.
 - 3) That he had proposed (through his then agents, Readings), a rental of £680.00 per calendar month in 2019 but this was not implemented.
 - 4) That his costs for insurance and maintenance were increasing and he had paid for annual gas safety checks and for an electrical safety check.
 - 5) That wear and tear was to be expected when a tenant had lived in a property for almost eighteen years.

- 6) When questioned by the Tribunal the Respondent confirmed that external decoration was probably last carried out approximately twelve years ago.

17. To support his opinion of the rental value the Respondent referred to:

- 1) 72 St Denys Road – a three-bedroom semi-detached house offered for letting at £925.00 per calendar month.
- 2) 42 St Denys Road – a three-bedroom end town house offered for letting at £1,000.00 per calendar month.
- 3) A four-bedroom house on Harby Road offered for letting for £1,150.00 per calendar month.

18. The Respondent acknowledged that he had not viewed any of these properties and the Applicant submitted that the two properties on St Denys Road were fully modernised. The Tribunal noted that these were marketing rentals and not confirmation of the rentals achieved.

THE LAW

19. In accordance with the terms of section 14 Housing Act 1988 the Tribunal proceeded 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.

20. In so doing the Tribunal, as required by section 14(1), ignored the effect on the rental value of the property of any relevant tenant's improvements as defined in section 14(2) of that Act.

THE TRIBUNAL'S DECISION

21. The Tribunal confirmed to the parties at the hearing that its jurisdiction was restricted to assessing the rental value of the property and that it could not take into account the personal circumstances of either the Applicant or Respondent.

22. It was evident to the Tribunal during the inspection that the property fell well below the standard that would be expected in an open market letting in the current market.

23. Including the items already referred to the Tribunal particularly noted works that would be considered necessary prior to a new letting in the current market:

- 1) The kitchen required replacement.
- 2) The bathroom required re-fitting.
- 3) The property required external redecoration and general repairs to windows. The property does not have any adequate double glazing (except the front porch) and prospective tenants in the current market would generally expect UPVC double glazing throughout.
- 4) That the hot water cylinder only had an old-fashioned loose lagging jacket which is not considered suitable to provide adequate thermal insulation.
- 5) The situation with the back boiler for the provision of central heating was unsatisfactory. It was evident to the Tribunal that the gas fire (which was working at the time of the inspection) gave off a strong smell.
- 6) The provision of an external ventilator in the lounge (which was required for the gas fire and back boiler) would result in a strong draught making the lounge difficult to heat.

24. If the property was to be offered to let on the market at the present time the Tribunal is of the opinion that considerable expenditure would be required prior to marketing.
25. In the first instance the Tribunal considered what the open market rental would be if the property was in good condition. As evidence to assist it, the Tribunal considered the marketing comparables provided by the Respondent.
26. The Tribunal considered the four-bedroom property on Harby Road to be of limited assistance as it benefitted from additional accommodation but having considered the two properties on St Denys Road and having regard to their own knowledge of rental values in Leicester determined that if the property was in the condition that would be expected in present market it would be expected to let at a rental of £900.00 per calendar month.
27. However, as previously stated the Tribunal determined that the property was not in the best condition and that if it was to be marketed today then considerable improvement and upgrading would be required.
28. In coming to its decision, the Tribunal had regard to the members' own general knowledge of market rent levels in the area of Leicester. Evington itself is generally considered to be a relatively popular residential area.
29. The Tribunal then made the following adjustments to reflect the improvements carried out by the Applicant:

1) New door to lounge	3.00
2) <u>Fitted carpets throughout</u>	<u>30.00</u>
Total	£33.00 per month

30. However, the property as inspected by the Tribunal was not in the condition that would be expected in the open market and the Tribunal therefore also made the following deductions to reflect the condition of the property as follows:

1) Defective fridge	5.00
2) Lack of washer/dryer	14.00
3) Leak from bathroom	8.00
4) Upgrading/replacement of heating system	60.00
5) Kitchen refit	45.00
6) Bathroom refit	30.00
7) Double glazing/window repairs	50.00
8) Repairs to gutters	10.00
9) <u>Upgrade hot water cylinder</u>	<u>8.00</u>
Total	£230.00 per month

31. The Tribunal therefore concluded that an appropriate market rent for the property would be £637.00 per calendar month (£900.00 - £33.00 - £230.00).
32. The Tribunal therefore determined that the rent at which the property might reasonably be expected to be let on the open market would be £637.00 per calendar month.
33. This rent will take effect from 22nd March 2022, being the date of the Respondent's notice.

APPEAL

34. Any appeal against this Decision must be made to the Upper Tribunal (Lands Chamber). Prior to making such an appeal the party appealing must apply, in writing, to this Tribunal for permission to appeal within 28 days of the date of issue of this Decision, (or, if applicable, within 28 days of any decision on a review or application to set aside) identifying the decision to which the appeal relates, stating the grounds on which that party intends to rely in the appeal, and stating the result sought by the party making the application.

G S Freckelton FRICS
Chairman
First-tier Tribunal Property Chamber (Residential Property)