

FIRST - TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference	:	BIR/00CS/MNR/2022/0077
Property	:	27 Warwick Gardens, Tividale, Oldbury, B69 3JB
Tenant	:	Mrs Inam Taymour & Mr Hamed Hamed
Landlord	:	Harvinder Singh
Landlord Representative	:	Love Your Postcode
Type of Application	:	An Application for a Determination under Section 14 of the Housing Act 1988
Tribunal Members	:	Nicholas Wint BSc Hons FRICS Derek Douglas
Date of Decision	:	20 January 2023

STATEMENT OF REASONS

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BACKGROUND

- By way of a notice dated 31 August 2022, the Landlord's agent Love Your Postcode Ltd. on behalf of Harvinder Singh ("the Landlord"), sought to increase the rental in respect of 27 Warwick Garden, Tividale, Oldbury West Midlands B69 3JB ("the Property") from £850 per month to £1,100 per month under section 13 of the Housing Act 1988 ("the Act") with effect from 15 October 2022.
- 2. By an application received dated 23 September 2022, Mrs Inam Taymour and Mr Hamed Hamed ("the Tenant") referred the Notice of increase of rent served by the Landlord to the Tribunal.
- 3. Following receipt, the Tribunal requested the Tenant provide a copy of the Rent Notice and a copy of the tenancy agreement, both of which were received.
- 4. The tenancy is dated 19 November and provides for a Term of 12 months commencing on 15 November 2018 with the rent paid by equal monthly payments on the 15th of each month.
- 5. The Tribunal issued its Directions dated 10 October 2022 requesting the parties complete an attached Reply Form providing details of the property and any further comments concerning the property's condition, any improvements or alterations made as well as any supporting rental evidence and photographs if necessary that they wish the Tribunal to take into consideration.
- 6. The Tenant and Landlord both returned to the Tribunal a completed Reply Form and no further written submissions were received from either party.
- 7. The case was listed on 1 December 2022 and the Tribunal carried out an internal inspection and a face-to-face hearing on the same day. After consideration of the available evidence and the applicable law, the Tribunal determined a rental of £1,100 per month with effect from 15 October 2022.
- 8. Upon receipt of an email dated 12 December 2022 the Tenant requested the Tribunal provide reasons. These written reasons should therefore be read in conjunction with the Decision of the Tribunal dated 1 December 2022.

THE PROPERTY

9. The Property is located approx. 2km north west of Oldbury town centre off Tipton Road in a cul-de-sac and comprises a large extended two-storey semi-detached house with off-street parking to the front and a garden area to the rear.

- 10. The accommodation briefly comprises porch, hallway, two good sized living rooms, breakfast kitchen, cloakroom with WC and shower and on the first floor 5 bedrooms and a bathroom.
- 11. The Landlord provided central heating, double glazed windows and all carpets and curtains and most of the main furniture including wardrobes, beds, and general furniture. The Tenant has provided all the white goods including cooker, washing machine and fridge. No other improvements or alterations have been carried out to the Property by either the Landlord or Tenant since it was first let.
- 12. The Tribunal notes the Landlord received a notice dated 10 January 2022 from Sandwell Council specifying that the drain outside connecting the kitchen sink needed fixing to prevent flooding and smells and that the kitchen ceiling needed to be repaired due to a previous leak. Further the Landlord received an earlier notice from Sandwell Council dated 30 October 2019 identifying various items of disrepair and requiring these to be rectified within 21 days. These items included a leak from the bathroom to kitchen causing damp and mould, tap leaking in kitchen, tap leaking in downstairs WC wash hand basin, gap in floor board on landing and no garden gate to rear of property.
- 13. The Tribunal found on its inspection that the property was generally in good order both inside and out although noted some minor items of disrepair including a number of the kitchen door surfaces that were peeling and some areas of redecoration that were needed.
- 14. Other than the outstanding matters referred to above, which were acknowledged and accepted by the Landlord, the Tribunal found the property to be in reasonable condition and decorative order given its age and location. It was further noted by the Tribunal that the Landlord advised that there were no current issues open at present and that all the matters the Tenant had raised with them had been attended to. The Tenant did however claim that the leak in the bathroom had not been resolved properly but the Landlord advised that a plumber attended the property to investigate this and found no issues. The Landlord advised the Tenant to report any further problems via their help-line and nothing has been reported since.

EVIDENCE

- 15. The Tenant requested a hearing which was conducted in person and attended by Mrs Taymour and on behalf of the Landlord - Ms K McGarr and Ms C Lopez – from Love Your Postcode.
- 16. Neither party submitted any written representations except in connection with the Reply Forms and the information contained therein. No other written evidence has therefore been received by the Tribunal from the Landlord or the Tenant in support of their respective claims except the oral evidence given by the parties in the hearing.

- 17. At the hearing the Tenant simply reiterated the information on their Reply Form and when pressed by the Tribunal to advise what a market rent for the Property would be suggested a rent in the order of £850 per month as this was the most she and Mr Hamed could afford as they were on Housing Benefit. Mrs Taymour referred the Tribunal to other properties in a different area that she advised she was aware of that she claimed were let at £800 to £900 per month but she was not able to give the Tribunal any other specific details.
- 18. Ms Lopez advised they had managed the property since 2018 and the Landlord had not implemented an increase since the tenancy began. She advised that they had tried to consult with the Tenant as to what they were able to pay and an offer had been made but this had been rejected by the Landlord.
- 19. Ms Lopez also advised they have carried out some research into rental values of similar type properties in the area but found very few 5-bedroom homes available. In particular, Ms Lopez referred to the schedule of evidence enclosed with her Reply which detailed a number of larger sized properties from the general area ranging in price from £1,100 to £1,950 per month.
- 20. Further, in Ms Lopez view there would be strong demand for such a large property and as a result tenants tend to stay long term. In her view a similar sized property would achieve in the order of £1400 to £1500 per month but having discussed this with the Landlord was instructed to offer the Tenant a lower figure to reach an agreement and having regard to the large increase and the Tenant's circumstances.

THE LAW

21. Section 14 of The Housing Act 1988 states:

'(1) Where, under subsection (4)(a) of section 13 above, a tenant refers to a rent assessment committee a notice under subsection (2) of that section, the committee shall determine the rent at which, subject to subsections (2) and (4) below, the committee consider that the dwelling-house concerned might reasonably be expected to be let in the open market by a willing landlord under an assured tenancy -

(a) which is a periodic tenancy having the same periods as those of the tenancy to which the notice relates;

- (b) which begins at the beginning of the new period specified in the notice;
- (c) the terms of which (other than relating to the amount of the rent) are the same as those of the tenancy to which the notice relates;...'

'(2) In making a determination under this section, there shall be disregarded -

- (a) any effect on the rent attributable to the granting of a tenancy to a sitting tenant;
- (b) any increase in the value of the dwelling-house attributable to a relevant improvement carried out by a person who at the time it was carried out was the tenant, if the improvement-
- (i) was carried out otherwise than in pursuance of an obligation to the immediate landlord ...
- 22. The jurisdiction of the Rent Assessment Committee was transferred to the First-tier Tribunal (Property Chamber) from 1st July 2013.
- 23. 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.
- 24. 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

- 25. In reaching its determination, the Tribunal has 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, meaning evidence that has not been raised with the parties.
- 26. In the first instance, the Tribunal determined what rent the landlord could reasonably be expected to obtain for the Property if it were let today in the condition that is considered usual for such an open market letting.
- 27. The Tribunal used its own general knowledge of market rental levels in the area and from its own research into rental values for similar types of property from the surrounding areas. The Tribunal has, therefore had regard to the location, accommodation and condition of the Property as well as more specifically has the condition of the Property and the fact that the white goods were supplied by the Tenant and that the property was let fully furnished and includes central heating and double glazed windows.
- 28. There were no Tenants' improvements and so no deductions were made in this respect.
- 29. No deductions were made for the other issues identified by the Tenant as these had been attended to by the Landlord beforehand and the other general matters were not considered significant as to affect the rental value of the property. Taking all factors into consideration, the Tribunal was satisfied and concluded that the market rental for the Property should be £1,100 per month.

30. The rent determined by the Tribunal for the purposes of Section 14 was, therefore, £1,100 per month.

RIGHT OF APPEAL

31. 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.

Nicholas Wint BSc (Hons) FRICS