

FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case reference : CAM/ooMF/MNR/2023/0052

HMCTS code : A:BTMMCOURT

Property : 6 The Parade, Brecon Road,

Woodley, Reading, RG5 4PS

Applicant (Tenant) : Malik Qasim Jawad

Respondent (Landlord) : Meharban Hussain

Determination of a Market Rent:

Type of application : Sections 13 and 14 Housing Act

1988

Tribunal members : Mr P Roberts FRICS CEnv

Date of Determination : 21 June 2023

The form of determination was a telephone hearing described above as **A:BTMMREMOTE** The documents that the Tribunal was referred to are in bundles from the Applicant and the Respondent. The Tribunal has noted the contents and the decision is below.

Decision

The Tribunal determined a market rent of £1,300 per calendar month effective from 16 April 2023.

Reasons

Background

- 1. On 29 March 2023 the Landlord served notice under section 13 (2) of the Housing Act 1988 to increase the passing rent from £1,000 per calendar month (pcm) to £1,300 with effect from 16 April 2023.
- 2. This rent is stated to be exclusive of Council Tax, Water Charges and fixed service charges.
- 3. The Tenant made an application dated 5 April 2023 to the Tribunal in reliance on section 13 (4) of the Housing Act 1988.
- 4. The Tribunal issued directions on 11 April 2023, inviting the Parties to submit any further representations (including any photographs and details of rentals for similar properties) they wished the Tribunal to consider.
- 5. A Hearing was held on 5 June 2023.

The Property

- 6. The Tribunal inspected the Property on 5 June 2023 accompanied by the Tenant. The Landlord did not attend.
- 7. The Property comprises a first floor flat adjoining a parade of shops. The accommodation comprises a living room/kitchen, bathroom and two bedrooms. There is central heating and UPVC double glazing.
- 8. The Tribunal notes that the EPC banding is D and that the stated assumed floor area is 38 sqm.
- 9. The Council Tax Band is C.

The Tenancy

- 10. The Tenant occupied the Property by virtue of an Assured Shorthold Tenancy dated 12 February 2022 for a period of 12 months from 16 February 2022.
- 11. The rent under this Tenancy was £1,000 pcm.
- 12. The Property is not defined within the lease.

- 13. The Tenant's repair obligations are set out within the Lease, predominantly in section 4 (5) which states:
 - "To keep the interior of the Property, the internal decorations and the Fixtures, Furniture and Effects in good repair and condition (except for damage caused by accidental fire and except for anything which the Landlord is liable to repair under this Agreement or by law) and to replace if necessary any items of the Fixtures, Furniture and Effects which have been damaged or destroyed."
- 14. The Landlord's repair obligations are set out at section 7 of the Lease which refers to section 11 of the Landlord and Tenant Act 1985.
- 15. In the absence of a new Tenancy being entered into, an Assured Periodic Tenancy pursuant to Section 5 (2) of the Housing Act 1988 (the 1988 Act) has arisen such that Sections 13 and 14 of the Act now apply.

The Law

- 16. Section 5 (3) of the Act provides that the periodic tenancy arising on expiry of the Assured Shorthold Tenancy is one:
 - "(a) taking effect in possession immediately on the coming to an end of the fixed term tenancy;
 - (b) deemed to have been granted by the person who was the landlord under the fixed term tenancy immediately before it came to an end to the person who was then the tenant under that tenancy;
 - (c) under which the premises which are let are the same dwelling-house as was let under the fixed term tenancy;
 - (d) under which the periods of the tenancy are the same as those for which rent was last payable under the fixed term tenancy; and
 - (e) under which, subject to the following provisions of this Part of this Act, the other terms are the same as those of the fixed term tenancy immediately before it came to an end, except that any term which makes provision for determination by the landlord or the tenant shall not have effect while the tenancy remains an assured tenancy"
- 17. Section 14 of the 1988 Act provides that the Tribunal is required to determine the rent at which the Property might reasonably be expected to let in the open market by a willing landlord under an assured tenancy:
 - a. "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 rent) are the same as those of the existing tenancy."
- 18. Section 14 (2) of the 1988 Act requires the Tribunal to disregard:
 - 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 (as defined by section 14 (3) of the Act) otherwise than as an obligation;
 - c. Any reduction in the value of the dwelling-house attributable to a failure by the tenant to comply with any terms of the tenancy."
- 19. Examples of a tenant's failure to comply with the terms of the lease may include, for example, a lack of redecoration.
- 20. Section 11 of the Landlord and Tenant Act 1985 (the 1985 Act), provides that the Tribunal is to imply a covenant by the Landlord:
 - a. "to keep in repair the structure and exterior of the dwelling-house (including drains, gutters and external pipes),
 - b. to keep in repair and proper working order the installations in the dwelling-house for the supply of water, gas and electricity and for sanitation (including basins, sinks, baths and sanitary conveniences, but not other fixtures, fittings and appliances for making use of the supply of water, gas or electricity), and
 - c. to keep in repair and proper working order the installations in the dwelling-house for space heating and heating water."
- 21. Section 14 (7) of the 1988 Act states:

"Where a notice under section 13(2) above has been referred to the appropriate tribunal, then, unless the landlord and the tenant otherwise agree, the rent determined by the appropriate tribunal (subject, in a case where subsection (5) above applies, to the addition of the appropriate amount in respect of rates) shall be the rent under the tenancy with effect from the beginning of the new period specified in the notice or, if it appears to the appropriate tribunal that that would cause undue hardship to the tenant, with effect from such later date (not being later than the date the rent is determined) as the appropriate tribunal may direct."

Representations – The Tenant

- 22. The Tenant submitted a number of documents that dealt with a wide range of issues.
- 23. The Tribunal has only been able to have regard to those matters pertinent to the rental value and considers that historic matters that would not be known to an incoming tenant are of limited relevance.
- 24. In this context, the Tenant referred the Tribunal to continuing issues with regard to the windows which fail to close fully thereby allowing draughts into the flat. This is a matter that would be likely to be noticed by a prospective tenant.
- 25. However, an incoming tenant would not be aware of the historic state of cleanliness of the Property nor previous repair work that has been completed.
- 26. During the Hearing, the Tenant advised that he considered an increase of between 8.8% to 9% would be reasonable but the proposed increase was unreasonable.

Representations - The Landlord

- 27. The Landlord was represented by Ms Nadya Akhtar.
- 28. Ms Akhtar submitted a number of documents to the Tribunal but, as with the Tenant's representations, the Tribunal has only been able to have regard to matters directly relevant to the rental value of the Property and the bid of a potential tenant.
- 29. The Tribunal had noted that Ms Akthar had referred within the submitted documents to the letting of 4A The Parade effective from 1 September 2022 at £1,350 per month and the reletting of 5 The Parade from 1 April 2023 for a rent of £1,400 per month (increased from £1,350 per month).
- 30. The Tribunal asked Ms Akhtar why 4A had been let at £1,350 per month when the Property had been let at £1,000 per month from February 2022. Ms Akhtar advised that the Property had been let for a reduced rent as a gesture of goodwill.

Determination

- 31. The Tribunal has reached its decision on the basis of its inspection, the market evidence provided at the Hearing by both parties and its own expertise.
- 32. The Tribunal requested during the Hearing that the Landlord provide copies of the relevant lease documentation relating to the evidence cited by the Landlord and the Tenant agreed that this could be provided.

- 33. The Tribunal noted the Tenant's subsequent challenge as to the authenticity of this further evidence, but the Tribunal sees no reason not to accept this at face value as confirming the oral evidence provided during the Hearing.
- 34. Having taken all relevant matters into account, the Tribunal is the opinion that the market rental value of the Property as at the effective date of 16 April 2023 was £1,300 per month.

Name: Peter Roberts FRICS CEnv Date: 21 June 2023

Rights of appeal

By rule 36(2) of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013, the tribunal is required to notify the parties about any right of appeal they may have.

If a party wishes to appeal this decision to the Upper Tribunal (Lands Chamber), then a written application for permission must be made to the First-tier Tribunal at the regional office which has been dealing with the case.

The application for permission to appeal must arrive at the regional office within 28 days after the tribunal sends written reasons for the decision to the person making the application.

If the application is not made within the 28-day time limit, such application must include a request for an extension of time and the reason for not complying with the 28-day time limit; the tribunal will then look at such reason(s) and decide whether to allow the application for permission to appeal to proceed, despite not being within the time limit.

The application for permission to appeal must identify the decision of the tribunal to which it relates (i.e., give the date, the property, and the case number), state the grounds of appeal and state the result the party making the application is seeking.

If the tribunal refuses to grant permission to appeal, a further application for permission may be made to the Upper Tribunal (Lands Chamber).

File Ref No.

CAM/00MF/MNR/2023/0052

Notice of the Tribunal Decision and Register of Rents under Assured Periodic Tenancies

(Section 14 Determination)

Housing	Act	1988	Section	14
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Address of Premises			The Tribunal members were					
6 The Parade, Brecon Road, Woodley, Reading, RG5 4PS			Mr P Roberts FRICS CEnv					
Landlord	Meharban H	Hussain	ssain					
Address	13 Carnarvon Road Reading Berkshire RG1 5SB							
Tenant	Malik Qasim Jawad							
1. The rent is: £ 1,300	Per mon	th	(excluding water but including an					
2. The date the decision takes effect is:			16 April 2023					
3. The amount included for services is			not applicable	Per				
4. Date assured tenancy commenced			17 February 2023					
5. Length of the term or rental period			12 months					
6. Allocation of liability for repairs			Tenant liable for internal repairs					
8. Furniture provided by landlord or superior landlord								
N/A								
9. Description of premises								
The Property comprises a first fle living room/kitchen, bathroom an								
Chairman I	Roberts	Date	e of Decision	21 Ju	ine 2023			