

FIRST - TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference: BIR/00CW/MNR/2023/0177

Property: 76 Emerson Road, Wolverhampton, WCV10 8DA

Applicant : Joanna Dallali

Respondent : Ravinder & Gursuraj Basra

Type of Application: Appeal against a Notice proposing a new rent under an

Assured Periodic Tenancy under section 13(4) of the Housing

Act 1988.

Tribunal Members: I.D. Humphries B.Sc.(Est.Man.) FRICS

M. Alexander B.Sc. MRICS

Date and Venue of

Hearing

17 January 2024

Date of Decision : 17 January 2024

REASONS

The rent is determined at £800 (Eight Hundred Pounds) per calendar month from 23 August 2023.

REASONS

Introduction

- 2 The Applicant holds an Assured monthly tenancy that commenced 23 July 2019.
- On 5 July 2023 the Respondents served notice of increase under section 13(2) of the Housing Act 1988 ('the Act') proposing a new rent of £850 per calendar month in place of the previous rent of £725 per calendar month, to take effect on 23 August 2023. The form stated the rent did not include Council Tax, water charges or service charges.
- On 16 August 2023 the Applicant applied for the rent to be determined by the First-tier Tribunal (Property Chamber).
- On 17 January 2024 the Tribunal determined the rent at £800 per calendar month with effect from 23 August 2023 which was relayed to the parties by email on 25 January 2024.
- On 25 January 2024, the day the Decision was published, the Tribunal received a request from the Respondents for Reasons.

The Law

- 7 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 ...
 - (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.'

Facts Found

8 The Tribunal inspected the property on 17 January 2024 in the presence of Miss Dallali, the Applicant tenant. Mr and Mrs Basra, the Respondent landlords, did not attend.

- The property comprised a semi-detached former Council house on a 1930s housing estate about 3 miles north of Wolverhampton city centre.
- The accommodation comprised an entrance lobby, living room, kitchen and basic conservatory on the ground floor with a landing, three bedrooms and bathroom on the first floor. The property had a front garden and back garden with paved area and two panel garages used as stores, although there was no vehicular access to the back garden.
- 11 The property had no mains gas supply and was heated by electric panel heaters.

Type of Decision

12 Neither party requested a Hearing and the Decision was reached on the Submissions.

Submissions

13 Applicant

Miss Dallali's main point was that there was no gas supply to the house and the heating was all electric which was expensive to run. Space heating was provided by electric panel heaters and night storage heaters and water heating by immersion heater.

She drew attention to the internal condition of the house with poorly painted doors and old tiling, the dated bathroom suite, the poor condition of the 'conservatory' and said that white goods were not included in the tenancy.

15 Respondents

Mr & Mrs Basra provided details of a semi-detached house at North Crescent, Featherstone, a village 5 miles north of Wolverhampton centre advertised at £995 pcm, a semi-detached former Council house in Cannock Road, Wednesfield advertised at £1,100 pcm and a three bedroom house at Stafford Road, Oxley, Wolverhampton advertised at £1,095 pcm.

- They also provided a copy email from Your Move estate agents dated 13 September 2023 where the Lettings Manager offered to advertise the house at between £800-950 pcm 'depending on its condition and size'.
- In a letter to Miss Dallali dated 6 July 2023 copied to the Tribunal, Mr and Mrs Basra explained they had kept the rent at £725 for as long as possible but were proposing an increase as 'we are facing another incredible increase to the property's mortgage rate ...'

Decision

18 The Tribunal considered the location, condition, construction and accommodation and factors raised by the parties in assessing its decision. Had the property been fully refurbished with modern space heating and new kitchen and bathroom suites we would have increased the rental value to a higher level, but bearing in mind its condition we found £800 pcm to reflect the market value for the purposes of section 14 of the Housing Act 1988 at the effective date of the notice, 23 August 2023.

I.D. Humphries B.Sc.(Est.Man.) FRICS Chairman

Appeal

If either party is dissatisfied with this decision an application may be made to this Tribunal for permission to appeal to the Upper Tribunal, Property Chamber (Residential Property) on a point of law only. Any such application must be received within 28 days after the decision and accompanying reasons have been sent to the parties (Rule 52 of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013).