



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

**Case Reference** : BIR/00CN/MNR/2023/0150

**Property** : 40 Great Hampton Row Birmingham B19  
3JG

**Landlord** : Midlands Parking Ltd

**Tenant** : Ibrahim Mohamed Abdi

**Type of Application** : An Application for a Determination under  
Section 14 of the Housing Act 1988 & Appeal  
under Section 14(7) of the Housing Act 1988  
to defer the date of increase.

**Tribunal Members** : Nicholas Wint FRICS  
Leslie Packer

**Date of Decision** : 5 April 2024

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**STATEMENT OF REASONS  
&  
DECISION ON DEFERMENT OF RENTAL INCREASE**

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## **BACKGROUND**

1. The Landlord served a notice on the Tenant dated 23 June 2023 under section 13 of the Housing Act 1988 seeking to increase the rent of the Property from £675 to £1,295 per month with effect from 30 July 2023.
2. Upon receipt the Tenant made an application dated 1 July 2023 referring the notice of the proposed increase to the First-tier Tribunal Property Chamber (Residential Property).
3. The Tribunal issued its Directions dated 11 September 2023 and listed the case for an inspection and hearing on 8 January 2024.
4. The Landlord and the Tenant both completed and returned to the Tribunal a Reply Form.
5. No further written submissions were received from either party.
6. Following the inspection and after consideration of the available evidence and the applicable law, the Tribunal determined a rent of £1,100 per month with effect from 8 January 2024 and issued its decision on this basis.
7. Upon receipt of an email dated 25 January 2024 the Tenant requested the Tribunal provide reasons as did the Landlord by way of an email dated 10 January 2024. Furthermore, the Tenant by email dated 12 January 2024 requested the Tribunal consider an application to defer the increase from 30 July 2023 to 8 January 2024 – being the date of the Tribunal’s decision.
8. These written reasons should therefore be read in conjunction with the Decision of the Tribunal dated 8 January 2023.

## **THE PROPERTY**

9. The Property is located next to St Georges Church of England Academy School in the Newtown area of Birmingham a short distance from Great Hampton Street in what is a mixed residential/ commercial area.
10. The Property is a two-storey detached house that briefly comprises a hall, toilet, two living rooms (front and rear), kitchen, three double bedrooms on the first floor and a bathroom. To the side is a garage and a small yard to the front.
11. The windows are double glazed and there is gas fired central heating throughout.

12. No improvements have been carried out to the Property by either the Landlord or Tenant since it was first let.

## **EVIDENCE**

13. The Landlord's Reply Form describes the Property as above, and confirms that it includes central heating, double glazing, carpets/ floor coverings and curtains and all white goods (cooker, washing machine and fridge). In a letter dated 23 June 2023 from the Landlords agent – Property Link – it states the Property was let to the Tenant in a refurbished condition and had been fully decorated and fitted with new floor coverings throughout as well as a refurbished kitchen and all internal doors having been upgraded to fire doors.
14. There is some dispute between the parties as to whether the ground floor front room should be treated as a fourth bedroom as it was being used by the Tenant for this purpose. The Tribunal noted that this appeared to have originally been a living room but was now being used as an additional bedroom. The Landlord therefore contends the Property has 4 bedroom's and should be valued as such.
15. There has been further dispute as to the number of occupants at the Property. The Landlord advises that they understand that at some point up to 9 occupants have been living at the Property which they consider has contributed to the issues concerning damp and condensation.
16. The Landlord also refers the Tribunal to a report they have had prepared by Barnsley Bate Chartered Surveyors concerning the damp and condensation issues. In that report it concluded that the reason for the excessive humidity levels was due to the high occupancy levels and is a result of poor ventilation and insufficient heating being used to warm the Property properly.
17. The Landlord has considered a number of comparable 3/4 bedroom properties from the immediate area and suggested that rental values range from £1,200 to £2,000 per month. In support of this the Landlord refers the Tribunal to details taken from well-known property websites Rightmove and House For Sale and Zoopla and to a letter from a local housing association and independent estate agent confirming the level of rental values achievable and the strength of demand for similar type properties in the area. In particular, the Landlord provides details in respect of a 3 bed house on Wilson Road in Handsworth at £1200 per month, a 4 bed house on Hadfield Croft at £1,250 per month, a 3 bed house on Goode Avenue at £1,250 per month, a 3 bed house on Great Hampton Row at £1,200 per month, a 3 bed house on Ventnor Avenue in Lozells at £1,100 per month, a 4 bed house on Coplow Cottages at £1,200 per month, a 3 bed house on Lount Walk at £1,200 per month, a 3 bed house on Howard Road at £1,100 per month, and a 2 bed flat on Cliveland Street at £1,300 per month.

18. In conclusion, the Landlord considered the rental value for the Property should be set at £1,295 per month but given the number of occupants increased this to £1,942.50 per month.
19. The Tenant's Reply Form describes the Property as a 3-bedroom house with kitchen and living room and also confirms it includes central heating, carpets and curtains supplied by the Landlord but that the white goods belong to the Tenant.
20. No comparable letting evidence was submitted by the Tenant for consideration by the Tribunal.
21. At the hearing that followed the inspection the parties reiterated their evidence already submitted to the Tribunal.
22. Mr Singh for the Landlord confirmed that as far as he was aware there had been no previous issues concerning damp at the Property and that rental values had been steadily increasing since 2019 and that given the Property's location and size it would attract a good level of demand especially as it could provide 4 bedrooms despite not having a garden but having the benefit of off-road parking. Mr Singh was also of the view that rental values differ between terraced and detached properties and those in the Handsworth area are less desirable given their poorer location.
23. The Tenant advised the Tribunal that the Property was and is a 3-bed house and that there are a number of disrepair issues that the Landlord has not dealt with in particular that there is standing water on the flat roof which was causing the damp issue. When asked by the Tribunal, the Tenant stated that in his opinion the Property's rental value was around £800 to £850 per month.

## **THE LAW**

24. 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 ...
25. The jurisdiction of the Rent Assessment Committee was transferred to the First-tier Tribunal (Property Chamber) from 1st July 2013.
26. 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.
27. 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**

28. 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.
29. On inspection the Tribunal found the Property to comprise a detached house with three good sized double bedrooms. However, the Tribunal found the Property to be dated in areas in particular the kitchen and bathroom and noted mould growth in several parts of the house. The Tribunal also noted that there were no curtains, several handles missing on the internal doors and a that the WC seat was missing. Furthermore, there had been some electric cabling installed but rather than set into the plaster it had simply been fixed to the wall and covered with a protective trunking.
30. The Tribunal was advised that the washing machine and fridge belong to the Tenant however the cooking hob and oven are the Landlord's. The Tribunal was also advised that the garage was not used by the Tenant.
31. The Tribunal found the property to be in a below average condition/ decorative order for this type of Property given its age and location and as a result below the standard of similar type properties currently on the market to let.

32. In the first instance, the Tribunal determined what rent the Landlord could reasonably expect to obtain for the Property if it were let today in the condition that is considered usual for such an open market letting.
33. The Tribunal used its own general knowledge of market rental levels and from its own research into rental values for similar types of property from the surrounding areas and found similar type properties to let in order of £1,100 to £1,300 per month. This was on the basis that the Property is considered to be a 3-bedroom house. The Tribunal therefore had regard to the location, accommodation, and condition of the Property and carefully considered the parties statements/ submissions and as well as its findings from the statements made by the parties at the Hearing in arriving at its valuation of the Property.
34. There were no Tenants' improvements and so no deductions were made in this respect.
35. Taking all these factors into consideration, the Tribunal was satisfied and concluded that the market rental for the Property for the purpose of Section 14 is £1,100 per month after making the above adjustments and determined it was payable with effect from 30 July 2023.

#### **DEFERMENT OF RENTAL INCREASE**

36. The Tenant has, however, submitted a request for the Tribunal to consider an application to defer the increase on the grounds of hardship. In accordance with s14(7) of the Housing Act 1988 the Tribunal has discretion to consider an application made under the Act.

*14(7) Where a notice under section 13(2) 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.*

37. The application for permission to appeal is made pursuant to Part 6 of the Tribunal Rules (First-tier Tribunal) Property Chamber Rules 2013. Rule 53(1) provides that on receiving an application for permission to appeal, the Tribunal must first consider, taking into account the over-riding objective in Rule 3, whether to review the decision in accordance with Rule 55 (review of a decision).
38. Rule 55(1) provides that the Tribunal may only undertake a review of a decision-

- (a) Pursuant to Rule 53 (review of an application for permission to appeal); and  
(b) If satisfied that a ground of appeal is likely to be successful.
39. The Tenant has requested the Tribunal alter the date its decision takes effect ie. the payment of the increased rent, from 30 July 2023 to 8 January 2024 due to financial hardship.
  40. In order for the Tribunal to consider the Tenant's request, it invited the parties to submit further information for it to consider whether it should review its Decision of 8 January 2024 and if so, whether it requires the parties to attend an on-line Hearing. The Tribunal was satisfied with the information provided not to require a Hearing.
  41. The Tenant has provided a letter dated 8 February 2024 and an undated Witness Statement. The Tenant's statement advises he is now residing in temporary accommodation having vacated the Property on 5 February 2024. The Tenant advises he is working as a security guard on a temporary basis and is the sole earner in the household. The Tenant informs the Tribunal that he has 5 children who are all dependents. The Tenant also states that at the time the tenancy was entered into the Landlord was made aware of his financial circumstances and that his income is limited.
  42. The Tenant also reiterates to the Tribunal the damp issues and advises it has caused him unnecessary stress in having to deal with the matter. Further, the Tenant has enclosed a report prepared by Birmingham City Council dated 13 June 2023.
  43. The Tenant submitted details of his family's specific outgoings as well as various other outgoings detailed on his bank statement. The Tenant also advised the Tribunal he receives Universal Credit which is calculated based on the standard allowance plus an amount for housing and a further amount for the support for 3 of his 5 children from which is deducted his net take home pay.
  44. The Tenant suggests that the Landlord was unhappy with the Tenant reporting the disrepair issues to the Council and as a consequence served a rent notice to increase the rent. And following the Tribunal's decision on 8 January 2024 has now received a rent demand for the arrears amounting to £3,650 dating back to the effective date of 30 July 2023.
  45. The Tenant states that as a result of the Tribunal's decision to increase the rent from 30 July 2023 he cannot afford the rent as well as the arrears which has forced him to vacate the Property and is now being housed by Birmingham City Council. The Tenant therefore requests that the Tribunal defers the start date for the rental increase on the grounds of financial hardship.

46. The Landlord did not make any submissions in the matter.
47. The Tribunal has carefully considered the Tenant's submissions on the matter and evidence before it. The Tribunal is of the view that most tenants faced with an increase in rent from £675 to £1,100 per month would, in all likelihood, experience significant difficulty in being able to afford such a large increase and would force most tenants into having to drastically reorganise/ reduce their outgoings.
48. It is widely accepted that the cost of living has increased significantly over the past 18 months or so particularly in relation to rising energy costs and food prices which have only recently started to fall. The effects of this coupled with significant increases in rents has led to many tenants' having to face some very difficult financial decisions and in some cases significant hardship.
49. In this application it is evident that the Tenant's income is very modest despite receiving Universal Credit. The Tenant has 5 children of which 3 count for the purposes of the income support received. It also appears to the Tribunal that the Tenant's general living expenditure (excluding rent) is not excessive or unnecessary and is broadly reflective of the general needs of a normal family.
50. The Tribunal considers that the increase in rent, back dated to 30 July 2023, is significant and therefore understands the reasons as to why the Tenant is claiming this has caused undue hardship and why the Tenant is asking the Tribunal to review its decision and determine a later date from which the increase in rent shall be due.
51. In the circumstances, the Tribunal accepts the Tenant's application that its decision dated 8 January 2024 has caused undue hardship. The Tribunal therefore amends its decision in accordance with section 14(7) of the Housing Act 1988 and in accordance with Part 6 of the Tribunal Procedure (First-tier Tribunal) Property (Chamber) Rules 2013.
52. The Tribunal determines that its Decision dated 8 January 2024 shall be amended and that the rent payable of £1,100 per month shall be revised from 30 July 2023 to 8 January 2024.

## **RIGHT OF APPEAL**

53. 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**