



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

Case Reference : **BIR/00CN/MNR/2023/0181**

Property : **75 Rilstone Road Birmingham B32 2NT**

Landlord : **Lui Bai & Xiaojie Duan**

Tenant : **Napolioni Guanavou & Anastasia Guanavou**

Type of Application : **An Application for a Determination under
Section 14 of the Housing Act 1988**

Tribunal Members : **Nicholas Wint FRICS
R P Cammidge FRICS**

Date of Decision : **1 December 2023**

**Date of Statement
of Reasons** : **15 May 2024**

STATEMENT OF REASONS

BACKGROUND

1. The Landlord served a notice on the Tenant dated 7 August 2023 under section 13 of the Housing Act 1988 seeking to increase the rent of the Property from £750 to £1,100 per month with effect from 10 October 2023.
2. The Tenant made an application dated 15 August 2023 referring the notice of the proposed increase to the First-tier Tribunal Property Chamber (Residential Property).
3. The Tribunal issued its Directions dated 13 September 2023 and listed the case for a VHS hearing on 1 December 2023. Neither party requested the Tribunal carry out an inspection.
4. The Tenant returned a completed Reply Form to the Tribunal and included various internal photographs of the Property in support of their case. The Landlord also returned a completed Reply Form and enclosed a statement of case and details of works carried out and comparable evidence.
5. No further written submissions were received from either party.
6. Following the hearing and after consideration of the available evidence and the applicable law, the Tribunal determined a rent of £1100 per month with effect from 1 December 2023 and issued its decision on this basis.
7. Upon receipt of an email dated 7 December 2023 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 2023.

THE PROPERTY

8. The Property is located in Harborne Birmingham surrounded by similar type properties.
9. The Property is a 3-bedroom semi-detached house with a living room, kitchen, bathroom, toilet and garden with off road parking.
10. The windows are double glazed and there is gas fired central heating throughout. The Tenant advises that the Landlord has provided all the carpets and curtains but they have supplied the white goods (cooker, washing machine and fridge).

11. Neither party advises any improvements have been carried out to the Property since it was first let. The Tenant did however advise they had carried out some works to the garden.

EVIDENCE

12. In the Tenant's Reply Form, it describes the Property as having three bedrooms, a kitchen, living room/ dining area, bathroom and separate toilet and storeroom. The Tenant also states that there is a persistent mould issue in the bathroom and patches of plaster are coming away from the walls as evidenced by the photographs submitted in support.
13. In the Landlord's Reply Form, the Landlord confirms the same accommodation and that the floor coverings were supplied by them, but the white goods belong to the Tenant. The Landlord also included a floor plan layout of each floor. The Landlord also included a statement of case which states that the Property was refurbished in 2018 and has maintained the Property. In addition, they had changed the front and back doors refitted the kitchen cupboards and redecorated throughout. The Landlord also included photographs of the property taken in April 2023 by Oakman who were instructed to evaluate the Property on their behalf. The Landlord also advised that Oakman advised that the Property's open market rental value was around £1,100 per month which was based on a number of similar properties in the area ranging in rent between £950 to £1400 per month.
14. At the Hearing, the Tribunal heard evidence from both parties which effectively went through in more detail the written submissions made by the Tenant and Landlord. The Tenant advised the Tribunal that the Landlord had carried out all the outstanding repairs and had a reasonably good relationship with the Landlord. However, the Tenant felt the increase was excessive and considered a more reasonable amount would be in the region of £850 to £900 per month and as he was on Universal Credit would be unable to afford the increase proposed by the Landlord. Whilst the Tribunal understands that the Tenant may not be able to afford the proposed rent, this is not a matter that falls within the Tribunals remit as the role of the Tribunal here is to determine the market rent as set out under the provisions of the Housing Act 1988.
15. The Landlord was of the view that the Property was in good order and complimented the Tenant for carrying out some work he had done to the Property. The Landlord also advised the Tribunal that the Tenant had replaced the hob and fridge, but the Tenant could not specifically remember if he had done so.
16. Neither party submitted any additional evidence but when the Tenant was asked by the Tribunal to identify which comparable was the most helpful the Tribunal

was referred to the evidence in respect of a property on Court Oak Rd at £1,100 per month. The Landlord also advised the Tribunal that she considered the most helpful comparable was Court Oak Road but had also based her opinion on a general view she had formed from all the evidence submitted and as well as having consulted with various local agents as to the Property's rental value.

THE LAW

17. 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 ...

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

19. 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.

20. 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

21. 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.
22. 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.
23. The Tribunal has used its own general knowledge of market rental levels in local area and from its own research into rental values for similar types of property from the surrounding areas. The Tribunal found similar type properties to let at between £1000 and £1200 per month in similar locations, that offered similar sized accommodation. The Tribunal also had regard to the parties statements and evidence given in the Hearing in arriving at its valuation of the Property.
24. There were no Tenants' improvements and so no deductions were made in this respect. The Tribunal considered that the Property was in reasonable condition based on the statements made by the parties and the photographic evidence.
25. Taking all these factors into consideration, the Tribunal was satisfied and concluded that the likely market rental would be £1,100 per month.
26. The rent determined by the Tribunal for the purposes of Section 14 was, therefore, £1,100 per month.

RIGHT OF APPEAL

27. 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