



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

Case Reference : BIR/00CU/MNR/2024/0008

Property : Flat A, 5 Dorset Road, Darlaston, West Midlands, WS10 8TW

Applicant : Tara Plant

Respondent : RMB Property Lettings Ltd.

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
D. Satchwell FRICS
L. Packer

Date and Venue of Hearing : N/A. Paper determination.

Date of Decision : 20 May 2024

REASONS FOR DECISION

- 1 The rent is determined at £700.00 (Seven Hundred Pounds) per calendar month with effect from 1 March 2024.

REASONS

Introduction

- 2 The tenant, Tara Plant, has held a tenancy of the subject property since 30 August 1997 and remains a statutory periodic assured shorthold tenant.
- 3 On 28 December 2023 the landlord served notice of increase under section 13(2) of The Housing Act 1988 proposing a rent increase from £500.00 per month to £800.00 per month from 1 March 2024. The rent did not include Council Tax, water charges or service charges.
- 4 On 11 January 2024 the tenant applied to the First-tier Tribunal (Property Chamber) to determine the rent.
- 5 The Tribunal issued Directions on 16 January 2024 and after receipt of submissions the rent was determined at £700.00 per month by paper decision on 20 May 2024, based on information provided to the Tribunal by the parties.
- 6 On 4 June 2024 the Tribunal received a request from the landlord for Reasons which are set out below.

The Law

- 7 Section 14 of The Housing Act 1988 ('the Act') 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 ...*

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

Facts Found

- 9 The Tribunal did not inspect the property and reached its Decision based on the parties' submissions and views of the front elevation on Google Streetview.
- 10 The property is a double fronted Victorian house in a street of terraced and semi-detached houses near Darlaston's ASDA store in the Black Country. It is about 4 miles south east of Wolverhampton city centre.
- 11 The house is of two storey brick construction with rendered front elevation. It has been converted to two flats and the subject property is the ground floor self-contained unit with a living room, kitchen, two bedrooms and bathroom. It has double glazing and gas-fired central heating. The back garden is shared by the two tenants.
- 12 Neither party requested a Hearing.

Submissions

- 13 The Applicant's Submission
Miss Plant said the rent had previously been agreed at £500 per month in 2022 but was concerned by the landlord's proposed figure of £800 per month which represented a 60% increase in two years. She listed all the improvements she had made to the property over the last 27 years.
- 14 The Respondent's Submission
RMB Lettings' ('RMB') submission confirmed details of the accommodation and that the central heating and double glazing were included. They also said there was off-street parking.
- 15 RMB bought the property in 2022. Since purchase, they have screeded the kitchen floor, replaced two extractor fans, repaired the toilet and a leaking roof. Their case was that Miss Plant was paying a concessionary rent prior to their purchase as it had been owned by a family friend and that since purchase, they had compromised at £500 per month as a gesture to maintaining a good landlord and tenant relationship. They provided photographs and summary details of 14 two bedroom flats to let in the area printed from Rightmove, summarised below:

<i>Address</i>	<i>Asking Rent per month £</i>
Bagnalls Wharf, Wednesbury	900.00
Wedgbury Close, Wednesbury	900.00
Old College Drive, Wednesbury	900.00
Bagnalls Wharf, Wednesbury	895.00
The Avenue, Wednesbury	875.00
Wards Keep, Darlaston	850.00
Park Lane, Wednesbury	750.00
Brunswick Park Rd., Wednesbury	895.00
Birmingham Rd., Walsall	1,095.00
Little Station St., Walsall	785.00
Providence St., Darlaston	800.00
Holyhead Rd., Wednesbury	825.00
Wolverhampton St., Darlaston	650.00
Russell St., Willenhall	825.00

- 16 Based on this evidence and advice from a letting agent, RMB considered the rental value to be £800 per month.

Decision

- 17 From the photographs supplied, the interior of the flat had been well maintained and decorated by Miss Plant during the 27 years of her tenancy. In that time she had landscaped the garden, fitted new kitchen and bathroom suites, fitted new tiling, a shower, new internal doors and ironmongery, all of which were tenant's improvements to be disregarded from the rental value under section 14(2)(b) of the Act.
- 18 The landlord accepted that the tenant had carried out improvements but drew attention to the asking rents of two bedroom flats to let in the area, some of which were in older property and some more modern.
- 19 Based on its own general knowledge and professional expertise, the Tribunal accepted that rents had increased substantially in recent years and while not commenting on the rate of increase since 2022 which is not strictly relevant to the market rent today, found that the full market rental value at 1 March 2024 would have been £800 per month. However, the Tribunal deducted £100 per month to reflect the value of the tenant's improvements to leave a rent on the statutory basis of £700 per month.
- 20 In summary, bearing in mind the location, condition of the property and general levels of asking rents in the area, the Tribunal considered the rent based on the definition in section 14 of the Housing Act 1988 to have been £700.00 (Seven Hundred Pounds) per calendar month at the effective date of the Notice, 1 March 2024.

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

Appeal

In accordance with section 11 of the Tribunals, Courts and Enforcement Act 2007 and rule 21 of the Tribunal Procedure (Upper Tribunal) (Lands Chamber) Rules 2010, the Tenant / respondent may make further application for permission to appeal to the Upper Tribunal (Lands Chamber) on a point of law only. Such application must be made in writing and received by the Upper Tribunal (Lands Chamber) no later than 28 days after the date on which the First-tier Tribunal sent notice of this refusal to the party applying for permission to appeal. Where possible, you should send your further application for permission to appeal by email to Lands@justice.gov.uk, as this will enable the Upper Tribunal (Lands Chamber) to deal with it more efficiently.

Alternatively, the Upper Tribunal (Lands Chamber) may be contacted at: 5th Floor, Rolls Building, 7 Rolls Buildings, Fetter Lane, London EC4A 1NL (tel: 020 7612 9710).