



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

Case Reference : **BIR/00CN/MNR/2023/0253**

Property : **27 Tamerton Road Bartley Green
Birmingham B32 3HF**

Landlord : **Mohammed Sohail**

Tenant : **Keith Sturch**

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

Tribunal Members : **Nicholas Wint FRICS
Mark Alexander MRICS**

Date of Decision : **23 July 2024**

STATEMENT OF REASONS

BACKGROUND

1. The Landlord served a notice on the Tenant dated 6 October 2023 under section 13 of the Housing Act 1988 seeking to increase the rent of the Property from £575 to £725 per month with effect from 1 December 2023.
2. Upon receipt the Tenant made an application dated 23 November 2023 referring the notice of the proposed increase to the First-tier Tribunal Property Chamber (Residential Property).
3. The Tribunal issued its Directions dated 4 December 2023 and listed the case for a paper only hearing on 3 May 2024 with an inspection prior.
4. Reply Forms were sent to the Tenant and Landlord to complete giving details of the Property and inviting the parties to submit any other further comments and/or documents they wish the Tribunal to take into consideration. Both the Tenant and Landlord returned their completed Form to the Tribunal. In addition, the Tenant completed a Hardship Reply Form asking the Tribunal to use its discretion to defer the starting date for any rental increase.
5. The Tribunal inspected the Property on 3 May 2024. Both parties were also content for the matter to proceed by way of a paper decision only without the need for a hearing.
6. The Tenant submitted various details and photographs/ video evidenced in support of his position but no further written submissions were received from either party.
7. After consideration of the available evidence and the applicable law, the Tribunal determined a rent of £575 per month with effect from 1 December 2023 and issued its decision on this basis.
8. Upon receipt of an email dated 20 May 2024 from Samuel & Co Associates Ltd, the Landlord requested the Tribunal provide reasons. These written reasons should therefore be read in conjunction with the Decision of the Tribunal dated 3 May 2024.

THE PROPERTY

9. The Property is located in the Bartley Green area of Birmingham.
10. It is a two-bedroom house that includes a porch, hall, through living room, kitchen, bathroom, and rear garden. There is no off-street parking.
11. There is central heating, and the windows are double glazed.

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

EVIDENCE

13. The Tenant's Reply form states that the Property includes central heating, double glazing and that the Landlord provided the carpets and curtains as well as the white goods (cooker, washing machine, fridge).
14. The Tenant, however, also states that the Property was suffering from various areas of disrepair including subsidence, peeling wallpaper, dirty radiators, broken door handles, broken front door, dated kitchen, old hot water tank, damage ceiling, heating not working, no smoke alarms/ carbon monoxide detectors, damaged chimney flashing, ceiling cracks, old gas boiler, leaking bathroom sink, and no cooker, amongst other matters.
15. The Tenant refers the Tribunal to the lease and various covenants that he believes the Landlord is therefore in breach.
16. In the Landlord's Reply form, it states that the Landlord fitted new carpets and provided some furniture including sofa's, and a coffee table and had painted the internal walls as well as provided the curtains, floor coverings, new back door and kitchen sink and the white goods (cooker, washing machine, fridge).
17. The Landlord also submitted a copy of the tenancy agreement, a rent payment schedule, an unsigned photographic inventory and details of comparable properties from the area ranging in value between £800 to £1,100 per month.
18. The Tenant's submission, including the Reply form, reiterates the various areas of disrepair and effectively disagrees with the Landlord's rental proposal because of these issues and in particular makes reference to the fact there is no gas cooker and the Landlord had not provided a gas certificate for the current year.
19. In support of the Tenant's request for the Tribunal to consider a Hardship application, the Tenant advised that he simply could not afford such a large increase. The Tenant advised he was receiving Universal Credit with a legacy ESA/ limited capability for work and with the proposed increase would lead him into debt.

THE LAW

20. 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 ...

21. The jurisdiction of the Rent Assessment Committee was transferred to the First-tier Tribunal (Property Chamber) from 1st July 2013.
22. 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.
23. 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

24. In reaching its determination, the Tribunal 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.
25. 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.

26. The Tribunal considered all the evidence submitted by Landlord and Tenant as well as had regard to its own visual inspection and findings. The Tribunal used its own general knowledge of market rental levels in the area and had regard to its own research into rental values for similar types of property from the surrounding areas. The Tribunal also had regard to the character of the Property as well as the location, accommodation and condition of the Property in arriving at its valuation of the Property after making some deductions for the disrepairs referred to by the Tenant.
27. There were no Tenants' improvements and so no deductions were made in this respect.
28. Taking all these factors into consideration, the Tribunal was satisfied and concluded that the likely market rental of the Property would be no more than £575 per month after making various deductions for the areas of disrepair that were apparent from the inspection.
29. The rent determined by the Tribunal for the purposes of Section 14 was, therefore, £575 per month.
30. The Tribunal then considered the Tenant's application for hardship. The Tribunal was persuaded by the Tenant that the Landlord's proposal would have been a significant rental increase which, had it agreed, would have caused financial difficulties to the Tenant if the increase were to be backdated to the date in the Notice. However, as the Tribunal found there to be no justification for a rental increase given the condition of the property and areas of disrepair the Tribunal was satisfied that its decision shall take effect from the date in the notice, that being 1 December 2023.

RIGHT OF APPEAL

31. 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