



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

Case Reference : **BIR/00CN/MNR/2024/0109**

Property : **7 Wesley Court, 116 City Road Edgbaston
Birmingham B16 0NL**

Landlord : **Anchor Hanover Group**

Tenant : **Daljit Dodd**

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 : **16 July 2024**

STATEMENT OF REASONS

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BACKGROUND

1. The Landlord served a notice on the Tenant dated 7 February 2024 under section 13 of the Housing Act 1988 seeking to increase the rent of the Property from £315.24 to £339.51 per month with effect from 1 April 2024.
2. Upon receipt the Tenant made an application dated 23 March 2024 referring the notice of the proposed increase to the First-tier Tribunal Property Chamber (Residential Property).
3. The Tribunal issued its Directions dated 9 April 2024 asking the parties to complete the attached Reply Forms and listed the case for a hearing without an inspection on 16 July 2024.
4. The Landlord returned to the Tribunal a completed Reply Form which confirmed details of the accommodation, features such as central heating, double glazing and the provision of white goods. The Landlord also submitted additional comments dated 29 April 2024 detailing their approach to setting the rent in accordance with the governments rent restructuring regime for registered providers of supported housing such as the subject property. The Landlord also set out details of various nearby comparable properties ranging in market value between £750 and £1255 per month. In addition, the Landlord advised that the average social rent charged for similar retirement properties in the area is £436 per month. And based on this were of the view that the rent charged for the financial year 2024/25 is below the open market rate under an assured tenancy. The Landlord is also under an obligation to provide various services to maintain the property and has refurbished the kitchens, bathrooms, replaced the windows and have further works and repairs planned.
5. The Tenant also submitted as completed Reply Form detailing the accommodation and communal parts together with a tenancy agreement dated 20 November 1991.
6. No further written submissions were received from either party.
7. Following the hearing and after consideration of the available evidence and the applicable law, the Tribunal determined a rent of £425 per month with effect from 1 April 2024 and issued its decision on this basis.
8. Upon receipt of an email dated 22 August 2024 the Tenant requested the Tribunal provide reasons. These written reasons should therefore be read in conjunction with the Decision of the Tribunal dated 16 July 2024.

THE PROPERTY

9. The Property is located in Edgbaston near Birmingham in a residential area.
10. The Property is a first-floor flat extending to a hall, living room, kitchen, bathroom, storeroom, airing cupboard and one bedroom. There is communal parking, a communal lounge, laundry, shared garden, communal kitchen and a lift to each floor.
11. The windows are double glazed and there is central heating throughout.

EVIDENCE

12. According to the Landlord's Reply form the Property was let unfurnished but included the white goods (cooker, washing machine and fridge). The Tenant's Reply form confirmed the same and specifically mentioned that the laundry was efficient and the garden areas well maintained and any repairs are addressed the costs of which are recovered through a service charge.
13. The Landlord also submitted details of a number of properties from the local area ranging in rental value from £750 to £1,255 per month and that average retirement properties in the area were around £436 per month. In particular, the Landlord advised that flat 9 & 8 within the development are currently paying £424.15 per month and that ground floor flats tend to be more desirable and that all the tenants are paying the monthly service charge of £236.46. However, despite the wider market rents the Landlord is only able to charge a rent that is capped by the requirements set out in the Rent Standard.
14. The Tenant did not submit any letting evidence for the Tribunals consideration.

THE LAW

15. 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 ...
16. The jurisdiction of the Rent Assessment Committee was transferred to the First-tier Tribunal (Property Chamber) from 1st July 2013.
17. 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.
18. 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

19. 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.
20. 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.
21. The Tribunal has used its own general knowledge of market rental levels in Edgbaston area and from its own research into rental values for similar types of property from the surrounding areas found similar type properties to let in order of £650 to £750 per month and settled on £725 per month for the subject property.
22. There were no Tenants' improvements and so no deductions were made in this respect.

23. The Tribunal then made an adjustment for the service charge costs as well as the heating and hot water charges and water rates.
24. Taking all these factors into consideration, the Tribunal was satisfied and concluded that the market rental would be £425 per month after making the above adjustments.
25. In conclusion, the Tribunal has had regard to the location, accommodation and condition of the Property as well as its findings and had regard to the parties statements in arriving at its valuation of the Property.
26. The rent determined by the Tribunal for the purposes of Section 14 was, therefore, £425 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