

# FIRST - TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference: BIR/00CT/MNR/2024/0189

Property: 51 Finnemore Road Birmingham B9 5XN

Landlord: Y B Hussain

Tenant: M Anwar

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:** 07/02/2025

# STATEMENT OF REASONS

© CROWN COPYRIGHT 2025

### **BACKGROUND**

- 1. The Landlord served a notice on the Tenant dated 20 February 2024 under section 13 of the Housing Act 1988 seeking to increase the rent of the Property from £700 to £1,200 per month with effect from 26 March 2024.
- 2. The Tenant made an application dated 20 July 2024 referring the notice of the proposed increase to the First-tier Tribunal Property Chamber (Residential Property). The tenancy agreement is dated 26 March 2020.
- 3. The Tribunal issued its Directions dated 6 August 2024 asking the parties to complete Reply Forms and listed the case for a hybrid hearing on 29 November 2024 without an inspection.
- 4. The Tribunal received a completed Reply Form from the Tenant and the Landlord. Both forms confirmed details of the accommodation, and that the property includes central heating, double glazing, carpets and curtains and white goods.
- 5. The Tenant also submitted a request for the Tribunal to consider an application for hardship under section 14(7) of the 1988 Housing Act effectively seeking to defer the starting date for any increase in rent the Tribunal may decide is payable.
- 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 £900 per month with effect from 29 November 2024 and issued its decision on this basis.
- 8. Upon receipt of an email dated 25 December 2024 the Landlord requested the Tribunal provide reasons. These written reasons should therefore be read in conjunction with the Decision of the Tribunal dated 29 November 2024.

## THE PROPERTY

- 9. The Property is a two-storey semi-detached house located on the southeast side of Birmingham.
- 10. The accommodation includes two living room, kitchen, bathroom, and three bedrooms. There is also off-street parking and a garden to the rear.
- 11. The windows are double glazed and there is central heating throughout.

#### **EVIDENCE**

- 12. The Tenant did not submit details of any specific comparable properties for the Tribunal's consideration but informed the Tribunal that he thought the rent for the property should be £750 per month. The Tenant did, however, submit a report concerning damp and excess cold at the property and referred the Tribunal to various items of disrepair including leaks from the bathroom, a damaged kitchen ceiling, an uneven kitchen floor, mould and damp in the bedrooms and on the stairs and issues concerning the electrics tripping.
- 13. The Landlord referred the Tribunal to a number of comparable properties from the locality ranging in value from £1100 to £1300 per month. In particular, the Landlord advised that she owns 97 Finnemore Road which is let at £1100 per month and is a similar sized semi-detached house having 3 bedrooms. However, the Landlord advised it has a smaller kitchen. As regard the disrepair, the Landlord advised the Tribunal that all the repairs had now been attended to.
- 14. The Tenant also submitted a specialist report identifying excess cold and damp and mould growth. The Landlord also advised that they had some difficulty in arranging for their contractors to attend the property to attend to these items as the Tenant had prevented them from doing so on several occasions.

### 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-
- (c) 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 Firsttier 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 its findings from the evidence and submissions of the parties, the relevant law and its 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 the 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 region of £1,100 per month.
- 22. There were no Tenants' improvements and so no deductions were made in this respect.
- 23. The Tribunal was satisfied from oral evidence given by the parties at the hearing and the submissions that the open market rental value of the property should be set at £1,100 per month. The Tribunal then made an adjustment for the general condition of the property and the various matters of disrepair (identified in the report) as well as the dated kitchen and bathroom amounting to £200 per month.

- 24. Taking all these factors into consideration, the Tribunal was satisfied and concluded that the market rental would be £900 per month after making the adjustments for the above matters.
- 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 relation to works required under the specialist report and other general repairing items) in arriving at its valuation of the Property.
- 26. The Tribunal also considered the Tenant's hardship request to fix a later starting date for any rental increase. The Tenant advised that the rent is paid in part by Universal Credit. The Tenant also submitted that he is the sole earner in the household and the proposed increase would cause significant hardship for him and his family and would be unable to meet his family's needs possibly leading to financial difficulties given his circumstances. The Tribunal had regard to the amount of the increase it determined and was satisfied that by backdating the increased rent to the date in the Landlord's Notice would cause undue hardship on the Tenant given the sum owed in back rent. The Tribunal therefore determined that the rental increase shall apply from the date of the hearing being 29 November 2024.
- 27. The rent determined by the Tribunal for the purposes of Section 14 was, therefore, £900 per month with effect from 29 November 2024.

## **RIGHT OF APPEAL**

28. 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