

FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

| Case reference | : | BIR/41UC/MNR/2020/0068 |
|------------------------------------|---|--|
| Property | : | Room 4 124 Heath Road Burton - on - Trent DE15 9LF |
| Applicant | : | Mr Kristian Kovacs |
| Representative | : | None |
| Respondent | : | Ms L Plaza |
| Representative | : | Gothard Rowe Landlord Services |
| Type of application | : | Application under Section 13(4) of the Housing Act 1988 referring a notice proposing a new rent under an Assured Periodic Tenancy to the Tribunal |
| Tribunal members | : | G S Freckelton FRICS (Chairman) Mrs K Bentley |
| Venue and Date of Determination | : | The matter was dealt with by a paper determination on 9 th February 2021 |
| Date Reasons Issued | : | 16 th February 2021 |

DETAILED REASONS

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BACKGROUND

- 1. On 13th December 2020, the Applicant (tenant of the above property) referred to the Tribunal, a notice of increase of rent served by the Respondent (landlord of the above property) under section 13 of the Housing Act 1988.
- 2. The Respondent's notice, which proposed a rent of £559.00 per calendar month with effect from 25th December 2020, is dated 6th November 2020.
- 3. The date the tenancy commenced is stated on the Application Form as being on 25^{th} March 2020 and is an Assured Shorthold Tenancy. The current rent is stated in the Respondent's notice as being £385.66 per calendar month. The rent was set at this figure at the commencement of the tenancy.
- 4. The Tribunal issued its Decision following paper determination on 9th February 2021. The Respondent subsequently requested written reasons and these detailed reasons are provided in response to that request.

INSPECTION

5. Due to the COVID-19 pandemic and to comply with the revised Tribunal Regulations the Tribunal was unable to carry out an inspection of the property. The Tribunal subsequently considered that it had enough information to proceed with the determination without such an inspection.

ACCOMMODATION

- 6. Based on the information provided by the parties in their submissions the Tribunal understands that the property comprises of a semi-detached house with four letting bedrooms and a small storeage room. The Applicant has a tenancy of Room 4. In addition to this there is a shared kitchen, first floor shower room with walk in shower and a ground floor cloakroom. Externally there is a garden. The Applicant confirms that there is a garage but that he has no access to it. However, there is understood to be one parking space.
- 7. The Tribunal understands from the parties' submissions that the house has gas-fired central heating and is double glazed.
- 8. Based on the Application Form the Tribunal understands that the rental includes gas, water and electricity charges together with Council Tax and broadband. There is supposed to be a cleaner to clean common parts but the Tribunal infers that since the start of the Pandemic all cleaning has been left to the tenants.
- 9. The Tribunal understands from the details provided by the parties' that the room includes a bed, wardrobe, food storeage cupboard, refrigerator, chest of drawers, mirror, chair and fitted sink with vanity cupboard under.

EVIDENCE

10. The Tribunal received written representations from both parties which were copied to the other party. In their written submissions the parties submitted:

The Applicant submitted:

- 1) That in his opinion the new proposed rent of £559.00 per calendar month instead of £385.66 per calendar month was too high for the standard of the property.
- 2) That the Respondent landlord was not complying with her obligations for the common areas to be cleaned on a weekly basis as specified in the Tenancy Agreement.
- 3) That the garden fence is broken and the lawn not cut for over six months

The Respondent submitted:

- 1) That the cost of providing, gas, electricity, water, broadband and Council Tax was approximately \pounds 335.51 per calendar month which equated to \pounds 83.87 per room per month. In view of the high level of the bills, the rent was too low.
- 2) It was not disputed that cleaning had not taken place as often as stated in the Tenancy Agreement due to the Pandemic.
- 11. Comparables of the letting prices of numerous properties were provided to the Tribunal by the Respondent. These ranged from £425.00 £563.00 per calendar month including bills.

THE LAW

- 12. In accordance with the terms of section 14 Housing Act 1988 the Tribunal proceeded to determine the rent at which it considered that the subject property might reasonably be expected to be let on the open market by a willing landlord under an assured tenancy.
- 13. In so doing the Tribunal, as required by section 14(1), ignored the effect on the rental value of the property of any relevant tenant's improvements as defined in section 14(2) of that Act.

THE TRIBUNAL'S DECISION

- 14. The Tribunal notes that the Respondent considers the property to be in generally 'excellent' condition. The Applicant considers it to be in 'normal' condition. No photographs were provided in respect of this case but the Tribunal did have the benefit of seeing photographs provided to them in respect of case: BIR/41Uc/MNR/2020/0067 relating to Room 1, at the same property. This case was determined by the Tribunal on the same day.
- 15. The Tribunal considered the comparables provided by the Respondent and noted that the majority of these are furnished and for double rooms. However, having seen the photographs and heard the evidence of the parties the Tribunal concluded that they would expect these to be in better condition than the subject property.
- 16. The Tribunal accepts that the bills paid by the Respondent might be considered to be slightly on the high side but the fact that Room 2 remained unoccupied is not the Applicant's fault and it is unreasonable for the Respondent to seek to increase the rents of those tenants who reside in the property to reflect the fact that costs are higher than they would be if shared between four tenants rather than three.

- 17. In coming to its decision, the Tribunal had regard to the members' own general knowledge of market rent levels in the area of Burton–on-Trent.
- 18. The Tribunal therefore concluded that an appropriate market rent for the property would be \pounds 420.00 per calendar month.
- 19. The Tribunal therefore determined that the rent at which the property might reasonably be expected to be let on the open market would be £420.00 per calendar month. This figure includes gas, electricity, water, broadband and Council Tax as specified in the Tenancy Agreement.
- 20. This rent will take effect from 25th December 2020, being the date of the Respondent's notice.

APPEAL

21. Any appeal against this Decision can only be made **on a point of law** and must be made to the Upper Tribunal (Lands Chamber). Prior to making such an appeal the party appealing must apply, in writing, to this Tribunal for permission to appeal within 28 days of the date of issue of this Decision, (or, if applicable, within 28 days of any decision on a review or application to set aside) identifying the decision to which the appeal relates, stating the grounds on which that party intends to rely in the appeal, and stating the result sought by the party making the application.

G S Freckelton FRICS Chairman First-tier Tribunal Property Chamber (Residential Property)