



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

Case reference : **CAM/00MG/MNR/2023/0004**

HMCTS code : **P:PAPERREMOTE**

Property : **Flat 36 Triangle Building,
Wolverton Park Road, Wolverton,
MK12 5FJ**

Applicant (Tenant) : **Robert Myers**

**Respondent
(Landlord)** : **HCGB Services Limited (agent for
Wolverton Park Limited)**

Type of application : **Determination of a Market Rent:
Sections 13 and 14 Housing Act
1988**

Tribunal members : **Mr P Roberts FRICS CEnv**

Date of Determination : **23 March 2023**

DECISION

This has been a remote determination on the papers which the parties are taken to have consented to, as explained below. The form of determination was a paper hearing described above as **P:PAPERREMOTE**. The documents that the Tribunal was referred to are in bundles from the Applicant and the Respondent. The Tribunal has noted the contents and the decision is below.

Decision

The Tribunal determined a market rent of £840 per calendar month effective from 11 January 2023.

Reasons

Background

1. On 7 December 2022 the Landlord served notice under section 13 (2) of the Housing Act 1988 to increase the passing rent from £765 per calendar month (pcm) to £995 with effect from 11 January 2023.
2. This rent is stated to be exclusive of Council Tax, Water Charges and fixed service charges.
3. The Tenant made an application dated 28 December 2022 to the Tribunal in reliance on section 13 (4) of the Housing Act 1988.
4. The Tribunal issued directions on 9 January 2023, inviting the Parties to submit any further representations (including any photographs and details of rentals for similar properties) they wished the tribunal to consider.
5. Neither Party requested a hearing, and the matter has been determined on the papers.

The Property

6. The Tribunal inspected the Property on 20 February 2023 accompanied by the Tenant.
7. The Property comprises a ground floor flat within a purpose-built two-storey apartment block constructed circa 2017. The accommodation comprises a living room, kitchen, bathroom and a bedroom.
8. It is located within a mixed residential and retail development. The Tribunal noted that the locality has not been well maintained and gives the impression of being allowed to deteriorate. In addition, the Property is downwind from the nearby McDonalds.
9. There is central heating, and the Property is fitted commensurate with its age. The Property also benefits from double glazing together with an allocated parking space but there is no open amenity space.
10. The Tribunal notes that the EPC banding is B and that the stated assumed floor area is 54 sqm.
11. The Council banding is A.

The Tenancy

12. The Tenant occupied the Property by virtue of an Assured Shorthold Tenancy that commenced 11 April 2019 and expired on 10 April 2020.
13. The rent under this Tenancy was £750 pcm.
14. The Landlord covenanted to comply with section 11 of the Landlord and Tenant Act 1985 as further set out below in respect of repairs. The lease is silent in respect of the maintenance of the wider development and general locality by the Landlord.
15. In the absence of a new Tenancy being entered into, an Assured Periodic Tenancy pursuant to Section 5 (2) of the Housing Act 1988 (the 1988 Act) has arisen such that Sections 13 and 14 of the Act now apply.

The Law

16. Section 5 (3) of the Act provides that the periodic tenancy arising on expiry of the Assured Shorthold Tenancy is one:

“(a) taking effect in possession immediately on the coming to an end of the fixed term tenancy;

(b) deemed to have been granted by the person who was the landlord under the fixed term tenancy immediately before it came to an end to the person who was then the tenant under that tenancy;

(c) under which the premises which are let are the same dwelling-house as was let under the fixed term tenancy;

(d) under which the periods of the tenancy are the same as those for which rent was last payable under the fixed term tenancy; and

(e) under which, subject to the following provisions of this Part of this Act, the other terms are the same as those of the fixed term tenancy immediately before it came to an end, except that any term which makes provision for determination by the landlord or the tenant shall not have effect while the tenancy remains an assured tenancy”

17. Section 14 of the 1988 Act provides that the Tribunal is required to determine the rent at which the Property might reasonably be expected to let in the open market by a willing landlord under an assured tenancy:

a. “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 rent) are the same as those of the existing tenancy.”

18. Section 14 (2) of the 1988 Act requires the Tribunal to disregard:

- 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 (as defined by section 14 (3) of the Act) otherwise than as an obligation;*
 - c. *Any reduction in the value of the dwelling-house attributable to a failure by the tenant to comply with any terms of the tenancy.”*
19. Examples of a tenant’s failure to comply with the terms of the lease may include, for example, a lack of redecoration.
20. Section 11 of the Landlord and Tenant Act 1985 (the 1985 Act), provides that the Tribunal is to imply a covenant by the Landlord:
 - a. *“to keep in repair the structure and exterior of the dwelling-house (including drains, gutters and external pipes),*
 - b. *to keep in repair and proper working order the installations in the dwelling-house for the supply of water, gas and electricity and for sanitation (including basins, sinks, baths and sanitary conveniences, but not other fixtures, fittings and appliances for making use of the supply of water, gas or electricity), and*
 - c. *to keep in repair and proper working order the installations in the dwelling-house for space heating and heating water.”*
21. Section 14 (7) of the 1988 Act states:

“Where a notice under section 13(2) above has been referred to the appropriate tribunal, then, unless the landlord and the tenant otherwise agree, the rent determined by the appropriate tribunal (subject, in a case where subsection (5) above applies, to the addition of the appropriate amount in respect of rates) shall be the rent under the tenancy with effect from the beginning of the new period specified in the notice or, if it appears to the appropriate tribunal that that would cause undue hardship to the tenant, with effect from such later date (not being later than the date the rent is determined) as the appropriate tribunal may direct.”

Representations – The Tenant

22. The Tenant raised the following points:
 - Whether the Landlord provided sufficient notice
 - The high level of the proposed rent compared to similar properties.

23. The Tenant provided details of three comparable properties for consideration by the Tribunal.
24. Property 1 comprised a one bedroom flat located on the 4th floor of the nearby high rise development known as Hamilton House, Lonsdale. This has similar accommodation to the Property but also benefitted from a Juliet balcony, views over the canal and communal gardens. This property was advertised at £875 pcm.
25. Property 2 comprised a one bedroom flat understood to be next-door to the Property. This was advertised at £850 pcm.
26. Property 3 comprised a two bedroom flat within the same development as the Property but located to the north overlooking the canal. This was advertised at £975 pcm.

Representations – The Landlord

27. No submissions have been received from the Landlord or their agents.

Determination

28. In determining the market rent, the Tribunal has regard to prevailing levels of rent in the general locality and achieved rental values in respect of other properties of comparable accommodation and provision that would be likely to be considered by a prospective tenant. The current rent and the period that has passed since that rent was agreed or determined is not relevant.
29. The legislation requires the Tribunal to have regard to market demand assuming that the landlord is willing. The Tribunal is therefore unable to have any regard to the personal circumstances or identities of the actual landlord and tenant in assessing the level of rent.
30. The Property is well maintained and has been kept in an excellent state of repair and decoration such that it would present well for letting.
31. The Tribunal has reviewed the evidence provided by the Tenant and has also reviewed current asking rents of properties within the Triangle and the Lonsdale development.
32. It is apparent that the Lonsdale development is more attractive than the Triangle and this is reflected in the values being achieved. In this regard, it appears that the Landlord has valued the Property as if it was located within, and had the benefits of, the Lonsdale scheme.
33. In this regard, the Landlord's requested rent might be appropriate for a two bedroom upper floor flat within Hamilton House benefitting from a balcony, river views and amenities. However, the Property is a one bedroom ground floor flat directly facing a tired retail parade within a less attractive development and no amenities other than a single car parking space.

34. The Tribunal prefers the letting evidence of similar properties within the Triangle development and places little weight on rentals achieved within the Lonsdale development.
35. Having had regard to all the available evidence, the Tribunal determines the market rental of the Property to be **£840 pcm**. The rent payable may not, therefore, exceed this figure. However, this does not prevent the Landlord from charging a lower figure.
36. The revised rent is to be effective from **11 January 2023**.
37. The Tribunal makes no order in respect as to whether the Landlord provided sufficient notice.

Name: Peter Roberts FRICS CEnv

Date: 23 March 2023

Rights of appeal

By rule 36(2) of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013, the tribunal is required to notify the parties about any right of appeal they may have.

If a party wishes to appeal this decision to the Upper Tribunal (Lands Chamber), then a written application for permission must be made to the First-tier Tribunal at the regional office which has been dealing with the case.

The application for permission to appeal must arrive at the regional office within 28 days after the tribunal sends written reasons for the decision to the person making the application.

If the application is not made within the 28-day time limit, such application must include a request for an extension of time and the reason for not complying with the 28-day time limit; the tribunal will then look at such reason(s) and decide whether to allow the application for permission to appeal to proceed, despite not being within the time limit.

The application for permission to appeal must identify the decision of the tribunal to which it relates (i.e., give the date, the property, and the case number), state the grounds of appeal and state the result the party making the application is seeking.

If the tribunal refuses to grant permission to appeal, a further application for permission may be made to the Upper Tribunal (Lands Chamber).

Notice of the Tribunal Decision and Register of Rents under Assured Periodic Tenancies (Section 14 Determination)

Housing Act 1988 Section 14

Address of Premises

Flat 36 Triangle Building, Wolverton
Park Road, Wolverton, MK12 5FJ

The Tribunal members were

Mr P Roberts FRICS CEnv

Landlord

HCGB Services Limited (agent for Wolverton Park Limited)

Address

HCGB Services Ltd
19 London House
High Street
Stony Stratford
Milton Keynes
MK11 1SY

Tenant

Robert Myers

1. The rent is: £ 840 Per month (excluding water rates and council tax but including any amounts in paras 3)

2. The date the decision takes effect is:

11 January 2023

3. The amount included for services is

not applicable

Per

4. Date assured tenancy commenced

10 April 2020

5. Length of the term or rental period

12 Months

6. Allocation of liability for repairs

Tenant liable for internal repairs

8. Furniture provided by landlord or superior landlord

N/A

9. Description of premises

The Property comprises a ground floor flat within a purpose-built two-storey apartment block constructed circa 2017. The accommodation comprises a living room, kitchen, bathroom and a bedroom. There is an allocated parking space but no amenity or open space

Chairman

P Roberts

Date of Decision

23 March 2023

