



FIRST-TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)

Case Reference : CAM/00KB/ MNR/2022/0098

Property : Apt 114 Platform Bedford,
45 St. Peters St. Bedford,
Bedfordshire MK40 2FH

Applicant : Danillene Quinto (Tenant)

Representative : None

Respondent : Platform PM Ltd. (Landlord)

Representative : William Ryan

Type of Application : Section 13(4) Housing Act 1988

Tribunal Members : Mr N Martindale FRICS

Date and venue of Hearing : 15 February 2023
Cambridge County Court,
197 East Road, Cambridge CB1 1BA

Date of Decision : 16 February 2023

REASONS FOR DECISION

Background

- 1 The First Tier Tribunal received an application dated 24 October 2022 from the tenant of the Property, regarding a notice of increase of rent served by the landlord, under S.13 of the Housing Act 1988 (the Act).
- 2 The notice, dated 22 September 2022, proposed a new rent of £929 per calendar month, with effect from and including 1 November 2022. The passing rent was £783 per calendar month with effect from the start of the tenancy 23 August 2019. These figures included broadband service.

- 3 The Tribunal received brief written representations from each party. A copy of the existing assured shorthold tenancy, on which the tenant was holding over and of the notice of rent increase were included. There was a hearing by telephone. The tenant and the landlord's representative attended.

Tenants' Representations

- 4 The tenant set out the accommodation: The Property was a small one bedroom flat within a low rise 1980's former office block in Bedford Town, converted c. 2017 into multiple 1 and 2 bedroom flats. The Property was a flat of c.41m², with; 1 Bedroom, 1 Bathroom/wc, Living Room/ Kitchen (1 tapered wall) on the first floor.
- 5 There was off road parking on site available by separate licence and fee. There was a site gymnasium, cinema, yoga room, function room, and concierge. The Flat has full central heating, double glazing, carpets and curtains provided by landlord. There was no landlord's furniture
- 6 The tenant had taken the flat on particularly because there was an on-site presence for most of the week and that there was a key handling and concierge service. In the last several months of 2022 the tenant had however experienced considerable problems with the concierge in particular by not taking in packages for her. Instead she felt that the on-site presence acted principally as a letting agency for the landlord offered mainly to prospective tenants.
- 7 The tenant also made the point that as the living room had one notably tapered wall. This made the living space harder to use and in effect the usable floor area was reduced.
- 8 The tenant provided copies of basic details of asking rents sought for small 1 bed flats in Bedford by letting agents all around late September 2022. Grove Place Bedford at £700pcm; Avenue House Silver St. Bedford (over commercial premises) at £775pcm; and Church Arcade Bedford at £845pcm (over commercial premises) and; apparently in established suburban settings; flats in Bushmead Avenue Bedford at £725pcm; Foster Hill Road Bedford at £800pcm. However it was unclear of the size of the accommodation and what if any services were included in these prices.
- 9 The tenant was prepared to accept a new rent of £856pcm (including the £39 pcm Broadband).

Landlord's Representations

- 10 The landlord set out the accommodation and services on offer at the building within which the Property was located. These broadly accorded with the tenant's account. However he denied that the concierge was able or required to take in delivered parcels and that any

local informal arrangement was down to the staff on duty at the time and the tenant.

- 11 The landlord provided RPI figures for the rise in prices for the period between the original date of grant and the antecedent valuation date, being 24 August 2019 to 1 November 2022. He said that in comparison the increase in rents in the same intervening period for the flats in this building had risen at a slightly slower rate than RPI. These showed flats of 43.1m² at a base rent of £915pcm wef September 2022; 44m² at £880pcm wef September 2022 and 44.3m² at £880pcm August 2022.
- 12 He clarified that the landlord generally sought new lets of 3 years within which they were pre-set rent increases. These had been of some 6% pa. and, in effect, lower than the market rent increases. Similarly the landlord preferred tenants to sign up to at least a year's tenancy, if not the full 3 years but at slightly higher rents. In short, the landlord sought longer term lettings for the reliability of income and reduced churn, rather than to simply maximise rent. In this case the tenant was holding over and thus retained some flexibility in whether to stay or go and that this inevitably attracted the highest rents.
- 13 The rent included most services, but car parking was by a separate licence (not involved here) and an optional broadband package at £39pcm which the tenant had received.
- 14 The landlord provided a short schedule of other recently let flats in the building, showing that they were also 1 bedroom, with the rents agreed and when. These were inclusive of the broadband service. Unfortunately there were no flat numbers and locations in the building for these transactions. Although the landlord offered to supply these details later to the Tribunal, the evidence had to be made available to tenant and Tribunal at or before the day of the hearing in accordance with the Directions. As the Tribunal pointed out, this diminished the value of these comparables slightly. The landlord sought the rent of £890pcm plus £39pcm broadband, in the notice.

Inspection

- 15 Following the Coronavirus Pandemic across England the Tribunal does not currently carry out either internal or external inspections.

Law

- 16 Under S.14 of the Act the Tribunal determines the rent at which it considers the property might reasonably be expected to let in the open market, by a willing landlord, under an assured tenancy, on the same terms as the actual tenancy; ignoring any increase in value attributable to tenant's improvements and any decrease in value due to the tenant's failure to comply with any terms of the tenancy. The property falls to be valued as it stands; but assuming that the property to be in a reasonable internal decorative condition.

Decision

- 17 The passing rent was £783pcm (inclusive of Broadband), set some years ago. The proposed increase was of £146pcm to £929pcm (inc.). Although there was clearly some increase in the cost of services to the flats and in particular of the £39pcm for broadband. The rise did not appear excessive to the Tribunal. However it took note of the room layout deficiency effectively reducing the useable space slightly.
- 18 Based on the comparables provided by both parties and on the Tribunal's own general knowledge of market rent levels in and around Bedford, it determines that the subject property would let on normal Assured Shorthold Tenancy (AST) terms, for £860pcm, fully fitted and in good order with an additional £39pcm for broadband, a total of £899pcm. In doing so the Tribunal takes account of the rise in market rents, of services provided and included in the rent since the passing rent was last set.
- 19 The Market rent with effect from and including 1 November 2022 is determined at £899pcm including Broadband service.

Name: Neil Martindale

Date: 16 February 2022

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).