

FIRST - TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference : CAM/12UG/MNR/2024/0002

P:PAPERREMOTE

Property : 12 Caesar Way Northstowe

Cambridge CB24 1BR

Applicant : John Henry Klopper and Tania

Klopper

Representative : In person

Respondent : Citra Living properties (No.1)

Limited

Representative : Touchstone CPS

Type of Application : Determination of the market rent

under Section 14 Housing Act 1988

Tribunal : Mrs E Flint FRICS

:

Date and venue of

Hearing

26 February 2024

Remote on the papers

DECISION

The market rent is £1,550 per month with effect from 6 January 2024.

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Background

- 1. On 21 December 2023 the tenant referred to the Tribunal a notice of increase of rent served by the landlord under section 13 of the Housing Act 1988.
- 2. The landlord's notice, which was dated 28 November 2023, proposed a rent of £1,700 per month with effect from 16 January 2024 in place of the existing rent of £1,300 per month.
- 3. The tenant occupies under a periodic tenancy which commenced on the expiry of a tenancy for twelve months from 6 April 2019.
- 4. Directions were issued by the tribunal on 9 January 2024.
- 5. Prior to the hearing the tenant sent their submissions to the tribunal and copied them to the landlord's agent, no submissions were received from or on behalf of the landlord.

The Evidence

- 6. The tenancy agreement which was dated 5 April 2019, was for a period of twelve months from 6 April 2019 at an initial rent of £1,150 per month, the rent being due on the 1st of each month.
- 7. The house is a link detached house with living room, kitchen and wc on the ground floor, two bedrooms and bathroom on the first floor and a bedroom with ensuite on the second floor. The property is centrally heated and has double glazed windows.
- 8. The tenants, in written submissions, stated that they had provided a vehicle electric charging point: permission had been provided on condition the point was left at the premises at the end of the tenancy.
- 9. The tenants stated that the landlord had a brand new three bedroom house within Northstowe on the market at £1,700 per month although the exact location was not provided.
- 10. In support of their opinion that the proposed rent was excessive they referred to a number of three and four bedroomed properties on the market, a number of which were being advertised at reduced asking prices. Three, three bedroomed semi-detached houses were available in nearby villages for £1250 to £1450 per month. In Northstowe itself a brand new three bedroomed semi-detached had been let at £1600 per month.
- 11. They referred to a number of four bedroomed detached houses within Northstowe: two four bedroom three bathroom houses in Claudius Way were available at £1750 and £1800 per month; one in Cuckoo Way where the asking rent had been reduced to £1,700, and in Eagle Way

the asking rent had been reduced to £1,750 and in Chivers Way a house had been let for £1,600 per month.

12. The tenants asserted that these comparables indicated that the proposed rent of £1,700 per month was excessive. The landlord had provided the carpets however the only white goods provided was the dishwasher. The tenant's had provided the curtains and all other white goods.

The law

- 13. In accordance with the terms of section 14 Housing Act 1988 I proceeded to determine the rent at which I considered that the subject property might reasonably be expected to be let on the open market by a willing landlord under an assured tenancy.
- 14. In so doing I, 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 and also any items of disrepair which either the tenant had not reported to the landlord or had not allowed access for the landlord to carry out the necessary repairs.

Valuation

- 15. In coming to my decision, I took into account the rental comparables provided by the tenant. I viewed the Northstowe developments via streetview and where available looked online at the comparables to which I had been referred.
- 16. I noted that the new properties all had fully fitted kitchens including integral white goods, oven and hob. The comparables appeared to be either traditional two storey houses or full height three storeys. In comparison the subject house's second floor is built into the loft space with a dormer window and Velux window and consequently the floor plate is smaller than in a traditional two storey three bedroomed house.
- 17. The best comparables were in Northstowe. The asking rent of £1,700 per month was close to the asking rents for the brand new four bedroomed houses which appeared to be of higher specification than the subject property.
- 18. I determined that the open market rent of the property as at 6 January 2024 is £1,550 per month to reflect the size of the living accommodation and lack of integral white goods which are a feature of the brand new properties.

The decision

19. The rent of £1,550 per month is effective from 6 January 2024 in accordance with the landlord's notice.

Chairman: Evelyn Flint Dated: 28 February 2024

ANNEX - RIGHTS OF APPEAL

- I. 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 should be made on Form RP PTA available at https://www.gov.uk/government/publications/form-rp-pta-application-for-permission-to-appeal-a-decision-to-the-upper-tribunal-lands-chamber
- II. 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.
- III. 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.
- IV. 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. Please note that if you are seeking permission to appeal against a decision made by the Tribunal under the Rent Act 1977, the Housing Act 1988 or the Local Government and Housing Act 1989, this can only be on a point of law.

Appendix Housing Act 1988

- 14 Determination of rent by rent assessment committee.
- (1)Where, under subsection (4) (a) of section 13, 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; and

- (d) in respect of which the same notices, if any, have been given under any of Grounds 1 to 5 of Schedule 2 to this Act, as have been given (or have effect as if given) in relation to 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 his immediate landlord, or
- (ii) was carried out pursuant to an obligation to his immediate landlord being an obligation which did not relate to the specific improvement concerned but arose by reference to consent given to the carrying out of that improvement; and
- (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.
- (3) For the purposes of subsection (2)(b) above, in relation to a notice which is referred by a tenant as mentioned in subsection (1) above, an improvement is a relevant improvement if either it was carried out during the tenancy to which the notice relates or the following conditions are satisfied, namely—
- (a) that it was carried out not more than twenty-one years before the date of service of the notice; and
- (b) that, at all times during the period beginning when the improvement was carried out and ending on the date of service of the notice, the dwelling-house has been let under an assured tenancy; and
- (c) that, on the coming to an end of an assured tenancy at any time during that period, the tenant (or, in the case of joint tenants, at least one of them) did not quit.
- (4)In this section "rent" does not include any service charge, within the meaning of section 18 of the Landlord and Tenant Act 1985, but, subject to that, includes any sums payable by the tenant to the landlord on account of the use of furniture or for any of the matters referred to in subsection (1) (a) of that section, whether or not those sums are separate from the sums payable for the occupation of the dwelling-house concerned or are payable under separate agreements....
- (7)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 ... 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.