

FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference : CAM/00MX/MNR/2024/0063

85 Grange Way

Property : Iver Bucks

SLo 9NT

Applicants : Stacey Walker & Gavin Walker

(Tenants)

Representative : None

Respondent : London & Quadrant Housing Trust

(Landlord)

Representative : None

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

Tribunal Members : Mr N Martindale FRICS

Date and venue of

Hearing

20 May 2024 (on Papers)

Cambridge County Court, 197 East

Road, Cambridge CB1 1BA

Date of Decision : 20 May 2024

REASONS FOR DECISION

Background

The First Tier Tribunal received an application undated, but signed by the tenants of the Property, in later February or early March 2024 regarding a notice of increase of rent, served by the landlord, under S.13 of the Housing Act 1988 (the Act).

- The notice, dated 21 February 2024, proposed a new rent of £172.87 per week with effect from and including 1 April 2024. The passing rent was stated in the notice, as £155.39 per week from an earlier unspecified date.
- 3 The tenancy is an assured shorthold periodic weekly tenancy. A copy of the tenancy and of the landlord's Notice was provided.

Inspection

- The Tribunal did not inspect the Property internally but viewed the exterior from a Google Street View image of the Property as seen from the public road (taken @ June 2023). The Property is a three bedroom mid terraced house dating from the 1960's. It forms part of a larger established residential estate with a variety of sizes and layouts of an otherwise similar period.
- The front external face of the walls is brick to ground floor and painted timber boarded to first floor. There is a simple double pitched main roof over the house finished in a concrete single lap roof tile covering. There are private front garden and an enclosed rear garden. There are no apparent on-road parking restrictions.
- The Property accommodation is on two levels. Ground floor: Living Room and kitchen. First floor: 3 bedrooms, bathroom, wc.
- Windows are new double glazed units throughout and there is full gas fired central heating; both provided by the landlord.
- 8 The Property was said to be let without carpets, curtains, nor white goods and there was no furniture. The tenant provides all of these.

Representations

- Directions, dated March 2024, for the progression of the case, were it is assumed, issued by the Tribunal office but no copy was provided. Neither party requested a hearing. The tenant filed a standard Reply Form together with details supplied in their initial application form.
- The landlord also completed the standard Reply Form. The landlord made representations on its ability to increase rents. In their email to the Tribunal copied to the tenants they stated and explained at length the restrictions placed on their organisation: "This property is a social rented property which is bound by the guidelines of the Government rent standard. The government rent standard 2023 states that the rent must not be set higher than the formula rent level+ 5% (Flexibility level). The flexibility level for this property for 2024/25 is £170.66 per week. The Bedcap maximum for this property is £210.72 per week.
- 11 The Government rent standard 2023 also states that we may increase the rent by the previous September's CPI +1 % in April each year. The

CPI was 6.7% in September 2023, so we increased the rent by 7.7% in April 2024. On 1st April 2024 we increased the rent for the property from £152.60 per week to £164.35 per week. The rent is currently now £6.31 per week below the flexibility rent level that we can charges for the property."

The Tribunal is grateful for and has carefully considered such written representations as it received, from parties.

Law

In accordance with the terms of S.14 of the Act the Tribunal is required to determine 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. Thus the Property falls to be valued as it stands; but assuming that it is in a reasonable internal decorative condition.

Decision

- Although the landlord might be bound by separate Government imposed restrictions on rent levels and increases, the Tribunal is simply required to determine the rental value of the Property on the lease terms, on the open market: It is not so bound. The landlord may however still be otherwise unable to charge a rent even approaching the market level but, that is a separate issue for the landlord.
- Based on the Tribunal's own general knowledge of market rent levels in Iver and surroundings, it determines that the subject property would let on normal Assured Shorthold Tenancy (AST) terms, for £400 per week, fully fitted and in good order at the valuation date April 2024.
- However the Property lacked landlord's carpets, curtains and white goods. The Tribunal therefore makes a deduction of £20 per week to reflect these deficiencies, reducing the new market rent slightly to £380 per week. This figure also includes the small fixed service charge by the landlord, of £8.52 per week, for grounds maintenance and service management.
- The new rent of £380 per week is payable from and including the date set out in the Landlord's Notice, 1 April 2024. The landlord may charge any rent up to and including £380 per week but, not a rent in excess of this figure.

Chairman N Martindale FRICS Dated 20 May 2024

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 either party is dissatisfied with this decision, they may apply for permission to appeal to the Upper Tribunal (Lands Chamber) on any point of law arising from this Decision.

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 to the person making the application (regulation 52 (2) of The Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rule 2013).

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).