

FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference : CAM/12UE/MNR/2024/0137

3.6 The Old Mill

London Road

Property : St. Ives

Cambs PE27 5EY

Applicant : Bruce Harwood (Tenant)

Representative : None

Respondent : David Horsley (Landlord)

Representative : Maxine Lester Lettings and

Property Management (Agent)

Type of Application : S.13 Housing Act 1988

Determination of a new rent

Tribunal Member : Mr N. Martindale FRICS

Date and venue of

21 October 2024

Meeting

First Tier Tribunal (Eastern)

County Court Cambridge CB1 1BA

Date of Decision : 21 October 2024

REASONS FOR DECISION

Background

The First Tier Tribunal received an application dated September 2024 from 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).

- The notice, dated 7 August 2024, proposed a new rent of £1,175 per calendar month exclusive, with effect from and including 21 September 2024. This rent does not include other services.
- 3 The tenancy is an assured periodic calendar monthly tenancy with effect from and including 21 April 2017 when the initial rent was £800 pcm, originally on a fixed term from that date, now expired. A copy was provided.
- The rent payable from up to and including 20 September 2024 was £875 per calendar month. No furniture or services were included.

Directions

Directions, dated 19 August 2024, for the progression of the case, were issued by Legal Officer Laura Lawless. Neither party asked for a hearing.

Inspection

- There was no inspection. The Property forms part of former mill commercial buildings in St. Ives converted into apartments as a low rise 6 level development, post 2000.
- 7 It appeared that the Property is one of the apartments in this block. There is no separate parking or external areas or storage associated with the Property.
- 8 The Property has 2 bedrooms, 1 bathroom/wc, living room, kitchen. There is full central heating and double glazing supplied by the landlord.

Tenants' and Landlord's Representations

- 9 The tenant stated that this recent rise in the rent from £875 pcm to £1,175 with effect from 21 September 2024 represented a 34% increase. The Tribunal noted that the initial rent from April 2017 was £800 pcm and that this rise was some £375 pcm, an increase of more than 45%. However this rise was spread over some 7 ½ years averaging 6%pa. There also only appeared to have been one rise in rent, from £800 to £875 pcm though the effective date was unclear. The Tribunal noted the tenants reference to a difficulty in paying the new rent at the level proposed. (The Tribunal has limited discretion to delay the effective date of increase from that contained in the landlord's notice, back to the date of its decision).
- The landlord's agent referred to two short rental market reports termed "Best Price Guide" based on date from "Rightmove" website. One was for the exact postcode plus a ¼ mile spread, of the Property for the period 29 August 2023 to 29 August 2024, the other for exact postcode

- from 21 April 2017 to 21 April 2024. Each appeared to be compiled of rents sought for 1 and 2 bedroom flats and some small houses.
- There is reference in the first report a very similar 2 bedroom flat in the same building of which the Property forms part, available to let, up until 3 September 2024, when it was let. This appears to be the one referenced in the agent's representations. There are other smaller 1 bedroom flats in different blocks and other 2 bedroom flats ranging from £1,100 pcm up to £1,200 pcm in other older and modern blocks. But the best comparable remains the first one referenced. None have specific numbered addresses.
- There were no representations about the Property condition or fittings.
- The Tribunal is grateful for such information as was provided by both parties in the Application and standard Reply Forms.

Law

In accordance with the terms of S.14 of the Act we are required to determine the rent at which we consider 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 the Property to be in a reasonable internal decorative condition.

Decision

- From the Tribunal's own general knowledge of market rent levels in and around St. Ives it determines that the subject property would let on normal Assured Shorthold Tenancy (AST) terms, for £1,175 per calendar month, fully fitted and in good order.
- The new rent of £1,175 per calendar month would ordinarily be payable with effect from and including 21 September 2024. However the Tribunal made note of the general assertion of hardship in the representations on the part of the tenant if the rent were to rise to the figure of £1,175 pcm. The Tribunal has limited discretion to delay the effective date from 21 September 2024, as far as to the date of its decision 21 October 2024 and now does so. The new rent of £1,175 pcm is therefore payable from 21 October 2024. Although the landlord is not obliged to charge this new rent and some landlords may charge a significantly lower rent as a result of their own choice, policy, or governmental regulation; they may not charge more than this figure.

Chairman N Martindale FRICS

Date 21 October 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).