

FIRST-TIER TRIBUNAL

PROPERTY CHAMBER

(RESIDENTIAL PROPERTY)

Case reference : LON/OOAD/LSC/2024/0217

Applicant : Sandra Woods

Respondent : Orbit Housing Association

Property 9 Walsingham Walk, Belvedere,

Kent, DA17 6LU

Judge Shepherd

Tribunal :

Mrs S. Redmond MRICS

Date of decision : 20th March 2025

DETERMINATION

- 1. The Applicant, Sandra Woods, ("The Applicant") is challenging the heating charge sought by her landlord Orbit Housing Association ("The Respondent"). The Applicant says that the charge is not reasonable and represents an unfair increase on previous years.
- 2. The Applicant is the tenant of premises at 9 Walsingham Walk, Belvedere, Kent, DA17 6LU ("The premises"). The premises are located on the Walsingham Walk estate. There are 38 flats on the estate. The majority of the tenants on the ground floor are elderly and in receipt of pension and PIP. The tenant on one side of the Applicant is profoundly deaf and has asthma and COPD. The tenant on the other side is totally blind.
- 3. The Applicant herself suffers from degeneration of the spine in two places and arthritis of the spine. She has limited mobility and uses a mobility scooter. Until recently she has relied on the servicers of a cleaner as she can't clean her flat

herself. She had to dispense with the cleaner's services when the current heating charge was imposed. This is the charge under challenge which is £31.59 per week. This has to be paid out of the Applicant's benefit as it is not covered elsewhere.

- 4. The heating charge is charged in addition to a variable service charge in the tenancy. It is tolerably clear however that the heating charge was intended to be a variable charge as it would be unrealistic for the landlord to charge a fixed amount in these circumstances. There is some support for this in the case of *Orbit Housing Association v Robert Vernon* (2023) UKUT 156 although that case was not directly on point.
- 5. The Respondent sought to introduce an increase of the heating charge to £30.25 per week in 2023/2024. The Applicant wrote to her MP about this and the heating charge was decreased to £12.69. In previous years the heating charge has been considerably less than the £31.69 charged for the current year. Indeed at the start of the tenancy on 5th February 2020 the charge was £6.37 per week. The Applicant said that the charge in the current year was a 149% increase on the previous year. She could not afford it. Others living on the estate were also struggling. She said the charge should have been absorbed by the Housing Association which is a social landlord or spread over a number of years.
- 6. Mr Hopper who represented the Respondents said the weekly charge was made up of the following:
 - Budget for the 24-25 financial year of £782.17
 - Brought forward deficit from the 22-23 financial year of £860.26
 - Total Heating Charge £1642.43 / 52 weeks = £31.59
- 7. He said the deficit brought forward from the 22/23 financial year was as a result of the significant increase in gas costs during this financial year. When the budget was set for gas during the later part of the 21-22 financial year Orbit were paying 1.7314 pence per kWh for gas which was a very favourable rate.
- 8. Orbit were aware that there would likely be an increase in gas costs in the 22-23 financial year, so budgets were increased by 15% to account for these perceived increases. When the gas supply contract renewed in April 2022, the best rate they could secure was 11.5465 pence per kWh. This was impacted by the Russian invasion of Ukraine which increased the wholesale costs of gas. The rate increased further to 21.6263 in October 22 when the energy price cap

- increased but this rate was discounted down to 12.42 pence per kWh by the Energy Bill Relief scheme.
- 9. The total budget income received from the applicant during the 22-23 financial year was £176.80 and there was a brought forward surplus from the 20-21 financial year of £112.50 which gave a total income of £289.30. The total gas costs included in the 22-23 financial year were £43,683.11, when apportioned over the 38 properties this gave a total cost of £1,149.56 against the income of £289.30. This gave rise to a year end deficit of £860.26.
- 10. The majority of the 24-25 heating charge is made up of the brought forward deficit from 22-23 at £860.26 which in turn has increased this charge by £16.54 per week. Without this deficit the charge for 24-25 would be £15.05 per week.
- 11. The budget for the 25-26 financial year has recently been finalised and the heating charge is due to reduce to £22.41 per week which is a 29.79% reduction on the 24-25 financial year.
- 12. Mr Hopper said that the Better Days referral scheme was available for use by tenants in financial difficulty. It is regrettable that nobody from Orbit saw fit to proactively contact the Applicant when faced with her appeal in order to discuss solutions to her financial difficulties. Mr Hopper told the Tribunal grants can be available.
- 13. We would expect Orbit to contact the Applicant to discuss such remedies. Indeed this would have been a better route than challenging her application in the Tribunal. Orbit is a Registered Social Landlord and has responsibilities to its tenants in need. The Tribunal were also astounded to hear that the Applicant had been served with a Notice of Seeking Possession for her failure to pay the heating charge. Orbit would be well advised to consider the law before taking such a draconian remedy. The heating charge is not "rent lawfully due" and so the notice is of no effect save that it causes considerable distress to its elderly and vulnerable tenants. Some mechanism is required urgently to ensure that notices are not sent out automatically in these circumstances and to ensure that proactive assistance is provided to vulnerable tenants in financial need instead of relying on them to apply for help.
- 14. Overall however we do not consider that the charge for 2024-2025 is unreasonable. The increase in fuel charges as a result of the invasion of the Ukraine is being felt widely. The reason for the increase was adequately explained by Mr Hopper and we accept the explanation. However, we are

disappointed that the Respondent did not engage in some form of mediation or assistance before the hearing. We are also unsure why staged payments could not be considered. We do expect these matters to be considered now.

15. Finally we wish to show our appreciation to the Applicant who navigated a difficult appeal without any legal assistance and despite her disability.

Judge Shepherd 19th March 2025

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 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

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).

14. I invite the tribunal to determine that the heating charge for 24-25 is payable and is reasonably incurred.

82

Statement of Truth

I believe that the facts stated in this witness statement are true. I understand that proceedings for contempt of court may be brought against anyone who makes, or causes

to be made, a false statement in a document verified by a statement of truth without an honest belief in its truth.

Signed: Name: Tristan Hopper- Property Charges