



**FIRST-TIER TRIBUNAL
PROPERTY CHAMBER (RESIDENTIAL
PROPERTY)**

Case Reference : **CHI/43UB/F77/2018/0073**

Property : **79 Hogshill Lane
Cobham
Surrey KT11 2AH**

Type of Application : **Determination of a fair rent:
Rent Act 1977**

Date of Decision : **16 January 2019**

REASONS FOR THE DECISION

Background

1. On 27 September 2018 the landlord's agent made an application to register the rent of the property at £984.00 per calendar month.
2. On 06 November 2018 the Rent Officer registered the rent at £930.00 per calendar month exclusive of rates with effect from 11 December 2018.
3. On 27 November 2018 the landlord's agent objected and the matter was referred to the First Tier Tribunal (Property Chamber). Directions were issued dated 14 December 2018.
4. The Landlord made written representations in response to the Directions, the Tenant did not. Neither party requested an oral hearing.

Inspection

5. On 16 January 2019 the Tribunal inspected the property accompanied by the Tenant, her elder son and her son-in-law, the Landlord was not represented.

6. The property is a two bedroom semi-detached house probably constructed in the 1920s of brick with a pitched, slate-covered roof. It was found to be generally in satisfactory condition.
7. The accommodation comprises: Ground Floor: Two Living Rooms; Kitchen with worktops, cupboards and sink; leading to a Shower Room with washbasin; leading to a Separate W.C. First Floor: Small Landing; Two Bedrooms. Outside: small gardens, no off street parking.
8. There is central heating originally supplied by the Tenant but the Landlord has replaced and maintains the boiler.

Representations

9. The Landlord's agent made written representations and provided particulars of some properties as comparables. They considered that a modern property similar to the subject house would let at £1,450 per calendar month.
10. To adjust for a fair rent the Landlord's agent made a deduction of £190.00 for a dated kitchen and the provision of white goods and floor coverings with a further allowance of 20% for scarcity. They conclude that the Fair Rent should be £1,008.00 per month.
11. The Tenant did not make written representations.

The law

12. When determining a fair rent the Tribunal, in accordance with the Rent Act 1977, section 70, must have regard to all the circumstances including the age, location and state of repair of the property. It must also disregard the personal circumstances of the Landlord or the Tenant and the effect of (a) any relevant tenant's improvements and (b) the effect of any disrepair or other defect attributable to the tenant or any predecessor in title under the regulated tenancy, on the rental value of the property.
13. Ordinarily a fair rent is the market rent for the property discounted for 'scarcity' (i.e. that element, if any, of the market rent, that is attributable to there being a significant shortage of similar properties in the wider locality available for letting on similar terms (other than as to rent) to that of the regulated tenancy).
14. For the purpose of determining the market rent, assured tenancy rents (market rents) are usually appropriate comparables. (These rents have to be adjusted where necessary to reflect any relevant differences between those comparables and the subject property).

Valuation

15. In the first instance the Tribunal determined what rent the landlord could reasonably be expected to obtain for the property in the open market if it were let today on the terms and in the condition that is considered usual for such an open market letting.

16. The Landlord's agent provided unconfirmed evidence of open market lettings but these were not directly comparable. Having made adjustments we also relied on the general information provided by the Rent Service and our own knowledge of general rent levels for this type of small property in the locality. We determined that the starting point should be £1,350.00 per calendar month for a comparable house with central heating provided by the Landlord.
17. However, the rent referred to in the above paragraph is on the basis of a modern open market letting of a centrally heated property where the tenant has no liability to carry out repairs or decorations and the landlord supplies white goods, carpets and curtains. In this case there is central heating but partly provided by the Tenant. Also the Tenant supplies her own white goods, carpets and curtains and the terms of this tenancy require the tenant to carry out internal decorations. The house is in satisfactory condition but not that which would be expected for a modern letting. A deduction must be made for these differences.
18. Although we agree with some of the deductions made by the Landlord's agent in their calculation they have not made sufficient allowance for the Tenant's central heating installation, her provision of the modern shower room and upgrading the kitchen, or for the condition of the property.
19. The Tribunal has therefore made the following deductions from the starting point of £1,350.00 per calendar month.

a. Decorating obligations	£20.00
b. Carpets/curtains	£50.00
c. White goods	£30.00
d. Part central heating	£30.00
e. Tenant's shower Room improvements	£35.00
f. Tenant's kitchen improvements	£50.00
g. General disrepair	£10.00

Adjusted deductions £225.00 per calendar month

20. We then considered the question of scarcity as referred to in paragraph 11 above. There is strong demand in this locality and a limited supply so we concluded that there should be an adjustment of 10% on the net rent, £112.00.
21. We therefore determined that the uncapped Fair Rent is £1,013.00 per calendar month exclusive of council tax and water rates.
22. As this amount is above the rent calculated in accordance with the Maximum Fair Rent Order details of which are shown on the rear of the Decision Notice we determine that the lower sum of **£963.00 per calendar month** is registered as the fair rent with effect from **16 January 2019**.

Chairman: B H R Simms

Date: 16 January 2019

PERMISSION TO APPEAL

1. A person wishing to appeal this decision to the Upper Tribunal (Lands Chamber) on a point of law must seek permission to do so by making written application to the First-tier Tribunal at the Regional office which has been dealing with the case.
2. The application must arrive at the Tribunal within 28 days after the Tribunal sends to the person making the application written reasons for the decision.
3. If the person wishing to appeal does not comply with the 28-day time limit, the person shall include with the application for permission to appeal a request for an extension of time and the reason for not complying with the 28-day time limit; the Tribunal will then decide whether to extend time or not to allow the application for permission to appeal to proceed.
4. The application for permission to appeal must identify the decision of the Tribunal to which it relates, state the grounds of appeal, and state the result the party making the application is seeking.