



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

Case Reference : **CHI/24UN/F77/2018/0074**

Property : **19 Selsdon Avenue, Romsey, Hants
SO51 7PL**

Type of Application : **Decision in relation to Rent Act
1977**

Date of Decision : **28 January 2019**

Reasons for the decision

Background

1. On 11 September 2018 the landlord made an application to register the rent of the property at £131.46 per week inclusive of £7.93 for fixed service charge.
2. The rent had previously been registered on 15 September 2016 at ££654.50 per calendar month.
3. On 31 October 2018 the Rent Officer registered the rent at £725 per calendar month inclusive of £22.06 for fixed service charge.
4. On 19 November 2018 the tenant objected and the matter was referred to the First Tier Tribunal, Property Chamber.
5. The Tribunal made Directions on 19 December 2018 indicating that the matter would be dealt with on the papers following an inspection unless either party called for an oral hearing. There has been no call for an oral hearing and the matter is therefore determined on the papers.

6. The Directions required the landlord to submit a written statement to the tenant and to the Tribunal and for the Tenant to reply. In a letter from the landlord dated 24 December 2018 it was noted that the tenant's objection was in respect of the Registered Rent whereas a lesser amount was actually charged. The statement was not sent to the tenant as directed and there was therefore no reply.

Inspection

7. We inspected the property in the company of Ms Barfield and her partner. The landlord did not attend. We found the property to be an inner terrace house built in the 1970s. The design is somewhat unusual in that the front access is off a pedestrian walkway with, what appears to be the more frequently used access, through the rear garden. Vehicular access and parking is from the rear.
8. The accommodation comprises a fitted kitchen, L shaped living room, and entrance lobby with cloakroom off on the ground floor with 2 double bedrooms, a box room and bathroom/WC on the first floor.
9. **Heating was from electric wall mounted heaters.**
10. The tenant has carried out improvements to both kitchen and bathroom the value of which the Tribunal has discounted in determining the rental value.
11. The property appeared to be in good repair throughout.

Representations

12. Neither party submitted representations.

The law

13. 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 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.
14. Case law informs the Tribunal;
 - a. That 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) and

- b. That for the purposes of determining the market rent, assured tenancy (market) rents are usually appropriate comparables. (These rents may have to be adjusted where necessary to reflect any relevant differences between those comparables and the subject property).

Valuation

15. Thus, 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. Neither party provided any evidence of open market lettings. The Tribunal noted that the Rent Officer's starting point was £900 per calendar month which in the absence of any alternative evidence the Tribunal adopted.
16. 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 landlord supplies white goods, carpets and curtains. In this case there is no central heating and the Tenant supplies her own white goods, carpets and curtains. A deduction must be made to reflect the lower bid a prospective tenant would make to reflect these differences and the Tribunal has therefore made a deduction of 20% arriving at a net rent of £720 per calendar month inclusive of a fixed service charge of £22.06 being the latest available details of actual service charge expenditure.
17. We then considered the question of scarcity as referred to in paragraph 14a above and determined that there was none in this area of Hampshire.
18. We therefore determined that the uncapped Fair Rent is £720 per calendar month inclusive of £22.06 for services (fixed) but exclusive of council tax and water rates with effect from 28 January 2019.
19. The calculation of the rent in accordance with the Maximum Fair Rent Order is set out on the rear of the Decision Notice. As the amount so calculated is above the rent determined by the Tribunal it has no effect. **We therefore determine that the sum of £720 per calendar month inclusive of £22.06 for services is registered as the fair rent with effect from today's date.**

D Banfield FRICS (Chairman)
P D Turner-Powell FRICS
28 January 2019

1. A person wishing to appeal the decision to the Upper Tribunal (Lands Chamber) 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.