

FIRST - TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference : CHI/00HB/F77/2018/0065

Property : Flat 3

23 Montague Hill

Bristol BS2 8ND

Applicant : Mr A Abourgebah and

Mrs A Abourgebah

Representative : none

Respondent : Places for People

Representative : None

Type of Application : Rent Act 1977 ("the Act") Determination by

> the First-Tier Tribunal of the fair rent of a property following an objection to the rent

registered by the Rent Officer.

Tribunal Members : Mr I R Perry FRICS

Mr S J Hodges FRICS

Inspection

Date and venue of : 10th December 2018

Date of Decision : 10th December 2018

REASONS FOR DECISION

Summary of Decision

On 10th December 2018 the Tribunal determined a fair rent of £161.53 per week with effect from 10th December 2018.

Background

- 1. On 17th July 2018 the Landlord's Agent applied to the Rent Officer for registration of a fair rent of £ 148.24 per week for the above property. This equates to £642.37 per calendar month.
- 2. The rent was previously registered on the 20th September 2016 at £150 per week following a determination by the Rent Officer. This equates to £650 per calendar month and was with effect from 13th October 2016. The rent collected by the Landlord was only £127.59 per week.
- 3. The rent was registered by the Rent Officer on the 20th September 2018 at a figure of £ 161.53 per week with effect from the 13^{th} October 2018. This includes the sum of £24.79 per week in respect of services. In total this equates to a figure of £ £699.96 per calendar month.
- 4. By a letter dated 16th October 2018 the Tenant objected to the rent determined by the Rent Officer and the matter was referred to the First Tier Tribunal Property Chamber (Residential Property) formerly a Rent Assessment Committee.

Inspection

- 5. The Tribunal had arranged to inspect the property at 12.00 on Monday 10th December 2018. On the morning of the inspection the Tenant called the Tribunal office and informed the Tribunal that he would not be there at 12.00 and did not want to discuss re-arranging the inspection at a different time.
- 6. Accordingly the Tribunal decided that it would inspect the outside of the property and make a determination on the papers received, which included notes from the Rent Officer.
- 7. The property comprises a flat within a Grade II late 18th century mid Georgian style house close to the centre of Bristol that has been converted to provide 3 apartments. There is a communal garden and no parking. The street is cobbled and is prohibited to vehicles.
- 8. The accommodation includes a hallway, living room, kitchen and 2 bedrooms.
- 9. Internally the Rent Officer noted some disrepair to sash windows and a damp patch in the corner of the hallway/lobby ceiling.

Evidence and representations

- 10. Neither party had made written representations to the Tribunal.
- 11. The Tribunal had regard to the observations and comments by the Rent Officer and also relied on its own knowledge and experience of local rental values in determining the rent.

The Law

- 12. When determining a fair rent the Tribunal, in accordance with the Rent Act 1977, section 70, had regard to all the circumstances including the age, location and state of repair of the property. It also disregarded 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. In Spath Holme Ltd v Chairman of the Greater Manchester etc. Committee (1995) 28 HLR 107 and Curtis v London Rent Assessment Committee [1999] QB 92 the Court of Appeal emphasised
 - (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).
- 14. The Tribunal also has to have regard to the Rent Acts (Maximum Fair Rent) Order 1999 where applicable. Most objections and determinations of registered rents are now subject to the Order, which limits the amount of rent that can be charged by linking increases to the Retail Price Index. It is the duty of the Property Tribunal to arrive at a fair rent under section 70 of the Act but in addition to calculate the maximum fair rent which can be registered according to the rules of the Order. If that maximum rent is below the fair rent calculated as above, then that (maximum) sum must be registered as the fair rent for 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 in the condition that is considered usual for such an open market letting. It did this by having regard to the evidence supplied by the parties and the Tribunal's own general knowledge of market rent levels in the area of Bristol and accepted the figure given by the Rent officer, this being £895 per calendar month.

16. Based on his inspection the Rent officer had adjusted this figure and registered a rent the equivalent of £699.96, say £700 per month.

Decision

- 17. The Tribunal accepted the Rent Officer's figure and determined that the fair rent for the purpose of section 70 of the Rent Act 1977 was accordingly £161.53 per week being the equivalent of £700 per month.
- 18. The Section 70 Fair Rent determined by the Committee is below the maximum fair rent permitted by the Rent Acts (Maximum Fair Rent) Order 1999 details of which are shown on the rear of the Decision Notice and accordingly that rent limit has no effect.

Accordingly the sum of £161.53 per week will be registered as the fair rent with effect from the 10th December 2018 this being the date of the Tribunal's decision.

Chairman: I R Perry FRICS

Dated: 10th December 2018

Appeals

- 19. A person wishing to appeal this decision to the Upper Tribunal (Lands Chamber) must seek permission to do so by making a written application to the First-tier Tribunal at the Regional office which has been dealing with the case.
- 20. 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.
- 21. 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 the time limit, or not to allow the application for permission to appeal to proceed.
- 22. 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.

If the First-tier Tribunal refuses permission to appeal in accordance with section 11 of the Tribunals, Courts and Enforcement Act 2007, and Rule 21 of the Tribunal Procedure (Upper Tribunal) (Lands Chamber) Rules 2010, the Applicant/Respondent may take a further application for permission to appeal to the Upper Tribunal (Lands Chamber). Such application must be made in writing and received by the Upper Tribunal (Lands Chamber) no later than 14 days after the date on which the First-tier Tribunal sent notice of this refusal to the party applying for the permission.