



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

Case Reference : **CHI/19UJ/F77/2019/0003**

Property : **9 St Leonards Road, Weymouth,
Dorset DT4 8LE**

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

Date of Decision : **6 March 2019**

Reasons for the decision

Background

1. On 19 October 2018 the landlord made an application to register the rent of the property at £767.44 per month.
2. On 13 December 2018 the Rent Officer registered the rent at £155.00 per week exclusive of rates with effect from 21 January 2019.
3. On 7 January 2019 the landlord objected, and the matter was referred to the First Tier Tribunal, Property Chamber.

Inspection

4. We inspected the property in the company of the tenant. The landlord did not attend. We found the property to be a three-storey terraced house built of brick under a slated roof in the late 19th century being part of a terrace facing a narrow road with limited parking. The terrace is at a higher level than the road with access up concrete steps leading to a “platform” giving access to the front door of the house.

5. The front door leads into a hall with stairs to the first floor and off which is a small front living room and a rear room with kitchen off. On the first floor is a front double bedroom, a good sized bathroom and separate WC with the combination boiler serving the central heating. Steep stairs then lead to the second floor attic comprising rear double and front single bedrooms each with a small Velux window. To the rear is a small garden.
6. The windows and external doors have been replaced with double glazed UPVC units and are in good condition. We noted the poor decoration to the guttering.
7. Although the landlord has provided the central heating the tenant has added two radiators. Work carried out by the tenant includes the provision of a separate shower cubicle in the bathroom, the provision of fireplace surrounds, replacement doors, skimming the plasterwork, casement doors from the rear living room into the garden and incorporating the outside WC into the kitchen before providing fitted units. The tenant also provides all white goods, carpets and curtains.

Representations/ Hearing

8. In representations dated 22 January 2019 Grainger plc on behalf of the landlord accepted that the property may not be equivalent to modern standards, but that work was undertaken when reported by the tenant. In support of their proposed rent of £177.10 per week they referred to the agreed letting of a property in Trinity Terrace for the equivalent of £229.61 per week. This property was said to differ from the subject in that it had harbour views, was newly redecorated, had a new kitchen and central heating and fireplaces. It was also equipped with blinds, floor coverings and white goods. From the marketing photographs and plan supplied the property also appeared to be somewhat larger than the subject property.
9. The rent of £229.61 per week was then adjusted by *“Using the theoretical figure of £10.00pw per benefit/improvement of the comparable property for Harbour Views, New Decoration and Kitchen and a figure of £5.00pw for Blinds, Floor Coverings, Whitegoods and Fire Places. The Proposed rent of £177.10 is still £2.51 cheaper than the lowest market rent tenancy currently available within less than ½ mile”*

The law

10. 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.

11. 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

12. 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. We inspected the exterior of properties in Trinity Terrace and were able to confirm that they enjoyed harbour views and were larger than the subject property. In the schedule of market rental evidence produced by the Rent Officer and provide to the Tribunal and the parties rents in the DT4 postcode ranged from £138.23 to £230.77 per week. The market rent determined by the Rent Officer was £185 per week and we have no reason to disagree.
13. However, the rent referred to in the above paragraph is on the basis of a modern open market letting where the tenant has no liability to carry out repairs or decorations and the landlord supplies white goods, carpets and curtains. In this case the Tenant supplies white goods, carpets and curtains and has made a number of improvements including extending and fitting the kitchen. We noted the deductions made by the landlord but do not consider them to be sufficient in that no allowance is made for the apparent size differential
14. In making its own adjustments to reflect the lower bid a prospective tenant would make to reflect the differences between the property in a modern lettable state and that as found by the Tribunal we make a deduction of 15% arriving at a rounded rent of £157.00 per week.
15. We then considered the question of scarcity as referred to in paragraph 11a above and determined that there was none in this area of West Dorset.

16. We therefore determined that the uncapped Fair Rent is £157.00 per week exclusive of council tax and water rates with effect from 6 March 2019
17. As this amount is below 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 sum of £157.00 per week** is registered as the fair rent with effect from today's date.

D Banfield FRICS (Chairman)
M J F Donaldson FRICS MCI Arb MAE
6 March 2019

1. A person wishing to appeal this 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. 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.
2. 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.
3. 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.