



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

Case Reference : **CHI/40UD/F77/2019/0010**

Property : **2 Castle Cottages,
Main Street,
Chilthorne Domer,
Yeovil,
Somerset,
BA22 8 RD**

Applicant : **Northumberland and Durham
Property Trust Ltd**

Representative : **Grainger Residential Management**

Respondent : **Mr M Hares**

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
Mrs J E Coupe FRICS**

**Date and venue of
Inspection** : **10th April 2019**

Date of Decision : **10th April 2019**

REASONS FOR DECISION

Summary of Decision

On 10th April 2019 the Tribunal determined a fair rent of £161.54 per week with effect from 10th April 2019.

Background

1. On 6th December 2018 the Landlord's Agent applied to the Rent Officer for registration of a fair rent of £787.36 per calendar month for the above property. This equates to £181.70 per week.
2. The rent was previously registered on the 8th February 2017 at £158.00 per week following a determination by the Rent Officer. This equates to £684.66 per month.
3. The rent was registered by the Rent Officer on the 28th January 2019 at £165.00 per week with effect from 9th March 2019. This equates to £715.00 per month.
4. By a letter dated 15th February 2019 the Landlord's agent 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 inspected the property on the 10th April 2019 accompanied by the Tenant Mr Hares. Neither the Landlord nor Landlord's Agent was present.
6. The property is semi detached flush fronted house on the main road through the village of Chilthorne Domer. It is built with stone and rendered elevations all beneath a tiled roof.
7. The accommodation at ground level includes two Living Rooms, a Kitchen and Bathroom with WC. At first floor level there are two double Bedrooms one accessed via a Dressing Room/Bedroom 3.
8. There is a good sized but overgrown garden to the rear. Windows have secondary double glazing. Heating is from night store heaters and open fires.
9. Within the village there is a school and public house but main facilities are at Yeovil about 3 miles distant.
10. The property is generally in reasonable order although the Bathroom and Kitchen fittings are dated.

Evidence and representations

11. Written representations had been received from the Landlord's agent which had been copied to the Mr Hares.

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 South Somerset. Having done so it concluded that such a likely market rent would be £750.00 per calendar month.

16. However, the property was not let in a condition considered usual for a modern letting at a market rent. Therefore it was first necessary to adjust that hypothetical rent of £750.00 per calendar month particularly to reflect the dated Bathroom and Kitchen.

17. The Tribunal therefore considered that this required a total deduction of £50 per month made up as follows:

Dated kitchen	£30
Dated bathroom	£20
TOTAL	£50

18. The Tribunal did not consider that there was any substantial scarcity element in the area of South Somerset.

Decision

19. Having made the adjustments indicated above the fair rent initially determined by the Tribunal for the purpose of section 70 of the Rent Act 1977 was accordingly £ 700.00 per calendar month which would equate to £161.54.

20. 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 £161.54 per month will be registered as the fair rent with effect from the 10th April 2019 being the date of the Tribunal's decision.

Chairman: **Dated:**
I R Perry FRICS

Appeals

21. 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.
22. 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.
23. 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.
24. 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.