



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

**Case Reference** : **MAN/30UE/F77/2019/0030**

**Property** : **The Bungalow, 52, Withnell Fold, Withnell,  
Chorley PR6 8BA**

**Tenant** : **Mrs J M Kornas**

**Landlord** : **Northumberland & Durham Property Trust  
Limited (represented by Grainger plc)**

**Type of  
Application** : **Application requesting reasons for the  
determination of a Fair Rent under Section  
70 Rent Act 1977**

**Tribunal Members** : **Mr J R Rimmer  
Mr J Rostron**

**Date of Decision** : **31<sup>st</sup> May 2019**

**Date Reasons Issued:** **6<sup>th</sup> August 2019**

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## **Decision**

**The fair rent for the property known as The Bungalow, 52, Withnell Fold, Withnell, Chorley, is determined at £100.00 per week with effect from 31<sup>st</sup> May 2019**

## **Reasons**

- 1 These are the reasons for the decision of the First-tier Property Tribunal appointed to set a fair rent for The Bungalow, 52, Withnell Fold, Withnell, Chorley, Lancashire. The landlord of the property is Northumberland & Durham Property Trust Limited, which is represented by agents, Grainger PLC of Citygate, St James' Boulevard, Newcastle Upon Tyne NE1 4JE. The tenant is Mrs J M Kornas.
- 2 Application was originally made for a fair rent on the appropriate Form 5 by the landlord's agent and dated 18<sup>th</sup> January 2019. At that time the passing rent was stated as being £93.00 per week, registered by the Rent officer on 10<sup>th</sup> March 2017 and effective 22<sup>nd</sup> April 2017. This is not a property in respect of which any further charge is made for the provision of services.
- 3 Within the current application the landlord's agent suggested a new fair rent of £111.60 per week. As is customary with an application made by Grainger plc a written submission in support of the application was forthcoming providing internet details of properties considered to be comparable to the subject property, together with the rent being asked for them.
- 4 After consideration of this current application the Rent Officer set a new fair rent of £98.00 per week on 4<sup>th</sup> March 2019, to be effective from that date. This was below the level of the rent that would be the maximum rent permissible under the provisions of the Rent Acts (Maximum Fair Rent) Order 1999 and the amount of £98.00 per week was registered accordingly.
- 5 Following the decision of the Rent Officer the landlord's agent objected to the registration by letter dated 29<sup>th</sup> March 2019 and the matter was referred to the First-tier Tribunal.
- 6 Accordingly, on the morning of 31<sup>st</sup> May 2019 the Tribunal, comprising J R Rimmer (Judge) and J Rostron (valuer) inspected the property and found it to be a detached, double-fronted, 2-bedroomed bungalow of stone construction, under a tiled roof with extensive surrounding grounds. It presents a rural aspect to the rear and is otherwise situated in a small hamlet of Victorian dwellings that give the appearance of having been mill terraces. It is approached down a cobbled lane and local amenities and bus routes are limited. The accommodation comprises, entrance hall, living room, 2 bedrooms, kitchen, bathroom, wc and utility room . The property has double glazing, installed by a previous landlord and central heating which was installed by the tenant, but has the benefit of a new boiler provided by the landlord. There has also been recent work to the bathroom but this is still dated, as is the kitchen (but where the landlord has installed 2 new sockets) , where the tenant has also repaired defective plasterwork. External decorative repair is poor and guttering would appear to need attention.

- 7 In the absence of a request for a hearing by either party the Tribunal reconvened later the same day to consider what it had seen on its inspection and read in the submissions before it.
- 8 The primary duty upon a Tribunal is to assess a fair rent in accordance with S70 Rent Act 1977: that is to assess a market rent for the property having regard to its age, character, locality, state of repair and any other relevant circumstances, but disregarding any increase in that rent attributable to the “scarcity element”, that being the amount by which the market rent is increased by there being a greater demand for than availability of similar properties to let in the locality, and also discounting any improvements made by the tenant outside the tenancy agreement or any disrepair attributable to the tenant in breach of the agreement. (Given what is set out below the committee determined in due course that no such “scarcity element” existed). Personal circumstances of the parties are also to be disregarded.
- 9 The Tribunal gave careful consideration to what was in the written submissions from the landlord’s agent relating to premises.
- 10 So far as an appropriate fair rent is concerned there has been well established guidance for the benefit of Tribunals handed down by the High Court and the Court of Appeal as to how they fulfil their obligations with regard to assessing the rent and properly taking into account the above factors e.g Spath Holme Ltd v Chairman of the Greater Manchester and Lancashire Rent Assessment Committee (1995) 28 HLR 107 and Curtis v London Rent Assessment Committee (1999) QB 92
- 11 The clearest starting point is to consider any similar property, if such exists, in the locality let at a market rent under the Housing Act 1988, using that rent as the basis for a fair rent but then making the appropriate deductions. Direct evidence was given to the Committee, in the submission of the managing agents, of comparable market rents for somewhat similar properties in the locality. The Committee may then also use its own experience and skill gained from setting both fair and market rents over the whole of North West England generally, and Lancashire in particular, in order to assess the appropriate fair rents for the property and the strength of the evidence submitted.
- 12 The Tribunal considered a likely achievable market rent for a property such as the subject property would be in the region of £145.00 per week, not unadjacent to the amount suggested by the landlord’s agent in its submission, but this would be if it was let with carpets, curtains and white goods and in a good, modernised condition. For the lack of those items a deduction of £15.00 per week should be made. The Tribunal then considered that a further deduction of £30.00 appropriate to reflect the current conditions of the kitchen and bathroom respectively, together with the small items of disrepair and the likely effect those conditions would have upon the rent. The deduction would also reflect the joint involvement of the parties, over the years to the central heating. These amounts reduce the net rent to £100.00 per week.

- 13 The Tribunal gave very careful consideration to the issue as to whether the recent works undertaken had contributed greatly to the rental value of the property since the last registration and believes they are reflected in its current assessment.
- 14 The amount of £100.00 per week is below the maximum fair rent allowable under the Rent Acts (Maximum Fair Rent) Order 1999 of £103.50 per week at the time of the Tribunal's determination. The Tribunal accordingly determines the fair rent for The Bungalow, 52, Withnell Fold, at £100.00 per week with effect from 31<sup>st</sup> May 2019, that being the date of the determination.

J R RIMMER (Judge)  
6 August 2019