



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

**Case Reference** : **MAN/30UK/F77/2019/0028**

**Property** : **3, St David's Road, Preston PR1 6NB**

**Tenant** : **Miss S Battersby**

**Landlord** : **Portland House Group Limited  
(represented by Bowood Commercial)**

**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**

© CROWN COPYRIGHT 2019

## **Decision**

**The fair rent for the property known as 3, St David's Road, Preston is determined at £350.00 per calendar month 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, 3, St David's Road, Preston, Lancashire. The landlord of the property is Portland House Group Limited, which is represented by agents, Bowood Commercial, of 91, Eccles Road, Battersea, London SW11 1LX. The tenant is Miss S Battersby.
- 2 Application was originally made by the landlord's agent for a fair rent on the appropriate Form 5 by the landlord's agent and dated 15<sup>th</sup> January 2019. At that time the passing rent was stated as being £333.00 per calendar month, registered by the Rent Assessment Committee (now the First-tier Property Tribunal) on 14<sup>th</sup> September 2009 and effective from that date. 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 £550.00 per calendar month. The agent provided a brief submission based upon comparable rents available to the Rent Officer, making allowances for the lack of heating and white goods of £10.00 per week (or the equivalent) on the basis of the likely cost decapitalised at 5% over 10 years, £5.00 per week for the tenant's obligation to decorate and £5.00 per week for scarcity. (although the registered rent and the suggested new rent are expressed in monthly terms, the agents made their observations in respect of weekly amounts).
- 4 After consideration of this current application the Rent Officer set a new fair rent of £350.00 per calendar month on 1<sup>st</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 £350.00 per calendar month was registered accordingly.
- 5 Following the decision of the Rent Officer the landlord's agent objected to the registration by letter dated 13<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 2-bedroomed terraced house of brick construction, under a slate roof with extensive surrounding grounds. It is flat and flush to the pavement at the front, with a small yard to the rear. The accommodation comprises, entrance hall, living room and kitchen downstairs with bathroom/wc and 2 bedrooms on the first floor. The steep internal staircase to that level is adjacent to the back door . The property has the benefit of double glazing and gas central heating, but the gas fire was installed by the tenant. The kitchen is dated with basic fittings and the remnants of a damp repair that has not been made good. The bathroom is also dated. It appears that long-standing building works in the adjoining property have caused damage to one of the bedroom walls. The internal upstairs doors are panelled and have gaps between the boards. St David's Road is situated in an area of similar terraced streets conveniently situated for local amenities and Preston City Centre.

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 the Lancashire area 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 £550.00 per month, not unadjacent to, but slightly above, the amount suggested by the landlord's agents in their submission as a starting point. This would reflect a letting with carpets, curtains and white goods. For the lack of those items a deduction of £55.00 per month should be made. The Tribunal then considered that a further deduction of £90.00 per month appropriate to reflect the current conditions of the kitchen and bathroom respectively, together with a further amount of £55.00 per month for the items of disrepair and the likely effect the Tribunal believes those matters would have those conditions would have upon an achievable rent. In the light of these findings the Tribunal does not believe such a rent would reflect any element of scarcity and it would also discount the allowance made by the agents in respect of heating which was not an issue apparent to the Tribunal.
- 13 The amount of £350.00 per week is below the maximum fair rent allowable under the Rent Acts (Maximum Fair Rent) Order 1999 of £458.00 per calendar month at the time of the Tribunal's determination. The Tribunal accordingly determines the fair rent for 3, St David's Road, Preston at £350.00 per calendar month with effect from 31<sup>st</sup> May 2019, that being the date of the determination.

J R RIMMER (Judge)  
6 August 2019