



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

Case Reference : **CHI/23UC/F77/2019/0040**

Property : **65 Thomas Street
Cirencester
Gloucestershire
GL7 2BA**

Applicant : **Mr Rory Stagg**

Representative : **None**

Respondent : **The Trustees of the Earl Bathurst
Estate Settlement 1963**

Representative : **K H Walker MRICS**

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 Hodges FRICS**

**Date and Venue of
Inspection** : **19th September 2019**

Date of Decision : **19th September 2019**

REASONS FOR DECISION

Summary of Decision

On 19th September 2019 the Tribunal determined a fair rent of £10,200 per annum with effect from 19th September 2019.

Background

1. On 9th May 2019 the Landlord's Agent applied to the Rent Officer for registration of a fair rent of £ 10,200 per annum for the above property. This equates to £850 per calendar month.
2. The rent was previously registered on the 24th July 2017 at £9,816 per annum following a determination by the Rent Officer. This equates to £818 per calendar month.
3. The rent was registered by the Rent Officer on the 9th July 2019 at a figure of £10,600 per annum with effect from the 24th July 2019. This equates to a figure of £ 883.33 per calendar month.
4. By a letter received by the Tribunal office on 29th July 2019 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 inspected the property on the 19th September 2019. Mrs Stagg was present as was Ms Kirsty Walker representing the Landlord.
6. The property is an end terraced double fronted flush fronted dwelling house, built in 1870, with accommodation on two levels situated in the centre of Cirencester.
7. The accommodation includes a hall, living room, dining room, kitchen, utility and bathroom with WC all at ground floor level. At first floor level there is a landing with cupboard, two double bedrooms and a single bedroom.
8. The property has gas-fired central heating and original metal framed windows. The kitchen was refitted by the Landlord some 2 years ago.
9. The property is flush to the pavement on a busy road through the centre of Cirencester and has a small garden area to the side. The Tenant has opened up the original period fireplaces in the two main living rooms and constructed a porch over the rear entrance door. The property has no garage or parking space.

10. The Tenant has provided the white goods, carpets and curtains. Internally the property appeared to be in good repair and decoration, being well cared for by the Tenant.

Evidence and representations

11. The Tenant had submitted a brief objection to the Tribunal which had been copied to the Landlord's agent.
12. Neither party submitted any evidence of comparable rents in the town or surrounding area. Accordingly, the Tribunal relied on its own general knowledge of rents in the area of north Gloucestershire.

The Law

13. 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.
14. 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).
15. 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

16. 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 Tribunal's own general knowledge of market rent levels in the area of North Gloucestershire. Having done so it concluded that such a likely market rent would be £900 per calendar month.
17. 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 £900 per calendar month particularly to reflect the fact that the carpets, curtains and white goods were all provided by the Tenant which would not be the case for an open market assured shorthold tenancy and that the property stands flush to the pavement on a busy road through Cirencester.
18. The Tribunal therefore considered that this required a total deduction of £50 per month made up as follows:

Provision of carpets and curtains	£20
Provision of white goods in kitchen	£10
Proximity to busy through road	£20
TOTAL	<hr/> £50

19. The Tribunal did not consider that there was any substantial scarcity element in the area of North Gloucestershire.

Decision

20. 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 £850 per calendar month equating to £10,200 per annum, this also being the amount originally requested in the Landlords' application.
21. 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 £10,200 per annum per annum will be registered as the fair rent with effect from the 19th September 2019 this being the date of the Tribunal's decision.

Chairman: I R Perry FRICS

Appeals

22. 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.
23. 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.
24. 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.
25. 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.