



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

**Case Reference** : **CHI/43UE/F77/2019/0060**

**Property** : **18 Dene Street Gardens  
Dorking  
Surrey  
RH4 2DN**

**Type of Application** : **Determination of a fair rent:  
Rent Act 1977**

**Date of Decision** : **13 January 2020**

**Tenant** : **Mr A Longhurst**

**Landlord** : **BPT (Bradford Property Trust) Ltd**

**Tribunal Members** : **Mr B H R Simms FRICS (Chairman)  
Mr N I Robinson FRICS (Valuer Member)**

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**REASONS FOR THE DECISION**

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## **Background**

1. On 11 August 2019 the Landlord's agent, Grainger Plc, made an application to register the rent of the property at £243.00 per week in place of the existing rent of £211.50 per week.
2. On 25 September 2019 the Rent Officer registered the rent at £215.00 per week with effect from the same date.
3. The Landlord objected to the rent registered and the Rent Officer referred the case to the First Tier Tribunal (Property Chamber). Directions for the conduct of the case were issued to the parties dated 28 October 2019.
4. In response to Directions the Landlord's agent made written representations by letter dated 08 November 2019 which was circulated to the Tenant. The Tenant did not make any written representations.
5. The Directions gave notice that the matter would be determined on the papers without a hearing unless a party objects. Neither party requested an oral hearing within the time allotted.

## **Inspection**

6. On 13 January 2020 the Tribunal members inspected the property accompanied by the Tenant, the Landlord was not present or represented.
7. The property is a three bedroom Victorian terrace house built of brick under a recently renewed pitched, tile-covered roof. There is a small garden to the rear. The house is located in a cramped residential location with narrow access driveways and pathways with limited on-street parking nearby. The house is well maintained internally and the Landlord has recently undertaken roof repairs and rewiring but with surface mounted fittings. There are modern double glazed windows but some of these were provided by the Tenant. Although there is central heating this was provided by the Tenant and he has also virtually renewed the bathroom and installed a modern kitchen. The Tenant has supplied all floor coverings, curtains, furniture and white goods.
8. The accommodation comprises: Ground Floor: Two Living Rooms; Kitchen with sink, worktop and cupboards; lobby to Bathroom with corner bath, washbasin and low level W.C. First Floor approached by a steep staircase: Small Landing; Three Bedrooms (one leading down a step from the rear bedroom).

## **Representations**

9. In their representations Grainger described the property and noted that it is a beautiful character house in Dorking town centre adjoining local shops and amenities. They suggested three properties as having comparable rents: a 3 bedroom semi-detached house at £345.00 per week; a 3 bedroom end terrace house at £321.92 per week and another 3 bedroom end terrace house at £300.00 per week and concluded that the rent should be £311.54 per week.

10. They then made adjustments at £100 per month for floor coverings, white goods, decorating and minor repairs; £50 per month for the dated kitchen; £25.00 per month for dated bathroom; £50 per month for bedroom layout and £50 per month for only part double glazing by the Landlord. This adjusts the rent to £1,075 per month the equivalent of £248.00 per week.
11. The Tenant made no representations.

## **The law**

12. 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 personal circumstances of the Landlord or of the Tenant and the effect on the rental value of the property of:
  - (a) any relevant tenant's improvements and
  - (b) any disrepair or other defect attributable to the tenant or any predecessor in title under the regulated tenancy.
13. 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).
14. For the purpose of determining the market rent, assured tenancy rents (market rents) are usually appropriate comparables. (These rents have to be adjusted where necessary to reflect any relevant differences between those comparables and the subject property).
15. The Rent Acts (Maximum Fair Rents) Order 1999<sup>1</sup> ("MFR") introduced statutory maximum (capping) limits to fair rents calculated using a formula based upon the previously registered rent, a standard addition and an inflation factor.

## **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 on the terms and in the condition that is considered usual for such an open market letting.
17. We were assisted by the comparables provided by the Landlord's agent but could not agree that the subject property was a beautiful character house. It is a traditional Victorian terrace property in a cramped locality with limited vehicle and pedestrian access. The comparables are all semi-detached or end-of-terrace properties with 3 accessible bedrooms and probably with central heating.
18. We were also assisted by the information provided by the rent service and also using our own knowledge of general rent levels for this type of property in the locality we

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<sup>1</sup> The Rent Acts (Maximum Fair Rent) Order 1999 SI 1999 No. 6

determined that the starting point should be £277.00 per week on the assumption that the Tenant is responsible for internal repairs and decorations.

19. However, the rent referred to in the above paragraph is on the basis of a modern open market letting of a centrally heated property and the landlord supplies white goods, carpets and curtains. In this case the Tenant supplies his own white goods, carpets and curtains and there is no central heating, deductions must be made for these and the other differences. We accept that the type of deductions that need to be made are those proposed by the Landlord's agent, but different in amount, but they did not adjust for the lack of central heating.

20. The Tribunal has therefore made deductions from the starting point of £277.00 per week as follows:

a. Lack of Landlord's carpets, curtains and floor coverings	£11.50
b. Lack of Landlord's white goods	£11.50
c. Tenant's provision of bathroom fittings	£9.00
d. Basic original kitchen fittings	£14.00
e. Lack of central heating	£14.00
f. Part double glazing	£11.50
g. Location and lack of parking	£11.50

Total deductions £83.00 per week

21. These are the Tribunal's opinion of the reduced rental bid that would be made by a hypothetical tenant when allowing for the deficiencies in this property when compared to a modern open market letting of a similar property in the locality.

22. We then considered the question of scarcity as referred to in paragraph 13 above. There is no evidence of anything other than a balance of supply and demand in this locality so we conclude that there should be no adjustment for scarcity.

23. We therefore determined that the uncapped Fair Rent is £194.00 per week (£277.00 less £83.00).

24. The uncapped rent of £194.00 is below the maximum fair rent of £237.00 per week calculated in accordance with MFR, details of which are shown on the rear of the Decision Notice, we therefore determine that the sum of **£194.00 per week** is registered as the fair rent with effect from the date of the decision **13 January 2020**.

Chairman: B H R Simms

Date: 13 January 2020

## **PERMISSION TO APPEAL**

1. A person wishing to appeal this decision to the Upper Tribunal (Lands Chamber) on a point of law 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.
2. 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.
3. 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.
4. 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.