



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

Case Reference : **CAM/34UH/F77/2019/0035**

Property : **68 Beech Avenue, Northampton,
Northamptonshire NN3 2JG**

Applicant (Landlord) : **Dorrington Residential Limited**
Representative : **Allsop Residential Investment Management
(Arim) Limited**

Respondent (Tenant) : **Mr BJ Clarke**

Type of Application : **Determination of a fair rent under section
70 of the Rent Act 1977**

Tribunal Members : **Judge JR Morris**
Mrs M Wilcox BSc MRICS

Date of Decision : **6th February 2020**

DECISION

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DECISION

1. The Fair Rent for the Property is determined to be £550.00 per calendar month which is below the capped rent under the Rent Acts (Maximum Fair Rent) Order 1999 to take effect from the 6th February 2020.

REASONS

THE PROPERTY

2. The Property is a two-storey semi-detached house of brick with painted pebbledash to the front and upvc clad bay under a tile roof, constructed circa 1920s.

Accommodation

The Property comprises a hall from which rise stairs to the first floor, two living rooms and a kitchen on the ground floor. There are three bedrooms and a bathroom with w.c. on the first floor. There is a cellar for storage. There is a small garden to the front and a larger one to the rear.

Services

Heating is by Tenant's own appliances. Water heating is by a gas multipoint. The Subject Property has main gas, electricity, water and drainage.

Furnishing

The Property is let unfurnished.

Location

The Property is situated in a residential area about a mile from the town centre. There is local shopping.

THE TENANCY

3. The tenancy is regulated under the Rent Act 1977 and commenced in April 1987. As a Tenancy, not being for a fixed period of 7 years or more, s11 of the Landlord and Tenant Act 1985 applies in respect of the Landlord's liability for repairs.

THE APPEAL

4. A rent of £525.00 per calendar month, which was below the capped rent of £541.00 per calendar month under the Rent Acts (Maximum Fair Rent) Order 1999, was registered on 12th January 2018 and effective from that date. The Landlord by a notice in the prescribed form received by the Rent Officer on 17th October 2019 proposed a new rent of £630.00 per calendar month (expressed as £7,560.00 per annum). On the 15th November 2019 the Rent Officer registered a rent effective from the 12th January 2020 of £550.00 per calendar month, which was below the capped rent under the Rent Acts (Maximum Fair Rent) Order 1999. On 2nd December 2019 the Landlord appealed to the Tribunal. The appeal was by way of written representations.

THE INSPECTION

5. The Tribunal inspected the Property in the presence of the Tenant. The Property is situated on a busy road opposite a school and health centre which generates considerable traffic and congestion at certain times of the day.
6. Externally the Property is in fair condition. The render is showing some signs of deterioration. The square bay has been clad in upvc to prevent ingress of water. It has double glazed upvc windows and doors and upvc rainwater goods. The upvc opening casements in the back bedroom windows are ill fitting, leaving a gap between the casement and the frame when closed, and the handle of the opening casement in the bay of the front bedroom has come off. The gutter leaks at the point where it is attached to the down pipe.
7. There is a small garden at the front and a larger garden to the rear to which there is access at the side of the house. There is no rear access or possibility of off road parking, unlike some other properties in the area.
8. Internally the kitchen and bathroom would be dated and basic but for the Tenant's improvements. The kitchen was originally un-plastered exposed brick and the Tenant has panelled the walls. The bath is chipped and the Tenant fitted the shower. The landlord has renewed the wash hand basin. There is no extractor fan. There are signs of damp particularly under the windows in both the living rooms and the two

larger bedrooms. There are signs of damp to the side of the windows in the two back bedrooms probably due to the ill-fitting casements. The cellar is only suitable for storage. Floor coverings, curtains and white goods are not provided.

9. The Property does not have central heating and the gas fires in the living rooms have been found to be unsafe at the last gas safety check. Space heating is therefore by the Tenant's own appliances.

THE LAW

10. The Law relating to these reasons is contained in section 70 Rent Act 1977.

REPRESENTATIONS

11. The Tenant made written representations saying that he considered the increase in rent unjustified as there were outstanding repairs.
12. The Landlord's Agent described the Property as being an end of terrace house of 5 rooms, kitchen and bathroom/wc and benefiting from gas heating and hot water, a front garden and large back garden. It was also said to have double glazing and private parking.
13. The Agent submitted a number of rental values of properties in the general area, which were said to be comparable. Some details were provided together with photographs. The properties submitted were as follows:
 - Sunderland Street, 3-bedroom mid-terrace house £850.00 per calendar month (£10,200 per annum);
 - Bypassway, Denton NN7, 3-bedroom semi-detached house, £850.00 per calendar month (£10,200 per annum)
 - Spring Lane, Flore, 4-bedroom detached house £950.00 per calendar month (£11,400 per annum);Based upon these rental values it was considered that a rent of £884.00 per calendar month (£10,600 per annum) was achievable for the Property.
14. It was submitted that there was no scarcity. It was added that the Property was in a sought-after location close to amenities including a medical centre (1 minute walk), community centre (4 minutes' walk), library (5 minutes' walk), hospital and train station (3 miles) and a wide variety of local shops, churches and local parks.
15. A calculation taking into account the age, condition and location of the Property was provided which made some allowances for some updating and the lack of white goods and floor coverings as follows:

Market rent per calendar month	£884.00	(£10,600 per annum)
Less:		
Carpets and white goods	£ 44.00	(£530.00 per annum)
Updated kitchen/bathroom	<u>£ 44.00</u>	<u>(£530.00 per annum)</u>
Fair Rent per calendar month	£795.00	(£9,450.00 per annum)

Maximum fair rent under Rent Acts (Maximum Fair Rent) Order 1999 = £587.00

ASSESSMENT OF A FAIR RENT

16. The Tribunal assessed the rent for the Property as at the day of the inspection pursuant to section 70(1) Rent Act 1977 (having regard in particular to the age, character, locality, state of repair of the property and all the circumstances other than personal circumstances). The Tribunal took account of the relevant cases and legislation including *Spath Holme Ltd v Greater Manchester Rent Assessment Committee* (1996) 28 HLR 107, *Curtis v The London Rent Assessment Committee* [1997] 4 All ER 842 and *BTE Ltd v Merseyside and Cheshire Rent Assessment Committee* 24th May 1991.
17. The Tribunal considered the details submitted of the properties which were said to be comparable. It found that compared to the Property, Spring Lane, Flore was very different, being a much larger detached, more modern house of a different design with modern facilities, large garden, garage and off-road parking in a village location on the outskirts of Northampton. It found that compared to the Property Bypassway, Denton was also quite different, being a larger, more modern house of a different design with modern facilities, large garden, garage and off-road parking in a rural village location on the outskirts of Northampton. The Tribunal found that whereas these properties give an idea of general rental values in villages around Northampton they were not similar to the Property.
18. The Tribunal found that the property in Sunderland Street was the most similar to the Property in age and size. However, it is situated in a different part of Northampton. Although, like the Property, it is in an urban location, it is nearer the town centre and within walking distance of the station. Also, unlike the Property, the Sunderland Street house has central heating, modern bathroom and kitchen with integrated white goods and appears to be in better condition. The property was therefore not a direct comparable and only a guide as to the general level of rents for three-bedroom houses around the centre of Northampton town.
19. The Tribunal considered the features of the Property as seen on its inspection. Although the Property is semi-detached as opposed to terraced, this feature is balanced against its busy location and lack of off-road parking. The Tribunal determined from its knowledge and experience that a market rent for the Property, taking into account its location, in good condition with central heating, modern kitchen and bathroom, and let with floor coverings and white goods on an Assured Shorthold Tenancy would be £800.00 per calendar month.
20. The Tribunal made a deduction of a global figure of £250.00 per calendar month for the lack of central heating, carpets, curtains and white goods, dated kitchen and bathroom. It also takes account of the ill-fitting windows, areas of damp, need to redecorate the render at the front and the leaking guttering. It should be noted that this figure cannot be a simple arithmetical calculation and is not based specifically upon capital cost but is the Committee's estimate of the amount by which the rent would have to be reduced to attract a tenant.

SCARCITY

21. Assessing a scarcity percentage cannot be a precise arithmetical calculation because there is no way of knowing either the exact number of people looking for properties similar to the subject property in the private sector or the exact number of such properties available. It can only be a judgement based on the years of experience of

members of the Tribunal together with a consideration of the properties advertised as being to let as at the time of the assessment.

22. That experience and consideration leads the Tribunal to the view that at the time of the determination demand for "... similar dwelling houses in the locality..." that are available for letting was not *significantly* greater than supply. "Locality" in this case being Northamptonshire. Therefore, no deduction was made to take account of scarcity.

TRIBUNAL'S CALCULATIONS

23.	Open Market Rent:	£800.00 per calendar month
	Less global deduction	<u>£250.00</u>
	Fair Rent	£550.00

24. The Tribunal therefore confirms the uncapped Fair Rent of the rent Officer.
25. The provisions of the Rent Acts (Maximum Fair Rent) Order 1999 require that the registered rent is either the capped Fair Rent or the Fair Rent decided by the Tribunal whichever is the lower. The capped rent is £581.50, which is higher than the rent assessed by the Tribunal. Therefore, the rent assessed by the Tribunal is to be registered.

FAIR RENT = £550.00 per calendar month

Judge JR Morris

Caution: The Tribunal inspected the subject property for the purposes of reaching this decision. The inspection was not a structural survey and any comments about the condition of the property in this statement must not be relied upon as a guide to the structural or other condition of the property.

ANNEX - RIGHTS OF APPEAL

1. If a party wishes to appeal this decision to the Upper Tribunal (Lands Chamber) then a written application for permission must be made to the First-tier Tribunal at the Regional office which has been dealing with the case.
2. The application for permission to appeal must arrive at the Regional office within 28 days after the Tribunal sends written reasons for the decision to the person making the application.
3. If the application is not made within the 28 day time limit, such application must include a request for an extension of time and the reason for not complying with the 28 day time limit; the Tribunal will then look at such reason(s) and decide whether to allow the application for permission to appeal to proceed despite not being within the time limit.
4. The application for permission to appeal must identify the decision of the Tribunal to which it relates (i.e. give the date, the property and the case number), state the grounds of appeal, and state the result the party making the application is seeking.