

# FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL

**PROPERTY**)

Case Reference : CHI/00MS/F77/2020/0009

26 Cawte Road

**Property** : Southampton

**SO15 3DR** 

Type of Application : Determination of a fair rent:

Rent Act 1977

Date of Decision : 21 May 2020

Tenant : Ms Maxine Graham

Landlord : The Hyde Group Ltd

Tribunal Member : Mr B H R Simms FRICS (Chairman)

## **REASONS FOR THE DECISION**

# **Background**

- 1. On 29 November 2019 the Landlord, made an application to register the rent of the property at £104.05 per week in place of the existing rent of £98.08 per week.
- 2. On 29 January 2020 the Rent Officer registered the rent at £170.00 per week with effect from the same date.
- 3. The Tenant objected to the rent registered and on 11 February 2020 the Rent Officer referred the case to the First Tier Tribunal (Property Chamber).
- 4. Directions for the conduct of the case were issued dated 24 February 2020. The Tribunal intended to determine the rent on the basis of an inspection of the property and written representations subject to the parties requesting an oral hearing. No request was made by the parties for a hearing. On 19 March 2020 the Tribunal issued a notice in respect of the Coronavirus pandemic cancelling an inspection and requesting photographs from the parties if required. No objection to this procedure was received.
- 5. In response to Directions neither party made any written representations. Neither party took the opportunity to respond to the request for further information following the cancellation of the inspection. The Rent Service provided the Tribunal with copies of the original application, the rent register entries, a summary of the Rent Officer's calculations and relevant correspondence. All documents were circulated to the parties.

# **Inspection**

- 6. As advised to the parties the Tribunal did not inspect the property. The Tribunal proceeded to determine the matter based on the written evidence submitted.
- 7. The property is described in the application for registration and in the rent register as a semi-detached house built in about 1995 with central heating. The accommodation is listed as: Ground Floor: Living Room; Kitchen; WC. First Floor: 2 Bedrooms; Bathroom with WC. Second Floor: 1 Bedroom; Store. Outside: Car parking space and garden.

# Representations

8. Neither party made any representations. The rent Service did not supply details of any comparable rents.

## 9. The law

- 10. 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.
- 11. 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).
- 12. 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).
- 13. The Rent Acts (Maximum Fair Rents) Order 1999¹ ("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

- 14. 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.
- 15. Unfortunately neither the parties nor the Rent Service provided any evidence of rental values. The Rent Officer estimated the market rent at £208.00 per week but deducted £38.00 for unidentified matters.
- 16. Using our own knowledge of general rent levels for this type of property in the locality we determined that the starting point should be £208.00 per week on the assumption that the Tenant is responsible for keeping the interior in tenantable repair (we were not provided with a tenancy agreement).
- 17. However, without the benefit of an inspection and without any evidence of the condition of the property or other matters which might require the rent to be adjusted we have no reason to take issue with the Rent Officer's assessment.
- 18. We therefore determined that the uncapped Fair Rent is £170.00 per week.
- 19. The uncapped rent of £170.00 is below the maximum fair rent of £172.50 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 £170.00 per week is registered as the fair rent with effect from the date of the decision 21 May 2020.

Chairman: B H R Simms

Date: 21 May 2020

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

## 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.