



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

Case Reference : **CHI/23UF/F77/2020/0013**

Property : **30 Byron Road
Stroud
GL5 4DL**

Applicant : **J Hall & Sons**

Representative : **None**

Respondent : **Mrs C A Bruce**

Representative : **None**

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
Mrs J E Coupe FRICS**

**Date and Venue of
Inspection** : **None. Determined on papers**

Date of Decision : **29th June 2020**

REASONS FOR DECISION

Summary of Decision

On 29th June 2020 the Tribunal determined a fair rent of £742.50 per month with effect from 29th June 2020.

Background

1. On 20th January 2020 the Landlord applied to the Rent Officer for registration of a fair rent of £740 per calendar month for the above property.
2. The rent was previously registered on the 15th November 2017 at £668 per month following a determination by the Rent Officer.
3. The rent was registered by the Rent Officer on the 24th February 2020 at a figure of £700 per calendar month with effect from the same date.
4. By a letter dated 5th March 2020 the Landlord 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.
5. The Tribunal issued directions on 19th May 2020 stating that the matter would be dealt with on the papers unless either party objected by 2nd June 2020.
6. No such objection having been received the Tribunal met on-line on 29th June to decide the matter.

Submissions

7. The property is described in the application form as a house with Lounge, Dining Room, Kitchen, three Bedrooms and with a parking space, and in the submission from the Applicant as having central heating and white goods included.
8. The Applicant had returned a form to the Tribunal stating that the property had off-street parking and private gardens with a bus service nearby and a mainline railway station some 4 miles away.
9. The Rent Officer based his assessment on an open market rent of £825 per calendar month and made deductions from this open market rent to allow for the Tenants decoration and repair responsibility and for the Tenant providing white goods, carpets and curtains.
10. The Landlord stated that other similar properties in the area are letting for £820 per month and more, but neither party submitted any evidence of comparable properties in the general area which were being marketed through letting agents in that area.

11. The Tribunal had regard to the Rent Officer's assessment and also relied on its own knowledge and experience of local rental values in determining the rent.

The Law

12. 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.
13. 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).
14. 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

15. 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 the assessment of the Rent Officer and the 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 £825 per calendar month.
16. 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 £825 per calendar month particularly to reflect the

fact that the carpets, curtains and some white goods were all provided by the Tenants which would not be the case for an open market assured shorthold tenancy.

17. The Tribunal therefore considered that this required a total deduction of £40 per month made up as follows:

Provision of white goods	£10
Provision of Carpets, curtains	£30
TOTAL	<u>£40</u>

18. The Tribunal did not consider that there was any substantial scarcity element in North Gloucestershire.

Decision

19. 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 £785 per calendar month.

20. The Section 70 Fair Rent determined by the Committee is above 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 we determine that the lower sum of £742.50 per month is registered as the fair rent with effect from 29th June 2020.

Accordingly the sum of £742.50 per month will be registered as the fair rent with effect from the 29th June 2020 being the date of the Tribunal's decision.

Chairman:
I R Perry FRICS

Dated: 29th June 2020

Appeals

21. 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.

22. 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.

23. 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.
24. 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.