



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

Case Reference : **CAM/26UD/F77/2019/0034**

Property : **Noah's Ark Bungalow Fanham's Hall
Road, Ware, Hertfordshire SG12 7QA**

Applicant : **Mr C Kent**

Respondent : **Mrs M A Rogers**

Date of Application : **7 November 2019**

Type of Application : **Determination of the registered rent
under Section 70 Rent Act 1977**

Tribunal : **Mrs E Flint FRICS
Mrs M Wicox BSc MRICS**

**Date and venue of
meeting** : **28 January 2020
197 East Road Cambridge CB1 1BA**

DECISION

The registered rent with effect from 28 January 2020 is £801 per month.

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Background

1. On 20 August 2019 the landlord applied to the rent officer for registration of a fair rent of £750 per month for the above property.
2. The rent payable at the date of the application was £690 per month which had been registered by the rent officer on 24 May 2016 with effect from the same date.
3. On 7 October 2019, the rent officer registered a fair rent of £802.50 per month with effect from the same date.
4. On 7 November 2019 the tenant objected to the rent determined by the Rent Officer.
5. A hearing was offered, neither party wished to attend. However, both the landlord's agent and the tenant sent written representations to the tribunal and each other.
6. The tribunal inspected the house on the morning of 28 January 2020 in the company of both the landlord and the tenant.

The Evidence

7. Mr Kent stated in his written representations that the property was difficult to heat, some of the window frames and the fascia, which was replaced in 2009, need external decoration, the kitchen and wc are very basic. The isolated nature of the property makes it attractive to burglars. He thought the property would not be attractive to many people although he was content to live with a basic level of accommodation.
8. The landlord's agent stated that the rent officer's determination was acceptable and that neither party had queried it in the past.

Inspection

9. Fanham's Hall Road is a rural road on the outskirts of Ware. It is a bus route the town centre where all the usual facilities are located is a little under two miles from the property.
10. The property is an early twentieth century bungalow with a room in the roof set on a good sized plot laid mainly to lawn with a garage approached via a track to the rear of the property. The roof was replaced in 2007 when insulation was added and the gutters replaced. Externally the windows are in poor condition and the decorations are poor except for the windows which have been replaced with double glazed units: ground floor rear, half landing and dormer window to the front.

11. The accommodation comprises four rooms, kitchen, bathroom and separate high level wc on the ground floor, and a bedroom with dormer window on the first floor. The kitchen sink was worn, there were limited worktops and the white goods were the tenant's. The bathroom had a dated and worn bath and a wash basin. The wc was off the lobby by the back door, there was no wash basin within the cubicle. There had been night storage heaters at the commencement of the tenancy in 1978 however only a couple remained in situ which were no longer used due to their inefficiency.

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 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 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).

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 in the condition that is considered usual for such an open market letting. Since neither party provided any rental evidence the Tribunal had to rely on its own general knowledge of rental values in Ware and surrounding areas. The Tribunal concluded that the likely market rent for the house would be £1400 per month.
15. However, it was first necessary to adjust the hypothetical rent of £1400 per month to allow for the considerable differences between the terms and condition considered usual for such a letting and the condition of the actual property at the date of the inspection, ignoring the tenant's improvements, (disregarding the effect of any disrepair or other defect attributable to the tenant or any predecessor in title). The Tribunal considered that these differences required a deduction of £420 per month.
16. This leaves an adjusted market rent for the subject property of £980 per month. The Tribunal was of the opinion that there was substantial scarcity in the commuter areas in Hertfordshire for similar sized

properties and therefore made a deduction of approximately 10% from the market rent to reflect this element giving a monthly uncapped rent of £880.

Decision

17. The uncapped fair rent initially determined by the Committee, for the purposes of section 70, was accordingly £880 per month.
18. The uncapped fair rent is below the maximum rent payable, by virtue of the Rent Acts (Maximum Fair Rent) Order 1999 and therefore the capping provisions do not apply. (Details of the calculation are provided on the back of the decision form).
19. **Accordingly the sum of £801 per month will be registered as the fair rent with effect from 28 January 2020 being the date of the Tribunal's decision.**

Chairman: Evelyn Flint

Dated: 29 January 2020

