



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

Case Reference : **CAM/00MC/F77/2020/0023
P:PAPERREMOTE**

Property : **8 Field View Caversham Reading Berkshire
RG4 5HB**

Applicant : **Dorrington Queensway Limited**

Respondent : **Mr B Willmott**

Date of Application : **3 December 2020**

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

Tribunal : **Mrs E Flint DMS FRICS**

**Date and venue of
meeting** : **1 March 2021
Remote hearing on the papers**

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DECISION

The registered rent with effect from 1 March 2021 is £1,130 per month.

This has been a hearing on the papers which has been consented to by the parties. The form of remote hearing was P:PAPERREMOTE, a paper determination which is not provisional. A face to face hearing was not held because it was not practicable and all the issues could be determined on the papers. The documents that I was referred to are in a bundle, the contents of which I have recorded.

Background

1. On 25 September 2020 the landlord applied to the rent officer for registration of a fair rent of £15,696 per annum for the above property.
2. The rent payable at the date of the application was £1,090 per month inclusive of £66.46 per month for services which had been registered by the rent officer on 11 October 2018 to take effect from the 9 November 2018.
3. On 17 November 2020, the rent officer registered a fair rent of £1130 per month including £72.24 per month services with effect from the same date.
4. By a letter dated 3 December 2020 the landlord's agent, on behalf of the landlord, objected to the rent determined by the Rent Officer and requested that the matter be referred to the Tribunal.
5. Directions were issued on 5 January 2020. Owing to the Covid 19 restrictions the parties were asked if they would consent to the application being dealt with on the papers and without the tribunal making an inspection. Neither party objected.

The Evidence

6. The landlord's agent stated in the application to the rent officer that they managed properties throughout the United Kingdom. One of their largest clients had noted a growth in rental levels of over 7.5% for Assured Tenancies over the past year. There is little if any scarcity which is borne out by the longer void periods experienced this past year. No comparable evidence or other representations were sent to the tribunal by or on behalf of the landlord.
7. The tenant did not send any representations to the tribunal.

The property

8. The property is situated within a private estate close to local amenities. It is a two storey terraced house comprising two rooms, kitchen and wc on the ground floor and three bedrooms and bathroom/wc on the first floor. The house has centrally heating however it was let unfurnished without the benefit of floor and window coverings or white goods.

The law

9. 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.

10. 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

11. 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. As neither party supplied any rental evidence of comparable properties the Tribunal had regard to its own general knowledge of market rent levels in the area of Caversham. Having done so, it concluded that the likely market rent for the house would be £1,300 per month.
12. However, it was first necessary to adjust the hypothetical rent of £1,300 per month to allow for the 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 tenant's improvements, (disregarding the effect of any disrepair or other defect attributable to the tenant or any predecessor in title). The Tribunal noted that houses available on the open market were modernised with central heating, white goods, floor and window coverings. The Tribunal considered that the lack of floor and window coverings and white goods together with the tenant's repairing and decorating liability required a deduction of £170 per month.
13. This leaves an adjusted market rent for the subject property of £1,130 per month. The Tribunal's uncapped fair rent is £1,130 per month.

Decision

14. The fair rent determined by the Committee, for the purposes of section 70, was accordingly £1,130 per month.

15. The rent assessed by the Tribunal is below the capped rent calculated in accordance with the Rent Acts (Maximum Fair Rent) Order (Details are provided on the back of the decision form).
16. Accordingly, the sum of £1,130 per month will be registered as the fair rent with effect from 1 March 2021 being the date of the Tribunal's decision

Chairman: Evelyn Flint

Dated: 1 March 2021

