



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

Case Reference : **CAM/26UD/F77/2021/0030
P:PAPERREMOTE**

Property : **40 Thornton Street Hertford SG14
1QH**

Applicant : **Hanover Property Trust
Limited**

Respondent : **Miss A C Keir**

Date of Application : **29 August 2021**

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

Tribunal : **Mrs E Flint DMS FRICS**

**Date and venue of
hearing** : **15 November 2021
remote hearing on the papers**

DECISION

The registered rent with effect from 15 November 2021 is £225 per week.

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 paper bundle, the contents of which I have recorded.

Background

1. On 24 June 2021 the landlord applied to the rent officer for registration of a fair rent of £12464.50 per year for the above property.
2. The registered rent at the date of the application was £219 per week which had been registered by the rent officer on 31 July 2019 with effect from the same date.
3. On 31 July 2021, the rent officer registered a fair rent of £225 per week with effect from the same date.
4. On 25 August 2021 the landlord objected to the registered rent.
5. Owing to the Covid 19 restrictions the parties were asked if they would consent to the application being dealt with on the papers. Neither party objected. Written representations were received from the landlord, no written representations were received from or on behalf of the tenant.

The Evidence

6. The landlord stated that the house was in fair/good condition. It was centrally heated (the tenant had provided the system but the landlord paid for its maintenance) and double glazed; the carpets, curtains and white goods were the tenant's. There were two large living rooms downstairs although the kitchen was small. The three first floor bedrooms were all of a good size.
7. The landlord noted that the property is within walking distance of the town centre including to stations. Based on the comparable evidence within three miles of the subject where the rents ranged from £1300 to £1595 per month, the landlord proposed that the rent should be £230 per week.

The Accommodation

8. The property is a terraced house, situated in a tree lined, heavily parked road of similar cottages built at the end of the nineteenth century. The accommodation comprises on the ground floor two rooms and a kitchen and on the first floor three bedrooms and bathroom/wc. The white goods, carpets and curtains were the tenant's.

The Law

9. When determining a fair rent the tribunal, in accordance with section 70 of the Rent Act 1977, must have regard to all the circumstances including the age, location and state of repair of the property. It also must disregard the effect if any of any relevant tenant's improvements and the effect of any disrepair or any 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 to that of a regulated tenancy, and

That for the purposes of determining the market rent, assured tenancy market rents are usually appropriate comparables; adjusted as necessary to reflect any relevant differences between the 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. The Tribunal relied on the comparable evidence supplied by the landlord and its own general knowledge of rental values in Hertford and concluded that the likely market rent for the house would be £300 per week.
12. However, it was first necessary to adjust the hypothetical rent of £300 per week 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 valuation date, ignoring any 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 properties available on the open market were generally modern or modernised, in good repair, centrally heated and double glazed with white goods, floor and window coverings. The Tribunal considered that these differences and the terms and conditions of the tenancy required a deduction of £50 per week.
13. This leaves an adjusted market rent for the subject property of £250 per week. The Tribunal was of the opinion that there was substantial scarcity in Hertfordshire for similar properties and therefore made a deduction of 10% from the market rent to reflect this element. The Tribunal's uncapped fair rent is £225 per week.

Decision

14. The uncapped fair rent initially determined by the Tribunal, for the purposes of section 70, was accordingly £225 per week.

13. This is below the maximum fair rent that can be registered by virtue of the Rent Acts (Maximum Fair Rent) Order 1999 (Details are provided on the back of the decision form).
14. **Accordingly the sum of £225 per week will be registered as the fair rent with effect from 15 November 2021 being the date of the Tribunal's decision.**

Chairman: Evelyn Flint

Dated: 15 November 2021

ANNEX - RIGHTS OF APPEAL

- i. 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.
- ii. 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.
- iii. 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.
- iv. 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.

