



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

Case Reference : **CHI/24UL/F77/2022/0008**

Property : **5 Sandford Court
Aldershot
Hampshire
GU11 3AH**

Landlord : **Northumberland and Durham Property
Trust Ltd**

Representative : **Grainger Plc**

Tenant : **Mrs S Spence**

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 BSc FRICS
Mr J S Reichel BSc MRICS**

Date of Inspection : **None. Paper determination**

Date of Decision : **11th May 2022**

DECISION

Summary of Decision

On 11th May 2022 the Tribunal determined a fair rent of £207.69 per week with effect from 11th May 2022

Background

1. On 9th January 2022 the Landlord's Agent applied to the Rent Officer for registration of a fair rent of £207.00 per week for the above property.
2. The rent was previously registered on the 12th February 2020 at £180 per week following a determination by the Rent Officer. This equates to £780 per calendar month.
3. The rent was registered by the Rent Officer on the 22nd February 2022 at a figure of £185 per week with effect from the 21st March 2022. This equates to a figure of £801.66 per calendar month.
4. By a letter dated 9th March 2022 the Landlord's Agent 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 Coronavirus pandemic and considerations of health have caused a suspension of inspections and of Tribunal hearings in person until further notice.
6. The Tribunal office issued Directions on 18th March 2022 informing the parties that the Tribunal intended to determine the rent on the basis of written representations subject to the parties requesting an oral hearing. No request was made by the parties for a hearing.
7. The Tribunal office informed the parties that the Tribunal might also consider information about the property available on the internet.
8. The parties were invited to include photographs and video within their representations if they so wished. Other than the information contained within the application form no additional representations were made by either party.

The Property

9. From the available information the property comprises a purpose-built self-contained ground floor flat most likely built in the late 1940's or early 1950's. It is within a cul-de-sac of similar properties on the western side of Aldershot, about 1/2 mile from the town centre. All main amenities are within reasonable distance.

10. The accommodation includes a Living room, three Bedrooms, Kitchen and Bathroom. Outside there is a Car Space and a Garden.

Evidence and representations

11. The only representation made to the Tribunal was contained within the original application form which states that the tenancy commenced 1st January 1967. The Rent Officer makes adjustments to a market rent to reflect the tenant's provision of carpets, curtains and white goods. The Rent Officer also states that the property is unmodernised and that the tenant is responsible for internal repair and decoration.
12. The Tribunal had regard to the observations and comments by the parties and also relied on its own knowledge and experience of local rental values in determining the rent.

The Law

13. 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.
14. 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).
15. 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

16. The Tribunal first considered whether it felt able to reasonably and fairly decide this case based on the papers submitted only, with no oral hearing. Having read and considered the papers it decided that it could do so.
17. 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 evidence supplied by the parties and the Tribunal's own general knowledge of market rent levels in the area of Aldershot. Having done so it concluded that such a likely market rent would be £1,200 per month per calendar month. The parties should note that market rents are usually calculated on a monthly basis.
18. 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 £1,200 per calendar month particularly to reflect the fact that the carpets, curtains and white goods were all provided by the Tenant and the internal decorations are the Tenant's responsibility which would not be the case for an open market assured shorthold tenancy.
19. A further deduction should be made from an open market rent to reflect the unmodernised condition of the property.
20. The Tribunal therefore considered that this required a total deduction of £300 per month made up as follows:

Provision of carpets and curtains	£60
Tenant's liability for internal decoration	£30
Unmodernised condition, including Kitchen, Bathroom and heating	£180
Provision of white goods	£30

TOTAL	£300

21. The Tribunal did not consider that there was any substantial scarcity element in the area of Aldershot.

Decision

22. 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 accordingly £900 per calendar month, which equates to £207.69 per week.

23. The Section 70 Fair Rent determined by the Committee is below the maximum fair rent permitted by the Rent Acts (Maximum Fair Rent) Order 1999, £208.50 per week, details of which are shown on the rear of the Decision Notice and accordingly that rent limit has no effect.

Accordingly the sum of £207.69 per week will be registered as the fair rent with effect from the 11th May 2022, this being the date of the Tribunal's decision.

RIGHTS OF APPEAL

1. A person wishing to appeal this decision to the Upper Tribunal (Lands Chamber) must seek permission to do so by making written application by email to rpsouthern@justice.gov.uk 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.