

FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference : CAM/OOKC/F77/2022/0017

60A Akeman Street, Tring, Hertfordshire, **Property**

HP236AN

Applicant : Mr S Warren

: Mountview Estates PLC Respondent

Appeal against a fair rent set by the Rent Officer. **Type of Application**

Judge Shepherd

: Marina Krisko FRICS **Tribunal Member**

Date of Reasons : 3rd October 2022

Reasons

Background

1. On 12th January 2022, the landlord applied to the Rent Officer for registration of a fair rent of £222 per week.

- 2. The rent payable at the time of application was £181 per week. On the 19th December 2020 the Rent Officer registered a fair rent of £205 per week.
- 3. On 4th July 2022 the tenant objected and the matter was referred to the Tribunal.
- 4. The Tribunal inspected on 23rd September 2022. The Tribunal also considered the parties' submissions and information on the rent register.

Description of premises

- 5. This is a first floor self contained maisonette built in the 19th Century with its own entrance. There is no central heating. There are four rooms, a kitchen/diner, a bathroom and a WC. There is a storage area in the attic. The attic area is subject to severe water ingress which is affecting the lower floor. Heating is by electric radiators. The attic is accessed via a very steep set of narrow steps. The windows are sash throughout. There is surface electrical wiring. The kitchen is very basic. The bathroom is dated and the windows are in poor condition. The separate WC has a damaged lath and plaster ceiling and walls. There is evidence of damp on the outer walls, especially in the living room.
- 6. The tenant has provided curtains and carpets.
- 7. Under the terms of the tenancy the landlord is liable for external repairs and decoration, and the tenant liable for internal repairs and decorations

The Law

- 8. When determining a fair rent the Tribunal, in accordance with the Rent Act 1977, section 70, must have regard to all the circumstances including the age, location and state of repair of the property. It must also disregard 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. That section also requires the Tribunal not to take into account the personal financial and other circumstances of the tenant.
- 9. Ordinarily, a fair rent is the market rent for the subject property discounted for 'scarcity' (i.e. that element, if any, of the market rent that is attributable to there being a 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.
- 10. In Spath Holme Ltd v Chairman of the Greater Manchester etc. Committee (1955) 28 HLR 107 and Curtis v London Rent Assessment Committee (1999) QB 92 the Court of Appeal emphasised that section 70 means that:
- 11. Ordinarily a fair rent is the market rent for the subject property discounted for 'scarcity' and

12. 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 these comparables and the subject property).

Determination and Valuation

- 13. 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. I.e. with carpets, curtains, white goods and in good decorative condition, and with the tenant having some internal repairing obligations.
- 14. The Tribunal considered the market in the area where the property is situated from its own general knowledge, and had regard to the rents provided by the Rent Officer.
- 15. The Tribunal found that the market rent for the property in good condition on Assured Shorthold Tenancy would be in the region of £270 per week.
- 16. However, this is on the basis of a modern open market letting. The Tribunal adjusted the market rent to reflect the age and condition of the premises. A 20% deduction was considered appropriate. The Tribunal arrived at an adjusted market rent of £216 per week. This reflects the rent level that would be needed to attract a tenant.
- 17. The Tribunal then considered the question of scarcity. We were not provided with any specific evidence on this issue therefore the Tribunal relied upon its general knowledge and experience, and considered a large area of Western Hertfordshire, parts of Buckinghamshire, and South Bedfordshire. We made a further deduction of 15% making a rent of £184 per week.
- 18. This is below the maximum fair rent that can be registered by virtue of the Rent Acts (Maximum Fair rent) Order 1999, (details provided on the back of the decision form).

Judge Shepherd

3rd October 2022

ANNEX - RIGHTS OF APPEAL Appealing against the tribunal's decisions

1. A written application for permission must be made to the First-tier Tribunal at the Regional tribunal office which has been dealing with the case.

- 2. The application for permission to appeal must arrive at the Regional tribunal office within 28 days after the date this decision is sent to the parties.
- 3. 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.
- 4. The application for permission to appeal must state the grounds of appeal, and state the result the party making the application is seeking. All applications for permission to appeal will be considered on the papers
- 5. Any application to stay the effect of the decision must be made at the same time as the application for permission to appeal.

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