

FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case reference : CAM/00MG/F77/2022/0025

HMCTS code : P:PAPERREMOTE

Property 33 Chapter House, Coffee Hall,

Milton Keynes, Buckinghamshire,

MK6 5EE

Applicant (Tenant) Mr O C Lawrence

:

Respondent (Landlord) : Places for People

Type of application : Determination of a fair rent under

section 70 of the Rent Act 1977

Tribunal members : Mary Hardman FRICS IRRV(Hons)

Date of decision : 4 January 2023

DECISION

Description of hearing

This has been a remote determination on the papers which the parties are taken to have consented to, as explained below. The documents that I was referred to are as submitted by the Applicant and the Respondent. I have noted the contents and my decision is below.

Decision

The tribunal determined a fair rent of £117 per week

Reasons

Background

- 1. On 8 July 2022 the landlord made an application to register the rent of the property at £89.88 per week inclusive of services of £15.19 per week.
- 2. On 7 July 2022 the Rent Officer registered a Fair Rent of £121.50 per week with effect from 1 September 2022 inclusive of services of £15.19 per week. This was the capped rent. The uncapped rent being £125 per week.
- 3. This was in lieu of the previous registered rent of £96.50 per week from 6 August 2020 inclusive of services of £13.20 per week.
- 4. The Tenant objected, and the matter was referred to the First Tier Tribunal, Property Chamber.
- 5. The Tribunal issued directions on 23 September 2022. Parties were requested to complete a pro forma supplying details of the accommodation on a roomby-room basis, the features of the property (central heating, white goods, double glazing, carpets and curtains) and other property attributes and any further comments that they may wish the tribunal to take into consideration. This could include any repairs and improvements that had been made, any comments on the condition of the property and rentals of similar properties should they wish to rely on these.

The property

- 6. The tribunal decided not to inspect the property but had access to internet viewing applications and the property details supplied by the tenant.
- 7. The Property is a ground floor self-contained purpose built flat, one of 53 built in the 1970's. There is off street parking.
- 8. The accommodation comprises a living room, kitchen small bedroom and bathroom. The property has central heating and double glazing.

The law

9. The relevant law is set out in section 70 of the 1977 Act and the MFR Order. We are to have regard to all the circumstances (other than personal

circumstances) and in particular to the age, character, locality and state of repair of the Property. We are to disregard the effect on the rental value of any improvements carried out by the tenant (other than in pursuance of the terms of the tenancy). We are also required (by s.70(2)) to assume that the demand for similar rented properties in the locality does not significantly exceed the supply of such properties for rent; in effect, if such scarcity exists, we are to adjust the rental figure so that the fair rent is not affected by it.

- 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 confirmed that for the purposes of determining the market rent (before making any necessary adjustments), open market assured tenancy rents are usually appropriate comparables.
- 11. By section 72 of the 1977 Act, if the rent is determined by the tribunal, the registration of the rent takes effect from the date we make our decision.

Representations - landlord

12. No representations were received from the landlord.

Representations – tenant

13. The tenant provided dimensions of the room and said that they had provided the carpets and curtains and white goods. The property was small with the bedroom only 11ft x 7ft and they felt that the rent increase was excessive -and felt that it should be £89.88 per week. They felt that the increase must be an error.

Determination

- 14. First, we need to determine the rent which the landlord could reasonably expect to obtain for the Property in the open market if it were let today in the condition and on the terms now usual for open market lettings.
- 15. Neither party has supplied comparables. The Rent Officer determined an open market rent of £150 per week for a property of the standard normally let in the market. The tribunal is of the opinion that this is a reasonable estimate of the open market letting value of this flat.
- 16. We then need to adjust this open market rent to reflect that the landlord has not provided carpets, curtains and white goods and to allow for their internal repairing obligations.
- 17. For this the tribunal has made an adjustment of £20 to arrive at a rent before consideration of scarcity of £130.

- 18. We then considered whether there should be an adjustment for "scarcity" as referred to in paragraph 13 and decided that there should be an adjustment of 10%. This results in a rent of £117 per week.
- 19. The provisions of the Rent Acts (Maximum Fair Rent) Order 1999 require that the registered rent is either the capped Fair Rent, details of which are attached to the decision notice, or the Fair Rent decided by the Tribunal whichever is the lower.
- 20. The capped rent is £124.69 per week. This is higher than the rent assessed by the Tribunal as set out above and therefore, the rent determined by the tribunal of £117.00 per week is to be registered.
- 21. This is the <u>maximum</u> rent that the landlord can charge they are able to charge less, and the tenant should talk to the landlord to ascertain what the rent payable will be.

Name: Mary Hardman FRICS IRRV(Hons) Date: 4 January 2023

Rights of appeal

By rule 36(2) of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013, the tribunal is required to notify the parties about any right of appeal they may have.

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.

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.

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.

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.

If the tribunal refuses to grant permission to appeal, a further application for permission may be made to the Upper Tribunal (Lands Chamber).