

FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

PROPERTY)

Case Reference : CHI/00HB/F77/2023/0007

Garden Flat

74 Hampton Park

Property : Bristol

BS6 6LJ

Applicant Landlord : Pine Property Co Ltd

Representative : Susan Barclay

Respondent Tenant : Mr J McAllister

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.

Mr I R Perry FRICS

Tribunal Members : Mr J S Reichel MRICS

:

Mr M C Woodrow MRICS

Date of Inspection : None. Determined on the papers

Date of Decision : 4th April 2023

DECISION

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Summary of Decision

On 4th April 2023 the Tribunal determined a fair rent of £700 per month with effect from 4th April 2023.

Background

- 1. On 13th November 2022 the Landlord applied to the Rent Officer for registration of a fair rent of £700 per month. The rent was previously registered on the 13th January 2021 at £635 per month following a determination by the Rent Officer.
- 2. The rent was registered by the Rent Officer on the 10th January 2023 at a figure of £650 per month with effect from the 13th February 2023.
- 3. By a letter dated 17th January 2023 the Landlord 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.
- 4. The Tribunal does not consider it necessary and proportionate in cases of this nature to undertake inspections or hold Tribunal hearings unless either specifically are requested by either party or a particular point arises which merits such an inspection and/or hearing.
- 5. The Tribunal office issued Directions on 22nd February 2023 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.
- 6. The parties were invited to include photographs and video within their representations if they so wished and were informed that the Tribunal might also consider information about the property available on the internet.
- 7. Representations were made by the Landlord which had been copied to the Tenant. No further representations were received from the Tenant.

The Property

- 8. The property is described as a basement flat comprising a Porch, Living Room/Kitchen, Bedroom, Bathroom and Cellar. The accommodation has a central heating system and is mostly double glazed. There is on-street permit parking.
- 9. The property is in a 4-storey terraced house converted to provide several flats within Redland which is a popular area close to the centre of Bristol with all main amenities within a reasonable distance.
- 10. The Energy performance rating is 'C'.

Evidence and representations

- 11. The initial tenancy began on 5th August 1980.
- 12. The Landlord states that a cooker is the only kitchen appliance provided and does not know whether carpets and curtains were provided at the start of the tenancy but does not refer to any renewals. The Landlord states that no improvements have been made in the last 2 years and that installations in the flat are fully serviceable but have not been updated recently.
- 13. The Landlord states that the increase in rent assessed by the Rent officer has not kept pace with inflation and refers to two other comparable properties in the area which are subject to Fair Rent controls. The Landlord suggests that the starting rent for a 1-bedroom flat in the area is £925 per month.
- 14. Neither party provided evidence of open market rents achieved in the area so the Tribunal could only rely on its own knowledge and experience of local rental values in determining the rent.

The Law

- 15. 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.
- 16. 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).
- 17. 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.

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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

- 18. 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.
- 19. 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 Bristol. Having done so it concluded that such a likely market rent would be £950 per calendar month.
- 20. 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 £950 per month particularly to reflect the Tenant's provision of some white goods, carpets and curtains which would not be the case for an open market assured shorthold tenancy.
- 21. In addition adjustments to an open market rent should be made to reflect the Tenant's liability for decoration and the dated nature of the kitchen and bathroom fittings.
- 22. The Tribunal therefore considered that this required a total deduction of £250 per month made up as follows:

Tenant's provision of fridge and washing machine	£20
Tenant's provision of carpets	£40
Tenant's provision of curtains	£15
Tenant's responsibility for internal decoration	£25
Dated kitchen and bathroom fittings	£150
TOTAL	0
TOTAL	£250

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

Decision

24. Having made the adjustments indicated above, the fair rent determined by the Tribunal for the purpose of section 70 of the Rent Act 1977 was £700 per month.

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

Accordingly the sum of £700 per month will be registered as the fair rent with effect from the 4th April 2023 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.