

# FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference : CHI/00HA/F77/2023/0015

28 Chandos Road

Keynsham

Property : Bristol

**BS31 2DB** 

Applicant Landlord : Northumberland & Durham Property

**Trust Limited** 

Representative : Grainger & Co

Respondent Tenant : Miss L Jackson

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 S J Hodges FRICS

:

**Mr P E Smith MRICS** 

Date of Inspection : None. Determined on the papers

Date of Decision : 25<sup>th</sup> April 2023

### **DECISION**

# **Summary of Decision**

On 25<sup>th</sup> April 2023 the Tribunal determined a fair rent of £972.50 per month with effect from 25<sup>th</sup> April 2023.

# **Background**

- 1. On 13<sup>th</sup> December 2022 the Landlord's Agent applied to the Rent Officer for registration of a fair rent of £900 per month.
- 2. The rent was previously registered on the 27<sup>th</sup> January 2021 at £750 per month following a determination by the Rent Officer.
- 3. The rent was registered by the Rent Officer on the  $7^{th}$  February 2023 at a figure of £783.75 per month with effect from the  $9^{th}$  March 2023.
- 4. By a letter dated 9<sup>th</sup> March 2023 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 Tribunal does not consider it necessary and proportionate in cases of this nature to undertake inspections or hold Tribunal hearings unless either are specifically requested by the parties or a particular point arises which merits such an inspection and/or hearing.
- 6. The Tribunal office issued directions on 3<sup>rd</sup> April 2023 which informed 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. Both 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.
- 8. Representations were made by the Landlord's Agent which were copied to the Tenant but no representation was made by the Tenant.

# The Property

- 9. The property is described as an end terraced house with accommodation comprising a Hall, 2 Living Rooms, Kitchen and WC all at ground level with 3 Bedrooms and a Bathroom at first floor level. There are gardens to front and rear. Parking is on street only.
- 10. The house is situated in a residential area of similar properties less than 1 mile from the centre of Keynsham where there is a good range of shopping facilities.
- 11. The main walls are rendered and the roof is tiled.

## **Evidence and representations**

- 12. The Tenancy is said to have commenced on 1<sup>st</sup> January 1960, with the Tenant responsible for internal decoration. White goods, floor coverings and curtains are all provided by the Tenant.
- 13. The Rent Officer had inspected the property on 6<sup>th</sup> February 2023 and describes peeling paint to external decoration, wood rot affecting fascias, dampness in the rear lean-to, cracks to render on all 3 sides and holes to rendering around windows.
- 14. The Rent Officer assessed the new rent based on an opening 'market rent' of £1,100 per month.
- 15. The Tenant states that the Landlord installed double glazing in 2004, central heating in 2014, replaced the loft insulation in 2008 and fitted some new kitchen units in 2014.
- 16. The Tenant also states that the property is located within a 10-minute walk of the Railway Station and a 15-minute walk from Bus Stops with services to Bath and Bristol centre.
- 17. The Tenant also expresses her concern regarding the external condition of the house, particularly referring to damaged render around window openings and the state of the external decoration.
- 18. The Landlord's Agent provided details of similar properties with asking rents of £1,450 per month but no evidence of actual rents achieved.
- 19. The Tribunal had regard to the observations and comments by the parties and relied on its own knowledge and experience of local rental values in determining the rent.

#### The Law

- 20. 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.
- 21. 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).
- 22. 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

- 23. 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.
- 24. 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 Greater Bristol including Keynsham. Having done so it concluded that such a likely market rent would be £1,350 per calendar month.
- 25. 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 £1,350 per calendar month particularly to reflect the condition, Tenant's responsibility for internal decoration, floor coverings, curtains and white goods which would not be the case for an open market assured shorthold tenancy.
- 26. The Tribunal therefore considered that this required a total deduction of £355 per month made up as follows:

Tenant's provision of flooring	£50
Tenant's provision of curtains	£20
Tenant's provision of white goods	£30
Tenant's responsibility for internal decoration	£75
Poor external repair	£100
Basic kitchen fittings	£30
Dated Bathroom fittings	<u>£50</u>

TOTAL per month

£355

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

## **Decision**

- 28. 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 accordingly £995 per calendar month.
- 29. The Section 70 Fair Rent determined by the Tribunal is above 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 we determine that the lower sum of £972.50 per month is registered as the fair rent with effect from  $25^{th}$  April 2023, this being the date of the decision.
- 30. The Tribunal notes that this rent is higher than the rent first sought by the Landlord. There is no obligation to charge this higher rent.

Accordingly the sum of £972.50 per month will be registered as the fair rent with effect from the 25<sup>th</sup> 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 <a href="mailto:rpsouthern@justice.gov.uk">rpsouthern@justice.gov.uk</a> 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.