

FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference : CHI/43UJ/F77/2023/0038

236 Frimley Road

Camberley

Property : Surrey

GU15 2QH

Applicant Landlord : Northumberland & Durham Property

Trust Limited

Representative : Grainger Plc

Respondent Tenant: Ms N Bingham

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 M C Woodrow MRICS

Date of Inspection : None. Determined on the papers

Date of Decision : 21st August 2023

DECISION

Summary of Decision

On 21st August 2023 the Tribunal determined a fair rent of £1,250 per month with effect from 21st August 2023.

Background

- 1. On 27^{th} April 2023 the Landlord's applied to the Rent Officer for registration of a fair rent of £1,230 per month.
- 2. The rent was previously registered on the 17th June 2021 at £1,025 per month following a determination by the Rent Officer.
- 3. The rent was registered by the Rent Officer on the 8^{th} June 2023 at a figure of £1,071 per month with effect from the 26^{th} July 2023.
- 4. By an email dated 20th June 2023 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 either party or a particular point arises which merits such an inspection and/or hearing.
- 6. The Tribunal office issued directions on 14th July 2023 which informed the parties that the Tribunal intended to determine the rent based on 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 Tenant which were copied to the Landlord, but no representation was made by either the Landlord nor the Landlord's Agent.

The Property

- 9. The property is described as a detached house situated in a good residential area of Camberley with accommodation on two levels including 2 Reception Rooms and Kitchen at ground level with 3 Bedrooms and a Bathroom with WC at first floor level. Outside there is a Garage, WC and Gardens, with additional off-road parking.
- 10. The house appears to date from around the 1930's and to be built from solid masonry walls, some rendered, all beneath a pitched tiled roof. The Energy Performance rating is 'E'.
- 11. There is a good range of amenities in Camberley and nearby towns.

Evidence and Representations

- 12. The Tenancy began on 1st January 1989 for a property in Tekels Park, but Ms Bingham had transferred to this property in April 2015. The rent officer states that the original tenancy began in 1976.
- 13. The Rent Officer had assessed an open market rent of £1,450 per month for the property and made various deductions including Tenant's decoration liability, unmodernised Kitchen and Bathroom and dated white goods, carpets and curtains.
- 14. The Tenant acknowledged that double glazing had been installed in recent years but states that the central heating system needs renewing, that there is some dampness on internal walls and that the Bathroom and Kitchen fittings are dated. The Tenant included several photographs to show the internal condition of the property.

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. 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 good 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 Camberley. Having done so it concluded that such a likely market rent would be £1,800 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 £1,800 per calendar month particularly to reflect the Tenants' responsibility for internal decoration, the condition of the property and the age of internal fixtures and fittings.
- 21. The Tribunal considered that this required a total deduction of £550 per month made up as follows:

Tenant's liability for internal decoration Unmodernised Kitchen Unmodernised Bathroom Absence of modern white goods provided by Landlord Dated and worn carpets Dated and worn curtains General condition and internal damp issues	£50 £200 £100 £30 £50 £20 £100
TOTAL per month	£550

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

Decision

- 23. 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 £1,250 per calendar month.
- 24. The Section 70 Fair Rent determined by the Tribunal is below the maximum fair rent of £1,313 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 from 21st August 2023

Accordingly, the sum of £1,250 per month will be registered as the fair rent with effect from the 21st August 2023 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.