

FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference	:	CHI/23UE/F77/2023/0059
Property	:	89 Elmbridge Road Gloucester Gloucestershire GL2 oPG
Applicant Landlord	:	BPT (Bradford Property Trust) Ltd
Representative	:	Grainger Plc
Respondent Tenant	:	Ms D M Bridge
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.
Tribunal Members	:	Mr I R Perry FRICS Ms C D Barton MRICS Mr M C Woodrow MRICS
Date of Inspection	:	None. Determined on the papers.
Date of Decision	:	20th November 2023

# DECISION

# Summary of Decision

On 20<sup>th</sup> November 2023 the Tribunal determined a fair rent of £950 per month week with effect from 20<sup>th</sup> November 2023.

#### Background

- 1. On 13<sup>th</sup> June 2023 the Landlord's Agent applied to the Rent Officer for registration of a fair rent of £216 per week which equates to £936 per month.
- 2. The rent was previously registered on the 28<sup>th</sup> July 2021 at £780 per month with effect from 11<sup>th</sup> September 2021 following a determination by the Rent Officer.
- 3. The rent having been previously registered as a monthly figure the Tribunal continues to calculate the rent monthly.
- 4. The rent was registered by the Rent Officer on the 8<sup>th</sup> August 2023 at a figure of £826.25 per month with effect from 11<sup>th</sup> September 2023.
- 5. By an email dated 8<sup>th</sup> September 2023, and again by letter dated 27<sup>th</sup> September 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.
- 6. 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.
- 7. The Tribunal office issued directions on 3rd October 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.
- 8. 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.
- 9. Neither party made any representation.

# The Property

10. From the information provided and available on the internet, the property can be described as a semi-detached house situated on a main road on the

eastern side of Gloucester, within a popular residential area. There are local shops providing day-to-day requirements and a wide range of amenities in Gloucester.

- 11. The accommodation includes 2 rooms and a Kitchen at ground floor level. At first floor level there are 3 Bedrooms and a Bathroom. Outside there are gardens, WC, Shed and Veranda.
- 12. The main elevations are brick, all beneath a tiled roof. The Energy Performance rating is 'D' and the certificate indicates that the property is double-glazed and has gas-fired central heating.

# **Evidence and Representations**

- 13. The Tenant is responsible for internal decoration and repairs.
- 14. In the assessment of the Fair Rent the Rent Officer assessed an open market rent of  $\pounds$ 995 per month, and then made deductions for the Tenant's provision of floor coverings, curtains and white goods.
- 15. Neither party had made any representations about the rent so the Tribunal could only rely on the Rent Officer's assessment and its own knowledge and experience of local rental values in determining the rent.

#### The Law

- 16. 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.
- 17. 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).

18. 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

- 19. 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.
- 20. 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 Gloucester. Having done so it concluded that such a likely market rent would be  $\pounds$ 1,100 per calendar month.
- 21. 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 £1,100 per calendar month particularly to reflect the Tenant's responsibilities and the fact that the carpets, curtains and white goods were all provided by the Tenant which would not be the case for an open market assured shorthold tenancy.
- 22. The Tribunal therefore considered that this required a total deduction of £150 per month made up as follows:

Tenant's provision of carpets Tenant's provision of white goods Tenant's provision of curtains Tenant's liability for internal decoration	
TOTAL per month	£150

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

# 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 accordingly £950 per calendar month.

25. The Section 70 Fair Rent determined by the Tribunal is below the maximum fair rent of £1,004 permitted by the Rent Acts (Maximum Fair Rent) Order 1999 details of which are shown on the rear of the Decision Notice and accordingly we determine that the lower sum of £950 per month is registered as the fair rent with effect from 20<sup>th</sup> November 2023.

# Accordingly, the sum of £950 per month will be registered as the fair rent with effect from the 20<sup>th</sup> November 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 <u>rpsouthern@justice.gov.uk</u> 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.