



**FIRST-TIER TRIBUNAL
PROPERTY CHAMBER (RESIDENTIAL
PROPERTY)**

Case Reference : **CHI/00HG/F77/2024/0014**

Property : **Flat B
37 Adelaide Street
Plymouth
Devon
PL1 3JF**

Applicant Landlord : **Sanctuary Housing**

Representative : **None**

Respondent Tenant : **Mr M & Mrs A Hobbs**

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
Mr S J Hodges FRICS
Mr M C Woodrow MRICS**

Date of Inspection : **None. Determined on the papers**

Date of Decision : **18th April 2024**

DECISION

Summary of Decision

On 18th April 2024 the Tribunal determined a Fair Rent of £173.08 per week with effect from 18th April 2024.

Background

1. On 19th October 2023 the Landlord applied to the Rent Officer for registration of a fair rent of £101.84 per week including £5.08 per week for services.
2. The rent was last registered on the 30th May 2014 at £118 per week including £10.44 for services determined by the Rent Officer. This rent was the maximum permitted by the Maximum Fair Rent Order and was effective from 8th June 2014.
3. A new rent was registered by the Rent Officer on the 1st December 2023 at a figure of £179.77 per week including £5.08 for services. This new rent was effective from 1st December 2023.
4. On 9th December 2023 the Tenants appealed the decision, and the matter was referred to the First-Tier Tribunal Property Chamber (Residential Property) formerly a Rent Assessment Committee.
5. The Tribunal does not routinely 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 12th March 2024 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. Neither party made any submission to the Tribunal.
9. These reasons address **in summary form** the key issues raised by the parties. They do not recite each and every point referred to either in submissions or during any hearing. However, this does not imply that any points raised, or documents not specifically mentioned were disregarded. If a point or document was referred to in the evidence or submissions that was relevant to a specific issue, then it was considered by the Tribunal. The Tribunal concentrates on those issues which, in its opinion, are fundamental to the application.

The Law

10. 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.
11. 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).
12. 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.

The Property

13. From the information provided and available on the internet, the property can be described as a self-contained maisonette within a Grade II listed mid-terraced residential building in the centre of Plymouth. The property dates from the mid-19th Century.
14. The road in front of the property is pedestrianised but there is a single car space at the rear of the property. The internal accommodation is described as comprising 3 rooms, Kitchen and Bathroom with WC on the first floor and 2 rooms on the second floor. There is no central heating.
15. There are local shops within easy reach and a full range of amenities within the city.

Evidence and Representations

16. The original tenancy began on 23rd August 1993.

17. The Rent Officer assessed an open market rent for the property equivalent to £950 per month and made deductions for the Tenants' provision of white goods, carpets and curtains, the Tenants' responsibility for internal decorations and the lack of central heating.
18. In the absence of any submission from either party the Tribunal could only rely on the Rent Officer's calculation sheet and its own knowledge and experience of local rental values in determining the rent.

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. Market rents are usually expressed as a figure per month and a letting would normally include floor coverings, curtains and white goods to all be provided by the Landlord.
21. In determining an 'open market rent' the Tribunal had regard to the Rent Officer's calculation sheet and the Tribunal's own general knowledge of market rent levels in the area of Plymouth. Having done so it concluded that such a likely market rent would be £950 per calendar month.
22. 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 calendar month particularly to reflect the fact that the carpets, curtains and white goods were all provided by the Tenants which would not be the case for an open market assured shorthold tenancy.
23. Further adjustments were necessary to reflect the Tenants' liability for internal decoration and the lack of central heating.
24. The Tribunal therefore considered that this required a total deduction of £200 per month made up as follows:

Tenants' provision of carpets	£30
Tenants' provision of white goods	£30
Tenants' provision of curtains	£15
Tenants' liability for internal decoration	£30
Lack of central heating	<u>£95</u>
TOTAL per month	£200

25. The Tribunal noted the number of properties available to rent in the area as advertised on the internet by Rightmove and Zoopla and concluded that

there was not any substantial scarcity element in the area of Plymouth and its environs.

Decision

26. 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 £750 per calendar month which equates to £173.08 per week and includes £5.08 attributable to services.
27. The Section 70 Fair Rent determined by the Tribunal is below the maximum fair rent of £183 per week 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 £173.08 per week is registered as the Fair Rent with effect from 18th April 2024.
28. The rental figure determined by the Tribunal is the maximum rent that can be charged for the property and is fixed until the next registration, it is also higher than the figure requested by the Landlord. The Landlord is under no obligation to charge this higher rent.

Accordingly, the sum of £173.08 per week will be registered as the Fair Rent with effect from the 18th April 2024, 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.