



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

Case Reference : **CAM/00KC/F77/2023/0023
P:PAPERREMOTE**

Property : **19 Eversholt Road Ridgmont Bedford
MK43 0TT**

Applicant : **Mr M Rowsell**

Respondent : **Bedford Estates**

Date of Application : **13 April 2023**

Type of Application : **Determination of the registered rent
under Section 70 Rent Act 1977**

Tribunal : **Mrs E Flint FRICS**

**Date and venue of
Hearing** : **21 August 2023
remote on the papers after an
inspection**

DECISION

This has been a hearing on the papers which has been consented to by the parties. A face to face hearing was not held because it was not practicable, no-one requested the same. The documents that we were referred to were in an electronic bundle the contents of which we have recorded.

The registered rent with effect from 21 August 2023 is £8,800 per year.

Background

1. The landlord applied to the rent officer for registration of a fair rent of £8112.50 per year for the above property.
2. The registered rent at the date of the application was £7374.50 per year which had been registered by the rent officer on 6 December 2018 with effect from 6 January 2019.
3. On 3 April 2023, the rent officer registered a fair rent of £9780.50 per year with effect from the same date.
4. On 13 April 2023 the tenant objected to the registered rent.
5. The tribunal issued Directions on 23 June 2023. The tenant made written representations listing all the improvements which he had made to the property. The landlord provided a brief description which was similar to that provided by the tenant. Neither party provided any rental evidence.

The Inspection

6. I inspected the property on the morning of 21 August 2023 in the presence of the tenant. The property is one of a terrace of four houses which are situated on the edge of the village within walking distance of local bus stops and approximately one and a half miles from the station where trains can be caught towards either Bedford or Bletchley.
7. The house which is approximately a hundred years old, with solid walls and a tiled pitch roof is approached via a shared driveway leading to the rear of the house: it does not have a front door, the only entrance being at the rear.
8. The accommodation comprises two living rooms, kitchen, and porch/utility room on the ground floor and three bedrooms and bathroom/wc on the first floor. The house is centrally heated and the windows are Upvc double glazed units of which a number had failed sealed units.
9. The tenant had provided the porch and fitted it out as a utility room. E had fitted out the kitchen with a range of good quality units, Corian worktops, oven, hob and extractor fan. He had closed off the original back door to increase the usable space within the kitchen and installed obscured glazing in what would have been the upper section of the door to provide additional light in the kitchen. A section of the wall was painted fair faced brickwork, it had never been plastered. The main living room was a dual aspect room following the removal by the tenant of a full width wall which formed a pantry under the original layout. The tenant had also provided a stone fireplace in the living room. There was evidence of condensation in the dining room where the seals on the windows had failed. This room provided access to the kitchen and the living room.

10. There were two double bedrooms and one single bedroom on the first floor. The tenant had provided built in wardrobes in the two double rooms. The bathroom was situated to the rear, the walls were part tiled over the bath area where there was an electric shower.
11. Externally the house was in good condition. There was a brick building providing storage and a garage which had been provided by the tenant, there was a rear garden for the use of the tenant.

The Evidence

12. The tenant stated that he had provided the original central heating system however about five years ago the landlord had replaced the boiler: the central heating was now oil-fired. He had rewired the house and provided additional sockets: there were no sockets in the bedrooms, additional sockets were provided throughout the house. He had provided the utility room/porch, fitted out the kitchen, provided a glazed panel where the original entrance door had been located, artexed the badly cracked ceilings, paved the rear area, and provided a garage.
13. The landlord had installed a fan in the loft to ensure that the house was properly ventilated during the winter which required all the internal doors to be kept open. This resulted in higher running costs as the fan had to be on 24 hours per day during the heating season. The floor and window coverings and white goods had been provided by the tenant.

The Law

14. When determining a fair rent the tribunal, in accordance with section 70 of the Rent Act 1977, must have regard to all the circumstances including the age, location and state of repair of the property. It also must disregard the effect of any relevant tenant's improvements and the effect of any disrepair or any other defect attributable to the tenant or any predecessor in title under the regulated tenancy, on the rental value of the property. The Tribunal is unable to take into account the tenant's personal circumstances when assessing the fair rent.
15. 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:

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 to that of a regulated tenancy, and

That for the purposes of determining the market rent, assured tenancy market rents are usually appropriate comparables; adjusted as necessary to reflect any relevant differences between the comparables and the subject property.

Valuation

16. In the first instance I 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 and on the terms that is considered usual for such an open market letting. I relied on my own general knowledge of rental values in the area between Bedford and Milton Keynes as neither the tenant nor the landlord had provided any comparable rental evidence and concluded that the likely market rent for the property would be £1,400 per month (£16,800 per year).
17. However, it was first necessary to adjust the hypothetical rent of £16,800 per year to allow for the differences between the terms and condition considered usual for such a letting and the condition of the actual property at the valuation date, ignoring any tenant's improvements, (disregarding the effect of any disrepair or other defect attributable to the tenant or any predecessor in title). I determined that the hypothetical rent should be reduced by £8,000 to reflect the difference in the terms of the tenancy, the improved layout, dated kitchen and bathroom, the lack of utility room, limited power points, lack of carpets, curtains and white goods which are usually provided on the open market and reflecting that the tenant had provided the plumbing for the central heating system and a garage.
18. This leaves an adjusted market rent for the subject property of £8,800 per year. The tribunal's uncapped fair rent is £8,800 per year.

Decision

19. The uncapped fair rent initially determined by the tribunal, for the purposes of section 70, is below the maximum fair rent of £10,088 per year calculated under the Rent Acts (Maximum Fair Rent) Order 1999.
19. Accordingly, the sum of £8800 per year will be registered as the fair rent with effect from 21 August 2023 being the date of the tribunal's decision.

Chairman: Evelyn Flint

Dated: 29 August 2023

ANNEX - RIGHTS OF APPEAL

- i. If a party wishes to appeal this decision to the Upper Tribunal (Lands Chamber) then a written application for permission must be made to the First-tier Tribunal at the Regional office which has been dealing with the case.

- ii. The application for permission to appeal must arrive at the Regional office within 28 days after the Tribunal sends written reasons for the decision to the person making the application.
- iii. If the application is not made within the 28 day time limit, such application must include a request for an extension of time and the reason for not complying with the 28 day time limit; the Tribunal will then look at such reason(s) and decide whether to allow the application for permission to appeal to proceed despite not being within the time limit.
- iv. The application for permission to appeal must identify the decision of the Tribunal to which it relates (i.e. give the date, the property and the case number), state the grounds of appeal, and state the result the party making the application is seeking.

