



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

Case Reference : CAM/00MB/F77/2023/0032

Property : 2 St Marks Close, Englefield, Reading,
Berkshire, RG7 5HA

Tenant : Mrs. Elizabeth Reeves

unrepresented

Landlord : Englefield Estate Trust
Corporation Limited

Date of Application : 2nd May 2023
(received)

Type of Application : section 70(1) Rent Act 1977 ("the Act")

Tribunal : Judge J. Oxlade
Mrs. S. Redmond BSc. ECON MRICS

**Date and venue of
Inspection** : 3rd October 2023

DECISION

For the following reasons, the Tribunal assesses the fair rent payable for the property as £1,000 per calendar month including service charges of £205, payable from 3rd October 2023

REASONS

Background

1. The tenant had previously occupied 52 Parker's Corner, Englefield, with her husband Graham, until his death on 9th July 2022. Thereafter, she offered to relinquish her occupation of that home to release it to another family; she took up occupation of this property from 12th April 2023, the landlord recognising that she remained a statutory tenant.

2. The property consists of a two bedroom, two reception room terraced cottage, with both a ground floor family bathroom and ensuite shower room, and a small outbuilding opposite the backdoor; there is a private enclosed rear garden.

3. In anticipation of her occupation, the property underwent major refurbishment: this included rewiring, new double glazing, new pipework and radiators, new kitchen, new family bathroom (ground floor), newly made ensuite shower room of the main bedroom, carpets and luxury vinyl flooring.

4. The landlord applied for a rent assessment of the property, and was surprised by the assessment of the rent officer as £841.50 pcm (including heating and hot water at £205 pcm) as at 7th June 2023, the landlord having applied for £1135 pcm (incl.). The rent officer had not undertaken an inspection, and it appears that the rent officer had used an earlier rent assessment (when Mrs. Allen was in occupation) dated 23rd October 2020 and re-assessed the fair rent, which was limited by capping provisions. There had not been an appreciation of the scale of the refurbishment.

5. When this became clear, the landlord's representations were recorded as a challenge, and so the rent officer referred the application to the Tribunal for consideration afresh.

Representations

6. In response to the Tribunal's directions made on 1st August 2023, the landlord made written representations dated 7th August 2023, attached to which was a copy of the inventory completed just prior to her occupation.

7. The tenant made her representations on 8th August 2023.

Inspection

8. The Tribunal inspected the property in the presence of the tenant; neither the landlord nor its agent attended.

9. The building consists of a character cottage, of brick construction under a tiled roof, in a terrace of four such cottages, with an open front garden with pedestrian access only to the four cottages, and rear enclosed garden, built at some point between 1945 and 1964. To the front it overlooks a road and village carpark, with a parking area and tea room to the rear accessed by a gravelled road; in the distance to both the front and back are fields beyond. There is a communal heating system to the cottages and tea room, the boiler is situated to the rear of the tea room outbuildings. It is situated in a village, off the main road; within the village is a shop, a primary school, and tea room; there is no scheduled bus service or other public transport in the village.
 10. The condition of the property is good, with a good lay out, and good-sized rooms, though the positioning of the double beds in both rooms is a little compromised by the eaves, and the en-suite bathroom cutting into the main bedroom. The Tribunal noted that in the second bedroom there is a velux window only in the sloping ceiling and there appeared to be fresh damp/staining where the ceiling and chimney breast meet.
 11. The kitchen and bathroom (and shower room) are newly fitted. The kitchen has an integrated hob and oven; otherwise, the white goods are provided by the tenant, who also provided the curtains/window coverings. There is provided a reasonable amount of storage. The tenant had installed racks to hang garden tools in her store area.
 12. The tenant pointed out that to the rear of the property is communal parking - not specifically allocated to the residents - which is used by visitors to the tea rooms and schools. She also pointed out the building located to the rear (beyond the tea room) which is the boiler room; the gas pipe appears not to have been routed as previously, so she observes a smell of fumes when sitting in her garden. She and her family overhauled both front and rear garden, both overgrown, and planted re-planted according to her taste.
 13. We explained our role to the tenant.
- Jurisdiction
14. S70 of the Rent Act 1970 provides the framework within which we must work.
 15. We observe that neither party has filed evidence of the market rents charged in the village or surrounding areas; so absent of such comparable evidence, the Tribunal has to apply its knowledge and skill as an expert Tribunal to assess the market rent taking into account the age, character, locality and state of repair. The Tribunal must allow adjustment, because the tenant's obligations as a Rent Act tenant are different to those of the assured tenants now offered in the market place i.e. decorating obligations. If the tenant has provided (as in this case) white goods and curtains, those shall be deducted from the market rent.
 16. The Tribunal applies a statutory assumption that the number of people wishing to rent property of this type in the locality is not substantially greater than the available supply; if this is not so, the Tribunal should make as assessment of scarcity, and apply a deduction. Neither party has referred to this nor filed

evidence and so the Tribunal must apply its knowledge and skill as an expert Tribunal.

17. Thereafter, it arrives at a fair rent, which shall be recorded on the rent register. This shall include payment for services. Here, the tenant has not challenged the apportionment.

18. The Tribunal has referred above to the tenant having relinquished her former home, by way of narrating the history, though this does not impact on the fair rent to be registered.

19. When a fair rent has been registered, any subsequent fair rent assessment is subject to a capping provision, limiting any increase by reference to the RPI. However, this provision is disapplied where works of substance have been undertaken which impact the rent by more than 15% of the last registered rent. In this case the Tribunal calculate that the works carried out would exceed that figure. It assessed the deduction for the condition of the property prior to the landlords' works to be 40%. Applying this and scarcity to the open market rent results in £561 plus service charges making £766. The difference is then £234 p.c.m which is more than £115.50 being 15% of the last registered rent.

Our assessment

20. The cottage was bright, modern, and the rooms were a reasonable size, albeit tight for double beds. The quality of the work and fittings is good. There is a little damp patch in the second bedroom, but this appears a recent problem, and does not detract generally from the overall condition.

21. On the open market a two bedroom cottage in such a location would attract a rental income of £1,100 p.c.m. not including service charges.

22. We make a global deduction for the differing obligations under the Rent Act together with the tenant's provision of white goods etc of £165, making £935 p.c.m.

23. We consider that there should be a deduction for scarcity of c. 15%, £140, making £795 p.c.m.

24. Accordingly, after adding back services, we set a fair rent of £1,000 p.c.m. (incl. £205 attributable to service charges) payable from 3rd October 2023.

Judge J. Oxlade
10th October 2023