



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

Case Reference : **CAM22UK/F77/2024/0022
P:PAPERREMOTE**

Property : **La Morna 58 London Road Maldon
CM9 6HG**

Applicant : **Dorrington Housing Limited**

Respondent : **Mr Charles Richard Block**

Date of Application : **26 June 2024**

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

Tribunal : **Mrs E Flint FRICS
Dr J Wilcox FRICS**

**Date and venue of
Hearing** : **26 September 2024
remote on the papers after an
inspection**

DECISION

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

The registered rent with effect from 26 September 2024 is £194 per week.

Background

1. The landlord applied to the rent officer for registration of a fair rent of £205 per week for the above property.
2. The registered rent at the date of the application was £188.50 per week which had been registered by the rent officer on 9 June 2022 with effect from 21 July 2022.
3. On 18 June 2024, the rent officer registered a fair rent of £200 per week with effect from 21 July 2024.
4. The landlord objected to the registered rent on 26 June 2024.
5. The tribunal issued Directions on 30 July 2024. Written representations were received from the landlord and copied to the tenant.

The Inspection

6. The property is a detached bungalow built c1920 on a good size sloping plot in a rural location on the outskirts of Maldon. Externally it is in fair condition. The property is of timber frame construction over a brick plinth. Externally the walls are pebbledashed, the windows have double glazed units except for the back door where the upper half has single glazing. The tenant has enclosed the open porch with an entrance door and provided a replacement front door. The bungalow is on mains water and electricity only, drainage is via a septic tank.
7. The tenant has provided a garage in the front garden and a garden shed, summerhouse and greenhouse in the back garden. There are a number of steep steps from the back door into the rear garden. There is a basement under part of the property accessed by a full height door at the rear left of the bungalow. Only part of this area is full height, it does however provide useful dry storage.
8. Internally the accommodation comprises a living room, separate dining room, kitchen, one double and one single bedroom and shower room/wc. A cupboard at the end of the hall houses a washing machine and tumble dryer. The tenant provided the plumbing to the cupboard. The tenant replastered the walls and ceiling in the kitchen and provided the kitchen units and white goods and replaced the sanitary ware in the bathroom and tiled the walls. The only fixed heating is two small electric heaters: one in the hall and the other in the bathroom. The living room is heated by an open fire or the tenants' electric fire, the tenant had also provided an electric fire in the dining room.
9. There were two windows where the seals had blown. The tenant has recently reported the matter to the landlord.

The Evidence

10. The landlord's agent described the property as being in good condition with a large well kept garden. At the date of the submissions two contractors had been instructed to attend and quote for the window repair. The landlord's agent also stated that the landlord had hoped to achieve an increase to over £202 per week. In support a reference to the Rent register was provided.

The Law

11. 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.
12. 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

13. In the first instance we 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 considered usual for such an open market letting. As no evidence had been provided by either party we relied on our own general knowledge of rental values in rural areas within 5 miles of the property and concluded that the likely market rent for the property in a fully refurbished condition would be £320 per week.
14. However, it was first necessary to adjust the hypothetical rent of £320 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). We determined that the hypothetical rent should be reduced by £100 to reflect the lack of modernisation, central heating, carpets curtains and white goods and difference in terms and

conditions and a further £4 to reflect the cost to the tenant of having the septic tank emptied.

15. This leaves an adjusted market rent for the subject property of £216 per week. We are of the opinion that there is substantial scarcity for similar properties in Essex and Hertfordshire in those areas where commuters seek accommodation and therefore made a deduction of approximately 10% from the adjusted market rent to reflect this element. The uncapped fair rent is £194 per week.

Decision

16. The uncapped fair rent initially determined for the purposes of section 70, is below the maximum fair rent of £224.50 per week calculated under the Rent Acts (Maximum Fair Rent) Order 1999. Therefore, the rent will not be capped under the provisions of the Order.
19. Accordingly, the sum of £194 per week will be registered as the fair rent with effect from 26 September 2024 being the date of my decision.

Chairman: Evelyn Flint

Dated: 1 October 2024

ANNEX - RIGHTS OF APPEAL

By rule 36(2) of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013, the Tribunal is required to notify the parties about any right of appeal they may have.

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. The application should be made on Form RP PTA available at <https://www.gov.uk/government/publications/form-rp-pta-application-for-permission-to-appeal-a-decision-to-the-upper-tribunal-lands-chamber>

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.

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.

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. Please note that if you are seeking permission to appeal against a decision made by the Tribunal under the Rent Act 1977, the Housing Act 1988 or the Local Government and Housing Act 1989, this can only be on a point of law.

If the First-tier Tribunal refuses to grant permission to appeal, a further application for permission may be made to the Upper Tribunal (Lands Chamber).

Notice of the Tribunal Decision

Rent Act 1977 Schedule 11

Address of Premises

La Morna 58 London Road Maldon CM9 6HG

The Tribunal members were

Mrs E Flint FRICS
Dr J Wilcox FRICS

Landlord

Dorrington Housing Limited

Tenant

Mr Charles Richard Block

1. The fair rent is

£194

Per

week

(excluding water rates and council tax but including any amounts in paras 3&4)

2. The effective date is

26 September 2024

3. The amount for services is

n/a

Per

4. The amount for fuel charges (excluding heating and lighting of common parts) not counting for rent allowance is

not applicable

Per

5. The rent is not to be registered as variable.

6. The capping provisions of the Rent Acts (Maximum Fair Rent) Order 1999 apply (please see calculation overleaf).

7. Details (other than rent) where different from Rent Register entry

Septic tank

8. For information only:

(a) The fair rent to be registered is the maximum fair rent as prescribed by the Rent Acts (Maximum Fair Rent) Order 1999. The rent that would otherwise have been registered was £ per week .

Chairman

E Flint

Date of decision

26 September 2024

MAXIMUM FAIR RENT CALCULATION

LATEST RPI FIGURE	X	387.5			
PREVIOUS RPI FIGURE	Y	340			
X	387.5	Minus Y	340	= (A)	47.5
(A)	47.5	Divided by Y	340	= (B)	0.13971

First application for re-registration since 1 February 1999 NO

If yes (B) plus 1.075 = (C)	1.18971			
If no (B) plus 1.05 = (C)				
Last registered rent*	£188.50	Multiplied by (C) =	£224.26	
*(exclusive of any variable service charge)				
Rounded up to nearest 50p =	£224.50			
Variable service charge	NO			
If YES add amount for services				
MAXIMUM FAIR RENT =	£224.50	Per	week	

Explanatory Note

1. The calculation of the maximum fair rent, in accordance with the formula contained in the Order, is set out above.
2. In summary, the formula provides for the maximum fair rent to be calculated by:
 - (a) increasing the previous registered rent by the percentage change in the retail price index (the RPI) since the date of that earlier registration and
 - (b) adding a further 7.5% (if the present application was the first since 1 February 1999) or 5% (if it is a second or subsequent application since that date).
 A 7.5% increase is represented, in the calculation set out above, by the addition of 1.075 to (B) and an increase of 5% is represented by the addition of 1.05 to (B).
 The result is rounded up to the nearest 50 pence.
3. For the purposes of the calculation the latest RPI figure (x) is that published in the calendar month immediately before the month in which the Tribunal's fair rent determination was made.
4. The process differs where the tenancy agreement contains a variable service charge and the rent is to be registered as variable under section 71(4) of the Rent Act 1977. In such a case the variable service charge is removed before applying the formula. When the amount determined by the application of the formula is ascertained the service charge is then added to that sum in order to produce the maximum fair rent.