

FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case reference	:	CAM/33UE/F77/2024/0023		
Property	:	Veronica, Station Road, North Wootton, Kings Lynn, Norfolk PE30 3QH		
Applicants (Landlord)	:	Dorrington Residential Limited c/o Savills (UK)Ltd, Stuart House, St Johns Street, Peterborough PE1 5DD		
Respondent (Tenant)	:	Mr K Burlingham		
Type of application	:	Determination of a fair rent under section 70 of the Rent Act 1977		
Tribunal members	:	Alan Tomlinson BSc (Hons), DipHI, MRICS		
Date of decision	:	26 September 2024		
DECISION				

Description of hearing

This has been a remote determination on the papers which the parties are taken to have consented to, as explained below. The documents that I was referred to are as submitted by the Applicant and the Respondent. I have noted the contents and my decision is below.

Decision

The tribunal determined a fair rent of £212 per week with effect from 26 September 2024

Reasons

Background

- 1. On 25th April 2024 an application was received from the landlord to register the rent of the property at £930 per month (£214.62 week).
- 2. On 21 June 2024 the Rent Officer registered a Fair Rent of £212.00 per week, with effect from the same date. This was in lieu of the previous registered rent of £200 per week from 1 June 2022.
- 3. The Landlord objected, and the matter was referred to the First Tier Tribunal, Property Chamber.
- 4. The Tribunal issued directions on 30 July 2024, inviting the parties to submit any further representations (including any photographs and details of rentals for similar properties) they wished the tribunal to consider. No such submissions were provided by the parties.

The property

- 5. The tribunal inspected the property on 24 September 2024. The tenant was present at the inspection accompanied by his wife.
- 6. The property is a detached house, approximately 100 years old, with brick walls under a mainly tiled, part flat-felt, roof.
- 7. The accommodation comprises; hall, two living rooms, kitchen, bathroom with wc to the ground floor and 4 bedrooms, shower with wc and landing to the first floor. The property has double glazing and oil-fired central heating. The carpets, curtains and white goods were provided by the tenant.
- 8. The kitchen is of modest size and the units are dated as are the fittings in the bathroom and shower room. The tenant has provided a number of items including; kitchen units, attached conservatory, shower, bathroom fittings and internal doors.
- 9. Much of the electric installation is surface mounted with wiring covered by plastic trunking.

- 10. There is parking to the side of the property and on road parking is also available outside the property. The asbestos cement sheeting garage is in a dilapidated condition and only useable as rough storage.
- 11. There are garden areas to the front and rear of the house which is located in a village setting with an open rural aspect to the rear.
- 12. The property appeared to be in mainly reasonable condition for its age.

The law

- 13. The relevant law is set out in section 70 of the 1977 Act and the MFR Order. We are to have regard to all the circumstances (other than personal circumstances) and in particular to the age, character, locality and state of repair of the Property. We are to disregard the effect on the rental value of any improvements carried out by the tenant (other than in pursuance of the terms of the tenancy). We are also required (by s.70(2)) to assume that the demand for similar rented properties in the locality does not significantly exceed the supply of such properties for rent; in effect, if such scarcity exists, we are to adjust the rental figure so that the fair rent is not affected by it.
- 14. 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 confirmed that for the purposes of determining the market rent (before making any necessary adjustments), open market assured tenancy rents are usually appropriate comparables.
- 15. By section 72 of the 1977 Act, if the rent is determined by the tribunal, the registration of the rent takes effect from the date we make our decision.

Representations – landlord

16. In their written representations the landlords said that they wished to appeal the increase in rent as it is "currently under 6% and we aim for an increase of over 7%". No rental comparables were provided, or other representations made.

Representations – tenant

17. The tenant did not make a written submission.

Determination

- 18. Neither party supplied any rental comparables however, the tribunal must determine 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 that is considered usual for such an open market letting. It did this by having regard to the Tribunal's own general knowledge of market rent levels in the area and, having done so, it concluded that the likely market rent for the property would be £290 per week.
- 19. The open market rent in good condition then needs to be adjusted to reflect all of the tenant's improvements carried out over the years including kitchen units, conservatory, shower, bathroom fittings and internal doors. In addition, the tenant has provided the floor coverings, curtains and white goods and the dilapidated garage is only suitable for rough storage.
- 20. To reflect this, the tribunal has made an adjustment of £54 per week to arrive at a fair rent of £236 per week.
- 21. The tribunal then considered whether there should be an adjustment for "scarcity" as referred to in paragraph 13 and decided that there should be an adjustment of 10%. This results in a rent of £212 per week.
- 22. On this basis the Tribunal has accepted the rent set by the Rent Officer of £212 per week.
- 23. The provisions of the Rent Acts (Maximum Fair Rent) Order 1999 require that the registered rent is either the capped Fair Rent, details of which are attached to the decision notice, or the Fair Rent decided by the Tribunal <u>whichever is the lower.</u>
- 24. The capped_rent is £238 per week. This is higher than the rent assessed by the Tribunal as set out above and therefore, the rent determined by the tribunal of **£212 per week** is to be registered.

Name: Alan Tomlinson BSc (Hons), DipHI, Date: 26 September 2024 MRICS

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), which must be on a point of law, 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 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.

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

File Ref No.

CAM/33UE/F77/2024/0023

Notice of the Tribunal Decision

Rent Act 1977 Schedule 11

Address of Premises		-	The Tribun	al members were	
Veronica, Station Road, North Wootton, Kings Lynn, Norfolk, PE30 3QH			Alan Tomlinson BSc (Hons) Dip HI MRICS		
Landlord		Dorrington Residential Limited			
Tenant		Mr K Burlingham			
1. The fair rent is	£212	Per	week	eek (excluding water rates and council tax but including any amounts in paras 3&4)	
2. The effective date is		25 Septe	25 September 2024		
3. The amount for services included in the rent is			£	Per	week

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

N/A	Per	
not applicable	_	

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

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

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

8. For information only:

(a) The fair rent to be registered is not limited by the Rent Acts (Maximum Fair Rent) Order 1999, because it is below the maximum fair rent of £238 per week prescribed by the Order.

Chairman		Date of decision	25 September 2024
	Alan Tomlinson		

MAXIMUM FAIR RENT CALCULATION

Address of p Veronica, St Norfolk PE3	ation Road, North W	/ootton, Kings	Lynn,			
LATEST RPI	FIGURE	x 38 [.]	7.5			
PREVIOUS R	RPI FIGURE	y 34	0			
x	387.5	minus y	340		= (A)	47.5
(A)	47.5	divided by y	340		= (B)	0.139705
First applica	tion for re-registrat	ion since 1 F	ebruary 1999			no
lf yes (B) plu	is 1.075 = (C)					
If no (B) plus 1.05 = (C) 1.189705						
Last register *(exclusive of	red rent* any variable service	e charge)	200	Mu	Itiplied	by (C) = 237.94117
Rounded up to the nearest 50 pence = 238						
Variable service charge (Yes/No)						
If YES add amount for services =						
MAXIMUM F	AIR RENT =	£238.00	per	we	ek	

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 Committee'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.