



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

**Case reference** : CHI/23UF/F77/2024/0029

**Property** : 1 Sugar Loaf Villas, New Brookend, Berkeley,  
Gloucestershire, GL13 9SF

**Applicant Landlord** : Mr M Reed

**Representative** : None

**Respondent Tenant** : Mr K Pyatt

**Representative** : None

**Type of application** : Determination of a Registered Rent  
Section 70 Rent Act 1977

**Tribunal member(s)** : Regional Surveyor Clist MRICS  
Mrs J Coupe FRICS

**Date of decision** : 16 September 2024

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**REASONS**

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## Decision of the Tribunal

**On 16 September 2024 the Tribunal determined a sum of £960.00 per month will be registered as the Fair Rent with effect from the same date.**

## Background

1. On 9 February 2024 the Rent Officer received an application of the same date from the landlord for registration of a Fair Rent of £1,200 per month in lieu of the passing rent of £820 per month.
2. On 8 April 2024 the Rent Officer registered a Fair Rent of £864.25 per month effective the same date.
3. On 2 May 2024 the landlord objected to the registered Fair Rent and requested the Rent Officer refer the matter to the Tribunal.
4. The tenancy appears to be a statutory protected tenancy commencing in 1966. The Tribunal was not provided with a copy of the tenancy agreement.
5. The Rent Register provides that the landlord is responsible for repairs and external decorations. The tenant covenants to decorate internally. Section 11 Landlord and Tenant Act 1985 applies.
6. On 2 August 2024 the Tribunal issued Directions advising the parties that it considered the matter suitable for determination on papers unless either party objected, in writing, within 7 days. The parties were also advised that no inspection would be undertaken. No objections were received.
7. The Directions required the landlord and tenant to submit their statements to the Tribunal by 16 August 2024 and 30 August 2024 respectively. Neither party adduced a statement. However, the Tribunal had regard to the landlord's representations to the Rent Officer on 2 May 2024, requesting a referral to the Tribunal.
8. Having reviewed the application, the Tribunal concluded that the matter was capable of being determined fairly, justly and efficiently on the papers, consistent with the overriding objective of 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 in submissions. The Tribunal concentrates on those issues which, in its view, go to the heart of the application.

## **Law**

10. 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. The Tribunal must disregard the effect, if any, 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.
11. In *Spath Holme Ltd v Chairman of the Greater Manchester etc Committee* (1995) 28HLR 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.
12. The Rent Acts (Maximum Fair Rent) Order 1999 restricts the amount by which the rent, less variable service charge, may be increased to a maximum 5.00% plus Retail Price Index since the last registration.
13. Under paragraph 7 of the Order an exemption to this restriction applies where the Landlord proves that repairs or improvements undertaken have increased the rent by at least 15% of the previous registered rent.

## **The Property**

14. In accordance with current Tribunal policy, the Tribunal did not inspect the property.
15. The property is a semi-detached house, arranged over two storeys with two reception rooms and kitchen to the ground floor with three bedrooms and bathroom to the first floor. Externally, the property has a rear garden.
16. The property is located within a semi-rural area, approximately 1.7 miles north of the village centre of Berkeley.
17. The property has central heating and double glazing. The white goods, floor coverings and curtains belong to the tenant.

## **Submissions – Tenant**

18. None received.

## **Submissions – Landlord**

19. None received.

## **Determination**

20. The Tribunal has carefully considered all the information before it.
21. 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 condition that is considered usual for such an open market letting.
22. Neither party sought to rely on any comparable evidence and the Tribunal therefore, as an expert Tribunal, had to rely on its own experience and knowledge of rental values in the locality. In doing so, the Tribunal determined the open market rent, in good tenantable condition, to be £1,200 per month.
23. Once the hypothetical rent was established, it was necessary for the Tribunal to determine whether the property meets the standard of accommodation, repair and amenity of a typical modern letting. In this instance the Tribunal determined that the subject property falls short of the standard required by the market.
24. The Rent Officer records that the kitchen and bathroom are dated, which has gone unchallenged by both parties. Accordingly, the Tribunal adopts this position in making a deduction to the hypothetical rent.
25. The Rent Officer has recorded that the white goods, floor coverings and curtains belong to the tenant. This has also been unchallenged and as such, to reflect, the Tribunal makes a further deduction from the hypothetical rent.
26. The Tribunal further note that the tenants are responsible for the internal decoration of the property. The Tribunal considers such a covenant a greater burden than the normal responsibility for an assured shorthold tenant to keep the landlord's decorations in good order.
27. In reflection of such differences the Tribunal makes a total deduction of 20% from the hypothetical rent to arrive at an adjusted rent of £960.00 per month.
28. The Tribunal then directed itself to the question of scarcity, as referenced in paragraph 11 above and, in arriving at its decision on the point, takes account of the following:
  - a. The Tribunal interpreted the 'locality' for scarcity purposes as being the whole area of Gloucestershire (i.e. a sufficiently large area to eliminate the effect of any localised amenity which would, in itself, tend to increase or decrease rent);
  - b. Availability of property to rent;
  - c. Property rental prices which could be an indicator of increased availability of housing and a reduction in scarcity;

29. The members of the Tribunal have, between them, many years of experience of the residential letting market and that experience, coupled with the above, leads them to the view that there is not currently a shortage of similar properties to let in the locality defined above.

### **Maximum Fair Rent**

30. This is the rent calculated in accordance with the Maximum Fair Rent Order, details of which are shown on the rear of the Decision Notice. 31. The Rent Acts (Maximum Fair Rent Order) 1999 restricts the amount by which the rent, less any variable service charge, may be increased, to a maximum 5% plus RPI since the last registration.
31. The only exception to this restriction is provided under paragraph 7 of the Order where a landlord carries out repairs or improvements which increase the rent by 15% or more of the previous registered rent. The Tribunal determined that such exception does not apply in this instance.
32. The rent to be registered in this application is not limited by the Fair Rent Acts (Maximum Fair Rent Order) 1999 because it is below the Maximum Fair Rent that can be registered of £1,041.50 per month prescribed by the Order.
33. The Tribunal accordingly determines that the rent of £960.00 per month is registered as the Fair Rent with effect from 16 September 2024, that 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](mailto: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.