

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

Case Reference	:	HAV/29UC/F77/2024/0503
Property	:	136 The Street Kingston Canterbury Kent CT4 6JQ
Tenant	:	Miss R J Noble
Representative	:	None
Landlord	:	Fast Homes UK Ltd
Representative	:	None
Type of Application	:	Section 70 Rent Act 1977 ("the Act") Determination by the First-Tier Tribunal of the fair rent of a property following an objection to the rent registered by the Rent Officer.
Tribunal Members	:	Mr I R Perry FRICS Mr S J Hodges FRICS
Date of Objection	:	12 <sup>th</sup> August 2024
Date of Summary Reasons	:	8 <sup>th</sup> October 2024

# DECISION

The Tribunal determines a rent of £188.08 per week with effect from 8<sup>th</sup> October 2024.

#### SUMMARY REASONS

#### Background

- 1. On 20<sup>th</sup> June 2024 the Landlord applied to the Rent Officer for the registration of a new rent for the property in accordance with Section 70 of the Rent Act 1977.
- 2. The rent was previously registered at £157 per week on  $21^{st}$  January 2022 following a determination by the Rent officer. This rent equates £680.33 per month.
- 3. On 29<sup>th</sup> July 2024 the Rent Officer registered a new rent of £171 per week for the property to take effect from 29<sup>th</sup> July 2024. This equates to £741 per month,
- 4. On 12<sup>th</sup> August 2024 the Tenant objected to this new rent and the matter was referred to the First-tier Tribunal Property Chamber (Residential Property), formerly a Rent Assessment Committee.

#### Inspection

5. The Tribunal did not inspect the property but considered this case based on the papers provided by the parties and information freely available on the internet.

#### Evidence

6. The Tribunal has considered the written submissions provided by the Tenant and the Landlord.

# Determination and Valuation

- 7. Having consideration to the comparable evidence provided by the parties and of our own expert, general knowledge of rental values in the area, the Tribunal considers that the open market rent for the property in good tenable condition is £1,150 per calendar month. NB Open market rents are normally calculated monthly.
- 8. Such a tenancy would normally include white goods, carpets and curtains/blinds to all be provided by the Landlord.
- 9. In this case the property is not let in such condition or with white goods, carpets and curtains all supplied so some adjustments to the 'open market rent' are necessary. In addition, some further adjustments are made to reflect the age of the kitchen units and some tenant's improvements.
- 10. The full valuation is shown below:

Full open market rent in good condition£1,150

Less deductions for:-

Tenant's responsibility for internal repair Tenant's provision of white goods Tenant's provision of carpets Tenant's provision of curtains Unmodernised kitchen (excluding tenant's fittings) Tenant's provision of bathroom fittings Other tenant's improvements	
Total deduction per month	£335
TOTAL RENT PAYABLE PER MONTH	£815

- 11. Having made the adjustments indicated above the Fair Rent determined by the Tribunal for the purpose of section 70 of the Rent Act 1977 was accordingly £188.08 per week, this being the weekly equivalent of £815 per month.
- 12. The Section 70 Fair Rent determined by the Tribunal is below or equal to the maximum fair rent of £201 per week permitted by the Rent Acts (Maximum Fair Rent) Order 1999 details of which are shown on the rear of the Decision Notice and accordingly we determine that the limit set by the Order does not apply in this case.

#### **APPEAL PROVISIONS**

These summary reasons are provided to give the parties an indication as to how the Tribunal made its decision. If either party wishes to appeal this decision, they should first make a request for full reasons and the details of how to appeal will be set out in the full reasons. Ay request for full reasons should be made within a month. Any subsequent application for permission to appeal should be made on Form RP PTA.



# FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference	:	HAV/29UC/F77/2024/0503
Property	:	136 The Street Kingston Canterbury Kent CT4 6JQ
Applicant Landlord	:	Fast Homes UK Ltd
Representative	:	None
<b>Respondent Tenant</b>	:	Miss R J Noble
Representative	:	None
Type of Application	:	Rent Act 1977 ("the Act") Determination by the First-Tier Tribunal of the fair rent of a property following an objection to the rent registered by the Rent Officer.
Tribunal Members	•	Mr I R Perry FRICS Mr S J Hodges FRICS
Date of Inspection	:	None. Determined on the papers
Date of Decision	•	8 <sup>th</sup> October 2024

# DECISION

# Summary of Decision

On  $8^{\text{th}}$  October 2024 the Tribunal determined a Fair Rent of £188.08 per week with effect from  $8^{\text{th}}$  October 2024.

# Background

- 1. On 20<sup>th</sup> June 2024 the Landlord applied to the Rent Officer for registration of a fair rent of £1,000 per calendar month. This would equate to £230.77 per week.
- 2. The rent was previously registered on the 21<sup>st</sup> January 2022 at £157 per week, equating to £680.33 per month, following a determination by the Rent Officer, to take effect from 21<sup>st</sup> January 2022.
- 3. On 4<sup>th</sup> July 2024 the Tenant requested a consultation with the Rent Officer and a consultation was held at the property on 24<sup>th</sup> July 2024. The Tenant provided a list of her 'personal inventory' at the property which included items in the house and in the garden.
- 4. A new rent was then registered by the Rent Officer on the 29th July 2024 at a figure of £171 per week which equates to £741 per calendar month. This new rent was effective from 29<sup>th</sup> July 2024.
- 5. On 12<sup>th</sup> August 2024 the Tenant objected to the new rent of £171 per week and the matter was referred to the First-Tier Tribunal Property Chamber (Residential Property) formerly a Rent Assessment Committee.
- 6. The Tribunal does not routinely consider it necessary and proportionate in cases of this nature to undertake inspections or hold Tribunal hearings unless either are specifically requested by either party or a particular point arises which merits such an inspection and/or hearing.
- 7. The Tribunal office issued directions on 23<sup>rd</sup> August 2024 which informed the parties that the Tribunal intended to determine the rent on the basis of written representations subject to the parties requesting an oral hearing. No request was made by the parties for a hearing.
- 8. Both parties were invited to include photographs and video within their representations if they so wished and were informed that the Tribunal might also consider information about the property available on the internet.
- 9. The Landlord completed a Fair Rent Appeal Statement which was sent to the Tribunal and copied to the Tenant. The Tenant had set out her case in her objection but made no further submission.
- 10. These reasons address **in summary form** the key issues raised by the parties. They do not recite each and every point referred to either in submissions or during any hearing. However, this does not imply that any points raised, or documents not specifically mentioned were disregarded. If a point or document was referred to in the evidence or submissions that was relevant to a specific

issue, then it was considered by the Tribunal. The Tribunal concentrates on those issues which, in its opinion, are fundamental to the application.

#### The Law

- 11. When determining a fair rent the Tribunal, in accordance with the Rent Act 1977, section 70, had regard to all the circumstances including the age, location and state of repair of the property. It also disregarded the effect of (a) any relevant tenant's improvements and (b) the effect of any disrepair or other defect attributable to the tenant or any predecessor in title under the regulated tenancy, on the rental value of the property.
- 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
  - (a) 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 other than as to rent to that of the regulated tenancy) and
  - (b) that for the purposes of determining the market rent, assured tenancy (market) rents are usually appropriate comparables. (These rents may have to be adjusted where necessary to reflect any relevant differences between those comparables and the subject property).
- 13. The Tribunal also has to have regard to the Rent Acts (Maximum Fair Rent) Order 1999 where applicable. Most objections and determinations of registered rents are now subject to the Order, which limits the amount of rent that can be charged by linking increases to the Retail Price Index. It is the duty of the Property Tribunal to arrive at a fair rent under section 70 of the Act but in addition to calculate the maximum fair rent which can be registered according to the rules of the Order. If that maximum rent is below the fair rent calculated as above, then that (maximum) sum must be registered as the fair rent for the subject property.
- 14. The tenancy is a statutory (protected) periodic tenancy and as such (not being for a fixed tenancy of 7 years or more) is subject to section 11 of the Landlord and Tenant Act 1985 which sets out the landlords statutory repairing obligations; the tenant is responsible for internal decorations.

# The Property

- 15. From the information provided and available on the internet, the property can be described as an inner terraced house with brick front elevation beneath a tiled roof and has views to the front over open farmland. The Tenant states that the house was built in 1939.
- 16. The accommodation includes a Living Room, Kitchen, 2 Bedrooms and a Bathroom with WC. Outside there are good sized gardens to front and rear and an off-road parking space. The property has a central heating system and some

windows are double glazed or have secondary double glazing. The Energy Performance Rating is 'D'.

#### **Evidence and Representations**

- 17. The original tenancy began on 1<sup>st</sup> March 1986.
- 18. The Rent Officer assessed an open market rent for the property of £995 per month and then applied a number of deductions to reflect, amongst other items, the Tenant's responsibility for internal decoration, an unmodernised kitchen, the Tenant's provision of white goods, floor coverings, curtains and associated fittings.
- 19. In its submission the Landlord states that the property has double glazing, curtains and carpets but does not state who provides them. In her submission to the Rent Officer the Tenant explains that the property was originally let from her late uncle and that it was completely unfurnished at the beginning of the Tenancy.
- 20. Furthermore, the Tenant says that there is no public transport to the village and that the nearest bus stop is a mile away down a steep hill and states that she provided all the contents of the house, has made improvements to the garden, provided 2 garden sheds and 2 greenhouses and made various improvements to the building including outside lighting, bathroom fixtures and fittings, kitchen storage and worksurfaces, secondary double glazing, a rear Porch and staircasing, all at a cost of £35,000.
- 21. The Tribunal had regard to the observations and comments by the parties and also relied on its own knowledge and experience of local rental values in determining the rent.

# Valuation

- 22. The Tribunal first considered whether it felt able to reasonably and fairly decide this case based on the papers submitted only, with no inspection or oral hearing. Having read and considered the papers, including the Rent Officer's notes, it decided that it could do so.
- 23. 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 good condition that is considered usual for such an open market letting. Market rents are usually expressed as a figure per month and a letting would normally include floorings, curtains and white goods to all be provided by the Landlord.
- 24. In determining an 'open market rent' the Tribunal had regard to the evidence supplied by the parties and the Tribunal's own general knowledge of market rent levels in the area of Canterbury and surrounding villages. Having done so it concluded that such a likely market rent would be  $\pounds_{1,150}$  per calendar month.
- 25. However, the property was not let in a condition considered usual for a modern letting at a market rent. Therefore, it was first necessary to adjust that

hypothetical rent of  $\pounds$ 1,150 per calendar month particularly to reflect the fact that the carpets, curtains and white goods were all provided by the Tenant which would not be the case for an open market assured shorthold tenancy.

- 26. Further adjustments were necessary to reflect the Tenant's liability for internal decoration, the unmodernised Kitchen, the Tenant's Bathroom fittings and fixtures and other improvements as listed in the Tenant's submission.
- 27. Not all the listed 'improvements' made by the Tenant would necessarily lead to an increase in rental value. The sheds, greenhouses and furniture remain her property whilst outside lighting, bathroom fixtures and fittings, kitchen storage and worksurfaces, secondary double glazing, the rear Porch and staircasing are all improvements that would increase the rental value.
- 28. The Tribunal therefore considered that this required a total deduction of  $\pounds$ 335 per month made up as follows:

Tenant's provision of carpets	£30
Tenant's provision of white goods	£30
Tenant's provision of curtains	£10
Tenant's liability for internal decoration	£40
Tenant's bathroom fixtures and fittings	£50
Unmodernised kitchen	£75
Other Tenant's improvements	£100
TOTAL per month	£335

29. The Tribunal noted the number of properties available to rent in the area as advertised on the internet sites Rightmove and Zoopla, and concluded that there was no substantial scarcity element in the area of Canterbury and surrounding villages.

# Decision

- 30. Having made the adjustments indicated above the Fair Rent determined by the Tribunal for the purpose of section 70 of the Rent Act 1977 was accordingly  $\pounds$ 815 per calendar month which equates to  $\pounds$ 188.08 per week.
- 31. The Section 70 Fair Rent determined by the Tribunal is below the maximum fair rent of £201 per week permitted by the Rent Acts (Maximum Fair Rent) Order 1999 details of which are shown on the rear of the Decision Notice and accordingly we determine that the lower sum of £188.08 per week is registered as the Fair Rent with effect from 8<sup>th</sup> October 2024.

Accordingly, the sum of £188.08 per week will be registered as the Fair Rent with effect from the 8<sup>th</sup> October 2024, this being the date of the Tribunals 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 <u>rpsouthern@justice.gov.uk</u> 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.