

FIRST - TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference : CAM/ooKB/F77/2024/0604

**P:PAPERREMOTE** 

Property: 7 The Wharfe Bedford MK41 7XP

Applicant : Mr and Mrs Szczepanski

Respondent : Places for People

Date of Application : 3 November 2024

Type of Application : Determination of the registered rent

under Section 70 Rent Act 1977

Tribunal : Mrs E Flint FRICS

:

Date and venue of

Hearing

13 January 2025

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 and I determined that the matter could be dealt with on the papers. The documents which I was referred to were in a bundle the contents of which I have recorded.

The registered rent with effect from 13 January 2025 is £175 per week.

© CROWN COPYRIGHT

# **Background**

- 1. On 26 September 2024 the landlord applied to the rent officer for registration of a fair rent of £122.71 per week for the above property.
- 2. The registered rent at the date of the application was £167 per week which had been registered by the rent officer on 1 August 2022 with effect from the same date.
- 3. On 25 October 2024, the rent officer registered a fair rent of £185 per week with effect from the same date.
- 4. The tenant objected to the registered rent on 5 November 2024.
- 5. The tribunal issued Directions on 15 November 2024. Written representations were received from the tenant, no representations were received from or on behalf of the landlord.

### The Evidence

- 6. The property is a terrace house, the accommodation comprises four rooms, kitchen/diner and bathroom/wc, it is centrally heated.
- 7. The tenant stated that they could not afford an increase of £79 per week. Further there had been no major repairs to the house since the last registration, the footpaths and external lighting were in poor condition, external repairs had been ignored, the children's playground was neglected and litter was nor collected.

## The Law

- 8. 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.
- 9. 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**

- 10. In the first instance I 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 neither party had provided any market evidence, I relied on my own general knowledge of rents within Bedford and concluded that if the house were in the condition usually found on the open market it would let for £230 per week.
- 11. However, it was first necessary to adjust the hypothetical rent of £230 per week 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). I determined that the hypothetical rent should be reduced by £35 to reflect the lack of modernisation, carpets, curtains and white goods and difference in terms and conditions.
- 12. This leaves an adjusted market rent for the subject property of £195 per week. I am of the opinion that there is substantial scarcity for similar properties in the commuter belt for London and therefore made a deduction of 10% for scarcity. The uncapped fair rent is £175 per week.
- 13. The fair rent is the maximum rent the landlord may charge.

# **Decision**

- 14. The uncapped fair rent initially determined for the purposes of section 70, is below the maximum fair rent of £197.50 per month calculated under the Rent Acts (Maximum Fair Rent) Order 1999. Therefore, the rent will not be capped under the provisions of the Order.
- 15. Accordingly, the sum of £175 per week will be registered as the fair rent with effect from 13 January 2025 being the date of my decision.

Chairman: Evelyn Flint Dated: 13 January 2025

### **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 <a href="https://www.gov.uk/government/publications/form-rp-pta-application-for-permission-to-appeal-a-decision-to-the-upper-tribunal-lands-chamber">https://www.gov.uk/government/publications/form-rp-pta-application-for-permission-to-appeal-a-decision-to-the-upper-tribunal-lands-chamber</a>

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).