

FIRST - TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference : BIR/ooCT/F77/2024/0618

Property: 143 Lode Lane Solihull B91 2HW

Tenant : L Jones

Landlord : West Ella Estates Limited

Date of Objection : 3 October 2024

Type of Application : Section 70, Rent Act 1977

Tribunal Members : V Ward BSc Hons FRICS

I.D. Humphries B.Sc.(Est.Man.) FRICS

N Wint FRICS

Date of Summary

Reasons : 20/01/2025

DECISION

The sum of £172.00 per week will be registered as the fair rent with effect from 6 January 2025 being the date the Tribunal made the Decision.

REASONS FOR THE DECISION

Background

1. Following an objection from the Tenant to the determination of a fair rent by the Rent Officer, the Tribunal has made a determination under the provisions of the Rent Act 1977.

Inspection

2. The Tribunal did not inspect the property but considered this case on the basis of the papers provided by the parties and having regard to its own knowledge, expertise and its own online research.

Evidence

- 3. The Tribunal has considered the written submissions provided by the Tenant and the Landlord. From the information provided it appears that the subject property is a semi-detached house with 3 bedrooms and a garage with access from a rear driveway. Double glazing has been installed by the Landlord whilst heating to the Property is via electric heaters. The Tenant noted many areas where external repair was required, including fascias and pointing, and considered the garage unusable both due to its condition and the lack of a turning angle.
- 4. In respect of the rent, the Tenant stated that the Landlord "accepted" a rent of £184.84 per week for the property next door, No. 141. In addition, the Tenant considered the rental evidence offered by the Landlord not comparable to the subject. All carpets, curtains and white goods are the property of the Tenant.
- 5. The Landlord confirmed that the Tenant had installed the kitchen and bathroom and installed night storage heaters and the electric fire in the living room. The Landlord provided extracts from the Rightmove Property Portal which adduced evidence of similar properties in close proximity to the subject let at rents of between £1,300.00 and £1,350.00 per calendar month (pcm). Also provided were evidence of (fair) rentals in respect of nearby properties let on Rent Act 1977 tenancies which ranged from £777.00 to £864.00 (presumably pcm).

Determination and Valuation

6. On consideration of the comparable evidence proved by the parties, that forwarded by the Rent Officer and the Tribunal's own expert knowledge of rental values in the area, the Tribunal considers that the open market rent for the property in a satisfactory condition would be in the region of £1,350.00 pcm

(£311.54 per week). From this level of rent, the Tribunal has made adjustments in relation to the following:

- a) External repairs required and lack of off-road car parking; for reasons given above, the garage appears unusable and there is no driveway.
- b) Improvements and made by the Tenants including night storage heaters, kitchen and bathroom fittings,
- c) Curtains, carpets and white goods fitted by the Tenant.
- d) The Tenant's liability to redecorate.
- 7. The Tribunal has also made an adjustment for scarcity using their own general knowledge and experience. The Tribunal considers that in the wider geographical area there is an imbalance of supply and demand impacting on rental values and has, therefore, made a reduction of 10% for scarcity.
- 8. The full valuation is shown below:

Market Rent			per week £311.54
Less a) Items given under a) above b) Items given under b) above c) Items given under c) above d) Tenant's internal decoration liability	@ 5%	£45.00 £50.00 £10.00 £15.58	£120.58 £190.96
<u>Less</u> Scarcity @ 10% £171.86	approx.	Total Say	£19.10 £171.86 £172.00

9. The Tribunal determines an uncapped rent of £172.00 per week.

Decision

10. The uncapped fair rent determined by the Tribunal, for the purposes of section 70, is therefore £172.00 per week from 6 January 2025. The maximum fair rent permitted by the Rent Acts (Maximum Fair Rent) Order 1999 is £174.00 per week. This therefore has no impact on the rent determined by the Tribunal. The calculation of the capped rent is shown on the decision form.

Chairman: V Ward Date: 6 January 2025

APPEAL PROVISIONS

If either party is dissatisfied with this decision, they may apply for permission to appeal to the Upper Tribunal (Lands Chamber) **on any point of law arising from this Decision**. Prior to making such an appeal, an application must be made, in writing, to this Tribunal for permission to appeal. Any such application must be made within 28 days of the issue of this statement of reasons (regulation 52 (2) of The Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013) stating the grounds upon which it is intended to rely in the appeal.

Chairman

File Ref No.

BIR/00CT/F77/2024/0618

Notice of the Tribunal Decision

Rent Act 1977 Schedule 11 Address of Premises The Tribunal members were **V Ward BSc Hons FRICS** I.D. Humphries B.Sc.(Est.Man.) FRICS 143 Lode Lane Solihull B91 2HW **N Wint FRICS** West Ella Estates Limited Landlord **Tenant** L Jones (excluding water rates and council tax 1. The fair rent is £172.00 Per Week but including any amounts in paras 3&4) 2. The effective date is 6 January 2025 3. The amount for services is Per not applicable 4. The amount for fuel charges (excluding heating and lighting of common parts) not counting for rent allowance is 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 do not apply (please see calculation overleaf). 7. Details (other than rent) where different from Rent Register entry None 8. For information only: 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 £174.00 per week by the Order.

Date of decision

6 January 2025

V Ward

MAXIMUM FAIR RENT CALCULATION

LATEST RPI I	RPI FIGURE X		390.9					
PREVIOUS RPI FIGURE		Y	347.6					
x	390.9	Minus Y	347.6	= (A)	43.3	3		
(A)	43.3	Divided by Y	347.6	= (B)	0.12456	847		
irst application for re-registration since 1 February 1999 YES/NO								
If yes (B) plus 1.	075 = (C)							
If no (B) plus 1.0	95 = (C)	1.17456847						
•	_ast registered rent*		Multip	lied by (C) =	£173.84	173.84		
(exclusive of any variable service charge)								
Rounded up to nearest 50p = £174.00		£174.00						
Variable service	charge	NO						
If YES add amou	ınt for services							
MAXIMUM FAIR	RENT =	£174.00	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.