

FIRST - TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference : BIR/44UD/F77/2024/0637

Property: 58 Holbrook Avenue Rugby CV21 2QQ

Tenant : A Martinazzi

Landlord : Midland Heart

Date of Objection : 18 November 2024

Type of Application : Section 70 Rent Act 1977

Tribunal Members : V Ward BSc Hons FRICS Regional Surveyor

Judge David R Salter

Date of Decision : 19 February 2025

DECISION

The sum of £133.00 per week will be registered as the fair rent with effect from 19 February 2025 being the date the Tribunal made the Decision.

REASONS FOR THE DECISION

Background

1. The Rent Officer registered a rental of £133.00 per week on 11 November 2024, effective from the same date. 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 online research.

Evidence

3. No written submissions were provided by the Landlord in response to the Tribunal's directions. The Tenant provided photographs to the Tribunal which showed scaffolding erected at the Property and the front door but with no accompanying written statement. The Tenant had made submissions to the Rent Officer that they had suffered roof leaks and wall repairs at the Property for over three years that were still ongoing.

Determination and Valuation

- 4. On consideration of the evidence provided by the parties, 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 £265.00 per week. From this level of rent, the Tribunal has made adjustments in relation to the following:
 - a) Condition. There appears to have been ongoing problems with the roof for a significant period.
 - b) Curtains, carpets and white goods fitted by the Tenant.
 - c) The Tenant's liability to redecorate.
- 5. 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, has made a deduction of 15% for scarcity.
- 6. The full valuation is shown below:

Per week

Market Rent		£265.00
 <u>Less</u> a) Items given under a) above b) Items given under b) above c) Tenant's internal decoration liability @ 5% 	£60.00 £35.00 £13.25	£108.25 £156.75
<u>Less</u> Scarcity @ 15%		<u>£23.51</u> £133.24
Say		£133.00

Decision

- 7. Therefore, the Tribunal confirms the Fair Rent registered by the Rent Officer of £133.00 per week with effect from 19 February 2025.
- 8. The maximum fair rent permitted by the Rent Acts (Maximum Fair Rent) Order 1999 is £159.50 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:

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.

File Ref No.

BIR/44UD/F77/2024/0637

Notice of the Tribunal Decision

Rent Act 1977 Schedule 11 Address of Premises The Tribunal members were: V Ward BSc Hons FRICS 58 Holbrook Avenue Rugby CV21 2QQ Judge DR Salter **Midland Heart** Landlord A Martinazzi **Tenant** (excluding water rates and council tax 1. The fair rent is £133.00 but including any amounts in paras Per week 3&4) 2. The effective date is 19 February 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 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 £159.50 per week permitted by the Order. 19 February 2025 V Ward Date of decision Chairman

MAXIMUM FAIR RENT CALCULATION

LATEST RPI	FIGURE	X	392.1				
PREVIOUS RPI FIGURE		Υ	317.7				
x	392.1	Minus Y	317.7	= (A)	74.4		
(A)	74.4	Divided by Y	317.7	= (B)	0.23418319	2	
First application for re-registration since 1 February 1999 YES/NO							
If yes (B) plus 1.	.075 = (C)						
If no (B) plus 1.0	05 = (C)	1.284183192					
Last registered	rent*	£124.00	Multiplied by (C) = £159.24				
(exclusive of any variable service charge)							
Rounded up to nearest 50p =		£159.50					
Variable service	charge	NO					
If YES add amou	unt for services						
MAXIMUM FAIR	RENT =	£159.50	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.