

# FIRST - TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference : BIR/ooCT/F77/2024/0633

Property: 17 Dursley Close Solihull B92 8RA

Tenant : Mr L Connolly

Landlord : West Ella Estates Limited

Date of Objection : 11th November 2024

Type of Application : Section 70 Rent Act 1977

Tribunal Members : T. Wyn Jones. FRICS

Vernon Ward. FRICS Philip Morris. FRICS

Date of Decision : 13th February 2025

### **DECISION**

The sum of £729.00 per month will be registered as the fair rent with effect from 13<sup>th</sup> February 2025 being the date the Tribunal made the Decision.

#### REASONS FOR THE DECISION

### **Background**

1. On 31<sup>st</sup> October 2024, the Rent Officer registered a rent of £690.00 per calendar month, effective from 8<sup>th</sup> December 2024. Following an objection from the Landlord 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. The Tribunal has considered the written submissions provided by the Tenant and the Landlord. From the information provided it appears that the subject property comprises a semi-detached, 3-bedroom, double-glazed dwelling with single garage, outside WC, stores, gardens to front and rear together with off-road parking.
- 4. The Tribunal notes that the heating, white goods and carpets & curtains have been provided by the Tenant.
- 5. The Tribunal further notes from the Tenant's submissions that they have carried out extensive improvements including:-
  - Installed gas to the property in 1975
  - Front Living Room installed electric fire & fireplace
  - Rear Living Room installed gas fire + fireplace.
  - Wall heaters in bedrooms together with a convertor heater in hallway.
  - Kitchen floor dug up and waterproofed.
  - Fitted kitchen + wall and floor tiling + extended by knocking into pantry.
  - Replaced all internal doors.
  - Full bathroom suite + shower over bath + underfloor heating + fully
  - uPVC Double Glazed front porch installed.
  - Loft ladder providing access to a fully boarded loft.
  - Garden works including steps, fencing, side gate and garden path.
- 6. The Tenant has not submitted any comparable evidence. The Landlord has provided extracts of comparable open market lettings ranging from £1,250 to

£1,450 per calendar month, Rightmove information, and a confirmation email from Dixons Countrywide in respect of the letting of 207 Castle Street on 25<sup>th</sup> November 2024 for £1,450 per calendar month and Black & Golds agency email in respect of the letting of 869 Old Lode Lane for £1350 per calendar month in August 2024.

### **Determination and Valuation**

- 7. On consideration of the comparable evidence provided by the Landlords, 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 per month. From this level of rent, the Tribunal has made adjustments in relation to the following:
  - a) The condition of the property
  - b) Improvements made by the Tenant as outlined in Para.5. above
  - c) Curtains, carpets and white goods fitted by the Tenant.
  - d) The Tenant's liability to redecorate.
- 8. 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 15% for scarcity.
- 9. The full valuation is shown below:

Market Rent		Per month £1350
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%	£150.00 £180.00 £80.00 £67.50	
<u>Less</u> Scarcity @ 15%	<u>£141.00</u> £618.50	<u>£618.50</u> £731,50

10. The Tribunal determines an uncapped fair rent of £731.50 per month on adopting scarcity at 15% of the amended rent following consideration of \$70 (3) Rent Act 1977.

### **Decision**

- 12. The uncapped fair rent determined by the Tribunal, for the purposes of section 70, is therefore £731.50 per month however the maximum fair rent permitted by the Rent Acts (Maximum Fair Rent) Order 1999 is £729.00 per month which therefore limits the fair rent to be registered. The calculation of the capped rent is shown on the decision form.
- 13. The rent to be registered is therefore £729.00 per calendar month with effect from  $13^{th}$  February 2025.

Chairman: T. Wyn Jones Date: 13<sup>th</sup> February 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.

File Ref No.

BIR/00CT/F77/2024/0633

13<sup>th</sup> February 2025

# **Notice of the Tribunal Decision**

Rent Act 1977 Schedule 11

Address of Premises  17 Dursley Close Solihull B92 9RA			The Tribunal members were T. Wyn Jones. FRICS Vernon Ward. FRICS Philip Morris. FRICS				
Landlord		West Ella Estates Limited					
Tenant			Mr L Connolly				
1. The fair rent is	£729.00				tes and council tax mounts in paras		
2. The effective date is		13 <sup>th</sup> February 2025					
3. The amount for services is			N/A	Per	-		
4. The amount for fuel for rent allowance is	charges (excludi	ng heating	g and lighting	of common parts) no	ot counting		
			N/A	Per	-		
<ul><li>5. The rent is not to be</li><li>6. The capping provision calculation overleaf).</li><li>7. Details (other than rent provision).</li></ul>	ons of the Rent A	Acts (Maxi			olease see		
8. For information only:							
The fair rent to be regist Order 1999. The rent that							
Order.							

Date of decision

T. Wyn Jones

Chairman

## MAXIMUM FAIR RENT CALCULATION

LATEST RPI	FIGURE	X	392.1					
PREVIOUS RPI FIGURE Y		358.3						
x	392.1	Minus Y	3	58.3	.3 = <b>(A)</b>		33.80	
(A)	33.80	Divided by Y	358.3		= (B)		0.094	3
First application for re-registration since 1 February 1999 YES/NO								
If yes (B) plus 1.	.075 = (C)							
If no (B) plus 1.0	)5 = (C)	1.1443						
Last registered	rent*	£637		Multiplied by (C) =		£72	£728.94	
(exclusive of any variable service charge)								
Rounded up to I	nearest 50p =	£729.00						
Variable service	charge	NO						
If YES add amou	unt for services							
MAXIMUM FAIR	RENT =	£729.00		Per		mo	nth	

# **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.