



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

Case Reference : **MAN/32UF/F77/2024/0082**

Property : **Fleet Lodge, 1 Branches Lane,
Holbeach, Spalding PE12 8PD
(1 Fleet Lodge Cottages)**

Applicant : **Mr I Cowlen**

Respondent : **F H Bowser Ltd**

Type of Application : **Rent Act 1977 Schedule 11**

Tribunal Members : **Mr J Platt FRICS
Mr P Mountain**

Date of Decision : **27 August 2024**

DECISION

Determination

The sum of £550.00 per month will be registered as the fair rent with effect from the 27 August 2024, being the date of the Tribunal's decision.

Background

1. On 4 January 2024, the landlord's agent, Bidwells, made an application to the Rent Officer for the registration of a fair rent of £650.00 per month for the above property. The fair rent payable at the time of the application was £315.00 per month registered on 29 March 2007. The Tenant of the property is Mr I Cowlen.
2. On 22 February 2024 the Rent Officer registered a fair rent of £600.00 per month with effect from 22 February 2024.
3. By email dated 20 March 2024 the Applicant appealed against the Rent Officer's registration and the matter was referred to the First-Tier Tribunal (Property Chamber)(Residential Property).

Inspection

1. The Tribunal inspected the Property on 27 August 2024 accompanied by the Applicant. No representative of the Landlord attended.
2. The Property is a 3 bedroom semi-detached house built in the 1950s / 1960s for occupation by farm workers on the neighbouring farm, situated in a rural environment. The Property consists of: living room, kitchen, utility room, 3 bedrooms and bathroom. Externally the Property sits within landscaped gardens to the front, rear and side and benefits from 2 garages and a garden office / cabin.
3. The property is in good condition. It has electric central heating and PVCu double glazed windows. The condition of the Property is largely down to the Applicant who has carried out significant improvements since the commencement of the tenancy.

Evidence

4. Neither party requested a hearing and both parties submitted written representations.
5. The Landlord's agent submitted written representations that the rent registered by the Rent Officer reflected how fair rent levels have increased since the previous registration. The Landlord provided no evidence of comparable lettings.
6. The Applicant submitted detailed written representations on the history of the tenancy and his occupation of the Property since March

1984. He also detailed improvements that he has made to the Property at the commencement of the tenancy and throughout the period of his occupation. These improvements were noted by the Tribunal at the inspection and are briefly summarised below. Having regard to the Landlord's representations, it was noted by the Tribunal that in addition to the initial improvements, the Applicant has continued to make improvements to the Property throughout his period of occupation and, in particular, since the date of the previous registration in 2007.

7. In coming to its conclusion, a Tribunal is entitled to take into account a number of factors when deciding a fair rent for a particular property. The Tribunal is entitled to rely on its experience of market rents for the area concerned, its own enquiries as to lettings of comparable properties and, of course, the Rent Officer's case notes which were available in this case.

The Law

8. When determining a fair rent in accordance with the Rent Act 1977, section 70, the Tribunal has regard to all the circumstances including the age, location and state of repair of the property. It also disregards 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.
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:
 - (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 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 that:
 - (b) 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).

Valuation

10. Thus, 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 a condition that is considered usual for such an open market letting. It did this by having regard to the

Tribunal's own general knowledge of market rent levels in the area of rural Lincolnshire.

11. It is the Tribunal's opinion that a rent in the region of £850.00 per month for the Property in good condition would be achievable in normal market conditions. On inspection, the Tribunal noted necessary minor improvements / repairs were necessary to remedy damp issues withing the north facing bedroom.
12. From this figure the Tribunal deducted a figure to take into account the effect on the rental value of carpets, curtains and white goods usually included in tenancies of this nature and the necessary improvements noted above. The Tribunal decided that a figure of £55.00 per month would be appropriate to reflect such matters.
13. The Tribunal then had regard to the effect on the rental value of the tenant's improvements to the Property. They were referred to in the Applicant's written representations and noted by the Tribunal on inspection. In brief those improvements include:
 - Kitchen totally refitted
 - Utility room totally refitted
 - Downstairs wc replaced and coal house incorporated into utility room
 - Original oil-fired central heating system replaced with a modern electric system
 - Radiators replaced throughout the Property
 - Rewiring throughout the Property
 - Bathroom totally refitted
 - Provision of 2nd garage
 - Gardens landscaped and provision of garden office / cabin
14. The Tribunal decided that a figure of £245.00 per month would be appropriate to reflect the effect on the rental value of the tenant's improvements.
15. Deducting the above figures from a market rent of £850.00 per month results in a Fair Rent of £550.00 per month.
12. The Tribunal did not consider that there was any substantial scarcity element and accordingly no further deduction was made for scarcity.

Determination

13. The fair rent determined by the Tribunal for the purpose of section 70 is £550.00 per month.

14. By virtue of the Rent Act (Maximum Fair Rent) Order 1999 the maximum fair rent that can be registered in the present case is the sum of £613.00 per month. The Fair Rent to be registered is not limited by the Order because it is below the maximum Fair Rent, as noted above, prescribed by the Order.