

FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case reference : HAV/00ML/F77/2025/0620

Property : Flat 48, Eaton Manor, The Drive, Hove

East Sussex, BN3 3PT

Applicant landlord : Eaton Manor Hove Limited

Representative: Ms Samantha Gandey

Savills

Respondent tenant : Mr H Davis

Representative : None

Type of application: Determination of a Fair Rent

Section 70, Rent Act 1977

Tribunal members : Mr J G G Wilson MRICS

Ms C D Barton BSc MRICS

Date of consideration: 30 June 2025

Date of decision : 30 June 2025

DECISION

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Decision of the Tribunal

On 30 June 2025 the Tribunal determined a Fair Rent of £16,914 (Sixteen Thousand Nine Hundred and Fourteen Pounds) Per Annum to take effect from 30 June 2025.

Background

- 1. On 20 February 2025 the landlord's Agent (Ms Samantha Gandey of Savills) submitted an application for registration of Fair Rent ('RR1') to the Rent Officer to register a fair rent of £15,693.98 per Quarter (the Tribunal has determined this to be an error and is taken to be £15,693.98 per Annum) for the property, Flat 48, Eaton Manor, The Drive, Hove, BN3 3PT ('the property').
- 2. At paragraph 7 of the RR1, 'Include any amount for services and/or furniture provided by the landlord...' is blank.
- 3. This was an application to re-register the fair rent from its previous registration of rent for the property of £15,180 per Year, effective from 22 March 2023. Under Rent, at paragraphs (d) Amount for fuel charges £434.44 per Year, and (e) Noted amount attributable to services £2,101.67 per Year, have been recorded by the Rent Officer.
- 4. At paragraph 12 of the RR1, the rent now is stated as £13,078.32 per Annum; to equal £15,180 per Annum minus £2,101.67, the amount attributable to services.
- 5. A new rent of £15,790 per Year was registered by the Rent Officer, effective from 9 April 2025. The amount for (d) Amount for fuel charges (excluding heating and lighting of common parts) not counting for rent allowance is £343.77 per Year.
- 6. The amount for (e) Noted amount attributable to services is £2,237.20 per Year.
- 7. In an email dated 29 April 2025 to The Valuation Office Agency ('the VOA') (sent to NSO Helpdesk (VOA)) Ms Gandey submitted the landlord's objection to the new rent registered and the matter was referred to the First-Tier Tribunal Property Chamber (Residential Property), formerly a Rent Assessment Committee.
- 8. The Tribunal issued Directions dated 20 May 2025. The Tribunal does not consider it necessary and proportionate in cases of this nature either to undertake an inspection, or to hold a Tribunal hearing unless either are specifically requested by either party or a particular point arises which merits such an inspection and/or hearing.
- 9. The Tribunal in its Directions informed the parties that, unless either party objected, the Tribunal intended to determine the rent on the papers (written representations), paragraph 5.
- 10. Similarly, the parties were informed the Tribunal will not inspect the property but will seek to view it on the internet; and goes on to say if it considers it necessary, it may carry out an external inspection, paragraph 6.

- 11. The parties were directed to complete and return their Fair Rent Appeal Statement ('Statement') to form their statement of case, within specific time limits, paragraphs 8 12 inclusive. The Statement allows for photographs to be attached, to assist the Tribunal to understand the case, and to help each party to present the issues.
- 12. Whereas Ms Gandey has submitted a Statement on behalf of the landlord, Mr Davis has not, although he has provided submissions in his correspondence to the VOA and the Tribunal.

The Property

- 13. Eaton Manor ('the building') is a 1960s' purpose-built block of flats over lower ground, ground and six upper floors. The Drive runs in a south to north direction, between Church Road and the A270, Old Shoreham Road.
- 14. The building is on the west side of The Drive, just to the south of its junction with Cromwell Road. The nearest railway station is Hove.
- 15. In the RR1 the property is described as self-contained, first floor, with accommodation comprising: four rooms, kitchen, bathroom/WC, shower room/WC and a balcony.

The Tenancy Agreement

- 16. The Tribunal has not been provided with a copy of the tenancy agreement, although from the RR1 it is understood to have commenced before 25 March 1968.
- 17. The tenant is responsible for the payment of Council Tax and Water Rates. Section 11 of the Landlord and Tenant Act 1985 applies. The tenant is responsible for internal decorations. The landlord has not provided any furniture.

Submissions – Fair Rent Appeal Statement

- 18. The Tribunal has considered the case *de novo* (from anew) and has limited its considerations to reach its decision to those points in the papers relevant to the determination of the fair rent.
- 19. In addition to submitting the RR1, Ms Gandey gave her Statement on 2 June 2025. Ms Gandey confirms the information in the Rent Register is accurate, other than the rent.
- 20. Ms Gandey's description of the property does not wholly align with that of the Rent Register: (1) second floor, (2) omission of the shower room/WC, and (3) omission of the balcony.
- 21. Under 'Features', Ms Gandey says Central Heating, Double Glazing, Carpets & Curtains, a refrigerator and a cooker have all been provided by the landlord. There is off-street parking at the building too.
- 22. Under 'Improvements', the Tribunal notes the following: (1) an upgrade and repair works to the communal heating have been completed, and (2) upgrade works to the window installation and the flat door are being carried out at the time of drafting.

- 23. Under 'Service Charges', Ms Gandey says 'Serviced charged is a separate charge previously sent the SC budget/costs [sic]." The papers include the 'Lease Expenditure Account' for the year ended 24 December 2022 at Eaton Manor. The independent Accountants' report has been carried out by Francis Clark LLP. The lease expenditure accounts listed are for the years ending 24 December 2021 and 24 December 2022.
- 24. Under 'Disrepair/Defects' Ms Gandey says neither repairs nor any ongoing issues have been reported, and the bathroom and kitchen fittings are over 20 years old. Under 'Any Other Comments' Ms Gandey says, "Close to Hove station, bus stops and shops. Free parking within the block. [sic]"
- 25. Under 'Your assessment of the rental value of the property' Ms Gandey refers to three-bedroom properties, in outline as follows: (1) newly refurbished £2,410 pcm, (2) a property which has been let since March 2002, with no works having been carried out over the interim £1,664 pcm, (3) a property in the same age/condition (lower ground floor) in another block, been let since 1997 £1,105.33 pcm, effective from May 2023, and (4) a property in the same age/condition, but one floor lower in a different block, been let since 1997 £1,317.75 pcm, effective 2024.
- 26. Ms Gandey has not given a submission as to whether the Maximum Fair Rent Order should not apply and concludes by saying demand for such properties does not exceed its supply.
- 27. Mr Davis has not submitted a Statement but has made submissions in his letter to the VOA dated 5 March 2025, his letter to the Tribunal received 28 May 2025 and his email to the Tribunal dated 3 June 2025.
- 28. Letter to the VOA dated 5 March 2025, the Tribunal notes the following: (1) Mr Davis highlights the anomaly in the RR1 of the new rent sought being stated mistakenly as 'per Quarter', and (2) the bathroom and kitchen fitments are those when the flats were built in 1968.
- 29. Letter to the Tribunal received 28 May 2025, the Tribunal notes the following: (1) Mr Davis reiterates the kitchen and bathroom equipment having been in situ since the block was built in 1968, (2) Mr Davis confirms his responsibility for internal upkeep, and (3) Mr Davis says he has provided new carpets.
- 30. Email to the Tribunal dated 3 June 2025, the Tribunal notes the points Mr Davis picks up on from Ms Gandey's Statement, as follows: (1) Mr Davis has provided both Carpets & Curtains and the landlord has not provided any White Goods, and (2) Mr Davis again reiterates the ages of the kitchen and bathroom equipment.

The Law

When determining a fair rent, the Tribunal, in accordance with the Rent Act 1977 ('the Act'), section 70, had regard to all the circumstances including the age, location and state of repair of the property. It also disregarded the effect of (a) any relevant tenant's improvements and (b) 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.

In Spath Holme Ltd v Chairman of the Greater Manchester & Lancashire Rent Assessment 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 a 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
- (b) that for the purposes of determining the market rent, assured tenancy (market) rents are usually appropriate comparable lettings. (These rents may have to be adjusted where necessary to reflect any relevant differences between those comparable lettings and the subject property).
- 31. Section 72A Amounts attributable to services: In order to assist authorities to give effect to the housing benefit scheme under Part VII of the Social Security Contributions and Benefits Act 1992 or to assist the Secretary of State in the administration of universal credit, where a rent is registered, there shall be noted on the register the amount (if any) of the registered rent which, in the opinion of the rent officer or appropriate tribunal, is fairly attributable to the provision of services, except any amount which is negligible in the opinion of the officer or, as the case may be, the tribunal.
- 32. The Tribunal is also to have regard to the Rent Acts (Maximum Fair Rent) Order 1999 ('the Order'), where applicable. Most objections and determinations of registered rents are now subject to the Order, which limits the amount of rent that can be charged by linking increases to the Retail Price Index ('RPI'). It is the duty of the Property Tribunal to arrive at a fair rent under section 70 of the Act, but in addition, to calculate the maximum fair rent which can be registered according to the rules of the Order.
- 33. If that maximum rent is below the fair rent calculated as above, then that (maximum) sum must be registered as the fair rent for the subject property.
- 34. Section 2(7) of the Order is as follows, 'This article does not apply in respect of a dwelling-house if because of a change in the condition of the dwelling-house or the common parts as a result of repairs or improvements (including the replacement of any fixture or fitting) carried out by the landlord or a superior landlord, the rent that is determined in response to an application for registration of a new rent under Part IV exceeds by at least 15% the previous rent registered or confirmed.'
- 35. The tenancy is a statutory (protected) periodic tenancy and as such (not being for a fixed tenancy of 7 years or more) is subject to section 11 of the Landlord and Tenant Act 1985, which sets out the landlord's statutory

repairing obligations; the tenant is responsible for internal decorations.

Considerations and Valuation

- 36. Having reviewed the papers, the Tribunal first considered whether it felt able to decide this case reasonably and fairly based on the papers submitted only, with neither an inspection, nor an oral hearing. Having read and considered the papers, the Tribunal decided it could do so.
- 37. In the first instance the Tribunal determined the market rent per calendar month the landlord could reasonably expect to receive on the valuation date, 30 June 2025, on the assumptions the property was in good condition, with carpets (flooring coverings), curtains and white goods provided by the landlord.
- 38. Ms Gandey has provided comparable lettings evidence in her Statement on which she has relied. In addition, the Tribunal has been provided with a screen shot from the VOA of three-bedroom flats in the BN3 postcode listing the market rents from July 2024 to April 2025. There are thirty (30) market rents in the schedule from £135.85 per week up to £623.08 per week.
- 39. To determine the market rent, the Tribunal has considered the evidence given by Ms Gandey, the schedule from the Rent Officer, and its own general knowledge of market rents in Brighton and Hove.
- 40. Taking the above into consideration and of its own general knowledge of market rents in the area, at the valuation date, the Tribunal determined the market rent of the property to be £1,800 per calendar month, before any adjustment(s) which it deemed appropriate to be applied.
- 41. From the submissions given by Ms Gandey in her Statement, Mr Davis in his submissions and the information provided by the Rent Officer, the Tribunal has determined adjustments are required to be applied to the market rent to reflect: (1) the tenant's provision of carpets (floor coverings) and curtains, (2) the tenant's provision of the White Goods, (3) the tenant's internal decorations' obligation, (4) the unmodernised kitchen, and (5) the unmodernised bathroom/WC and shower room/WC.
- 42. The Tribunal concluded a deduction in aggregate of £330 per calendar month be applied to the market rent, made up of as follows:

No Carpets (floor coverings) and Curtains	£75
White Goods	£30
Internal decorations' obligation	£50
An unmodernised kitchen	£75
An unmodernised bathroom/WC and shower/WC	<u>£100</u>

£ Per Calendar Month

43. £1,800 per calendar month minus £330 per calendar month to equal £1,470 per calendar month (£17,640 per annum).

£330

44. Turning to the question of scarcity, that is whether the demand for such

properties exceeds the supply, neither party has addressed the point. Applying its general knowledge of the lettings market in the area, the Tribunal has concluded there is no adjustment required for scarcity in this registration of fair rent.

- 45. In accordance with section 72A of the Act, the Tribunal is required to calculate for the property: (1) (d) the amount for fuel charges (excluding heating and lighting of common parts) not counting for rent allowance, and (2) (e) the amount attributable to services. These sums are to be recorded in the Rent Register and are required for the calculation of the maximum fair rent.
- 46. At paragraph 23 above, the Tribunal confirms it has been provided the Lease Expenditure Account for Eaton Manor for the year ended 24 December 2022.
- 47. The Tribunal has also been provided with a copy email from Ms Gandey to the VOA dated 4 March 2025, in which Ms Gandey confirms: (1) that the service charge is a variable amount in accordance with the terms of the agreement as previously advised, and (2) the apportionment for the property is 0.81186%.
- 48. The Tribunal has calculated (d) the amount for fuel charges to be £343.77 and (e) the amount attributable to services to be £1,909.92.
- 49. Incorporating the amount attributable services at paragraph 48 above and the corresponding sum provided for the previous registration in the RR1, the Tribunal calculated the maximum fair rent prescribed by the order to be £16,914 (Sixteen Thousand Nine Hundred and Fourteen Pounds) Per Annum.

Decision

- 50. Accordingly, the Tribunal determined the Fair Rent of the property be reregistered at £16,914 (Sixteen Thousand Nine Hundred and Fourteen Pounds) Per Annum, to take effect from 30 June 2025.
- 51. The capping provisions of the Rent Acts (Maximum Fair Rent) Order 1999 apply because the rent determined at paragraph 43 above is greater than that prescribed by the Order.

RIGHTS OF APPEAL

- 1. A person wishing to appeal this decision to the Upper Tribunal (Lands Chamber) must seek permission to do so by making a written application by email to rpsouthern@justice.gov.uk to the First-tier Tribunal at the Regional office which has been dealing with the case.
- 2. The application must arrive at the Tribunal within 28 days after the Tribunal sends to the person making the application written reasons for the decision.
- 3. If the person wishing to appeal does not comply with the 28 days' time limit, the person shall include with the application for permission to appeal a request for an extension of time and the reason for not complying with the 28 days' time limit; the Tribunal will then decide whether to extend time or not to allow the application for permission to appeal to proceed.
- 4. The application for permission to appeal must identify the decision of the Tribunal to which it relates, state the grounds of appeal and state the result the party making the application is seeking.