



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

Case reference : **CAM/26UF/F77/2025/0020**

HMCTS code : **P:PAPERREMOTE**

Property : **148 High Street, Codicote, Hitchin,
SG4 8UB**

Applicant (Landlord) : **M Wager**

Respondent (Tenant) : **P Young**

Type of application : **Determination of a fair rent under
section 70 of the Rent Act 1977**

Tribunal members : **Peter Roberts FRICS CEnv**

Date of Determination : **2 August 2025**

DECISION

Description of hearing

This has been a remote determination on the papers which the parties are taken to have consented to, as explained below. The form of determination was a paper determination described above as P:PAPERREMOTE. The documents that the Tribunal was referred to are in bundles from the Applicant and the Respondent. The Tribunal has noted the contents and the decision is below.

Decision

The Tribunal determined a Fair Rent of £870 per month effective from 2 August 2025.

Reasons

Background

1. The Landlord made an application dated 1 December 2024 to register the rent of the Property at £1,100 per month. This was stated to be exclusive of any variable Service Charge.
2. The Rent Officer registered a Fair Rent of £875 on 28 March 2025 effective from 3 May 2025. This was in lieu of the previous registered rent of £812 per month which was registered on 3 May 2023 and effective from the same date.
3. The Landlord submitted an objection on 26 April 2025.
4. The Tribunal issued Directions on 7 May 2025, inviting the parties to submit any further representations (including any photographs and details of rentals for similar properties) they wished the Tribunal to consider.

The Property

5. The Tribunal inspected the Property on 7 July 2025 accompanied by both the Landlord and the Tenant.
6. The Property comprises a mid-terraced period two-storey cottage of brick and slate construction providing two bedrooms at first level together with a bathroom, kitchen and lounge at ground floors. There is a garden to the rear together with a store but no off-street parking.
7. The Property benefits from central heating and UPVC double-glazing which had been installed by the Landlord. There are brown resinous drips within the glass panes which suggest that the seals have failed thereby affecting the insulating performance thereof. This was noted on the Tribunal's previous visit to the Property in 2023 but has not been addressed in the meantime.
8. The Tenant had been responsible for the fitting of the kitchen and bathroom. However, if the Property was to be let on the open market both the kitchen and bathroom would need updating.

The Law

9. The relevant law is set out in section 70 of the Rent Act 1977 (the Act) and The Rent Acts (Maximum Fair Rent) Order 1999 (the Order).
10. Section 70 (1) of The Act provides that in assessing the rent:

“regard shall be had to all the circumstances (other than personal circumstances) and in particular to—

- i. the age, character, locality and state of repair of the dwelling-house,*
- ii. if any furniture is provided for use under the tenancy, the quantity, quality and condition of the furniture and*
- iii. any premium, or sum in the nature of a premium, which has been or may be lawfully required or received on the grant, renewal, continuance or assignment of the tenancy.”*

11. Section 70 (3) of the Act provides that:

“...there shall be disregarded.

- i. any disrepair or other defect attributable to a failure by the tenant under the regulated tenancy or any predecessor in title of his to comply with any terms thereof.*
- ii. any improvement carried out, otherwise than in pursuance of the terms of the tenancy, by the tenant under the regulated tenancy or any predecessor in title of his*
- iii. if any furniture is provided for use under the regulated tenancy, any improvement to the furniture by the tenant under the regulated tenancy or any predecessor in title of his or, as the case may be, any deterioration in the condition of the furniture due to any ill-treatment by the tenant, any person residing or lodging with him, or any sub-tenant of his.”*

12. In addition, section 70 (2) of The Act requires the Tribunal to assume:

“that the number of persons seeking to become tenants of similar dwelling-houses in the locality on the terms (other than those relating to rent) of the regulated tenancy is not substantially greater than the number of such dwelling-houses in the locality which are available for letting on such terms.”

13. This latter provision requires the Tribunal to assume that the demand for similar rented properties in the locality does not significantly exceed the supply of such properties for rent; in effect, if such scarcity exists, the Tribunal is to adjust the rental figure so that the fair rent is not affected by it.

14. 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 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 comparables. (These rents may have to be adjusted where necessary to reflect any relevant differences between those comparables and the subject property)."

15. In considering scarcity under section 70 (2) the Tribunal recognised that:

(a) "there are considerable variations in the level of scarcity in different parts of the country and that there is no general guidance or "rule of thumb" to indicate what adjustment should be made; the Tribunal therefore considers the case on its merits.

(b) terms relating to rent are to be excluded. A lack of demand at a particular rent is not necessarily evidence of no scarcity; it may be evidence that the prospective tenants are not prepared to pay that particular rent."

16. Section 71 (1) of the Act provides that the registration of the rent takes effect from the date that the Tribunal makes its decision.

17. Fair rents are subject to a capping procedure under the Rent Acts (Maximum Fair Rent) Order 1999 which limits increases by a formula based on the increase in the Retail Price Index since the previous registration.

18. Section 72 (1) (b) of the Act provides that the registration of a rent takes effect:

"...if the rent is determined by the appropriate tribunal, from the date when the tribunal make their decision"

Representations – Tenant

19. The Tenant did not submit any written representations.

Representations –Landlord

20. The Landlord Stated in his objection that:

"I wish to object to the rent you have registered as I feel it is not enough for the property."

21. The Landlord stated in his Reply Form that:

"A 2 bedroom property in sought after village location on a main bus route with all amenities. The identical property next door is for sale at £320,000 so this gives an indication of the value of the property, 2 bedroom properties in Stevenage start at £1,500 – going upwards. I enclose 2 examples of 2 bedroom maisonettes in Codicote at £1,350 per month."

Determination

22. In assessing the Fair Rent the Tribunal is unable to consider the personal circumstances of the Parties. As such, the assessment of rent has no regard to the personal, financial or health circumstances of either party both of whom are considered to be hypothetical. The Tribunal has therefore had regard to hypothetical, willing parties in the open market. The ownership costs arising to the actual Landlord are therefore irrelevant to this exercise.
23. Having determined that the parties to the assumed transaction are hypothetical, the next step, as set out in the Spath case as referred to above, is to determine the rent which a landlord could reasonably expect to obtain for the Property in the open market if it were let today in the condition and on the terms now usual for open market lettings.
24. The rent currently paid and/or registered is not relevant to this exercise. As such, the Tribunal has not relied upon the previous rent in any way and has disregarded historic evidence/determinations.
25. It is also not relevant whether or not the Landlord considers that the rent paid is sufficient to fund its liabilities and/or repair obligations. The cost to the Landlord of putting the Property into a suitable state and complying with its obligations is not a matter for consideration in determining the rent payable.
26. The Tribunal has reviewed the evidence of asking rents as provided by the Landlord and concluded that the Property would, if fully redecorated, modernised and refurbished with modern kitchen and bathroom facilities and repaired windows, attract a rent in the region of £1,275 per month.
27. However, this is before account is taken of the condition of the Property and the need to disregard the Tenant's improvements. The Tribunal has therefore deducted 2.5% each for carpets and curtains, 5% each on account the basic kitchen and bathroom, 5% to reflect that the Tenant has taken responsibility for the decoration and 5% for the disrepair to the windows.
28. The Tribunal also considers that there is a scarcity of supply of similar properties in the general location at the present time and has applied a scarcity allowance of 10% on this occasion.
29. Having fully considered all matters relevant to this case, the Tribunal therefore considers the Fair Rent to be £870 per month.
30. The provisions of the Rent Acts (Maximum Fair Rent) Order 1999 require that the registered rent is either the capped Fair Rent, details of which are attached to this Decision, or the Fair Rent.
31. As set out above, the capped rent is determined by a formula that has regard to the increase in the Retail Price Index since the date of the last rent registration.

32. The Tribunal notes that the previous net rent detailed on the Rent Register was £812 per month effective from 3 May 2023. The calculated capped net rent as at the date of this Determination is therefore £916 per month.
33. The Fair Rent is below the Capped Net Rent. Therefore, the **Fair Rent of £870 per month applies**. The Tribunal also directs that the revised Rent takes effect from the date of this Determination.

Name: Peter Roberts FRICS CEnv

Date: 2 August 2025

Rights of appeal

By rule 36(2) of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013, the tribunal is required to notify the parties about any right of appeal they may have.

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 decision to the person making the application (regulation 52 (2) of The Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rule 2013).

If the application is not made within the 28-day time limit, such application must include a request for an extension of time and the reason for not complying with the 28-day time limit; the tribunal will then look at such reason(s) and decide whether to allow the application for permission to appeal to proceed, despite not being within the time limit.

The application for permission to appeal must identify the decision of the tribunal to which it relates (i.e., give the date, the property, and the case number), state the grounds of appeal and state the result the party making the application is seeking.

If the tribunal refuses to grant permission to appeal, a further application for permission may be made to the Upper Tribunal (Lands Chamber).

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