



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

Case Reference : BIR/44UF/F77/2025/0014

Property : 27 Overberry Orchard, Bishops Tachbrook,
Leamington Spa, Warks., CV33 9SJ

Tenant : Donald Paul Bevan and Ann Bevan

Landlord : Orbit Housing Association

Date of Objection : 30 May 2025

Type of Application : Section 70 Rent Act 1977 (Shared Ownership)

Tribunal Members : I.D. Humphries B.Sc.(Est.Man.) FRICS
A. Churchill B.Sc. MRICS

Date of Decision : 10 March 2026

DECISION

The sum of £399.00.00 per month will be registered as the Fair Rent with effect from 10 March 2026 being the date the Tribunal made the Decision.

REASONS FOR THE DECISION

Background

- 1 The Rent Officer registered a rent of £386.04 per calendar month on 2 May 2025 which was due to take effect from 8 June 2025. The property is in shared ownership and the gross rent assessed by the Rent Officer was £444.83 pcm, but the Tenants owned a 25% share which reduced their payment to £386.04. Following objection from the Tenants to the Rent Officer's determination, the Tribunal has considered the case afresh and determined the rent under the provisions of the Rent Act 1977.

Inspection

- 2 The Tribunal has considered the case based on the papers provided by the parties having regard to its own knowledge, expertise and online research.

Description

- 3 From the submitted papers, the accommodation comprises a modern semi-detached house built around 1981 with a reception room, kitchen, two bedrooms and bathroom. There is full central heating and double glazing. The property has a parking space and garden. The carpets, curtains and white goods are provided by the Tenants.

Evidence

- 4 The Tenants objected to the Rent Officer's figure as they considered the increase to be excessive compared with the rents of other properties in the area. They gave an example of No.1 Overberry Close, an house identical to theirs, advertised by local estate agents Spa Estates at £1,250 pcm and on that basis a quarter share would equate to £312.50 pcm instead of the £386.04 valued by the Rent Officer. They currently pay £282.88 pcm so the proposed increase would be £103 pcm higher. They asked for the rent to be re-assessed.
- 5 The Landlord sent a written representation to the Tribunal in which they advised that the new registered rent was £386.04 pcm including an insurance charge of £23.17 pcm, but they would only be charging £303.89 pcm including the insurance charge with effect from 8 June 2025 as the rent had been capped.

Determination and Valuation

- 6 In the papers submitted to the Tribunal there was reference to a 25% share but it was not clear whether the 25% was owned by the Landlord or Tenant. The Tribunal wrote to the parties to clarify the position and the Landlord confirmed by email on 31 March that the Tenant owned 25% and the Landlord 75%. This is significant, as it appears the Tenants may have been under the impression that they owned 75%, which would

account for their analysis of the advertised rent of No.1 Overberry Close. The Tenants are therefore required to pay rent for the 75% owned by the Landlord for which the calculations are set out below where the Tenants are given full credit for their own 25% share.

- 7 The Tribunal has considered the evidence provided by the parties. To assess the Fair Rent of shared ownership property the Tribunal has to assess the Fair Rent assuming it were not shared ownership, and then adjust the figure to reflect the actual position.
- 8 Having read the parties' cases and taken into account our own professional expertise, we consider the full rental value of a house in this location and description, in good condition, to be £1,250 pcm.
- 9 From this, we deduct £60 pcm to reflect the monthly value of the Tenants' carpets and curtains and £20 pcm for the monthly value of the Tenants' white goods.
- 10 We then consider whether there would be more people looking for accommodation of this type in the area than units to let, in which case, we deduct for 'scarcity'. Having considered this, we consider scarcity exists in the wider area and deduct 10% from the rental value to reflect it.
- 11 Having assessed the Fair Rent, the Tenant's 25% share is taken into account. Our valuation is as follows:

Full rental value pcm	1,250.00
<u>Less</u> carpets & curtains	60.00
white goods	<u>20.00</u>
	1,170.00
<u>Less</u> 10% scarcity	<u>117.00</u>
<u>Fair Rent if not shared ownership</u>	1,053.00

Shared ownership calculation

<u>Less</u> service charge	0.00
<u>Less</u> full repairing liability (i.e. the tenants have to repair the structure & exterior which is not the case for Fair Rents say 7.5% of market rent)	93.75
<u>Less</u> insurance	<u>23.17</u>
<u>Gross Rent</u>	936.08
x 75% share owned by landlord	702.06
<u>Add</u> service charge	0.00
<u>Add</u> insurance	<u>23.17</u>
<u>Fair Rent of Landlord's 75% share</u>	725.23

Decision

- 12 The Fair Rent calculated by the Tribunal for the Landlord's 75% share is £725.23 per month. However, the maximum fair rent permitted by the Rent Acts (Maximum Fair Rent) Order 1999 is capped at £399.00 per month which limits the rent determined by the Tribunal. The calculation of the capped rent is shown on the decision form. The Tribunal therefore determines the Fair Rent at £399.00 (Three Hundred and Ninety Nine Pounds) per month with effect from 10 March 2026.

Chairman: I D Humphries B.Sc.(Est.Man.) FRICS Date: 10 March 2026

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.

Notice of the Tribunal Decision

Rent Act 1977 Schedule 11

Address of Premises

27 Overberry Orchard, Bishops
Tachbrook CV33 9SJ

The Tribunal members were:

I D Humphries B.Sc.(Est.Man.) FRICS
A Churchill B.Sc. MRICS

Landlord

Orbit Housing Association Ltd.

Tenant

Donald Paul Bevan and Ann Bevan

1. The fair rent is

£399.00

Per

month

(excluding water rates and council tax but including any amounts in paras 3&4)

2. The effective date is

10 March 2026

3. The amount for services is

N/A

Per

/not applicable

4. The amount for fuel charges (excluding heating and lighting of common parts) not counting for rent allowance is

N/A

Per

/ 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 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 the maximum fair as prescribed by the Rent Acts (Maximum Fair Rent) Order 1999. The rent that would have otherwise been registered was £725.23 per month.

Chairman

I D Humphries

Date of decision

10 March 2026

MAXIMUM FAIR RENT CALCULATION

LATEST RPI FIGURE x

PREVIOUS RPI FIGURE y

X Minus y = (A)

(A) divided by y = (B)

First application for re-registration since 1 February 1999 - NO

If yes (B) plus 1.075 = (C)

If no (B) plus 1.05 = (C)

Last registered rent* Multiplied by (C) =

*(exclusive of any variable service charge)

Rounded up to nearest 50 pence =

Variable service charge - No

If YES add amount for services

MAXIMUM FAIR RENT = Per

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 Committee'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.