



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

Case Ref: LON/00BD/F77/2020/0056

Type of Determination: P (Paper) Remote

Property: 3, Little St Leonards, London, SW14 7LT

Landlord: Northumberland & Durham Property Trust Ltd

Representative: Grainger Residential Management Ltd

Tenant: [Ms/Mrs] Sheila J E Roblin

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

**Tribunal members: Tribunal Judge Shepherd
Mr S Johnson MRICS**

Date of Decision: 28th April 2021

Date of Reasons: 23rd June 2021

REASONS

Covid-19 pandemic: description of hearing

This has been a remote determination on the papers, which has not been objected to by the parties. The form of hearing was P: PAPERREMOTE. A face-to-face hearing was not held because it was not practicable, and all issues could be determined on paper.

Background

On 11th November 2019, the landlord applied to the Rent Officer for registration of a fair rent of £1,248.74 per calendar month including a sum for services of £78.04 per calendar month.

2. The rent payable at the time of application was £1,1018per calendar month.
3. The rent of £1,018per calendar month was previously registered on 15th December 2017 with no sum attributed to services.
4. On the 19th December 2020 the Rent Officer registered a fair rent of £1,040per calendar month (including a fixed amount for services of £36.82/month).
5. On 22nd January 2020 the landlord objected and the matter was referred to the Tribunal.
6. The Tribunal made its determination on 28th April 2021 and the landlord subsequently requested Reasons. The Tribunal used Google Streetview to identify the location and property. It also considered the parties' submissions and information on the rent register.
7. From the above sources the Tribunal finds that the property is a self-contained, converted, two bedroom first floor flat C1800-1918, with full central heating, comprising three rooms, kitchen and bath/WC.
8. Under the terms of the tenancy the landlord is liable for external repairs and decoration, and the tenant liable for internal repairs and decorations
9. All carpets, curtains and white goods were provided by the tenant.

Evidence

Neither party responded to the appeal.

The Law

10. When determining a fair rent the Tribunal, in accordance with the Rent Act 1977, section 70, must have regard to all the circumstances including the age, location and state of repair of the property. It must also disregard 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. That section also requires the Tribunal not to take into account the personal financial and other circumstances of the tenant.
11. Ordinarily, a fair rent is the market rent for the subject property discounted for 'scarcity' (i.e. that element, if any, of the market rent that is attributable to there being a 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.
12. In *Spath Holme Ltd v Chairman of the Greater Manchester etc. Committee (1955) 28 HLR 107* and *Curtis v London Rent Assessment Committee (1999) QB 92* the Court of Appeal emphasised that section 70 means that:
13. Ordinarily a fair rent is the market rent for the subject property discounted for 'scarcity' and
14. 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 these comparables and the subject property).

Determination and Valuation

15. 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 the condition that is considered usual for such an open market

letting. I.e. with carpets, curtains, white goods and in good decorative condition, and with the tenant having some internal repairing obligations.

16. The Tribunal considered the market in the area where the property is situated from its own general knowledge, and had regard to the rents provided by the Rent Officer.

17. The Tribunal found that the market rent for the property in good condition on Assured Shorthold Tenancy would be in the region of **£1,600**.per calendar month.

18. However, this is on the basis of a modern open market letting where the tenant has no liability to carry out repairs or decorations, nor an obligation to provide white goods, flooring, curtains. The Tribunal therefore adjusted the market rent by 20% (£320.00) to reflect the differing terms of the tenancy, the external decorative condition apparent from Streetview, white goods, curtains and flooring. The Tribunal arrived at an adjusted market rent of **£1,280.00** per calendar month.

19. The Tribunal then considered the question of scarcity. We were not provided with any specific evidence on this issue therefore the Tribunal relied upon its general knowledge and experience, and determined a further deduction of 20% from the adjusted market rent to reflect this scarcity. This is evidenced by long local authority and housing association waiting lists. The tribunal therefore determined that the uncapped fair rent is **£1,024.00** per calendar month including services.

20. This is below the maximum fair rent that can be registered by virtue of the Rent Acts (Maximum Fair rent) Order 1999, (details provided on the back of the decision form).

21. The landlord sought an element in the rent for services of £78.04 per calendar month and provided a schedule setting out the services. The Rent Officer set a figure of £36.82 per calendar month. The Tribunal finds that the amount set by the Rent Officer is too low, and that sought by the landlord to provide value to the tenant, and accordingly we determine the services element within the rent of **£1,024.00** per calendar month to be **£78.04**. The new registered rent takes effect from 28th April 2021, being the date of the Tribunal's decision.

Chairman: J Shepherd

Dated: 23 June 2021