



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

Case Reference : **MAN/00BU/F77/2020/0052**

Property : **181 Stamford Street, Old
Trafford, Manchester M16 9LX**

Tenants : **Mr I & Mrs S Timol**

Landlord : **Adactus Housing**

Type of Application : **Rent Act 1977 – Section 70**

Tribunal Members : **Tribunal Judge C Wood
Mr K Kasambara**

Date of Decision : **12 February 2021**

Date of Reasons : **16 March 2021**

DECISION

1. Order

The Tribunal determines that the fair rent payable is £133.50 per week.

2. Background

2.1 The Tenants hold under a weekly tenancy governed by Part VI of the Rent Act 1977 (“the Act”). By an application dated 18 November 2019, the Landlord applied to the Rent Officer for registration of a fair rent of £109.94 per week. The last registered rent on 27 October 2017, effective from 16 December 2017, was £118.50 per week.

2.2 On 6 January 2020, the Rent Officer registered a rent of £131.50 per week.

2.3 The Tenants objected to the rent as registered and the matter was referred to the First Tier Tribunal (Property Chamber) (“the Tribunal”), and so the fair rent to be registered in respect of the Property fell to be determined by the Tribunal.

2.4 The application was scheduled for determination on Friday 12 February 2021. The Tribunal conducted an external drive-by inspection of the Property on 11 February 2021 prior to the determination.

3. Inspection

3.1 The Property is a mid-terraced property with a small garden to the front. It is located in a residential area with access to local amenities. The accommodation comprises, on the ground floor, hall, 2 reception rooms, kitchen and utility room. On the first floor, there are 3 bedrooms and the bathroom/WC and, on the second floor, 2 further bedrooms. The Property is double-glazed and has gas central heating. There is a yard to the rear of the Property.

3.3 From its external inspection, the Tribunal noted no evidence of neglect or disrepair at the Property.

4. The Law

4.1 When determining a fair rent the Tribunal, in accordance with the Rent Act 1977, section 70, has regard to all the circumstances, save for personal circumstances, including the age, location and state of repair of the property. It also, as required by law, 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. In this way a landlord does not benefit by way of increased rent from any tenant's improvements and the tenant does not benefit from any defaults on his or her part that would otherwise have lowered the rental value of the property.

4.2. 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).

5. Reasons

5.1 In making its determination, 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. It did this by having regard to the evidence to the Tribunal's own general knowledge of market rent levels in the locality.

5.2 The Tribunal noted, in particular, that the area was very popular for student accommodation with many rents reflective of houses in multiple occupation, rather than, as in the case of the Property, for occupancy by a single family/household. The Tribunal considered that such HMOs were not to be considered as comparables.

5.3 The Tribunal determined as follows:

- (i) that an open market rent for the Property would be £250.00 per week;
- (ii) this rent was then adjusted as follows:

	£ per week
Open market rent per week	: 250.00

Less:

Lack of provision of white goods, carpets and curtains	:	<u>30.00</u>
Fair Rent:		£220.00 per week
Maximum Fair Rent as prescribed by the Rent Acts (Maximum Fair Rent) Order 1999:		<u>£133.50 per week</u>

5.4 The Tribunal does not consider that in the present day market, there is any substantial scarcity element and accordingly no further deduction is made for scarcity.

Judge C Wood

16 March 2021