

FIRST - TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference : CAM/26UG/F77/2018/0039

Property : 23 Castle Road St Albans AL1 5DQ

Applicant : Mr R Lewis

Respondent : Area Estates Limited

Date of Application : 10 December 2018

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Type of Application : Determination of the registered rent

under Section 70 Rent Act 1977

Tribunal : Mrs E Flint DMS FRICS

Mr J Francis QPM

Date and venue of

meeting

18 February 2019

Cambridge County Court 197 East

Road Cambridge CB1 1BA

DECISION

The registered rent with effect from 18 February 2019 is £115 per week.

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Background

- 1. On 9 October 2018 the landlord applied to the rent officer for registration of a fair rent of £122.40 per week for the above property.
- 2. The rent payable at the date of the application was £102 per week which had been registered by the rent officer on 14 November 2016 2015 with effect from 24 November 2016.
- 3. On 26 November 2018, the rent officer registered a fair rent of £114.50 per week with effect from the same date.
- 4. The tenant objected to the rent determined by the Rent Officer.
- 5. Both the landlord and tenant wished the matter to be dealt with on the basis of written representations and an inspection by the Tribunal. Written representations were made by Hamways on behalf of the landlord, written representations were also received on behalf of the tenant.
- 6. The tribunal inspected the house on the morning of 18 February 2019.

The Evidence

- 7. On behalf of the landlord, Ms Alexander of Hamways described the house as having 3 rooms, kitchen and bathroom/wc and stated that the market rent was in excess of the registered rent. They referred to two asking rents of three bedroom terraced houses: one in Castle Road at £335 per week and another nearby at £368 per week. Taking into account the tenant's improvements, the condition of the house and the terms of the tenancy the registered rent was fair and reasonable.
- 8. On behalf of the tenant it was noted that the landlord's comparables were both three bedroom properties: the subject had three bedrooms as built but no bathroom. Mr Lewis had converted the rear room into a shower room/wc, without this improvement there would be no bathing facilities.
- 9. The comparables are both in an excellent state of repair, have central heating and have been modernised throughout, justifying the level of asking rent. The condition of the subject premises is poor by comparison.

Inspection

10. The property which comprises a two storey Victorian terraced house is situated in a heavily parked residential street close to local shopping and transport facilities, the main line station is approximately one mile.

- 11. The accommodation comprises two small living rooms and a kitchen on the ground floor and two bedrooms and shower/wc on the first floor and an external wc. The tenant fitted the kitchen units in the 1970's and replaced the window some years ago. The first floor layout is poor: the shower room is accessed via the rear bedroom. The stairs to the first floor are very steep.
- 12. The windows throughout are in poor condition: all are single glazed some are original sliding sash windows and others wooden framed opening and fixed units installed many years ago by the tenant. There are a number of slipped and cracked slates on the roof. There was damp staining on the chimney breast in the front bedroom.
- 13. Social services had an electric wall mounted heater installed in the living room and a fan heater in the shower room. The bedrooms and kitchen are unheated. The landlord has recently rewired with surface mounted conduit and installed a small hot water heater over the kitchen sink.
- 14. The tenant installed the shower and wc in what was a bedroom in the back addition, there is no wash basin in the shower room. The hot water is provided by an electric shower unit.

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. It did this by having regard to the evidence supplied by the parties and the Tribunal's own general knowledge of market rent levels in St Albans. Having done so, it concluded that the likely market rent for the flat would be £300 per week.
- 16. However, it was first necessary to adjust the hypothetical rent of £300 per week to allow for the differences between the terms and condition considered usual for such a letting and the condition of the actual property at the date of the inspection, ignoring the tenant's improvements, (disregarding the effect of any disrepair or other defect attributable to the tenant or any predecessor in title). The Tribunal noted that the houses available on the open market were all modernised and centrally heated with white goods, floor and window coverings. The lack of a wash basin, central heating, double glazing, floor coverings and curtains or blinds together with the general poor state of repair would reduce the rental value. The Tribunal considered that these differences required a deduction of £150 per week.
- 17. This leaves an adjusted market rent for the subject property of £150 per week. The Tribunal was of the opinion that there was substantial scarcity in the commuter belt of Hertfordshire for similar properties

and therefore made a deduction of approximately 15% from the market rent to reflect this element. The Tribunal's uncapped fair rent is £128 per month.

Decision

- 18. The uncapped fair rent initially determined by the Committee, for the purposes of section 70, was accordingly £128 per week.
- 19. However, by virtue of the Rent Acts (Maximum Fair Rent) Order 1999 the maximum fair rent that can be registered in the present case is the lower sum of £115 per week (Details are provided on the back of the decision form).
- 20. Accordingly the sum of £115 per week will be registered as the fair rent with effect from 18 February 2019 being the date of the Tribunal's decision.

Chairman: Evelyn Flint

Dated: 19 February 2019