



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

**Case Reference** : **CAM/00MC/F77/2019/0008**  
**Property** : **255 Oxford Road, Reading RG1 7PY**  
**Applicant (Tenant)** : **Mr M L Edmonds**  
**Respondent (Landlord):  
Agent** : **Lower Church Street Properties Ltd  
Hamways Ltd**  
**Type of Application** : **Determination of a fair rent under  
Section 70 of the Rent Act 1977**  
**Tribunal Members** : **Judge JR Morris  
Mrs Wilcox BSc MRICS**  
**Date of Decision** : **30<sup>th</sup> April 2019**

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**DECISION**

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**DECISION**

1. The Fair Rent for the Property payable from the 30<sup>th</sup> April 2019 is determined to be £219.00 per week which is the capped rent under the Rent Acts (Maximum Fair Rent) Order 1999. The uncapped rent being £268.00 per week.

**REASONS**

**THE PROPERTY**

2. The Property is a three-storey end of terrace house of brick under a slate roof constructed in 1886.

**Accommodation**

The Property comprises a hallway with stairs rising to the first floor, two living rooms, a kitchen and utility room on the ground floor, two bedrooms and a bathroom with separate w.c on the first floor and two bedrooms on the second floor. There is also a cellar. There are gardens to front and rear.

### Services

The Property has mains electricity, gas, water and drainage. Space heating was originally by open fires and is now by tenant's own appliances. Water heating is by an electric immersion heater for the bathroom and an electric water heater at the kitchen sink.

### Furnishing

The Property is let unfurnished.

### Location

The Property is situated in a commercial street on the edge of a residential area on the edge of Reading town centre.

## **THE TENANCY**

3. The Tenancy is a statutory regulated weekly tenancy, which commenced in 1970. Being a tenancy for 7 years or less, section 11 of the Landlord and Tenant Act 1985 applies in respect of Landlord's repairing obligations. The Tenant is responsible for internal decoration.

## **THE REFERRAL**

4. The current rent is £198.00 per week registered on 11<sup>th</sup> April 2017 and effective from that date. The Landlord by a notice in the prescribed form received by the Valuation Office Agency on the 11<sup>th</sup> January 2019 proposed a new rent of £1,029.60 per calendar month which equates to £237.60 per week. On 25<sup>th</sup> February 2019 the Rent Officer registered a rent of £219.00 per week effective from 11<sup>th</sup> April 2019. The registered rent was capped under the Rent Acts (Maximum Fair Rent) Order 1999, the uncapped rent being £268.00 per week. On 15<sup>th</sup> March 2019 the Tenant referred the Rent Officer's assessment to the Tribunal. The referral was by way of written representations.

## **THE INSPECTION**

5. The Tribunal inspected the Property in the presence of the Tenant, Mr Edmonds, and Mrs Edmonds.
6. Externally the Property is in fair condition. There are upvc double glazed sliding sash windows and a timber front door. The timber front door has been re-decorated by the Tenant as has the scullery. There are upvc rainwater goods. The area over the back door is covered by a timber structure with a corrugated plastic roof. There is a lean-to brick store. There is a town garden at the rear with a side gate giving access to the street. There is no off-road parking. A resident's parking permit scheme operates in the adjacent roads
7. Internally the Property is in fair condition. The Landlord has re-wired the house and fitted a new floor in the kitchen to remedy woodworm.
8. As let, there was a butler sink in the scullery, now a utility room. This was replaced by the Tenant with a sink unit with hot water from a water heater

also installed by the Tenant. The Tenant said he had also replaced the original brick floor and re-plastered the walls. The present kitchen, referred to on the Rent Register as a breakfast room, is currently unfitted, the units installed by the Tenant were removed in order to allow a new floor to be laid and for the Property to be re-wired. The room still contains the Tenant's cooker. The rooms have, *pro temp*, in effect returned to their original use as let.

9. As let, the bathroom only had a bath. The Tenant had the bath re-enamelled and plumbed in a wash hand basin. The water for the bath is heated from an electric immersion tank although this appears dated and is no longer used by the Tenant and his family. Instead the Tenant installed an electric shower over the bath.
10. Floor coverings, curtains and white goods are the Tenant's.

### **THE LAW**

11. The law applicable to this application is contained in the Rent Act 1977.

### **REPRESENTATIONS**

12. In written representations the Tenant stated that the Property required external re-decoration. The Property had been re-wired and the kitchen floor replaced due to the previous floor being infested with woodworm.
13. The replacement floor has been replaced with chipboard and the tenant had been advised that a covering of sheet materials would be required before vinyl flooring could be laid which is likely to be costly.

### **RENT ASSESSMENT**

14. The Tribunal noted that the Tenant was rather aggrieved as he had been advised by the builder that the new kitchen floor, due to its lack of porosity, would require an additional layer of sheet material, such as hardboard, to enable vinyl flooring to be effectively laid, which would add to the cost. For the purposes of the rent assessment the Tribunal takes into account that a new floor has been laid by the Landlord. It also takes into account that the floorcoverings are provided by the tenant. However, it did not feel it could make a particular allowance for sheet material in this instance. The Tribunal was of the opinion that there is a range of products in the form of floorcoverings and adhesives which the Tenant might inquire about which may enable the Tenant to lay a floorcovering of choice without having to lay additional sheet material.
15. The Tribunal assessed the rent for the Property as at the day of the inspection pursuant to section 70(1) Rent Act 1977 (having regard in particular to the age, character, locality, state of repair of the property and all the circumstances other than personal circumstances). The Tribunal took account of the relevant cases and legislation including *Spath Holme Ltd v Greater Manchester Rent Assessment Committee* (1996) 28 HLR 107, *Curtis v The London Rent*

*Assessment Committee [1997] 4 All ER 842 and BTE Ltd v Merseyside and Cheshire Rent Assessment Committee 24<sup>th</sup> May 1991.*

16. The Tribunal is required under the legislation and case law to assess a rent for the Property by reference to comparable properties in the open market taking into account the matters referred to above. It then considers whether or not a deduction for scarcity should be made, which varies depending on the market within a locality from time to time.
17. Neither party provided rental values of comparable properties, therefore the Tribunal used the knowledge and experience of its members. The Tribunal determined that the rent for the Property, taking into account the location, in good condition with central heating, double-glazing, modern kitchen and bathroom, and let with carpets, curtains and white goods on an Assured Shorthold Tenancy on the same terms at the time of inspection would be £380.00 per week. However, the Tribunal made a global deduction of £115.00 per week to take account of:
  - The lack of central heating;
  - The renewal of six internal doors and other improvements;
  - The basic kitchen and the Tenant's installation of a water heater;
  - The basic and dated bathroom but for the Tenant's improvements including the installation of the shower;
  - The lack of carpets, curtains and white goods;

It should be noted that this figure cannot be a simple arithmetical calculation and is not based specifically upon capital cost but is the Tribunal's estimate of the amount by which the rent would have to be reduced to attract a tenant.

## **SCARCITY**

18. Assessing a scarcity percentage cannot be a precise arithmetical calculation because there is no way of knowing either the exact number of people looking for properties similar to the subject property in the private sector or the exact number of such properties available. It can only be a judgement based on the years of experience of members of the Tribunal together with a consideration of the properties advertised as being to let as at the time of the assessment.
19. That experience and consideration leads the Tribunal to the view that there is no substantial scarcity of "... similar dwelling houses in the locality...", in this case Berkshire as at the day of the inspection, that are available for letting, and so no deduction is made to reflect this.

## **TRIBUNAL'S CALCULATIONS**

20. Market Rent:	£380.00 per week
Less global deduction	<u>£115.00</u>
	£265.00

As the uncapped Fair Rent of £265.00 per week assessed by the Tribunal is the same as that assessed by the Rent Officer, the Tribunal therefore confirms the Rent Officer's assessment.

21. The provisions of the Rent Acts (Maximum Fair Rent) Order 1999 require that the registered rent is either the capped Fair Rent or the Fair Rent decided by the Tribunal whichever is the lower. The capped Fair Rent is calculated in accordance with a statutory formula using the existing rent as a base. The capped rent in this case is £219.00 per week, which is less than the Fair Rent assessed by the Rent Officer which is confirmed by the Tribunal and therefore the capped rent of £219.00 per week assessed is to be registered.
22. It should be noted that this is the maximum rent that may be charged. A registered social landlord may charge a lesser amount as a landlord can take factors into account which neither the Rent Officer nor the Tribunal can under the legislation.

**FAIR RENT = £219.00 per week**

### **Judge JR Morris**

**Caution:** The Tribunal inspected the subject property for the purposes of reaching this decision. The inspection was not a structural survey and any comments about the condition of the property in this statement must not be relied upon as a guide to the structural or other condition of the property.

### **APPENDIX - RIGHTS OF APPEAL**

1. If a party wishes to appeal the decision to the Upper Tribunal (Lands Chamber) then a written application for permission must be made to the First-tier Tribunal at the Regional office which has been dealing with the case.
2. The application for permission to appeal must arrive at the Regional office within 28 days after the Tribunal sends written reasons for the decision to the person making the application.
3. 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.
4. 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.