



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

Case reference : **KA/LON/00AC/F77/2021/0055**

HMCTS code (paper, video, audio) : **V: CVPREMOTE**

Property : **24 Bookbinders Cottages, Bawtry Road, London, N20 0SS**

Applicant : **Ms Josie Brooker**

Representative : **Ms Valerie Biggerstaff and Ms Christine Yesil (the applicant's daughters)**

Respondent : **The Book Trade Charity**

Representative : **Ms Glenda Barnard, Housing Manager, The Book Trade Charity**

Type of application : **Section 70 Rent Act 1977**

Tribunal member : **Mr Charles Norman FRICS
Valuer Chairman**

Venue : **10 Alfred Place, London WC1E 7LR**

Date of Decision : **8 June 2021**

Date of Reasons : **9 June 2021**

DECISION

Covid-19 pandemic: description of Determination

This has been a remote video hearing which has been not objected to by the parties. The form of remote hearing was V: CVPREMOTE. A face-to-face hearing was not held because it was not practicable, and all issues could be determined in a remote hearing. The documents that I was referred to are in a bundle of 42 pages, the contents of which I have noted.

Background

1. On 14 September 2020, the landlord applied to the Rent Officer for registration of a fair rent of £750 per month for the above property. This was a new registration.
2. The rent payable at the time of the application was £273 per month.
3. On 4 November 2020, the Rent Officer registered a fair rent of £890 per calendar month with effect from the same date.
4. By letter dated 27 November 2020, the tenant objected to the rent determined by the Rent Officer and the matter was referred to the Tribunal. The tenant also authorised Ms Yesil to represent her.
5. On 8 March 2021, the Tribunal issued directions setting the matter down for determination by written submissions unless either party requested a remote video hearing, which the tenant did. The landlord was directed to complete a Reply form and supply documents upon which it wished to rely by 22 March 2021 and the tenant likewise by 5 April 2021. The landlord was allowed to serve a Reply by 12 April 2021. Both parties made written submissions but neither supplied photographs of the property nor market comparables.
6. I did not inspect the property but made an unaccompanied visit to the locale on 7 June 2021.

Hearing

7. A remote video hearing took place on 8 June 2021. The tenant was represented by Ms Yesil and Ms Biggerstaff. The landlord was represented by Ms Barnard.
8. To assist the parties, I read extracts from section 70 of the Rent Act 1977 (see appendix below). I explained that the Tribunal's role was limited to considering the appeal from the Rent Officer's determination. By virtue of section 70(2) I was not allowed to take into account the personal circumstances of either party. I will not therefore refer to them in this Decision.

The Property

9. From the Rent Officer registration, the parties' submissions, and answers to questions in the hearing I find that the property is a ground floor flat within a building dating from the 1920s or 1930s. The accommodation comprises one bedroom, one living room, a wet room with shower (no bath)/WC and kitchen. The property was let with gas central heating. There is garden access. The windows are double glazed. The tenant supplied carpets/ curtains and white goods.

Evidence

The Landlord's Case

10. The landlord's case was that the market rent was £1200-£1400 per month if the property was let in very good condition on an assured shorthold tenancy (AST). Other similar properties at 21-28 Bookbinders Cottages owned by the Charity had been let at £722 -£780 per month and these were at a 35% discount to market rents. The landlord did not produce any comparables to support market rents.
11. The landlord stated that the kitchen was of a good size, modern fitted with integral oven and ceramic hob.

The Tenant's Case

12. The tenant pointed out that new flats in the vicinity had solar powered energy. No 24 had not been modernised or decorated for many years. Ms Yesil told the Tribunal that she had recently let a one bedroom flat in Friern Barnet in very good condition on an AST at £1050 per month.
13. The tenant's case was that there was a freestanding old fashioned oven and gas hob combined. The cupboards were basic, and the room needed updating. There was only a single door to the garden rather than French Windows.

The Law

14. When determining a fair rent the Tribunal, in accordance with the Rent Act 1977, section 70, had regard to all the circumstances (other than personal circumstances) including the age, location and state of repair of the property.
15. In *Spath Holme Ltd v Chairman of the Greater Manchester etc. Tribunal* (1995) 28 HLR 107 and *Curtis v London Rent Assessment Tribunal* [1999] QB 92 the Court of Appeal emphasised 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 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).

Valuation

16. During the hearing I referred the parties to the market comparables which the Rent Officer had supplied. These were at £1200, £1075, and £1050 per month but no further detail was provided. I have also considered Ms Yesil's letting. The first two Rent Officer comparables predate the pandemic with the third comparable of £1050 per month dating from May 2020. I therefore find that if the property was in very good, modernised condition, the market rent would be £1050 per month.
17. In relation to the kitchen, in the absence of photographs, on balance I prefer the tenant's description because it is more detailed. I also accept the tenant's submission that the wet room is past its best. This is because the landlord accepted that this was installed several years ago.
18. Therefore, from the starting point of £1050 per month I consider that the following adjustments are necessary to reflect the condition of the subject property:
 - No modern fitted kitchen 10%
 - No modern bathroom (with a wet room being unattractive to most market tenants) 10%
 - Lack of white goods, curtains/carpets 5%

This aggregates to 25% or £262.50 per month leaving an adjusted market rent of £787.50 month.
19. I found that there was substantial scarcity in the locality of Greater London and therefore made a deduction of 20% (£157.50 per month) from the adjusted market rent to reflect this element. This scarcity is evidenced by long local authority and housing association waiting lists in Greater London.
20. It follows that I find that the fair rent is £630 per month.
21. This amount is not limited by the Rent Acts (Maximum Fair Rent) Order 1999, because this is a new registration.

22. Accordingly, the sum of £630 per month is determined as the fair rent with effect from 8 June 2021 being the date of the Tribunal's decision.

Mr Charles Norman FRICS

9 June 2021

ANNEX - RIGHTS OF APPEAL

- The Tribunal is required to set out rights of appeal against its decisions by virtue of the rule 36 (2)(c) of the Tribunal Procedure (First-tier Tribunal)(Property Chamber) Rules 2013 and these are set out below.
- If a party wishes to appeal against this 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.
- 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.
- 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.
- 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.

Appendix

Rent Act 1977

Section 70 Determination of fair rent.

(1) In determining, for the purposes of this Part of this Act, what rent is or would be a fair rent under a regulated tenancy of a dwelling-house, regard shall be had to all the circumstances (**other than personal circumstances**) and in particular to—

(a) the age, character, locality and state of repair of the dwelling-house, . . . F1

(b)if any furniture is provided for use under the tenancy, the quantity, quality and condition of the furniture [F2, and]

[F2(c)any premium, or sum in the nature of a premium, which has been or may be lawfully required or received on the grant, renewal, continuance or assignment of the tenancy.]

(2)For the purposes of the determination it shall be assumed that the number of persons seeking to become tenants of similar dwelling-houses in the locality on the terms (other than those relating to rent) of the regulated tenancy is not substantially greater than the number of such dwelling-houses in the locality which are available for letting on such terms.

(3)There shall be disregarded—

(a)any disrepair or other defect attributable to a failure by the tenant under the regulated tenancy or any predecessor in title of his to comply with any terms thereof;

(b)any improvement carried out, otherwise than in pursuance of the terms of the tenancy, by the tenant under the regulated tenancy or any predecessor in title of his;

(c)(d). F3

(e)if any furniture is provided for use under the regulated tenancy, any improvement to the furniture by the tenant under the regulated tenancy or any predecessor in title of his or, as the case may be, any deterioration in the condition of the furniture due to any ill-treatment by the tenant, any person residing or lodging with him, or any sub-tenant of his.

F4[(3A)In any case where under Part I of the Local Government Finance Act 1992 the landlord or a superior landlord is liable to pay council tax in respect of a hereditament (“the relevant hereditament”) of which the dwelling-house forms part, regard shall also be had to the amount of council tax which, as at the date on which the application to the rent officer was made, was set by the billing authority—

(a)for the financial year in which that application was made, and

(b)for the category of dwellings within which the relevant hereditament fell on that date,

but any discount or other reduction affecting the amount of council tax payable shall be disregarded.

(3B)In subsection (3A) above—

(a)“hereditament” means a dwelling within the meaning of Part I of the Local Government Finance Act 1992,

(b)“billing authority” has the same meaning as in that Part of that Act, and

(c)“category of dwellings” has the same meaning as in section 30(1) and (2) of that Act.]

(4)In this section “improvement” includes the replacement of any fixture or fitting.

[F5(4A)In this section “premium” has the same meaning as in Part IX of this Act, and “sum in the nature of a premium” means—

(a)any such loan as is mentioned in section 119 or 120 of this Act,

(b)any such excess over the reasonable price of furniture as is mentioned in section 123 of this Act, and

(c)any such advance payment of rent as is mentioned in section 126 of this Act.]

(5).

(emphasis added)