

FIRST - TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference	:	LON/00AN/F77/2022/0098 P:PAPERREMOTE
Property	:	Flat 21 Bridge Avenue mansions Bridge Avenue London W6 9JB
Applicant	:	Christine F Bartzocas
Respondent	:	Dorrington Flats Limited
Representative	:	Savills UK Limited
Date of Application	:	15 June 2022
Type of Application	:	Determination of the registered rent under Section 70 Rent Act 1977
Tribunal	:	Mrs E Flint DMS FRICS
Date and venue of hearing	:	16 August 2022 remote hearing on the papers

DECISION

The registered rent with effect from 16 August 2022 is $\pounds 877$ per month inclusive of $\pounds 141.36$ service charge.

This has been a hearing on the papers which has been consented to by the parties. The form of remote hearing was P:PAPERREMOTE, a paper determination which is not provisional. A face to face hearing was not held because it was not practicable and all the issues could be determined on the papers. The documents that I was referred to are in a bundle, the contents of which I have recorded.

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Background

- 1. On 12 April 2022 the landlord applied to the rent officer for registration of a fair rent of £9921.60 per year inclusive of £2413.89 service charge for the above property.
- 2. The registered rent at the date of the application was £689 per month inclusive of £84.28 service charge which had been registered by the rent officer on 7 December 2017 with effect from the same date.
- 3. On 6 June 2022, the rent officer registered a fair rent of £863.50 per month inclusive of £141.36 service charge with effect from the same date.
- 4. On 15 June 2022 the tenant objected to the registered rent.
- 5. The tenant occupies under the terms of a tenancy agreement which commenced in 1 December 1980.
- 6. Owing to the Covid 19 restrictions the parties were asked if they would consent to the application being dealt with on the papers. Neither party objected. Written representations were received from the tenant and on behalf of the landlord.

The Evidence

- 7. Bridge Avenue Mansions is situated within easy walking distance of the main shopping area in hammersmith and its comprehensive transport facilities. The accommodation which is on the third floor of a purpose built mansion block comprises four rooms, kitchen, bathroom/wc.
- 8. Ms Bartzocas stated that the flat was unmodernised; she had replaced the kitchen sink and units and tiled the bathroom walls. The bath itself was over 50 years old. The flat is difficult to heat she had provided the gas fire in the living room, there was a convector heater in the hall provided by the landlord a number of years ago and the windows were single glazed with some frames in poor condition. The flat suffered from mould in the winter. The accommodation is expensive to heat. The 2018 EPC was F. The carpets, curtains and white goods were supplied by the tenant.
- 9. On behalf of the landlord, it was stated that planning permission had been obtained to replace all the windows in the block with double glazing which would improve the energy efficiency of the block. Draft EPCs had been obtained to enable the landlord to consider what other energy efficiency measures could be carried out.
- 10. The flat was in a desirable location with good transport links. The increase in the registered rent over the five and a half years since the

last review was supported by rental growth indices for south west London.

The Law

- 11. When determining a fair rent the tribunal, in accordance with section 70 of the Rent Act 1977, must have regard to all the circumstances including the age, location and state of repair of the property. It also must disregard the effect if any of any relevant tenant's improvements and the effect of any disrepair or any other defect attributable to the tenant or any predecessor in title under the regulated tenancy, on the rental value of the property.
- 12. 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:

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 to that of a regulated tenancy, and

That for the purposes of determining the market rent, assured tenancy market rents are usually appropriate comparables; adjusted as necessary to reflect any relevant differences between the comparables and the subject property.

Valuation

- 13. 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. The Tribunal relied on its own general knowledge of rental values in Hammersmith and concluded that the likely market rent for the property would be £3000 per month.
- 14. However, it was first necessary to adjust the hypothetical rent of £3000 per month 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 valuation date, ignoring any 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 properties available on the open market were modern or modernised, with white goods, floor and window coverings. The Tribunal considered that these differences, the lack of modernisation including the poor energy efficiency resulting in high energy usage at a time of rising costs together with the terms and conditions of the tenancy required a deduction of £1500 per month.
- 15. This leaves an adjusted market rent for the subject property of £1500 per month. The Tribunal was of the opinion that there was substantial scarcity in London for similar properties and therefore made a

deduction of 20% from the adjusted market rent to reflect this element. The Tribunal's uncapped fair rent is £1200 per month.

Decision

- 16. The uncapped fair rent initially determined by the Tribunal, for the purposes of section 70, was accordingly £1200 per month however this is above the maximum fair rent of £877 per month inclusive of £141.36 which can be charged under the Rent Acts (Maximum Fair Rent) Order 1999.
- 14. Accordingly, the sum of £877 per month will be registered as the fair rent with effect from 16 August 2022 being the date of the Tribunal's decision.

Chairman: Evelyn Flint

Dated: 16 August 2022

ANNEX - RIGHTS OF APPEAL

- i. If a party wishes to appeal 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.
- ii. 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.
- iii. 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.
- iv. 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.