



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

**Case Reference** : **LON/00BK/F77/2022/0057**

**Property** : **93 Pimlico Road,  
London, SW1W 8PH**

**Applicant** : **Ms Anita Money (Tenant)**

**Representative** : **None**

**Respondent** : **Grosvenor Estate Belgravia  
(Landlord)**

**Representative** : **Grainger Plc**

**Type of Application** : **S.70 Rent Act 1977 – Determination  
of a new fair rent**

**Tribunal Member** : **Mr N Martindale FRICS**

**Date and venue of  
Meeting** : **28 June 2022  
10 Alfred Place, London WC1E 7LR**

**Date of Decision** : **28 June 2022**

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**REASONS FOR DECISION**

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**Background**

- 1 The landlord applied to the Rent Officer for registration of a fair rent of for the property. The rent registered as payable at the time of the application was £14417 pa, capped, and with effect from 22 February 2019.
- 2 Earlier in 2022, the Rent Officer registered an increased but capped fair rent. There were no services. By a letter received by the Tribunal a party objected to the new rent. The objection was referred to this Tribunal, for a fresh determination of the fair rent.

## **Inspection**

- 3 The Tribunal did not inspect the Property owing to the restrictions imposed and arising from Covid 19. The Property appears from Google Streetview (@August 2021), to part of a very substantial late Nineteenth century multi-storey block in a busy part of Central London. This road is the A3214. The block extends from basement, ground and five upper floors. The ground and possibly basement floors are commercial.
- 4 Within part of this block the Property is located on at least 3 levels. It is formed of a substantial period maisonette with 5 rooms, kitchen, shower room/wc, bathroom/wc and kitchen.
- 5 The double pitched roof/ flat roof over the block is over a mix of brick and render to the front elevation, below. The windows appear to be double glazed units in plastic frames or timber sash with secondary glazing within. The front elevation appears in good condition. There was no additional information on the interior. There is no off-street parking. Neither party provided any additional information on the Property.
- 6 The property comprised 4 rooms, kitchen, bathroom, WC. The file notes show there is a full gas central heating, which had been added since last registration. The Tribunal made the assumption common in older established tenancies such as this one, that there were no carpets or curtains, or white goods included in the letting by the landlord.
- 7 The tenant did not report to the Tribunal any improvements which they had carried out or any items of disrepair which the landlord had not.

## **Evidence**

- 8 Directions for the progression of the case were issued. The Tribunal did not receive representations from either party. Neither party requested a hearing. The case was determined only on the papers.

## **Law**

- 9 When determining a fair rent the Committee, in accordance with the Rent Act 1977, section 70, had regard to all the circumstances including the age, location and state of repair of the property. It also disregarded 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.
- 10 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 emphasized
  - (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).

## **Decision**

- 11 Here the condition of a property is so much poorer than that of comparable properties, so that the rents of those comparables are towards twice that proposed rent for the subject property, it calls into question whether or not those transactions are truly comparable. Would prospective tenants of modernized properties in good order consider taking a tenancy of an unmodernised house in poor repair and with only basic facilities or are they in entirely separate lettings markets? The problem for the tribunal is that the only evidence of value levels available to us is of modernised properties. We therefore have to use this but make appropriate discounts for the differences, rather than ignore it and determine a rent entirely based on our own knowledge and experience, whenever we can. We therefore concur with the landlord's approach.
- 12 On the evidence of the tribunal's general knowledge of market rent levels in this location, the subject property if modernized and in good order would let on normal Assured Shorthold Tenancy (AST) terms, for £55000 pa.
- 13 The Tribunal makes allowance for the absence of carpet and curtains, for the lack of white goods and for its location on a busy road with the additional noise nuisance and restrictions on parking or waiting, right outside, an assumed functional but ordinary kitchen and bathroom, apparent absence of double and secondary glazing or central heating. These adjustments total a £22,000 pa deduction, producing a market rent of £33,000 pa, prior to considering scarcity.
- 14 The Tribunal also has to consider the element of scarcity and whether demand exceeded supply. The Tribunal found that there was a substantial scarcity in the locality of Greater London and therefore makes a further deduction of 20% from the adjusted market rent to reflect this element. This deduction results in an uncapped rent of £26,400pa.
- 15 The Tribunal is also required to calculate the Maximum Fair Rent Cap (MFRCap) which serves to limit the extent of increase in a fair rent on review. The cap is determined by a formula under statutory regulation, which whilst allowing for an element of inflation may serve to prevent excessive increases. The cap as the date of the tribunal's determination produces a figure of £17,906 pa. This figure is a combination of the previously registered rent being subject to the change in RPI between registration dates rounded up to the nearest 50p. There is no service charge element.

**Chairman N Martindale**

**Dated 28 June 2022**