

FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case reference : LON/00AP/F77/2023/0393

Property : Flat A, 123 Nelson Road, Hornsey,

London, N8 9RR

Tenant : Mr Matthew Connolly

Landlord : London & Quadrant Group

Date of objection : 4 November 2023

Type of application : Determination of Fair Rent under

Schedule 11 of the Rent Act 1977

Tribunal members : Judge H. Lumby

Mrs S Phillips MRICS

Venue : 10 Alfred Place, London WC1E 7LR

Date of decision : 21 February 2024

WRITTEN REASONS

Decisions of the tribunal

The tribunal determines that the fair rent of the Property is £218 per calendar month with effect from 21 February 2024. This is to be registered as the maximum fair rent as prescribed by the Rent Acts (Maximum Fair Rent) Order 1999.

Written reasons

Background

- 1. The Property is subject to a lease protected by Schedule 11 of the Rent Act 1977. The effect of this Act is that there is a maximum rent set for the Property, calculated by reference to a formula. If the fair rent calculated by reference to open market rents is in excessive of that maximum rent, then the maximum rent will apply. It is however open to landlords to charge a lower rent than the maximum rent and indeed they may have to as a result of separate caps on increases.
- 2. The maximum fair rent was last assessed in 2020 and set at £163 per week with effect from 27 October 2020. The Landlord applied to register a new fair rent of £179.30 on 21 September 2023. This was passed to the Valuation Office Agency who on 26 October 2023 registered a fair rent of £217 per week, using the maximum rent calculation.
- 3. The Tenant objected to this assessment which was referred to the Tribunal in November 2023 for determination.
- 4. The Tribunal did not inspect the Property as neither party requested an inspection and the Tribunal considered that it could make its determination without seeing the Property, based on the parties' submissions.
- 5. The Tribunal has issued its notice of determination today. That determination contains the calculation of the maximum fair rent, using the prescribed formula. These are the reasons for its determination.

Property

- 6. The Property comprises a self-contained flat, comprising three rooms, a kitchen diner and a bathroom/WC. Central heating and double glazing are provided by the Landlord but not white goods, carpets or curtains. The Property does not come with parking but has a private garden.
- 7. The Tenant has raised some general issues with the condition of the Property but has not made specific submissions. The Tribunal has taken the condition into account in reaching its determination.

8. The Landlord does not provide any services as part of the rent. Its responsibility for repair reflects the duties imposed on landlords by section 11 of the Landlord and Tenant Act 1985.

Comparables and market rent assessment

- 9. The Tribunal considered a number of comparables in the close vicinity of the Property. These had all been let with the information relied upon all freely available on the internet. The Tribunal had no private knowledge which it took into account in reaching its determination.
- 10. Based on these comparables, the Tribunal has assessed that the open market rent of the Property in full repair is £480 per week. The Tribunal has deducted 15% from this figure to reflect the non-provision of white goods or floor coverings or curtains and the need for modernisation. It has then deducted a further 20% from the resultant figure for scarcity. This gives a market rent of £326.40 per week.

Maximum Rent

- 11. The Tribunal next considered the maximum rent pursuant to the Rent Acts (Maximum Fair Rent) Order 1999. This requires the Tribunal to follow a prescribed formula to generate an uplift to the last registered fair rent. That formula is set out in the Notice of Determination issued by the Tribunal today.
- 12. Applying that formula gave a maximum rent figure as at today's date of £218 per week.

Decision

- 13. As the maximum rent figure of £218 per week is lower than the calculated rent figure of £326.40 per week, the Tribunal determines that the fair rent is the maximum rent figure of £218 per week.
- 14. As referred to above, the Landlord is open to charge a lower rent than this figure. The Tribunal notes that the Landlord has stated that it will only be increasing the rent by 7.7% (representing the CPI increase figure for September 2023 plus 1%.

| Name: | Tribunal Judge Lumby | Date: | 21 February 2024 | |
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Rights of appeal

By rule 36(2) of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013, the tribunal is required to notify the parties about any right of appeal they may have. 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.

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.

If the tribunal refuses to grant permission to appeal, a further application for permission may be made to the Upper Tribunal (Lands Chamber).