FIRST - TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference	:	LON/00AU/F77/2024/0046.
Property	:	100A Tufnell Park Road, London N7 0DT.
Tenant	:	Mr. M. and Mrs. E. Mohamed.
Landlord	:	Clarion Housing Association Ltd.
Date of Objection	:	3 December 2023.
Type of Application	:	Section 70, Rent Act 1977
Tribunal	:	Valuer Chair, Aileen Hamilton-Farey.
Date of Summary Reasons	:	3 April 2024

DECISION

The sum of £208.00 per week will be registered as the fair rent with effect from 3 April 2024 being the date the Tribunal made the Decision.

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REASONS FOR THE DECISION

Background

1. Following an objection from the Tenant to the determination of a fair rent by the Rent Officer, the Tribunal has determined the rent under the provisions of the Rent Act 1977.

Inspection

2. Tribunal did not inspect the property but considered this case on the basis of the papers provided by the parties.

Evidence

3. The Tribunal has considered the written submissions provided by the Tenant in that the rent registered by the Rent Officer was too high. No representations were received from the respondent landlord.

The Application

4. By an RR1 dated 12 October 2023 the landlord sought an increase in the rent. At the time of the application the registered rent was £156.00 per week inclusive of any service provided. The landlord sought an increase to £7,927.00 per annum (£152.45 per week) in place of the existing rent of £7,322.12 per annum (£140.81 per week). It is important to note that the registered rent at the time of the application was £156.00 per week, and it appears that the landlord, which is a social landlord, has not charged the tenant the registered rent, and was charging a lower amount of £140.81 per week (a difference of £15.29 per week). It may be that the landlord will not charge the tenant the full amount of the rent determined by this tribunal, but that is not a matter for this tribunal.

5. On 22 November 2023 the Rent Officer Service registered a new rent at \pounds 207.00 per week with effect from the same date. At that time the Rent Officer considered the uncapped rent to be \pounds 385.00 per week.

6. By an email dated 3 December 2023, the tenant objected to the rent set and the matter was referred to this tribunal.

7. The tribunal issued directions on 8 February 2024 that requested the parties provide details of any comparable properties that they wished the tribunal to consider, and any other details of the property that should be taken into consideration. No representations were received from either party, except those made by the tenant as part of the objection.

9. This considers that the rents in this locality have risen since the last registration tribunal and that a market rent for a fully refurbished, modernised property with white goods, carpets and curtains would attract a rent of \pounds 440.00 per week.

10. However, the subject property is not in the condition, nor has it the same amenities as an open market letting and the tribunal must therefore make adjustments to reflect those differences.

11. First of all the tribunal adjusted the market rent by 5% to reflect the terms of the tenancy, and then a further 15% to reflect the lack of carpet, curtains, white goods and lack of modernisation.

12. The tribunal then had to consider the deduction of 'scarcity' as required under the Rent Act 1977, and in this instance deducted 20% to reflect the fact that there is an imbalance in the supply and demand for property in the wide area of Greater London. The calculation of the rent achieved is set out below.

Determination and Valuation

13.

Market Rent	per week £ 435.00	
Less		
Terms of tenancy and lack of rece Modernisation approx. 15%	(£ 65.25)	
		<u>£ 369.75</u>
<i>Less</i> Scarcity	approx. 20% Adjusted market rent:	(<u>£_73.95)</u> £ 295.80

13. The Tribunal determines that the fully adjusted market rent for the subject property would be \pounds 295.80 per week. However, the tribunal must then carry out the calculation using the Maximum Fair Rent Order, a copy of that valuation is attached to the decision. The application of the MFR produced a rental of \pounds 208.00 per week.

14. The tribunal is therefore required to register whichever of the two valuations produces the lowest rent. In this case the MFR produces the lowest rent of $\pounds 252.00$ per week. This is therefore the rent that has been registered with effect from 2 April 2024.

Decision

14. The tribunal registers the Fair Rent for the subject property at £208.00 per week with effect from 2 April 2024. This figure is inclusive of service charge.

Chairman: Aileen Hamilton-Farey Date: 2 April 2024.