



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

**Case Reference** : **LON/00AF/F77/2024/0149  
P:PAPERREMOTE**

**Property** : **26 Otford Close London SE20 7WB**

**Applicant** : **Mr and Mrs B James**

**Respondent** : **Southern Housing**

**Date of Application** : **24 January 2024**

**Type of Application** : **Determination of the registered rent under  
Section 70 Rent Act 1977**

**Tribunal** : **Mrs E Flint FRICS**

**Date and venue of  
Hearing** : **18 June 2024  
remote on the papers**

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**DECISION**

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This has been a hearing on the papers which has been consented to by the parties. A face to face hearing was not held because it was not practicable, no-one requested the same. The documents that I was referred to were in an electronic bundle the contents of which we have recorded.

The registered rent with effect from 16 April 2024 is £240 per week.

## **Background**

1. On 15 November 2023 the landlord applied to the rent officer for registration of a fair rent of £162.83 per week for the above property.
2. The registered rent at the date of the application was £187 per week which had been registered by the rent officer on 13 March 2020 with effect from the same date.
3. On 12 January 2024, the rent officer registered a fair rent of £248 per week with effect from the same date.
4. The tenant objected to the registered rent on 24 January 2024.
5. The tribunal issued Directions on 25 April 2024. No written representations were received from or on behalf of either the landlord or the tenant.
6. I have viewed the locality on streetview.

## **The Evidence**

7. The property is a terrace house built c1980 in a cul-de-sac of similar properties, local shops and bus stops are within walking distance, the house is about a mile and a half from the railway station. The accommodation comprises three rooms, kitchen and bathroom/wc.

## **The Law**

8. 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 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. The Tribunal is unable to take into account the tenant's personal circumstances when assessing the fair rent.
9. 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**

10. In the first instance I 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 and on the terms considered usual for such an open market letting. As no evidence had been provided by either party I relied on my own general knowledge of rental values in SE20 and concluded that the likely market rent for the property in fully refurbished condition would be £450 per week.
11. However, it was first necessary to adjust the hypothetical rent of £450 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). I determined that the hypothetical rent should be reduced by £150 to reflect the difference in terms and conditions and degree of modernisation of the subject property.
12. This leaves an adjusted market rent for the subject property of £300 per week. I am of the opinion that there is substantial scarcity for similar properties in Greater London and therefore made a deduction of 20% from the adjusted market rent to reflect this element. The uncapped fair rent is £240 per week inclusive of a nominal service charge for maintaining the communal areas of the estate.

## **Decision**

13. The uncapped fair rent initially determined by me, for the purposes of section 70, is below the maximum fair rent of £255.50 per week calculated under the Rent Acts (Maximum Fair Rent) Order 1999. Therefore, the rent will not be capped under the provisions of the Order.
19. Accordingly, the sum of £240 per month will be registered as the fair rent with effect from 18 June 2024 being the date of my decision. The registered rent is the maximum which the landlord may charge: housing associations do not always charge the maximum rent.

*Chairman: Evelyn Flint*

Dated: 18 June 2024

## **ANNEX - 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 should be made on Form RP PTA available at <https://www.gov.uk/government/publications/form-rp-pta-application-for-permission-to-appeal-a-decision-to-the-upper-tribunal-lands-chamber>

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. Please note that if you are seeking permission to appeal against a decision made by the Tribunal under the Rent Act 1977, the Housing Act 1988 or the Local Government and Housing Act 1989, this can only be on a point of law.

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

