



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

Case Reference : **LON/00BK/F77/2023/0416.**

Property : **43 Charing Cross Mansions, 26
Charing Cross Road, London WC2H
0DG.**

Tenant : **Mr. T. Barklem & Ms. L. Biggs.**

Landlord : **Gascoyne Holdings Limited.**

Date of Objection : **22 November 2023.**

Type of Application : **Section 70, Rent Act 1977**

Tribunal : **Valuer Chair Aileen Hamilton-Farey
Mr. C. Piarroux JP.**

**Date of
Reasons** : **27 June 2024.**

DECISION

The sum of £16,830.00 per annum will be registered as the fair rent with effect from 24 June 2024 being the date the Tribunal made the Decision.

REASONS FOR THE DECISION

Background

1. The Rent Officer Service registered a rent of £14,976.00 for the subject property on 18 November 2023. The registered rent prior to the registration was £13,154.00 including service charges. The landlord requested a rent of £15,785.00 per annum in an RR1 dated 11 September 2023. Having received the new registered rent, the landlord objected to the rent and the matter was referred to this tribunal.

2. The tribunal issued directions on 19 December 2023, these requested that the parties provided examples of comparables on which they wished to rely in support of their case, and to say whether they wished the tribunal to have a hearing and inspect the property. Mr. Barklem requested a hearing, but neither party requested an inspection of the property.

3. Neither the landlord or tenant provided details of any comparable properties they wished the tribunal to take into account. Mr. Barklem provided a written submission in which he said that the tribunal should not set a market rent for the property, and that a fair rent should be set.

Hearing and Inspection.

3. During the hearing Mr. Barklem explained that the he was happy with the fair rent set by the Rent Officer, that the block was not modernised, did not have a lift, concierge, or air conditioning as would be found in modern lettings. He also confirmed that the property had been let without white goods, carpets or curtains and had not been furnished.

4. The tribunal confirmed that our jurisdiction is confined to setting the fair rent for the property, and that to do so, we must start with the market rent for the property and then make adjustments to reflect the actual tenancy and the property.

Evidence

6. There were no written submissions from the landlord, despite their objection. The tribunal therefore had no evidence of open market rentals for similar properties in the area.

Determination and Valuation

7. The tribunal must therefore use its own expert knowledge of rental values of similar properties in the area. Having done so, we came to an open market rent of £3,000 per calendar month (£36,000 per annum). However the

subject property is not in the condition that would be found in an open market rental, and the different terms of the tenancy must be taken into account, as well as making a deduction for the scarcity element as required under the Rent Act 1977. In this instance the tribunal makes the following deductions from the open market rent stated above.

- A deduction of 20% to reflect the absence of white goods, carpets and curtains, and modern fixtures and fittings, and the differing terms of the tenancy.
- 10% deduction to reflect condition on the basis that the property has not been modernised to a modern standard.
- A deduction of 20% to reflect the element of 'scarcity' as defined in the Rent Act 1977.

8. The full valuation is shown below:

Market Rent per annum	:	£36,000.00
<i>Less</i>		
20% for lack of white goods, carpets etc and different Terms of the tenancy:		<u>£ 7,200.00</u>
		£28,800.00
Less 10% to reflect unmodernised condition:		<u>£ 2,880.00</u>
		£25,920.00
Less scarcity @ 20%		<u>£ 5,184.00</u>
<u>Adjusted market rent:</u>		£20,736.00

The tribunal determines that the adjusted market rent for the subject property is £20,736.00 per annum.

9. Having carried out the above calculation, the tribunal is then required to calculate the Maximum Fair Rent using the statutory formula. A copy of the calculation is appended to the decision, and produced a MFR of **£16,830.00 per annum**

10. The rent payable by the tenant is the lower of either the MFR (£16,830) or the adjusted market rent (£20,736), and therefore the Tribunal determines that the fair rent for the property is **£16,830.00 per annum with effect from 24 June 2024.**

Chairman: Aileen Hamilton-Farey

Date: 27 June 2024.