



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

**Case Reference** : **GB/LON/00BK/F77/2024/0136**

**Property** : **Flat 11 Harley House, Brunswick  
Place, London, NW1 4PR**

**Tenant** : **Mrs Valentina Michaels**

**Landlord** : **Grainger Finance Company Limited**

**Date of Objection** : **6 February 2024**

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

**Tribunal** : **Mr C Norman FRICS**

**Date of Decision** : **3 September 2024**

**Date of Reasons** : **31 December 2024**

---

**REASONS**

---

## **Background**

1. On 9 November 2023, the landlord applied to the Rent Officer for registration of a fair rent of £47,001 per annum for the above property.
2. The rent payable at the time of the application was £692.30 per week which is equivalent to £36,000 per annum. The tenancy commenced on 1 January 1989.
3. On 17 January 2024 the Rent Officer conducted a consultation at the property in the presence of the tenant Mrs Michaels and her daughter Miss Michaels. The landlord was not represented.
4. On 23 January 2024, the Rent Officer registered a fair rent of £37,206 per annum with effect from 2 February 2024. This included services at £367.89 per annum.
5. By email dated 6 February 2024, the landlord objected to the rent determined by the Rent Officer and the matter was referred to the Tribunal.
6. On 11 April 2024, the Tribunal issued directions setting the matter down for determination on the papers without a hearing or inspection unless requested by either party. The Tribunal supplied and directed the return of Reply Forms from each party. Neither party requested a hearing or inspection.
7. On 3 September 2024, the Tribunal found that the fair rent was £37,440 per annum. It issued a Notice of Decision with effect from that date and summary reasons. Subsequently, the landlord requested full reasons.

## **The Landlord's Case**

8. The landlord did not respond to the appeal.

## **The Tenant's Case**

9. The tenant provided an extensive submission and detailed photographs of the property. These were based on a previous submission made in 2021, subject to some clearly marked updates. The submissions may be summarised as follows. An increase in rent was not justified as the landlord had neglected repairs and not addressed a faulty water supply. The Landlords ignored the disrepair. In the front living room, most of the windows no longer opened. The same applied to the study. The sash cords in front hallway window were broken. The kitchen was unmodernised and in poor condition including the lino floor. The tenant has been without hot water since August 2023. The windows were rotten allowing damp ingress. In relation to the back hallway,

following an escape of water from the flat above in June 2022 there had been water damage which had not been made good. The floorboards were in poor condition. The back door and shutters were rotten and rusted and this obstructed a fire egress. The first WC was unmodernised with a window which did not open. There was damage by water ingress from the ceiling. The second WC number had a window which could not be opened, and the extractor fan was broken. The third bedroom window frame was rotten and there was damp ingress. The second bathroom did not have a bathroom installed and was used for storage. The main bedroom had two windows, one of which did not open. The second bedroom had windows in poor condition which did not open easily. The main bathroom was unmodernised; there was damp ingress via a rotten window frame and the extractor fan was broken. The cold-water supply was faulty and constantly interrupted. Energy bills were too high owing to poor insulation and the condition of the windows. The tenant could not obtain home insurance. The tenant paid the Crown Estate Paving Commission a charge of £759.80 per annum. The tenants had replaced all their white goods. The tenant did not refer to any comparables.

### **The Rent Officer consultation notes**

10. The Rent Officer found that there were no changes from the 2017 inspection notes except for additional water damage to the hallway. This appeared to be causing damage to skirting board. There were also exposed electrical wires in the kitchen.

### **The Property**

11. From the form RR1<sup>1</sup>, the Rent Officer consultation notes, the rent register, the tenant's submissions and Google maps, the Tribunal finds that the property is a large fourth floor flat in Harley House. This is a prestigious building set back from Marylebone Road and close to Regent's Park. The accommodation comprises five rooms, kitchen bathroom, two WC's and a utility room. The property is unmodernised and suffers from significant issues with rotten windows, damp penetration and other defects. The floor area stated on the RR1 is 1654 sq. ft.

### **The Law**

12. When determining a fair rent the Tribunal, in accordance with the Rent Act 1977, section 70, had regard to all the circumstances (other than personal circumstances) including the age, location and state of repair of the property.

---

<sup>1</sup> Application for rent registration

13. In *Spath Holme Ltd v Chairman of the Greater Manchester etc. Tribunal* (1995) 28 HLR 107 and *Curtis v London Rent Assessment Tribunal* [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 - other than as to rent - to that of the regulated tenancy) and 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).
14. In addition, the Tribunal is required to take into account the Rent Acts (Maximum Fair Rent) Order 1999.

## **Findings**

15. The Tribunal first 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 that is considered usual for such an open market letting. It did this by having regard to the evidence provided by the Rent Officer and its own knowledge of rents in the Marylebone and Regent's Park areas. The Tribunal found that the starting point rent adopted by the Rent Officer of £78,000 per annum was correct, had the property been in good condition.
16. The Tribunal then found that downward adjustments were required to reflect the following: poor kitchen without hot water; tenants' white goods, carpets and curtains; broken and rotten windows and doors and floor defects; damp ingress (mainly from defective windows); unmodernised WC and bathroom and interruptions in the cold-water supply. The Tribunal assessed these matters as requiring an adjustment of 40% or £31,200 per annum. This left an adjusted rent of £46,800 per annum.
17. The Tribunal found that there was substantial scarcity in the locality of Greater London and therefore made a deduction of 20% (£9,360 per annum) from the adjusted market rent to reflect this element.
18. The uncapped fair rent determined by the Tribunal, for the purposes of section 70, was accordingly £37,440 per annum.
19. This rent was unaffected by the Rent Acts (Maximum Fair Rent) Order 1999 as it was below the maximum fair rent of £45,367 per annum. (Details are provided on the back of the decision form).

20. Accordingly, the sum of £37,440 per annum was registered as the fair rent with effect from 3 September 2024, being the date of the Tribunal's decision.

**Name:** Charles Norman FRICS

**Date:** 31 December 2024

### **ANNEX - RIGHTS OF APPEAL**

- The Tribunal is required to set out rights of appeal against its decisions by virtue of the rule 36 (2)(c) of the Tribunal Procedure (First-tier Tribunal)(Property Chamber) Rules 2013 and these are set out below.
- If a party wishes to appeal against 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.