



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

Case Reference : **LON/00AM/F77/2024/0647**

Property : **Flat 3, 10 Clapton Terrace, London, E5 9BW**

Tenant : **Mr H Khalifi**

Landlord : **Rivergrove Ltd**

Date of Objection : **06 September 2024**

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

Tribunal : **Judge S Brilliant
Ms S Redmond MRICS**

Date : **14 January 2025**

DECISION

The sum of £203.00 per week will be registered as the fair rent with effect from 14 January 2025, being the date the Tribunal made the Decision.

SUMMARY OF REASONS

Background

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

2. The lease was granted on 25 October 1982. The property is a self-contained flat in a Victorian/Edwardian building. It has partial central heating, and comprises three rooms, a kitchen and bathroom/WC.

Inspection

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

Evidence

4. The Tribunal has consideration of the written submissions provided by the Tenant.

Determination and Valuation

5. Having consideration of our own expert, general knowledge of rental values in the area, we consider that the open market rent for the property in good tenable condition would be in the region of £450.00 per week.

6. We would make a deduction from the open market rent to allow for:

- (a) the difference between the condition of the flat and a property in good tenable condition; and
- (b) the decorating provisions in the lease; and
- (c) the provision of white goods; and
- (d) improved, but not fully refurbished, a kitchen and bathroom/WC.

7. The amount we allow for reductions is 20% (£90.00), giving an adjusted figure of £360.00 per week.

8. From this figure we deduct the service charge of £9.43 per week. This produces a figure of £350.57.

9. We allow a reduction of 20% for scarcity, which is £70.11. This produces a figure of £280.46.

10. It is then necessary to add back on the service charge of £9.43 per week.

11. This produces a fair rent of £289.89 per week.

Improvements

12. The Landlord has given an allowance of £2,887.00 to the Tenant to refurbish the Kitchen and a new bathtub was installed. And this is reflected in the calculation of fair rent above.

13. MFR Order 1999 Article 2(7) provides that “This article does not apply in respect of a dwelling house if because of a change in the condition of the dwelling house or the common parts as a result of repairs or improvements (including the replacement of any fixture or fitting) carried out by the landlord...the rent that is determined in response to an application for registration of a new rent under Part IV exceeds by at least 15% the previous rent registered or confirmed”.

14. We adjust the figure of £90.00 in paragraph 7 above to £112.50 (about 25%) to reflect the unmodernised kitchen and old bath tub, giving an adjusted figure of £337.50.00 per week.

15. From this figure we deduct the service charge of £9.43 per week. This produces a figure of £328.07.

16. We allow a reduction of 20% for scarcity, which is £65.61. This produces a figure of £262.46.

17. It is then necessary to add back on the service charge of £9.43 per week.

18. This produces a fair rent of £271.89 per week.

19. The difference in rent because of the Landlord’s improvements is £289.89 per week less £271.89 per week, which amounts to £18.00 per week.

20. 15% of the previous rent registered of £170.50 is £25.785 which is more than the difference in rent resulting from the works carried out at the Landlord’s expense. Therefore, the rent is not exempt from the MFR Order.

Decision

21. The maximum fair rent calculation produces an MFR of £203 per week. The Tribunal therefore determines a rent of £203 per week for the purposes of section 70 Rent Act 1077.

Chairman: *Simon Brilliant*

Date: 14 January 2025

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).