



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

Case Reference : **LON/00AM/F77/2024/0633**

Property : **67A Lansdowne Drive, Hackney,
London E8 3EP**

Tenant : **Mr Lloyd French**

Landlord : **Islington & Shoreditch H.A.**

Date of Objection : **19 August 2024**

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

Tribunal : **Judge Tueje
Mr D Jagger MRICS**

**Date of summary
reasons** : **30th January 2025**

**Date of extended
reasons** : **6th March 2025**

DECISION

The sum of **£160.00** per week will be registered as the fair rent with effect from **16 December 2024** being the date the of the Tribunal's inspection

EXTENDED REASONS

Background

1. Following an objection from the Tenant to the determination of a fair rent by the Rent Officer which was forwarded to the Tribunal on 27th August 2024, the Tribunal issued directions dated 21st October 2024.
2. The Application relates to a tenancy agreement which is understood to have commenced in around November 1984. The tenancy agreement is subject to the implied repairing covenants provided at section 11 of the Landlord and Tenant Act 1985.

Evidence

3. In reaching its determination, the Tribunal considered its observations during an inspection that took place on 16th December 2024, in addition to the documentation provided, which was as follows:
 - 3.1 The Tenant's application to register the fair rent at £151.51 per week;
 - 3.2 An earlier rent register showing the rent registered on 21st March 2017 being £106.50 per week;
 - 3.3 An e-mail from the Tenant sent to the Valuation Office Agency on 23rd June 2024;
 - 3.4 The rent register showing the rent registered on 5th June 2024 being £158.50 per week;
 - 3.5 A letter from the Tenant sent to the Valuation Office Agency dated 19th August 2024 and the photographs enclosed;
 - 3.6 The Tenant's Reply form sent to the Tribunal.
4. The Tribunal also considered its own comparable evidence which ranged from £1,950- £2,200 per month, comprising:
 - 4.1 One 2-bedroom flat let for £1,950 in July 2024;
 - 4.2 One 2-bedroom flat let for £2,190 in July 2024; and
 - 4.3 Two 2-bedroom flats, both let for £2,200 in January 2025.
5. Neither party provided any comparable evidence.
6. The Tribunal's decision was notified to the parties in a written summary decision dated 30th January 2025.

The Inspection

7. The Tribunal inspected the property on the morning of the 16 December 2024 in the presence of the Tenant Mr French.
8. It was a visual inspection, and from the outside, the property was viewed from the ground only.
9. The property is a 3-storey former terrace house built in around the early 20th century, which has now been converted into 2 flats. The property which is the subject property of this application is a split level flat on the lower and upper ground floors of the building. There is external lighting to the building which runs from the Tenant's electricity supply.

10. The accommodation on the lower ground floor comprises a bedroom at the front, a living room, and a kitchen at the back of the property. Internal stairs lead up to a single bedroom, and a compact combined bathroom and WC on the upper level.
11. A section of the lower ground floor bedroom and living room walls were damp. The landlord carried out some works to remedy this, but the dampness has returned.
12. The landlord's fixtures were somewhat dated but serviceable.
13. The Tenant has use of a communal rear garden shared with the upper floor flat.
14. The Landlord has built a balcony and external staircase at the rear, reducing the natural light to the living room, and making privacy measures, such as blinds, appropriate when the bathroom is in use.
15. The property is located on a residential road mainly of houses of a similar age and design, with a small block of social housing at the end of the road. The property is around ¼ mile from the London Fields park and London Fields Overground station.

The law

16. When determining a fair rent the Tribunal, in accordance with the Rent Act 1977, section 70, "the Act", had regard to all the circumstances including the age, location and state of repair of the property. It also disregarded the effect of (a) any relevant tenant's improvements and (b) the effect of any disrepair or other defect attributable to the tenant or any predecessor in title under the regulated tenancy, on the rental value of the property.
17. In *Spath Holme Ltd v Greater Manchester and Lancashire Rent Assessment Committee (1995)* and *Curtis v London Rent Assessment Committee [1999]*, the Court of Appeal emphasised that ordinarily a fair rent is the market rent for the property discounted for 'scarcity'. This is 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.
18. The Tribunal is aware that *Curtis v London Rent Assessment Committee (1999) QB.92* is a relevant authority in registered rent determination. This authority states where good market rental comparable evidence i.e., assured shorthold tenancies is available enabling the identification of a market rent as a starting point it is wrong to rely on registered rents. The decision stated: "*If there are market rent comparables from which the fair rent can be derived why bother with fair rent comparables at all*".

19. The market rents charged for assured tenancy lettings often form appropriate comparable transactions from which a scarcity deduction is made.
20. These market rents are also adjusted where appropriate to reflect any relevant differences between those of the subject and comparable rental properties.
21. The Upper Tribunal in *Trustees of the Israel Moss Children's Trust v Bandy [2015]* explained the duty of the First Tier Tribunal is to present comprehensive and cogent fair rent findings. These directions are applied in this decision.
22. *The Rent Acts (Maximum Fair Rent) Order 1999* applies to all dwelling houses where an application for the registration of a new rent is made after the date of the Order and there is an existing registered rent under part IV of the Act. This Order restricts any rental increase to 5% above the previously registered rent plus retail price indexation (RPI) since the last registered rent.

Determination and Valuation

23. We have taken into account our own expert and general knowledge of rental values in the Hackney area, our comparable evidence, together with the Tenant's written submissions. The Tribunal considers that an achievable rent for a similar two-bedroom converted flat in a good marketable condition with reasonably modern kitchen and bathroom fittings, modern services with carpets, curtains and white goods provided by the Landlord would be **£440** per week. This is just below the lower end of the range of comparable properties, which were in respect of properties let in July 2024. The comparable properties let more recently achieved a higher rent. However, based on our observations during the inspection, we consider rent at the lower end of the range was appropriate.
24. From this level of rent we have made adjustments in relation to the following:
 - 24.1 No white goods, no carpets or curtains provided by the Landlord;
 - 24.2 Evidence of rising and penetrating damp and mould to the main downstairs bedroom and living room walls;
 - 24.3 Restricted day light in the living room due to the erection of a metal staircase;
 - 24.4 Poor room layout on the upper level, including a small bathroom and privacy issues; and

- 24.5 The terms of the tenancy requiring the Tenant pays for the external lighting.
25. We consider these adjustments equate to approximately **35%**
26. The Tribunal has made an adjustment of 20% for scarcity as it considers there is a restricted supply of similar rental properties in the general area.
27. The calculation for the valuation is shown below:

Market Rent		£440 pw
<i>Less</i>	approx. 35%	£154
<i>Terms and condition</i>	<i>Leaves</i>	£286
<i>Less</i>	20%	<u>£57.20</u>
<i>Scarcity</i>		£228.80

Decision

28. The provisions of the Rent Acts (Maximum Fair Rent) Order 1999 require that the registered rent is the lower of either the capped fair rent: the calculation of the capped rent is shown on the decision form, or the fair rent decided by the Tribunal, as set out above.
29. The uncapped fair rent initially determined by the Tribunal, for the purposes of section 70, was £228.80 per week. The capped rent for the property according to the provisions of the Rent Acts (Maximum Fair Rent) Order 1999 is calculated at £160.00 per week. In this case the lower rent of £160.00 per week is to be registered as the fair rent for this property.

Tribunal Judge: Judge Tueje

Date: 6th March 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.

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