



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

**Case reference** : **LON/00AG/F77/2025/0104**

**Property** : **Flat 3 Gardnor Mansions, Church Row,  
London NW3 6UR**

**Applicant  
(Landlord)** : **Martin Wolf CBE**

**Representative** : **AML Surveys and Valuation Ltd**

**Respondent  
(Tenant)** : **Ms S Whiteman**

**Representative** : **Miss M Wire (Spokesperson)**

**Type of application** : **Section 70 of the Rent ACT 1977**

**Tribunal members** : **Mr D Jagger MRICS  
Mrs J Hawkins**

**Date of Reasons** : **20 May 2025**

---

**Reasons**

---

**The Tribunal determines £27,720 per annum is to be registered as the fair rent for the above property with effect from the 20 May 2025 being the date of the Tribunal's decision.**

The reasons for this decision are set out below.

## **Reasons**

### **Background**

1 On 6 November 2024 the landlord, applied to the Valuation Office Agency (Rent Officer) for registration of a fair rent of £36,660 per annum (£3055 per month) for the property.

2 The previous Registered Rent at the time of the application was £22,489 per annum, effective from 14 February 2020 some 5 years ago.

3 On 17 December 2024 the Rent Officer registered a fair rent of £23,760 per annum effective from that date. The amount attributable to services was £1890 per annum. The rent increase imposed by the Rent Officer has not been “capped” or limited by the operation of the Rent Acts (Maximum Fair Rent) Order 1999 (‘the Order’).

4 By an email dated 17 January 2025 from AML Surveys and Valuation Ltd, the landlord objected to the rent determined by the Rent Officer and the matter was referred to this Tribunal. In the tenant’s Reply Form, the tenant requested an inspection and neither party requested a hearing to determine this matter.

5 These reasons address in summary form the key issues raised by the parties. They do not recite each point referred to in submissions but concentrate on those issues which, in the Tribunal’s view, are fundamental to the determination.

### **The law**

6 When determining a fair rent the Tribunal, in accordance with the Rent Act 1977, section 70, 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 (a) any relevant tenant's improvements and (b) the effect of any disrepair or other defect attributable to the tenant, on the rental value of the property. Section 70(2) of the Rent Act 1977 imposes on the Tribunal an assumption that the number of persons seeking to become tenants of similar dwelling house in the locality on the terms (other than those relating to rent) of the regulated tenancy is not substantially greater than the number of such dwelling houses in the locality which are available for letting on such terms. This is commonly called ‘scarcity’.

In *Spath Holme Ltd v Chairman of the Greater Manchester Council* (1995) 28 HLR 107 and *Curtis v London Rent Assessment Tribunal* [1999] QB 92 the Court of Appeal emphasised

- (a) 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
- (b) 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).

The Rent Acts (Maximum Fair Rent) Order 1999 places a “cap” on the permissible amount of the increase of a fair rent between one registration and the next, by reference to the amount of the increase in the United Kingdom Index of Retail Prices between the dates of the two registrations. Where the cap applies the Rent Officer and the Tribunal is prevented from increasing the amount of the fair rent that it registers beyond the maximum fair rent calculated in accordance with the provisions of the Order and the mathematical formula set out in the Order.

By article 2(7) of the 1999 Order the capping provisions do 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 or a superior 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.*”

### **The Inspection.**

7 The Tribunal inspected the property on the 20 May 2025 in the presence of the tenant and Miss Wire. The landlord’s representative confirmed to the Tribunal by email that he would not be attending. The property is a large self-contained purpose built flat situated on the first floor of a six storey Victorian mansion block comprising 20 flats. The block has brick elevations under a slate covered mansard roof. Accommodation consists of 6 rooms, kitchen, bathroom and WC. The property is located in a well-regarded residential area convenient to local amenities and transport facilities. The property is approached via a communal area (Flats 1-10) with a staircase leading to the upper floors.

8 The property has no gas central heating, single glazed sash timber windows. Floor coverings, curtains, water heater and white goods were provided by the tenant.

## Terms of the tenancy

9 The Tribunal issued Directions on the 28 March 2025 and a further set of amended Directions were issued to the parties on the 30 April 2025. A copy of the tenancy agreement was not provided to the Tribunal. The landlord states in the application for registration of fair rent, the periodic protected tenancy commenced in September 1961.

## Evidence

10 The Tribunal had copies of the Valuation Office Agency correspondence including the rent registers effective from 14 February 2020 and the 17 December 2024 together with the detailed calculations for the most recent registration.

11 The landlord's surveyor Mr Andrew Lester MRICS submitted a Proof of evidence challenging the proposed increase in rent together with a completed Reply Form. The Tribunal considers this to be a well written report providing a calculation of each component of the valuation matters with a clear methodology. The report provides a schedule of comparable evidence, excerpts from previous Tribunal decisions, floor plan and photographs. In essence, Mr Lester calculates the annual market rent at £70,000 (£5,833 pcm) A 20% deduction of condition and 20% scarcity. This provides an adjusted annual rental figure of £44,800. Then applying the capping provisions this provides a lower figure of £32,219.50 pa, thus being his final calculation of the fair rent. The tenant provided a completed reply form.

## Valuation

12 In the first instance the Tribunal 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.

13 Based upon the detailed evidence provided by the landlord together with its expert knowledge of the Hampstead area. The Tribunal considers that the open market rent for the property if it were in good marketable condition with reasonably modern kitchen and bathroom fittings, modern services, central heating, carpets and curtains and white goods supplied by the landlord would be **£63,000** per annum. (£5,250 per month) This rental figure falls within the range of Mr Lesters comparable evidence.

14 Next, the Tribunal needs to adjust that hypothetical rent of £63,000 per annum to allow for the differences between the terms of this tenancy, the lack of white goods, carpets and curtains, original single glazed sash windows, cracking to ceiling plaster, no central heating, very dated and basic kitchen and sanitary fittings, poor configuration, restricted daylight to some rooms and the tenant's decorating responsibilities (disregarding the effect of tenant's improvements and any disrepair or other defect attributable to the tenant). All in all, the property is in need of significant refurbishment, upgrade of services

and is considered somewhat of a “time capsule”. It is for these reasons that the Tribunal departs from Mr Lester’s adjustment of only 20%.

15 The Tribunal has considered very carefully the condition of the property. Using its own expertise, the Tribunal considers that deductions of 45% should be applied in order to take into account the terms of the tenancy, the condition of the property and the lack of carpets, curtains and white goods. This provides a deduction of £28,350 per annum from the hypothetical rent. This reduces the figure to £34,650 per annum.

17 It should be noted that this figure cannot be a simple arithmetical calculation and is not based upon capital costs but is the Tribunal’s estimate of the amount by which the rent would need to be reduced to attract a tenant.

### **Scarcity**

18 Thirdly, the Tribunal then went on to consider whether a deduction falls to be made to reflect scarcity within the meaning of section 70(2) of the 1977 Act. The tribunal followed the decision of the High Court in *Yeomans Row Management Ltd v London Rent Assessment Committee*, in which it was held that scarcity over a wide area should be considered rather than scarcity in relation to a particular locality.

19 In the Tribunal’s opinion there should be a deduction of 20% for scarcity as it is considered demand outweighs supply of rented properties in the area. This provides a figure of £6,930 and therefore reduces the rent to **£27,720 per month**.

### **Conclusion**

20 The capping provisions of the Rent Acts (Maximum Fair Rent) Order do not apply and therefore the above figure is the new Registered Rent. For information, the capped rent in accordance with the attached calculations is £33,375 per annum.

21 Therefore, the fair rent to be registered limited by the Rent Acts (Maximum Fair Rent) Order 1999 is £27,720 per annum with effect from the 20 May 2025 being the date of the Tribunal’s decision.

22 Detailed calculations for the capped maximum fair rent are provided attached to the decision form.

**D Jagger MRICS Valuer Chair**

**20 May 2025**

## **RIGHTS OF APPEAL**

1. A person wishing to appeal this decision to the Upper Tribunal (Lands Chamber) must seek permission to do so by making written application by email to [rpslondon@justice.gov.uk](mailto:rpslondon@justice.gov.uk) to the First-tier Tribunal at the Regional office which has been dealing with the case.
2. The application must arrive at the Tribunal within 28 days after the Tribunal sends to the person making the application written reasons for the decision.
3. If the person wishing to appeal does not comply with the 28 day time limit, the person shall include with the application for permission to appeal a request for an extension of time and the reason for not complying with the 28 day time limit; the Tribunal will then decide whether to extend time or not to allow the application for permission to appeal to proceed.
4. The application for permission to appeal must identify the decision of the Tribunal to which it relates, state the grounds of appeal, and state the result the party making the application is seeking.