



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

Case Reference	:	LON/00BK/F77/2025/0074
Property	:	8 Queens Grove, London, NW8 6EL
Tenant	:	Mrs R Simmons
Landlord	:	The Eyre Estate
Representative	:	John Dyer of Savills PLC
Date of Objection	:	12 December 2024
Type of Application	:	Section 70, Rent Act 1977
Tribunal Members	:	Mrs Ratcliff MRICS Mr Miller
Date and venue of Consideration	:	14 May 2025 10 Alfred Place, London, WC1E 7LR
Date of Decision	:	3 June 2025

DECISION

The sum of £36,480 per annum will be registered as the fair rent with effect from 3 June 2025, being the date the Tribunal made the Decision.

REASONS

Background

1. The Landlord applied to the Rent Officer for registration of a fair rent of £48,798 per annum in relation to 8 Queens Grove, London, NW8 6EL, the subject property. The rent payable at the time was £40,665 per annum, registered with effect from 11th January 2022.
2. On 5 December 2024, the Rent Officer registered a fair rent of £31,824 per annum, with effect from 5 December 2024.
3. By email dated 12 December 2024, the Landlord objected to the rent registered by the Rent Officer and the matter was referred to the Tribunal on 20 December 2024.
4. The Tribunal issued Directions, dated 5 March 2025, setting out a timetable for submissions and return of Reply Forms. The Tenant replied that they considered an inspection and hearing were necessary, and made submissions relating to tenant's improvements, condition and the environment, as well as evidence of rents. The Landlord replied that they were content for the matter to be determined on the papers and made submissions relating to the scale of decrease between registration of rents and local market rent evidence.

Hearing and Inspection

5. A hearing was held on 14 May 2025. The Tenant, Mrs R Simmons, attended. Mr Dyer of Savills, representing the Landlord, emailed the Tribunal on 13 May 2025 to explain that he had received notification of the hearing on 12 May 2025 and, as a consequence, was unable to attend. Mr Dyer confirmed that the Landlord was agreeable to proceeding on the basis of their written representations.
6. Later on the same day as the hearing, the Tribunal carried out an inspection of the subject property. The Tenant was present, but the Landlord's representative did not attend.
7. The Tribunal found that the property is a late Georgian/early Victorian terrace house over four floors. The external walls are solid brick with stucco rendering to the lower and upper ground floors, parapet and other architectural detailing, and there are wooden sash windows. There is a small courtyard style garden to the front with steps up to the front door and wrought iron railings around the lower ground floor stair well.
8. The property is generally in good to very good order throughout, having been maintained, improved and extended by the Tenant. This is particularly the case on the lower ground floor, where the property has been altered and

extended by the Tenant to provide a larger modern kitchen and dining space, with floor to ceiling fitted cupboards, large skylight and French doors to the rear garden, and a newly refurbished cloakroom. There is a 'through' living room on the upper ground floor with windows to the front and rear, along with a study with cupboard housing a washing machine and French doors to a wrought iron staircase down to the garden. The main bedroom is on the first floor with a large ensuite bathroom and a separate dressing room. There are two bedrooms and a bathroom on the second floor.

9. The property was in good decorative order throughout with curtains/blinds and a combination of wooden flooring, carpeting and tiled floors, all in good condition. There is central heating throughout and air conditioning to the main bedroom.
10. The well-maintained garden is of a reasonable size for the scale and location of the house. There are a number of tall trees at the end of the rear garden, which would provide some screening of the low rise building immediately behind. However, the Tribunal observed adjacent large-scale, ongoing building works, which were clearly visible and audible from both the garden and house.

Evidence

11. The Tribunal has had consideration of all written submissions provided by both the Tenant and the Landlord, the Tenant's submissions and responses to the Tribunal's questions in the hearing, and the Tribunal's own observations during the inspection.

Landlord's Evidence

12. The Landlord submitted that the property is occupied by the Tenant under a regulated tenancy, all fixtures and fittings belonged to the Tenant, and that the Tenant had provided central heating, floor and window coverings, and white goods. The Tenant has full repairing and insuring obligations and no repair issues had been reported by the Tenant to the Landlord.
13. The Landlord went on to explain that the rent of £31,824 per annum, registered by the Rent Officer on 5 December 2024, represented a 22% decrease over the 34 months since the previous registered rent of £40,665 per annum. Over the same period the RPI had increased by 22% and house price indices for rental properties in the St Johns Wood area had grown by 18.2%. It was noted that the house price indices were based on research carried out by Savills, who represent the Landlord in this matter. The Landlord concludes "*the rent determination by the rent officer at £31,824 in December 2024 is considered to be substantially too low. The decrease in registered rent of 22% is unprecedented and does not reflect prevailing market conditions in the intervening period.*"

14. The Landlord provided a schedule of evidence, although they did not provide their valuation or an explanation of how they might make adjustments to arrive at a valuation. The schedule included:

Subject Property:

- 8 Queens Grove – 1,817 ft². Tenant responsible for all maintenance and insurance. Registered rent of £31,824 per annum from 5 December 2024, equating to £17.32 ft².

Comparable market lettings:

- 59 Queens Grove – 3,800 ft². A large, modernised house let unfurnished at £252,000 per annum from 25 August 2023, equating to £64.95 ft².
- 18 Queens Grove – 2,034 ft². Modernised 4-bedroomed house let unfurnished at £124,800 per annum from 15 January 2023, equating to £61.36 ft².
- 81 Clifton Hill – 2,117 ft². Modernised 3/4-bedroomed house let unfurnished at £144,00 per annum from 15 January 2025, equating to £68 ft².
- 47 Springfield Road – 4,639 ft². Fully modernised 7-bedroomed detached house let unfurnished at £364,000 per annum from 23 December 2024, equating to £78.50 ft².

Tenant's Evidence

15. The Tenant explained that, under the terms of her tenancy, she is responsible for internal and external repairs and insurance, and her own improvements should be disregarded in determining her rent.
16. The Tenant concurred that they had provided the central heating, floor and window coverings and white goods. The Tenant had also carried substantial improvements to the property *“making it not only habitable but significantly enhance its value”*.
17. Improvements carried out over recent years, at the Tenant's own expense and totalling £434,000, were said to include:
- Construction of rear extension - new kitchen and W.C (£220,000)
 - Complete renovation of the heating system (£14,000)
 - Replacement of rear windows (£10,000)
 - Installation of new French doors and wrought stairs (£18,000)
 - New bathroom installation (£32,000)
 - Replacement of two front windows (£7,000)

- Full renovation of the property (£50,000)
 - Refurbishment and painting of the front exterior (£16,300)
 - Installation of air conditioning (£5,200)
 - Replacement of the flat roof (£6,300)
18. The Tenant went on to explain that, before carrying out the lower ground floor extension and reconfiguration work, she had been required, at short notice, to pay the Landlord £50,000 for the grant of a Licence to Alter the property.
19. The Tenant also submitted that following the sale of the former barracks to the rear of the property, two-years ago, a long-term and large-scale redevelopment of the 22-hectare (5.5 acres) site started and is anticipated to continue for a further five years. As a result, occupation of the property has been impacted, including an *'intolerable level of noise, vibration, dust and disturbance'*. The Tenant provided video evidence of the observable level of vibrations in the house. At times, the site operates 7 days a week and from 7am to as late as 8pm. There is a high volume of lorries arriving and leaving the site and 17 car parking spaces have been suspended impacting on parking for local residents.
20. The Tenant provided some evidence of lettings in the local area. These were:
- 52 Queens Grove – let at a rent of £35,802 per annum. Semi-detached with a large drive and garage and larger garden, on the opposite side of the road and so further away from the nearby redevelopment.
 - 15 Queens Grove – let in 2022 at £104,000 on an assured shorthold tenancy reflecting £51 per ft².
 - 14 Queens Grove – let in 2020 at £78,000 on an assured shorthold tenancy reflecting £41 per ft².
21. The Tenant went on to comment on the evidence provided by the Landlord, explaining that all were let on assured shorthold tenancies, where the tenants are not responsible for repairs or insurance. In respect of the comparable evidence provided by the Landlord, the Tenant submitted that:
- 59 Queens Grove is on the opposite side of the road, semi-detached and much larger than the subject property with a large, gated driveway for parking.
 - 18 Queens Grove was modernised and refurbished before letting.
 - 81 Clifton Hill had been modernised to a high standard.
 - 47 Springfield Road is a large detached 6-bedroomed property, substantially refurbished and with off-street parking for several cars.

The Law

22. The law, in so far as is relevant in this case, is found in Schedule 11, Part 1, paragraph 9(1) to the Rent Act 1977, section 70 of the Rent Act 1977, and The Rent Acts (Maximum Fair Rent) Order 1999, which provides:

Schedule 11, Part 1, Rent Act 1977

Applications for Registration of Rent

9(1) *The appropriate tribunal shall—*

- (a) if it appears to them that the rent registered or confirmed by the rent officer is a fair rent, confirm that rent;*
- (b) if it does not appear to them that that rent is a fair rent, determine a fair rent for the dwelling house.*

Section 70, Rent Act 1977

Determination of fair rent.

(1) In determining, for the purposes of this Part of this Act, what rent is or would be a fair rent under a regulated tenancy of a dwelling-house, regard shall be had to all the circumstances (other than personal circumstances) and in particular to—

- (a) the age, character, locality and state of repair of the dwelling-house,*
- (b) if any furniture is provided for use under the tenancy, the quantity, quality and condition of the furniture, and*
- (c) any premium, or sum in the nature of a premium, which has been or may be lawfully required or received on the grant, renewal, continuance or assignment of the tenancy.*

(2) For the purposes of the determination it shall be assumed that the number of persons seeking to become tenants of similar dwelling-houses 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.

(3) There shall be disregarded—

- (a) any disrepair or other defect attributable to a failure by the tenant under the regulated tenancy or any predecessor in title of his to comply with any terms thereof;
- (b) any improvement carried out, otherwise than in pursuance of the terms of the tenancy, by the tenant under the regulated tenancy or any predecessor in title of his;
- (c)(d).
- (e) if any furniture is provided for use under the regulated tenancy, any improvement to the furniture by the tenant under the regulated tenancy or any predecessor in title of his or, as the case may be, any deterioration in the condition of the furniture due to any ill-treatment by the tenant, any person residing or lodging with him, or any sub-tenant of his.

The Rent Acts (Maximum Fair Rent) Order 1999

2 (1) Where this article applies, the amount to be registered as the rent of the dwelling-house under Part IV shall not, subject to paragraph (5), exceed the maximum fair rent calculated in accordance with the formula set out in paragraph (2).

23. *Spath Holme Ltd v Chairman of the Greater Manchester and Lancashire Rent Assessment Committee (No1) (1995) 28 HLR 107 and Curtis v London Rent Assessment Committee [1999] QB 92* confirm that a fair rent is the market rent for the property discounted for “scarcity” (Rent Act 1977, s70(2)) and, for the purposes of determining the market rent, assured tenancy (market rents) are usually appropriate comparables. Although, adjusted where necessary to reflect any differences between the comparables and the subject property, which will include tenancy terms where appropriate.

Determination and Valuation

24. Having considered the submissions and the comparable evidence provided by both parties, and using the Tribunal’s own knowledge of rental values in the area and their expertise, the Tribunal finds that the most helpful starting point is the evidence of the three houses let in the same terrace as the subject property (number 8) as they are closest and most similar in type and size.
25. Information about 18 Queens Grove was provided by the Landlord. This is a similar terrace house over four floors but about 200 ft² larger and, according to the Tenant, was newly refurbished when let. Number 18 was let in January 2023 for £124,800.

26. The Tenant provided information about numbers 14 and 15 Queens Grove, which sit between number 8, the subject property, and number 18, and are likely to be broadly similar in size. Number 14 was let in 2020 at £78,000 per annum and number 15 in 2022 at £104,000.

27. Allowing for the passage of time and adjusting for any premium that might have been achieved when letting number 18 given it was newly refurbished, the Tribunal determines that the open market rent for the subject property in good tenable condition and in a similar location would be in the region of **£120,000 per annum**.

28. From this level of rent the Tribunal made adjustments in relation to a number of important factors, which can be grouped as follows:

- **The terms of the tenancy agreement.** Modern market lettings are usually assured tenancies where the Landlord is responsible for insurance, external and internal repairs. The Tribunal finds that, in this case, the Tenant has full repairing and insuring responsibilities.
- **Tenant's Improvements.** At their own expense, since they took up occupation, the Tenant has continued to carry out improvements, some of which are significant. As a result, the property that they occupy today bears little resemblance to the property they first occupied and to which the tenancy relates.

Of particular relevance to the rental value is the installation of central heating, a lower ground floor extension including a very modern open-plan kitchen and dining area and wall to ceiling fitted storage cupboards, upgrade of the bathrooms, and installation of French doors and wrought iron staircase to provide access to the rear garden from the upper ground floor.

- **Unfurnished.** Although the comparable lettings provided by the Landlord are for unfurnished lettings, we have no reason to conclude that floor and window coverings and white goods would not have been included, as is often the case. In this case, these have all been provided by the Tenant, and to the high standard that would be expected in this type of location.
- **Local area.** The Tribunal finds that the level and longevity of noise, dust and disruption caused by the development to the rear of the property is significant enough to be reflected in rental bids and therefore the market rent. It is not unreasonable to conclude that prospective tenants would observe the large-scale building works immediately to the rear of the property and, given it is likely to be a number of years before the site is completed, adjust the level of rent they would be prepared to pay accordingly.

29. The Tribunal has also made an adjustment for scarcity. The Tribunal relied on their own expertise and considers that in the wider geographical area

there is an imbalance of supply and demand impacting on rental values and has, therefore, made a reduction of 20% for scarcity.

30. The full valuation is shown below:

Market Rent		per annum £120,000
<i>Less</i>	<i>Approximately</i>	
Full Repairing and Insuring terms	10%	
Lack on Central Heating (and double glazing)	10%	
Lack of floor and window coverings	7%	
Improvements including extension, kitchen and bathrooms	30%	
Noise and disturbance	<u>5%</u>	
	62%	
		<u>£74,400</u>
		£45,600
<i>Less</i>		
Scarcity	approx. 20%	<u>£9,120</u>
		£36,480

31. The Tribunal therefore determines a fair rent of **£36,480 per annum**, which equates to £3,040 per calendar month.

Decision

32. The uncapped fair rent determined by the Tribunal, for the purposes of section 70, is £36,480 per annum. The capped rent for the property according to the provisions of the Rent Acts (Maximum Fair Rent) Order 1999 is calculated at £53,514.50 per annum. The calculation of the capped rent is shown on the decision form. In this case the lower rent of **£36,480 per annum** is to be registered as the fair rent of this property.

Chairman:

Mrs Ratcliff MRICS

Date: 3 June 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 Tribunal refuses to grant permission to appeal, a further application for permission may be made to the Upper Tribunal (Lands Chamber).