



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

**Case Reference** : **LON/00AE/F77/2024/0626**

**Property** : **Flat 2, 19 Exeter Road, London NW2  
4SJ**

**Tenant** : **Ms Silvia Balduci**

**Tenant Representative** : **Ms Rena Negi**

**Landlord** : **James Alexander Henry Stonehill  
c/o Paramount Letting Limited**

**Date of Objection** : **15 July 2024**

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

**Tribunal** : **Mrs S Phillips MRICS Valuer Chair  
Mr M Bailey MRICS  
Mr O Miller**

**Date of Reasons** : **31 May 2025**

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**DECISION**

**The sum of £1,094.00 per month will be registered as the fair rent with effect from 31 May 2025, being the date, the Tribunal made the Decision.**

## **FULL REASONS**

### **Background**

1. On 14 May 2024 the Landlord applied to the Rent Officer for registration of a fair rent of £934.00 per month for Flat 2, 19 Exeter Road, London NW2 4SJ (the subject property).
2. The rent was previously registered on 4 July 2022 at £910.00 per month with effect from 4 July 2022. On 1 July 2024 the Rent Officer registered a fair rent of £1,070.00 per month with effect from 4 July 2024. This rent appears to have been the rent determined under section 70 of the Rent Act 1977 and was below the capped rent as provided for by The Rent Acts (Maximum Fair Rent) Order 1999.
3. By an email dated 15 July 2024 the Tenant objected to the rent determined by the Rent Officer and the matter was referred to the First-tier Tribunal.
4. The Tribunal issued Directions on 15 October 2024 setting out the timetable and the steps the parties were required to take in preparation for the determination of this case.

### **The Law**

5. When determining a fair rent the Tribunal, in accordance with section 70 of the Rent Act 1977 (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.
6. In *SpathHolme Ltd v Chairman of the Greater Manchester etc. Committee* (1995) 28 HLR 107 and *Curtis v London Rent Assessment Committee* [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).
- 7. The Rent Acts (Maximum Fair Rent) Order 1999 (the 1999 Order) provides the framework that places a ceiling on the maximum rent that can be registered. The calculation is based upon a formula that applies an increase in the monthly United Kingdom Index of Retail Prices to the previously registered rent.

### **Hearing and Evidence**

- 8. A hearing was held on 20 March 2025 at 10, Alfred Place, London, WC1E 7LR. At the hearing Ms Silvia Balduci, the Tenant, and her representative Ms Rena Negi attended the hearing. The Landlord did not attend the hearing.

### **Tenant's Submissions**

- 9. The Tenant firstly submitted to the Tribunal that no notice had been issued by the Landlord of their intention to increase the rent or any notice stating the increase. This was in breach of s.49(2) of the Rent Act 1977. The Tenant therefore submitted that the rent increase is not valid.
- 10. The Tenant then went on to set out the condition of the property and that these factors should be considered when determining the rent. This included:
  - a. The age and condition of the windows being of wooden construction and deteriorating.
  - b. Masking tape being used on the windows to assist with the draught.
  - c. Growth of black mould in the bathroom.
  - d. Radiator bracket missing in the separate toilet.
  - e. Uneven and loose floorboards throughout.

- f. Black dots and holes on walls and floors created by mice.
  - g. Unmodernised property and no improvements being carried out by the Landlord.
  - h. Bathroom and toilet location does not reflect a modern layout.
- 11. The Tenant went on to confirm that at the start of the tenancy the Landlord had provided some initial furniture (beds, bookcases, dining table and six chairs) but these have never been replaced.
- 12. Due to the Tenant's inability to sublet their property (clause 3(m)(i) of the tenancy agreement [pdf page 8 of the Tenant's submissions to their Reply Form]), the Tenant thinks that a reduction of around 12.5% should be made for this. The Tenant referenced a decision by the Rent Assessment Panel dated 27 August 1999 (LON/023/1946/98MO) where a 12.5% adjustment was made for this [pdf page 6 paragraph 21 of the Tenant's appended submission to their Reply Form].
- 13. The Tenant submitted that a 3-5% increase on the rent would be fair.

#### Landlords' Submissions

- 14. The Landlord was not present at the hearing and no submissions were issued to the Tribunal by the Landlord.

#### **Inspection**

- 15. The Tribunal inspected the property on 20 March 2025. The property is a two-bedroom flat situated in a semi-detached house that has been converted into flats. It is of brick and tiled roof construction with a small, paved area to the front and permit parking to the front. The property includes separate living room, together with a small kitchen, two bedrooms, a bathroom and a separate toilet.
- 16. The front door to the property is wooden and the fire chain for the door to automatically close to, has been broken or is missing.
- 17. The kitchen is small in size with vinyl floor and included white goods (cooker and fridge freezer). The floor is vinyl with there being areas of unevenness throughout.
- 18. The hallway that runs through the property is carpeted and is dated in nature. There is a built-in cupboard located at the end of the hallway which appears to be used for storage.

19. The main bedroom is large with carpeted floor and a large single glazed wooden framed bay window. There are two radiators and contains built-in cupboards that are presently used as wardrobes.
20. The second bedroom is of a good size. Whilst there is a crack in one of the ceiling corners this does not appear to be substantial and purely aesthetic. The floor is carpeted although uneven in areas. There is a large single glazed wooden framed sash window and two radiators within the room.
21. The living room is a large room and has a large single glazed wooden framed sash window. The Tenant appears to have used masking tape around the window to stop or minimise a draught coming through.
22. The bathroom appears to be in good condition with what appears to be the original bathroom fixtures. This includes a bath, taps and a shower head. There is wall paper curling at the edges. The boiler is housed in a cupboard in the bathroom which appears to be in good condition.
23. The separate toilet has a radiator which appears to be staying in place without a bracket and is being held in place by the pipework. It contains a toilet and has vinyl flooring.

### **Determination and Valuation**

24. Regarding the validity of any prescribed notice that is required, the Tribunal's jurisdiction under section 70 Rent Act 1977, is to determine the fair rent. The Tribunal's jurisdiction is limited to that only and the matter of any prescribed notice is therefore not a matter for this Tribunal to determine.
25. In the determination of the rent, the Tribunal initially needs to determine 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. In doing this, the Tribunal will consider the rental value of the property and not the personal circumstances of the Tenant, as that is not a factor envisaged by the Act.
26. No evidence was provided by either party to establish the open market rent for a property of this type in good condition. With the Tribunal's own expert knowledge of rental values in the area, the Tribunal consider an amount of £2,150 per month reflective of the open market rent.

27. The Tribunal will then consider and factor in any adjustments that they think should be made to the open market rent to reflect the age and condition of the property.
28. The Tribunal does not agree with the Tenant that their inability to sublet their property should result in a reduction in the rent. In the Tribunal's experience this is standard in a letting particularly for a property of this size.
29. The next aspect to be considered is the issue of scarcity. The Tribunal was not provided with any specific evidence on this issue. However, the issue of scarcity is considered on the basis of the number of properties available to let and considering the demand for such properties and over a really large area. Neither party provided any specific evidence in respect of scarcity. Therefore, using our knowledge and experience we consider that in the wide geographical area of Greater London there is an imbalance between supply and demand and this impacts upon rental values. Accordingly, we make a deduction for scarcity of approximately 20%. The full valuation is shown below.

Market Rent		£/month 2,150
<i>Less</i>		
Unmodernised kitchen	) 10%	
Unmodernised bathroom	) 10%	
Disrepair	) 5%	
Tenant's decoration liability	) 5%	
		<u>645</u>
		1,505
<i>Less</i>		
Scarcity	approx. 20%	<u>301</u>
		1,204

30. The Tribunal determines a sum of £1,204 per month for the open market rent value of the property.

## **Decision**

31. The uncapped fair rent initially determined by the Tribunal, for the purposes of section 70, was £1,204.00 per month. The capped rent for the property according to the provisions of the Rent Acts (Maximum Fair Rent) Order 1999 is calculated at £1,094.00 per month. The

calculation of the capped rent is shown on the decision form. In this case the lower rent of £1,094.00 per month is to be registered as the fair rent or this property.

32. **Accordingly, the sum of £1,094.00 per month will be registered as the fair rent with effect from 31 May 2025 being the date of the Tribunal's decision.**

**Chairman: Mrs S Phillips MRICS**

**Date: 21 May 2025**

### **APPEAL PROVISIONS**

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 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).