

FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference LON/00BH/F77/2025/0200 :

117 Huxley Road,

Leyton **Property**

London E10 5WX

Robert Windus & Diana Spiers Applicant

Trustees of Ashworth Homes Ltd.

(Landlords)

Representative None :

Respondent Mrs A. Stevens (Tenant)

Representative **None**

S.70 Rent Act 1977 – Determination Type of Application :

of a new fair rent

Tribunal Members Mr N. Martindale FRICS

2 September 2025

Date and venue of

Meeting

First Tier Tribunal (London)

HMCTS 10 Alfred Place, London

WC1E 7LR

Date of Decision 2 September 2025

REASONS FOR DECISION

Background

On 14 February 2025 the landlord applied to the Rent Officer for registration of a fair rent. The rent stated as payable at the time of the application was said to be £125 pw. There was no service charge. Although was reference to a rent of £167 pw with effect from 29 January 2022 no evidence was provided of that being registered.

With effect from 15 April 2025, the Rent Officer registered a fair rent of £136 per week. There was no note of the uncapped fair rent. There was an objection to the new fair rent. The First Tier Tribunal was notified of this objection and a request for a fresh determination of the rent.

Directions

3 Directions of 8 July 2025 were issued by the Tribunal, for case progression. Neither party requested a hearing.

Representations

Standard Reply Forms were issued by the Tribunal prior and both parties invited to complete and return them. The Tribunal received a completed form from the landlord with brief notes on the size, layout, condition of the Property and evidence of local market rents for similar one bedroom flats.

Inspection

- The Tribunal did not inspect the Property. The Tribunal was however able to externally view it from Google Streetview (@ April 2022). The Property appeared to be the lower floor of a pair of purpose built Edwardian flats. There is a small garden front and rear.
- The Property is located in Leyton in a residential area. There is some restricted on street parking. The Property is within an established residential housing area of similar age and condition.
- Externally the Property is in a 2 storey building appeared to be in good condition, with fair faced brick walls and slate finished double pitched roof, with bonnet roof over the front two storey bay. The Property has a bedroom, living room, kitchen, bathroom and wc all at ground floor level.
- 8 There appears to be PVCU framed double glazed windows but no central heating. There is no information on the condition of the kitchen and bathroom and these are assumed to be both functional and modern. Similarly there is very little information on the landlord carpets and curtains again assumed in functional and good order despite the original tenancy dating from 1976.
- 9 The Tribunal is grateful for such representations as were received from the parties.

Law

When determining a fair rent the Committee, in accordance with the Rent Act 1977, section 70, 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.

- In Spath Holme 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 emphasized
 - (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).
- Where the condition of a property is poorer than that of comparable properties, so that the rents of those comparables are towards twice that proposed rent for the subject property, it calls into question whether or not those transactions are truly comparable. Would prospective tenants of modernized properties in good order consider taking a tenancy of an un-modernised house in poor repair and with only basic facilities or are they in entirely separate lettings markets? The problem for the Tribunal is that the only evidence of value levels available to us is of modernised properties. We therefore have to use this but make appropriate discounts for the differences, rather than ignore it and determine a rent entirely based on our own knowledge and experience, whenever we can.
- On the evidence of the comparable lettings and our own general knowledge of market rent levels in and around Leyton, Waltham Forest, the Tribunal accepts that the Property would let on normal Assured Shorthold Tenancy (AST) terms, for £300 pw. This then, is the appropriate starting point from which to determine the rent of the Property as it falls to be valued.
- The Tribunal noted the absence of central heating, but assumed the remainder of the Property was modern and in good order including the kitchen and bathroom fittings, carpets and curtains provision and without any significant outstanding repairs. A deduction for the shortcoming amounts to £30 pw, so that the adjusted market rent is £270 pw.
- The Tribunal also has to consider the element of scarcity and whether demand exceeded supply. The Tribunal found that there was scarcity in the locality of Waltham Forest for this type of property and makes a

further deduction of 20% from the adjusted market rent, leaving an uncapped fair rent of £215 pw.

- The fair rent to be registered on this basis alone would be £215 pw, but, the new rent can be limited by the statutory Maximum Fair Rent Cap calculation. The MFRC limits any increase to the change in RPI (set two months prior at each date), between the date of the last registration of a fair rent and the current, plus 5%. The calculations are shown in the MFR form and this caps the new fair rent at £179 pw. As the MFR cap is well above the uncapped fair rent above, the new fair rent will be capped and remain at £179 pw. The new fair rent is therefore registered at this figure.
- The Rent Act makes no allowance for the Tribunal to take account of hardship arising from the new rent payable compared with the existing rent registered. The landlord is entitled but, not compelled, to charge the tenants rent at the registered figure from the effective date below. The landlord may not charge more than the fair rent but may charge less if it wishes to, or is otherwise required to, under other regulations which may limit its increases in rent as a landlord.

Chairman N Martindale FRICS Dated 2 September 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 either party is dissatisfied with this decision, they may apply for permission to appeal to the Upper Tribunal (Lands Chamber) on any point of law arising from this Decision.

Prior to making such an appeal, an application must be made, in writing, to this Tribunal for permission to appeal. Any such application must be made within 28 days of the issue of this decision to the person making the application (regulation 52 (2) of The Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rule 2013).

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).