



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

HMCTS Code : **P: PAPERREMOTE**
(Paper, video, audio)

Case Reference : **LON/00AE/F77/2025/0262**

Property : **1B Spezia Road, London NW10 4QJ**

Tenant : **Edith Hansen**

Landlord : **Neil Pepler**

Date Objection Received : **28th July 2025**

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

Tribunal : **Judge Tueje**
Mrs J Rodericks MRICS

Date of Extended Reasons : **8th December 2025**

DECISION

The sum of £768 per month will be registered as the fair rent with effect from 8th December 2025, being the date the Tribunal made the Decision.

This determination contains the Tribunal's decision, and its extended reasons for that decision

EXTENDED REASONS

Background

1. The Landlord applied to the Rent Officer for the registration of a fair rent for this property on 28th May 2025.
2. A fair rent of £725 per calendar month was registered on 17th July 2025 following the application, such rent to have effect from 17th July 2025. The landlord subsequently challenged the registered rent in a letter received by

the Valuation Office Agency on 28th July 2025, and on 30th July 2025 the Rent Officer referred the matter to the tribunal for determination.

3. By an order dated 8th October 2025 the Tribunal issued the following directions.

- 3.1 No later than 5th November 2025 the landlord was to provide the following:

- (i) a completed Reply Form,
- (ii) information regarding any repairs or improvements carried out since the last registration,
- (iii) evidence of comparable rents,
- (iv) photographs

- 3.2 The tenant is to provide the following:

- (i) a completed Reply Form,
- (ii) any representations regarding the condition of the property
- (iii) evidence of comparable rents,
- (iv) photographs.

Inspection

4. Both parties indicated in their Reply Form that they did not consider a hearing or an inspection was necessary. Therefore, the Tribunal considered this case on the basis of the documentary evidence, provided by both parties, including the photographic evidence.
5. The property is a self-contained studio flat, located on the first floor of a period property. The accommodation comprises a bedsitting area, a kitchen area and a bathroom. It is located on a residential street with permit parking, there are bus routes nearby and it is approximately ½ mile from Willesden Junction station.
6. The property has double glazing but does not have central heating.
7. It is understood the kitchen and bathroom are unmodernised.
8. The tenancy began on 26th August 1983. As to the terms of the tenancy, in the landlord's Application for Registration of a Fair Rent it's stated that the landlord is responsible for emergency plumbing, the tenant is responsible for all other repairs.

The law

9. 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.

10. 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.
11. 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*".
12. The market rents charged for assured tenancy lettings often form appropriate comparable transactions from which a scarcity deduction is made.
13. These market rents are also adjusted where appropriate to reflect any relevant differences between those of the subject and comparable rental properties.
14. 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.
15. *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.

The Tribunal's Approach

16. 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. It did this by considering the comparable evidence provided on behalf of the Landlord, and our own expert, general knowledge of rental values in the area, we consider that the open market rent for the property in good tenantable condition would be in the region of £1,200. Further information regarding our valuation is set out at paragraphs 27 to 37 below.
17. This hypothetical rent is adjusted as necessary to allow for the differences between the terms and condition considered usual for such a letting and the condition of the actual property. Any rental benefit derived from Tenant's improvements is disregarded. It is also necessary to disregard the effect of

any disrepair or other defects attributable to the Tenant or any predecessor in title.

18. The provisions of section 70(2) of the Rent Act 1977 in effect require the elimination of what is called “scarcity”. The required assumption is of a neutral market. Where a Tribunal considers that there is, in fact, substantial scarcity, it must make an adjustment to the rent to reflect that circumstance. In the present case neither party provided evidence with regard to scarcity.
19. The Tribunal then considered the decision of the High Court in *Yeomans Row Management Ltd v London Rent Assessment Committee [2002] EWHC 835 (Admin)* which required it to consider scarcity over a wide area rather than limit it to a particular locality. North West London is now considered to be an appropriate area to use as a yardstick for measuring scarcity and it is clear that there is a substantial measure of scarcity in North West London.
20. Assessing a scarcity percentage cannot be a precise arithmetical calculation. It can only be a judgement based on the years of experience of members of the Tribunal. The Tribunal therefore relied on its own combined knowledge and experience of the supply and demand for similar properties on the terms of the regulated tenancy (other than as to rent) and in particular to unfulfilled demand for such accommodation. In doing so, the Tribunal found that there was substantial scarcity in the locality of North West London and therefore made a further deduction of 20% from the adjusted market rent to reflect this element.
21. The valuation of a fair rent is an exercise that relies upon relevant market rent comparable transactions and property specific adjustments. The fair rents charged for other similar properties in the locality do not form relevant transaction evidence.

The Parties’ Evidence

22. Except that it is common ground that the property is double glazed and does not have central heating, neither party made submissions regarding the condition of the property.
23. We understand the kitchen and bathroom are unmodernised, and it is common ground that no improvements have been carried out since the last registration.
24. The tenant has not provided any examples of comparable market rent. She relies on the non-certified registered rent for a studio flat, at 36A Furness Road, NW10 4QE, with a registered rent of £118 per week. She notes the Furness Road property does not have central heating, it has 5 rooms plus a garden. The tenant also relies on the rent for 36A Furness Road registered on 22nd February 2019. In her Reply Form the tenant stated that the landlord has provided a cooker, she has supplied the other white goods, that the landlord has provided the carpets and she has provided curtains.
25. The landlord has not provided evidence regarding specific comparable properties. He relies on information available online from Get On The

Market, based on which, the landlord argues that rents in London have increased by 11%. Although the same report states that specific data relating to NW10 is not available. He also relies on Get On The Market's valuation of the estimated rent achievable for the property being £1,859.00.

26. In reply, the landlord states the valuation evidence relied on by the tenant are undervalued.

Valuation

27. The Tribunal has considered very carefully the information provided by the parties. In our judgment, the information supplied by the landlord from Get On the Market is of limited assistance because the underlying source of the opinions given regarding local rents is unknown. Furthermore, in our experience, the rent of £1,859.00 claimed to be achievable for a studio flat in NW10, is excessive.
28. Similarly, the tenant has not provided evidence of comparable market rents, and so her evidence is also of limited assistance.
29. In the absence of any evidence of comparable market rents from the parties, the Tribunal has used its own judgment, expertise, and its knowledge and experience of the local rental market. On that basis, the Tribunal considers that the average monthly rent for a studio flat let on an assured shorthold tenancy in NW10 is likely to be £1,200 per month.
30. Next, the Tribunal needs to adjust that hypothetical rent of £1,200 per month to allow for the absence of central heating, the unmodernised kitchen and bathroom, part white goods, and the tenant's repairing obligation under the tenancy.
31. The Tribunal considers that a deduction of 20% should be applied in order to take into account those matters referred to at paragraph 30 above. This provides a deduction of £240 per month from the hypothetical rent. This reduces the figure to £960 per month.
32. 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

33. 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.
34. In the Tribunal's opinion there should be a deduction of 20% of the market rent for scarcity as it is considered demand outweighs supply of rented properties in the area. This provides a figure of £192.00 and therefore reduces the rent to £768 per month.

35. The calculations for the above valuation are as follows:

Market Rent		£1,200 per month
Less		
No heating	5%	
Unmodernised kitchen and bathroom	10%	
Tenancy terms	5%	
	(£240)	
Adjusted market rent		£960
Less		
Scarcity	approx. 20%	(£192)
		£768

Conclusion

36. The fair rent to be registered is not limited by the capping provisions of the Rent Acts (Maximum Fair Rent) Order 1999, because it is below the maximum fair rent of £816.50 per month. The calculation for this figure are shown on the Notice of the Tribunal Decision. Therefore, the fair rent to be registered is £768. In accordance with the statutory provisions, this takes effect from **8th December 2025** being the date of the Tribunal's decision.

37. Detailed calculations for the capped maximum fair rent are provided on the decision form.

Name: Judge Tueje

Date: 8th December 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-forpermission-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).