FIRST-TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)

Case reference	**:**	**FR/LON/00AW/F77/2026/0012**
Property	**:**	**41D Blenheim Crescent, London, W11 2EF**
Tenant	**:**	**Mr & Mrs J Faria**
Landlord	**:**	**Notting Hill Genesis**
Date of application	**:**	**10 December 2025**
Type of application	**:**	**Determination of the registered rent under Section 70 Rent Act 1977**
Tribunal member(s)	**:**	**Mr A Parkinson MRICS** **Ms A Kelly MRICS**
Venue	**:**	**Remote**
Date of decision	**:**	**16 March 2026**

REASONS FOR DECISION

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Background

1. The Landlord applied to the Rent Officer for the registration of a fair rent for the property in an application dated 11 September 2025.

2. A fair rent of £289.50 per week was registered on 24 November 2025 following the application, such rent to have effect from 24 November 2025. The Tenant subsequently challenged the registered rent on 2 December 2025 and the Rent Officer referred the matter to the Tribunal for determination on 10 December 2025.

3. Directions were issued by the Tribunal on 20 January 2026.

4. The parties were invited to submit completed reply forms and any other relevant information by the specified deadlines.

5. Neither the Landlord or Tenant submitted completed reply forms.

6. The property is understood to be a three bedroom second floor flat in a period conversion with gas central heating.

Inspection

7. The Tribunal did not inspect the property but considered this case on the basis of the papers provided by the parties.

The Law

8. When determining a fair rent the Tribunal, in accordance with the Rent Act 1977, section 70, "the Act", had regard to all the circumstances (**other than personal 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.

9. In **Spath Holme Ltd v Chairman of the Greater Manchester etc. 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.

10. 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"*.

11. The market rents charged for assured tenancy lettings often form appropriate comparable transactions from which a scarcity deduction is made.

12. These market rents are also adjusted where appropriate to reflect any relevant differences between those of the subject and comparable rental properties.

13. The Upper Tribunal in **Trustees of the Israel Moss Children's Trust v Bandy [2015]** explained the duty of the First Tier Tribunal to present comprehensive and cogent fair rent findings. These directions are applied in this decision.

14. **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 article restricts any rental increase to 5% above the previously registered rent plus retail price indexation (RPI) since the last registered rent. The relevant registered rent in this matter was registered on 26 April 2018 at £192.50 per week. The rent registered on 24 November 2025 subject to the present objection and determination by the Tribunal is not relevant to this calculation.

Valuation

15. In the first instance the Tribunal determined what rent the landlord could reasonably be expected to obtain for the subject property in the open market if it were let today in the condition that is considered usual for such an open market letting.

16. The parties did not submit any evidence in relation to rental values in the locality, to the Tribunal.

17. Accordingly, the Tribunal considered the value of the property in light of its local knowledge and experience in combination with the landlord's submissions.

18. The Tribunal felt that a hypothetical rent of £900 per week – were the property let in the condition and on the terms considered usual for such a letting was appropriate as a starting point.

19. This hypothetical rent is adjusted as necessary to allow for the differences between the terms and conditions considered usual for such a letting and the condition of the actual property at the date of the determination. 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.

20. The responsibility for internal decoration at the property under the tenancy agreement is borne by the tenant. This is a material valuation consideration and the Tribunal made a deduction to reflect this liability. The Tribunal made further deductions from the hypothetical rent to account for the Tenant providing white goods, floor and window coverings and other furnishings at the property. In total the Tribunal made deductions of 15%.

21. 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.

22. 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. West London is 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 West London.

23. 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 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 and therefore made a further deduction of 20% from the adjusted market rent to reflect this element.

24. 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.

25. The result is an adjusted market rent of £612 per week.

Decision

26. The uncapped fair rent initially determined by the Tribunal, for the purposes of section 70, was £612 per week. The capped rent for the property according to the provisions of the Rent Acts (Maximum Fair Rent) Order 1999 is calculated at £289.50 per week. The calculation of the capped rent is shown on the decision form. In this case the lower rent of £289.50 per week is to be registered as the fair rent for

this property.

27. The statutory formula applied to the previously registered rent is provided at Appendix A.

28. Details of the maximum fair rent calculations are provided in the separate notice of the Tribunal's decision.

29. Accordingly, the sum that will be registered as a fair rent with effect from 16 March 2026 is **£289.50 per week.**

Chairman: Mr A Parkinson **Date:** 16 March 2026

Appendix A
The Rents Act (Maximum Fair Rent) Order 1999

(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).

(2) The formula is:

$$MFR = LR \left[1 + \frac{(x-y)}{y} + P\right]$$

where:

- 'MFR' is the maximum fair rent;
- 'LR' is the amount of the existing registered rent to the dwelling-house;
- 'x' is the index published in the month immediately preceding the month in which the determination of a fair rent is made under Part IV;
- 'y' is the published index for the month in which the rent was last registered under Part IV before the date of the application for registration of a new rent; and
- 'P' is 0.075 for the first application for rent registration of the dwelling-house after this Order comes into force and 0.05 for every subsequent application.

(3) Where the maximum fair rent calculated in accordance with paragraph (2) is not an integral multiple of 50 pence the maximum fair rent shall be that amount rounded up to the nearest integral multiple of 50 pence.

(4) If $\frac{(x-y)}{y} + P$ is less than zero the maximum fair rent shall be the existing registered rent.

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).