



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

Case Reference : **LON/00BG/F77/2026/0088**

Property : **45 Nelson Street, London E1 2DL**

Tenant : **Mr M Khadir and Mrs N Begum**

Landlord : **Notting Hill Genesis**

Date of Objection : **12 February 2026**

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

Tribunal Members : **Judge R Percival
Mr P Morris FRICS**

**Date and venue of
Consideration** : **1 June 2026
By video**

Date of Decision : **29 June 2026**

DECISION

The sum of £252 per week will be registered as the fair rent with effect from 1 June 2026, being the date the Tribunal made the Decision.

FULL REASONS

Background

1. Following an objection from the Tenant to the determination of a fair rent by the Rent Officer, the Tribunal has made a determination under the provisions of the Rent Act 1977. The Tribunal subsequently issued summary reasons. We provide these full reasons on the application of the tenant.

Summary of decision

2. The Tribunal decided that *if* the property had been in a condition that it would have been let by a commercial landlord (that is, good tenantable condition), the rent per week would have been £600 a week. Taking account of the evidence provided by the tenant, and the effects of scarcity in the area, we concluded that the fair rent *would* have been £347.31 per week. However, the rent is anyway capped by law at £252 per week, so that is the maximum rent that can now be charged. The landlord may charge less than this maximum.

Inspection

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

Evidence

4. The Tribunal has consideration of the written submissions provided by the Tenant. There were no written submissions from the landlord.
5. The property is a terraced, nineteenth century house. The description provided in the register and on the RR1 form state that it has two bedrooms. The tenant refers to three bedrooms. It may be that the tenants use the downstairs living room as a further bedroom. Central heating has been provided by the landlord. The floor coverings and white goods have been provided by the tenants.
6. In his written submission, Mr Khadir describes serious disrepair. There is, he states, persistent and serious mould grown consequent on dampness in the property, which seriously affects the amenity of the tenants and, he says, threatens their health. He also refers to persistent water ingress, which has affected the electrical system in the house, such that plugs make sizzling noises, and (it appears) give the user mild electric shocks. We were not provided with any information about the EICR, but the landlord is urged to check when a report was last provided. The boiler, Mr Khadir states, also gives cause for concern as a result of noises and leaks when it is operated.

7. It is not stated which of the tenants or the landlord installed the kitchen and bathroom. However, given the age of the tenancy, we infer that they were installed by the tenant, and proceed on that basis. If they were installed by the landlord, they would now be dated, which would have a similar effect on the final determination of the fair rent.
8. The landlord has not made any representations, and so does not contradict Mr Khadir's description of the property, and we proceed on that basis.

The law

9. The law setting on how a fair rent is to be determined by the Tribunal is set out in section 70 of the Rent Act 1977. That provides as follows:

“(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; ...
- (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.

...

(4) In this section “improvement” includes the replacement of any fixture or fitting.”

10. 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 emphasised that ordinarily a fair rent is the market rent for the property discounted for “scarcity,” that 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 (other than as to rent) to that of the regulated tenancy. 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
11. The Landlord and Tenant Act 1985, section 31 gives the Secretary of State the power to make an order limiting the maximum fair rent. The current order is the Rent Act (Maximum Fair Rent Order) 1999. The order provides for the increase (in most circumstances) in a fair rent to be limited to the inflation rate.
12. The maximum rent provided for in the order is called the “capped fair rent”. That is the calculation shown on the second page of the Notice of the Tribunal Decision provided to the parties following the Tribunal’s determination.

Determination and Valuation

13. Neither party has provided evidence for the market rent of comparable properties. We have therefore relied on our own expert, general knowledge of rental values in the area. The Rent Officer gives a starting market rent of £600 a week. We independently concur with that figure, for a property of this description if it were in good tenantable condition. From this level of rent we have made adjustments in relation to:
 - a. The general state of the property as set out in Mr Khadir’s letter;
 - b. Improvements made by the tenants, including our inference as set out above in relation to the kitchen and bathroom;
 - c. Curtains, carpets and white goods fitted by the tenant;
 - d. The tenants’ liability to redecorate.
14. We undertook the process of adjusting the good tenantable condition market rate to get to the fair rent (as required by section 70 of the Rent Act 1977, set out above). Because most real market rents are quoted on a per calendar month basis, we adjusted the rent figure to a calendar

month basis (giving a starting figure of £2,600), and made the relevant deductions.

15. We accordingly deducted £500, on the calendar month basis, for the general condition of the property, which included, and was substantially determined by, the evidence of damp and associated mould. We then took off £120 for improvements, by which we principally meant our inference that the kitchen and bathroom had been installed by the tenant, and £80 for the tenant's provision of carpets, curtains and white goods. We then took off a further £130 to reflect the difference in responsibility for internal decoration. Under this tenancy, we assumed the standard condition in relation to fair rent properties, which is that the tenant is responsible for internal decoration. On the other hand, in the market, internal decoration is overwhelmingly the responsibility of the landlord. The adjustment is therefore made to reflect the fact that the tenant has more responsibilities than would a tenant agreeing an open-market tenancy.
16. We then made a further deduction of 15% to reflect scarcity in the area (see section 70(2) above). We consider that in the wider geographical area there is an imbalance of supply and demand impacting on rental values and therefore we should also make this reduction.
17. All of that brought the per calendar month figure (rounding up 50p) to £1,505. Converted back to a weekly basis, that came to £347.31 per week.
18. So *if* the rent was not capped by the order referred to above, the fair rent *would have been* £347.31 per week. However, we also undertook the calculation shown on the second page of the notice. The result of that was that (on the day of our decision), the capped rent was £252 per week.

Decision

19. The uncapped fair rent initially determined by the Tribunal, for the purposes of section 70, is £347.31 per week from 01 June 2026.
20. The maximum fair rent permitted by the Rent Acts (Maximum Fair Rent) Order 1999 is £252 per week. The calculation of the capped rent is shown on the decision form already provided. In this case the lower rent is that the capped figure, and that is to be registered as the fair rent for the property.

Chairman: Judge R Percival

Date: 29 June 2026

RIGHT OF APPEAL

Either party is may apply for permission to appeal to the Upper Tribunal (Lands Chamber) on any point of law arising from this Decision. Any such application must be made within 28 days of the issue of this statement of reasons (regulation 52(2) of The Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013) stating the grounds upon which it is intended to rely in the appeal.

An application for permission to appeal to the Upper Tribunal should be made on Form RP PTA.