



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

Case Reference	:	LON/00AW/F77/2026/0115
Property	:	Flat 16c Elvaston Place, London SW7 5QF
Applicant	:	Northumberland & Durham Trust (Landlord)
Representative	:	Grainger Trust plc
Respondent	:	Mr Peter Gregory (Tenant)
Representative	:	None
Type of Application	:	S.70 Rent Act 1977 – Determination of a new fair rent
Tribunal Members	:	Mr N. Martindale FRICS
Date and venue of Meeting	:	14 July 2026 First Tier Tribunal (London) HMCTS 10 Alfred Place, London WC1E 7LR
Date of Decision	:	14 July 2026

REASONS FOR DECISION

Background

- 1 By an application of 5 February 2026, the landlord asked the Rent Officer for registration of a fair rent at £1881.60 pcm. The registered rent at that time was £1568 pw; no service charge.
- 2 With effect from 30 April 2026, the Rent Officer registered a fair rent of £1580 pcm, there was no service charge. A party objected 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 dated were issued by the Tribunal, for case progression. Neither party requested a hearing.

Representations

- 4 Standard Reply Forms were issued by the Tribunal prior. The Tribunal determined the new rent with the assistance of such written statements from the parties as were received. Neither party provided evidence of properties in the locality, to let or let.

Inspection

- 5 The Tribunal did not inspect the Property. The Tribunal was however able to externally view the Property from Google Streetview and other online records (@ November 2020). The Property appeared to date from around late Nineteenth Century, within a Building consisting of a former large family terraced house on 5 levels, including basement. The Property is on the top (Third) floor.
- 6 The Property accommodation is on 1 level and includes 2 rooms, bathroom, WC, kitchen. From an external view the Building in which the Property is located, appeared to be in good condition. There is no central heating, no double glazing, no white goods, no furniture. The tenancy began 1 June 1974. The Building is located among similar former houses in terraces, many of which have since been converted into smaller sub-divisions, mainly as flats.
- 7 The tenant completed and returned the standard Reply Form. The Tribunal received no representations from the landlord. The Tribunal is grateful for such materials that it received from the parties.

Law

- 8 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.
- 9 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).
- 10 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.
 - 11 On the evidence of the comparable lettings and our own general knowledge of market rent levels in and around RB Kensington and Chelsea, the Tribunal accepts that the Property would let on normal Assured Shorthold Tenancy (AST) terms, for £3000 per calendar month. This then, is the appropriate starting point from which to determine the rent of the Property as it falls to be valued.
 - 12 The Tribunal found the absence of double glazing, central heating and of white goods were all sufficient to affect the open market rental value. It makes the deduction of £750 pcm for these, leaving the adjusted market rent at £2250 pcm.
 - 13 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 Kensington and Chelsea for this type of property and makes a deduction of £450 pcm from the adjusted market rent.
 - 14 The fair rent to be registered on this basis alone would be £1800 pcm but, the new rent is 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 which caps the fair rent at £1788 pcm. There is no service charge. The fair rent is capped and registered at this figure.
 - 15 **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 tenant rent at the registered figure from the effective date. However, the landlord may not charge more than the fair rent.

Chairman N Martindale FRICS

Dated 14 July 2026

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).