



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

Case Reference : **BIR/31UB/F77/2025/0020**

Property : **1A St Michaels Court
Stoney Stanton
Leicester
LE9 4TH**

Tenant : **R K C Neal**

Landlord : **M D D S Ltd**

**Landlord's
Representative** : **Shonki Brothers**

Date of Objection : **13th June 2025**

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

Tribunal Members : **Mr G S Freckelton FRICS
Mr A Churchill BSc MRICS**

Date of Decision : **7th September 2026**

DECISION

The sum of £516.00 per month will be registered as the fair rent with effect from 7th September 2026 being the date the Tribunal made the Decision.

REASONS FOR THE DECISION

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.

Inspection

2. The Tribunal inspected the property in the presence of the tenant on 7th September 2026.
3. The property comprises of a self-contained first floor flat approached via a concrete staircase serving five flats. The property is next to the staircase so the occupants of the other four flats pass directly in front of this property to access their own. The accommodation comprises:

Hallway: With double glazed front door. The hallway gives access to the living room and kitchen.

Kitchen: With a range of modern base cupboards incorporating an inset stainless steel sink unit and older wall cupboards. Double glazed window. Storage cupboard off.

Living Room: With double glazed window and electric storage heater. Airing cupboard off. Door to:

Inner Hallway: Giving access to:

Double Bedroom 1: With double-glazed window and electric storage heater.

Single Bedroom 2: With double-glazed window and electric storage heater.

Bathroom: Being fitted with an original three-piece sanitary suite and double-glazed window.

There is no central heating. Heating is provided by old style electric storage heaters provided by the tenant. The kitchen and double glazing are fitted by the tenant. White goods are also provided by the tenant.

4. During the inspection the Tribunal noted:
 - a) There was evidence of some structural movement with internal and external cracking adjacent to the front door.
 - b) There was evidence of leaking to the ceiling in the living room. There is a flat roof immediately above the living room.
 - c) The bathroom was old and would benefit from refitting. The paper was peeling off the ceiling (possibly leaking from the roof or condensation) and the top of the cistern was cracked.
 - d) There was a smell of cooking within the flat which appeared to come from the café on the ground floor.
 - e) There was evidence of some condensation mould within the property.

Evidence

5. A remote hearing was arranged and attended by the tenant and the landlord's agent.
6. The Tribunal has considered the written submissions provided by the tenant and the landlord together with the submissions made at the hearing.
7. The tenant submits in writing and at the hearing:
 - a) The property has suffered marked deterioration with detritus from the café below. There has been no attempt by the landlord to remedy this. This has had an effect on the tenant's health.
 - b) Flour and grease from the café on the ground floor had affected the decoration of the flat as well as the tenant's health.
 - c) There is an extractor fan to the side gable wall from the café which requires upgrading as the smell enters the flat.
 - d) There is a draught through the floorboards from the café below (and associated smells).
 - e) The building is old (1971).
 - f) There is nothing to stop wind through the roof space just above the ceiling.
 - g) There is a crack to the inner/outer wall in the hallway.
 - h) Smell from the café discharges into the cavity wall. There is no cavity wall insulation.
 - i) There is a leak to the roof above the living room ceiling. The previous leak took some nine months for the landlord to attend to.
 - j) The landlord was not letting the flat in accordance with relevant legislation.
 - k) It was alleged that the use of the ground floor café and extractor was illegal but no evidence was provided to substantiate this.
 - l) There had been problems with the internet/wi-fi connection since 24th July 2026. He was awaiting a report from BT Openreach regarding this.
 - m) There is no lift.
 - n) The tenant submitted photographs of the interior of the property.
8. The tenant submits the following comparables:
 - a) St Michael's Court, Stoney Stanton – a two-bedroom flat advertised at £650.00 per month in the same block as the subject property.
 - b) Bricks and Logic Rental Data – in the LE9 4PT postcode – two-bedroom flats available at £651.00-£658.00 per month.
9. Further comparables were included for two-bedroom houses and for 'Mixed' use properties in nearby areas produced by "Varbes Rental Market Statistics" and the "Office for National Statistics" which did not particularly assist the Tribunal.
10. The tenant submitted that there were few, if any directly comparable properties with a café below where odours and flour entered the flat.
11. The landlord submits:
 - a) That carpets, curtains and white goods are provided by the tenant.

- b) That the comparable evidence demonstrates that two-bedroom flats in the immediate vicinity command rents in excess of £650.00 per month.
 - c) In the wider market average rents for two-bedroom flats are between £700.00-£800.00 per month.
 - d) That the proposed rent of £750.00 per month is correct.
 - e) That the agent has notified the landlord of the leak to the living room ceiling.
12. The landlord submits several comparables to support his opinion that the rental value is £750.00 per month. Several of these are for detached and semi-detached houses which did not assist the Tribunal. The following comparables quoted are flats:
- a) 12 Halls Court (and one other), Stoney Stanton – one-bedroom flats offered at £700.00 per month.
 - b) Holt Close, Stoney Stanton – a one-bedroom apartment offered at £795.00 per month. The Tribunal noted this was more modern than the subject property.
 - c) St Michaels Court, Stoney Stanton – a two-bedroom flat offered at £650.00 per month. (This is understood to be in the same block as the subject flat).
 - d) Halls Court, Stoney Stanton – a one-bedroom apartment offered at £695.00 per month.

Determination and Valuation

13. The Tribunal explained to the parties the extent of its jurisdiction under section 70 of the Rent Act 1977.
14. On consideration of the comparable evidence provided by the parties, that forwarded by the Rent Officer and the Tribunal's own expert knowledge of rental values in the area, the Tribunal considers that the open market rent for the property in satisfactory condition would be the sum of £680.00 per month. This reflects the location of the property including the use of the ground floor commercial unit as a café and the access arrangements. From this level of rent, the Tribunal has made adjustments in relation to the following:
- a) The condition of the property:

1) No central heating	£40.00
2) <u>Old bathroom</u>	<u>£15.00</u>
	£55.00
 - b) Improvements by the tenant:

1) Fitted double glazing, kitchen units and heaters	£45.00
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 - c) Carpets, curtains and white goods fitted by the tenant £30.00
 - d) The tenant's liability to redecorate @5% £34.00

15. The Tribunal has also considered making an adjustment for scarcity using their own general knowledge and experience. In this case, the Tribunal considers that in the wider geographical area, there is no imbalance of supply and demand impacting on rental values and has, therefore, not made a reduction for scarcity.
16. The full valuation is:

Market Rent		£680.00 per month
Less:		
Items under (a) above	£55.00	
Items under (b) above	£45.00	
Items under (c) above	£30.00	
<u>Items under (d) above</u>	<u>£34.00</u>	
		<u>£164.00</u>
		£516.00

17. The Tribunal determines an uncapped rent of £516.00 per month.

Decision

18. The uncapped fair rent determined by the Tribunal, for the purposes of section 70 is therefore £516.00 per month from 7th September 2026. The maximum fair rent permitted by the Rent Acts (Maximum Fair Rent) Order 1999 is £531.00 per month. This therefore has no impact on the rent determined by the Tribunal as it is above the rent determined by the Tribunal. The calculation of the capped rent is shown on the Decision Form.

Chairman: G S Freckelton FRICS

7th September 2026

APPEAL PROVISIONS

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 to this Tribunal for permission to appeal. 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.

Notice of the Tribunal Decision

Rent Act 1977 Schedule 11

Address of Premises

1A St Michaels Court
Stoney Stanton
Leicester
LE9 4TH

The Tribunal members were

Mr G S Freckelton FRICS
Mr A Churchill MRICS

Landlord

M D D S Ltd

Tenant

R K C Neal

1. The fair rent is

£516.00

Per

Month

(excluding water rates and council tax
but including any amounts in paras
3&4)

2. The effective date is

7th September 2026

3. The amount for services is

Per

Applicable/not applicable

4. The amount for fuel charges (excluding heating and lighting of common parts) not counting for rent allowance is

Per

Applicable/not applicable

5. The rent is/is not to be registered as variable.

6. The capping provisions of the Rent Acts (Maximum Fair Rent) Order 1999 apply/~~do not apply~~ (please see calculation overleaf).

7. Details (other than rent) where different from Rent Register entry

8. For information only:

The fair rent to be registered is not limited by the Rent Acts (Maximum Fair Rent) Order 1999, because it is below the maximum fair rent of £531.00 permitted by the Order/ ~~The fair rent to be registered is limited by the Rent Acts (Maximum Fair Rent) Order 1999, because it is above the maximum fair rent of £XXX permitted by the Order.~~

Chairman

G S Freckelton FRICS

Date of decision

7th September 2026

MAXIMUM FAIR RENT CALCULATION

LATEST RPI FIGURE

X

419.1

PREVIOUS RPI FIGURE

Y

375.3

X

419.1

Minus Y

375.3

$$= (A)$$

43.8

(A)

43.8

Divided by Y

375.3

$$= (\mathbf{B})$$

0.1167

First application for re-registration since 1 February 1999 YES/NO

If yes (B) plus 1.075 = (C)

If no (B) plus 1.05 = (C)

1.1667

Last registered rent*

£455.00

Multiplied by (C) =

530.84

***(exclusive of any variable service charge)**

Rounded up to nearest 50p =

£531.00

Variable service charge

NO

If YES add amount for services

MAXIMUM FAIR RENT =

£531.00

Per

Month

Explanatory Note

1. The calculation of the maximum fair rent, in accordance with the formula contained in the Order, is set out above.
2. In summary, the formula provides for the maximum fair rent to be calculated by:
 - (a) increasing the previous registered rent by the percentage change in the retail price index (the RPI) since the date of that earlier registration and
 - (b) adding a further 7.5% (if the present application was the first since 1 February 1999) or 5% (if it is a second or subsequent application since that date).

A 7.5% increase is represented, in the calculation set out above, by the addition of 1.075 to (B) and an increase of 5% is represented by the addition of 1.05 to (B).

The result is rounded up to the nearest 50 pence.
3. For the purposes of the calculation the latest RPI figure (x) is that published in the calendar month immediately before the month in which the Tribunal's fair rent determination was made.
4. The process differs where the tenancy agreement contains a variable service charge and the rent is to be registered as variable under section 71(4) of the Rent Act 1977. In such a case the variable service charge is removed before applying the formula. When the amount determined by the application of the formula is ascertained the service charge is then added to that sum in order to produce the maximum fair rent.