



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

Case Reference : **JD/LON/OOAZ/F77/2026/0135**

Property : **2 Grotes Buildings , London, SE3 0GQ**

Tenant : **Barry Carey & Pamela Carey**

Landlord : **Real Estate Department Morden College**

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Date of Objection : **8 May 2026**

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

Tribunal : **R Waterhouse FRICS
C Barton MRICS
W Gibbs**

Date of Decision : **10 September 2026**

DECISION

The sum of £19,800 per year, will be registered as the fair rent with effect from 10 September 2026, being the date the Tribunal made the Decision.

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Full REASONS

Background

1. The landlord submitted an application, received 9 March 2026 to register a fair rent. The tenancy had run from 25 February 1987, and the previous rent was £19,440.00 per year registered on 9 April 2024.

2. Following the application the Rent Officer registered a fair rent of £21,583.50 per year, registered on 29 April 2026 with an effective date of 29 April 2026.

Following an objection from the tenant dated 8 May 2026, 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.

3. Directions were issued on 30 June 2026.

Preliminary matters

4. The tenant by document dated 21 July 2026 requests, alleging non-compliance by the landlord, that the landlord in the circumstances should not be permitted to respond to the applicant tenant's evidence.

5. The landlord by email dated 16 July 2026 wrote to the tribunal noting the tenant's submission was dated 30 June 2026 and that the deadline for submitting the completed form was 13 July 2026. The landlord contending that unfortunately as the correspondence was received after this deadline we (the landlord has not had sufficient time to complete and return the required form in the circumstances the landlord requests a short extension of a couple of days to complete and submit the form.

6. The tribunal by email 21 July 2026 sent an Order Form 1 to the landlord for completion for the extension of time.

7. The landlord by email dated 22 July 2026 requested the tribunal respond to their request for a short extension. The landlord says the directions require the tenant to submit their application by 27 July 2026 but that the landlord should respond by 3 July 26. This the landlord contends must be an administrative error, and the landlord requests confirmation of the correct date.

8. The directions dated 30 June 2026, required the landlord to complete their reply form by 13 July 2026 and thence for the tenant to make their submission dated 27 July 2026, finally for the landlord to have a reply by 3rd July 2026.

9. The tribunal considers clearly the 3rd July 2026 deadline to be incorrect.

10. The landlord's email of 22 July 2026, noted " there have been no material changes to the specification or condition of the property since the previous fair rent increase. On that basis, we do not consider there to be any reason to depart from the calculated Maximum Fair Rent."

11. In the absence of further correspondence, the Tribunal takes the statement contained in the e mail of 22 July 2026 as the landlords reply.

The Property/ Inspection

12. The current rent register entry stated the property as being a terraced house said to be built around 1790.

The property comprises;

Externally – a south facing rear garden with also north facing front garden.

Basement – an external washhouse at the rear of the property that the tenant has through the provision of a new set of stairs integrated with the main house. This area has been improved with the provision on a WC and a store.

Basement remainder- a kitchen /diner has been installed previously the area was a scullery/kitchen and store

Ground floor -front room used as bedroom, rear room used as living room

First floor -two further rooms. Additionally, above the washroom a shower room

Second floor -a front bedroom, a rear room which has been reconfigured to create a bathroom which has separate access from the hall, a further room.

The property has replacement single glazed sash windows, central heating throughout.

Externally the property at the front is rendered and has been painted.

There is parking on the street that is subject to residents permits.

The Inspection

13. Neither party requested a hearing, but an inspection was requested by the tenant. The Tribunal made its determination after the inspection.

Determination on papers

Evidence

Submission by the tenant

14. The tenant submitted a two-page document dated 21 July 2016. The Tribunal notes the contents and specifically records;

15. The tenants note that they have been in the property for the past 40 years and took it on in a derelict and dilapidated shell condition.

16. The tenants submitted a document called "Watts & Partners Report Schedule" – the document includes photographs of the pre improved condition.

A further document of 28 pages was received and considered.

Within the 15-page document at page 8 was a copy of a previous Rent Assessment Committee – extended reasons for decision, in that case a determination of £18,000 per year was made for 4 December 2012.

The tenants also completed a Reply Form. The form noted the tenant provided the double glazing, central heating, carpets, curtains and white goods, also that the property includes a garden.

A document titled “Representations” comprising 23 pages. The Tribunal has read and noted its contents.

Tenancy terms

17. Within "Representations" there is note of the terms said by the tenant to be unusual or onerous;

18. The lease ran from 3 March 1986 for 15 years and 22 days, initially at £2000 per year, with reviews 25 March 1991 and 25 March 1996 this expired on 25 March 2001. The tenants are holding over as protected tenants under the terms of the lease. The tribunal notes particularly; clause 10 first schedule repairing clause and clause 11 of the first schedule relating to external decorations.

The tenant contends £17500 per year is the correct figure.

Tenants Improvements

19. The Tribunal has had recourse to the tenants' representations dated 21 July 2026 to note improvements and repairs undertaken. Additionally, the Tribunal has inspected the property.

Submission by the landlord

20. The landlord has submitted a completed Reply Form. The Form notes the accommodation, and that the last registration was two years ago.

Valuation

21. In determining the level of rent for the fair rent, the Tribunal must carry out a valuation under section 70 of the Rent Act 1977 and then an assessment under the Rent Acts (Maximum Fair Rent) Order 1999. The latter assessment is dependent on the inflation rate between the last registered rent and the date of the current determination which is the date of hearing. The Tribunal must then adopt the lower of the two figures as the fair rent to be registered. The Tribunal cannot take into account the financial circumstances of the tenant in determining the rent.

22. The Tribunal in coming to its determination adopts the following methodology;

To ascertain the current rental value of the property under a contemporary tenancy informed by rents agreed within such contemporary tenancies.

- (a) To adjust for the reconfiguration of the property for example the integration of the wash house and the splitting of the second-floor bathroom. The property must be envisaged in its former layout.
- (b) To adjust for improvements in specification, for example central heating installation, bathroom and kitchen installation.
- (c) To adjust for repair. The tenancy required the property to be put in repair and keep in repair, but that the repairs should not be considered in the determination of the rent.
- (d) To adjust for the terms of the tenancy compared with the terms of the contemporary assured shorthold tenancies from which the rent is derived. In this case the tenant has the responsibility for internal and external repairs. The nature of the property is 1790 and listed.
- (e) To adjust for the supply of curtains, carpets and white goods which a tenancy in a contemporary property would be expected to have provided by their landlord.

23. The final adjustment is that required by statute that of scarcity which is taken as 20%.

24. The tenant submits evidence of the costs of repair and improvement and proposes an approach to amortise these and then discount the rent accordingly. Whilst knowledge of the cost of the works is useful from a contextual position, there is not always a direct correlation between cost of works and value added. The Tribunal does not adopt this approach.

25. No comparable evidence has been provided by the either party. The tenant suggests £55,000 per year as the unadjusted rent.

26. The Tribunal drawing on its expertise does not disagree with the figure of £55,000 per year. The Tribunal then makes an adjustment of 55% deduction to reflect items (a) to (e) above.

This gives £ 24,750 per year

Finally, an adjustment reflect scarcity is made of 20%, a deduction of £4950.00 per year

Rent determined £19800.00 per year

Decision

27. The rent calculated under section 70 Rent Act 1977 is £19,800.00 per year.

28. The rent calculated under the 1999 Order is £22,134.00 per year.

29. The rent calculated under the section 70 was £19,800.00 per year is lower than the rent assessment under the 1999 Order. The Tribunal therefore determines the rent of £19,800.00 per year.

Chairman: R Waterhouse FRICS

Date: 10 September 2026

Appeal to the Upper Tribunal

A person wishing to appeal this decision to the Upper Tribunal (Property Chamber) on a point of law must seek permission to do so by making a written application to the First-tier Tribunal at the Regional Office which has been dealing with the case which application must:

- a. be received by the said office within 28 days after the Tribunal sends to the person making the application written reasons for the decision.
- b. identify the decision of the Tribunal to which it relates, state the grounds of appeal, and state the result the party making the application is seeking.

If the application is not received within the 28 –day time limit, it must include a request for an extension of time and the reason for it not complying with the 28- day time limit; the Tribunal will then decide whether to extend time or not to allow the application for permission to appeal to proceed.