FIRST - TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)

Case Reference	**:**	**JD/LON/00AG/F77/2026/0170**
Property	**:**	**Flat D, 17 Well Walk, London NW3 1BY**
Tenant	**:**	**Mrs E Brennan**
Landlord	**:**	**Holstead Ltd**
Landlord's Representative	**:**	**Hamways Ltd**
Date of Objection		**14 May 2026**
Type of Application	**:**	**Determination of the registered rent under Section 70, Rent Act 1977**
Tribunal Members	**:**	**Judge S Agnew** **P Joseph MRICS**
Date and venue of Consideration	**:**	**10 Alfred Place, London WC1E 7LR** **21 October 2026**
Date of Decision	**:**	**21 October 2026**

DECISION

The sum of £374 per week will be registered as the fair rent with effect from 21 October 2026, being the date the Tribunal made the Decision.

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FULL REASONS

Background

1. On 17 December 2025, the landlord's agent Hamways Ltd submitted on the landlord's behalf an application to register a fair rent for this property of £1690 per calendar month (equivalent to £390 per week).

2. The rent had been previously registered by the Tribunal on 22 March 2024 at a rent of £325 per week, effective from that date.

3. On 18th March 2026, the tenant wrote to the Rent Officer to say that section 14 of the landlord's application form incorrectly stated that she had not made any improvements to the flat. She requested a consultation with the Rent Officer, which took place on 30 April 2026.

4. On 30 April 2026 the Rent Officer registered a fair rent of £363 per week (equivalent to £1,573 per calendar month) with effect from 30 April 2026.

5. By an email dated 14 May 2026, the tenant objected to the registered rent and the matter was referred by the Rent Officer to the First-tier Tribunal.

6. On 25 August 2026 the Tribunal issued directions setting out the timetable and the steps the parties were required to take in preparation for the determination of this case.

7. Both parties submitted reply forms, and the tenant provided 5 photographs of the property.

8. The property is described in the Rent Register as a self-contained converted flat (c 1800-1918) with full central heating, comprising: two rooms, kitchen and bathroom/wc on the second floor, and three rooms on the third floor.

Evidence and Hearing

9. In her reply form, the tenant indicated that she wished a hearing to be held in this matter and for the property to be inspected. Both the hearing and the inspection took place on 21 October 2026.

10. In considering the fair rental value of the Property, the Tribunal has taken into consideration all the oral and documentary evidence before it, as well as the condition of the property on inspection.

11. The landlord's application form indicates that the tenancy began before January 1989 and under the tenancy agreement, the landlord is responsible for repairs and external decorations, while the tenant is responsible for internal decorations.

12. The landlord's reply form was submitted by its agent, Hamways Ltd on 4 September 2026. In it, the landlord does not give any information about the condition of the property beyond stating that: the property is single-glazed and has central heating (although it does not say who provided it). It acknowledges that the tenant provided carpets, curtains and white goods. The landlord also comments that the property is situated in NW3, which is a well sought-after area, convenient for shops and transport links into central London. It suggests that the property is below market rent and says it believes that the current rent is fair and reasonable. The landlord has not provided any further evidence or submissions.

13. The tenant attended the hearing in person. The landlord did not appear nor did it send a representative. The Tribunal considered that sufficient notice of the hearing had been given to the landlord, and that – in the absence of any contact from the landlord to indicate a reason for its non-attendance – it was appropriate to continue with the hearing in the landlord's absence.

14. The Tribunal heard from the tenant in relation to the initial condition of the property, the improvements she made to it and its current condition. The tenant says that she has been living at the property for 45 years and when she moved in there was nothing in the flat, apart from one gas heater in the sitting room and an old (unhygienic) sink in the kitchen. The faulty gas fire in the sitting room was removed by the landlord but not replaced, and the fireplace was crudely boarded up.

15. The tenant says that she has made the following improvements to the property at her own expense:

- She installed in the kitchen fitted cupboards and worktops, a sink and draining board, a cooker and oven, a fridge/freezer and a washing machine. She has replaced the sink twice and these appliances/white goods as needed.

- Nearly 40 years ago she installed a central heating system with radiators in all the habitable rooms. Up to two or so years ago, her central heating boiler was in the kitchen, and there was an old gas water heater in the bathroom, which used to heat the water for the bathroom and the kitchen. The gas water heater was not safe, so the landlord had it removed and changed the boiler, replacing the old central heating boiler with a new combination boiler, which heats the water for both the kitchen and the bathroom.

- She replaced some tiles which were missing from the hearth in the sitting room.

- She installed a shower head over the bath and tiled half the wall in the bathroom, which went bad after 15 years and was then changed by the landlord.

- She has provided carpet in most rooms, with cork tiles in bathroom and kitchen (to protect tenants of the flat below from noise).

- She has installed roller blinds to all windows.

- She has repaired as needed and painted all wall, ceiling and woodwork surfaces throughout the flat.

16. The tenant adds that the bathroom/wc dates back to the 1950s and it is unmodernised. The bath, basin and wc are over 50 years old, the stained toilet flush is unreliable and there are no mixer taps.

17. The tenant submits that the flat suffers from the following defects/disrepair:

- There is no handrail on the staircase between the second and third floors. She says she used to sleep in one of the bedrooms on the third floor but now she sleeps in the second floor bedroom as it is closer to the bathroom which contains the only toilet in the property.

- The windows are old, there are some gaps and drafts, and the windows on the third floor are very hard to open.

- There is almost no water pressure in the shower and sometimes the shower does not work.

- There is damp around the window in the second bedroom, and until recently, there was extensive damp in the third bedroom. When the Tribunal asked if water is coming into the property, the tenant said that she has not seen a leak but there have been large stains and she thinks the dampness may be coming in from the roof. She added that there had been damp everywhere in the third bedroom, but just before the landlord recently put the rent up, it sent contractors to put some anti-mould treatment on the wall and/or ceiling of the third bedroom and to redecorate it. She asked them about the damp around the windows and they said it was not their job to deal with the windows. The staining was ignored. She says that the three other leaseholders who own the flats within the building got together to purchase the shared freehold, so the landlord company is now a shareholder. They come through the flat to access the roof because of the damp.

- The landlord has taken no energy-efficiency measures which could reduce heating costs/energy bills.

18. The tenant also submits that the flat has only 4 habitable rooms (plus kitchen and bathroom/wc), not 5 as the Rent Register states. The 5th room is a loft/attic storage area on the 3rd floor, accessed only through the second bedroom. The tenant says this room is uninhabitable. It cannot be used as a bedroom because the skylight is too small to give natural light, and and it cannot be legally used for anything other than storage because it has no fire escape. There are cracks to the room, loose floorboards, holes in the wall and the walls are crumbling. There is a separate area within the loft that contains three water tanks, of which two historically served the flats below the property and are now redundant. The third tank serves only the subject property, providing cold water to the bathroom sink, shower, bath and flush for the toilet. The tanks contain stagnant water and have never been checked, and the tenant is concerned about whether it is safe to use for brushing teeth. When asked whether she uses the loft/attic area for anything at all, the tenant said that is it impossible to use the area as it is not safe. The wood is visible in the walls and she does not store anything there as it is too horrible and dusty. She contends that although the property is listed as a five-room flat (plus bathroom/wc and kitchen), the 5th room is really a cupboard.

19. The tenant did not provide any evidence of comparable properties. However, she said that the landlord is a big property developer, which keeps asking for a 20% rent increase every two years. She believes it is irresponsible for the landlord to ask for this as it knows she is a protected tenant. She also made the point that while her rent has gone up by 11% in two years, according to the Office of National Statistics, private rent for 3-4 bedroom-flats in the borough of Camden has gone up by only 1%. Therefore, the proportion by which her rent has gone up is much higher than in the private sector.

20. The Tribunal explained that in its general knowledge and experience, similar properties of this type and location achieve rents in the range of approximately £3,750 per calendar month (or £865 per week) to £4,000 per calendar month (equivalent to £923 per week). It asked the tenant if she wished to say anything about this.

21. The tenant replied that the Tribunal should come and have a look at the property to see the disparity in condition and the lack of maintenance in her property. In the other privately rented flats in the building, each time a tenant leaves, the landlord redecorates. The private tenants have not put anything into their rented flats, and so it is comparing two different worlds.

Inspection

22. The Tribunal inspected the property on the afternoon of 21 October 2026 in the company of the tenant. No representative of the landlord was in attendance.

23. The property is a three-bedroom converted split-level flat located on the first, second and third floors of a period building on a pleasant, reasonably quiet residential road. The building and common parts are in good condition. There is no lift. The property does not have access to any outside space.

24. The entrance door to the property is on the first floor of the building and an internal staircase leads up to the accommodation. On the second floor, the accommodation comprises: a reasonably large hall area containing a storage cupboard; the first bedroom, a large living room, a kitchen and a bathroom with toilet.

25. On the third floor, there are two further bedrooms. From the second bedroom which is at the front of the property, a door leads into the area referred to by the tenant as the attic/loft area. It comprises: (i) a small loft room with a skylight; (ii) to the left of the initial loft room, a small enclosed area containing the three water tanks to which the tenant has referred; and (iii) to the right of the initial loft room, a larger loft room with a skylight.

26. The property has sash timber single glazing. The windows are old but in reasonable condition, although one of the third floor bedroom windows did not appear to close easily. Three skylights, comprising one above the staircase leading to the third floor and servicing the front bedroom at third floor level, appear to be modern installations. There is evidence of replastering around the opening of one of the skylights.

27. The property has central heating and radiators (originally installed by the tenant). The kitchen contains the new combination boiler (installed by the landlord approximately two years ago).

28. Overall, the property is in fair condition. In the bathroom, the wc, bath and sink are dated, the wall-mounted heater is old, and there is some mould at the top of the bathroom window. The tenant pointed out that the flush for the wc does not work well.

29. In the first bedroom, there is some peeling paint to the right of the window and the wallpaper on the ceiling is starting to peel. The kitchen is in good condition, although there is some blistered paint at the top corner of the window.

30. The staircase between the second and third floor is narrow and steep and there is no handrail.

31. On the third floor, there is some staining under the window in the second bedroom. The tenant pointed out where the landlord has done work to remediate the damp in the third bedroom, but there is still some damp in the corner by the fireplace.

32. The attic area comprising the initial loft room, water tank storage area and larger loft room is in poor condition. There are some holes in the plasterboard and cracks in the lath and plaster walls leaving the wood laths visible in places, the wallpaper is peeling and there is also some damp. However, the floor boards are sound, the skylights are in good condition, and there is some natural light.

The Law

33. When determining a fair rent the Tribunal, in accordance with section 70 of the Rent Act 1977 (the 1977 Act), carries out a valuation of the property. In doing so, it has regard to all the circumstances including the age, location and state of repair of the property. It disregards 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.

34. In *SpathHolme 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:

(a) 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) 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).

35. The Tribunal must then carry out an assessment under the Rent Acts (Maximum Fair Rent) Order 1999 (the 1999 Order). The 1999 Order provides the framework that places a ceiling on the maximum rent that can be registered. The calculation is based upon a formula that applies an increase in the monthly United Kingdom Index of Retail Prices to the previously registered rent.

Determination and Valuation

36. The Tribunal initially needs to determine what rent the landlord could reasonably be expected to obtain for the property in the open market if it were let today in the condition that is considered usual for such an open market letting. In doing this, the Tribunal considers the rental value of the property. It does not consider the personal circumstances of the tenant, as that is not a relevant factor for the purposes of section 70.

37. Neither the landlord nor the tenant provided any evidence of value with reference to comparable properties in the area.

38. Applying its own expert, general knowledge of rental values in the area and having considered the tenant's submissions, the Tribunal considers that the open market rent for the property in satisfactory condition would be in the region of £923 per week (equivalent to £4,000 per calendar month).

39. The next question is to consider whether any adjustments need to be made to the hypothetical open market rent to reflect the condition of the property, but disregarding any improvements by the tenant other than those in accordance with the tenancy.

40. The Tribunal determines that the open market rent should be adjusted downwards to take account of the following factors.

    (i) The terms and conditions of the tenancy according to which the tenant is responsible for internal decoration, as this is more onerous than the position under contemporary tenancies and would negatively impact the amount a prospective tenant would offer for the property. The Tribunal determines that a deduction of 5% should be made for this.

    (ii) The fact that the tenant installed the central heating system (original boiler and radiators). The Tribunal determines that a deduction of 7.5% should be made for this.

    (iii) The fact that at this level of rent the property would be furnished with suitable floor coverings, window coverings and a range of kitchen units and appliances. In this case the tenant has supplied carpets, curtains, white goods and installed the kitchen. The Tribunal determines that a deduction of 10% should be made for this.

    (iv) The Tribunal notes that the landlord has put in a new boiler and a new skylight and addressed some of the problems with damp in the third bedroom Nevertheless, at this level of rent a prospective tenant could expect the property to be in better condition than it is. This is especially true of the attic/loft space (5th room). However, the Tribunal finds that even though the loft/attic space (5th room) is not currently suitable for use as a living space or bedroom, the initial loft room and the larger loft room to the right of it are currently suitable for use for storage, and the space is not uninhabitable. The Tribunal determines that a deduction of 10% should be made to reflect the general condition of the property (including among other things the current poor condition of the attic/loft area).

41. Finally, the issue of scarcity must be considered. Neither party provided the Tribunal with any specific evidence on this issue. The issue of scarcity is considered with regard to of the number of properties available to let and the demand for such properties, across a large area. Using its knowledge and experience, the Tribunal considers that in the wide geographical area of Greater London there is an imbalance between supply and demand which impacts rental values. Accordingly the Tribunal determines that a deduction of approximately 20% should be made for scarcity.

42. The full valuation is shown below:

Market Rent		£923 per week
Less		
Tenant's decoration liability under lease	) 5%	
Installation of central heating	) 7.5%	
Supply of window coverings, floor coverings and white goods, installation of kitchen	) 10%	
General condition	) 10%	
Total adjustments	32.5%	£299.98
Net market rent		£623.03
Less		
Scarcity	approx. 20% of adjusted rent	£124.61
Net market rent adjusted for scarcity (uncapped fair rent)		£498.42

Decision

43. The uncapped fair rent initially determined by the Tribunal, for the purposes of section 70, was £498.42 per week.

44. The capped rent for the property according to the provisions of the Rent Acts (Maximum Fair Rent) Order 1999 is calculated at £374 per week. The calculation of the capped rent is shown on the decision form.

45. In this case the lower rent of £374 per week is to be registered as the fair rent for this property.

Chairman: Judge S Agnew

Date: **21 October 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 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 First-tier Tribunal refuses to grant permission to appeal, a further application for permission may be made to the Upper Tribunal (Lands Chamber).