FIRST-TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)

Case Reference	**:**	**LON/00BH/F77/2026/0147**
Property	**:**	**Flat 2 Salway House 25 Thornhill Road London E10 5LZ**
Applicant	**:**	**Miss D Duncan (Tenant)**
Representative	**:**	**None**
Respondent	**:**	**Orbit Housing Association (Landlord)**
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	**:**	**8 September 2026 First Tier Tribunal (London) HMCTS 10 Alfred Place, London WC1E 7LR**
Date of Decision	**:**	**8 September 2026 Revised 14 October 2026**

REASONS FOR DECISION

Background

1 By an RR1 application, the landlord applied to the Rent Officer for registration of a fair rent including a service charge. The registered rent at that time was £635.34 pcm including a service charge of £71.34 pcm. The passing rent was not stated.

2 With effect from 18 June 2026, the Rent Officer registered a fair rent of £603.14 pcm, including a variable service charge. A party objected to

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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 (@ April 2022). The Property appeared to date from around 1985 in a Building, of low rise 2/ 3/ 4 storey purpose built residential flats.

6 The Property accommodation is a flat with 2 rooms, bathroom/wc, kitchen, flat. From an external view the Property appeared to be in good/ fair condition. There is full central heating, double glazing. There is no mention of furniture, carpets or white goods being provided by the landlord. The tenancy began 16 July 1987.

Tenant Representations

7 The Tribunal did not receive any representations.

Landlord Representations

8 The Tribunal received brief representation, that they intended to charge a new rent from 1 July 2026 of £307.59 pcm inclusive of service charge.

Law

9 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.

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 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).

11 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.

12 On the evidence of the comparable lettings and our own general knowledge of market rent levels in and around LB Waltham Forest, the Tribunal accepts that the Property would let on normal Assured Shorthold Tenancy (AST) terms, for £1500 per calendar month for a 100% share, excluding service charges. We understand that the tenant holds a 25% share of the Property, will pay a rent of 75% of the whole but pay a service charge of 100% of the whole. This then, is the appropriate starting point from which to determine the rent of the Property as it falls to be valued.

13 The Tribunal found there were slight deficiencies the absence of floor coverings and white goods, sufficient to give rise to a reduction in the open market rental value of £100, leaving it at £1400 pcm for a 100% share (there would be no service charge).

14 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 LB Waltham Forest for this type of property and makes a deduction of £1120 pcm from the adjusted market rent.

15 The fair rent to be registered on this basis alone would be £1120 pcm. The 25% Property share would be 75% of rent, £840 pcm rent, plus 100% of the service charge £31.36, a total of £871.36, uncapped. However, 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 £766.65 pcm (75% of the rent) plus service charge (at 100%) of £124.15 pcm. The fair rent is registered at this figure of £766.65 pcm.

16 **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 tenants rent at the registered figure from the effective date. However, the landlord may not charge more than the registered fair rent.**

Chairman N Martindale FRICS **Dated 8 September 2026**
Revised 14 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 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).