

Rent Assessment Committee: Summary reasons for decision.

Housing Act 1988

Address of Premises

46 Badgers Way
Sturminster Newton
Dorset
DT10 1EP

The Committee members were

M J Greenleaves Chairman
A J Mellery-Pratt FRICS Valuer

Background

1. NB. In these reasons, the use of the terms "landlord" and "tenant" is solely to identify the parties and does not imply any determination by the Committee as to the nature of any legal relationship between them.
2. On 25th September 2006 the tenant of the above property referred to the Committee notices of increase of rent served by the landlord under section 13 of the Housing Act 1988.
3. The landlord had on 29th August 2006 served two notices.
 - a) one of which ("Notice 1") proposed a rent of £625 per month with effect from 1st October 2006 in place of the existing rent of £475 per month
 - b) the other of which ("Notice 2") proposed a rent of £625 per month with effect from 1st October 2006 in place of the existing rent of £70 per month
4. The Committee was required under Section 14 of the Housing Act 1988 to determine the rent at which it considered that the property might reasonably be expected to be let in the open market by a willing landlord under an assured tenancy on the basis set out in that Section.
5. The parties are in dispute as to whether the tenant's occupation of the property is:
 - By virtue of any tenancy terms at all; or
 - As an assured tenant; or
 - Under an agreement for an Assured Shorthold Tenancy dated 4th October 2005

Inspection

6. The Committee inspected the property on 27th October 2006 in the presence of the landlord and the tenant and found it to be in good condition for its age and character
7. The property, built about 15 years ago, comprises a living room, kitchen/diner, 3 bedrooms and bathroom/WC. The kitchen is fitted and apart from a refrigerator provided by the landlord, the white goods belong to the tenant. There is central heating throughout. There is not double glazing. It is understood the carpets and curtains belong to the landlord. There is an adjoining garage. The property is laid out in a garden to the rear and open lawns and beds to the front and flank.
8. There are no qualifying tenant's improvements.

Evidence

9. The committee received written representations from the landlord and tenant and these were copied to the parties. So far as material to the issues to be considered by the Committee, the Landlord submitted that a market rent for the property would be £600-£625. The Tenant denied that a tenancy existed at all and therefore the Committee did not have jurisdiction to consider the issues arising from the Landlord's notices, so that any determination should be stayed pending a determination of the issue of the Tenant's status by the Court. She also submitted that the Committee's determined rent should commence on 1st April 2007 as otherwise the increased rent would cause undue hardship.
10. Neither party requested a hearing at which oral representations could be made.

Jurisdiction

11. The Committee found as follows:
 - a) If the parties were bound by the agreement (the agreement) dated 4th October 2005, that agreement was for a fixed term of 5 years from 1st October 2005 at a fixed rent of £475 per month.
 - b) Any notice under Section 13 of the Housing Act 1988 (the Act), such as had been given in this present case, could apply only to either a statutory periodic tenancy or other periodic tenancy (as defined).
 - c) In this case there would still exist under the agreement a contractual term. It would not be either a statutory periodic or other periodic tenancy.
 - d) Accordingly, the Committee does not have jurisdiction to consider any Section 13 notice issued in respect of that agreement.

- e) However, if that agreement does not apply, there could, depending on a Court's determination, be either a statutory periodic or other periodic tenancy within Section 13 of the Act.
- f) The landlord has issued two notices and it appeared to the Committee that Notice 2 was issued on the basis that an assured tenancy existed. Similarly the tenant referred Notice 2 to the Committee, albeit reserving her position concerning the existence or otherwise of a tenancy.
- g) Accordingly the Committee decided that unless and until the contrary is determined by a Court, an assured tenancy exists between the parties and the Committee has jurisdiction to make a determination under Section 14 of the Act.

The law

- 12. In accordance with the terms of section 14 Housing Act 1988 the Committee proceeded to determine the rent at which it considered that the subject property might reasonably be expected to be let on the open market by a willing landlord under an assured tenancy.
- 13. In so doing the Committee, as required by section 14(1), ignored the effect on the rental value of the property of any relevant tenant's improvements as defined in section 14(2) of that Act.
- 14. In coming to its decision the Committee had regard to the evidence supplied by the landlord and the members' own general knowledge of market rent levels in the area of the immediate locality of Sturminster Newton. While its general knowledge suggested that the market rent might be a little higher than that suggested by the landlord, it concluded that an appropriate market rent for the property would be £625 per month.
- 15. However such a market rent would be on the basis that the property would be double glazed, all white goods were provided by the landlord and the landlord was responsible for decorations. As the property is not double glazed, that the tenant provides the cooker and washing machine and the tenant is responsible for decorations, the Committee deducted a total of £56 per month from the market rent of £625, leaving a net market rent payable for the property of £569 per month.

The decision

16. The Committee therefore concluded that the rent at which the property might reasonably be expected to be let on the open market would be £569 per month
17. This rent will take effect from 1st February 2007, the Committee being satisfied that undue hardship would otherwise be caused to the tenant.

Chairman



Dated

24th October 2006.

Southern Rent Assessment Panel

File Ref No:

CHI/19UE/MNR/2006/0117

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8. There are no qualifying tenant's improvements.

Evidence

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10. Neither party requested a hearing at which oral representations could be made.

Jurisdiction

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 - c) In this case there would still exist under the agreement a contractual term. It would not be either a statutory periodic or other periodic tenancy.
 - d) Accordingly, the Committee does not have jurisdiction to consider any Section 13 notice issued in respect of that agreement.

- e) However, if that agreement does not apply, there could, depending on a Court's determination, be either a statutory periodic or other periodic tenancy within Section 13 of the Act.
- f) The landlord has issued two notices and it appeared to the Committee that Notice 2 was issued on the basis that an assured tenancy existed. Similarly the tenant referred Notice 2 to the Committee, albeit reserving her position concerning the existence or otherwise of a tenancy.
- g) Accordingly the Committee decided that unless and until the contrary is determined by a Court, an assured tenancy exists between the parties and the Committee has jurisdiction to make a determination under Section 14 of the Act.

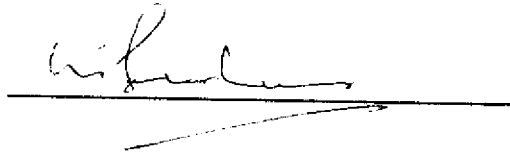
The law

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- 13. In so doing the Committee, as required by section 14(1), ignored the effect on the rental value of the property of any relevant tenant's improvements as defined in section 14(2) of that Act.
- 14. In coming to its decision the Committee had regard to the evidence supplied by the landlord and the members' own general knowledge of market rent levels in the area of the immediate locality of Sturminster Newton. While its general knowledge suggested that the market rent might be a little higher than that suggested by the landlord, it concluded that an appropriate market rent for the property would be £625 per month.
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The decision

16. The Committee therefore concluded that the rent at which the property might reasonably be expected to be let on the open market would be £569 per month
17. This rent will take effect from 1st October 2006 being the date specified by the landlord in the notice of increase.

Chairman

A handwritten signature in black ink, appearing to be 'W. F. ...', is written over a horizontal line. A diagonal line is drawn below the horizontal line, extending from the left towards the right.

Dated 29th October 2006.