

Southern Rent Assessment Panel File Ref No. CHI/45UD/MDR/2006/0009

Rent Assessment Committee: Full Reasons for Decision.

Section 22 Housing Act 1988

Address of Premises

54 Hampers Lane
Petworth
West Sussex
GU28 9NP

The Committee members were

Mr. Robert Wilson Chairman (LLB)
Mr. Roger Wilkey Valuer

1. The Application

On the 20th August 2006 the tenants of the above property made an application under Section 22(1) of the Housing Act 1988 ("The Act") to the Committee for a determination of the rent which, in the Committee's opinion, the landlord might reasonably be expected to obtain under the assured shorthold tenancy.

The tenancy is an assured shorthold tenancy which commenced on the 8th May 2006.

2. The Law

The law is to be found in Section 22(3) of the Act, which provides that, where an application is made with respect to the rent under an assured shorthold tenancy, the Committee shall not make such a determination unless they consider:

- (a) that there is a sufficient number of similar dwelling-houses in the locality let on assured tenancies (whether shorthold or not); and
- (b) that the rent payable under the assured shorthold tenancy in question is significantly higher than the rent which the landlord might reasonably be expected to obtain under the tenancy, having regard to the level of rents payable under the tenancies referred to in paragraph (a) above.

3. Inspection

The Committee inspected the property on 6th September 2006 and found it to be in fair condition. The property comprises a two bed-roomed semi-detached house on a small housing estate on the outskirts of Petworth. It is situated on level ground and benefits from a large rear garden.

The accommodation is arranged on 2 floors and consists of a small lobby area, fitted kitchen with appliances, living room and dining room on the ground floor, and two rooms plus bathroom/W.C. on the first floor.

4. Evidence

The committee received written representations from the landlord and tenant and these were copied to the parties. Neither party requested a hearing.

The tenants' case was that they were sent an offer in writing that the rent for the property would be £86 per week. However, on the day when they went to sign the tenancy they were told that the rent would be £122 per week as the tenancy was to be an assured shorthold and not a social housing tenancy which would command a lower rent. The landlords' case was that the tenants had been sent a provisional offer letter, which quoted £86 per week in error. However, the tenancy agreement signed did reserve the correct rent of £122.40 per week, which in the landlord's opinion was still below the market levels for the area.

From research they estimated that the private market rent for a 2 bed house in the Petworth area to be £190 per week for a 48 week year. The rent in this case of £122.40 per week was based on a 50% mark up on their social housing rents which were regulated by the government.

The tenants did not provide any comparable rental evidence and their grounds for making the application related solely to their poor financial circumstances.

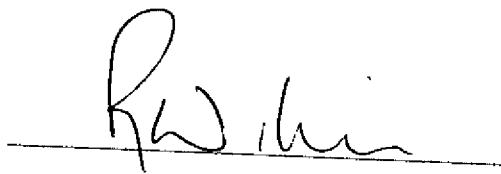
5. Consideration.

The Committee reminded itself that it could only make a determination if two conditions were met: first, that there was a sufficient number of other properties in the locality let on assured shorthold tenancies; and second, that the rent payable under the tenancy was significantly higher than the rent which the landlord might reasonably expect to receive on the open market. The Committee was aware of other comparable properties let in Petworth on assured shorthold tenancies, and as a consequence was satisfied that the first condition was met.

Based on its collective knowledge and experience of the local rental market the Committee accepted the landlords' evidence that two bed-roomed properties in the area commanded, on average, rents in the region of £800 per calendar month.

Having regard to the above the Committee had no difficulty in deciding that the rent payable by the tenants of approximately £530 per month was significantly lower than the rent which the landlord might reasonably be expected to obtain for the property in the open market. This meant that the second condition explained above was not satisfied and therefore the Committee was not able to make a determination.

Chairman



Dated

19th September 2006