

## **EASTERN RENT ASSESSMENT PANEL**

### **SUMMARY OF STATEMENT OF REASONS FOR THE DECISION OF THE COMMITTEE WHICH MET ON MAY 21<sup>ST</sup> 2003 TO DETERMINE THE OPEN MARKET RENT IN RESPECT OF 12 HURST CLOSE, BURTON LATIMER, KETTERING, NORTHANTS NN15 5UN**

**File Ref No:** CAM/34UE/MNR/2003/0042

<b>Landlords:</b>	<b>Leicester Housing Association</b>
<b>Tenants:</b>	<b>Mr S Anniwell &amp; Miss M Rowlands</b>
<b>Rent Before Notice of Increase:</b>	<b>£59.13 per week</b>
<b>Rent Proposed by Landlord:</b>	<b>£62.80 per week</b>
<b>Rent Determined by Committee:</b>	<b>£62.80 per week</b>

<b>Members of the Committee:</b>	<b>Mr Keith D McLean</b>
	<b>Mrs Indira Butcher</b>
	<b>Mr Peter A Tunley</b>

<b>Clerk to the Committee:</b>	<b>Mr J Childe</b>
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#### **THE PREMISES**

A middle of terrace house built in 1992/3 of traditional brick/tile construction with gas central heating and double-glazed windows/doors. The accommodation is on two floors, with Entrance Hall, through Living Room and Kitchen on the Ground Floor, with Landing, 2 Bedrooms and Bathroom/WC on the First Floor. All main services are connected. There is a garden mainly to the rear, overlooking a spinney and fields. There are 2 car parking spaces.

#### **LOCATION**

On a residential development of 59 dwellings of a similar size and type, on the outskirts of Burton Latimer. The bus stop is 200-300 yds, with buses running to the Town Centre, 1 mile distant. There is a spinney and fields to the rear of the house

#### **CONDITION**

In generally good condition throughout having regard to the age and type of property, and no obvious or serious defects were noted

#### **FURNISHINGS**

The property is let unfurnished

## **TENANTS' IMPROVEMENTS**

None, other than the garden shed, which was disregarded by the Committee

## **SERVICE CHARGE**

The Landlords had previously supplied a Schedule listing the items covered by the Service Charge, the majority of which related to the cost of contract gardening of the communal areas. The proposed charge of £138.88 pa (or £2.66 per week) was based on costs incurred during the Association's financial year ending September 30<sup>th</sup> 2002 and reflecting anticipated expenditure for the year ending September 30<sup>th</sup> 2004.

## **THE TENANCY**

The Assured Periodic Tenancy commenced on June 5<sup>th</sup> 1995 under the Housing Act 1988 as amended, at an original rental of £202.45 pcm (£196.88 rental plus £5.57 Service Charge). On February 25<sup>th</sup> the Landlords served a Notice increasing the rental from £59.13 per week (including £2.24 pw Service Charge) to £62..80 per week (including £2.66 pw Service Charge) as from April 7<sup>th</sup> 2003. The Tenants objected to the proposed increase on April 3<sup>rd</sup> 2003, and applied for the matter to be considered by the Rent Assessment Panel. As an Assured Tenancy, not being for a fixed period of 7 years, Section 11 of the Landlord & Tenant Act 1985 applies in respect of the Landlords' liability for repairs. The Tenant is responsible for internal decorations and maintenance of their enclosed garden.

## **THE INSPECTION**

The Committee inspected the property on May 21<sup>st</sup>, in the presence of one of the Tenants, Miss Rowlands, and the Representative of the Landlords, Mr Jim Mould of Leicester Housing Assn. No serious defect was noted. The Committee noted that the trees to the rear of the garden made the rear of the property rather dark

## **THE TENANTS' CASE**

Apart from mentioning that she had mentioned to the Landlords on several occasions that the gas balanced-flue boiler in the Kitchen was rather noisy, without avail, Miss Rowlands did not have any other complaint. She was not able to supply any other comparables of rental values in similar properties

## **THE LANDLORDS' CASE**

Mr Mould for Leicester Housing Assn stated that there was a waiting list for similar accommodation within the locality to suggest that there is sufficient demand, should properties become vacant, for the reletting to be effected without delay. This was the first increase in rental since 2001. Mr Mould, when questioned by the Committee, also elaborated on certain aspects of the Service Charge

## **THE LAW**

By virtue of Section 14(1) Housing Act 1988 the Committee determined the rent at which the dwelling-house concerned might reasonably be expected to be let in the open market by a willing Landlord under an Assured Periodic tenancy:-

- (a) of the same period as the subject Tenancy
- (b) which begins at the beginning of the new period specified in the Notice
- (c) the terms of which (other than relating to the amount of rent and/or Service Charge) are the same as the subject Tenancy

By virtue of Section 14(2) Housing Act 1988, in making a determination, the Committee shall disregard:-

- (a) any effect on the rent attributable to the granting of a tenancy to a Sitting Tenant
- (b) any increase in the value of the dwelling-house attributable to a relevant improvement (as defined by Section 14(3) Housing Act 1988) carried out by a Tenant otherwise than as an obligation
- (c) any reduction in the value of the dwelling-house due to the failure of the Tenant to comply with any terms of the subject Tenancy

## **THE DETERMINATION**

The Committee noted the Tenants' comments on the noisy gas boiler, and also noted the Landlords' comments that there was sufficient demand for the property to be readily relet if it became vacant. Unfortunately neither party provided any rental comparables of similar properties, and therefore the Committee was forced to draw on their knowledge and experience of comparable properties in the area in assessing an open market rental for a similar property in good condition, having white goods and fitted carpets/curtains, at £67.00 per week excluding any service charge

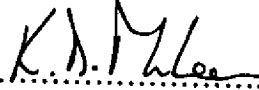
Since the subject property does not have any white goods and fitted carpets/curtains included in the tenancy, which a Landlord would normally supply to attract a tenant at that assessed rental, the Committee made a reduction of £6.70 per week for these matters. The Committee therefore determined the market rent of the property at £60.30 per week excluding any Service Charge

With regard to the Service Charge, whereas Committee were of the opinion that certain of the charges were a little on the high side, they were not so excessive as to alter the total Service Charge, and therefore confirmed it as £2.66 per week

Therefore the Committee determined the market rental at £60.30 per week, plus £2.66 per week Service Charge, to total £62.96 per week. Since this is so close to the rental figure in the Landlords' Notice, and it is not normal practice for the rental to be disturbed if the difference is only minor, the Committee confirmed the rental at £62.80 per week including £2.66 per week Service Charge, to take effect from April 7<sup>th</sup> 2003.

### THE COMMITTEE'S CALCULATIONS

Open Market Rent	£67.00 per week
Less deduction for lack of white goods & fitted carpets/curtains	£6.70 per week
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Open Market value of Subject property	£60.30 per week
Add for Service Charge	£2.66 per week
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Total	£62.96 per week
Say	£62.80 per week

Signed  K D McLean FRICS (Chairman)

**Caution** The Committee inspected the subject property for the purposes of reaching this decision. The inspection was not a structural survey and any comments about the condition of the property in this Statement of Reasons must not be relied upon as a guide to the structural or other condition of the property