

Rent Assessment Committee: Summary reasons for decision.

Housing Act 1988

Address of Premises

6. LADYON CROFT
WORCESTER WR3 8QP

The Committee members were

WILLIAM S. MARTIN
RICHARD BAILEY FRICKS
MRS. MARGARET D

1. Background

On 12.04.2003 the tenant of the above property referred to the Committee a notice of increase of rent served by the landlord under section 13 of the Housing Act 1988.

The landlord's notice, which proposed a rent of £297.11 per month with effect from 1.10.03 is dated 06.08.03

The tenancy commenced on for a term of months/years. The tenant remains in occupation as a statutory periodic tenant. The current rent is £..... per

The tenancy is a periodic tenancy which commenced on 1.1.1992. The current rent is £295.78 per month.....

~~The tenancy is a statutory periodic tenancy by succession which arose on the death of the former tenant. The rent payable is £..... per~~

2. Inspection

The Committee inspected the property on 27.10.03 and found it to be in good/~~fair/poor~~* condition.*

[Brief description of condition]

THE COMMITTEE NOTED THAT THE TENANT, HAD INSTALLED A GAS FIRE AND LEVELLED THE REAR GARDEN TO ACCOMMODATE THEIR PERSONAL REQUIREMENTS BUT THEIR MATTERS ARE NOT REGARDED AS AFFECTING THE RENTAL VALUE

~~The following qualifying tenant's improvements had been made to the property.*~~

~~FRONT PATIO - A PATIO - A GAS FIRE~~

~~The Committee was unable to gain access at the appointed time in order to inspect the property internally and therefore made an external inspection only.*~~

The following services are provided for the tenant.

GARDENING OF COMMON PARTS
CALL MONITORING SYSTEM (NOT UTILISED BY THE TENANTS)

3. Evidence

The committee received written representations from the ~~landlord and~~ tenant and these were copied to the parties/ ~~No written representations were received from the landlord/tenant/~~either party.*

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

GUILDFORD WORCESTER

A hearing was held aton 27.10.03 in..... at which oral representations were made ~~by/on~~ behalf of* the landlord ~~and tenant~~.* The ~~landlord~~ tenant* was not present or represented.*

~~A hearing was arranged for.....onin.....but neither party attended.*~~

4. The law

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.

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.

In coming to its decision the Committee had regard to the evidence supplied by the parties/ and the members' own general knowledge of market rent levels in the area of ... Worcester and concluded that an appropriate market rent for the property would be £... 4.50 per week/~~fortnight~~/month/~~quarter~~.**

Note: the Committee may want to indicate here any particularly compelling market rental evidence on which it relied.

5. The decision

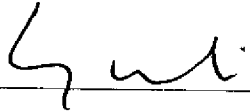
The Committee therefore concluded that the rent at which the property might reasonably be expected to be let on the open market would be £... 4.50 per week/~~fortnight~~/month/~~quarter~~ /inclusive of 10.23 in respect of services.*

*This rent will take effect from 1.10.03 being the date specified by the landlord in the notice of increase.**

~~*This rent will take effect from the committee being satisfied that undue hardship would otherwise be caused to the tenant.**~~

It should be noted that the tenancy contains a variable service charge within the meaning of section 18 of the Landlord and Tenant Act 1985. It follows that in accordance with Housing Act 1988, section 14(4) the rent determined by the Committee for the purposes of this application is exclusive of that service charge which will therefore be recoverable in addition to the rent determined.

Chairman



Dated 27. 10. 03

This document contains a summary of the reasons for the Rent Assessment Committee's decision. If either party requires extended reasons to be given, they will be provided following a request to the committee clerk which must be made within 21 days from the date of issue of this document.

W. JOHN MARTIN

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22nd November, 2003.

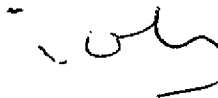
Sara Whale
Midland Rent Assessment Panel,
2nd Floor,
East Wing,
Ladywood House,
45-46 Stephenson Street,
Birmingham
B2 4DH

Dear Sara,

Re: **6 Radnor, Croft, Worcester**

I enclose the extended Reasons for Decision which I have signed. I have also sent an electronic copy to you by email.

Best wishes



JOHN MARTIN

Ref: BIR/47UE/MNR/2003/0063/01

REASONS FOR DECISION

HOUSING ACT, 1988, SECTIONS 13 AND 14

6 Radnor Croft, Worcester, WR3 8QP

1. Jurisdiction

This is an application by the Tenants, Mr. and Mrs. D. Joynes, to a Rent Assessment Committee to determine the rent for the above property following a formal notice by the Landlord, Harden Housing Association, under Section 13(2) of the Housing Act, 1988 proposing a new rent of £297.11 per month from the 1st October, 2003.

All notices from the Landlord and the Tenants appear valid and jurisdiction was accepted.

2. Inspection

The property comprises an end bungalow unit in a small development of sixteen similar properties situated in a residential district of Worcester. The development was apparently constructed in the 1980s. The accommodation consists of a living room, two bedrooms and a kitchen and bathroom. There is a small garden to the rear and also car parking to the front of the property.

The Tenants have carried out various improvements namely they have installed a gas fire, provided new taps in the bathroom and have paved the rear garden.

In addition the Tenants have carried out repairs which are legally the Landlord's responsibility. The Tenants complain of subsidence caused by damp and as a consequence have replaced the kitchen floor, having first treated the damp and have re-laid the slabs to the front garden. The

Tenants plan to replace the front door and the architrave as the surrounding floor area breaks down because of the subsidence which was apparent when the Committee inspected.

3. Representations and hearing

The Tenants made written submissions by a letter dated the 25th September, 2003. The Tenants felt that the increase proposed of £2.42 per month was not justified because of the problems encountered by them, referred to above, and that because of this the bungalow is only worth £265.00 per month and that the Committee should refuse the increase requested by the Landlord. The Tenants were forced to carry out maintenance and repair work themselves because the Landlord lacked the expertise to carry out the necessary work.

A hearing was held shortly after the inspection at which the Landlord's representative, Mr. Evanson, addressed the Committee.

He stated that the rent increase was a standard increase requested of all the other tenants, and that only Mr. and Mrs. Joyce objected. The service charges included within it were actual costs. The Housing Association had had a professional freehold valuation on the 16th May, 2003 at £107,000.00.

The units were all constructed for shared ownership (which did not materialise) and because of this are constructed to a slightly enhanced specification. Mr. Evanson had asked a letting agent for his opinion as to the market rental value and was given a figure of £500.00 per month.

On the question of the Tenants' complaints concerning repairs etc. it seemed that they preferred to sort things out themselves. The Association of course accepted responsibility for any subsidence or damp.

4. The Law

By Section 14(1) of the Housing Act, 1988, where a tenant refers a notice under Section 13(2) of the Act to a Rent Assessment Committee, the Committee "shall determine the rent at which.....the Committee consider that the dwelling house concerned might reasonably be expected to be let in the open market by a willing landlord under an assured tenancy...." The Committee are required by subsection (2) to disregard any effect on the rent of the tenancy being granted to a sitting

tenant and the effect on the rental value of the tenant's relevant improvements.

5. Determination

The Committee considered that, despite the problems the Tenants have clearly encountered with regard to damp and related subsidence, the bungalow is nevertheless an eminently lettable property in an attractive setting. They are aware that the Landlord has only requested an increase of approximately £2.40 per month. However Section 14 of the Housing Act, 1988 requires the Committee to determine the rent which would be achievable if the bungalow was let on the open market under an assured tenancy. The fact that the Landlord is a housing association which does not seek to achieve a market rent is not covered by the legislation and the Committee have no discretion to determine a rent in a manner other than as prescribed by Section 14.

The Committee noted that Mr. Evanson had suggested that the market rent was £500.00 per month. The Committee were not otherwise provided with any direct market rent comparables by either party.

The Committee, using the general knowledge of market rents in the City of Worcester, but not relying on any special or secret knowledge, determined that the rent at which the property would let at an assured tenancy, bearing in mind its position, and also taking into account the condition of the property, is £450.00 per month. There is a good demand for bungalows of this type in Worcester and the Committee were satisfied that the bungalow would let readily at that figure on the open market. The rent of £450.00 includes an amount of £10.23 per month in respect of garden maintenance and alarm call monitoring. The Committee understand that the Tenants have disconnected the alarm but the service is available to them.

The Committee did not consider that any hardship would apply by backdating the increase to the 1st October, 2003 and their determination is therefore effective from that date.

Dated this 21st day of November, 2003.



W. J. MARTIN (CHAIRMAN)