

## **EASTERN RENT ASSESSMENT PANEL**

### **STATEMENT OF REASONS FOR THE DECISION OF THE COMMITTEE WHICH MET ON 8<sup>th</sup> OCTOBER 2004 TO DETERMINE A FAIR RENT IN RESPECT OF 105 WATER LANE, WOOTTON, NORTHAMPTON, NORTHAMPTONSHIRE NN4 6HH**

File Reference No.:	CAM/34UF/F77/2004/0075
Landlord:	BPT (Bradford Property trust) Limited, St Johns House, Barrington Road, Altincham, Cheshire WA14 1TJ
Landlord's Agent:	Grainger Residential Management Limited, The Circle, Harborne, Birmingham B17 9DY
Tenant:	Mrs AB Brundish
Existing Rent:	£60.00 per week capped under Rent Acts (Maximum Fair Rent) Order 1999 (Uncapped rent £64.00 per week)
Rent Proposed by Landlords:	£82.00 per week
Rent Determined by Rent Officer	£67.00 per week capped under Rent Acts (Maximum Fair Rent) Order 1999 (Uncapped rent £70.20 per week)
Rent Determined by Committee:	£67.00 per week capped under Rent Acts (Maximum Fair Rent) Order 1999 (Uncapped rent £90.00 per week)
Members of the Committee:	Mr JR Morris (Chairman) Mr GRC Petty FRICS Mr PA Tunley
Clerk to the Committee:	Mr J Childe

#### **The Tenancy:**

The tenancy appears to be a statutory weekly periodic tenancy which commenced on the 28<sup>th</sup> November 1966. A tenancy agreement date 25<sup>th</sup> November 1966 was provided.

#### **The Application:**

The Landlord by a notice in the prescribed form dated 4<sup>th</sup> June 2004 proposed a new rent of £82.00 per week. On the 6<sup>th</sup> July 2004 the Rent Officer registered a capped rent of £67.00 per week under the Maximum Fair Rent) Order 1999, the uncapped rent being £70.20 per week. On 16<sup>th</sup> July 2004 the Tenant applied to the Rent Assessment Panel.

#### **The Property:**

The property is a two storey semi-detached house constructed of brick under a tile roof built circa 1960. The house comprises a hall with stairs rising to the first floor, a living room and a kitchen on the ground floor and three bedrooms, a bathroom and separate w.c on the first floor. Space heating is by gas fired central heating system with a gas fired fitted by the tenant in the living room. Water heating is by an electric immersion. The property has mains electricity, gas, water and drainage. The property is let unfurnished. Outside there is a single garage with tarmac drive. There is garden to the rear and an attached flat roofed brick store. The property is situated off a busy road in the expanding village of Wootton about 4 miles from Northampton. There is some local shopping.

#### **Condition:**

The Committee inspected the property in the presence of the Tenant and her daughter. Externally the woodwork is in poor decorative condition. The gutters and down pipes are upvc and a section is badly chipped at the rear of the property. One of the windows in the living room, the windows in bedroom 3 and the bathroom are replacement upvc double glazed units. The wooden windows are in poor condition and there are some signs of them beginning to rot. Internally there is serviceable if dated fitted kitchen. The bathroom suite is also rather dated although in fair condition. There are signs of damp in the bathroom and bedroom 3. There are insufficient electric sockets by modern standards although the Tenant has fitted additional sockets in the hall and bedroom 3. Carpets, curtains and white goods are not provided.

#### **Law:**

Attached to this Statement of Reasons is a resumé of the law applied by the Committee.

## Open Market Rent

### ***Parties' submissions:***

In written representations the Tenant stated that the Landlord had not carried out any maintenance on the property, the windows were rotten and the exterior needed painting. The property has not been re-wired since 1960. There is damp in bedroom 3, the front wall needs re-pointing and the kitchen sink is in need of attention.

The Landlord's Agent stated that the appeal did not appear justified and the rent officer's assessment was accepted.

### ***Committee's Decision:***

Neither party submitted rentals for comparable properties therefore the Committee used the experience of its members. It determined that a market rent for a property similar to the subject property, taking into account its location, in good condition with central heating, modern kitchen and bathroom, and let with some carpets, curtains and white goods on an Assured Shorthold Tenancy would be £125.00 per week. However the Committee considered that a global deduction of £25.00 per week should be made in respect of the subject property for the need for external repair and re-decoration the dated kitchen and bathroom and the lack of any carpets, curtains or white goods. It should be noted that this figure cannot be a simple arithmetical calculation and is not based specifically upon capital cost but is the Committee's estimate of the amount by which the rent would have to be reduced to attract a tenant.

### **Scarcity**

It was decided that there is substantial scarcity of "... similar dwelling-houses in the locality..." in this case Northamptonshire that are available for letting and a deduction would be made to reflect this of 10 %


### **Committee's Calculations:**

Open Market Rent:	£125.00 per week
Less global deduction	<u>£ 25.00</u>
	£100.00
Less Scarcity 10%	<u>£ 10.00</u>
	£ 90.00

'Uncapped' fair rent say £90.00 per week

The provisions of the Rent Acts (Maximum Fair Rent) Order 1999 require that the registered rent is either the capped Fair Rent or the Fair Rent decided by the Committee which ever is the lower. The capped Fair Rent is calculated in accordance with a statutory formula using the existing rent as a base. The capped rent in this case is £67.00 per week, which is lower than the Fair Rent assessed by the Committee and therefore the Capped Rent is to be registered.

**FAIR RENT = £67.00 per week**

 .....JR Morris, Chairman

### **Important Note:**

**This is a summary of the Committee's reasons for its decision. Should you require more detailed reasons, they can be supplied but only if a written request for such reasons is received by the Panel Office within 21 days form the receipt of this document. The papers will then be returned to the Chair for such detailed reasons to be prepared.**

**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 must not be relied upon as a guide to the structural or other condition of the property.