

EASTERN RENT ASSESSMENT PANEL

Statement of Reasons for the Decision by a Committee of the Panel following an Inspection
carried out on 28th August 2003

Rent Assessment Committee

Mrs H C Bowers MRICS (Chairman)

Mr Auger FRICS

Mr Tyers

Case No.: CAM/00ME/MNR/2003/85
Re: 49 Castleview Road, Slough Berkshire.
Landlord's Agents: Berkshire Property Services
Tenant: Mr S Dallamore and Ms J Gardener

Introduction

1. The Committee considered an application made by the tenants Mr Dallamore and Ms Gardener, referring a notice proposing a new rent under an Assured Periodic Tenancy. The landlord's agents had served a notice on the tenants, proposing that the rent for 49 Castleview Road (the subject property) was to increase from £650 per calendar month to £780 per calendar month with effect from 18th June 2003.

The Statutory Provisions and the Tenancy Agreement

2. This matter comes under the jurisdiction of Sections 13 and 14 of the Housing Act 1988 (the Act). Section 13 of the Act provides for annual increase of rent under Assured Periodic tenancies by notice in the prescribed form, served by the landlord on the tenant and for the tenant by an application in the prescribed form to refer the notice to the Rent Assessment Committee.
3. Section 14(1) of the Act provides for the determination of rent by Rent Assessment Committee. The Committee is required to determine the rent at which the subject property could reasonably be expected to let in the open market by a willing landlord on the basis of an assured tenancy commencing on 18th June 2003 but upon the same terms as the subject tenancy, except as they relate to the amount of rent.
4. Section 14(2) of the Act states that the Committee shall disregard the following:-

- Any effect on the rent attributable to the granting of a tenancy to a sitting tenant;
- Any increase in value of the property attributable to an improvement carried out by the tenant, other than in pursuant of an obligation;
- Any reduction in the value of the property attributable to the tenant's failure to comply with the terms of the tenancy.

5. The Committee understands that there is no tenancy agreement.

Inspection

6. We inspected the property on 18th August 2003 in the company of the tenants. The subject property is a semi-detached house. It is of brick and part tiled hung construction with a tiled roof. The accommodation comprises a large reception room, a kitchen on the ground floor and three bedrooms and a bathroom on the first floor. There is an adjoined double length garage with access from the kitchen. The house is situated in a residential area with similar properties in the surrounding roads. The house benefits from central heating. The landlord has provided carpets to the house and a gas cooker and a fridge, but we understand that the fridge is no longer working. The wiring appears to be dated and there is very limited provision of electrical sockets in some of the bedrooms.

Representations and Hearing

7. The tenants indicated that they did require a formal hearing. A hearing was held on 28th August 2003 at Slough. The tenant had sent written representations that had previously been copied to the landlord's agent.

Tenant's Case

8. We were informed by the tenants that the property was let in a poor condition but that the landlord had undertaken to carry out a number of repairs, but in general the work has not been undertaken. The tenants were told not to redecorate the interior of the house as the landlord would carry this out, but no redecoration has occurred. There are a number of outstanding works including repairs to the garage roof, repairs to the patio, garage and garage doors and the gutters. Additionally the mixer taps in the kitchen and bathroom are in a poor condition.
9. The wiring is in poor order and with limited provision of sockets. The carpets are in a poor condition and the only operational white good is the gas cooker.

10. The house does not have any double-glazing and in the tenants' opinion this has an impact upon noise and heat insulation and the security against burglary. The works to the adjoining house has in the tenants' view had an impact upon the value of the subject property.
11. We were provided with comparable information on three properties around Slough. The first was 10 Rodney Way, which is offered on the market for £800 per calendar month. This is a three bedroom semi-detached house with a garage. The house has the benefit of central heating and air-conditioning.
12. Station Road is a three bedroom semi-detached house in Langley and is let at £830 per calendar month. The house is close to the station and benefits from having central heating and being in very good order but does not have a garage.
13. Moor Furlong, Cippenham is a three bedroom semi-detached house offered at £900 per month, but let at £850 per calendar month. The house is in reasonable condition.

Landlords' Case

9. There were no written representations from the landlord's agents.

Consideration

10. In accordance with the Act we start by looking at the open market rental value of the property. From this we may make a number of adjustments as required by the Act and thus deduce the net market rent for the property under the Assured Periodic Tenancy.
11. The information supplied by the tenant was useful and together with our own collective knowledge and experience of the local rental market, we were of the opinion that the open market rent for this property would be £825 per calendar month. This rental level would be achieved for a property in "good modern letting condition".
12. By "good modern letting condition" we mean what a prospective tenant would expect to find. The property would be in good structural and decorative order both inside and out. It would be carpeted and might have curtains. It might also have some "white goods" such as a cooker. That is what people in this locality expect of a letting on the open market and the comparable figures

available are for all practical purposes r properties let on assured shorthold tenancies in that condition.

13. We have found the property to be in a poor condition and would require extensive work to bring it up to a standard that would command the open market rental value of £825 per calendar month. Only limited furnishings were provided with the property and these are quite dated. The kitchen in this property as originally let, are not up to the standard that would normally be required for this category of housing. We have made a deduction to the open market rent to reflect these issues.

14. There are a number of items of disrepair the property, including the wiring, the condition of the windows, the garage roof, and repairs to the garage and the condition of the internal decorations. We understand the landlord has not carried out any redecoration during the course of the tenant's occupation and the landlord has taken on this full responsibility. Accordingly we feel that a prospective tenant would reduce their rental offer for the property for these items and we have made a deduction from the market rent to reflect these items of disrepair.

15. We therefore produced the following calculation on a calendar monthly basis:

Open Market Rent:	£	
		825
Less allowances for:	£	
Lack of Carpets, Curtains and White Goods		35
Poor Kitchen/Bathroom		35
Wiring/Items of Disrepair		80
		<u>150</u>
		675
Net Rent	£675	

16. We therefore determine a rent of £675 per calendar month. The rent is effective from 28th August, the date of our decision as the Committee is satisfied that hardship would have arisen if the date in the landlord's notice had been adopted.

Chairman

Date:-

A handwritten signature in black ink, appearing to read "Philip K. Smith". The signature is written in a cursive, flowing style with a large, prominent loop at the end.

22/9/03.