

**Rent Assessment Committee: Summary reasons for decision.  
Housing Act 1988**

**Address of Premises**

19 Skye Close  
Nuneaton  
Warwickshire  
CV10 7LW

**The Committee members were**

Mr N R Thompson FRICS  
Mr P J H Waller  
Mr D Douglas

**1. Background**

On 5.12.05 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 £ 140 per week with effect from 26.12.05 is dated 20.11.05.

The tenancy commenced on 9.10.95 for a term of 6 months/~~years~~. The tenant remains in occupation as a statutory periodic tenant. The current rent is £ 100 per week.

~~The tenancy is a periodic tenancy which commenced on ..... The current rent is £ ..... per .....~~

~~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 22.3.06 and found it to be in good/fair/~~poor~~\* condition.\*

[Brief description of condition]

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

*Carpet laminate flooring in Dining Room & Kitchen*

*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~~

### 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/other party.\*~~

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

A hearing was held at 10:45 on 22.2.06 in Nuneaton 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 ..... on ..... in ..... 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 Nuneaton ..... and concluded that an appropriate market rent for the property would be £ 125 ..... per week/fortnight/month/quarter.\*

and North Warwickshire  
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 £ 125 ..... per week inclusive of ..... in respect of services.\*

This rent will take effect from 26.12.05 ..... 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 \*~~

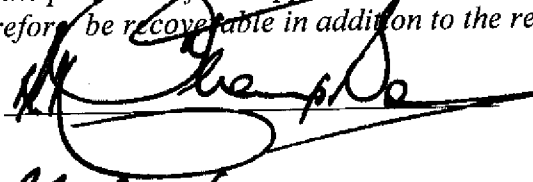
The Committee gave careful consideration to all of the evidence of comparable properties cited by both parties. The Committee concluded that the most relevant of these were in Orkney Close and Ocean Drive ~~houses~~ having regard to such matters as the design, size, type, <sup>location</sup> and condition of the various comparables.

Having inspected both of these properties, (and a number of the other comparables) the Committee considered that the relatively wide divergence of rent between Orkney Close <sup>(£108.50)</sup> and Ocean Drive <sup>(£150)</sup> was accounted for by the condition and facilities of the respective properties.

Accordingly, in relating these to the subjects premises, the Committee determined the market rent at £125 p. week.

~~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

21. 3. 66

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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.

**DECISION OF THE RENT ASSESSMENT COMMITTEE IN RESPECT OF  
THE DETERMINATION OF THE RENT OF  
19 SKYE CLOSE, NUNEATON, WARWICKSHIRE, CV10 7LW**

**Appeal Reference No: BIR / 47UC/MNR/2005/0158**

This was an appeal by the tenant, Mrs K Bateman, against a proposal by the landlord, Mr A M Nepali, acting through his attorney, Mr Z Bakali, that the rent of the property under the Assured Periodic Tenancy to Mrs Bateman should be increased from £100 per week to £140 per week, with effect from 26<sup>th</sup> December 2005. Formal notice of that intention under Section 13(2) of the Housing Act 1988 (as amended) ("the Act") was given to the tenant on 20<sup>th</sup> November 2005.

The Committee inspected the property on 22<sup>nd</sup> March 2006, and found it to comprise a modern, two storey, three bedroomed, link detached house of brick and tile construction, with part rendered front elevation and side garage, situated opposite a Primary School, at the end of a cul de sac in a good quality and established residential area of Nuneaton.

At the request of the landlord, a hearing was held at 10:45am on 22<sup>nd</sup> March 2006 in Nuneaton, at which oral representations were made by and on behalf of the landlord and the tenant. Prior to the hearing, both parties had made extensive written submissions to the Committee.

At the hearing, both parties presented evidence of a number of "comparable" properties in support of their respective views as to the rental value of 19 Skye Close in accordance with the terms of the Act – namely the rent at which it is considered that the subject property might reasonably be expected to let on the open market by a willing landlord under an assured tenancy. (Section 14 of the Act).

**For the landlord**, details were provided of the following houses:

- **Mossdale Crescent (No: 18)** – [Inspected externally by the Committee]:

This is a detached property with an integral garage, rather than link detached with a side garage, as in the case of 19 Skye Close. The condition of the house appears to be only "fair" and it seems to be in need of modernisation and upgrading. It is not the same design as Skye Close. It is let on an Assured Shorthold Tenancy ("AST") from March 2004 at £550 per calendar month (equivalent to £ 126.92p per week)

*The Committee noted that this was a detached property (as opposed to link detached) and not the same design as Skye Close. In addition, the rent was historic, and taking all of these factors into account, its relevance was considered to be somewhat limited.*

- **Oban Drive (Number unknown but identified from the photograph submitted by the landlord)** – [Inspected externally by the Committee]:

This is a link detached house of similar design to 19 Skye Close, and has clearly been modernised and updated, with modern double glazed windows

and is in better condition than the subject property. It also has a conservatory at the rear. It is currently let (as from November 2005) on an AST at £650 per calendar month (equivalent to £150 per week).

*The Committee noted that this house was in better condition than Skye Close and had the benefit of a conservatory. It was therefore felt that it reflected an enhanced level of rent which Skye Close would not warrant in its present condition. Accordingly, the relevance of this property was again considered somewhat limited, although it undoubtedly had sufficiently comparable characteristics to make it one of the properties to which the Committee should have regard in arriving at its decision.*

- **Oban Drive (No: 1)** – [Inspected externally by the Committee]:

Again, this is a link detached house, similar in design to 19 Skye Close. It has a conservatory and appears to be in good condition, although no details were available as to its internal condition or the facilities it offered. It is currently let at £625 per calendar month (equivalent to £ 144.23p per week), but the date and terms of the letting were not known.

*Similar comments apply as with the above property. The absence of details regarding the timing and other terms of the letting also made reliance on this property difficult. Nevertheless, it too has sufficiently comparable characteristics to make it one of the properties to which the Committee should have regard in arriving at its decision.*

- **The Raywoods (No: 61)** - [Inspected externally by the Committee]:

Once again, this is a link detached house of similar design to 19 Skye Close. It appears to be in good condition and to have been modernised and updated. It is currently let at £525 per calendar month (equivalent to £121.15p per week) although further details of the date and terms of the letting were not known.

*The accommodation in this case is similar to Skye Close and it is also link detached. The fact that it has been modernised would suggest that the rent is in excess of that which would be justified for Skye Close, but conversely, the date and other terms of the letting are not known and could (if the letting was some time ago) suggest that the passing rent is below the market rent as at the relevant date. Again, this is a property to which the Committee felt it should have regard in arriving at its decision.*

- **Norfolk Crescent (Number not known)** – [Not inspected by the Committee]:

Because the number of the house was not known and a photograph of the property had not been provided, it was not considered practical to attempt to carry out an inspection. From the details given however, it is apparently a semi detached house (as opposed to link detached), in very good order, and comprising three bedrooms, and a garage, with full central heating and double glazing. It is let for £575 per calendar month (equivalent to £132.69p per week) although the date and terms of this letting were not known.

*This is a semi detached house, and the date and other terms of the current letting are not known. Accordingly, the relevance of this property was considered to be limited.*

By way of additional evidence, the landlord also produced a letter from a local firm of letting agents giving a "letting appraisal" of 19 Skye Close in its existing condition as at November 2005 of £575 per calendar month (equivalent to £132.69p per week).

*Bearing in mind the letter from the agents stated that it was a "letting appraisal" and it was accompanied by the agents' terms of business, it is clear that this was not a valuation as such, but was intended to secure the instructions to let the property. As such, the Committee considered that it should be regarded with caution, and should not in any event be considered as good as evidence of actual lettings in ascertaining the rental value of the subject premises.*

**For the tenant**, details were provided for the following houses:

- **Orkney Close (No: 23)** – [Inspected externally by the Committee]:

This is a link detached house offering similar internal accommodation to 19 Skye Close. It has a new central heating system and double glazing, and although let on an unfurnished basis, carpets and curtains are included in the letting. The external decorations require attention, and internally, the condition of the property is not particularly good. It is let on an AST from September 2005 at £470 per calendar month (equivalent to £108.46p per week).

*The Committee considered this to be amongst the best evidence presented at the hearing in that it was in respect of a similar type of property (link detached); having similar accommodation; being in similar condition both externally and internally; and the letting was shortly before the relevant date. However, it was clear that internally, the condition was not good, which the Committee took to mean worse than 19 Skye Close, and an upward adjustment in the rent was therefore felt to be appropriate in order to arrive at a truly comparable figure.*

- **Stroma Way (No: 10)** – [Inspected externally by the Committee]:

This is an end of terrace (effectively, semi detached) house offering similar accommodation to 19 Skye Close, let on an AST from September 2005 at £425 per calendar month (equivalent to £98.08p per week).

*As this was an end of terrace property, and had a very different appearance to 19 Skye Close, it was not felt to be of particular assistance to the Committee.*

- **Silver Walk (No:65)** – [Not inspected by the Committee]:

This is a modern inner terraced house with a garage in a separate block. It has three bedrooms, and is let on an AST at £395 per calendar month (equivalent to £91.15p per week), although the date and terms of the letting were not known.

*As this was an inner terraced property, it was not considered particularly relevant in the context of 19 Skye Close.*

## Decision

Under Section 14 of the Housing Act 1988, the Committee has to determine the rent at which it considers the subject property might reasonably be expected to let on the open market by a willing landlord under an assured tenancy.

Against that background, the Committee found the most helpful evidence to be that in respect of (i) Orkney Close at the one extreme (£108.46p per week), (ii) Oban Drive on the other (£144.23p - £150 per week) with (iii) The Raywoods (£121.15p per week) providing further assistance. Clearly there is a considerable difference between the first two of these elements, and the Committee considered that this reflected the difference in condition and facilities on offer as between the respective properties. In terms of comparability with Skye Close, the rent for Orkney Close required upward adjustment to reflect its poorer condition, and in the case of Oban Drive, the rents required downward adjustment to reflect the much better condition and the added facilities of those two houses, such as a conservatory in each case.

In addition, it was considered by the Committee that, apart from those potential occupiers having children within the relevant age group, the location of 19 Skye Close opposite a school could be regarded by many as potentially noisy and disruptive at certain times of the school day, with the consequent impact that might have on the desirability and therefore rental value of the property.

Taking into account all of the above factors, as well as the extensive representations made by the parties both in writing and at the hearing, the Committee determined that the rent for 19 Skye Close in accordance with the terms of the Act should be £125 per week (equivalent to just over £540 per calendar month) with effect from 26<sup>th</sup> December 2005, being the date specified by the landlord in the notice of increase.

A handwritten signature in black ink, appearing to read 'Nigel Thompson', with a large, stylized initial 'N' and a long horizontal stroke at the end.

NIGEL R THOMPSON  
CHAIRMAN

- 3 JUL 2006