

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

Address of Premises

1 The Spinney
Eastern Road
Haywards Heath
West Sussex RH16 3NG

The Committee members were

Mrs F J Silverman LLM (Chair)
Mr D J Myers FRICS
Ms J K Morris

1. Background

On 26 March 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 £950 per month with effect from 7 May 2003 is dated 14 March 2003.

The tenancy is a periodic tenancy which commenced on 10 June 1996. The current rent is £510 per calendar month.

2. Inspection

The Committee inspected the property on 12 June 2003 and found it to be in fair condition.

No qualifying tenant's improvements had been made to the property since the last inspection.

3. Evidence

A hearing was held at Haywards Heath on 12 June 2003 at which oral representations were made by the landlord and tenant.

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.

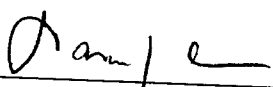
In coming to its decision the Committee had regard to the evidence supplied by the parties and the members' own general knowledge of market rent levels in the area of mid-Sussex. We considered that an open market rental for a property of this type in good condition would be £1,100 per month. We made deductions from that figure to reach the appropriate rent of £585 per month to take account of the difficult access to the property, its poor layout and lack of proper kitchen and bathroom.

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 £585 per month.

This rent will take effect from 7 May 2003 being the date specified by the landlord in the notice of increase.

Chairman


F J SILVERMAN (Chairman)

Dated 17 June 2003

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.

1 The Spinney

THE SOUTHERN AREA RENT ASSESSMENT COMMITTEE

Case no: CHI/45UG/MNR/2003/0068

DECISION

LANDLORD: Reeefsouth Ltd

REPRESENTED BY: Mr Weatherstone

TENANT: Mr Berlin, Ms Clayton

REPRESENTED BY: In person

THE PROPERTY: 1 The Spinney Eastern Road Haywards Heath West Sussex RH16
3NG

THE PANEL: Mrs F J SILVERMAN LLM (Chairman)

Mr D Myers FRICS (Valuer)

Miss J K Morris (Member)

HEARING DATE: 12 June 2003

INSPECTION DATE 12 June 2003

PRESENT AT INSPECTION: Mrs F J Silverman Mr Myers, Miss Morris, Ms Clayton
and Mr Berlin (tenants) Mr Weatherstone (representative of landlord).

REASONS

1 THE ISSUES

The tenants lodged an objection against a notice dated 14 March 2003 served on them by the landlord under s 13(2) Housing Act 1988 proposing an increase of rent as from 7 May 2003.

2 THE PROPERTY

The property comprises a detached building with a concrete tiled roof set in a very large garden (overlooked on three sides). Access to the property is difficult, reached through a narrow lane, shared with one other house, from Eastern Road.

The original house had been extended in the 1970's by the addition of a large single story extension with a flat roof. The extended house contains a large amount of living

accommodation but is not conveniently laid out and lacked a defined kitchen area. A room which might have been intended as a kitchen lacked a cooker point and consequently was used as a utility room. The tenants had installed a shower and basin in the downstairs lavatory and had partitioned off part of the large ground floor extension for use as an additional bedroom. The first floor comprised a large double bedroom and a second room used as a bathroom with a large jacuzzi/bath . We were informed that the jacuzzi did not work.

3 INSPECTION

The physical extent of the property is as described in paragraph 2 above . The interior of the property was in reasonable decorative order . All the interior decoration had been done by the tenants who had also (as noted above) made some improvements to the property including partitioning off part of the ground floor extension to form a ground floor bedroom. The tenants said they would remove this when they vacated the property . These were not qualifying improvements which would have an effect on the rent . The bathroom fittings were adequate except that the jacuzzi element of the large bath did not work. The kitchen was inadequately fitted with work surfaces or cupboards and the sink was inconveniently located . The landlord is responsible for exterior repairs and decoration and interior matters relating to space and water heating and sanitation under statutory obligations. No service charge is payable by the tenant. The property is generally in a reasonable condition for its age. The garden was well kept and a shed in the garden belonged to the tenants. We were told that there was an ongoing dispute as to the extent of the garden enjoyed by the tenancy. The tenants maintained that the whole of the garden had been demised to them whereas the landlord felt that only a smaller area had been demised. In our opinion, the extent of the garden area would not in this case affect the amount of rent payable.

4 THE EVIDENCE

The Landlord's representative submitted that the rent for the property should be £950 per calendar month. He submitted that comparable properties in the locality were commanding £1000 per month . He also referred to a three bedroom detached house at

Poynings which he accepted was in better condition than the subject property on which the rent was £1200 per month. The landlord had recently acquired the subject property with view of building a new house in part of the garden but they were happy for the tenants to remain and offered to make repairs and improvements to the property. The tenants objected to this increase saying that they understood the rent was due to increase but thought that £600 per month was adequate given the lack of a proper kitchen or bathroom at the property. Two of the central heating radiators did not function and there was no heating at all in the large downstairs room. They had been unable to find a direct comparator but gave as an example an attached three bedroom house with appropriate facilities where the rent sought was £750 per month.

5 THE LAW

Section 13 Housing Act 1988 applies to the tenancy which is the subject of this application, it being a periodic tenancy which commenced on 10 June 1996. Under that section the landlord may seek to increase the rent payable by serving a notice on the tenant in prescribed form. Such a notice was properly served in this case. By section 14 Housing Act 1988 the tenant(s) on receipt of such a notice may refer the matter to a rent assessment committee which 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 tenants referred the matter to the committee by an application which was received on 26 March 2003.

5 FINDINGS OF FACT

The Committee finds as follows:

- 5.1 The property under consideration is in reasonable condition but suffers from a poor room layout, which owing to the nature of the property cannot be rectified. The committee, relying on its own knowledge and experience estimated that a comparable property in this area (if such existed) in good condition both externally and inside would command an open market rent of around £1100 per month (£254 per week). It considered that rental prices have remained static for this type of property in this area over the past year.
- 5.2 In the present case deductions would need to be made from that figure to account for the improvements which would need to be made to the property to update the

kitchen (£5 per week deduction), and to provide adequate heating (£5 per week). Deductions would also need to be made for internal decorations (£20 per week), provision of carpets and curtains (£20 per week), white goods (£3 per week) renewal of the bathrooms (£3 per week) electrical works (£3 per week) . We also deducted £60 per week for the access, location, layout and general condition of the property . We assessed these deductions together at a cost of £119 per week.

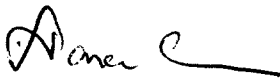
- 5.3 This gives total deductions of £119 per week from the open market rent cited above, leaving a net rent of £135 per week or £585 per calendar month . The tenants are additionally responsible for council tax and sewerage charges.

6 CALCULATION

Having found no direct comparator with the subject property , but relying on their own knowledge and experience the Committee finds that the open market rent for the subject property in its present condition would be £135 per week (but say £585 per month).

7 DECISION

The decision of the Committee is that the rent for the property is £585 per month exclusive of council tax and sewerage charges payable with effect from 7 May 2003.



Frances Silverman

Chairman