

**Rent Assessment Committee: Summary reasons for decision.  
Rent Act 1977**

**Address of Premises**

27 Summerdown Road  
Eastbourne  
East Sussex  
BN20 8DS

**The Committee members were**

Mr R T A Wilson LLB  
Mr R A Wilkey FRICS FICPD  
Mr T J Wakelin

**1. Background**

On 9<sup>th</sup> January 2006 the landlord applied to the rent officer for registration of a fair rent of £453.00 per calendar month the above property.

The rent payable at the time of the application was £377.00 per calendar month.

The rent was previously registered on 5<sup>th</sup> February 2004 with effect from 1<sup>st</sup> April 2004 at £377.00 per calendar month following a determination by the rent officer.

On 17<sup>th</sup> February 2006 the rent officer registered a fair rent of £417.00 per calendar month with effect from 1<sup>st</sup> April 2006.

By a letter dated 23<sup>rd</sup> February 2006 the tenant objected to the rent determined by the Rent Officer and the matter was referred to the Rent Assessment Committee.

**2. Inspection**

The Committee inspected the property on 11<sup>th</sup> April 2006 and found it to be in fair condition as described more particularly in the Rent Officer's survey sheet which had been copied to the parties.

**3. Evidence**

The Committee received no written representations from the landlord or tenant.

No hearing was requested by either party and the Rent Assessment Committee made their decision based on the evidence provided and their own knowledge of rents in the immediate area.

#### **4. The Law**

When determining a fair rent the Committee, in accordance with the Rent Act 1977, section 70, had regard to all the circumstances including the age, location and state of repair of the property. It also disregarded the effect of (a) any relevant tenant's improvements and (b) the effect of any disrepair or other defect attributable to the tenant or any predecessor in title under the regulated tenancy, on the rental value of the property.

In *Spath Holme Ltd v Chairman of the Greater Manchester etc. Committee* (1995) 28 HLR 107 and *Curtis v London Rent Assessment Committee* [1999] QB 92 the Court of Appeal emphasised

- (a) that ordinarily a fair rent is the market rent for the property discounted for 'scarcity' (i.e. that element, if any, of the market rent, that is attributable to there being a significant shortage of similar properties in the wider locality available for letting on similar terms - other than as to rent - to that of the regulated tenancy) and
- (b) that for the purposes of determining the market rent, assured tenancy (market) rents are usually appropriate comparables. (These rents may have to be adjusted where necessary to reflect any relevant differences between those comparables and the subject property).

#### **5. Valuation.**

Thus in the first instance the Committee determined what rent the landlord could reasonably be expected to obtain for the property in the open market if it were let today in the condition that is considered usual for such an open market letting. It did

this by having regard to the evidence supplied by the parties and the Committee's own general knowledge of market rent levels in the area of Eastbourne. Having done so, it concluded that such a likely market rent would be £625 per month.

However, the actual property is not in the condition considered usual for a modern letting at a market rent. Therefore it was first necessary to adjust that hypothetical rent of £625 per calendar month to allow for the differences between the condition considered usual for such a letting and the condition of the actual property as observed by the Committee (disregarding the effect of any disrepair or other defect attributable to the tenant or any predecessor in title). The Committee considered that this required deductions as follows:-

<b>Optimum Market Rent</b>	<b>£625 per month</b>
----------------------------	-----------------------

**Less Deductions for:**

Lack of Central heating	30.00	
Lack of carpets & curtains	20.00	
Lack of a modern kitchen	20.00	
Lack of a modern bathroom	20.00	
Lack of white goods	10.00	
General disrepair/damp	15.00	
Increased repair liability of Tenant	10.00	<b>125</b>

<b><u>Adjusted Rent</u></b>	<b><u>£500 per month</u></b>
-----------------------------	------------------------------

The Committee did not consider that there was any substantial scarcity element and accordingly no further deduction was made for scarcity.

This leaves a net market rent for the subject property of £500 per calendar month.

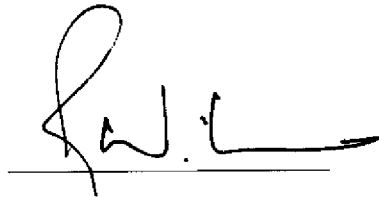
## 6. Decision

The fair rent initially determined by the Committee, for the purposes of section 70, was accordingly £500 per calendar month.

However, by virtue of the Rent Acts (Maximum Fair Rent) Order 1999 the maximum fair rent that can be registered in the present case is the lower sum of £417.50 per month. (Details are provided on the back of the decision form).

**Accordingly the sum of £417.50 per month will be registered as the fair rent with effect from 11<sup>th</sup> April 2006 being the date of the Committee's decision.**

Chairman



Dated

**11<sup>th</sup> April 2006**

---

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 at the Panel Office which must be made within 21 days from the date of issue of this document.