

Rent Assessment Committee: Summary reasons for decision.

Housing Act 1988

Address of Premises

The Red House
The Green
Frampton-on-Severn
Gloucestershire
GL2 7EP

The Committee members were

Mr I R Perry BSc Est Man, FRICS
Mr Paul Smith BSc, FRICS, IRRV
Mrs J Playfair

1. Background

On 5 December 2005 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 £825 per month with effect from 1 January 2006 is dated 1 December 2005.

The tenancy is a statutory periodic tenancy created on the expiry of an original 14 year lease from 1 September 1991.

2. Inspection

The Committee inspected the property on 30 January 2006. The property comprises a detached house, probably in excess of 300 years old. It is understood the original construction may have been half timbered with later facing brick façade having been added. The property is Grade II Listed and has pitched roofs with Cotswold stone tiles to the front and clay tiles to the rear.

Internally the accommodation includes a small reception hall, a living room and large kitchen/breakfast room all at ground floor level. At first floor level there is a master bedroom with en-suite bathroom, two further bedrooms and family bathroom. There is a further staircase providing access to an attic room which in turn leads to a second attic room.

The property has an oil fired Aga in the kitchen, open fireplaces in the two main living rooms and night storage heaters throughout.

The property was inspected with the tenant and landlord's agent and a number of qualifying tenant's improvements were pointed out to the Committee. In particular, internal walls had been removed between the original dining room, kitchen and rear hall to provide the existing large kitchen/breakfast room, fireplaces had been opened in the dining room and sitting room and all of the kitchen units had been provided and fitted. At first floor level the tenant had formed an access into an original boxroom to provide the en-suite bathroom to bedroom one and had also fitted out this bathroom. The original bedroom three which had only been approached through the family bathroom and the bathroom itself had been remodelled to provide a bathroom and bedroom with separate access. A new staircase had been fitted to give access to the two attic rooms which had also been refurbished.

Outside a lean-to roof had been provided across the back of the dwelling and an external utility had also been constructed. All of the night storage heaters had been provided by the tenant.

3. Evidence

The committee had received written representations from the landlord and tenant and copies had been provided to all parties.

A hearing was held at the property at 10.30 am on 30 January. Mr Price appeared on his own behalf and the landlord was represented by Mr S Smith of Messrs P D Carter, Chartered Surveyors and Land Agents of Nailsworth.

Mr Price gave evidence that the original lease provided for tenant's improvements to be excluded from the rent. He contended that it was difficult to find comparable properties in the village and also contended that his improvements had effectively converted the property from two bedrooms with a third bedroom approached via a bathroom into its existing state providing three bedrooms and two bathrooms on the first floor and two additional rooms at attic level.

He also produced a schedule of rental comparisons in Frampton on Severn and these were copied to Mr Smith.

Mr Smith contended for the landlord that most of the comparables provided were of smaller properties. He also produced evidence of Oegrove Farmhouse, Frampton on Severn, which had recently been re-let at £988 per calendar month. Previously this had been let at £750 per month, but two attic rooms had now been made accessible. Mr Smith questioned whether written consent had been obtained for the works to be carried out by the tenant and questioned whether the improvements were to be regarded as qualifying improvements under the 1988 Act. He contended that drawing number 26817 issued by Stroud District Council on 26 July 1991 giving permission for the works pre-dated the lease and such works may not necessarily form qualifying works under the 1988 Act.

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.

5. Findings

In coming to its decision the Committee gave due consideration to the fact that the only heating in the property provided by the landlord was the oil-fired Aga, that all of the kitchen units were provided by the tenant, that the tenant had provided independent access to the third bedroom and had provided the second bathroom, had opened up the fireplaces in the sitting room and dining room, had removed the partitions to form the large kitchen/breakfast room and had provided all of the night storage heaters.

The Committee also noted the poor external condition of the property, not least the very poor condition of most windows.

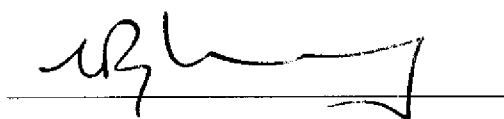
In coming to its decision the Committee had regard to the evidence supplied by the parties and the members' own general knowledge of market rent levels in the area North Gloucestershire and concluded that an appropriate market rent for the property excluding the improvements and having regard to the general repair would be £585 per month.

6. 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 1 January 2006 being the date specified by the landlord in the notice of increase.

Chairman



Dated

20. 2. 06.

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.