Southern Rent Assessment Panel

File Ref No.

CHI/29UC/MDR/2005/0011

Rent Assessment Committee: Reasons for decision.

Housing Act 1988

Address of Premises

57 Glebe Way Whitstable Kent CT5 4LP

The Committee members were

Mr. R. Norman (Chairman)

Mr. R. Athow FRICS MIRPM

Ms L. Farrier

1. Background

On 11th July 2005 an application for determination of a rent under an assured shorthold tenancy under section 22 (1) of the Housing Act 1988 ("the Act") was received from the tenant of the above property.

The tenancy commenced on 1st June 2005 for a term of six months and the current rent is £600 per calendar month.

2. Inspection

The Committee inspected the property on 14th September 2005 in the presence of the tenant.

The subject property is a two bedroom first floor flat with a sitting room, kitchen and a bathroom with we, washbasin, bath and shower. The property has the benefit of gas fired central heating and double glazing. The landlord has provided a cooker, two dressing tables, a large wardrobe and a small bedside cabinet and all the carpets, curtains, net curtains and a window blind. There is also a garage included in the tenancy.

The tenant explained that she would not be able to attend the hearing and we therefore explained to her the law as set out in Section 3 below.

She stated that the property was in a similar condition at the start of the tenancy as when we inspected it and accepted that the property was well decorated, in a good location and well equipped except that there were no white goods provided in the kitchen other than a cooker. She also accepted that the landlord pays for a 24 hour maintenance contract with British Gas and for the maintenance of the property and the surrounding grounds.

She considered that the rent was too high and should be about £525 or £550 per month. She also stated that the tenant of 11A Glebe Way had told her that the rent he paid for that flat was £525 not £550 as stated by the landlord and the tenant had been told by Fosters Estate Agents that on the same development No. 38 Glebe Way was to be let at £450 per calendar month and that No. 15 Glebe Way was to be let at £550 per calendar month.

3. The law

In accordance with the terms of Section 22 (1) of the Act the application is for a determination of the rent which, in the committee's opinion, the landlord might reasonably be expected to obtain under the assured shorthold tenancy.

Section 22 (3) of the Act provides that the committee shall not make such a determination unless they consider-

- (a) that there is a sufficient number of similar dwelling-houses in the locality let on assured tenancies (whether shorthold or not); and
- (b) that the rent payable under the assured shorthold tenancy in question is significantly higher than the rent which the landlord might reasonably be expected to be able to obtain under the tenancy, having regard to the level of rents payable under the tenancies referred to in paragraph (a) above.

Under Section 22 (4)(a) of the Act the determination shall have effect from such date as the committee may direct, not being earlier than the date of the application.

4. Evidence

The committee received written representations from the landlord and these were copied to the tenant.

A hearing was held at 11.00 am on 14th September 2005 in Whitstable at which oral representations were made by the landlord. The tenant had informed us that she would not be able to attend.

At the hearing we explained to the landlord the law as set out in Section 3 above. The landlord referred to the written representations she had made earlier and which had been copied to the tenant and confirmed that she understood that 43 Glebe Way had been let for £596 per calendar month and that 11A Glebe Way had been let for £550 per calendar month and stated that the tenant of 11A Glebe Way had told her that a good deal of work was required to that property including a new kitchen, bathroom and carpets but the landlord did not know if any of that work had been done before the property had been let. She believed that some of the garages in Glebe Way were not let with the flats but were let separately but she had no information about the rents charged for garages. Neither did she have any information about which flats had central heating and double glazing and which did not.

5. The decision

The Committee determined that "the locality" for the purposes of Section 22 (3)(a) should be the North Kent coastal towns where there were many properties let on assured tenancies, whether shorthold or not.

There were, as would be expected, differences in the rents which could be achieved in different parts of that area; some parts being more attractive than others.

We found that there was a sufficient number of similar dwelling-houses in the locality let on assured tenancies (whether shorthold or not) and that therefore the provisions of Section 22 (3)(a) were satisfied.

However, we found that the rent payable under the assured shorthold tenancy in question was not significantly higher than the rent which the landlord might reasonably be expected to be able to obtain under the tenancy, having regard to the level of rents payable under the tenancies of similar dwelling-houses in the locality let on assured tenancies (whether shorthold or not).

Consequently because of the operation of Section 22 (3)(b) of the Act the Committee were not able to make a determination under Section 22 (1) and the rent payable remains at £600 per calendar month as provided in the tenancy agreement.

A. Nan

Chairman

Dated 14.09.05