

EASTERN RENT ASSESSMENT PANEL

STATEMENT OF REASONS FOR THE DECISION OF THE COMMITTEE WHICH MET ON 22nd DECEMBER 2006 TO DETERMINE A FAIR RENT IN RESPECT OF 37 COLDHARBUOR LANE, HARPENDEN, HERTFORDSHIRE AL5 4NF

File Reference No.:	CAM/26UG/F77/2006/0100
Landlord:	South London Freeholds Limited
Landlord's Agent	Hamways, 29 Station Road West, Oxted, Surrey, RH8 9EE
Tenant:	Mr LR Arnold
Existing Rent:	£116.00 per week the same as or below the capped rent under Rent Acts (Maximum Fair Rent) Order
Rent Proposed by Landlords:	£1,500.00 per calendar month (£346.80 per week)
Rent Determined by Rent Officer:	£128.50 per week capped under Rent Acts (Maximum Fair Rent) Order) (Uncapped rent £130.00 per week)
Rent Determined by Committee:	£129.00 per week capped under Rent Acts (Maximum Fair Rent) Order) (Uncapped rent £129.00 per week)
Members of the Committee:	Mr JR Morris (Chairman) Miss M Krisko BSc (Est Man) BA FRICS Mr P Tunley
Clerk to the Committee:	Ms J Zaban

The Tenancy:

The tenancy appears to be a statutory weekly periodic tenancy, which commenced in 1940. According to the Rent Register Section 11 of the Landlord and Tenant Act 1985 applies in relation to the Landlord's repairing liability and the Tenant is responsible for internal decorations.

The Application:

A rent of £116.00 per week, which was the same as or below the capped rent under Rent Acts (Maximum Fair Rent) Order 1999 was registered on 2nd November 2004 effective from that date. The Landlord by a notice in the prescribed form received by the Rent Office 8th September 2006 proposed a new rent of £1,500.00 per calendar month (£346.80 per week). On the 12th October 2006 the Rent Officer registered a rent effective from 2nd November 2006 of £128.50 per week, capped under Rent Acts (Maximum Fair Rent) Order), the uncapped rent being £130.00 per week. On 23rd November 2006 the Landlord applied to the Rent Assessment Panel.

The Property:

The property is a two-storey mid-terraced house of brick under a slate roof built circa 1880. The property comprises a porch, sitting room, dining room with stairs rising to the first floor, kitchen and bathroom with w.c. on the ground floor and two bedrooms on the first floor. There are gardens to the rear and hard standing for a vehicle to the front. Water and space heating is by a gas fired central heating system. The property has mains electricity, gas, water and drainage. The property is situated in a residential area about a mile from the town centre. The property is let unfurnished.

Condition:

The Committee inspected the property in the presence of the Tenant. The exterior of the property is in good to fair condition. There are wooden single glazed windows to the front and a mixture of wooden and metal 'Crittall' windows to the rear. Internally there is a fitted kitchen which is now becoming dated. The bathroom with w.c. is basic and dated. The landlord does not provide white goods, carpets or curtains.

Law:

Attached to this Statement of Reasons is a resumé of the law applied by the Committee.

Determination

The Landlord submitted rental evidence of a property as a comparables however the Committee found this not to be a direct comparable being a three bedroom semi-detached in Tring. The Committee using the knowledge and experience of its members determined that a market rent for the subject property let on an Assured Shorthold Tenancy a market rent for a property similar to the subject property, taking into account its location, in good condition with central heating, double glazing, modern kitchen and bathroom, and let with carpets, curtains and white goods on an Assured Shorthold Tenancy would be £180.00 per week. However the Committee considered that a global deduction of £36.00 per week should be made in respect of the subject property having a dated kitchen and bathroom, single glazing and the lack of any carpets, curtains or white goods. It should be noted that this figure cannot be a simple arithmetical calculation and is not based specifically upon capital cost but is the Committee's estimate of the amount by which the rent would have to be reduced to attract a tenant.

Scarcity

It was decided that there is substantial scarcity of "... similar dwelling-houses in the locality..." in this case North Hertfordshire and adjacent areas of Bedfordshire that are available for letting and a deduction would be made to reflect this of 10 %

Committee's Calculations:

Open Market Rent:	£180.00 per week
Global deduction	<u>£ 36.00</u>
	£144.00
Less Scarcity 10%	<u>£ 14.40</u>
	£129.60 per week

'Uncapped' fair rent is £129.00 per week

The provisions of the Rent Acts (Maximum Fair Rent) Order 1999 require that the registered rent is either the capped Fair Rent or the Fair Rent decided by the Committee whichever is the lower. The capped Fair Rent is calculated in accordance with a statutory formula using the existing rent as a base. The capped rent in this case is £129.00 per week, which is the same as the Fair Rent assessed by the Committee and therefore the rent assessed by the Committee is to be registered.

FAIR RENT = £129.00 per week



..... John R Morris, Chairman

Important Note:

This is a summary of the Committee's reasons for its decision. Should you require more detailed reasons, they can be supplied but only if a written request for such reasons is received by the Panel Office within 21 days from the receipt of this document. The papers will then be returned to the Chair for such detailed reasons to be prepared.

Caution: For the purpose of reaching a decision the Committee inspected the subject properties. Such inspection is not a structural survey and only takes a few minutes. Any comments about the condition of the properties in this Statement of Reasons are made as a result of casual observation rather than a detailed inspection. Please do not rely upon such comments as a guide to the structural condition of the properties.