Southern Rent Assessment Panel

File Ref No. CHI/15UG/MNR/2003/0043

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

Address of Premises

The Committee members were

First Floor Flat
30 St Georges Road
Newquay
Cornwall
TR7 1RD

þ	Robert Batho MA BSc LLB FRICS FCIArb
	A J Lumby BSc FRICS
	•

1. Background

On 3rd 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 £400.00 per month with effect from 1st April 2003, is dated 14th February 2003.

The property comprises a part of the first floor of a former hotel close to the centre of Newquay. The flat provides a living room/kitchen and two bedrooms, each with en suite shower/wc facilities. There is limited car parking space to the rear, but there are less spaces than there are occupiers of the building.

The tenant says that he moved into one room at the property (a part of what is now the living room/kitchen) in October or November 1996, although a letter from the landlord's business partner which was put before the Committee stated that it had not been until October 1998 that he took up residence in the building. Whilst this date may be relevant to determining the nature of Mr Goodison's tenancy, it is not relevant to the determination of a market rent and, despite this disagreement over dates, it seems to be common ground that Mr Goodison did first occupy one room, but that he subsequently took over the two further rooms and alterations were made to create the current flat.

There is no documentation relating to Mr Goodison's original occupation of the accommodation and, although the landlord's agents produced what is described as an assured shorthold periodic tenancy agreement, this is expressed to be effective from 1st April 2003 and (so far as the Committee is aware) has not been signed by Mr Goodison.

2. Inspection

A duly appointed Committee inspected the property on 15th April 2003 and found it to be in fair condition. It is understood that the present accommodation has in part been created by work done by the tenant, to which further reference is made below. Space heating is provided by a radiator system running throughout the building (and so outside the tenant's control), with radiators in each of the bedrooms. Hot water is provided from a separate central boiler.

3. Evidence

The Committee had the benefit of written representations from both the landlord and the tenant and copied to the parties. In addition, a hearing was held on 15th April 2003 at which oral representations were made by the tenant, and on behalf of the landlord by Mrs A Ball of David Ball Lettings.

In giving evidence to the Committee, Mr Goodison stated that he originally occupied the one room referred to above at a rent of £45.00 per week but that he then, at his own request, took over the two further rooms. With the landlord's agreement, he made some alterations to the partitioning between these rooms and between them and the original landing area. The landlord had kitchen fittings installed. Once this work had been completed, the rent was increased to £70.00 per week, which was the passing rent at the time when the notice was served. A new rent of £100.00 per week had recently been proposed, although the written notice referred to £400.00 per calendar month or £92.31 per week. He considered this to be high (and suggested a figure of £80.00 per week in his written representation to the Committee) but he had referred the matter to the Committee because, he said, there had been a suggestion that he would have to leave the premises if he did not agree to the increase.

Mrs Ball, the landlord's agent, said that she had been instructed that there had been some agreement that the rent would be increased to £400.00 per calendar month once the improvements had been completed, and that the formal notice was intended to implement that agreement. She gave evidence of other lettings in the building, which she said had been effected during the past twelve months, and which were at rents of about £80.00 per week for one bedroomed accommodation £100.00 per week for two bedroomed accommodation, these rents being inclusive of hot water, heating and water rates, as was the proposed rent for the subject flat. She also produced evidence of lettings elsewhere in the town at rents ranging from £83.00 per week for a one bedroomed unit to £110.00 per week for a two bedroomed unit, these rents being exclusive of the cost of any services.

4. The Decision

The Committee had regard to the evidence supplied by the parties and concluded that, as a matter of fact, the arrangement whereby Mr Goodison had taken the extra two rooms without any increase in the then current rent of £45.00 per week, had amounted to an agreement that this was an allowance made by the landlord for the cost to Mr Goodison of making the necessary alterations to create the one flat. Accordingly no further deduction fell to be made in respect of tenant's improvements in determining a rent for the accommodation as it now exists.

In the light of the rental evidence supplied by the landlord's agents and the Committee's own knowledge of market rent levels in the area of mid Cornwall generally, the Committee concluded that the rent at which the property might reasonably be expected to let on the open market would be £425.00 per calendar month inclusive of the services provided, that is to say hot water, some heating and water rates.

This rent will take effect from 1st April 2003 being the date specified by the landlord in the notice of increase.

Signed

Dated 15th April 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.