

Midland.

~~Northern~~ Rent Assessment Panel

File Ref No.

Rent Assessment Committee: Summary reasons for decision.

Housing Act 1988 - Section 14.

Address of Premises

5 Knights Close,
Toon,
Nottingham.

The Committee members were

Mr. C. P. Tinge LLB
Mr. K. G. Blom FRGS.
Mrs K. Bradley

1. Background

On 24/2/2005 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 1988.¹

The landlord's notice, which proposed a rent of £475 per cal. month with effect from 1/4/2005 is dated 9/2/2005.

The tenancy commenced on for a term of months/years. The tenant remains in occupation as a statutory periodic tenant. The current rent is £..... per*

The tenancy is a periodic tenancy which commenced on 19/1/2001. The current rent is £420 per cal. month.*

The tenancy is a statutory periodic tenancy by succession, which arose on the death of the former regulated tenant. The rent payable is £..... per*

2. Inspection

The Committee inspected the property on and found it to be in good/fair/poor* condition.*

[Brief description of condition]

The following qualifying tenant's improvements had been made to the property.*²

The Committee was unable to gain access at the appointed time in order to inspect the property internally and therefore made an external inspection only.*

The following services are provided for the tenant.*

The Committee made no attempt to inspect the property since it was to decide a preliminary point of jurisdiction only.

3. Evidence

The committee received written representations from the landlord and/tenant and these were copied to the parties/ ~~No written representations were received from the landlord/tenant/either party.*~~

Neither party requested a hearing at which oral representations could be made.*

A hearing was held at 12.15p on 11/5/2005 in Nottingham at which oral representations were made by/on behalf of* the landlord and tenant.* The landlord/tenant* was not present or represented.*

A hearing was arranged foronin.....but neither party attended.*

4. The law

The committee must first determine that the landlord's notice under section 13(2) satisfied the requirements of that section and was validly served.*

Housing Act 1988, section 14 requires the Committee 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, is required by section 14(1), to ignore the effect on the rental value of the property of any relevant tenant's improvements as defined in section 14(2) of that Act.

Section 14(4) provides that for the purposes of section 14 "rent" includes amongst other things any sums payable to the landlord by the tenant in respect of council tax.³

Section 14(4) provides that for the purposes of section 14 "rent" does not include a "service charge" within the meaning of section 18 Landlord and Tenant Act 1985 (i.e. where the service charge payable by the tenant is variable from time to time according to the relevant costs). However it does include a "fixed" service charge.

* The landlord accepted that his notice was not in the prescribed form and indeed submitted that there was no need for the landlord to serve a notice in the prescribed form at all. He relied upon clause 1(6) in the tenancy agreement which fixed a means

5. The decision by which rent could be reviewed by the landlord and changed. The landlord contended that this was 'rent fixing' provision sufficient to remove jurisdiction from the R.A.P. and that the Committee determined that the landlord's notice under section 13(2) did not satisfy the requirements of that section because and accordingly the landlord could therefore increase the rent without any supervision from the R.A.P. This committee held that the clause in the lease was invalid. It purported to remove a supervisory jurisdiction which Act of Parliament had given to R.A.P. without providing for any other means of supervision to replace it. The only redress the tenant would then have would be to terminate his tenancy. It could not be in the public interest for such a clause to be valid. As such the Committee held that a notice in the prescribed form was required and had not been served and the landlord's application for rent increase was therefore invalid.

The committee first determined that the landlord's notice under section 13(2) satisfied the requirements of that section and was validly served.*

In coming to its decision on the rent the Committee applied the above law and in so doing had regard to the evidence supplied by the parties/ and the members' own general knowledge* of market rent levels in the area of

[The Committee can refer here to any compelling evidence on which it relied] any other means of supervision to replace it. The only redress the tenant would then have would be to terminate his tenancy. It could not be in the public interest for such a clause to be valid. As such the Committee held that a notice in the prescribed form was required and had not been served and the landlord's application for rent increase was therefore invalid.

Having done so the Committee determined that the rent at which the property might reasonably be expected to be let on the open market would be £..... per inclusive of in respect of services/council tax.*

This rent will take effect from being the date specified by the landlord in the notice of increase.*

This rent will take effect from the committee being satisfied that undue hardship would otherwise be caused to the tenant.*⁴

It should be noted that the tenancy contains a variable service charge within the meaning of section 18 of the Landlord and Tenant Act 1985. It follows that in accordance with Housing Act 1988, section 14(4) the rent determined by the

Committee for the purposes of this application is exclusive of that service charge which will therefore be recoverable in addition to the rent determined.*

Chairman C. P. Tng.

Dated 11/5/2005.

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.

¹ Note that the notice must be delivered to the Panel before the specified effective date of increase.

² Remember that only qualifying improvements within section 14(2)(3) will count and that these do not include improvements carried out when the property was held on a regulated tenancy.

³ This will be relevant in the case of houses in multiple occupation where liability for the council tax falls on the landlord but is (proportionately) passed on to the tenant.

⁴ It is suggested that a brief explanation of the reason should be given.

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The tenancy commenced on for a term of months/years. The tenant remains in occupation as a statutory periodic tenant. The current rent is £..... per*

The tenancy is a periodic tenancy which commenced on 19/1/2001. The current rent is £470 per cal. month.*

The tenancy is a statutory periodic tenancy by succession, which arose on the death of the former regulated tenant. The rent payable is £..... per*

2. Inspection

The Committee inspected the property on and found it to be in good/fair/poor* condition.*

[Brief description of condition]

The following qualifying tenant's improvements had been made to the property.*²

The Committee was unable to gain access at the appointed time in order to inspect the property internally and therefore made an external inspection only.*

The following services are provided for the tenant.*

The Committee made no attempt to inspect the property since it was to decide a preliminary point of jurisdiction only.

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Housing Act 1988, section 14 requires the Committee 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, is required by section 14(1), to ignore the effect on the rental value of the property of any relevant tenant's improvements as defined in section 14(2) of that Act.

Section 14(4) provides that for the purposes of section 14 "rent" includes amongst other things any sums payable to the landlord by the tenant in respect of council tax.³

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5. The decision by which rent could be reviewed by the landlord and changed.

The landlord contended that this was 'rent fixing' provision sufficient to remove jurisdiction from the R.A.P. and that the Committee determined that the landlord's notice under section 13(2) did not satisfy the requirements of that section because and accordingly The Committee did not therefore proceed to determine a rent under section 14.*

The committee first determined that the landlord's notice under section 13(2) satisfied the requirements of that section and was validly served.*

In coming to its decision on the rent the Committee applied the above law and in so doing had regard to the evidence supplied by the parties/ and the members' own general knowledge* of market rent levels in the area of

[The Committee can refer here to any compelling evidence on which it relied].

Having done so the Committee determined that the rent at which the property might reasonably be expected to be let on the open market would be £..... per inclusive of in respect of services/council tax.*

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Dated

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