

Southern Rent Assessment Panel
Ref No.

File

CHI/43UH/F77/2006/0039

Rent Assessment Committee: Reasons for decision.

Rent Act 1977

Address of Premises

2 Dorchester Court
Greenlands Road
Staines
TW18 4LS

The Committee members were

Mr. J H S Preston JP FRICS
Mr. R A Potter FRICS
Ms J K Morris

1. Background

The landlord, Northumberland and Durham Property Trust Limited, applied to the Rent Officer for registration of a fair rent of £930 per month for the above property. The application was dated 18 November 2005.

The rent payable at the time of the application was £689.50 per month.

The rent was previously registered on 22 September 2003, with effect from 12 November 2003, at £689.50 per month, with £80.00 per month being attributable to services. The uncapped rent was stated to be £700.00 per month.

On 16 January 2006 the Rent Officer registered a fair rent of £700.00 per month with effect from that date, with £50.00 per month being attributable to services. He stated that the registration was not exempt from Maximum Fair Rent, but did not disclose the amount of this.

By a letter dated 10 February 2006 the landlord objected to the rent determined by the Rent Officer. By a letter dated 11 February 2006 the tenant, Mr A J Buhdeima, also objected to the registration. The matter was accordingly referred to the Rent Assessment Committee.

2. Inspection

The Committee inspected the property on 4 May 2006, in the presence of the tenant.

The property is a purpose-built self-contained ground floor flat constructed in about 1970. The accommodation comprises: -

Hall with cupboard; Living room; Kitchen; two Bedrooms; Bathroom; WC.

Night-storage heaters provide space heating. Immersion heater provides hot water. All main services are connected.

The flat is in fair condition, and the following defects were noted: -

- Dated kitchen and bathroom
- Dated Night-storage heaters
- Original timber single-glazed windows with poor quality secondary glazing

The tenant has carried out the following repairs and improvements: -

- Installation of some kitchen wall cupboards
- *Wardrobes in bedrooms*
- Replacement of some electrical fittings and taps.
- Internal decorations

The flat was originally let fully furnished in 1982. The tenant at his expense has replaced much of the furniture and equipment. The remainder is very dated and of limited value. The tenant has fitted good quality carpets to the bedrooms and hall.

There is a garage allocated to the flat and off-street parking. The grounds are well landscaped and maintained.

The property is situated adjacent to Kingston Road, in the centre of Staines.

3. Evidence

The Committee received written representations from the landlord's agents returned on 23 March 2006. Their case is that they feel that an increase of £10.50 (1.5%) over the course of nearly three years does not reflect the market. They appreciated that scarcity is not now taken into account and provided comparables of other flats in Dorchester Court. Letting by Knights Residential, a two-bedroom modernized flat at £950 per month; Letting by Isis Residential Homes Ltd, a two-bedroom modernized second-floor flat at £950 per month. The landlord feels that they have acted in accordance with their statutory obligations in maintaining the flat.

The representation from the tenant was to the effect that the landlord would not do work to the property, though no details were provided.

The committee's bundle included a copy of a 'Rent Contract' dated 1 November 1982, between Mr and Mrs Helmsley and Mr A Buhdeima with an extensive inventory of contents.

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

4. Consideration

When determining the fair rent the Committee, in accordance with the Rent Act 1977, section 70, had regard to all the circumstances including the age, location and state of repair of the property. It also disregarded the effect of (a) any relevant tenant's improvements and (b) the effect of any disrepair or other defect attributable to the tenant or any predecessor in title under the regulated tenancy, on the rental value of the property.

In the cases of *Spath Holme Ltd v Chairman of the Greater Manchester etc. Committee* (1995) 28 HLR 107 and *Curtis v London Rent Assessment Committee* [1999] QB 92 the Court of Appeal emphasized (a) that ordinarily a fair rent is the market rent for the property discounted for 'scarcity' (i.e. that element, if any, of the market rent, that is attributable to there being a significant shortage of similar properties in the wider locality available for letting on similar terms - other than as to rent - to that of the regulated tenancy) and (b) that for the purposes of determining the market rent, assured tenancy (market) rents are usually appropriate comparables.

The Committee considered that the rental evidence provided by the landlord was relevant and was indicative of the current market. They felt that the inclusion of what is now very dated furniture and other contents would not enhance the rental value. The Committee took note of the schedule of services provided by the landlord within the terms of the tenancy and the costs attributed to them in 2005.

5. Decision

The Committee determined what rent the landlord could reasonably be expected to obtain for the property in the open market if it were let today in the condition that is considered usual for such an open market letting. It did this by having regard to the evidence supplied by the landlord and to the Committee's own general knowledge of market rent levels in the area of Staines. Having done so it concluded that the market rent would be £950.00 per month.


This rent would be for a property in good letting condition with central heating and modern kitchen and bathroom and some white goods and carpets. In view of their findings as to the deficiencies in the property, the Committee considered that it was appropriate to make deductions, totalling £250.00 per month from market rent to reflect the following: -

1. Lack of modern white goods and carpets
2. Lack of a modern and efficient heating system / appliances
3. Dated kitchen and bathroom
4. Tenant's repair liabilities under this tenancy

The Committee did not consider that there was any substantial scarcity element and accordingly no deduction was made for scarcity.

The fair rent determined by the Committee is therefore £700.00 per month, of which £50.00 would be attributable to services. This is below the capped limit of £771.50, as provided for by the Rent Acts (Maximum Fair Rent) Order 1999 and accordingly the cap has no effect. (Details are provided on the back of the decision form).

Accordingly the sum of **£700.00 per month** will be registered as the fair rent with effect from **4 May 2006** being the date of the Committee's decision.

Signed  J H S Preston (Chairman)

Dated 4 May 2006
