

Southern Rent Assessment Panel
Ref No.

File

CHI/24UC/F77/2004/0181

Rent Assessment Committee: Reasons for decision.

Rent Act 1977

Address of Premises

98 Liphook Road
Lindford
Bordon
GU35 0P6

The Committee members were

Mr. J H S Preston JP FRICS
Mr. D Lintott FRICS
Mr. D Wills ACIB

1. Background

In June 2004 the landlord, Mr. G R Cooper applied to the Rent Officer for registration of a fair rent of £800. per month for the above property.

The rent payable at the time of the application was £133.16 per month.

There is no record of a previous registration.

On 5 July 2004 the Rent Officer registered a fair rent of £465.00 per month with effect from 5 July 2004. The rent was exempt from Maximum Fair Rent

By a letter dated 31 July 2004 the landlord objected to the rent determined by the Rent Officer and the matter was referred to the Rent Assessment Committee.

2. Inspection

The Committee inspected the property on 3 November 2004, in the presence of the tenant, Mr. R B Ross.

The property is a detached bungalow built in the middle of the 20th century. The accommodation comprises: -

Hall; Sitting room; Dining room; Kitchen; Two Bedrooms; Bathroom with bath, basin and WC; Integral Garage

There is gas-fired central heating. All main services are connected.

The house is in fair condition. The following specific defects were noted: -

- Rotted timber to window cills and frames
- Damp in front bedroom
- Brick arch to side of garage structurally unsound
- Workshop door rotted

- The electrical installation dated; it would not pass a test under the current IEE Regulations
- Water damage to rear bedroom ceiling
- To patio area at the rear of the house, brick paving loose and concrete path and steps cracked and uneven
- Leaking radiator valve in rear bedroom

The tenant has carried out the following improvements and other works: -

- Replacement of kitchen units and sink, also tiling to floor and part of walls
- Replaced sanitary ware in bathroom
- Provided iron gate to side of property
- Replaced front and back doors and three internal doors
- Replaced front guttering
- Painted exterior wood and ironwork
- Re-roofed workshop
- Replaced central heating boiler and arranged annual servicing and CORGI test
- Insulated the roof space
- Fitted electric power point in the kitchen

There is a garden to the rear of the house and a parking area at the front with a carport attached to the bungalow, also a flat-roofed workshop t one side.

The property is situated on the outskirts of Lindford.

3. Evidence

The Committee received written representations from the landlord in his letters of 24 June, 31 July, 12 September and 25 October 2004. He submitted that: -

- No rent had been paid for the property since 1982 and that this was the reason for the lack of maintenance.
- Prior to Mr. Ross' tenancy the property had been renovated.
- The tenant has liabilities for internal repairs
- £670 had been spent on external repairs and decorations in the early part of Mr. Ross' tenancy.
- Based on evidence of advertisements, the level of market rents for similar properties was £1100 to £1200 per month.
- The tenancy from 1979 included some furniture.
- Fitted carpets were installed in 1972.
- The tenant carried out work to the kitchen and bathroom, but did not inform the landlord of his intention to do this.

The tenant made no written representations.

The tenant requested a hearing at which oral representations could be made.

4. The Hearing

This was held at the Community Centre in Alton on 3 November at 12.15 pm, after the inspection. The hearing was attended by the tenant, Mr. R B Ross, who was accompanied by Mrs. Parsons. The landlord did not attend and was not represented.

Mr. Ross gave oral evidence on the tenancy and its background. With regard to the Landlord's furniture, he stated that at the start of the tenancy he had removed three bed frames, mattresses and some bedding, as they were damaged beyond repair and were unsanitary. He had stored two chests of drawers and one dressing table in the garage. The kitchen table had been discarded as it was found to be infested with woodworm.

He had paid for the insurance of the bungalow for some years as a precaution, in case the landlord had not taken out insurance.

He had no evidence of rental values.

The Decision

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. The personal circumstances of the parties have to be ignored.

In *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 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. In the absence of any evidence supplied by the parties, the Committee relied upon its own general knowledge of market rent levels in the area of Bordon and Alton. Having done so it concluded that the market rent would be £800.00 per month.

This rent would be for an unfurnished property in good repair and decorative condition with central heating and modern kitchen and bathroom and a modern electrical installation. In view of their findings as to the deficiencies in the property, the Committee considered that it was appropriate to make the following deductions, totaling £385.00 per month, from market rent: -

1. Lack of white goods and carpets.
2. Lack of modern kitchen and bathroom.
3. Other works by the tenant.
4. Tenant's repair liabilities under this tenancy.
5. Disrepair, including the poor state of the electrical installation and the lack of modern windows.

The following other factors applied: -

- The Committee did not consider that the fact that rent had not been paid in recent years was relevant. Neither did they have any regard to past disputes between the parties.
- The parties' liabilities for maintenance are set out in Section 11 of the Landlord and Tenant Act 1985; this over-rides any conflicting provisions in the tenancy agreement.
- In view of the history of the furniture and carpets, the Committee made their assessments on the basis that these items were redundant.
- 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 accordingly £415.00 per month.

The fair rent to be registered is not affected by the Rent Acts (Maximum Fair Rent) Order 1999 because there was not an existing registered rent at the time of the application.

Accordingly the sum of **£415.00 per month** will be registered as the fair rent with effect **from 3 November 2004** being the date of the Committee's decision.

(signed)

Signed _____ J H S Preston (Chairman)

Dated 3 November 2004
