

Southern Rent Assessment Panel

File Ref No.

CHI/43UL/MNR/2003/0027

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

Address of Premises

6 Westbrookhill Cottages
Elstead
Surrey GU8 6LQ

The Committee members were

Mr J H S Preston JP, FRICS
Mrs H C Bowers MRICS
Mrs J Playfair

1. Background

On 4 February 2003 Mr R Francis, 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, Mr B C Whitaker, served a notice dated 27 January 2003, which proposed a rent of £700.00 per month with effect from 1 March 2003.

The tenancy commenced in February 1990. The tenant is in occupation as a statutory periodic tenant. The passing rent is £130.00 per month.

2. Inspection

The Committee inspected the property on 8 April 2003, in the presence of the tenant's daughter and that of Mr Rosen, who is the landlord's manager. The property comprises a semi-detached house, built of stone with a slate roof. It has metal-framed casement windows. There is a large garden to the rear. The house fronts directly on to the road. The accommodation comprises: -

Ground Floor: Kitchen; Dining room; Sitting room; Room in lean-to side extension used as a bedroom; Boiler room/wash house and porch in rear extension.

First Floor: One double and two single bedrooms; Bathroom.

The house is connected to all main services.

The house has been refurbished by the tenant, who has also installed gas-fired central heating and a range of kitchen units.

The house has the following defects: -

- Electrical installation in need of complete rewiring.
- Lack of damp proof course, resulting in rising damp in the walls.
- Cracked basin in bathroom in need of replacement.
- Reported weakness to bedroom floors.
- Unserviceable tap to bathroom basin.
- Rot to staircase.
- Leaking chimney.

Apart from the above, it is in fair condition.

3. Evidence

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

No written representations were received from the landlord, whose manager orally reported that consideration was being given to the rectification of defects. He acknowledged that the tenant had carried out improvements and other works, for which he was not liable under the terms of the tenancy.

The tenant submitted written representation as to the condition of the house.

Neither party submitted any evidence as to the open market rental value of the property.

4. The Law

In accordance with Sec. 14 of the Housing Act 1988, the Committee is required to consider the rent at which the property might reasonably be expected to be let on the open market under a similar periodic tenancy. The effect on rental value of relevant tenant's improvements is to be disregarded.

5. The Decision

The committee considered that the open market rental value of the property in good modern condition and with modern fittings and facilities would be £875.00 per month. They considered that to reflect the works carried out by the tenant there should be an allowance of £250.00 per month and that to reflect the defects to the house there should be a further allowance of £110.00 per month. In addition, the lack of off-street parking was felt to reduce the potential rental value by £35.00 per month.

These allowances totalling £395.00 were deducted to arrive at the Committee's assessment of **£480.00 per month**. This rent will take effect from 1 March 2003 being the date specified by the landlord in the notice of increase.

Signed  J H S Preston JP FRICS (Chairman)

Dated 8 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.

Southern Rent Assessment Panel File Reference No. CHI/43UL/MNR/2003/0027**Rent Assessment Committee: Supplementary reasons for decision.****Housing Act 1988****Address of Premises**

6 Westbrook Hill Cottages
Elstead
Surrey GU8 6LQ

Background

Following the Committee's inspection and decision on 8 April 2003, Mr. Rowson, the estate manager for the landlord, in his letter dated 2 June, requested a more detailed reason for the Committee's decision. Notwithstanding that this request is 'out of time' in that it should have been made within three weeks of the decision, the committee has decided to provide more detail in order to clarify the points raised by Mr. Rowson

The Law

Section 14 of the 1988 Act deals with the determination of rent by rent assessment committee. It states that the committee shall determine the rent at which, subject to subsection 2, the committee considers that the dwelling house concerned might reasonably be expected to be let in the open market by a willing landlord under an assured tenancy –

Subsection 2 states that there shall be disregarded -

- (a) any effect on the rent attributable to the granting of a tenancy to a sitting tenant;
- (b) any increase in the value of the dwelling house attributable to a relevant improvement carried out by a person who at the time it was carried out was the tenant, if the improvement –
 - (i) was carried out otherwise than in pursuance of an obligation to his immediate landlord, or
 - (ii) was carried out pursuant to an obligation to his immediate landlord being an obligation which did not relate to the specific improvement concerned but arose by reference to consent given to the carrying out of that improvement; and
- (c) any reduction in the value of the dwelling house attributable to a failure by the tenant to comply with any terms of the tenancy.

The Evidence

The tenancy began in February 1990. In his application the tenant, Mr. Francis, stated that he had carried out improvements or replaced fixtures and fittings, for which he

was not responsible under the terms of the tenancy. He further stated that the house had been 'derelict' and that he had completely refurbished it including central heating.

He provided written evidence of defects to the property in a statement dated 30/01/03.

At the inspection, in the presence of the landlord's manager, the Committee was shown evidence of the works carried out by the tenant and of the defects. The landlord's manager acknowledged that the tenant had done the works, for which he was not liable under the terms of the tenancy and for which he had no obligation.

Reasons

The Committee assessed the open market rental value of the property at £875 per month; this was on the basis that it was in good modern condition with modern fittings and facilities. In accordance with Section 14 they disregarded the following improvements carried out by the tenant: -

- Gas central heating
- Kitchen units and sink
- Replastering and general refurbishment

They made an allowance of £220 per month to reflect these. The fact that the passing rent of £130 per month may have reflected an allowance by the landlord in respect of these improvements does not restrict or influence the extent to which the Committee is directed to disregard the value of those improvements.

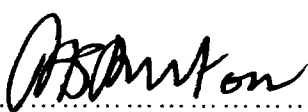
They made a further allowance of £30 per month in respect of the tenant's decorating liability under the tenancy. Properties let under modern Assured Shorthold tenancies tend to have minimal decorating and repair liabilities and the market rents reflect this.

The Committee considered the defects to the property and decided that they combined to reduce the market rental value by £110 per month.

Finally they took the view that the lack of convenient off-street parking, which is usually available under modern lettings, should be reflected with a deduction of £35 per month.

They did not consider that there was any reduction in the value of the property due to the tenant's failure to comply with the terms of the tenancy.

The above allowances and deductions amounted to £395 per month, resulting in the determined rent of £480 per month.

Signed  J H S Preston FRICS (Chairman) on 16 June 2003