

London Rent Assessment Panel
Notice of the Rent Assessment
Committee Decision

File Ref No.

LON/00AD/F77/2005/0430

Rent Act 1977 Schedule 11

Address of Premises

3a Parade
Crayford Way
Dartford
Kent
DA1 4JA

The Committee members were

~~Mrs T J Gordon~~
Mr J R Humphrys FRICS
Mrs G V Barrett JP

Landlord

Mrs Lynn Green

Tenant

Mrs Barbara Delahunty

1. The fair rent is 385 Per hour (excluding water rates and council tax but including and any amounts in paras 3&4)
month
2. The effective date is 29 September 2005
3. The amount for services is negligible/not applicable Per
4. The amount for fuel charges (excluding heating and lighting of common parts) not counting for rent allowance is £ not applicable Per
5. The rent ~~is~~ is not to be registered as variable.
6. The capping provisions of the Rent Acts (Maximum Fair Rent) Order 1999 ~~apply~~ (please see calculation overleaf) / do not apply because 1st registration ~~is an exemption~~
7. Details (other than rent) where different from Rent Register entry

8. For information only:

- (a) The Registered Rent (exclusive of any ~~variable~~ service charge) is capped under the provisions of the Rent Acts (Maximum Fair Rent) Order 1999. The rent that would otherwise have been registered was
- (b) The Registered Rent (exclusive of any ~~variable~~ service charge) is not capped under the provisions of the Rent Acts (Maximum Fair Rent) Order 1999, because it is below the capped figure of

Chairman

J R

Date of decision

29/09/05

J. R. Humphrys

Rent Assessment Committee: Summary reasons for decision.
Rent Act 1977**Address of Premises**

3a Parade
Crayford way
Dartford
Kent DA1 4JA

The Committee members were

~~Mrs J J Gordon~~
~~M D Humphrys~~ FRICS
Mrs G V Barrett JP

J.R.

1. Background

On 1/6/05 the landlord/tenant applied to the rent officer for registration of a fair rent of £ 500 per 4 weeks for the above property.

Note: The period of the rental payments under the tenancy (e.g. weekly, monthly) should be inserted expressly above and where appropriate below.

The rent payable at the time of the application was £ 400 per month

The rent was previously registered on with effect from /the same date at £ per following a determination by the rent officer/a rent assessment committee.

Note: (1) Insert effective date when different from that of registration. (2) The date of registration is useful for capping purposes when it is necessary to know the date of the previous registration. (3) The whole of the above sentence can be deleted in those rare cases of first registration.

On 7/7/05 the rent officer registered a fair rent of £ 300 per month
~~..... / including £ in respect of services/(variable) with effect from that date/.....~~

Note: the alternative of a variable amount for services has been added.

By a letter dated 18/07/05 the landlord/tenant objected to the rent determined by the Rent Officer and the matter was referred to the Rent Assessment Committee.

Note: this states how the matter has come before the RAC. If the letter of objection is not provided the reference to the letter of objection and date must obviously be omitted.

2. Inspection

relis naps
The Committee inspected the property on *29/09/05* and found it to be in *good*/fair/poor* condition *as described more particularly in the Rent Officer's survey sheet which had been copied to the parties.*

[Brief description of state of repair here where no RO survey sheet provided].

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

on 29/9/05
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 Committee noted modern replacement large windows on front door.*
The registered rent includes a sum for the services as listed on the rent register.

- (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. (These rents may have to be adjusted where necessary to reflect any relevant differences between those comparables and the subject property).

5. Valuation

Thus in the first instance 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 parties and~~ the Committee's own general knowledge of market rent levels in the area of

Crayford Having done so it concluded that such a likely market rent would be £450. per month.

However, the actual property is not in the condition considered usual for a modern letting at a market rent. Therefore it was first necessary to adjust that hypothetical rent of £450. per month to allow for the differences between the condition considered usual for such a letting and the condition of the actual property ~~as~~ ~~observed by the Committee (disregarding the effect of any disrepair or other defect attributable to the tenant or any predecessor in title).~~ The Committee considered that this required a deduction of £22.50. per month.

Furthermore, to allow for the ~~tenant's~~ improvements (listed above) it was necessary to make a further deduction of £..... per.....

Note: the wording has been revised to deal with the common case where the parties do not provide market comparables and also to permit the specification of sums in respect of (a) differences between the condition of the real or hypothetical comparable(s) and the subject property and (b) the rental value of tenant's improvements, to be specified.

~~The Committee decided that the relevant differences between the subject property and the comparable properties given in evidence were so great as to make it inappropriate to rely on the market rent less scarcity approach in this case. It therefore relied on its knowledge and experience to assess a fair rent of £..... per~~

This leaves an adjusted market rent for the subject property of £427.50 ^{per week month} per to which the sum of £..... in respect of ~~services should be added.~~

~~The Committee did not consider that there was any substantial scarcity element and accordingly no further deduction was made for scarcity.~~ The Committee found that there was substantial scarcity in the locality of... ^{Greater London} and therefore made a deduction of% from the market rent to reflect this element.
 ^{about 10%}

6. Decision

The uncapped fair rent initially determined by the Committee, for the purposes of section 70, was accordingly £..... per inclusive of £..... per in respect of services.

~~However, by virtue of the Rent Acts (Maximum Fair Rent) Order 1999 the maximum fair rent that can be registered in the present case is the lower sum of £..... per /inclusive of services (Details are provided on the back of the decision form).~~

~~The section 70 fair rent determined by the Committee is below/at the same level as the maximum fair rent permitted by the Rent Acts (Maximum Fair Rent) Order 1999 and~~

accordingly that rent limit ~~has no effect~~. Details are provided on the back of the decision form.

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

The fair rent ~~to be registered/confirmed~~ is not limited by the Rent Acts (Maximum Fair Rent) Order 1999 because by virtue of landlord's repairs and/or improvements since the previous registration the rent determined/~~confirmed~~ by the Committee exceeds by at least 15% the previous registered rent.

Accordingly the sum of £ 38.5 ^{new month} per/inclusive of services of £.....per..... will be registered/~~confirmed~~ as the fair rent with effect from 29 September 2005 being the date of the Committee's decision.

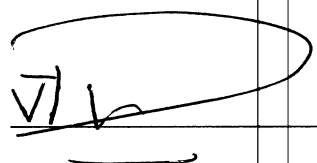
The registered rent ~~is to be entered/confirmed~~ as variable in accordance with the terms of the tenancy (Rent Act 1977, s.71(4)).

Note: the new version of this section is an attempt to separate out the fair rent assessed in accordance with the Act from, where applicable, the maximum fair rent provided for by the 1999 Order.

Thus the section begins with the rent determined in accordance with section 70. It then permits one of four alternative paragraphs to be chosen according to whether the cap applies or not.

Having selected one the others should be deleted before the paragraph in bold type specifying the rent to be registered/~~confirmed~~ is selected in all cases. The final paragraph can be included where there is a variable service charge.

Chairman





J. R. Humphrys

Dated

29 September 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 at the Panel Office which must be made within 28 days from the date of issue of this document.