

Rent Assessment Committee: Summary reasons for decision.

Housing Act 1988

Address of Premises

52A Abbots Leys Road
Winchcombe
Gloucestershire
GL54 5QX

The Committee members were

Mr I R Perry BSc (Est Man) FRICS
Mr J R Boddy MRICS
Mr D Wills

1. Background

On 27 March 06 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's notice, which proposed a rent of £346.03 per month with effect from 1 April 06 is dated 16 February 06.

The tenancy is a periodic tenancy which commenced on 18 August 97. The current rent is £326.90 per month.

2. Inspection

The Committee inspected the property on 1 June 06 and found it to be in good condition.

The property comprises a semi-detached bungalow built approximately 7 years ago with brick elevations beneath a tiled roof. The windows and doors are sealed unit double glazed units and there is a gas fired central heating system.

Internally the property comprises a hall, living room, kitchen/dining room, double bedroom, single bedroom and bathroom with wc.

There are small gardens to front and rear and off-road car parking.

The tenant has fitted a range of wardrobes to the principal bedroom, a shower and additional tiling in the bathroom. The tenant has also provided carpets and curtains throughout and all white goods in the kitchen.

The rent proposed includes the sum of £5.87 (variable) for service charge, principally for gardening of shared areas and central management of services.

3. Evidence

The committee received written representations from the landlord and tenant and these were copied to the parties.

The tenant had requested a hearing which was held at the Cheltenham Art Gallery at 2.15 on the afternoon of 1 June 2006. The landlord was not represented.

Mr Hickinbottom (the tenant) stated that the points of his case had already been made in writing and the substance of his case was that the rent increase proposed was approximately 6% per annum, which was above the Retail Price Index.

It was explained to Mr Hickinbottom that the Panel was bound to assess what rent the landlord could reasonably expect for the property if it were let on the open market under a new tenancy on the same terms. This information had been provided to Mr Hickinbottom with the notification of rent increase dated 16 February 06.

The Tribunal questioned Mr Hickinbottom about the service charge and particularly asked whether the pathway referred to in correspondence was owned by the local authority or the Housing Association. It seemed that the path was most likely in the ownership of Tewkesbury Borough Council.

4. The law

In accordance with the terms of section 14 Housing Act 1988 the Committee proceeded 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, as required by section 14(1), ignored the effect on the rental value of the property of any relevant tenant's improvements as defined in section 14(2) of that Act.

In coming to its decision the Committee had regard to the evidence supplied by the parties and the members' own general knowledge of market rent levels in the area of Winchcombe and concluded that an appropriate market rent for the property would be £500 per month.

From this, the Committee made a deduction of 5% to reflect the tenant's responsibility for providing carpets and curtains, £10 per month to reflect the provision of white goods, leaving a net open market rent of £465 per calendar month.

5. The decision

The Committee therefore concluded that the rent at which the property might reasonably be expected to be let on the open market would be £465 per month.

This rent will take effect from 1 April 06 being the date specified by the landlord in the notice of increase.

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.

Signed

Mr I R Perry BSc (Est Man) FRICS

Chairman

Dated 6th June 2006

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.