



**SUMMARY STATEMENT OF REASONS
for the decision of the Committee which met on 24 August 2005
to determine a FAIR RENT in respect of
33 CORONATION AVENUE, BRAINTREE, ESSEX CM7 1EZ**

Ref. No. CAM/22UC/F77/2005/0080

Landlord: E D Cole Deceased Settlement (Mr M G Park, Trustee)
Tenant: Mr D R Allen

Rent at date of Application:	£64.00 per week (£65.00 before capping)
Rent proposed by Applicant:	£72.00 per week
Rent determined by Rent Officer:	£71.00 per week (£74.00 before capping)
Rent determined by Committee:	£71.50 per week (£75.50 before capping)

MEMBERS OF THE COMMITTEE: Mr G M Jones - Chairman
Mr R Marshall FRICS FAAV
Mr R D Eschle JP

THE PROPERTY	The Committee inspected the property in the presence of the tenant and found it to be generally as described in the Rent Register. It is a three-bedroom terraced house in need of modernization. Accommodation was reduced to two bedrooms by the installation of a bathroom, the tenant then partitioning the bathroom to create a third narrow sleeping area. The property is let completely unfurnished.
CONDITION	The property appeared to be in fairly good condition except for a minor crack on the rear elevation.
TENANT'S IMPROVEMENTS	All space heating appliances belong to the tenant, who has also knocked together the two living rooms and made other improvements, particularly to the kitchen.
LOCATION	Quiet suburban cul-de-sac not far from the town centre. Residents only on-street parking permit available at modest expense.

SCARCITY

In the experience of the Committee, scarcity in this locality (the rural northern part of Essex) for this type of property justifies a deduction of 15%.

THE LAW APPLIED

In short, the task of the Committee is to determine a 'fair rent' within the meaning of section 70(1) of the Rent Act 1977, taking into account all relevant circumstances (other than personal circumstances). A fair rent is a market rent adjusted for scarcity and disregards under section 70(3) – in particular, tenants' improvements. A discount will be appropriate under section 70(2) where there is a significant scarcity of similar dwellings available for letting in the locality. Rent capping may apply (see below). The rent will be exempt from capping if the landlord carries out repairs or improvements to the property as a result of which the uncapped fair rent determined for the property is at least 15% more than the existing registered rent. Full Reasons (if requested) will set out the relevant legal principles in detail.

OPEN MARKET RENT

Based on the evidence and the Committee's own knowledge and experience, the open market rent for the property, if let on assured shorthold terms, fully modernised and in good order throughout, with central heating, double-glazing and carpets, curtains and white goods, would be £550 per calendar month.

COMMITTEE'S CALCULATIONS

Open market rent	£550.00 p.c.m.
Less global deduction for condition, layout and lack of basic furnishings and modern facilities and disregarding tenant's improvements 30%	<u>£165.00</u>
Adjusted open market rent for this property	£385.00 p.c.m.
Reduction for scarcity 15%	<u>£ 57.75</u>
	£327.25 p.c.m.
Converting to weekly basis and rounding	£ 75.50 per week

THE RENT ACTS (MAXIMUM FAIR RENT) ORDER 1999

The maximum fair rent calculated in accordance with the formula set out in the Order is £71.50 per week. The rent is not exempt from capping.

DECISION

As the maximum fair rent is less than the Committee's assessment, the fair rent is the capped figure of £71.50 per week.



Geraint M Jones MA LLM (Cantab)
Chairman

Note: This is a summary of the Committee's reasons for its decision. Should you require more detailed reasons, they can be supplied but only if a written request is received by the Panel Office within 21 days from receipt of this document. The papers will then be returned to the Chair for such detailed reasons to be prepared.