

Rent Assessment Committee: Summary reasons for decision. Rent Act 1977

Address of Premises

86 Gibbs Crescent
Oxford
Oxfordshire
OX2 0NY

The Committee members were

Mrs HC Bowers MRICS
Mr J Sims LLM
Mr M Bhatti JP

1. Background

On 5th July 2004 the landlord applied to the rent officer for registration of a fair rent of £53.84 per week for the above property.

The rent payable at the time of the application was £3310 per annum.

The rent was previously registered on 6th March 2000 with effect from the same date at £3310 per annum following a determination by the rent officer.

On 11th August 2004 the rent officer registered a fair rent of £47 per week including £4.45 in respect of services with effect from that date.

By a letter received on 25th August 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 1st October 2004 and found it to be in fair condition.

The subject property is a second floor studio flat situated in a purpose built residential development. The accommodation provides a living room with a combined sleeping area, a kitchen and a bathroom.

3. Evidence

The Committee received written representations from the landlord and these were copied to the tenant. No written representations were received from the tenant.

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

4. The law

A summary of the relevant law is provided with this set of reasons.

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 Committee's own general knowledge of market rent levels in the area of Oxford. Having done so it concluded that such a likely market rent would be £600 per calendar 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 £600 per calendar 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 £105 per calendar month.

The Committee found that there was substantial scarcity in the locality and therefore deducted a further sum of £75 from the market rent to reflect this element.

This leaves a net market rent for the subject property of £420 per calendar month and this equates to £97 per week. This sum is inclusive of services of £4.45 per week.

6. Decision

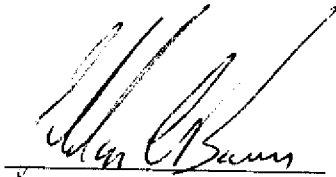
The fair rent initially determined by the Committee, for the purposes of section 70, was accordingly £97 per week inclusive of £4.45 per week in respect of services.

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 £75 per week inclusive of services (Details are provided on the back of the decision form).

Accordingly the sum of £75 per week inclusive of services of £4.45 per week will be registered as the fair rent with effect from 1st October 2004 being the date of the Committee's decision.

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

Chairman

A handwritten signature in black ink, appearing to read 'M. J. Burns', written over a horizontal line.

Dated

7/10/04

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 21 days from the date of issue of this document.