

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

Address of Premises

FLAT 2, GEORGE LANE
HIGH STREET
ROCHESTER
KENT
ME1 1NW

The Committee members were

Mr Philip Langford MA LLB
Mr Morris Marshall FRICS
Ms Liane Farrier

1. Background

On 28 April 2003 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 £550.00 per month with effect from 1 May 2003 is dated 1 April 2003.

The tenancy commenced in November 1992 as an assured shorthold tenancy. The tenant remains in occupation as a statutory periodic tenant. The current rent is £400.00 per month.

2. Inspection

The Committee inspected the property on 11 June 2003 and found it to be in fair condition.

The bathroom fittings were dated.

The flat lacked central heating.

3. Evidence

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

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 the Medway towns and concluded that an appropriate market rent for the property would be £470.00 per 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 £470.00 per month.

This rent will take effect from 1 May 2003 being the date specified by the landlord in the notice of increase.

Chairman Signed P B Langford

Dated 12 June 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.

FLAT 2, GEORGE LANE, HIGH STREET, ROCHESTER

1. The Application

This is an application under Section 13 Housing Act 1988 by the tenant, Mr John Helm, referring to us a new rent proposed by the landlords, Mart (Developments) Ltd, of £550 per month to take effect on 1 May 2003. Mr Helm is a statutory periodic tenant and previously he had been paying a rent of £400 per month with effect from 1 October 2001.

2. Inspection

We attended at the premises on 11 June 2003 and inspected them in the presence of the Tenant and Mrs Tamara Slack and Mrs Rebecca Slack, who were representatives of the Landlord Company. The property was approached from the High Street in Rochester by an alleyway i.e., George Lane. This narrow alleyway meant that the property did not have good views, the sitting-room windows overlooking the alleyway at first floor level and straight out on to a brick wall on the other side of the alleyway. We noted that there was a public house a few yards away at the end of George Lane. On our inspection we saw that this first floor flat provided accommodation of a living room, bedroom, kitchen and bath/wc. The narrow kitchen did not have any window. Likewise the bathroom did not have a window but did have a ventilator. The bathroom fittings were dated and the flat lacked central heating.

3. The Representations of the Parties

Although neither party requested a hearing, both parties did submit written representations to us. The Landlords emphasised, what they regarded as, the excellent location of the flat situated in the heart of Rochester town centre. They said that they had rented out a small studio apartment at £390 per month and a

one-bedroom basement flat at £500 per month, both of which are well off the High Street. The Tenant referred to the very large increase in the rent proposed by the Landlords, when set against the current rent of £400 per month. The Landlords answer to that was that over the years since the Tenant had taken up occupation in 1992, his rent had only increased at an annual rate of 5%. The Tenant said that he was only provided with minimal furniture i.e., carpets, curtains and armchairs. The location, although convenient for shops, suffered from late night rowdyism. The flat did not have a garage or parking facilities. The location was close to a public house and there was no view from the flat. He had studied details of properties available for letting in the Rochester, Chatham, Gillingham and Stroud areas and the few properties that came anywhere near the £550 per month proposed by the Landlords were at the top end of the range, usually fully furnished, purpose-built luxury flats with all mod cons and parking facilities.

4. Consideration

Our task is to assess the open market rent for this property. It is not appropriate in that task for us simply to look back at the old rent and then to increase it in line with inflation. In the first place the old rent might not have been a normal rent for a property of this kind. Secondly the increase in rents over the last 12 years has been far steeper than the increase in the general rate of inflation. The only way we can fix a rent is to look at rents currently being obtained on the open market for similar properties. We have borne in mind the evidence supplied by the parties and we have applied our own knowledge and experience of rental levels in the Medway towns area. We have concluded that this property, if modernised and brought up to the standard in which properties are usually let on assured shorthold tenancies, the rent for Flat 2 would be £500 per calendar month. However the property is not at the moment in that condition, in that it lacks central heating and the dated bathroom fittings need to be replaced and upgraded. In our view the lack of central heating warranted a reduction in the rent of £22 per month and the

lack of a modern bathroom warranted a further reduction of £8 per month. This resulted in a net rent of £470 per calendar month, which we considered to be the appropriate market rent for Flat 2 George Lane.

5. Decision

For the reasons we have given, we have determined that the rent at which the property might reasonably be expected to be let on the open market would be £470 per calendar month. This rent will take effect from 1 May 2003, being the date specified by the Landlord in the notice of increase.

Signed. P B LANGFORD (Chairman)