

Eastern Rent Assessment Panel

Greenleas, Hurst, Reading RG10 1DS

Meeting Date 16 June 2003

The Committee's Reasons

Landlord

Rt Hon N A Viscount Bearsted
The Hon M J Samuel

Tenant

Mrs Barbara Seggons

Rent at date of Application	Nil
Rent proposed by Applicant	£500 per month
Rent determined by Rent Officer	£490 per month
Rent determined by Committee	£459 per month

Members of the Committee

Mrs T J Gordon Chairman
Mrs S Redmond MRICS
Lady Yardley

1. This was an objection by the Tenant to a determination by the Rent Officer of £490 per month, registered on and effective from 11 February 2003. Both parties sent written representations. The Tenant Mrs Seggon appears to the Committee to be holding under a statutory tenancy following the death of her husband in 1992.

2. The Tenant was represented by Clifford Ingram, Solicitors, whose representations set out clearly the various improvements carried out by the Tenant and her late husband over the years since the commencement of the agricultural licence granted on 21 March 1968. (No copy of this Licence was provided for the Committee by either party nor by the Rent Officer.) These improvements included the installation of central heating, the change from cess-pit to main drainage, some secondary double glazing, the sun room extension, new kitchen units, part boarding and insulation of the roof loft, security lighting and the burglar alarm. The Committee were urged to reflect the value of these improvements in their assessment of the

Fair Rent. It was stated that under the terms of the Licence the Tenant was obliged to decorate the external parts every four years, and the internal every seven.

3. Mrs Seggons sent her own representations to the effect that for 35 years no rent had been charged, and that they had been granted possession of the house on her husband's retirement for the duration of their lives, in lieu of a pension. They had always kept the property in repair, and effected the improvements as set out.

4. The Landlord's Agents, Martin Pole Nicholas, Surveyors, sent representations saying they considered the Rent Officer's figure to be fair and reasonable, but they provided no evidence of comparable rents in support of this statement. Referring to the history of the matter, and correspondence from Pinsent Curtis Biddle, Solicitors, they pointed out that the Landlords' responsibility was by virtue of the legislation now under Section 11 of the Landlord & Tenant Act 1985.

5. The Rent Officer's determination registered on 11 February 2003 stated that the Tenant was responsible for all repairs and decorations. The Rent Officer, after a request from the Landlords' Solicitors to the effect that the terms of the holding were now subject to Section 11, made an amendment to the Rent Register to this effect.

6. It was clear from the papers on our file that there had been an ongoing dispute between the parties as to the status of the Tenant following the death of Mr Seggons, and it was also evident that certain proceedings for possession had been attempted by the Landlords from time to time since that date. It was not clear whether the fundamental issues alleged by Clifford Ingram that the occupation should have remained rent-free, or that the terms of the occupation as to liability for repairs and decorations, had now been satisfactorily agreed between the parties. These issues, which must clearly involve a thorough consideration of the evidence, are matters between the parties and their respective legal advisers, and fall outside our remit as a Rent Assessment Committee. Our task is only to deal with the Tenant's objection to the Rent Officer's determination.

7. The Committee inspected the property, a detached bungalow built in the 1950s, on a main road, with a separate garage and shed, and gardens to the front and rear. The living room was quite large, with windows on three sides, and some secondary glazing by the Tenant. We noted the Tenant's

central heating radiators throughout the bungalow. The three remaining rooms were all of a good size, the smallest of which could serve as a third single bedroom or a small dining room. The bathroom appeared to be in good condition, but was dated; the Tenant had added an electric wall heater and a heated towel rail. In the kitchen we noted a few units by the Landlord, and the Tenant's considerable improvements, which included the sink unit and other wall units, and a good floor covering. The white goods were also provided by the Tenant. At the rear of the property was a sun-room erected by the Tenant some years ago.

8. The Committee considered the evidence very carefully. Section 70 of the Rent Act 1977 states that in order to determine a Fair Rent, regard shall be had to all the circumstances (other than personal circumstances) and in particular to the age, character, locality and state of repair of the dwelling. We are aware that we are to make the market rent for such dwelling our starting point, from which we must make an adjustment for any substantial scarcity in accordance with Section 70(2) of the Rent Act. We disregarded all the Tenant's improvements, as we are bound to do under Section 70(3) of the Rent Act.

9. In the absence of any market evidence from the parties, the Committee used its extensive knowledge and experience of rentals in the area. This property, suitably improved to a modern Assured Shorthold standard, could in our view command a market rental of £900 per month. Having fully disregarded the Tenant's improvements, we deducted from this figure a total of 40% to reflect the lack of central heating, the dated kitchen and bathroom, as well as for carpets, curtains and white goods which would normally be included in a modern market letting; and the difference in terms between an Assured Shorthold letting and the statutory tenancy which we have here: arriving at an adjusted market rent of £540 per month.

10. Neither of the parties presented any evidence as to scarcity. However, relying on our own knowledge and experience we are of the opinion that there is substantial scarcity of similar properties in Berkshire and have determined this at approximately 15%. Accordingly the figure arrived at for the Fair Rent was £459 per month.

11. In view of the Rent Acts (Maximum Fair Rent) Order (SI 1999 No 6), Fair Rents have to be capped in accordance with the formula laid down. This being a first registration however the provisions of the Capping Order

do not apply. The Fair Rent is therefore £459 per month, exclusive of rates and Council Tax.

Chairman.....*Tessa Gordon*.....Dated...*23 June 2003*...