

EASTERN RENT ASSESSMENT PANEL

STATEMENT OF REASONS FOR THE DECISION OF THE COMMITTEE THAT MET ON 10th MAY 2005 TO DETERMINE A MARKET RENT IN RESPECT OF 4 UPPER GREEN, ICKLEFORD, HITCHIN, HERTFORDSHIRE SG5 3YG

File Reference No.: CAM/26UF/MNR/2005/0029

Landlord: Allsop Residential Investment Management Limited
St James house, 28 Park Place, Leeds LS1 2SP

Tenant: Mr DC Hawkins

Tenant's Solicitor: Hawkins Russell Jones, 7/8 Portill Lane, Hitchin,
Hertfordshire SG5 1AS

Existing Rent: £66.00 per week Regulated Rent under the Rent Act 1977
capped by virtue of the Rent Acts (Maximum Fair Rent)
Order (Uncapped rent £75.00 per week)

Rent Proposed by Landlord: £500.00 per calendar month

Rent Determined by Committee: £420.00 per calendar month

Members of the Committee: Mr JR Morris (Chairman)
Mrs H Bowers MRICS
Mr B Tyers

Clerk to the Committee: Ms J Zaman

The Tenancy:

The tenancy appears to be a periodic Assured Tenancy by reason of succession that commenced in July 2003.

The Application:

The Landlord by a notice in the prescribed form dated 9th February 2005 proposed a new basic rent of £87.22 per week effective from the 1st April 2005. The tenant made an Application to the Rent Assessment Committee on the 16th March 2005.

The Property:

The Property is a three-storey three bedroom inner terraced house constructed of brick under a tile roof with circa 1913. Access to the property is directly into the front living room. The Property comprises a front living room and rear living room with stairs rising to the first floor, kitchen and bathroom on the ground floor and two bedrooms on the first floor and one on the second. The Property has mains water, gas, electricity and drainage. Outside there are gardens to front and rear. Water heating is by immersion heater and space heating is by open fires and Tenant's appliances. The property is let unfurnished.

The Condition

The Committee inspected the Property in the presence of the Tenant. Externally the property is in fair condition. However the ridge tiles are spalling and the timber frame windows require some decoration. Internally the layout is awkward with access to the front first floor bedroom and second floor bedroom being through the rear first floor bedroom. The kitchen and bathroom are basic and dated. No white goods or floor coverings are provided. No off road parking is provided although street parking is available.

Law:

Sections 13 and 14 of the Housing Act 1988 apply

Tenant's representative stated that the comparable of £700 was excessive for an inner terrace and more appropriate to a semi-detached chalet style bungalow in a popular area.

The Landlord submitted rental evidence of comparable properties between £650 and £750 per month and stated that the rent for a 3 bedroom terrace house was in the region of £700 per month and therefore £500 per month made an allowance for the condition of the Property.

The Landlord's comparables were not direct but the Committee noted them by way of guidance. The Committee using the knowledge and experience of its members considered that a rent for the subject property taking into account its location, in good condition with central heating, double glazing, modern kitchen and bathroom, and let with carpets, curtains and white goods on an Assured Shorthold Tenancy would be £650.00 per calendar month. However the Committee made a global deduction of £230.00 to account for the awkward layout, the dated and basic kitchen and bathroom, the lack of central heating, double glazing, carpets, curtains and white goods. It should be noted that this figure cannot be a simple arithmetical calculation and is not based specifically upon capital cost but is the Committee's estimate of the amount by which the rent would have to be reduced to attract a tenant.

Market rent	£650.00 per calendar month
Less global deduction	<u>£230.00</u>
	£420.00

Market Rent for subject property **£420.00 per calendar month**

The assessment of the new rent took place month after it was to take effect. The Committee considered that in this case it was difficult for the Tenant to make an appropriate allowance for the transition from a capped regulated rent to a market rent and determined that the increase in rent if commenced from the beginning of the period of the Tenancy in accordance with section 14 (1)(a) and (b) Housing Act 1988 would cause hardship and therefore applied section 14 (7) Housing Act 1988 and determined that the increased rent should take effect from the **10th May 2005**.

JR Morris JR Morris, Chairman

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 for such reasons is received by the Panel Office within 21 days form the receipt of this document. The papers will then be returned to the Chair for such detailed reasons to be prepared.

Caution: The Committee inspected the subject property for the purposes of reaching this decision. The inspection was not a structural survey and any comments about the condition of the property in this Statement of Reasons must not be relied upon as a guide to the structural or other condition of the property.