**Southern Rent Assessment Panel** 

File Ref No. | CHI/24UB/MNR/2003/0048

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

### Address of Premises

4 Hylton Court **Bowmonts Road Tadley RG26 3SH** 

# The Committee members were

Mr J H S Preston JP FRICS Mr R A Potter FRICS Mr D Wills

### 1. Background

On 17 March 2003, Mr V J Hart, the tenant of the above property referred to the Committee a notice of increase of rent served by the landlord, Housing 21, under section 13 of the Housing Act 1988.

The landlord's notice, which proposed a rent of £43.16 per week, with effect from 7 April 2003, is dated 6 March 2003. The landlord's letter dated 6 March 2003 detailed Service Charge of £27.34 and Housing Support Costs of £5.59 per week, which were to apply from the same date.

The tenancy is a periodic tenancy, which commenced on 1 July 2002. The previous rent was £43.16 per week, with a variable service charge of £17.50 per week. Thus the total increase in rent and all charges was £15.43 per week.

### 2. Inspection

The Committee inspected the property on 8 May 2003, in the presence of the tenant and the Court Manager, Mrs Julia Tucker. The property is part of a sheltered housing complex on the outskirts of Tadley, about six miles from Basingstoke and comprising 20 units, for which there is a residency qualification of a minimum age of 55 years. It is a first floor flat, within a two-storey block. Access is by a stairway with a fitted stair-lift for use by disabled people. It has the following accommodation: -

Hall; living room; kitchen; bedroom; bathroom; store room.

Space heating is by Night Storage heaters installed in 1980 and the original electric wall-panel heaters. UPVC double-glazed windows were installed in 1992.

The landlord provides a cooker and frig/freezer. The tenant provides all other fittings and carpets.

There are communal facilities in an adjoining block comprising a sitting room, laundry room with washing machine and drying machine and a guest bedroom, for which there is a nominal charge of £5.00 per night. There is a communal garden. There is a resident Court Manager and an alarm system. All these facilities are maintained by the landlord and paid for by the tenants through the service charge.

The service charge summary statement details the services provided by the landlord as follows: -

- Court Manager's services
- Supporting people
- Repairs
- Utilities
- Gardening
- Cleaning
- Other costs
- Depreciation renewals
- Administration

## 3. Evidence

The Committee had the benefit of a copy of the Tenancy Agreement, the landlord's letter of 6 March 2003 to the tenant and the papers, which accompanied that letter. The tenant made written representations about the increase in the weekly payments proposed by the landlord.

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

#### 4. The Law

Section 14 of the Housing Act 1988 sets out the prescription for the Rent Assessment Committee to follow in determining the rent. They are to consider the rent at which the dwelling might reasonably be expected to be let in the open market by a willing landlord under an assured tenancy, on similar terms and conditions to those in the agreement for the subject dwelling. They are to disregard: -

- Any effect on the rent attributable to the granting of a tenancy to a sitting tenant
- Any increase in value attributable to a relevant improvement carried out by the tenant
- Any reduction in value attributable to a failure by the tenant to comply with any of the terms of the tenancy

In this section 'rent' does not include any service charge, within the meaning of Section 18 of the Landlord and Tenant Act 1985. As the service charges levied by the landlord fall within the meaning of that section, the Committee is only concerned with the rent itself, though the service charges are a relevant factor in determining the rent.

## 5. The Reasons and Decision

The Committee noted the increase in service charges referred to in paragraph 1 above. There had been no increase in the level of rent, which remained at £43.16 per week.

The Committee had regard to their own knowledge of market rent levels in the area of Basingstoke and Tadley and concluded that the rent at which similar one-bedroom flats might reasonably be expected to be let on the open market would be £110.00 per week inclusive of service charges.

However, in the case of sheltered accommodation with special residency qualifications restricting the number of eligible applicants, they concluded that the rental value would be reduced to £77.00 per week. After deducting the Service Charge and Housing Support costs as currently levied totalling £32.93, they determined a net rent of £44.07 per week as the appropriate rent for the property under the Housing Act 1988.

This rent will take effect from 7 April 2003 being the date specified by the landlord in the notice of increase.

Signed JHS Preston JP FRICS (Chairman)

Dated 8 May 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.