

Eastern Rent Assessment Panel
Great Eastern House Tenison Road Cambridge CB1 2TR
Telephone: 0845 1002616 Facsimile: 01223 505116



SUMMARY STATEMENT OF REASONS
for the decision of the Committee which met on 26 October 2005
to determine a FAIR RENT in respect of
8 Supanee Court, Frenchs Road, Cambridge CB4 3LB

Ref. No. CAM/12UB/F77/2005/0100

Landlord: Devantier Properties Ltd (agents Tucker Gardner Residential Ltd)
Tenant: Mr S R Lawrence

Rent at date of Application: £497.50 p.c.m. (inc. £54.16 for services)
Rent proposed by Applicant: £600.00 p.c.m.
Rent determined by Rent Officer: £549.00 p.c.m. (inc. £55.00 for services)
Rent determined by Committee: £550.00 p.c.m. (inc. £25.00 for services)

MEMBERS OF THE COMMITTEE: **Mr G M Jones - Chairman**
Mr E A Pennington FRICS ACI Arb
Mr P A Tunley

THE PROPERTY The Committee inspected the property in the presence of the tenant and the landlord's agent and found it to be generally as described in the Rent Register. It is a purpose built second floor flat comprising three rooms, kitchen and bathroom in a development of 13 flats probably built in the 1970's. The fittings in the flat are substantially original. The landlord provides a cooker but the property is otherwise unfurnished. Space heating is by electric convector heaters centrally controlled. The tenant has exclusive use of a car port and shared use of the gardens.

CONDITION The property appeared to be in fairly good structural condition and in fair decorative condition except for some cracking in internal plasterwork. The heating control box is broken. The aluminium framed single glazed windows cause condensation in north facing rooms.

TENANT'S IMPROVEMENTS The tenant has installed plumbing for a washing machine, a bathroom heater and additional power points.

LOCATION Opposite the local primary school in a quiet suburban street and within easy walking distance of the city centre.

SCARCITY

In the experience of the Committee, scarcity in the wider locality (Cambridge and South Cambridgeshire) for this type of property justifies a deduction of 15%.

THE LAW APPLIED

In short, the task of the Committee is to determine a 'fair rent' within the meaning of section 70(1) of the Rent Act 1977, taking into account all relevant circumstances (other than personal circumstances). A fair rent is a market rent adjusted for scarcity and disregards under section 70(3) – in particular, tenants' improvements. A discount will be appropriate under section 70(2) where there is a significant scarcity of similar dwellings available for letting in the locality. Rent capping may apply (see below). The rent will be exempt from capping if the landlord carries out repairs or improvements to the property as a result of which the uncapped fair rent determined for the property is at least 15% more than the existing registered rent. Full Reasons (if requested) will set out the relevant legal principles in detail.

OPEN MARKET RENT

Based on the evidence and the Committee's own knowledge and experience, the open market rent for the property, if let on assured shorthold terms with the landlord insuring, fully modernised and in good order throughout, with central heating, double-glazing and carpets, curtains and white goods, would be £850.00 per calendar month.

COMMITTEE'S CALCULATIONS

Open market rent	£850.00 p.c.m.
Less global deduction for age, character, condition and lack of furnishings and modern facilities	<u>£200.00</u>
Adjusted open market rent for this property	£650.00
Reduction for scarcity 15%	<u>£ 97.50</u>
	<u>£552.50 p.c.m.</u>
In the view of the Committee the value, to the tenant of services provided by the landlord (cleaning of windows and common parts and garden maintenance)	£25.00 p.c.m

THE RENT ACTS (MAXIMUM FAIR RENT) ORDER 1999

The maximum fair rent calculated in accordance with the formula set out in the Order is £550.00 p.c.m. The rent is not exempt from capping.

DECISION

As the maximum fair rent is less than the Committee's assessment, the fair rent is the capped figure of £550.00 p.c.m.

Geraint M Jones MA LLM (Cantab)
Chairman



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

CAPPING CALCULATION

Previous rent	£497.50		
Deduct variable service charge	N/A		
RPI at last registration (9.9.03)	182.5		
Latest published RPI	192.6	Difference	$10.1/182.5 = 0.0553$
Enhancement factor	0.050	Add	$+ 1.050 = 1.1053$
Multiply by previous rent	£549.90		
Maximum fair rent	£550.00		Round up to nearest 50p