

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

Address of Premises

92 Sheldon Road
Chippenham
Wilts
SN14 0BX

The Committee members were

Mr J S McAllister FRICS
Mr S Hodges FRICS

1. Background

On 24th. September 2004, Mr and Mrs N Hutton, the tenants of the above property, referred to the Committee an undated application under Section 13 of the Housing Act 1988.

The landlord [Ms.D.A.Baker] had issued 2 notices of rent increase, dated 18th. August 2004 and 23rd. August 2004. In both cases she had proposed a rent of £472.17 per calendar month [p.c.m.], to include £22.17 p.c.m. for water charges with effect from 1st. October 2004.

The tenancy, which was unfurnished, commenced on the 14th. November 1992 for an unspecified term. The current rent is £320 p.c.m., which was apparently fixed with effect from the 1st. April 2003. The tenants remain in occupation as statutory periodic tenants. There is no written tenancy agreement.

2. Inspection

The Committee inspected the property on the 10th. November 2004 and found it appeared to be in fair condition for its age and character, being a mid terrace three bedroom house, probably about 100-150 years old.

The property has gas fired central heating and partial double glazing.

The tenants pointed out areas of dampness to several walls, some external rot to several windows etc. and the fact that the roof space was poorly lagged and only partially felted.

The Committee also noticed the poor condition of the external decoration etc.

The tenants also referred to various works of repair etc. which they had carried out to the property. They also referred to condensation and black mould staining to the walls in the ground floor bathroom.

3. Evidence

The Committee received written representations from the landlord's Solicitors and Agents and the tenants, and these were copied to both parties.

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

4. The law

In accordance with the terms of Section 14 of the 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, ignored the effect on the rental value of the tenants' improvements, as defined in Section 14[2] of that Act.

5. The decision

As indicated above, in accordance with Section 14 of the Housing Act 1988, the Committee firstly had to consider the rent at which the subject property might reasonably be expected to be let in the open market by a willing landlord under an assured tenancy.

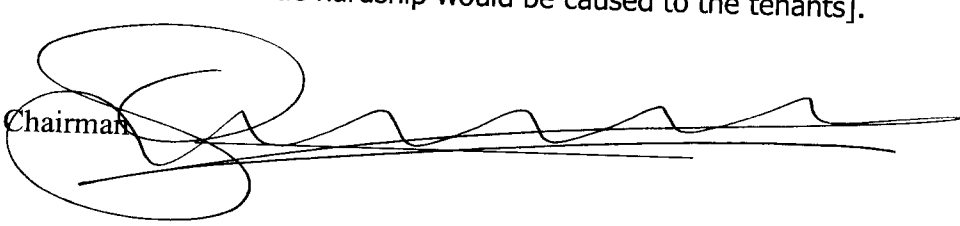
They noted that the landlords' agent's opinion was ".....£425-£450 p.c.m. which is taking into account the repairs needed on this property and the current market conditions.....". They also noted the four comparables submitted by the landlords' agents.

The tenants had not provided their opinion of the current reasonable market rental value of the property.

After carefully considering the parties' evidence and applying their own knowledge and experience the Committee concluded that the appropriate open market rent for the repaired and improved property would be £550 p.c.m. They then deducted £25 p.c.m. to reflect the disadvantage of the ground floor bathroom and £105 p.c.m. for the condition of the property and the basic nature of the kitchen units.

In conclusion the Committee assessed the current reasonable open market rent for the property in the sum of £420 p.c.m exclusive of water charges, council tax and environmental rates. This rent to take effect from the 1st. October 2004, being the date specified by the landlord in her two notices of increase [as the Committee were satisfied that no undue hardship would be caused to the tenants].

Chairman



Dated 22ND. Nov. 2004

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.