

**Eastern Rent Assessment Panel**

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**Residential  
Property**  
TRIBUNAL SERVICE

**SUMMARY STATEMENT OF REASONS**  
**for the decision of the Committee which met on 21 February 2006**  
**to determine a FAIR RENT in respect of**  
**Flat B, 6 Pallister Road, Clacton-on-Sea, Essex CO15 1PQ**

**Ref. No.** CAM/22UN/F77/2006/0012

**Landlord:** Mr S Nicholas

**Tenant:** Mr E Bianchi

**Rent at date of Application:** £50.00 per week

**Rent proposed by Applicant:** £70.00 per week

**Rent determined by Rent Officer:** £55.50 per week (£58.00 per week before capping)

**Rent determined by Committee:** £56.00 per week (£60.00 per week before capping)

**MEMBERS OF THE COMMITTEE:** **Mr G M Jones - Chairman**  
**Mr R Marshall FRICS FAAV**  
**Mr R S Rehahn**

**THE PROPERTY** The Committee was unable to gain entry to the flat but inspected the exterior of the property in the presence of the landlord and found it to be generally as described in the Rent Register. It is a fairly basic self-contained first floor studio apartment above shop premises. It is now let unfurnished apart from a cooker. Space heating is by tenant's appliances.

**CONDITION** The exterior of the property appeared to be in fairly good condition. The Committee relied upon the Rent Officer's survey report of 14 December 2005, which contains a plan with dimensions and describes the flat in general terms. Flats A and B, the exterior the common parts have recently been redecorated and repairs carried out to the roof, all at the landlord's expense.

**TENANT'S  
IMPROVEMENTS** Shower above bath.

**LOCATION** In central Clacton not far from the pier.

## SCARCITY

In the experience of the Committee, scarcity in the wider locality (the Tendring peninsular) for this type of property justifies a deduction of 10%.

## 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 (including the Rent Officer's Market Evidence Report) and the Committee's own knowledge and experience, the open market rent for the property, if let on assured shorthold terms, fully modernised and in good order throughout, with central heating, double-glazing and carpets, curtains and white goods, would be £78.00 per week.

## COMMITTEE'S CALCULATIONS

Open market rent	£78.00 per week
Less global deduction for age, character, size, condition, lack of modern facilities and tenant's improvements 15%	<u>£11.70</u>
Adjusted open market rent for this property	£66.30
Reduction for scarcity 10%	<u>£ 6.63</u>
Rounding slightly, uncapped "fair rent"	£59.67
	<b><u>£60.00 per week</u></b>

## THE RENT ACTS (MAXIMUM FAIR RENT) ORDER 1999

The maximum fair rent calculated in accordance with the formula set out in the Order is £56.00 per week. The Committee considered whether the landlord's works were of sufficient rental value to exempt the rent from capping and concluded that 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 **£56.00 per week**.

**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.