

Rent Assessment Committee: Summary reasons for decision. Rent Act 1977

Address of Premises

69, Carlton Crescent
Luton
Bedfordshire
LU3 1EP

The Committee members were

Mrs H Bowers BSc(Econ) MSc MRICS
Miss M Krisko BSc(Est Man) FRICS
Mr D Wilson

1. Background

On 18th August 2004 the landlord applied to the rent officer for registration of a fair rent of £980 per calendar month for the above property.

The rent payable at the time of the application was £75.50 per week.

The rent was previously registered on 1st October 2002 with effect from 30th October 2002 at £75.50 per week following a determination by the rent officer.

On 14th September 2004 the rent officer registered a fair rent of £83.50 per week with effect from 30th October 2004.

By a letter dated 24th September 2004 the landlord objected to the rent determined by the Rent Officer and the matter was referred to the Rent Assessment Committee.

2. Inspection

The Committee inspected the property on 25th November 2004 and found it to be in fair condition as described more particularly in the Rent Officer's survey sheet which had been copied to the parties.

The following tenant's improvements had been made to the property; wiring and refurbishment of the kitchen.

3. Evidence

The Committee received written representations from the tenant and these were copied to the landlord. No written representations were received from the landlord.

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

4. The law

A summary of the relevant law is attached to this document.

5. Valuation

Thus in the first instance the Committee determined what rent the landlord could reasonably be expected to obtain for the property in the open market if it were let today in the condition that is considered usual for such an open market letting. It did this by having regard to the Committee's own general knowledge of market rent levels in the area of Luton. Having done so it concluded that such a likely market rent would be £650 per calendar month.

However, the actual property is not in the condition considered usual for a modern letting at a market rent. Therefore it was first necessary to adjust that hypothetical rent of £650 per calendar month to allow for the differences between the condition considered usual for such a letting and the condition of the actual property as observed by the Committee (disregarding the effect of any disrepair or other defect attributable to the tenant or any predecessor in title). The Committee considered that this required a deduction of £227.50 per calendar month.

The Committee found that there was substantial scarcity in the locality and therefore deducted a further sum of £42 per calendar month from the market rent to reflect this element.

This leaves a net market rent for the subject property of £380.50 per calendar month and this equates to £88 per week.

6. Decision

The fair rent initially determined by the Committee, for the purposes of section 70, was accordingly £88 per week.

However, by virtue of the Rent Acts (Maximum Fair Rent) Order 1999 the maximum fair rent that can be registered in the present case is the lower sum of £84 per week (Details are provided on the back of the decision form).

Accordingly the sum of £84 per week will be registered as the fair rent with effect from 25th November 2004 being the date of the Committee's decision.

Chairman



Dated

29/11/04

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 at the Panel Office which must be made within 21 days from the date of issue of this document.