**Southern Rent Assessment Panel** 

File Ref No.

CHI/29UN/MDR/2005/0002

Rent Assessment Committee: Reasons for decision.

**Housing Act 1988** 

#### **Address of Premises**

5 Carlton Avenue Ramsgate

Kent

CT11 9BP

# The Committee members were

Mr. R. Norman (Chairman)

Lady Davies FRICS

Ms L. Farrier

## 1. Background

On 17th February 2005 an application for determination of a rent under an assured shorthold tenancy under section 22 (1) of the Housing Act 1988 ("the Act") was received from the tenant of the above property.

The tenancy commenced on 26th November 2004 for a term of six months. The tenant remains in occupation as a statutory periodic tenant. The current rent is £1,100 per calendar month.

## 2. Inspection

The Committee inspected the property on 10th June 2005 in the presence of the landlord and the tenant and the matters mentioned in the representations and correspondence copied to us were pointed out to us.

## 3. The law

In accordance with the terms of Section 22 (1) of the Act the application is for a determination of the rent which, in the committee's opinion, the landlord might reasonably be expected to obtain under the assured shorthold tenancy.

Section 22 (3) of the Act provides that the committee shall not make such a determination unless they consider-

- (a) that there is a sufficient number of similar dwelling-houses in the locality let on assured tenancies (whether shorthold or not); and
- (b) that the rent payable under the assured shorthold tenancy in question is significantly higher than the rent which the landlord might reasonably be expected to be able to obtain under the tenancy, having regard to the level of rents payable under the tenancies referred to in paragraph (a) above.

Under Section 22 (4)(a) of the Act the determination shall have effect from such date as the committee may direct, not being earlier than the date of the application.

## 4. Evidence

The committee received written representations from the landlord and tenant and these were copied to the parties.

A hearing was held at 11.30 am on 10th June 2005 in Broadstairs at which oral representations were made by the landlord and the tenant.

At the hearing we explained to the parties the law as set out in Section 3 above and we received their representations in respect of the number of similar dwelling-houses in the locality let on assured tenancies (whether shorthold or not) and the area which should be taken to be "the locality". The parties gave evidence of their knowledge of the rental housing market in Thanet and drew our attention to the differences in rental values in different parts of that area.

The tenant stated that the property was in much the same state when we inspected as when she made her application, except that a window in the covered way had fallen out.

The tenant considered that the rent should be £800 per calendar month.

The landlord stated that before the tenancy began he had been advised by one letting agent that the rent should be £1,300 per calendar month and by another that the rent should be £1,350 per calendar month. The tenant disputed that the landlord had received such advice but neither party had written evidence in support of their statements.

## 5. The decision

The Committee determined that "the locality" for the purposes of Section 22 (3)(a) should be Thanet because that was a distinct part of Kent where there were many properties let on assured tenancies, whether shorthold or not, and that it was from that area that tenants for the subject property were likely to be found. There were, as would be expected, differences in the rents which could be achieved in different parts of that area; some parts being more attractive than others.

We found that there was a sufficient number of similar dwelling-houses in the locality let on assured tenancies (whether shorthold or not) and that therefore the provisions of Section 22 (3)(a) were satisfied.

However, we found that the rent payable under the assured shorthold tenancy in question was not significantly higher than the rent which the landlord might reasonably be expected to be able to obtain under the tenancy, having regard to the level of rents payable under the tenancies of similar dwelling-houses in the locality let on assured tenancies (whether shorthold or not).

Consequently because of the operation of Section 22 (3)(b) of the Act the Committee were not able to make a determination under Section 22 (1).

Chairman	K. Name	· · _ · ·	
Dated	10 06 05		