

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

**Address of Premises**

Court Lodge  
Old Romney  
Romney Marsh  
Kent  
TN29 9SW

**The Committee members were**

P B Langford MA LLB (Chairman)  
Mr J N Cleverton FRICS

**1. Background**

On 7 January 2004 Messrs Hallett & Co, Solicitors for the tenant of the above property referred to the Committee a notice of increase of rent served by the landlord under section 13 of the Housing Act 1988.

The landlord's notice, which proposed a rent of £800.00 per calendar month with effect from 15 January 2004 is dated 11 December 2003.

The tenancy is a monthly periodic tenancy, which commenced on 15<sup>th</sup> April 1997. The current rent is £350.00 per month

**2. Inspection**

The Committee inspected the property on 10<sup>th</sup> March 2004 and found it to be in good condition. The house had oil-fired central heating, new bathroom, new kitchen, and new windows and appeared to be well maintained, except that one flank wall needed re-pointing and areas of the roof needed overhauling.

The following qualifying tenant's improvements had been made to the property.

Central heating- new boiler installed, new oil storage tank and all but one radiator added. New bathroom installed, new kitchen installed in formerly empty room. Dining room re-fitted and old fitted kitchen removed and surface piping buried in. Sitting room enlarged and fireplace opened up. New windows (but landlord paid for materials). All internal doors replaced. Carpeting throughout and tiling. Providing increased number of electrical sockets and replaced old light fittings. Provision of large summer house and an additional garage and separate work shop.

**3. Evidence**

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

A hearing was held at Ashford Civic Centre on 10<sup>th</sup> March 2004 at 2.30 pm at which oral representations were made on behalf of the landlord and by the tenant.

#### **4. The law**

In accordance with the terms of section 14 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(1), ignored the effect on the rental value of the property of any relevant tenant's improvements as defined in section 14(2) of that Act.

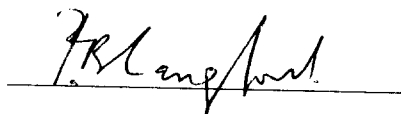
In coming to its decision the Committee had regard to the evidence supplied by the parties/ and the members' own general knowledge of market rent levels in the area of Old Romney and New Romney and concluded that an appropriate market rent for the property would be £500 per month.

#### **5. The decision**

The Committee therefore concluded that the rent at which the property might reasonably be expected to be let on the open market would be £500 per month.

This rent will take effect from 15<sup>th</sup> January 2004, being the date specified by the landlord in the notice of increase.\*

Chairman



Dated 17<sup>th</sup> March 2004

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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.

**COURT LODGE, OLD ROMNEY, ROMNEY MARSH, KENT TN29 9SW**

**1. Background**

On 7 January 2004 Messrs Hallett & Co, Solicitors for the tenant of the above property referred to the Committee a notice of increase of rent served by the landlord under Section 13 of the Housing Act 1988.

The landlord's notice, which proposed a rent of £800.00 per calendar month with effect from 15 January 2004 is dated 11 December 2003.

The tenancy is a monthly periodic tenancy, which commenced on 15 April 1997. The current rent is £350.00 per month.

**2. Inspection**

The Committee inspected the property on 10 March 2004. It is situated in an isolated rural position about one mile south of Old Romney. The house was detached and had a garden, two garages and a lock-up, as well as a large summerhouse with decking. On the inside, there were two reception rooms, a kitchen and bathroom/wc. On the first floor there were three bedrooms. The house had oil-fired central heating and new windows, and appeared to be well maintained, except that one flank wall needed repointing and areas of the roof needed overhauling. The kitchen and bathroom had obviously been refurbished in recent years and the interior of the property was well maintained.

**3. The Hearing**

Following the inspection, a hearing was held in the afternoon at Ashford Civic Centre. The Tenants, Mrs Carol Martin and Mr Raymond Clark, were present in person. The Landlord, Mr R J Finn-Kelcey, was represented by Mr G M Hirst from the firm of Surveyors and Valuers, Angela Hirst.

4. The Tenants had made written representations before the hearing and at the hearing took the opportunity of expanding on those written representations. The Tenant made the following main points:-

In 1997 she, Mrs Martin, had advertised for a house to rent with a view to buying it eventually. Mr Jonathan Finn-Kelcey contacted her as a result of that advertisement and offered her the tenancy at Court Lodge. All dealings were with Jonathan Finn-Kelcey, who appeared to be acting with the authority of his father. It was always understood that his father was the owner of the property and Jonathan Finn-Kelcey held out the prospect that at some stage his father would probably sell the property.

5. The house was then in a very basic condition. Much work needed to be done and it was always difficult to get hold of Mr Jonathan Finn-Kelcey to arrange for work to be done. Thus they had carried out various work at the property over the years without first agreeing the details with Mr Jonathan Finn-Kelcey but, when they had spoken, he had always confirmed that it was in order for them to have done the work. They had done the work in the knowledge that they would have an opportunity of buying the property in due course. In 1997 there had been an old oil-fired Rayburn cooker/water heater and there had been just one radiator in the dining room. They had now installed full central heating throughout the house. Where the kitchen was now situated had been just a simple room with bare brick walls. All the kitchen fittings had been installed by them. What had been the old downstairs w.c. had been an unpleasant room which the previous tenant had used for the purpose of hanging birds he had shot. Now that room housed the central heating boiler and provided a cupboard where coats could be hung. They had improved the dining room by putting wood panelling on the walls and boxing in exposed piping. The original kitchen fittings had been removed from the dining room. The sitting room had been enlarged and the fireplace opened up. New French windows had been fitted. All windows in the house had been replaced but the Landlord had contributed to this by paying for the cost of materials. The Tenants had carpeted and tiled floors and had improved the electrical system by

inserting additional sockets and replacing light fittings. All internal doors dating from the 1950s had been replaced with pine doors. Externally, they had provided a new oil tank and the stand upon which it stood. Additionally they had built a large summerhouse with decking along the rear of the house, extended the existing garage and built a second one, built a workshop and landscaped the gardens, provided a new front door and new double wrought iron gates to the drive. Bearing in mind these improvements to the property, the rental value had obviously increased substantially since the tenancy began in 1997. However, if these improvements were disregarded, then the rent would not have increased by anything like as much as the Landlords were now demanding. Mrs Martin thought that a fair rent would now be £450 per month.

6. Mrs Martin said that originally she had arranged with Mr Jonathan Finn-Kelcey for the adjoining field to be included in the tenancy, as she required this for the use of her goats. However the farm manager subsequently informed her that this field had nothing to do with Court Lodge. She had accepted that but thereafter the farm manager said that field had become vacant and she could now have it for the purposes of her goats. She had therefore agreed to pay a separate rent for that field but had always understood that it no longer formed part of her tenancy. There had been negotiations during the last year for the purchase of the house from Mr R J Finn-Kelcey, but they had come to nothing.
7. The Landlord had also, through Angela Hirst, submitted written representations prior to the hearing and Mr Hirst amplified these at the hearing. The main points he made were that permission had not been given to the Tenants for any of the improvements, other than for the window replacement and chimney stack repairs. The Tenants had had the benefit of the works they had undertaken and their rent had not been increased. The holding of the rent to its original level was a saving to the Tenants which would have covered the cost of the improvement works they had undertaken. He accepted that at the start of the tenancy there was only a single garage and that all additional buildings apart from this garage and the main

house had been erected by the Tenants. In asking for a rent of £800 per month, they had in mind three comparable properties in the locality. These were Slinches Farmhouse, New Romney, a detached three bedroom farmhouse with oil-fired central heating which had been let at £800 per month in October 2003; North Forwarding Bungalow, St Mary in the Marsh, Romney Marsh, a detached three-bedroom bungalow with double-glazed windows, three bedrooms and oil-fired central heating, let at £850 per month on 2 February 2004; and New Building Farmhouse, Brookland, Romney Marsh, a detached three-bedroom property with a Rayburn and one radiator, which had been let at £650 per month on 1 November 2002.

## **8. Consideration**

### **(1) The Law**

In accordance with the terms of section 14 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(1), ignored the effect on the rental value of the property of any relevant tenant's improvements as defined in section 14(2) of that Act.

### **(2) Factual Consideration**

One of the main points in the case was to determine the extent of the relevant tenant's improvements. The reason for this was that the list of improvements which we have referred to above and which were set out in the Tenant's written representations, was very extensive. Without those improvements, the property would indeed be very basic. In fact the Landlord did not really challenge the fact that the Tenant had undertaken these works. The only point which he sought to make was that nearly all the improvements had not been authorised. We are however not concerned with whether the improvements had been authorised. The

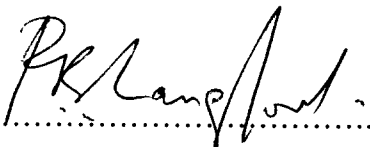
point which we have to determine is whether the works undertaken by the Tenants and claimed as improvements were works which were required to be undertaken by the Tenants pursuant to an obligation in the tenancy agreement or whether alternatively the works undertaken were purely voluntary on their part. The fact that the Landlord claimed that the works undertaken by the Tenants were not authorised supported the Tenants in their claim that the works were undertaken on a purely voluntary basis by them. The result was that these works had to be disregarded and we had to visualize the property without the benefit of those improvements when we assessed the rent.

Certainly, disregarding the tenant's improvements, it appeared to us that Court Lodge would be an inferior property to the three "comparables" which Mr Hirst had brought to our attention.

In the light of the evidence supplied and, applying our own knowledge and experience in the Romney Marsh area, we concluded that the appropriate market rent for Court Lodge would be £500 per month.

**9. Decision**

The Committee therefore concluded that the rent at which the property might reasonably be expected to be let on the open market would be £500 per month. This rent will take effect from 15 January 2004 being the date specified by the Landlord in the notice of increase.

A handwritten signature in black ink, appearing to read 'P B Langford', is written over a horizontal dotted line.

P B LANGFORD (Chairman)

Dated: 30<sup>th</sup> April 2004